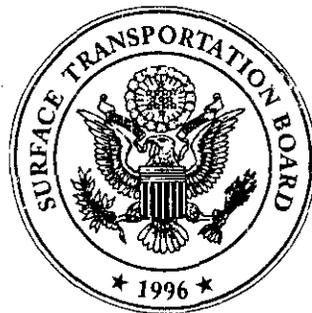


# Class I Railroad Annual Report

<p>RC000388 SOO LINE 101137700</p> <p>Effective June 1, 2012</p> <p><b>SOO LINE CORPORATION</b></p> <p><b>120 SOUTH 6<sup>TH</sup> STREET</b></p> <p><b>MINNEAPOLIS, MN 55402</b></p>	<p>RC000388 SOO LINE 101137700</p> <p><b>SOO LINE CORPORATION</b></p> <p><b>501 MARQUETTE AVENUE</b></p> <p><b>MINNEAPOLIS, MN 55402</b></p>
<p>Correct name and address if different than shown</p>	<p>Full name and address of reporting carrier (Use mailing label on original, copy in full on duplicate)</p>



**To The  
Surface Transportation Board**

**For the Year Ending December 31, 2011**

# NOTICE

1. This report is required for every class I railroad operating within the United States. Three copies of this Annual Report should be completed. Two of the copies must be filed with the Surface Transportation Board, Office of Economics, Environmental Analysis, and Administration, The Mercury Building, 1925 K St. N.W., Suite 500, Washington, DC 20423, by March 31 of the year following that for which the report is made. One copy should be retained by the carrier.
2. Every inquiry must be definitely answered. Where the word "none" truly and completely states the fact, it should be given as the answer. If any inquiry is inapplicable, the words "not applicable" should be used.
3. Wherever the space provided in the schedules is insufficient to permit a full and complete statement of the requested information, inserts should be prepared and appropriately identified by the number of the schedule.
4. All entries should be made in a permanent black ink or typed. Those of a contrary character must be indicated in parenthesis. Items of an unusual character must be indicated by appropriate symbols and explained in footnotes.
5. Money items, except averages, throughout the annual report form should be shown in thousands of dollars adjusted to accord with footings. Totals for amounts reported in subsidiary accounts included in supporting schedules must be in agreement with related primary accounts. For purposes of rounding, amounts of \$500 but less than \$1,000 should be raised to the nearest thousand dollars, and amounts of less than \$500 should be lowered.
6. Except where the context clearly indicates some other meaning, the following terms when used in this Form have the following meanings:
  - (a) Board means *Surface Transportation Board*.
  - (b) Respondent means *the person or corporation in whose behalf the report is made*.
  - (c) Year means *the year ended December 31 for which the report is being made*.
  - (d) Close of the Year means *the close of business on December 31 for the year in which the report is being made*. If the report is made for a shorter period than one year, it means *the close of the period covered by the report*.
  - (e) Beginning of the Year means *the beginning of business on January 1 of the year for which the report is being made*. If the report is made for a shorter period than one year, it means *the beginning of that period*.
  - (f) Preceding Year means *the year ended December 31 of the year preceding the year for which the report is made*.
  - (g) The Uniform System of Accounts for Railroad Companies means *the system of accounts in Part 1201 of Title 49, Code of Federal Regulations, as amended*.
7. The ICC Termination Act of 1995 abolished the Interstate Commerce Commission and replaced it with the Surface Transportation Board. Any references to the Interstate Commerce Commission or Commission contained in this report refer to the Surface Transportation Board.
8. Any references to the Bureau of Accounts or the Office of Economics contained in this report refer to the Office of Economics, Environmental Analysis, and Administration of the Surface Transportation Board.
9. NOTE - An additional line has been added to Schedule 755 (Line 134) effective with the 2004 R-1. Also note that the instructions for completion of Schedule 755 now have two additional items (Instructions U and V).
10. NOTE - The columns in Schedule 710-Distribution of Locomotive Units In Service of Respondent At Close Of Year, Disregarding Year Of Rebuilding have been revised to reflect new five year periods.
11. NOTE - The following supplemental information about STB information collections is provided in compliance with OMB requirements and pursuant to the Paperwork Reduction Act of 1995, 44 U.S.C. 3501 et seq.:

# ANNUAL REPORT

OF

## SOO LINE CORPORATION

TO THE

### SURFACE TRANSPORTATION BOARD

FOR THE

YEAR ENDED DECEMBER 31, 2011

Name, official title, telephone number, and office address of officer in charge of correspondence with the Board regarding this report:

(Name) JOHN J. HUBER

(Title) VP Finance and Controller

(Telephone number)

(612) 851-5629

(area code) (telephone number)

(Office address) January-May 2012

501 MARQUETTE AVENUE, SUITE 1425, MINNEAPOLIS, MN 55402

After May 2012

120 SOUTH 6TH STREET, 7TH FLOOR, MINNEAPOLIS, MN 55402

(street and number, city, state, and zip code)



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## SPECIAL NOTICE

Docket No. 38559, Railroad Classification Index, (ICC served January 20, 1983), modified the reporting requirements for Class II, Class III, and Switching and Terminal Companies. These carriers will notify the Board only if the calculation results in a different revenue level than its current classification.

The dark borders on the schedules represent data that are captured by the Board.

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It is estimated that an average of 800 burden hours per response are required to complete this collection of information. This estimate includes time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Comments concerning the accuracy of this burden estimate or suggestions for reducing this burden should be directed to the Office of the Secretary, Surface Transportation Board.

**A. SCHEDULES OMITTED BY RESPONDENT**

1. The respondent, at its option, may omit pages from this report provided there is nothing to report or the schedules are not applicable.
2. Show the pages excluded, as well as the schedule number and title in the space provided below.
3. If no schedules were omitted, indicate "NONE."

Page	Schedule No.	Title
		NONE

**B. IDENTITY OF RESPONDENT**

Answers to the questions asked should be made in full, without reference to data returned on the corresponding page of previous reports. In case any changes of the nature referred to under Inquiry 4 on this page have taken place during the year covered by this report, *they should be explained in full detail.*

1. Give the exact name of the respondent in full. Use the words "The" and "Company" only when they are parts of the corporate name. Be careful to distinguish between *railroad* and *railway*. The corporate name should be given uniformly throughout the report, notably on the cover, on the title page, and in the "Verification." If the report is made by receivers, trustees, a committee of bondholders, or individuals otherwise in possession of the property, state names and facts with precision. If the report is for a consolidated group, pursuant to Special Permission from the Board, indicate such fact on line 1 below and list the consolidated group on page 4.
2. If incorporated under a special charter, give date of passage of the act; if under a general law, give date of filing certificate of organization; if a reorganization has been effected, give date of reorganization. If a receivership or other trust, also give date when such receivership or other possession began. If a partnership, give date of formation and also names in full of present partners.
3. State the occasion for the reorganization, whether by reason of foreclosure of mortgage or otherwise, according to the fact. Give date of organization of original corporation and refer to laws under which organized.

1. Exact Name of common carrier making this report:

**Soo Line Corporation**

2. Date of incorporation:

**February 4, 1983**

3. Under laws of what Government, State, or Territory organized? If more than one, name all. If in bankruptcy, give court of jurisdiction and dates of beginning of receivership and of appointment of receivers or trustees:

**Incorporated under the Minnesota statutes, Chapter 302A.**

4. If the respondent was reorganized during the year, involved in a consolidation or merger, or conducted its business under a different name, give full particulars:

**STOCKHOLDERS' REPORTS**

5. The respondent is required to send the Office of Economic and Environmental Analysis, immediately upon preparation, two copies of its latest annual report to stockholders.

Check appropriate box:

Two copies are attached to this report.

Two copies will be submitted on:

(date)

No annual report to stockholders is prepared.

**C. VOTING POWERS AND ELECTIONS**

1. State the par value of each share of stock: Common \$ 0.01 per share, first preferred \$ N/A per share, second preferred \$ N/A per share, debenture stock \$ N/A per share.
2. State whether or not each share of stock has the right to one vote. If not, give full particulars in a footnote Yes
3. Are voting rights proportional to holdings: Yes  
If no, state in a footnote the relation between holdings and corresponding voting rights.
4. Are voting rights attached to any securities other than stocks No . If yes, name in a footnote each security, other than stock, to which voting rights are attached (as of the close of the year), and state in detail the relation between holdings and corresponding voting rights, indicating whether voting rights are actual or contingent, and if contingent, showing the contingency.
5. Has any class or issue of securities any special privileges in the election of directors, trustees, or managers, or in the determination of corporate action by any method No . If yes, describe fully in a footnote each such class or issue and give a succinct statement showing clearly the character and extent of such privileges.
6. Give the date of the latest closing of the stock book prior to the actual filing of this report, and state the purpose of such closing  
**Stock books not closed, last compiled prior to April 9, 1990.**
7. State the total voting power of all security holders of the respondent at the date of such closing if within one year of the date of such filing; if not, state as of the close of the year 2,000 votes as of (date) December 31, 2011.
8. State the total number of stockholders of record as of the date shown in answer to inquiry No. 7: **One (1)** stockholder.
9. Give the names of the 30 security holders of the respondent who, at the date of the latest closing of the stock book or compilation of the list of stockholders of the respondent (if within one year prior to the actual filing of this report), had the highest voting powers in the respondent, showing for each, his or her address, the number of votes he or she would have had a right to cast on that date had a meeting then been in order, and the classification of the number of votes to which he or she was entitled, with respect to securities held by him or her, such securities being classified as common stock, second preferred stock, first preferred stock, and other securities (stating in a footnote the names of such other securities, if any). If any such holder held in trust, give (in a footnote) the particulars of the trust. In the case of voting trust agreements, give as supplemental information the names and addresses of the 30 largest holders of the voting trust certificates and the amount of their individual holdings. *If the stock book was not closed or the list of stockholders compiled within such year, show such 30 security holders as of the close of the year.*

Line No.	Name of security holder (a)	Address of security holder (b)	Number of votes to which security holder was entitled (c)	Number of votes, classified with respect to securities on which based			Line No.
				Stock			
				Class A Common (d)	Preferred Second (e)	First (f)	
1	Canadian Pacific	401 - 9th Avenue S.W.	2,000	2,000	N/A	N/A	1
2	Management, Inc.	Suite 920					2
3		Calgary, Alberta, Canada					3
4		T2P 4Z4					4
5							5
6							6
7							7
8							8
9							9
10							10
11							11
12							12
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28							28
29							29
30							30

**C. VOTING POWERS AND ELECTIONS - Continued**

10. State the total number of votes cast at the latest general meeting for the election of directors of the respondent: 2,000 votes cast.
11. Give the date of such meeting: August 4, 2011
12. Give the place of such meeting: N/A\*

\* This was an Action in Writing by sole shareholder in lieu of a Meeting.

**NOTES AND REMARKS**

The consolidated financial statements and supporting schedules included in this annual report include Soo Line Corporation (SOO) and the following subsidiaries:

Soo Line Railroad Company (SLRR)  
Soo System Radio Communications Corporation  
Dakota, Minnesota & Eastern Railroad Corporation (DME)  
Wyoming Dakota Railroad Properties, Inc.  
Soo Line Holding Company  
Delaware and Hudson Railway Company, Inc. (DH)  
Wilkes Barre Connecting Railroad Company  
Northern Coal and Iron Company  
Albany & Vermont Railroad Company  
Saratoga & Schenectady Railroad Company  
CPR Locomotive Equity Company  
Soo Green Holding LLC  
Canadian Pacific PTC LLC

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION - ASSETS						
(Dollars in Thousands)						
Line No.	Cross Check	Account	Title (a)	Balance at close of year (b)	Balance at beginning of year (c)	Line No.
Current Assets						
1		701	Cash	12,662	28,731	1
2		702	Temporary Cash Investments	0	231,300	2
3		703	Special Deposits	0	0	3
Accounts Receivable						
4		704	- Loan and Notes	0	0	4
5		705	- Interline and Other Balances	2,398	1,711	5
6		706	- Customers	80,637	71,180	6
7		707	- Other	17,026	14,745	7
8		709, 708	- Accrued Accounts Receivables	31,495	26,634	8
9		708.5	- Receivables from Affiliated Companies	42,179	41,918	9
10		709.5	- Less: Allowance for Uncollectible Accounts	(10,995)	(6,658)	10
11		710, 711, 714	Working Funds, Prepayments & Deferred Income Tax Debits	46,057	75,984	11
12		712	Materials and Supplies	25,447	27,734	12
13		713	Other Current Assets	3,293	1,646	13
14			TOTAL CURRENT ASSETS	250,199	514,925	14
Other Assets						
15		715, 716, 717	Special Funds	0	0	15
16		721, 721.5	Investments and Advances Affiliated Companies (Schedule 310 and 310A)	433,404	153,486	16
17		722, 723	Other Investments and Advances	0	0	17
18		724	Allowances for Net Unrealized Loss on Noncurrent Marketable Equity Securities-Cr.	0	0	18
19		737, 738	Property Used in Other than Carrier Operation (less Depreciation) \$ 0	1,287	1,287	19
20		739, 741	Other Assets	193,273	193,873	20
21		743	Other Deferred Debits	13,164	14,147	21
22		744	Accumulated Deferred Income Tax Debits	0	0	22
23			TOTAL OTHER ASSETS	641,128	362,793	23
Road and Equipment						
24		731, 732	Road (Schedule 330) L-30 Col. h & b	3,755,920	3,609,049	24
25		731, 732	Equipment (Schedule 330) L-39 Col. h & b	719,560	712,816	25
26		731, 732	Unallocated Items	290,876	183,841	26
27		733, 735	Accumulated Depreciation and Amortization (Schedules 335, 342, 351)	(876,425)	(802,671)	27
28			NET ROAD AND EQUIPMENT	3,889,931	3,703,035	28
29			TOTAL ASSETS	4,781,258	4,580,753	29

## NOTES AND REMARKS

**200. COMPARATIVE STATEMENT OF FINANCIAL POSITION - LIABILITIES AND SHAREHOLDERS' EQUITY**  
(Dollars in thousands)

Line No.	Cross Check	Account	Title (a)	Balance at close of year (b)	Balance at beginning of year (c)	Line No.
Current Liabilities						
30		751	Loans and Notes Payable	2,195	0	30
31		752	Accounts Payable: Interline and Other Balances	16,672	2,985	31
32		753	Audited Accounts and Wages	44,411	20,170	32
33		754	Other Accounts Payable	2,164	785	33
34		755, 756	Interest and Dividends Payable	3,496	3,624	34
35		757	Payables to Affiliated Companies	54,459	42,467	35
36		759	Accrued Accounts Payable	193,845	169,969	36
37		760, 761, 761.5, 762	Taxes Accrued	23,946	19,400	37
38		763	Other Current Liabilities	12,990	14,053	38
39		764	Equipment Obligations and Other Long-Term Debt due Within One Year	5,930	6,124	39
40			<b>TOTAL CURRENT LIABILITIES</b>	<b>360,108</b>	<b>279,577</b>	<b>40</b>
Non-Current Liabilities						
41		765, 767	Funded Debt Unmatured	3,248	3,805	41
42		766	Equipment Obligations	96,571	100,382	42
43		766.5	Capitalized Lease Obligations	4,078	5,539	43
44		768	Debt in Default	0	0	44
45		769	Accounts Payable: Affiliated Companies	1,298,600	1,298,600	45
46		770.1, 770.2	Unamortized Debt Premium	0	0	46
47		781	Interest in Default	0	0	47
48		783	Deferred Revenues-Transfers from Government Authorities	30,941	31,331	48
49		786	Accumulated Deferred Income Tax Credits	1,132,870	1,105,164	49
50		771, 772, 774, 775, 782, 784	Other Long-Term Liabilities and Deferred Credits	192,124	183,143	50
51			<b>TOTAL NONCURRENT LIABILITIES</b>	<b>2,758,432</b>	<b>2,727,964</b>	<b>51</b>
Shareholders' Equity						
52		791, 792	Total Capital Stock (Schedule 230)	0	0	52
53			Common Stock	0	0	53
54			Preferred Stock	0	0	54
55			Discount on Capital Stock	0	0	55
56		794, 795	Additional Capital (Schedule 230)	984,254	981,591	56
57		797	Retained Earnings: Appropriated	0	0	57
58		798	Unappropriated (Schedule 220)	678,464	591,621	58
59		798.1	Net Unrealized Loss on Noncurrent Marketing Equity Securities	0	0	59
60		798.5	Less Treasury Stock	0	0	60
61			<b>Net Shareholders' Equity</b>	<b>1,662,718</b>	<b>1,573,212</b>	<b>61</b>
62			<b>TOTAL LIABILITIES &amp; SHAREHOLDERS' EQUITY</b>	<b>4,781,258</b>	<b>4,580,753</b>	<b>62</b>

NOTES AND REMARKS

**200. COMPARATIVE STATEMENT OF FINANCIAL POSITION - EXPLANATORY NOTES**

(Dollars in thousands)

The notes listed below are provided to disclose supplementary information on matters which have an important effect on the financial condition of the carrier. The carrier shall give the particulars called for herein and where there is nothing to report, insert the word "none", and in addition thereto shall enter in separate notes with suitable particulars other matters involving material amounts of the character commonly disclosed in financial statements under generally accepted accounting principles, except as shown in other schedules. This includes statements explaining (1) service interruption insurance policies and indicating the amount of indemnity to which respondent will be entitled for work stoppage losses and the maximum amount of additional premium respondent may be obligated to pay in the event such losses are sustained by other railroads; (2) particulars concerning obligations for stock purchase options granted to officers and employees; and (3) what entries have been made for net income or retained income restricted under provisions of mortgages and other arrangements.

1. Amount (estimated, if necessary) of net income or retained income which has to be provided for capital expenditures, and for sinking funds, pursuant to provisions of reorganization plans, mortgages, deeds of trust, or other contracts: \$ **N/A**
2. Estimated amount of future earnings which can be realized before paying Federal income taxes because of unused and available net operating loss carryover on January 1 of the year following that for which the report is made: **See Schedule 450 Footnotes, Page 64.**
3. (a) Explain the procedure in accounting for pension funds and recording in the accounts the current and past service pension costs, indicating whether or not consistent with the prior year: **See Note 10 on Pages 9, 10, 11 and 12.**
  - (b) State amount, if any, representing the excess of the actuarially computed value of vested benefits over the total of the pension fund: **See Note 10 on Pages 9, 10, 11 and 12.**
  - (c) Is any part of pension plan funded? Specify: **Yes X No**
    - (i) If funding is by insurance, give name of insuring company **N/A**
    - If funding is by trust agent, list trustee(s) **U.S. Bank National Association for defined benefit plans. Wells Fargo & Company for defined contribution plan.**  
Date of trust agreement or latest amendment **Defined benefit plan: February 17, 1988; UTU Pension Plan: February 6, 1996; Defined contribution plan: December 30, 2010**  
If respondent is affiliated in any way with the trustee(s), explain affiliation **N/A**
  - (d) List affiliated companies which are included in the pension plan funding agreement and describe basis for allocating charges under the agreement. **N/A**
  - (e) (i) Is any part of the pension plan fund invested in stock or other securities of the respondent or any of its affiliates? Specify: **Yes No X**  
If yes, give number of the shares for each class of stock or other security **N/A**
  - (ii) Are voting rights attached to any securities held by the pension plan? Specify: **Yes X No**  
if yes, who determines how stock is voted? **Investment Manager**
4. State whether a segregated political fund has been established as provided by the Federal Election Campaign Act of 1971 (18 U.S.C. 610): **Yes No X**
5. (a) The amount of employers contribution to employee stock ownership plans for the current year was: \$ **368**
  - (b) The amount of investment tax credit used to reduce current income tax expense resulting from contributions to qualified employee stock ownership plans for the current year was: \$ **N/A**
6. In reference to Docket No. 37465, specify the total amount of business entertainment expenditures charged to the non-operating expense account: \$ **N/A**

Continued on following page

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION - EXPLANATORY NOTES - Continued

7. Give particulars with respect to contingent assets and liabilities at the close of the year, in accordance with instructions 5-6 in the Uniform System of Accounts for Railroad Companies, that are not reflected in the amounts of the respondent.

Disclose the nature and amount of contingency that is material.

Examples of contingent liabilities are items which may become obligations as a result of pending or threatened litigation, assessments or possible assessments of additional taxes and agreements or obligations to repurchase securities or property. Additional pages may be added if more space is needed. (Explain and/or reference to the following pages.)

See Footnote 9 on Page 9.

(a) Changes in Valuation Accounts.

N/A

8. Marketable Equity Securities.

N/A

		Cost	Market	Dr (Cr) to Income	Dr (Cr) to Stockholders Equity
(Current Yr.)	Current Portfolio			None	N/A
as of / /	Noncurrent Portfolio			N/A	\$ None
(Previous Yr.)	Current Portfolio			N/A	N/A
as of / /	Noncurrent Portfolio			N/A	N/A

(b) At 12/31/11, gross unrealized gains and losses pertaining to marketable equity securities were as follows:

	Gains	Losses
Current	\$ -	\$ -
Noncurrent	-	-

(c) A net unrealized gain (loss) of \$ - on the sale of marketable equity securities was included in net income for (year). The cost of securities was based on the - (method) cost of all the shares of each security held at time of sale.

Significant net realized and net unrealized gains and losses arising after date of the financial statements but prior to the filing, applicable to marketable equity securities owned at balance sheet date shall be disclosed below:

NOTE: / / (date) Balance sheet date of reported year unless specified as previous year.

## 200. COMPARATIVE STATEMENT OF FINANCIAL POSITION - EXPLANATORY NOTES - Continued

## NOTES TO FINANCIAL STATEMENTS

## 9. COMMITMENTS AND CONTINGENT LIABILITIES

Under the requirements of the Federal Comprehensive Environmental Response, Compensation and Liability Act of 1980 ("Superfund") and comparable state laws, SOO is potentially liable for the cleanup costs of various contaminated sites identified by the U.S. Environmental Protection Agency ("EPA") and comparable state agencies. SOO has been or could be notified by the EPA and state agencies that it is a Potentially Responsible Party ("PRP") for study and cleanup costs at certain sites. In some of these instances, SOO is one of numerous PRPs. In certain cases, future environmental-related expenditures cannot be quantified due to the uncertainty of the cleanup standards, methods to be used, and the number of other PRPs involved. SOO believes its December 31, 2011 undiscounted accruals are adequate to cover known liabilities which are probable and estimable.

## 10. PENSION AND OTHER EMPLOYEE BENEFITS

SOO participates in a noncontributory defined benefit pension plan. Eligible participants include substantially all SLRR and DH employees who had an employment relationship with SLRR or DH prior to July 1, 2010 and were not covered by a collective bargaining agreement. Benefits are based on final average pay and years of service. Benefits are funded by SLRR and DH contributions, on a proportional basis, and plan earnings are consistent with funding requirements of federal law and regulations. Plan assets consist principally of a domestic stocks, fixed income securities and an international stock fund.

SLRR has a noncontributory defined benefit pension plan for eligible United Transportation Union ("UTU") employees who elected a buyout of certain compensation based work rule payments as of December 31, 1995. Under terms of the plan, upon retirement, eligible employees may elect payments in either a lump sum or an annuity. Payment is based on the eligible employee's total Annual Benefit Credits when they terminate employment with SLRR or its affiliates. Benefits are funded by SLRR contributions and plan earnings are consistent with minimum funding requirements of federal law and regulations. Plan assets consist principally of cash and receivables, mutual funds and fixed income securities.

SLRR and DH provide certain post retirement benefits other than pension consisting of major medical coverage to age 65 and life insurance, both based on age and service requirements, under two distinct plans. Under one plan, eligible participants include substantially all SLRR and DH employees who had an employment relationship with SLRR or DH prior to August 1, 2005 and are not otherwise covered by a collective bargaining agreement. SLRR, as plan sponsor, contracts individually with a third-party administrator. Refer to the tabular information below for additional disclosure information. The second plan covers essentially all SLRR and DH employees who are covered by a collective bargaining agreement. These benefits are administered by multi-employer administrator and therefore SLRR and DH recognize as net benefit retirement cost the required contributions for the period. This cost in 2011 and 2010 was \$5,654 and \$4,794, respectively.

SOO began providing a non-elective, noncontributory defined contribution pension plan for certain employees effective July 1, 2010. Persons eligible for this plan include all SLRR and DH employees hired into salaried positions after July 1, 2010 who are not currently participants in the defined benefit plan; all DME employees who were salaried employees as of July 1, 2010; and all DME employees hired into a salaried position after July 1, 2010. SOO will make an annual contribution to the plan based on a percentage of the employee's eligible compensation. The plan assets are managed by the investment manager.

SOO previously adopted the recognition and disclosure requirements of ASC 715 and 958 (previously SFAS No. 158). The following illustrates the status of each of these benefit plans as of December 31 financial statement date.

A reconciliation of the changes in benefit obligations and fair value of assets of SOO's plans is as follows:

Change in Benefit Obligation	Defined Benefit Pension Plan		UTU Pension Plan		Postretirement Other Than Pension Benefit Plans	
	2011	2010	2011	2010	2011	2010
Benefit obligation at beginning of year	\$142,160	\$138,843	\$1,611	\$1,711	\$21,798	\$26,307
Service cost	2,115	1,919	69	75	385	366
Interest cost	7,536	7,562	76	80	1,142	1,302
Participant contributions	0	0	0	0	361	279
Actuarial loss (gain)	22,750	2,271	160	(25)	4,419	(3,009)
Plan amendment	(2,950)	0	0	0	2,950	0
Benefits paid	(8,855)	(8,435)	(34)	(230)	(3,827)	(3,447)
Benefit obligation at end of year	<u>\$162,756</u>	<u>\$142,160</u>	<u>\$1,882</u>	<u>\$1,611</u>	<u>\$27,228</u>	<u>\$21,798</u>

## 200. COMPARATIVE STATEMENT OF FINANCIAL POSITION - EXPLANATORY NOTES - Continued

## NOTES TO FINANCIAL STATEMENTS

## 10. PENSION AND OTHER EMPLOYEE BENEFITS (Continued)

	Defined Benefit Pension Plan		UTU Pension Plan		Postretirement Other Than Pension Benefit Plans	
	2011	2010	2011	2010	2011	2010
Change in Plan Assets						
Fair value of plan assets at beginning of year	\$109,553	\$98,981	\$1,440	\$1,300	\$0	\$0
Actual return (loss) on plan assets	(2,615)	10,707	(36)	30	0	0
Participant contributions	0	0	0	0	361	279
Employer contribution	9,000	8,300	195	340	3,466	3,168
Benefits paid	(8,855)	(8,435)	(34)	(230)	(3,827)	(3,447)
Fair value of plan assets at end of year	<u>\$107,083</u>	<u>\$109,553</u>	<u>\$1,565</u>	<u>\$1,440</u>	<u>\$0</u>	<u>\$0</u>
Funded status at end of year	<u>(\$55,673)</u>	<u>(\$32,607)</u>	<u>(\$317)</u>	<u>(\$171)</u>	<u>(\$27,228)</u>	<u>(\$21,798)</u>

Amounts recognized in SOO's Comparative Statement of Financial Position consists of:

Noncurrent assets	\$0	\$0	\$0	\$0	\$0	\$0
Accrued benefit cost	0	0	0	(462)	(2,672)	(18,496)
Noncurrent liabilities	(55,673)	(32,607)	(317)	291	(24,556)	(3,302)
Deferred tax benefit	29,702	19,909	(28)	(111)	4,048	1,256
Accumulated other comprehensive income (loss)	48,461	32,360	(46)	(180)	6,579	2,046
Net amount recognized	<u>\$22,490</u>	<u>\$19,662</u>	<u>(\$391)</u>	<u>(\$462)</u>	<u>(\$16,601)</u>	<u>(\$18,496)</u>

Amounts recognized in SOO's accumulated other comprehensive income (pre-tax) consist of:

	Defined Benefit Pension Plan		UTU Pension Plan		Postretirement Other Than Pension Benefit Plans	
	2011	2010	2011	2010	2011	2010
Net loss (gain)	\$81,114	\$52,269	(\$74)	(\$291)	\$7,681	\$3,485
Prior service cost (credit)	(2,950)	0	0	0	2,946	(183)
	<u>\$78,164</u>	<u>\$52,269</u>	<u>(\$74)</u>	<u>(\$291)</u>	<u>\$10,627</u>	<u>\$3,302</u>

The SOO plans had accumulated benefit obligations in excess of plan assets as follows as of December 31 in the respective year:

	Defined Benefit Pension Plan		UTU Pension Plan		Postretirement Other Than Pension Benefit Plans	
	2011	2010	2011	2010	2011	2010
Projected benefit obligation	\$162,756	\$142,160	\$1,882	\$1,611	\$0	\$0
Accumulated benefit obligation	151,776	135,429	1,882	1,611	0	0
Fair value of plan assets	107,083	109,552	1,565	1,440	0	0

Weighted Average Assumptions used for period end liability

Discount rate	4.20%	5.40%	2.20%	5.40%	3.80%	5.40%
Rate of compensation increase	3.75%	3.75%	N/A	N/A	N/A	N/A

The expected long-term rate of return is generally based on the pension plan's asset mix, assumptions of equity returns based on historical long-term returns on asset categories, expectations for inflation, and estimates of the impact of active management of the assets.

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION - EXPLANATORY NOTES - Continued  
NOTES TO FINANCIAL STATEMENTS

10. PENSION AND OTHER EMPLOYEE BENEFITS (Continued)

Components of SOO's net periodic benefit cost and amounts recognized in other comprehensive income:

	Defined Benefit Pension Plan		UTU Pension Plan		Postretirement Other Than Pension Benefit Plans	
	2011	2010	2011	2010	2011	2010
Net periodic benefit cost						
Service cost	\$2,115	\$1,919	\$69	\$75	\$385	\$366
Interest cost	7,536	7,562	76	80	1,142	1,302
Expected return on plan assets	(7,832)	(7,690)	(4)	(26)	0	0
Amortization of loss (gain)	4,352	4,724	(17)	(66)	224	268
Amortization of prior service cost	0	77	0	0	(179)	(179)
Net periodic benefit cost	<u>\$6,171</u>	<u>\$6,592</u>	<u>\$124</u>	<u>\$63</u>	<u>\$1,572</u>	<u>\$1,757</u>
Other changes in plan assets and benefit obligations recognized in other comprehensive income (pre-tax)						
Net loss (gain) amortization of net actuarial loss	33,197	(746)	200	(29)	4,419	(3,008)
Prior service cost (credit)	(2,950)	0	0	0	2,950	0
Amortization of (loss) gain	(4,352)	(4,724)	17	66	(224)	(268)
Amortization of prior service (cost) credit	0	(77)	0	0	179	179
Total recognized in other comprehensive income	<u>\$25,895</u>	<u>(\$5,547)</u>	<u>\$217</u>	<u>\$37</u>	<u>\$7,324</u>	<u>(\$3,097)</u>
Total recognized in net periodic benefit cost and other comprehensive income (pre-tax)	<u><u>\$32,066</u></u>	<u><u>\$1,045</u></u>	<u><u>\$341</u></u>	<u><u>\$100</u></u>	<u><u>\$8,896</u></u>	<u><u>(\$1,340)</u></u>

Weighted Average Assumptions used for net periodic benefit cost:

Discount rate	5.40%	5.75%	5.40%	5.75%	5.40%	5.75%
Expected return on plan assets	7.75%	8.25%	4.00%	6.00%	N/A	N/A
Rate of compensation increase	3.75%	3.75%	N/A	N/A	N/A	N/A

The expected long-term rate of return is generally based on the pension plan's asset mix, assumptions of equity returns based on historical long-term returns on asset categories, expectations for inflation, and estimates of the impact of active management of the assets.

SOO's estimated net loss (gain) and prior service cost (credit) for the plans that will be amortized from accumulated other comprehensive income into net periodic benefit cost over the next fiscal year are:

	Defined Benefit Pension Plan 2012	UTU Pension Plan 2012	Postretirement Other Than Pension Benefit Plans 2012
Prior service cost (credit)	(\$320)	\$0	(\$179)
Net loss (gain)	7,040	0	545
Total	<u>\$6,720</u>	<u>\$0</u>	<u>\$366</u>

SOO's plan assets for the defined benefit pension plan and UTU pension plan as of December 31, 2011 were as follows:

	Defined Benefit Pension Plan		UTU Pension Plan	
	Amount	Percentage	Amount	Percentage
Cash and receivables	\$3,828	4%	\$912	58%
Fixed Income	45,722	43%	196	13%
Equities	57,533	53%	457	29%
	<u>\$107,083</u>	<u>100%</u>	<u>\$1,565</u>	<u>100%</u>

Assets are invested to balance the goals of maximizing long-term return and minimizing risk in a prudent manner. Target asset allocation on a long-term central tendency basis for the defined benefit pension plan is 50% equities and 50% fixed income. Plan assets do not include any SOO or Canadian Pacific Railway Company stock.

SOO presently estimates \$9.0 million in defined benefit pension fund and \$0.2 million in UTU pension fund contribution requirements in 2012.

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION - EXPLANATORY NOTES - Continued  
NOTES TO FINANCIAL STATEMENTS

10. PENSION AND OTHER EMPLOYEE BENEFITS (Continued)

The following benefit payments which reflect expected future service, as appropriate, are expected to be paid:

	Defined Benefit Pension Plan	UTU Pension Plan	Postretirement Other Than Pension Benefit Plans
2012	\$9,163	\$70	\$2,672
2013	9,558	488	2,323
2014	9,852	497	2,215
2015	10,148	218	2,259
2016	10,448	134	2,077
2017-2021	54,513	122	8,599

Assumed health care cost trends have a significant effect on the amounts reported for health care plans. The 2012 health care cost inflation rate is estimated to be 8.5% dropping to 5% by year 2019. A one-percentage point change in assumed health care cost trend rates would have the following effects:

	1-PERCENTAGE Point Increase	1-PERCENTAGE Point Decrease
Effect on total of service and interest cost components	\$148	(\$128)
Effect on postretirement benefit obligation	\$1,687	(\$1,489)

SOO provides a defined contribution pension plan to certain employees (please see page 9 for eligibility). The plan provides a pension based on employer contributions plus investment returns earned on those contributions. Employer contributions are a percentage of annual eligible employee compensation. In 2011 and 2010, the net cost of the plan, which generally equals the employer's required contribution was \$722 and \$232, respectively.

SOO provides defined contribution savings plans to several groups of employees. Participants may contribute certain percents of their annual compensation to the plans and SOO in some cases will also make a contribution on the participant's behalf. Participants are fully vested in SOO's contribution. The total annual expense for all such plans for 2011 and 2010 was \$1,482 and \$1,482, respectively.

SOO participates in certain stock-based compensation plans of Canadian Pacific Railway Company (CPRC). Under CPRC's stock option plan, options are granted to eligible employees of SOO to purchase common stock of CPRC at a price equal to the market value of the shares at the grant date. Options vest between 24 and 36 months after the grant date and expire ten years after the grant date. Performance Share Units (PSU) attract dividend equivalents in the form of additional units based on the dividends paid on the CPRC's common shares. PSUs vest and are settled in cash approximately three years after the grant date contingent upon CPRC's performance (performance factor). The expense related to the PSUs is accrued based on the price of Common Shares at the end of the period and the anticipated performance factor, over the vesting period. CPRC also has a Deferred Share Units (DSU) plan meant to compensate and assist key individuals in obtaining specific share ownership targets. DSU participants are entitled to receive at redemption a cash payment equivalent to the previous ten (10) day closing share price average. Vesting of DSU's can happen either immediately or over various periods of up to 36 months and are only redeemable to be exercised for one (1) year following the termination of employment. DSU participants may be granted a matching number of DSU's not to exceed one-third of the shares and DSU's acquired during the first six (6) months after becoming eligible under the plan, and thereafter, not to exceed one quarter. DSU participants have five (5) years to meet their ownership targets. Operating expenses associated with these plans was \$211 in 2011 and \$5,065 in 2010.

ASC 718 (previously SFAS No. 123R) requires that the cost of all share-based payments to employees, including grants of employee stock options, be recognized in the financial statements based on their fair values. That cost will be recognized as an expense over the vesting period of the award. The expense recognized in accordance with ASC 718 in 2011 and 2010 was \$210 and \$(105), respectively.

SOO also participates in CPRC's employee share purchase plan whereby both employee and SOO contributions are used to purchase CPRC shares on the open market for employees. SOO's contributions are expensed over the 15-month vesting period. Operating expense associated with the program in 2011 and 2010 was \$349 and \$227, respectively.

**200. COMPARATIVE STATEMENT OF FINANCIAL POSITION - EXPLANATORY NOTES - Continued**

**NOTES TO FINANCIAL STATEMENTS**

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200. COMPARATIVE STATEMENT OF FINANCIAL POSITION - EXPLANATORY NOTES - Continued

NOTES TO FINANCIAL STATEMENTS

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200. COMPARATIVE STATEMENT OF FINANCIAL POSITION - EXPLANATORY NOTES - Concluded

NOTES TO FINANCIAL STATEMENTS

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**210. RESULTS OF OPERATIONS**  
(Dollars in thousands)

1. Disclose requested information for the respondent pertaining to the results of operations for the year.
2. Report total operating expenses from Sched. 410. Any differences between this schedule and Sched. 410 must be explained on page 18.
3. List dividends from investments accounted for under the cost method on line No. 19, and list dividends accounted for under the equity method on line 25.
4. All contra entries hereunder should be indicated in parenthesis.

5. Cross-checks:

**Schedule 210**  
Line 15, column (b)  
Line 47, 48, 49 col (b)  
Line 50, col (b)

**Schedule 210**  
= Line 62, col (b)  
= Line 63, col (b)  
= Line 64, col (b)

Line 14, column (b)  
Line 14, column (d)  
Line 14, column (e)

**Schedule 410**  
= Line 620, col (h)  
= Line 620, col (i)  
= Line 620, col (g)

Line No.	Cross Check	Item (a)	Amount for current year (b)	Amount for preceding year (c)	Freight-related revenue & expenses (d)	Passenger-related revenue & expenses (e)	Line No.
		<b>ORDINARY ITEMS</b>					
		<b>OPERATING INCOME</b>					
		Railway Operating Income					
1		(101) Freight	1,399,224	1,267,235	1,399,224	0	1
2		(102) Passenger	0	0	0	0	2
3		(103) Passenger-Related	0	0	0	0	3
4		(104) Switching	10,691	10,413	10,691	0	4
5		(105) Water Transfers	0	0	0	0	5
6		(106) Demurrage	10,463	13,370	10,463	0	6
7		(110) Incidental	1,058	1,533	1,058	0	7
8		(121) Joint Facility-Credit	0	0	0	0	8
9		(122) Joint Facility-Debit	0	0	0	0	9
10		(501) Railway operating revenues (Exclusive of transfers from Government Authorities-lines 1-9)	1,421,436	1,292,551	1,421,436	0	10
11		(502) Railway operating revenues-Transfers from Government Authorities	0	0	0	0	11
12		(503) Railway operating revenues-Amortization of deferred transfers from Government Authorities	1,153	1,281	1,153	0	12
13		<b>TOTAL RAILWAY OPERATING REVENUES (lines 10-12)</b>	1,422,589	1,293,832	1,422,589	0	13
14		(531) Railway operating expenses	1,160,806	994,219	1,160,806	0	14
15		Net revenue from railway operations	261,783	299,613	261,783	0	15
		<b>OTHER INCOME</b>					
16		(506) Revenue from property used in other than carrier operations	0	0			16
17		(510) Miscellaneous rent income	9,915	9,991			17
18		(512) Separately operated properties-Profit	0	0			18
19		(513) Dividend Income (cost method)	2	1			19
20		(514) Interest Income	577	2,961			20
21		(516) Income from sinking and other funds	0	0			21
22		(517) Release of premiums on funded debt	0	0			22
23		(518) Reimbursements received under contracts and agreements	0	0			23
24		(519) Miscellaneous income	193	1,059			24
25		Income from affiliated companies: 519					
25		a. Dividends (equity method)	294	392			25
26		b. Equity in undistributed earnings (losses)	3,519	3,630			26
27		<b>TOTAL OTHER INCOME (lines 16-26)</b>	14,500	18,034			27
28		<b>TOTAL INCOME (lines 15, 27)</b>	276,283	317,647			28
		<b>MISCELLANEOUS DEDUCTIONS FROM INCOME</b>					
29		(534) Expenses of property used in other than carrier operations	0	0			29
30		(544) Miscellaneous taxes	0	0			30
31		(545) Separately operated properties-loss	0	0			31
32		(549) Maintenance of investment organization	0	0			32
33		(550) Income Transferred under contracts and agreements	0	0			33
34		(551) Miscellaneous income charges	3,701	6,811			34
35		(553) Uncollectible accounts	0	0			35
36		<b>TOTAL MISCELLANEOUS DEDUCTIONS</b>	3,701	6,811			36
37		Income available for fixed charges	272,582	310,836			37

210. RESULTS OF OPERATIONS - Continued (Dollars in thousands)					
Line No.	Cross Check	Item (a)	Amount for current year (b)	Amount for preceding year (c)	Line No.
FIXED CHARGES					
		(546) Interest on funded long-term debt:			
38		(a) Fixed interest not in default	96,903	80,755	38
39		(b) Interest in default	0	0	39
40		(547) Interest on unfunded debt	100	101	40
41		(548) Amortization of discount on funded debt	0	0	41
42		TOTAL FIXED CHARGES (lines 38 through 41)	97,003	80,856	42
43		Income after fixed charges (lines 37 minus line 42)	175,579	229,980	43
OTHER DEDUCTIONS					
		(546) Interest on funded debt:			
44		(c) Contingent interest	0	0	44
UNUSUAL OR INFREQUENT ITEMS					
45		(555) Unusual or infrequent items (debit) credit	0	0	45
46		Income (loss) from continuing operations (before income taxes)	175,579	229,980	46
PROVISIONS FOR INCOME TAXES					
		(556) Income taxes on ordinary income:			
47		(a) Federal income taxes	(3,566)	2,892	47
48		(b) State income taxes	2,014	5,020	48
49		(c) Other income taxes	0	0	49
50		(557) Provision for deferred taxes	69,744	82,459	50
51		TOTAL PROVISIONS FOR INCOME TAXES (lines 47 through 50)	68,192	90,371	51
52		Income from continuing operations (line 46 minus line 51)	107,387	139,609	52
DISCONTINUED OPERATIONS					
53		(560) Income or loss from operations of discontinued segments (less applicable income taxes of \$ )	0	0	53
54		(562) Gain or loss on disposal of discontinued segments (less applicable income taxes of \$ )	0	0	54
55		Income before extraordinary items (lines 52 through 54)	107,387	139,609	55
EXTRAORDINARY ITEMS AND ACCOUNTING CHANGES					
56		(570) Extraordinary items (net)	0	0	56
57		(590) Income taxes on extraordinary items	0	0	57
58		(591) Provision for deferred taxes-Extraordinary items	0	0	58
59		TOTAL EXTRAORDINARY ITEMS (lines 56 through 58)	0	0	59
60		(592) Cumulative effect of changes in accounting principles (\$23,953) less applicable tax of \$9,103)	0	(14,850)	60
61		Net income (loss) (lines 55 + 59 + 60)	107,387	124,759	61
Reconciliation of net railway operating income (NROI)					
62		Net revenues from railway operations	261,783	299,613	62
63		(556) Income taxes on ordinary income (-)	(1,552)	7,912	63
64		(557) Provision for deferred income taxes (-)	69,744	82,459	64
65		Income from lease of road and equipment (-)	0	0	65
66		Rent for leased roads and equipment (+)	226	494	66
67		Net railway operating income (loss)	193,817	209,736	67

**NOTES AND REMARKS FOR SCHEDULES 210 AND 220****1. SPECIAL CHARGES**

During 2011 and 2010, \$15.5 million and \$9.6 million of payments were made relating to previous special charges, respectively.

**2. ACCOUNTING CHANGE**

During 2010, SOO changed its accounting policy for the treatment of rail grinding costs. In prior periods, SOO had capitalized such costs and depreciated them over the expected economic life of the rail grinding. SOO concluded that, although the accounting treatment was within acceptable accounting standards, it is preferable to expense the costs as incurred, given the subjectivity in determining the expected economic life and associated depreciation methodology. The Surface Transportation Board approved SOO's request for the accounting change in a letter dated December 27, 2010. The impact on SOO's 2010 reporting in this filing is reflected in Schedule 210 line 60. All other numbers in these schedules remain comparative.

**220. RETAINED EARNINGS**  
(Dollars in Thousands)

1. Show below the items of Retained Earnings Accounts of the respondent for the year, classified in accordance with the Uniform System of Accounts for Railroad Companies.
2. All contra entries hereunder should be shown in parentheses.
3. Show in lines 22 and 23 the amount of assigned Federal income tax consequences for Accounts 606 and 616.
4. Segregate in column (c) all amounts applicable to the equity in undistributed earnings (losses) of affiliated companies based on the equity method of accounting.
5. Line 3 (line 7 if debit balance), column (c), should agree with line 26, column (b), Schedule 210. The total of columns (b) and (c), lines 3 and 7, should agree with line 61, column (b), Schedule 210.
6. Include in column (b) only amounts applicable to retained earnings exclusive of any amounts included in column (c).

Line No.	Cross Check	Item (a)	Retained earnings-unappropriated (b)	Equity in undistributed earnings (losses) of affiliated companies (c)	Line No.
1		Balances at beginning of year	548,922	42,699	1
2		(601.5) Prior period adjustments to beginning retained earnings	0	0	2
		CREDITS			
3		(602) Credit balance transferred from income	103,868	3,519	3
4		(603) Appropriations released	0	0	4
5		(606) Other credits to retained earnings	0	0	5
6		TOTAL CREDITS	103,868	3,519	6
		DEBITS			
7		(612) Debit balance transferred from income	0	0	7
8		(616) Other debits to retained earnings	20,544 *	0	8
9		(620) Appropriations for sinking and other funds	0	0	9
10		(621) Appropriations for other purposes	0	0	10
11		(623) Dividends: common stock	0	0	11
12		preferred stock 1	0	0	12
13		TOTAL DEBITS	20,544	0	13
14		Net increase (decrease) during year (line 6 minus line 13)	83,324	3,519	14
15		Balances at close of year (lines 1, 2 and 14)	632,246	46,218	15
16		Balances from line 15(c)	46,218	N/A	16
17		(798) Total unappropriated retained earnings and equity in undistributed earnings (losses) of affiliated companies at end of year	678,464	N/A	17
18		(797) Total appropriated retained earnings:			18
19		Credits during year---\$			19
20		Debits during year---\$			20
21		Balance at close of year---\$ 0			21
22		Amount of assigned Federal income tax consequences: Account 606----\$ 0			22
23		Account 616----\$ 0			23

\* ASC 715 Compensation-Retirement Benefits adjustments.

1 If any dividends have not been declared on cumulative preferred stock, give cumulative undeclared dividends at beginning of year and end of year.

**230. CAPITAL STOCK**

**PART I. CAPITAL STOCK**  
(Dollars in thousands)

1. Disclose in column (a) the particulars of the various issues of capital stock of the respondent, distinguishing separate issues of any general class, if different in any respect.
2. Present in column (b) the par or stated value of each issue. If none, so state.
3. Disclose in columns (c), (d), (e) and (f) the required information concerning the number of shares authorized, issued, in treasury and outstanding for the various issues.
4. For the purposes of this report, capital stock and other securities are considered to be nominally issued when certificates are signed and sealed and placed with the proper officer for sale and delivery or are pledged or otherwise placed in some special fund of the respondent. They are considered to be actually issued when sold to a bona fide purchaser who holds them free from controls by the respondent. All securities actually issued and not reacquired by or for the respondent are considered to be actually outstanding. If reacquired by or for the respondent, and not canceled or retired, they are considered to be nominally outstanding.

Line No.	Class of Stock (a)	Par Value (b)	Number of Shares				Book Value at End of Year		Line No.
			Authorized (c)	Issued (d)	In Treasury (e)	Outstanding (f)	Outstanding (g) \$	In Treasury (h) \$	
1	Class A Common	\$0.01	10,000	2,000		2,000	0	0	1
2									2
3									3
4									4
5									5
6									6
7									7
8									8
9									9
10	TOTAL		10,000	2,000	0	2,000	0	0	10

**PART II. SUMMARY OF CAPITAL STOCK CHANGES DURING YEAR**  
(Dollars in thousands)

1. The purpose of this part is to disclose capital stock changes during the year.
2. Column (a) presents the items to be disclosed.
3. Columns (b), (d) and (f) require disclosures of the number of preferred, common and treasury stock, respectively, applicable to the items presented in column (a).
4. Columns (c), (e) and (g) require the applicable disclosure of the book values of preferred, common and treasury stock.
5. Disclose in column (h) the additional paid-in capital realized from changes in capital stock during year.
6. Unusual circumstances arising from changes in capital stock changes shall be fully explained in footnotes to this schedule.

Line No.	Items (a)	Preferred Stock		Common Stock		Treasury Stock		Additional Capital \$ (h)	Line No.
		Number of Shares (b)	Amount \$ (c)	Number of Shares (d)	Amount \$ (e)	Number of Shares (f)	Amount \$ (g)		
11	Balance at beginning of year	0	0	2,000	0	0	0	981,591	11
12	Capital Stock Sold (1)								12
13	Capital Stock Reacquired								13
14	Capital Stock Canceled								14
15	Capital Contribution from (to) Parent							2,663	15
16	Rounding / Other *								16
17	Balance at close of year	0	0	2,000	0	0	0	984,254	17

(1) By footnote on page 17, state the purpose of the issue and authority.

**240. STATEMENT OF CASH FLOWS**  
(Dollars in thousands)

Give the information as requested concerning the cash flows during the year. Either the direct or indirect method can be used. The direct method shows as its principal components operating cash receipts and payments, such as cash received from customers and cash paid to suppliers and employees, the sum of which is net cash flow from operating activities. The indirect method starts with net income and adjusts it for revenues and expense items that were not the result of operating cash transactions in the current period to reconcile it to net cash flow from operating activities. If the direct method is used, complete lines 1-41. If the indirect method is used, complete lines 10-41. Cash for the purpose of this schedule shall include cash and cash equivalents which are short-term, highly liquid investments readily convertible to known amounts of cash and so near their maturity that they present insignificant risk of changes in value because of changes in interest rates. Information about all investing and financing activities which do not directly affect cash shall be separately disclosed in footnotes to this schedule. They shall clearly relate the cash (if any) and noncash aspects of transactions. Examples of noncash investing and transactions include converting debt to equity acquiring assets by assuming directly related liabilities, such as purchasing a building by incurring a mortgage to the seller; obtaining an asset by entering into a capital lease; and exchanging noncash assets or liabilities for other noncash assets or liabilities. Some transactions are part cash and part noncash; only the cash portion shall be reported directly in the statement of cash flows. Refer to FAS Statement No. 95, Statement of Cash Flows, for further details.

Line No.	Cross Check	Description (a)	Current Year (b)	Prior Year (c)	Line No.
		<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
1		Cash received from operating revenues			1
2		Dividends received from affiliates			2
3		Interest received			3
4		Other income			4
5		Cash paid for operating expenses			5
6		Interest paid (net of amounts capitalized)			6
7		Income taxes paid			7
8		Other-net			8
9		NET CASH PROVIDED BY OPERATING ACTIVITIES (Lines 1 through 8)	See Note 1	See Note 1	9

Note 1: This page is intentionally left blank because the indirect method of reporting cash flows is used.

**240. STATEMENT OF CASH FLOWS - Concluded**  
(Dollars in thousands)

**RECONCILIATION OF NET INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES**

Line No.	Cross Check	Description (a)	Current Year (b)	Prior Year (c)	Line No.
10	*	Income from continuing operations	107,387	139,609	10

**ADJUSTMENTS TO RECONCILE INCOME FROM CONTINUING OPERATIONS TO NET CASH PROVIDED BY OPERATING ACTIVITIES**

Line No.	Cross Check	Description (a)	Current Year (b)	Prior Year (c)	Line No.
11		Loss (gain) on sale or disposal of tangible property and investments	183	(16,161)	11
12		Depreciation and amortization expenses	106,730	107,771	12
13		Net increase (decrease) provision for deferred income taxes	69,744	82,459	13
14		Net decrease (increase) in undistributed earnings (losses) of affiliates	(3,519)	(3,630)	14
15		(Increase) decrease in accounts receivable	(12,420)	13,494	15
16		(Increase) decrease in materials and supplies, and other current assets	4,759	3,312	16
17		Increase (decrease) in current liabilities other than debt	68,466	(24,997)	17
18		Increase (decrease) in other-net	(38,802)	3,876	18
19		Net Cash provided from continuing operations (lines 10 through 18)	302,528	305,733	19
20		Add (subtract) cash generated (paid) by reason of discontinued operations and extraordinary items	0	0	20
21		NET CASH PROVIDED FROM OPERATING ACTIVITIES (lines 19 and 20)	302,528	305,733	21

**CASH FLOWS FROM INVESTING ACTIVITIES \*\***

Line No.	Cross Check	Description (a)	Current Year (b)	Prior Year (c)	Line No.
22		Proceeds from sale of property	8,354	10,640	22
23		Capital expenditures	(279,168)	(190,443)	23
24		Net change in temporary cash investments not qualifying as cash equivalents	0	0	24
25		Proceeds from sale/repayments of investment and advances	0	100,000	25
26		Purchase price of long-term investment and advances	(276,049)	(93,686)	26
27		Net decrease (increase) in sinking and other special funds	0	0	27
28		Other-net ***	794	5,705	28
29		NET CASH USED IN INVESTING ACTIVITIES (lines 22 through 28)	(546,069)	(167,784)	29

**CASH FLOWS FROM FINANCING ACTIVITIES \*\***

Line No.	Cross Check	Description (a)	Current Year (b)	Prior Year (c)	Line No.
30		Proceeds from issuance of long-term debt	550,800	918,000	30
31		Principal payments of long-term debt	(556,823)	(924,811)	31
32		Proceeds from issuance of capital stock	0	0	32
33		Purchase price of acquiring treasury stock	0	0	33
34		Cash dividends paid	0	0	34
35		Other-net -	2,195	0	35
36		NET CASH FROM FINANCING ACTIVITIES	(3,828)	(6,811)	36
37		NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS (lines 21, 29, 36)	(247,369)	131,138	37
38	*	Cash and cash equivalents at beginning of year	260,031	128,893	38
39	*	CASH & CASH EQUIVALENTS AT END OF THE YEAR	12,662	260,031	39

Footnotes to Schedule:

40		Cash paid during the year for: Interest (net of amount capitalized) *	97,371	77,562	40
41		Income taxes (net) *	2,064	7,985	41

\* Only applies if indirect method is adopted

\*\*Significant transactions that do not directly affect cash:

- 2011 Non-cash adjustment of Pension/OPEB OCI between Deferred Liabilities \$(33,144), Deferred Income Taxes \$12,600, and Retained Income of \$20,544.
- 2011 Non-cash adjustment of Unpaid capital between Properties \$9,470, and Accrued Accounts Payable \$(9,470).
- 2010 Non-cash adjustment of Pension/OPEB OCI between Other Assets \$(19,661), Deferred Liabilities \$28,269, Deferred Income Taxes \$(3,286), and Retained Income of \$(5,322).

**245. WORKING CAPITAL.**

(Dollars in thousands)

1. This schedule should include only data pertaining to railway transportation services.
2. Carry out calculation of lines 9, 10, 20 and 21 to the nearest whole number.

Line No.	Item (a)	Source No.	Amount (b)	Line No.
<b>CURRENT OPERATING ASSETS</b>				
1	Interline and Other Balances	Schedule 200, line 5, column b	2,398	1
2	Customers (706)	Schedule 200, line 6, column b	80,637	2
3	Other (707)	Note A	17,026	3
4	<b>TOTAL CURRENT OPERATING ASSETS</b>	Line 1 + 2 + 3	100,061	4
<b>OPERATING REVENUE</b>				
5	Railway Operating Revenue	Schedule 210, line 13, column b	1,422,589	5
6	Rent Income	Note B	131,529	6
7	<b>TOTAL OPERATING REVENUES</b>	Lines 5 + 6	1,554,118	7
8	Average Daily Operating Revenues	Line 7 ÷ 360 days	4,317	8
9	Days of Operating Revenue in Current Operating Assets	Line 4 ÷ Line 8	23	9
10	Revenue Delay Days Plus Buffer	Line 9 + 15 days	38	10
<b>CURRENT OPERATING LIABILITIES</b>				
11	Interline and Other Balances (752)	Schedule 200, line 31, column b	16,672	11
12	Audited Accounts and Wages Payable (753)	Note A	44,411	12
13	Accounts Payable-Other (754)	Note A	2,164	13
14	Other Taxes Accrued (761.5)	Note A	23,885	14
15	<b>TOTAL CURRENT OPERATING LIABILITIES</b>	Sum of lines 11 to 14	87,132	15
<b>OPERATING EXPENSES</b>				
16	Railway Operating Expenses	Schedule 210, line 14, column b	1,160,806	16
17	Depreciation	Schedule 410, lines 136, 137, 138, 213, 232, 317, column h	106,730	17
18	Cash Related Operating Expenses	Line 16 + line 6 - line 17	1,185,605	18
19	Average Daily Expenditures	Line 18 ÷ 360 days	3,293	19
20	Days of Operating Expenses in Current Operating Liabilities	Line 15 ÷ line 19	26	20
21	Days of Working Capital Required	Line 10 - line 20. (Note C)	12	21
22	Cash Working Capital Required	Line 21 x line 19	39,516	22
23	Cash and Temporary Cash Balances	Schedule 200, line 1 + line 2, column b	12,662	23
24	Cash Working Capital Allowed	Lesser line 22 and line 23	12,662	24
<b>MATERIALS AND SUPPLIES</b>				
25	Total Materials and Supplies (712)	Note A	25,447	25
26	Scrap and Obsolete Material included in Acct. 712	Note A	0	26
27	Materials and Supplies held for Common Carrier Purposes	Line 25 - line 26	25,447	27
28	<b>TOTAL WORKING CAPITAL</b>	Line 24 + line 27	38,109	28

Notes: (A) Use common carrier portion only. Common carrier refers to railway transportation service.

(B) Rent income is the sum of Schedule 410, column h, lines 121, 122, 123, 127, 128, 129, 133, 134, 135, 208, 210, 212, 227, 229, 231, 312, 314, and 316. Rent income is added to railway operating revenues to produce total revenues. Rent income is also added to total operating expenses to exclude the rent revenue items from operating expense.

(C) If result is negative, use zero.

NOTES AND REMARKS

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**GENERAL INSTRUCTIONS CONCERNING RETURNS IN SCHEDULES 310, 310A**

1. Schedule 310 should give particulars of stocks, bonds, other secured obligations, unsecured notes, and investment advances of affiliated companies held by respondent at the close of the year. Also, disclose the investments made, disposed of, and written down during the year and the applicable dividends and interest credited to income as a result of those investments. They should exclude securities issued or assumed by respondent. For definition of affiliated companies, see the rules governing Account No. 721, "Investments and Advances, Affiliated Companies", in the Uniform System of Accounts for Railroad Companies.
2. List the investments in the following order and show a total for each group and each class of investments by accounts in numerical order:
  - (A) Stocks
    - (1) Carriers-active
    - (2) Carriers-inactive
    - (3) Noncarriers-active
    - (4) Noncarriers-inactive
  - (B) Bonds (including U.S. Government bonds)
  - (C) Other secured obligations
  - (D) Unsecured notes
  - (E) Investment advances
3. The subclassification of classes (B), (C), (D) and (E) should be the same as that provided for class (A).
4. The kinds of industry represented by respondent's investments in the securities of other companies should be shown by symbol opposite the names of the issuing corporation. The symbols and industrial classification are as follows:
 

Symbol	Kind of Industry
I	Agriculture, forestry, and fisheries
II	Mining
III	Construction
IV	Manufacturing
V	Wholesale and retail trade
VI	Finance, insurance, and real estate
VII	Transportation, communications, and other public utilities
VIII	Services
IX	Government
X	All other
5. By carriers, as the term is used here, is meant companies owning or operating railroads, facilities auxiliary thereto such as bridges, ferries, union depots, and other terminal facilities, sleeping cars, parlor cars, dining cars, freight cars, express service and facilities, electric railways, highway motor vehicles, steamboats and other marine transportation equipment, pipe lines (other than those for transportation of water), and other instrumentalities devoted to the transportation of persons or property for hire. Telegraph and telephone companies are not meant to be included.
6. Noncarrier companies should, for the purpose of these schedules, include telephone companies, telegraph companies, mining companies, manufacturing companies, hotel companies, etc. Purely holding companies are to be classified as noncarrier companies, even though the securities held by such companies are largely or entirely issued or assumed by carriers.
7. By an active corporation is meant one which maintains an organization for operating property or administering its financial affairs. An inactive corporation is one which has been practically absorbed in a controlling corporation and which neither operates property nor administers its financial affairs. If it maintains an organization it does so only for the purpose of complying with legal requirements and maintaining title to property or franchises.
8. Combine in one account investments in which the original cost or present equity in total assets is less than \$10,000.
9. Include investments in unincorporated entities such as lessee organizations. Exclude amounts normally settled on a current basis.
10. Do not include the value of securities issued or assumed by respondent.
11. For affiliates which do not report to the Surface Transportation Board and are jointly owned, disclose in footnotes the name and extent of control of the other controlling entities.

<u>Company Name</u>	<u>Our Ownership</u>	<u>Other Joint Owners</u>
MT Properties	14.61%	BNSF - 43.30%; UP - 42.09%;
Belt Railway Company of Chicago	8.33%	CSX, NS-25% each; BNSF-16.67%; CN-16.67%; UP-8.33%.
Indiana Harbor Belt Railroad Company	49%	CSX/NS - 51%
TTX Company (Formerly Trailer Train)	1.60%	Various others
Transportation and Railroad Assurance Company, Ltd. -		Various others
Amtrak	N/A	Various others
Albany Port Railroad Corporation	50%	CSX - 50%
Soo Green Renewable Rail LLC	50%	TWTP, LLC - 50%
Kansas City Terminal Railway Company	8.33%	UP - 41.67%, BNSF - 25%, KCS - 16.67%, NS - 8.33%
NY Business Development Corporation	-	Various others
PTC-220 LLC	14.286%	UP, BNSF, CSX, NS, CN, KCS 14.286% each

### 310. INVESTMENTS AND ADVANCES AFFILIATED COMPANIES

1. Give particulars of investments in stocks, bonds, other secured obligations, unsecured notes, and investment advances of companies affiliated with respondent, from accounts 715 (Sinking Funds), 716 (Capital Funds), 721 (Investments and Advances Affiliated Companies), and 717 (Other Funds).
2. Entries in this schedule should be made in accordance with the definitions and general instructions given on Page 25, classifying the investments by means of letters, figures, and symbols in columns (a), (b), and (c).
3. Indicate by means of an arbitrary mark in column (d) the obligation in support of which any security is pledged, mortgaged, or otherwise encumbered. Give names and other important particulars of such obligations in footnotes.
4. Give totals for each class and for each subclass and a grand total for each account.
5. Entries in column (d) should show date of maturity of bonds and other evidences of indebtedness. In case obligations of the same designation mature serially, the date in column (d) may be reported as "Serially to ". Abbreviations in common use in standard financial publications may be used to conserve space.

Line No.	Account No. (a)	Class No. (b)	Kind of industry (c)	Name of issuing company and also lien reference, if any (include rate for preferred stocks and bonds) (d)	Extent of control (e)	Line No.
1	721	A-1	VII	Belt Railway Company of Chicago	8.330	1
2	721	A-1	VII	Indiana Harbor Belt Railroad Company	49.000	2
3	721	A-1	VII	TTX Company (formerly Trailer Train)	1.600	3
4	721	A-1	VII	Amtrak	N/A	4
5	721	A-1	VII	Albany Port Railroad Corporation	50.000	5
6	721	A-1	VII	Kansas City Terminal Railway Company	8.330	6
7				Total Class A-1		7
8						8
9						9
10						10
11						11
12	721	A-4	VI	Transportation and Railroad Assurance Company, Ltd.	-	12
13	721	A-4	VI	PTC-220 LLC	14.286	13
14	721	A-3	X	MT Properties	14.610	14
15	721	A-3	X	Canadian Pacific Holdings Corporation	-	15
16	721	A-3	X	Soo Green Renewable Rail LLC	50.000	16
17	721	A-3	X	NY Business Development Corporation	-	17
18				Total Class A-3 & A-4		18
19				Total Class A		19
20						20
21						21
22						22
23						23
24						24
25						25
26	721	E-1	VII	Kansas City Terminal Railway Company	8.330	26
27				Total Class E-1		27
28						28
29						29
30						30
31						31
32						32
33						33
34						34
35						35
36						36
37						37
38	721	E-3	X	MT Properties	14.610	38
39				Total Class E-3		39
40				Total Class E		40
41						41
42						42
43				Grand Total		43
44						44

**310. INVESTMENTS AND ADVANCES AFFILIATED COMPANIES - Continued**  
(Dollars in thousands)

6. If any of the companies included in this schedule are controlled by respondent, the percent of control should be shown in column (e). In case any company listed is controlled other than through actual ownership of securities, give particulars in a footnote. In case of joint control, give names of other parties and particulars of control.
7. If any advances reported are pledged, give particulars in a footnote.
8. Investments in companies in which neither the original cost or present equity in total assets are less than \$10,000 may be combined in one figure.
9. Also include investments in unincorporated entities such as lessee organizations (exclusive of amounts nominally settled on a current basis).
10. This schedule should not include securities issued or assumed by respondent.
11. For affiliates which do not report to the Surface Transportation Board and are jointly owned, give names and extent of control by other entities by footnotes.

Line No.	Investments and advances				Disposed of: profit (loss) (j)	Adjustments Account 721.5 (k)	Dividends or interest credited to income (l)	Line No.
	Opening balance (f)	Additions (g)	Deductions (if other than sale, explain) (h)	Closing balance (i)				
1	260			260				1
2	1,359			1,359				2
3	218			218				3
4	1			1				4
5	169			169				5
6	15,000			15,000				6
7	17,007	0	0	17,007	0	0	0	7
8								8
9								9
10								10
11								11
12	1			1				12
13	0	5,767		5,767				13
14	92			92			2	14
15	93,400	270,000		363,400				15
16	286	282		568				16
17	1			1				17
18	93,780	276,049	0	369,829	0	0	2	18
19	110,787	276,049	0	386,836	0	0	2	19
20								20
21								21
22								22
23								23
24								24
25								25
26	0	350	0	350				26
27								27
28	0	350	0	350				28
29								29
30								30
31								31
32								32
33								33
34								34
35								35
36								36
37								37
38	0	0	0	0				38
39								39
40	0	0	0	0	0	0	0	40
41	0	350	0	350	0	0	0	41
42								42
43	110,787	276,399	0	387,186	0	0	2	43
44								44

**310. INVESTMENTS AND ADVANCES AFFILIATED COMPANIES - Continued**  
(Dollars in thousands)

Line No.	Account No. (a)	Class No. (b)	Kind of industry (c)	Name of issuing company and also lien reference, if any (include rate for preferred stocks and bonds) (d)	Extent of control (e)	Line No.
1						1
2				This page intentionally left blank.		2
3						3
4						4
5						5
6						6
7						7
8						8
9						9
10						10
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32						32
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34						34
35						35
36						36
37						37
38						38
39						39
40						40

**310. INVESTMENTS AND ADVANCES AFFILIATED COMPANIES - Continued**  
(Dollars in thousands)

Line No.	Investments and advances				Disposed of: profit (loss) (j)	Adjustments Account 721.5 (k)	Dividends or interest credited to income (l)	Line No.
	Opening balance (f)	Additions (g)	Deductions (if other than sale, explain) (h)	Closing balance (i)				
1								1
2			This Page intentionally left blank.					2
3								3
4								4
5								5
6								6
7								7
8								8
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35								35
36								36
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38								38
39								39
40								40

**310A. INVESTMENTS IN COMMON STOCKS OF AFFILIATED COMPANIES**

(Dollars in thousands)

Undistributed Earnings from Certain Investments in Affiliated Companies

1. Report below the details of all investments in common stocks included in Account 721, Investments and Advances Affiliated Companies.
2. Enter in column (e) the amount necessary to retroactively adjust those investments. (See instruction 5-2, Uniform System of Accounts.)
3. Enter in column (d) the share of undistributed earnings (i.e., less dividends) or losses.
4. Enter in column (e) the amortization for the year of the excess of cost over equity in net assets (equity over cost) at date of acquisition.
5. For definition of "carrier" and "noncarrier", see general instructions.

Line No.	Name of issuing company and description of security held (a)	Balance at beginning of year (b)	Adjustments for investments equity method (c)	Equity in undistributed earnings (losses) during year (d)	Amortization during year (e)	Adjustment for investments disposed of or written down during year (f)	Balance at close of year (g)	Line No.
<b>Carriers: (List specifics for each company)</b>								
1	Indiana Harbor Belt Railroad Company	42,947		3,546			46,493	1
2	Albany Port Railroad Corporation	38		119			157	2
3								3
4								4
5								5
6								6
7								7
8								8
9								9
10								10
11								11
12								12
13		42,985	0	3,665	0	0	46,650	13
<b>Noncarrier (List specifics for each company)</b>								
14	Soo Green Renewable Rail LLC	(286)		(146)			(432)	14
15								15
16								16
17								17
18								18
19								19
20								20
21								21
22								22
23								23
24								24
25								25
26								26
27	Grand Total	42,699	0	3,519	0	0	46,218	27

## INSTRUCTIONS CONCERNING RETURNS TO BE MADE IN SCHEDULE 330

1. Give particulars of balances at the beginning and close of the year and of all changes during the year in Account No. 731, "Road and Equipment Property", and Account No. 732, "Improvements on Leased Property", classified by primary accounts in accordance with the Uniform System of Accounts for Railroad Companies. The balances, by primary accounts, should insofar as known, be stated in column (b) and all changes made during the year should be analyzed in columns (c) to (f), inclusive. Column (g) should be the net of the amounts in columns (c) through (f). Column (h) is the aggregate of columns (b) through (f), inclusive. Grand totals of columns (b) and (h) should equal the sum of Accounts 731 and 732 for the respective periods; if not, a full explanation should be made in a footnote.
2. In column (c), show disbursements made for the specific purpose of purchasing, constructing, and equipping new lines, and for the extension of old lines, as provided for in Instruction 2-1, "Items to be charged", in the Uniform System of Accounts for Railroad Companies for such items.
3. In column (d), show the cost of a railway or portion thereof, acquired as an operating entity or system by purchase, merger, consolidation, reorganization, receivership sale or transfer, or otherwise.
4. Columns (c) and (e) should include all entries covering expenditures for additions and betterments, as defined, whether or not replacing other property.
5. All credits representing property sold, abandoned, or otherwise retired should be shown in column (f).
6. Both the debit and credit involved in each transfer, adjustment, or clearance, between road and equipment accounts, should be included in the column in which the item was initially included. Also the transfer of prior years' debits or credits from investment in road and equipment to operating expenses or other accounts, or vice versa, should be included in the column applicable to current items of like nature. Each such transfer, adjustment, or clearance should be fully explained when in excess of \$100,000.
7. If during the year an individual charge of \$100,000 or more was made to Account No. 2, "Land for Transportation Purposes", state the cost, location, area, and other details which will identify the property in a footnote.
8. Report on line 29, amounts not included in the primary road accounts. The items reported should be briefly identified and explained under "Notes and Remarks" below. Amounts should be reported on this line only under special circumstances, usually after permission is obtained from the Board for exceptions to prescribed accounting. Reference to such authority should be made when explaining the amounts reported. Respondents must not make arbitrary changes to the printed stub or column headings without specific authority from the Board.
9. If during the year a segment of transportation property was acquired, state in a footnote the name of the vendor, the mileage acquired, and the date of acquisition, giving location and cost of the property to the respondent. Also furnish a statement of the amount included in each primary account representing such property acquired, referring to the column or columns in which the entries appear.
10. If an amount of less than \$5,000 is used as the minimum for additions and betterments to property investment accounts as provided for in Instruction 2-2 of the Uniform System of Accounts for Railroad Companies, state the amount used in a footnote.

## NOTES AND REMARKS

## 330. ROAD PROPERTY AND EQUIPMENT AND IMPROVEMENTS TO LEASED

## PROPERTY AND EQUIPMENT

(Dollars in thousands)

Line No.	Cross Check	Account (a)	Balance beginning of year (b)	Expenditures during the year for original road & equipment, & road extensions (c)	Expenditures during the year for purchase of existing lines, re-organizations, etc. (d)	Line No.
1		(2) Land for transportation purposes	664,027	0	0	1
2		(3) Grading	462,014	0	0	2
3		(4) Other right-of-way expenditures	3,674	0	0	3
4		(5) Tunnels and subways	9,012	0	0	4
5		(6) Bridges, trestles, and culverts	345,155	0	0	5
6		(7) Elevated structures	0	0	0	6
7		(8) Ties	491,641	0	0	7
8		(9) Rail and other track material	994,261	0	0	8
9		(11) Ballast	278,710	0	0	9
10		(13) Fences, snow sheds, and signs	2,251	0	0	10
11		(16) Station and office buildings	27,175	0	0	11
12		(17) Roadway buildings	3,068	0	0	12
13		(18) Water stations	90	0	0	13
14		(19) Fuel stations	8,677	0	0	14
15		(20) Shops and enginehouses	21,118	0	0	15
16		(22) Storage warehouses	0	0	0	16
17		(23) Wharves and docks	1,300	0	0	17
18		(24) Coal and ore wharves	0	0	0	18
19		(25) TOFC/COFC terminals	26,647	0	0	19
20		(26) Communication systems	33,786	0	0	20
21		(27) Signals and interlockers	85,451	0	0	21
22		(29) Power plants	196	0	0	22
23		(31) Power-transmission systems	1,742	0	0	23
24		(35) Miscellaneous structures	2,821	0	0	24
25		(37) Roadway machines	79,643	0	0	25
26		(39) Public improvements - Construction	57,647	0	0	26
27		(44) Shop machinery	8,491	0	0	27
28		(45) Power-plant machinery	452	0	0	28
29		Other (specify and explain)	0	0	0	29
30		TOTAL EXPENDITURES FOR ROAD	3,609,049	0	0	30
31		(52) Locomotives	346,326	0	0	31
32		(53) Freight-train cars	331,750	0	0	32
33		(54) Passenger-train cars	450	0	0	33
34		(55) Highway revenue equipment	1,384	0	0	34
35		(56) Floating equipment	0	0	0	35
36		(57) Work equipment	10,505	0	0	36
37		(58) Miscellaneous equipment	18,162	0	0	37
38		(59) Computer systems and word processing equipment	4,239	0	0	38
39		TOTAL EXPENDITURES FOR EQUIPMENT	712,816	0	0	39
40		(76) Interest during construction	21,504	0	0	40
41		(80) Other elements of investment	1,135	0	0	41
42		(90) Construction in progress	161,202	0	0	42
43		GRAND TOTAL	4,505,706	0	0	43

## 330. ROAD PROPERTY AND EQUIPMENT AND IMPROVEMENTS TO LEASED

## PROPERTY AND EQUIPMENT - Cont'd.

(Dollars in thousands)

Line No.	Cross Check	Expenditures for additions during the year (e)	Credits for property retired during the year (f)	Net changes during the year (g)	Balance at close of year (h)	Line No.
1		8,440	2,609	5,831	669,858	1
2		28,279	0	28,279	490,293	2
3		720	0	720	4,394	3
4		0	0	0	9,012	4
5		16,719	113	16,606	361,761	5
6		0	0	0	0	6
7		24,184	1,922	22,262	513,903	7
8		58,310	12,790	45,520	1,039,781	8
9		10,338	2,358	7,980	286,690	9
10		55	0	55	2,306	10
11		5,216	0	5,216	32,391	11
12		0	0	0	3,068	12
13		0	0	0	90	13
14		1,521	0	1,521	10,198	14
15		325	6	319	21,437	15
16		0	0	0	0	16
17		0	0	0	1,300	17
18		0	0	0	0	18
19		455	102	353	27,000	19
20		1,872	2	1,870	35,656	20
21		2,979	156	2,823	88,274	21
22		0	0	0	196	22
23		0	0	0	1,742	23
24		127	0	127	2,948	24
25		6,184	2,764	3,420	83,063	25
26		3,628	41	3,587	61,234	26
27		612	230	382	8,873	27
28		0	0	0	452	28
29		0	0	0	0	29
30		169,964	23,093	146,871	3,755,920	30
31		4,149	3,890	259	346,585	31
32		8,235	4,083	4,152	335,902	32
33		0	0	0	450	33
34		12	299	(287)	1,097	34
35		0	0	0	0	35
36		501	155	346	10,851	36
37		3,144	879	2,265	20,427	37
38		796	787	9	4,248	38
39		16,837	10,093	6,744	719,560	39
40		0	0	0	21,504	40
41		0	0	0	1,135	41
42		107,035	0	107,035	268,237	42
43		293,836	33,186	260,650	4,766,356	43

**332. DEPRECIATION BASE AND RATES - ROAD AND EQUIPMENT  
OWNED AND USED AND LEASED FROM OTHERS**  
(Dollars in thousands)

1. Show in columns (b) and (e), for each primary account, the depreciation base used to compute depreciation charges for the month of January, and in columns (c) and (f), the depreciation charges for the month of December. In columns (d) and (g) show the composite rates used in computing depreciation charges for December, and on lines 30 and 39 of these columns show the composite percentage for all road and equipment accounts, respectively, ascertained by applying the primary account composite rates to the depreciation base used in computing the charges for December, and dividing that total by the total depreciation base for the same month. The depreciation base should not include the cost of equipment used, but not owned, when the rents are included in rent for equipment and Account Nos. 31-22-00, 31-23-00, 31-25-00, 31-21-00, 35-21-00, 35-23-00, 35-22-00, and 35-25-00. It should include cost of equipment owned and leased to others when the rents therefrom are included in the rent for equipment Accounts Nos. 32-21-00, 32-22-00, 32-23-00, 32-25-00, 36-21-00, 36-22-00, 36-23-00, and 36-25-00, inclusive. Composite rates used should be those prescribed or authorized by the Board, except that where the use of component rates has been authorized, the composite rates to be shown for the respective primary accounts should be recomputed from the December charges developed by the use of the authorized rates. If any changes in rates were effective during the year, give particulars in a footnote.

2. All leased properties may be combined and one composite rate computed for each primary account, or a separate schedule may be included for each such property.

3. Show in columns (e), (f) and (g) data applicable to Lessor property, when the rent therefore is included in Account Nos. 31-11-00, 31-12-00, 31-13-00, 31-21-00, 31-22-00, and 31-23-00, inclusive.

4. If depreciation accruals have been discontinued for any account, the depreciation base should be reported, nevertheless, in support of depreciation reserves. Authority for the discontinuance of accruals should be shown in a footnote indicating the effected account(s).

5. Disclosures in the respective sections of this schedule may be omitted if either total road leased from others or total equipment leased from others represents less than 5% of total road owned or total equipment owned, respectively.

Line No.	Account (a)	OWNED AND USED			LEASED FROM OTHERS			Line No.
		Depreciation base		Annual composite rate (percent) (d)	Depreciation base		Annual composite rate (percent) (g)	
		1/1 At beginning of year (b)	12/1 At close of year (c)		At beginning of year (e)	At close of year (f)		
	ROAD							
1	(3) Grading	462,014	477,200	1.43				1
2	(4) Other right-of-way expenditures	3,674	4,359	4.53				2
3	(5) Tunnels and subways	9,012	9,012	1.16				3
4	(6) Bridges, trestles, and culverts	345,155	348,226	2.38				4
5	(7) Elevated structures	0	0	0.00				5
6	(8) Ties	491,641	506,795	4.91				6
7	(9) Rail and other track material	994,261	1,022,329	2.80				7
8	(11) Ballast	278,710	280,332	2.90				8
9	(13) Fences, snowsheds, and signs	2,251	2,253	1.43				9
10	(16) Station and office buildings	27,175	30,529	4.76				10
11	(17) Roadway buildings	3,068	3,068	2.73				11
12	(18) Water stations	90	90	6.41				12
13	(19) Fuel stations	8,677	9,570	2.64				13
14	(20) Shops and enginehouses	21,118	21,181	2.13				14
15	(22) Storage warehouses	0	0	0.00				15
16	(23) Wharves and docks	1,300	1,300	2.00				16
17	(24) Coal and ore wharves	0	0	0.00				17
18	(25) TOFC/COFC terminals	26,647	26,768	2.55				18
19	(26) Communication systems	33,786	35,638	5.43				19
20	(27) Signals and interlockers	85,451	87,518	3.51				20
21	(29) Power plants	196	196	2.22				21
22	(31) Power-transmission systems	1,742	1,742	1.82				22
23	(35) Miscellaneous structures	2,821	2,823	2.86				23
24	(37) Roadway machines	79,643	81,325	6.32				24
25	(39) Public improvements - Construction	57,647	60,903	2.98				25
26	(44) Shop machinery	8,491	8,730	6.09				26
27	(45) Power-plant machinery	452	452	2.86				27
28	All other road accounts	0	0	0.00				28
29	Amortization (other than defense projects)	0	0	0.00				29
30	TOTAL ROAD	2,945,022	3,022,339	3.06	0	0		30
	EQUIPMENT							
31	(52) Locomotives	346,326	347,206	2.85				31
32	(53) Freight-train cars	331,750	336,181	2.69				32
33	(54) Passenger-train cars	450	450	4.66				33
34	(55) Highway revenue equipment	1,384	1,097	7.64				34
35	(56) Floating equipment	0	0	0.00				35
36	(57) Work equipment	10,505	10,784	1.94				36
37	(58) Miscellaneous equipment	18,162	20,343	13.73				37
38	(59) Computer systems and word processing equipment	4,239	3,869	15.78				38
39	TOTAL EQUIPMENT	712,816	719,930	3.14	0	0		39
40	GRAND TOTAL	3,657,838	3,742,269	N/A	0	0	N/A	40

**335. ACCUMULATED DEPRECIATION- ROAD AND EQUIPMENT OWNED AND USED**  
(Dollars in Thousands)

1. Disclose the required information in regard to credits and debits to Account No. 735, "Accumulated Depreciation: Road and Equipment Property", during the year relating to owned and used road equipment. Include entries for depreciation of equipment owned but not used when the resulting rents are included in the "Lease Rentals-Credit-Equipment" accounts and "Other Rents-Credit-Equipment" accounts. Exclude any entries of depreciation of equipment that is used but not owned when the resulting rents are included in "Lease Rental- Debit-Equipment" account and "other Rents-Debit-Equipment" accounts. (See Schedule 351 for the accumulated depreciation to road and equipment owned and leased to others.)

2. If any data are included in columns (d) or (f), explain the entries in detail.

3. A debit balance in columns (b) or (g) for any primary account should be designated "Dr."

4. If there is any inconsistency between the credits to the reserve as shown in column (c) and the charges to operating expenses, a full explanation should be given.

5. Enter amounts representing amortization under an authorized program other than for defense projects on lines 29 and 39.

Line No.	Cross Check	Account (a)	Balance at beginning of year (b)	CREDITS TO RESERVE During the year		DEBITS TO RESERVE During the year		Balance at close of year (g)	Line No.
				Charges to operating expenses (c)	Note 1 Other credits (d)	Retirements (e)	Note 1 Other debits (f)		
		<b>ROAD</b>							
1		(3) Grading Note 2	33,128	6,599	361	0	0	40,088	1
2		Other right-of-way expenditures	557	171	79	0	0	807	2
3		(5) Tunnels and subways	1,201	105	0	0	63	1,243	3
4		(6) Bridges, trestles, and culverts	33,060	8,059	0	109	2,583	38,427	4
5		(7) Elevated structures	0	0	0	0	0	0	5
6		(8) Ties Note 2	119,408	24,312	0	8,367	2,757	132,596	6
7		(9) Rail and other track material Note 2	165,584	27,435	0	13,351	27,427	152,241	7
8		(11) Ballast Note 2	51,625	8,122	0	2,356	8,565	48,826	8
9		(13) Fences, snowsheds, and signs	1,518	32	0	0	469	1,081	9
10		(16) Station and office buildings	7,625	1,761	0	1	1,071	8,314	10
11		(17) Roadway buildings	1,048	85	0	0	33	1,100	11
12		(18) Water stations	63	6	2	0	0	71	12
13		(19) Fuel stations	2,481	231	55	0	0	2,767	13
14		(20) Shops and enginehouses	2,552	448	988	3	0	3,985	14
15		(22) Storage warehouses	0	0	0	0	0	0	15
16		(23) Wharves and docks	762	26	0	0	97	691	16
17		(24) Coal and ore wharves	0	0	0	0	0	0	17
18		(25) TOFC/COFC terminals	4,323	682	1,636	102	0	6,539	18
19		(26) Communication systems	10,069	1,858	810	3	0	12,734	19
20		(27) Signals and interlockers	29,322	3,004	0	156	2,812	29,358	20
21		(29) Power plants	(179)	5	229	0	0	55	21
22		(31) Power-transmission systems	287	30	131	(1)	0	449	22
23		(35) Miscellaneous structures	377	81	41	0	0	499	23
24		(37) Roadway machines	31,529	3,188	1,643 @	2,547	6,304	27,509	24
25		(39) Public improvements-Const.	7,713	1,728	2,089	36	0	11,494	25
26	*	(44) Shop machinery Note 2	327	516	1,969	206	0	2,606	26
27		(45) Power-plant machinery	453	7	0	0	180	280	27
28		All other road accounts	0	0	0	0	0	0	28
29		Amortization (Adjustments) Note 2	0	(1,462)	43,971	0	0	42,509	29
30		<b>TOTAL ROAD</b>	504,833	87,029	54,004	27,236	52,361	566,269	30
		<b>EQUIPMENT</b>							
31	*	(52) Locomotives	117,504	9,618	0	3,062	26,583	97,477	31
32	*	(53) Freight-train cars	161,128	8,987	0	2,463	31,962	135,690	32
33	*	(54) Passenger-train cars	76	21	0	0	0	97	33
34	*	(55) Highway revenue equipment	603	120	0	299	71	353	34
35	*	(56) Floating equipment	0	0	0	0	0	0	35
36	*	(57) Work equipment	10,349	22	0	1	6,102	4,268	36
37	*	(58) Miscellaneous equipment	6,887	2,533	0	771	516	8,133	37
38		(59) Computer systems and word processing equipment	1,291	722	833	787	0	2,059	38
39	*	Amortization (Adjustments)	0	(2,322)	64,401	0	0	62,079	39
40		<b>TOTAL EQUIPMENT</b>	297,838	19,701	65,234	7,383	65,234	310,156	40
41		<b>GRAND TOTAL</b>	802,671	106,730	119,238	34,619	117,595	876,425	41

\* To be reported with equipment rather than W&S expenses.

@ Capitalized Roadway Machine depreciation.

Note 1 Amounts in col (d) and (f) represent unamortized reserve imbalances reclassified from lines 1-28 to line 29 and lines 31-38 to line 39.

Note 2 Included in line 29 col (g) are unamortized amounts for Grading (355); Ties 2,698; Rail and OTM 26,580; Ballast 8,345 and Shop Machinery (1,843).

**339. ACCRUED LIABILITY - LEASED PROPERTY**  
(Dollars in thousands)

1. Disclose the required information relating to credits and debits of Account 772, "Accrued Liability Leased Property", during the year concerning road and equipment leased from others.
2. In column (c), enter amounts charged to operating expenses; in column (e), enter debits to account arising from retirements; in column (f), enter amounts paid to lessor.
3. Any inconsistencies between credits to account, charges to operating expenses and payments to lessors should be fully explained.
4. Required disclosure may be omitted if leased road and equipment property represents 5% or less of total property owned and used.
5. If settlement for depreciation is made currently between lessee and lessor, and no debits or credits to Account 772 are made by the accounting company, show in column (c) the charges to operating expenses, and in column (f) show payments made to the lessor in settlement thereof.

Line No.	Cross Check	Account (a)	Balance at beginning of year (b)	CREDITS TO ACCOUNTS During the year		DEBITS TO ACCOUNTS During the year		Balance at close of year (g)	Line No.
				Charges to operating expenses (c)	Other credits (d)	Retire-ments (e)	Other debits (f)		
		ROAD							
1		(3) Grading							1
2		(4) Other right-of-way expenditures							2
3		(5) Tunnels and subways							3
4		(6) Bridges, trestles & culverts							4
5		(7) Elevated structures							5
6		(8) Ties							6
7		(9) Rail & other track material							7
8		(11) Ballast							8
9		(13) Fences snow sheds & signs							9
10		(16) Station & office buildings							10
11		(17) Roadway buildings							11
12		(18) Water stations							12
13		(19) Fuel stations							13
14		(20) Shops & enginehouses							14
15		(22) Storage warehouses							15
16		(23) Wharves & docks							16
17		(24) Coal & ore wharves							17
18		(25) TOPC/COFC terminals							18
19		(26) Communication systems							19
20		(27) Signals & interlockers							20
21		(29) Power plants							21
22		(31) Power-transmission systems							22
23		(35) Miscellaneous structures							23
24		(37) Roadway machines							24
25		(39) Public improvements-const.							25
26		(44) Shop machinery*							26
27		(45) Power-plant machinery							27
28		All other road accounts							28
29		Amortization (Adjustments)							29
30		TOTAL ROAD							30
		EQUIPMENT							
31		(52) Locomotives							31
32		(53) Freight-train cars							32
33		(54) Passenger-train cars							33
34		(55) Highway revenue equipment							34
35		(56) Floating equipment							35
36		(57) Work equipment							36
37		(58) Miscellaneous equipment							37
38		(59) Computer systems and word processing equipment							38
39		Amortization Adjustment							39
40		TOTAL EQUIPMENT							40
41		GRAND TOTAL	NOTE 1	NOTE 1	NOTE 1	NOTE 1	NOTE 1	NOTE 1	41

\* To be reported with equipment expense rather than W&S expense.

NOTE 1: Total road an equipment leased is less than 5% of total owned.

**340. DEPRECIATION BASE AND RATES-IMPROVEMENTS TO ROAD AND EQUIPMENT LEASED FROM OTHERS**  
(Dollars in thousands)

1. Show in column (b) for each primary account the depreciation base used in computing the depreciation charges for the month of January, and in column (c) show the depreciation base used in computing the depreciation charges for the month of December, in column (d) show the composite rates used to compute the depreciation charges for December, and on lines 30 and 40 of these columns show the composite percentage of all road and equipment accounts, respectively, ascertained by applying the primary account composite rates to the depreciation base used in computing the charges for December and dividing the total so computed by the total depreciation base for the same month. This schedule should include only improvements to leased property charged to account 732, "Improvements on Leased Property". The composite rates used should be those prescribed or otherwise authorized by the Board, except that where the use of component rates has been authorized, the composite rates to be shown for the respective primary accounts should be recomputed from the December charges developed by the use of the authorized rates. If any changes in rates were effective during the year, give full particulars in a footnote.

2. All improvements to leased property may be combined and one composite rate computed for each primary account, or a separate schedule may be included for each such property.

3. If depreciation accruals have been discontinued for any account, the depreciation base should be reported, nevertheless, in support of depreciation reserves. Authority for the discontinuance of accruals should be shown in a footnote indicating the effected account(s).

4. Disclosures in the respective sections of this schedule may be omitted if either total road leased from others or total equipment leased from others represents less than 5% of the total road owned or total equipment owned, respectively. However, line 41, Grand Total, should be completed.

Line No.	Cross Check	Account (a)	Depreciation base		Annual composite rate (percent) (d)	Line No.
			At beginning of year (b)	At close of year (c)		
		<b>ROAD</b>				
1		(3) Grading	809	818	1.43	1
2		(4) Other right-of-way expenditures	0	0	N/A	2
3		(5) Tunnels and subways	1,210	1,210	1.16	3
4		(6) Bridges, trestles & culverts	1,344	1,528	2.38	4
5		(7) Elevated structures	0	0	N/A	5
6		(8) Ties	8,463	10,937	4.91	6
7		(9) Rail & other track material	24,272	25,808	2.80	7
8		(11) Ballast	4,220	4,828	2.90	8
9		(13) Fences snow sheds & signs	0	0	N/A	9
10		(16) Station & office buildings	1,868	2,089	4.76	10
11		(17) Roadway buildings	363	363	2.73	11
12		(18) Water stations	0	0	N/A	12
13		(19) Fuel stations	0	0	N/A	13
14		(20) Shops & enginehouses	0	0	N/A	14
15		(22) Storage warehouses	0	0	N/A	15
16		(23) Wharves & docks	0	0	N/A	16
17		(24) Coal & ore wharves	0	0	N/A	17
18		(25) TOFC/COFC terminals	5,969	5,898	2.55	18
19		(26) Communication systems	146	148	5.43	19
20		(27) Signals & interlockers	2,710	2,731	3.51	20
21		(29) Power plants	0	0	N/A	21
22		(31) Power-transmission systems	0	0	N/A	22
23		(35) Miscellaneous structures	0	0	N/A	23
24		(37) Roadway machines	0	0	N/A	24
25		(39) Public improvements-const.	744	1,140	2.98	25
26	*	(44) Shop machinery	0	0	N/A	26
27		(45) Power-plant machinery	0	0	N/A	27
28		All other road accounts	0	0	N/A	28
29		Amortization (Adjustments)	0	0	N/A	29
30		<b>TOTAL ROAD</b>	<b>52,118</b>	<b>57,518</b>	<b>N/A</b>	<b>30</b>
		<b>EQUIPMENT</b>				
31	*	(52) Locomotives	8,823	12,213	2.85	31
32	*	(53) Freight-train cars	1,252	1,724	2.69	32
33	*	(54) Passenger-train cars	0	0	N/A	33
34	*	(55) Highway revenue equipment	0	0	N/A	34
35	*	(56) Floating equipment	0	0	N/A	35
36	*	(57) Work equipment	0	0	N/A	36
37	*	(58) Miscellaneous equipment	0	0	N/A	37
38	*	(59) Computer systems and word processing equipment	0	0	N/A	38
39	*	Amortization Adjustment	0	0	N/A	39
40		<b>TOTAL EQUIPMENT</b>	<b>10,075</b>	<b>13,937</b>	<b>N/A</b>	<b>40</b>
41		<b>GRAND TOTAL (Note 1)</b>	<b>62,193</b>	<b>71,455</b>	<b>N/A</b>	<b>41</b>

\* To be reported with equipment expense rather than W&S expenses.

**342. ACCUMULATED DEPRECIATION - IMPROVEMENTS TO ROAD AND EQUIPMENT LEASED FROM OTHERS**  
(Dollars in thousands)

1. Enter the required information concerning debits and credits to account 733, "Accumulated Depreciation-Improvements on Leased Property", during the year relating to improvements made to road and equipment property leased from others, the depreciation charges for which are included in operating expenses of the respondent.
2. If any entries are made for column (d) "Other credits" or column (f) "Other debits", state the facts occasioning such entries on page 39. A debit balance in column (b) or (g) for any primary account should be shown in parenthesis or designated "Dr".
3. Any inconsistency between the credits to the reserve as shown in column (c) and the charges to operating expenses should be fully explained on page 39.
4. Show in column (e) the debits to the reserve arising from retirements. These debits should not exceed investment, etc.
5. Disclosures in the respective sections of this schedule may be omitted if either total road leased from others or total equipment leased from others represents less than 5% of total road owned or total equipment owned, respectively. However, line 39 Grand Total, should be completed.

Line No.	Cross Check	Account (a)	Balance at beginning of year (b)	CREDITS TO RESERVE During the year		DEBITS TO RESERVE During the year		Balance at close of year (g)	Line No.
				Charges to operating expenses (c)	Other credits (d)	Retire-ments (e)	Other debits (f)		
		<b>ROAD</b>							
1		(3) Grading							1
2		(4) Other right-of-way expenditures							2
3		(5) Tunnels and subways							3
4		(6) Bridges, trestles & culverts							4
5		(7) Elevated structures							5
6		(8) Ties							6
7		(9) Rail & other track material							7
8		(11) Ballast							8
9		(13) Fences snow sheds & signs							9
10		(16) Station & office buildings							10
11		(17) Roadway buildings							11
12		(18) Water stations							12
13		(19) Fuel stations							13
14		(20) Shops & enginehouses							14
15		(22) Storage warehouses							15
16		(23) Wharves & docks							16
17		(24) Coal & ore wharves							17
18		(25) TOFC/COFC terminals							18
19		(26) Communication systems							19
20		(27) Signals & interlockers							20
21		(29) Power plants							21
22		(31) Power-transmission systems							22
23		(35) Miscellaneous structures							23
24		(37) Roadway machines							24
25		(39) Public improvements-const.							25
26	*	(44) Shop machinery							26
27		(45) Power-plant machinery							27
28		All other road accounts							28
29		<b>TOTAL ROAD</b>		See Note 1.					29
		<b>EQUIPMENT</b>							
30	*	(52) Locomotives							30
31	*	(53) Freight-train cars							31
32	*	(54) Passenger-train cars							32
33	*	(55) Highway revenue equipment							33
34	*	(56) Floating equipment							34
35	*	(57) Work equipment							35
36	*	(58) Miscellaneous equipment							36
37	*	(59) Computer systems and word processing equipment							37
38		<b>TOTAL EQUIPMENT</b>		See Note 1.					38
39		<b>GRAND TOTAL</b>	13,409	2,121	0	49	0	15,481	39

\* To be reported with equipment expense rather than W&S expense.

Note 1: Figures have been incorporated on Schedule 335 per Surface Transportation Board instructions.

NOTES AND REMARKS FOR SCHEDULE 342

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**350. DEPRECIATION BASE AND RATES-ROAD AND EQUIPMENT LEASED TO OTHERS**  
(Dollars in thousands)

1. This schedule is to be used in cases where the related depreciation reserve is carried in the accounts of the respondent and the rent therefrom is included in Accounts 32-11-00, 32-12-00, 32-13-00, 32-21-00, 32-22-00 and 32-23-00.

2. Show in columns (b) and (c), for each primary account, the depreciation base used in computing the depreciation for the months of January and December, respectively, with respect to road and equipment owned by the respondent but leased to others, the depreciation charges for which are not includible in operating expenses of the respondent, but for which the depreciation reserve is recorded in the accounts of the respondent. If the base for road is other than the original cost or estimated original cost as found by the Board's Office of Economic and Environmental Analysis, brought to a current date by the respondent from its Order No. 3 records and accounts, or is other than ledger value for equipment, a full explanation should be given.

3. In column (d) show the composite rates used to compute the depreciation for December and on lines 29 and 38 of this column show the composite percentage for all road and equipment accounts, respectively, ascertained by applying the primary accounts composite rates to the depreciation base used to compute the depreciation for December and dividing the total also computed by the depreciation base.

4. If depreciation accruals have been discontinued for any account, the depreciation base should be reported, nevertheless, in support of depreciation reserves. Authority for the discontinuance of accruals should be shown in a footnote indicating the account(s) affected.

5. Disclosures in the respective sections of this schedule may be omitted if either total road leased to others or total equipment leased to others represents less than 5% of total road owned or total equipment owned, respectively. However, line 39, grand Total, should be completed.

Line No.	Cross Check	Account (a)	Depreciation base		Annual composite rate (percent) (d)	Line No.
			At beginning of year (b)	At close of year (c)		
		<b>ROAD</b>				
1		(3) Grading				1
2		(4) Other right-of-way expenditures				2
3		(5) Tunnels and subways				3
4		(6) Bridges, trestles & culverts				4
5		(7) Elevated structures				5
6		(8) Ties				6
7		(9) Rail & other track material				7
8		(11) Ballast				8
9		(13) Fences snow sheds & signs				9
10		(16) Station & office buildings				10
11		(17) Roadway buildings				11
12		(18) Water stations				12
13		(19) Fuel stations				13
14		(20) Shops & enginehouses				14
15		(22) Storage warehouses				15
16		(23) Wharves & docks				16
17		(24) Coal & ore wharves				17
18		(25) TOFC/COFC terminals				18
19		(26) Communication systems				19
20		(27) Signals & interlockers				20
21		(29) Power plants				21
22		(31) Power-transmission systems				22
23		(35) Miscellaneous structures				23
24		(37) Roadway machines				24
25		(39) Public improvements-const.				25
26		(44) Shop machinery				26
27		(45) Power-plant machinery				27
28		All other road accounts				28
29		<b>TOTAL ROAD</b>		<b>See Note 1.</b>		29
		<b>EQUIPMENT</b>				
30		(52) Locomotives				30
31		(53) Freight-train cars				31
32		(54) Passenger-train cars				32
33		(55) Highway revenue equipment				33
34		(56) Floating equipment				34
35		(57) Work equipment				35
36		(58) Miscellaneous equipment				36
37		(59) Computer systems and word processing equipment				37
38		<b>TOTAL EQUIPMENT</b>		<b>See Note 1.</b>		38
39		<b>GRAND TOTAL</b>	89,148	93,875		39

Note 1: Total road and equipment leased to others is less than 5% of total owned.

**351. ACCUMULATED DEPRECIATION - ROAD AND EQUIPMENT LEASED TO OTHERS**  
(Dollars in thousands)

1. This schedule is to be used in cases where the related depreciation reserve is carried in the accounts of the respondent and the rent therefrom is included in Accounts 32-11-00, 32-12-00, 32-13-00, 32-21-00, 32-22-00, and 32-23-00.  
 2. Disclose credits and debits to Account 735, "Accumulated Depreciation-Road and Equipment Property", during the year relating to road and equipment leased to others, the depreciation charges for which are not included in operating expenses of the respondent. (See Schedule 330 for the reserve relating to road and equipment owned and used by the respondent).  
 3. If any entries are made for column (d) "Other credits", or column (f) "Other debits", state the facts occasioning such entries on page 39. A debit balance in columns (b) or (g) for any primary account should be shown in parenthesis or designated "Dr".  
 4. Disclosures in the respective sections of this schedule may be omitted if either total road leased to others or total equipment leased from others represents less than 5% of total road owned or total equipment owned, respectively. However, line 39, Grand Total, should be completed.

Line No.	Cross Check	Account (a)	Balance at beginning of year (b)	CREDITS TO RESERVE During the year		DEBITS TO RESERVE During the year		Balance at close of year (g)	Line No.
				Charges to operating expenses (c)	Other credits (d)	Retire-ments (e)	Other debits (f)		
<b>ROAD</b>									
1		(3) Grading							1
2		(4) Other right-of-way expenditures							2
3		(5) Tunnels and subways							3
4		(6) Bridges, trestles & culverts							4
5		(7) Elevated structures							5
6		(8) Ties							6
7		(9) Rail & other track material							7
8		(11) Ballast							8
9		(13) Fences snow sheds & signs							9
10		(16) Station & office buildings							10
11		(17) Roadway buildings							11
12		(18) Water stations							12
13		(19) Fuel stations							13
14		(20) Shops & enginehouses							14
15		(22) Storage warehouses							15
16		(23) Wharves & docks							16
17		(24) Coal & ore wharves							17
18		(25) TOFC/COFC terminals							18
19		(26) Communication systems							19
20		(27) Signals & interlockers							20
21		(29) Power plants							21
22		(31) Power-transmission systems							22
23		(35) Miscellaneous structures							23
24		(37) Roadway machines							24
25		(39) Public improvements-const.							25
26		(44) Shop machinery*							26
27		(45) Power-plant machinery							27
28		All other road accounts							28
29		<b>TOTAL ROAD</b>		<b>See Note 1.</b>					29
<b>EQUIPMENT</b>									
30		(52) Locomotives							30
31		(53) Freight-train cars							31
32		(54) Passenger-train cars							32
33		(55) Highway revenue equipment							33
34		(56) Floating equipment							34
35		(57) Work equipment							35
36		(58) Miscellaneous equipment							36
37		(59) Computer systems and word processing equipment							37
38		<b>TOTAL EQUIPMENT</b>		<b>See Note 1.</b>					38
39		<b>GRAND TOTAL</b>	26,893	1,968		25		28,836	39

\* To be reported with equipment expense rather than W&S expense.

Note 1: Total road and equipment leased to others is less than 5% of total owned.

**352A. INVESTMENT IN RAILROAD PROPERTY USED IN TRANSPORTATION SERVICE (By Company)**  
(Dollars in Thousands)

1. Disclose the investment in railway property used in transportation service at the close of the year. This investment represents the aggregate of the property owned or leased by respondent and used in respondent's transportation service. Such property includes (a) investment reported in Accounts 731, "Road and Equipment Property", and 732, "Improvements on leased property", of respondent, less any 731 or 732 property leased to others for their exclusive use of road, track, or bridges (including equipment or other railway property covered by the contract). Equipment leased to others under separate distinct contracts shall not be deducted from respondent's 731 or 732 property, and (b) the investment of other companies' 731 or 732 property (including operating and lessor railroads) used by respondent when the lease is for exclusive use or control of roads, tracks, or bridges (including equipment of other railway property covered by the contract). This excludes leased equipment from operating railroads under separate distinct contracts and the investment of other carriers in property jointly used by respondent.

2. In column (a), classify each company in this schedule as: "R" for respondent, "L" for lessor railroad, "P" for inactive or proprietary company, and "O" for other leased properties.

3. In columns (a) to (e), inclusive, first show the data requested for the respondent (R); next the data for companies whose entire properties are used in transportation service of the respondent, divided between lessor (L) and proprietary (P) companies; followed by data for carriers and others (O), portions of whose property are used in transportation service of the respondent. Show a total for each class of company in column (d) and (e). Then show as deductions, data for transportation property leased to carriers and others.

4. In column (c), line-haul carriers report the miles of road used in line-haul service. Report miles in whole numbers.

5. In column (d), show the amount applicable in Accounts 731 and 732 on the books of the companies whose names appear in column (b). Values of property of other carriers segregated by estimate or otherwise should correspond in amount to deductions made by the owners in their reports. If separate value is not available, an explanation should be provided. Differences between amounts shown in column (d) of this schedule and column (c), line 24, on the asset side of the general balance sheet of each individual railway should be explained in a footnote. Book values included in Accounts 731 and 732 of the owner should be reported in column (d) in reference to the investment of the respondent in the securities of the owner unless a good reason can be given for the contrary. Methods of estimating (by capitalizing rentals at 6 percent or otherwise) value of property of private owners, or portions of property of other carriers, should be explained.

6. In column (e), show the amount of depreciation and amortization accrued as of the close of the year in Accounts 733, 734, 735, 736, and 772, that is applicable to the property of the carriers whose names are listed in column (b), regardless of where the reserves therefor are recorded.

Line No.	Class (See ins. 2) (a)	Name of company (b)	Miles of road (see ins. 4) (whole number) (c)	Investments in property (see ins. 5) (d)	Depreciation & amortization of defense projects (see ins. 6) (e)	Line No.
1	R	Soo Line Corporation	4,086	4,766,356	876,425	1
2						2
3						3
4						4
5						5
6						6
7						7
8						8
9						9
10						10
11						11
12						12
13						13
14						14
15						15
16						16
17						17
18						18
19						19
20						20
21						21
22						22
23						23
24						24
25						25
26						26
27						27
28						28
29						29
30						30
31		TOTAL	4,086	4,766,356	876,425	31

**352B. INVESTMENT IN RAILWAY PROPERTY USED IN TRANSPORTATION SERVICE**

(By Property Accounts)

(Dollars in thousands)

1. In columns (b) through (e) give, by primary accounts, the amount of investment at the close of the year in property of respondent and each group or class of companies and properties.

2. The amounts for respondent and for each group or class of companies and properties on line 44 herein, should correspond with the amounts for each class of company and property shown in schedule 352A. Continuing records shall be maintained by respondent of the primary property accounts separately for each company or property included in the schedule.

3. Report on line 29 amounts representing capitalization of rentals for leased property based on 6 percent per year where property is not classified by accounts by non-carrier owners, or where cost of property leased from other carriers is not ascertainable. Identify non-carrier owners, and briefly explain on page 39 methods of estimating value of property of non-carriers or property of other carriers.

4. Report on line 30 amounts not includible in the accounts shown, or on line 29. The items included should be briefly identified and explained. Also include here those items after permission is obtained from the Board for exceptions to prescribed accounting. Reference to such authority should be made when explaining the amounts reported. Respondents must not make arbitrary changes to the printed stub or column headings without specific authority from the Board.

Line No.	Cross Check	Account (a)	Respondent (b)	Lessor railroads (c)	Inactive (proprietary companies) (d)	Other leased properties (e)	Line No.
1		(2) Land for transportation purposes	669,858	0	0	0	1
2		(3) Grading	490,293	0	0	0	2
3		(4) Other right-of-way expenditures	4,394	0	0	0	3
4		(5) Tunnels and subways	9,012	0	0	0	4
5		(6) Bridges, trestles, and culverts	361,761	0	0	0	5
6		(7) Elevated structures	0	0	0	0	6
7		(8) Ties	513,903	0	0	0	7
8		(9) Rail and other track material	1,039,781	0	0	0	8
9		(11) Ballast	286,690	0	0	0	9
10		(13) Fences, snow sheds, and signs	2,306	0	0	0	10
11		(16) Station and office buildings	32,391	0	0	0	11
12		(17) Roadway buildings	3,068	0	0	0	12
13		(18) Water stations	90	0	0	0	13
14		(19) Fuel stations	10,198	0	0	0	14
15		(20) Shops and enginehouses	21,437	0	0	0	15
16		(22) Storage warehouses	0	0	0	0	16
17		(23) Wharves and docks	1,300	0	0	0	17
18		(24) Coal and ore wharves	0	0	0	0	18
19		(25) TOFC/COFC terminals	27,000	0	0	0	19
20		(26) Communication systems	35,656	0	0	0	20
21		(27) Signals and interlockers	88,274	0	0	0	21
22		(29) Power plants	196	0	0	0	22
23		(31) Power-transmission systems	1,742	0	0	0	23
24		(35) Miscellaneous structures	2,948	0	0	0	24
25		(37) Roadway machines	83,063	0	0	0	25
26		(39) Public improvements - Construction	61,234	0	0	0	26
27		(44) Shop machinery	8,873	0	0	0	27
28		(45) Power-plant machinery	452	0	0	0	28
29		Leased property capitalized rentals (explain)	0	0	0	0	29
30		Other (specify and explain)		0	0	0	30
31		TOTAL ROAD	3,755,920	0	0	0	31
32		(52) Locomotives	346,385	0	0	0	32
33		(53) Freight-train cars	335,902	0	0	0	33
34		(54) Passenger-train cars	450	0	0	0	34
35		(55) Highway revenue equipment	1,097	0	0	0	35
36		(56) Floating equipment	0	0	0	0	36
37		(57) Work equipment	10,851	0	0	0	37
38		(58) Miscellaneous equipment	20,427	0	0	0	38
39		(59) Computer systems and word processing equipment	4,248	0	0	0	39
40		TOTAL EQUIPMENT	719,560	0	0	0	40
41		(76) Interest during construction	21,504	0	0	0	41
42		(80) Other elements of investment	1,135	0	0	0	42
43		(90) Construction in progress	268,237	0	0	0	43
44		GRAND TOTAL	4,766,356	0	0	0	44

## INSTRUCTIONS CONCERNING RETURNS TO BE MADE IN SCHEDULE 410

## CROSS-CHECKS

## SCHEDULE 410

Line 620, column (h)  
 Line 620, column (i)  
 Line 620, column (g)

## SCHEDULE 210

- Line 14, column (b)  
 = Line 14, column (d)  
 = Line 14, column (e)

## SCHEDULE 412

Lines 136 thru 138 column (f)  
 Lines 118 thru 123, and 130 thru 135 column (f)

= Line 29 column (b)  
 = Line 29, column (c)

## SCHEDULE 414

Line 231, column (f)  
 Line 230, column (f)

= Line 19, columns (b) thru (d)  
 = Line 19, columns (e) thru (g)

## SCHEDULE 415

Lines 207, 208, 211, 212, column (f)  
 Lines 226, 227, column (f)  
 Lines 311, 312, 315, 316, column (f)

= Lines 5, 38, column (f)  
 = Lines 24, 39, column (f)  
 = Lines 32, 35, 36, 37, 40, 41, column (f)

## AND

## SCHEDULE 414

Minus line 24, columns (b) thru (d) plus line 24,  
 columns (e) thru (g)

## SCHEDULE 415

Line 213, column (f)  
 Line 232, column (f)  
 Line 317, column (f)

= Lines 5, 38, columns (c) and (d)  
 = Lines 24, 39, columns (c) and (d)  
 = Lines 32, 35, 36, 37, 40, 41, columns (c) and (d)

Lines 202, 203, 216, column (f) equal to or greater  
 than, but variance cannot exceed line 216, column (f)

Lines 5, 38, column (b)

Lines 221, 222, 235, column (f) equal to or greater  
 than, but variance cannot exceed line 235, column (f)

Lines 24, 39, column (b)

Lines 302 thru 307 and 320, column (f) equal to or  
 greater than, but variance cannot exceed line 320,  
 column (f)

Lines 32, 35, 36, 37, 40, 41, column (b)

## SCHEDULE 417

Line 507, column (f)  
 Line 508, column (f)  
 Line 509, column (f)  
 Line 510, column (f)  
 Line 511, column (f)  
 Line 512, column (f)  
 Line 513, column (f)  
 Line 514, column (f)  
 Line 515, column (f)  
 Line 516, column (f)  
 Line 517, column (f)

= Line 1, column (j)  
 = Line 2, column (j)  
 = Line 3, column (j)  
 = Line 4, column (j)  
 = Line 5, column (j)  
 = Line 6, column (j)  
 = Line 7, column (j)  
 = Line 8, column (j)  
 = Line 9, column (j)  
 = Line 10, column (j)  
 = Line 11, column (j)

## SCHEDULE 450

Line 4 column b

## SCHEDULE 210

= Line 47 column b

**SCHEDULE 410 RAILWAY OPERATING EXPENSES**  
(DOLLARS IN THOUSANDS)

S O O 2 0 1 1

Line No.	Cross Check	Name Of Railway Operating Expense Account (A)	FREIGHT					Passenger (G)	Total (H)	Line No.
			Salaries & Wages (B)	Material & Other (C)	Purchased Services (D)	General (E)	Total Freight (F)			
<u>WAY AND STRUCTURES:</u>										
<u>ADMINISTRATION</u>										
1		Track	4,037	827	3,835	955	9,654	0	9,654	1
2		Bridge & Building	1,108	616	1,366	396	3,486	0	3,486	2
3		Signal	768	248	1,016	73	2,105	0	2,105	3
4		Communication	733	170	666	73	1,642	0	1,642	4
5		Other	2,234	167	1,893	492	4,786	0	4,786	5
<u>REPAIR AND MAINTENANCE</u>										
6		Roadway And Track Laying & Surfacing-Running	3,837	681	4,275	522	9,315	0	9,315	6
7		Roadway And Track Laying & Surfacing-Switching	913	133	383	115	1,544	0	1,544	7
8		Tunnels & Subways-Running	12	6	5	3	26	0	26	8
9		Tunnels & Subways-Switching	1	1	0	0	2	0	2	9
10		Bridges & Culverts-Running	1,815	953	876	515	4,159	0	4,159	10
11		Bridges & Culverts-Switching	102	47	28	47	224	0	224	11
12		Ties-Running	566	282	180	135	1,163	0	1,163	12
13		Ties-Switching	366	127	59	41	593	0	593	13
14		Rail & Other Track Material-Running	8,621	3,880	8,899	1,187	22,587	0	22,587	14
15		Rail & Other Track Material-Switching	2,267	910	702	281	4,160	0	4,160	15
16		Ballast-Running	754	150	192	10	1,106	0	1,106	16
17		Ballast-Switching	153	32	33	77	295	0	295	17
18		Road Property Damaged-Running	656	344	435	130	1,565	0	1,565	18
19		Road Property Damaged-Switching	374	220	107	69	770	0	770	19
20		Road Property Damaged-Other	0	0	0	0	0	0	0	20
21		Signals & Interlockers-Running	2,718	1,751	720	462	5,651	0	5,651	21
22		Signals & Interlockers-Switching	113	150	539	25	827	0	827	22
23		Communications Systems	2,558	1,093	2,109	250	6,010	0	6,010	23
24		Electric Power Systems	105	168	51	38	362	0	362	24
25		Highway Grade Crossings-Running	2,009	272	280	235	2,796	0	2,796	25
26		Highway Grade Crossings-Switching	191	73	26	23	313	0	313	26
27		Station & Office Buildings	517	6	1,460	949	2,932	0	2,932	27
28		Shop Buildings-Locomotives	184	5	833	326	1,348	0	1,348	28
29		Shop Buildings-Freight Cars	20	(1)	152	53	224	0	224	29
30		Shop Buildings-Other Equipment	77	4	269	90	440	0	440	30

4 5

**SCHEDULE 410 RAILWAY OPERATING EXPENSES**  
**(DOLLARS IN THOUSANDS)**

4  
6

Line No.	Cross Check	Name Of Railway Operating Expense Account (A)	FREIGHT					Passenger (G)	Total (H)	Line No.
			Salaries & Wages (B)	Material & Other (C)	Purchased Services (D)	General (E)	Total Freight (F)			
101		Locomotive Servicing Facilities	20	2	423	77	522	0	522	101
102		Miscellaneous Buildings & Structures	196	4	830	260	1,290	0	1,290	102
103		Coal Terminals	0	0	0	0	0	0	0	103
104		Ore Terminals	0	0	0	0	0	0	0	104
105		Other Marine Terminals	0	0	0	0	0	0	0	105
106		TOFC/COFC-Terminals	42	2	861	33	938	0	938	106
107		Motor Vehicle Loading & Distribution Facilities	1	0	3	1	5	0	5	107
108		Facilities For Other Specialized Service Operations	18	1	56	28	103	0	103	108
109		Roadway Machines	1,143	1,546	587	425	3,701	0	3,701	109
110		Small Tools And Supplies	227	337	69	53	686	0	686	110
111		Snow Removal	3,421	870	3,704	621	8,616	0	8,616	111
112		Fringe Benefits-Running	0	0	0	9,018	9,018	0	9,018	112
113		Fringe Benefits-Switching	0	0	0	1,961	1,961	0	1,961	113
114		Fringe Benefits-Other	0	0	0	7,692	7,692	0	7,692	114
115		Casualties & Insurance-Running	0	0	0	1,923	1,923	0	1,923	115
116		Casualties & Insurance-Switching	0	0	0	381	381	0	381	116
117		Casualties & Insurance-Other	0	0	0	769	769	0	769	117
118	*	Lease Rentals-Debit-Running	0	0	0	0	0	0	0	118
119	*	Lease Rentals-Debit-Switching	0	0	0	0	0	0	0	119
120	*	Lease Rentals-Debit-Other	0	0	2,622	0	2,622	0	2,622	120
121	*	Lease Rentals-(Credit)-Running	0	0	0	0	0	0	0	121
122	*	Lease Rentals-(Credit)-Switching	0	0	0	0	0	0	0	122
123	*	Lease Rentals-(Credit)-Other	0	0	0	0	0	0	0	123
124		Joint Facility Rent-Debit-Running	0	0	16,225	0	16,225	0	16,225	124
125		Joint Facility Rent-Debit-Switching	0	0	152	0	152	0	152	125
126		Joint Facility Rent-Debit-Other	0	0	0	0	0	0	0	126
127		Joint Facility Rent-(Credit)-Running	0	0	(3,559)	0	(3,559)	0	(3,559)	127
128		Joint Facility Rent-(Credit)-Switching	0	0	(67)	0	(67)	0	(67)	128
129		Joint Facility Rent-(Credit)-Other	0	0	0	0	0	0	0	129
130	*	Other Rents-Debit-Running	0	0	0	0	0	0	0	130
131	*	Other Rents-Debit-Switching	0	0	0	0	0	0	0	131
132	*	Other Rents-Debit-Other	0	0	0	0	0	0	0	132
133	*	Other Rents-(Credit)-Running	0	0	0	0	0	0	0	133

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**SCHEDULE 410 RAILWAY OPERATING EXPENSES**  
(DOLLARS IN THOUSANDS)

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Line No.	Cross Check	Name Of Railway Operating Expense Account (A)	FREIGHT					Passenger (G)	Total (H)	Line No.
			Salaries & Wages (B)	Material & Other (C)	Purchased Services (D)	General (E)	Total Freight (F)			
134	*	Other Rents-(Credit)-Switching	0	0	0	0	0	0	0	134
135	*	Other Rents-(Credit)-Other	0	0	0	0	0	0	0	135
136	*	Depreciation-Running	0	0	0	65,735	65,735	0	65,735	136
137	*	Depreciation-Switching	0	0	0	8,277	8,277	0	8,277	137
138	*	Depreciation-Other	0	0	0	12,376	12,376	0	12,376	138
139		Joint Facility-Debit-Running	0	0	19,469	0	19,469	0	19,469	139
140		Joint Facility-Debit-Switching	0	0	356	0	356	0	356	140
141		Joint Facility-Debit-Other	0	0	0	0	0	0	0	141
142		Joint Facility-(Credit)-Running	0	0	(7,529)	0	(7,529)	0	(7,529)	142
143		Joint Facility-(Credit)-Switching	0	0	(216)	0	(216)	0	(216)	143
144		Joint Facility-(Credit)-Other	0	0	0	0	0	0	0	144
145		Dismantling Retired Road Property-Running	0	0	0	0	0	0	0	145
146		Dismantling Retired Road Property-Switching	0	0	0	0	0	0	0	146
147		Dismantling Retired Road Property-Other	0	0	0	0	0	0	0	147
148		Other-Running	0	0	0	0	0	0	0	148
149		Other-Switching	0	0	0	0	0	0	0	149
150		Other-Other	0	0	0	(4,173)	(4,173)	0	(4,173)	150
151		<b>TOTAL WAY AND STRUCTURES</b>	<b>42,877</b>	<b>16,077</b>	<b>65,375</b>	<b>113,029</b>	<b>237,358</b>	<b>0</b>	<b>237,358</b>	<b>151</b>
<b>EQUIPMENT:</b>										
<u>LOCOMOTIVES</u>										
201		Administration	1,613	122	2,674	15	4,424	0	4,424	201
202	*	Repair And Maintenance	12,028	5,127	54,263	121	71,539	0	71,539	202
203	*	Machinery Repair	34	116	312	5	467	0	467	203
204		Equipment Damaged	188	70	356	13	627	0	627	204
205		Fringe Benefits	0	0	0	6,182	6,182	0	6,182	205
206		Other Casualties And Insurance	0	0	0	1,408	1,408	0	1,408	206
207	*	Lease Rentals-Debit	0	0	20,835	0	20,835	0	20,835	207
208	*	Lease Rentals-(Credit)	0	0	(383)	0	(383)	0	(383)	208
209		Joint Facility Rent-Debit	0	0	0	0	0	0	0	209
210		Joint Facility Rent-(Credit)	0	0	0	0	0	0	0	210
211	*	Other Rents-Debit	0	0	43,652	0	43,652	0	43,652	211
212	*	Other Rents-(Credit)	0	0	(54,018)	0	(54,018)	0	(54,018)	212
213	*	Depreciation	0	0	0	9,152	9,152	0	9,152	213
214		Joint Facility-Debit	0	0	0	0	0	0	0	214
215		Joint Facility-(Credit)	0	0	0	0	0	0	0	215
216	*	Repairs Billed To Others-(Credit)	0	0	(10,619)	0	(10,619)	0	(10,619)	216

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**SCHEDULE 410 RAILWAY OPERATING EXPENSES**  
**(DOLLARS IN THOUSANDS)**

Line No.	Cross Check	Name Of Railway Operating Expense Account (A)	FREIGHT					Passenger (G)	Total (H)	Line No.
			Salaries & Wages (B)	Material & Other (C)	Purchased Services (D)	General (E)	Total Freight (F)			
217		Dismantling Retired Property	0	0	0	0	0	0	0	217
218		Other	0	0	0	0	0	0	0	218
219		<b>TOTAL LOCOMOTIVES</b>	<b>13,863</b>	<b>5,435</b>	<b>57,072</b>	<b>16,896</b>	<b>93,266</b>	<b>0</b>	<b>93,266</b>	219
<u>FREIGHT CARS</u>										
220		Administration	1,371	265	2,655	77	4,368	0	4,368	220
221	*	Repair & Maintenance	7,948	18,050	19,671	82	45,751	0	45,751	221
222	*	Machinery Repair	31	136	547	12	726	0	726	222
223		Equipment Damaged	122	30	5,805	(31)	5,926	0	5,926	223
224		Fringe Benefits	0	0	0	4,201	4,201	0	4,201	224
225		Other Casualties & Insurance	0	0	0	1,142	1,142	0	1,142	225
226	*	Lease Rentals-Debit	0	0	53,755	0	53,755	0	53,755	226
227	*	Lease Rentals-(Credit)	0	0	0	0	0	0	0	227
228		Joint Facility Rent-Debit	0	0	0	0	0	0	0	228
229		Joint Facility Rent-(Credit)	0	0	0	0	0	0	0	229
230	*	Other Rents-Debit	0	0	63,910	0	63,910	0	63,910	230
231	*	Other Rents-(Credit)	0	0	(73,010)	0	(73,010)	0	(73,010)	231
232	*	Depreciation	0	0	0	7,666	7,666	0	7,666	232
233		Joint Facility-Debit	0	0	0	0	0	0	0	233
234		Joint Facility-(Credit)	0	0	0	0	0	0	0	234
235	*	Repairs Billed To Others-(Credit)	0	0	(22,022)	0	(22,022)	0	(22,022)	235
236		Dismantling Retired Property	0	0	0	0	0	0	0	236
237		Other	0	0	0	0	0	0	0	237
238		<b>TOTAL FREIGHT CARS</b>	<b>9,472</b>	<b>18,481</b>	<b>51,311</b>	<b>13,149</b>	<b>92,413</b>	<b>0</b>	<b>92,413</b>	238
<u>OTHER EQUIPMENT</u>										
301		Administrative	15	0	0	0	15	0	15	301
Repairs & Maintenance										
302	*	Trucks, Trailers, Containers	0	0	1,623	0	1,623	0	1,623	302
303	*	Floating Equipment - Revenue Services	0	0	0	0	0	0	0	303
304	*	Passenger & Other Revenue Service	0	0	0	0	0	0	0	304
305	*	Computers & Data Processing Systems	0	0	1,224	0	1,224	0	1,224	305
306	*	Machinery	0	0	0	0	0	0	0	306
307	*	Work & Other Non-Revenue Equipment	93	308	1,343	0	1,744	0	1,744	307
308		Equipment Damaged	0	0	0	0	0	0	0	308
309		Fringe Benefits	0	0	0	49	49	0	49	309
310		Other Casualties & Insurance	0	0	0	58	58	0	58	310
311	*	Lease Rentals - Debit	0	0	3,503	0	3,503	0	3,503	311
312	*	Lease Rentals - (Credit)	0	0	(11)	0	(11)	0	(11)	312

**SCHEDULE 410 RAILWAY OPERATING EXPENSES**  
(DOLLARS IN THOUSANDS)

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Line No.	Cross Check	Name Of Railway Operating Expense Account (A)	FREIGHT					Passenger (G)	Total (H)	Line No.
			Salaries & Wages (B)	Material & Other (C)	Purchased Services (D)	General (E)	Total Freight (F)			
313		Joint Facility Rent - Debit	0	0	0	0	0	0	0	313
314		Joint Facility Rent - (Credit)	0	0	0	0	0	0	0	314
315	*	Other Rents - Debit	0	0	625	0	625	0	625	315
316	*	Other Rents - (Credit)	0	0	(481)	0	(481)	0	(481)	316
317	*	Depreciation	0	0	0	3,524	3,524	0	3,524	317
318		Joint facility - Debit	0	0	0	0	0	0	0	318
319		Joint facility - (Credit)	0	0	0	0	0	0	0	319
320	*	Repairs Billed to Others - (Credit)	0	0	(204)	0	(204)	0	(204)	320
321		Dismantling Retired Property	0	0	0	0	0	0	0	321
322		Other	0	0	0	0	0	0	0	322
323		TOTAL OTHER EQUIPMENT	108	308	7,622	3,631	11,669	0	11,669	323
324		TOTAL EQUIPMENT	23,443	24,224	116,005	33,676	197,348	0	197,348	324

**TRANSPORTATION:**

TRAIN OPERATIONS

401		Administration	11,790	854	8,676	1,044	22,364	0	22,364	401
402		Engine Crews	44,904	381	9,988	1,233	56,506	0	56,506	402
403		Train Crews	47,256	404	10,631	1,311	59,602	0	59,602	403
404		Dispatching Trains	7,546	77	484	182	8,289	0	8,289	404
405		Operating Signals & Interlockers	0	0	0	0	0	0	0	405
406		Operating Drawbridges	860	0	52	0	912	0	912	406
407		Highway Crossing Protection	0	0	2,714	2	2,716	0	2,716	407
408		Train Inspection & Lubrication	5,858	229	3,999	36	10,122	0	10,122	408
409		Locomotive Fuel	54	216,505	577	3	217,139	0	217,139	409
410		Electric Power Purchased or Produced for Motive Power	0	0	0	0	0	0	0	410
411		Servicing Locomotives	4,161	3,707	229	24	8,121	0	8,121	411
412		Freight Lost or Damaged - Solely Related	0	0	0	2,534	2,534	0	2,534	412
413		Clearing Wrecks	230	0	6,286	0	6,516	0	6,516	413
414		Fringe Benefits	0	0	0	54,829	54,829	0	54,829	414
415		Other Casualties and Insurance	0	0	0	10,055	10,055	0	10,055	415
416		Joint Facilities - Debit	0	0	11,139	0	11,139	0	11,139	416
417		Joint Facilities - (Credit)	0	0	(3,298)	0	(3,298)	0	(3,298)	417
418		Other	0	0	0	0	0	0	0	418
419		TOTAL TRAIN OPERATIONS	122,659	222,157	51,477	71,253	467,546	0	467,546	419

YARD OPERATIONS

420		Administration	5,089	291	3,666	456	9,502	0	9,502	420
421		Switch Crews	34,567	362	2,299	792	38,020	0	38,020	421

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**SCHEDULE 410 RAILWAY OPERATING EXPENSES**  
(DOLLARS IN THOUSANDS)

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		FREIGHT								
Line No.	Cross Check	Name Of Railway Operating Expense Account (A)	Salaries & Wages (B)	Material & Other (C)	Purchased Services (D)	General (E)	Total Freight (F)	Passenger (G)	Total (H)	Line No.
422		Controlling Operations	3,841	54	446	209	4,550	0	4,550	422
423		Yard And Terminal Clerical	1,660	17	230	35	1,942	0	1,942	423
424		Operating Switches, Signals Retarders & Humps	493	0	1,179	0	1,672	0	1,672	424
425		Locomotive Fuel	4	13,601	0	0	13,605	0	13,605	425
426		Electric Power Purchased Or Produced For Motive Power	0	0	0	0	0	0	0	426
427		Servicing Locomotives	250	222	25	1	498	0	498	427
428		Freight Lost Or Damaged-Solely Related	0	0	0	0	0	0	0	428
429		Clearing Wrecks	28	0	0	0	28	0	28	429
430		Fringe Benefits	0	0	0	20,860	20,860	0	20,860	430
431		Other Casualties & Insurance	0	0	0	2,916	2,916	0	2,916	431
432		Joint Facility-Debit	0	0	2,413	0	2,413	0	2,413	432
433		Joint Facility-(Credit)	0	0	(79)	0	(79)	0	(79)	433
434		Other	0	0	0	0	0	0	0	434
435		<b>TOTAL YARD OPERATIONS</b>	<b>45,932</b>	<b>14,547</b>	<b>10,179</b>	<b>25,269</b>	<b>95,927</b>	<b>0</b>	<b>95,927</b>	<b>435</b>
<u>TRAIN AND YARD OPERATIONS COMMON</u>										
501		Cleaning Car Interiors	0	0	1,179	0	1,179	0	1,179	501
502		Adjusting & Transferring Loads	0	0	0	0	0	0	0	502
503		Car Loading Devices & Grain Doors	0	0	0	0	0	0	0	503
504		Freight Lost & Damaged - All Other	0	0	0	0	0	0	0	504
505		Fringe Benefits	0	0	0	0	0	0	0	505
506		<b>TOTAL TRAIN AND YARD OPERATIONS COMMON</b>	<b>0</b>	<b>0</b>	<b>1,179</b>	<b>0</b>	<b>1,179</b>	<b>0</b>	<b>1,179</b>	<b>506</b>
<u>SPECIALIZED SERVICE OPERATIONS</u>										
507	*	Administration	577	0	25	32	634	0	634	507
508	*	Pickup & Delivery & Marine Line Haul	0	0	0	0	0	0	0	508
509	*	Loading & Unloading & Local Marine	1,084	330	12,798	28	14,240	0	14,240	509
510	*	Protection Services	0	0	0	0	0	0	0	510
511	*	Freight Lost Or Damaged-Solely Related	0	0	0	0	0	0	0	511
512	*	Fringe Benefits	0	0	0	780	780	0	780	512
513	*	Casualties & Insurance	0	0	0	128	128	0	128	513
514	*	Joint Facility-Debit	0	0	0	0	0	0	0	514
515	*	Joint Facility-(Credit)	0	0	0	0	0	0	0	515
516	*	Other	0	0	0	0	0	0	0	516
517	*	<b>TOTAL SPECIALIZED SERVICES OPERATIONS</b>	<b>1,661</b>	<b>330</b>	<b>12,823</b>	<b>968</b>	<b>15,782</b>	<b>0</b>	<b>15,782</b>	<b>517</b>

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**SCHEDULE 410 RAILWAY OPERATING EXPENSES  
(DOLLARS IN THOUSANDS)**

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Line No.	Cross Check	Name Of Railway Operating Expense Account (A)	FREIGHT					Passenger (G)	Total (H)	Line No.
			Salaries & Wages (B)	Material & Other (C)	Purchased Services (D)	General (E)	Total Freight (F)			
<u>ADMINISTRATIVE SUPPORT OPERATIONS</u>										
518		Administration	2,300	42	1,521	131	3,994	0	3,994	518
519		Employees Performing Clerical Functions	4,603	0	2,788	59	7,450	0	7,450	519
520		Communication Systems Operation	0	0	0	0	0	0	0	520
521		Loss & Damage Claims Processing	0	0	111	0	111	0	111	521
522		Fringe Benefits	0	0	0	3,202	3,202	0	3,202	522
523		Casualties & Insurance	0	0	0	106	106	0	106	523
524		Joint Facility - Debit	0	0	0	0	0	0	0	524
525		Joint Facility - (Credit)	0	0	0	0	0	0	0	525
526		Other	0	0	0	0	0	0	0	526
527		TOTAL ADMINSTRATIVE SUPPORT OPERATIONS	<u>6,903</u>	<u>42</u>	<u>4,420</u>	<u>3,498</u>	<u>14,863</u>	<u>0</u>	<u>14,863</u>	527
528		TOTAL TRANSPORTATION	<u>177,155</u>	<u>237,076</u>	<u>80,078</u>	<u>100,988</u>	<u>595,297</u>	<u>0</u>	<u>595,297</u>	528
<u>GENERAL AND ADMINISTRATIVE</u>										
601		Officers-General Administration	69	9	4,304	24	4,406	0	4,406	601
602		Accounting, Auditing & Finance	2,663	128	5,958	81	8,830	0	8,830	602
603		Management Services And Data Processing	500	12	42,012	128	42,652	0	42,652	603
604		Marketing	1,174	8	4,823	202	6,207	0	6,207	604
605		Sales	2,040	19	4,493	324	6,876	0	6,876	605
606		Industrial Development	770	13	278	82	1,143	0	1,143	606
607		Personnel & Labor Relations	2,343	120	1,833	388	4,684	0	4,684	607
608		Legal And Secretarial	2,165	554	12,604	319	15,642	0	15,642	608
609		Public Relations And Advertising	228	11	722	1,027	1,988	0	1,988	609
610		Research And Development	0	0	0	0	0	0	0	610
611		Fringe Benefits	N/A	N/A	N/A	5,825	5,825	0	5,825	611
612		Casualties & Insurance	N/A	N/A	N/A	1,095	1,095	0	1,095	612
613		Writedown Of Uncollectible Accounts	N/A	N/A	N/A	2,251	2,251	0	2,251	613
614		Property Taxes	N/A	N/A	N/A	24,738	24,738	0	24,738	614
615		Other Taxes Except On Corporate Income Or Payrolls	N/A	N/A	N/A	(862)	(862)	0	(862)	615
616		Joint Facility-Debit	N/A	N/A	N/A	0	0	0	0	616
617		Joint Facility-(Credit)	N/A	N/A	N/A	0	0	0	0	617
618		Other	1,966	180	436	2,746	5,328	0	5,328	618
619		TOTAL GENERAL AND ADMINISTRATIVE	<u>13,918</u>	<u>1,054</u>	<u>77,463</u>	<u>38,368</u>	<u>130,803</u>	<u>0</u>	<u>130,803</u>	619
620	*	TOTAL CARRIER OPERATING EXPENSES	<u>257,393</u>	<u>278,431</u>	<u>338,921</u>	<u>286,061</u>	<u>1,160,806</u>	<u>0</u>	<u>1,160,806</u>	620

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**412. WAY AND STRUCTURES**  
(Dollars in thousands)

1. Report freight expenses only.
2. The total depreciation expense reported in column (b), line 29, should balance to the sum of the depreciation expense reported in schedule 410, column (f) lines 136, 137 and 138.
3. Report in column (c) the lease/rentals for the various property categories of Way and Structures. The total net lease/rentals reported in column (c), line 29, should balance the net amount reported in schedule 410, column (f), lines 118 through 123, plus lines 130 through 135.  
If an entire road or segment of track is leased and if the actual breakdown of lease/rentals by property category is not known, apportion the lease/rentals based on the percentage of the categories' depreciation bases for all categories of depreciable leased property. Use schedule 352B of this report to obtain the depreciation bases of the categories of leased property.
4. Amortization adjustment of each road property type which is included in column (b) shall be repeated in column (d) as a debit or credit to the appropriate line item. The net adjustment on line 29 shall equal the adjustment reported on line 29 of schedule 335.
5. Report on line 28, all other lease rentals not apportioned in any category listed on lines 1 through 27.
6. Line 11, Account 16, should not include computer and data processing equipment reported on line 37 of schedule 415.

Line No.	Cross Check	Property account	Category (a)	Depreciation (b)	Lease/Rentals (net) (c)	Amortization adjustment during year (d)	Line No.
1		2	Land for transportation purposes	N/A	0	N/A	1
2		3	Grading	6,605	0	6	2
3		4	Other right-of-way expenditures	173	0	2	3
4		5	Tunnels and subways	104	0	(1)	4
5		6	Bridges, trestles and culverts	8,020	0	(39)	5
6		7	Elevated structures	0	0	0	6
7		8	Ties	24,253	0	(59)	7
8		9	Rail and other track material	26,588	0	(847)	8
9		11	Ballast	7,902	0	(220)	9
10		13	Fences, snowsheds and signs	21	0	(11)	10
11		16	Station and office buildings	1,718	2,662	(43)	11
12		17	Roadway buildings	83	0	(2)	12
13		18	Water stations	6	0	0	13
14		19	Fuel stations	233	0	2	14
15		20	Shops and enginehouses	476	0	28	15
16		22	Storage warehouses	0	0	0	16
17		23	Wharves and docks	22	0	(4)	17
18		24	Coal and ore wharves	0	0	0	18
19		25	TOFC/COFC terminals	695	0	13	19
20		26	Communications systems	1,925	0	67	20
21		27	Signals and interlockers	2,847	0	(157)	21
22		29	Power plants	11	0	6	22
23		31	Power transmission systems	34	0	4	23
24		35	Miscellaneous structures	82	0	1	24
25		37	Roadway machines	2,809	0	(379)	25
26		39	Public improvements: construction	1,786	0	58	26
27		45	Power plant machines	(5)	0	(12)	27
28		--	Other lease/rentals	N/A	0	N/A	28
29		--	TOTAL	86,388	2,662	(1,587)	29

**414. RENTS FOR INTERCHANGED FREIGHT TRAIN CARS AND OTHER FREIGHT-CARRYING EQUIPMENT**  
(Dollars in thousands)

1. Report freight expenses only.
  2. Report in this supporting schedule rental information by car type and other freight-carrying equipment relating to the interchange of railroad owned or leased equipment and privately owned equipment. (Reporting for leased equipment covers equipment that carrier on railroad markings).
  3. The gross amounts receivable and payable for freight-train cars (line 19, columns (b) through (d), and line 19, columns (e) through (g), respectively should balance with Schedule 410, column (f), lines 231 (credits) and 230 (debits). Trailer and container rentals in this schedule are included in Schedule 410, column (f), lines 315 and 316. However, the trailer and container rentals in this schedule will not balance to lines 315 and 316 of schedule 410 because those lines include rents for "Other Equipment" which is reported in Schedule 415, column (f). The balancing of schedule 410, 414 and 415 "Other Equipment" is outlined in note 6 to Schedule 415.
  4. Report in columns (b) and (e) rentals for private-line cars (whether under railroad control or not) and shipper-owned cars.
  5. Report in columns (c), (d), (f) and (g) rentals for railroad owned cars prescribed by the Board in EX Parte no. 334, for which rentals are settled on a combination mileage and time basis (basic per diem). Include railroad owned per diem tank cars on line 17.
- NOTES: Mechanical designations for each car type are shown in Schedule 710.

Line No.	Cross Check	Type of equipment (a)	GROSS AMOUNTS RECEIVABLE Per diem basis			GROSS AMOUNTS PAYABLE Per diem basis			Line No.
			Private line cars (b)	Mileage (c)	Time (d)	Private line cars (e)	Mileage (f)	Time (g)	
<b>CAR TYPES</b>									
1		Box-Plain 40 Foot	0	0	0	0	0	0	1
2		Box-Plain 50 Foot and Longer	0	21	157	794	88	408	2
3		Box-Equipped	0	109	392	844	2,247	5,974	3
4		Gondola-Plain	0	0	0	940	184	392	4
5		Gondola-Equipped	0	621	3,155	0	1,238	3,679	5
6		Hopper-Covered	0	13,499	37,077	732	4,869	17,361	6
7		Hopper-Open Top-General Service	0	341	2,480	0	70	170	7
8		Hopper-Open Top-Special Service	0	0	0	0	6	27	8
9		Refrigerator-Mechanical	0	0	0	0	18	199	9
10		Refrigerator-Non-Mechanical	0	85	220	1	62	324	10
11		Flat TOFC/COFC	0	0	115	7,527	325	1,473	11
12		Flat Multi-Level	0	1,869	4,573	5,263	278	65	12
13		Flat-General Service	0	0	0	13	4	9	13
14		Flat-Other	0	2,088	5,643	2,521	654	1,885	14
15		Tank-Under 22,000 Gallons	0	0	0	105	0	0	15
16		Tank-22,000 Gallons and Over	0	0	0	19	2	1	16
17		All Other Freight Cars	0	5	27	86	106	180	17
18		Auto Racks	0	0	533	2,767	0	0	18
19		<b>TOTAL FREIGHT TRAIN CARS</b>	<b>0</b>	<b>18,638</b>	<b>54,372</b>	<b>21,612</b>	<b>10,151</b>	<b>32,147</b>	<b>19</b>
<b>OTHER FREIGHT-CARRYING EQUIPMENT</b>									
20		Refrigerated Trailers	0	0	0	0	0	0	20
21		Other Trailers	0	0	0	0	0	0	21
22		Refrigerated Containers	0	0	0	0	0	0	22
23		Other Containers	0	0	0	0	0	0	23
24	*	<b>TOTAL TRAILERS AND CONTAINERS</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>24</b>
25		<b>GRAND TOTAL (LINES 19 AND 24)</b>	<b>0</b>	<b>18,638</b>	<b>54,372</b>	<b>21,612</b>	<b>10,151</b>	<b>32,147</b>	<b>25</b>

NOTES AND REMARKS

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**GENERAL INSTRUCTIONS CONCERNING RETURNS TO BE MADE IN SCHEDULE 415**

1. Report freight expenses only.
2. Report by type of equipment all natural expenses relating to the equipment functions (salaries and wages, materials, tools, supplies, fuels and lubricants, purchased services and general).
3. Report in column (b) net repair expense, excluding the cost to repair damaged equipment.

Schedule 415, column (b), will balance to Schedule 410, column (f), as follows:

(a) Locomotives, line 5 plus line 38, compared to the sum of Schedule 410, lines 202, 203 plus 216 (excluding wreck repairs). Do not report in schedule 415, Equipment Damaged from Schedule 410, line 204.

(b) Freight Cars, line 24 plus line 39, compared to the sum of Schedule 410, lines 221, 222 plus 235 (excluding wreck repairs). Do not report in Schedule 415, Equipment Damaged from Schedule 410, line 223.

(c) Sum of highway equipment (line 32), floating equipment (line 35), passenger and other revenue equipment (line 36), computer and data processing equipment (line 37), machinery-other equipment (line 40), and work and other non-revenue equipment (line 41) compared to Schedule 410, the sum of lines 302 through 307, plus line 320 (excluding wreck repairs). Do not report in Schedule 415, equipment damaged from Schedule 410, line 308.

Note: Lines 216, 235 and 320 of Schedule 410 are credit amounts.

The allocation of freight car repair expenses reportable on Schedule 415 by car types shall be in accordance with Instruction 2-21, Freight train repair costing, 49 CFR 1201.

4. Depreciation expense for each class of equipment by car type shall be reported in columns (c) and (d). For improvements on leased property, Accounts 732 and 733, use a supplementary Schedule 415, which will relate to Schedules 340 and 342.

Depreciation charges reported on columns (c) and (d) will balance to Schedule 410, column (f), as follows:

(a) Locomotives, line 5 and 38, compared to Schedule 410, line 213.

(b) Freight Cars, line 24 and 39, compared to schedule 410, line 232.

(c) Sum of highway equipment (line 32), floating equipment (line 35), passenger and other revenue equipment (line 36), computer and data processing equipment (line 37), machinery-other equipment (line 40), and work and other non-revenue equipment (line 41), compared to Schedule 410, line 317.

5. Amortization adjustment of each equipment type which is included in column (c) shall be reported in column (e) as a debit or credit to the appropriate line item. The net adjustment on line 43 shall equal the equipment amortization adjustment applicable to equipment used in freight service included in line 39, column (c), of Schedule 335.

6. Lease/rentals reported in column (f) should balance to column (f) of Schedule 410 as follows:

(a) Locomotives, line 5 and 38, compared with Schedule 410, lines 207, 208, 211 and 212.

(b) Freight cars, line 24 and 39, compared with Schedule 410, lines 226 plus 227 (note that Schedule 410, lines 230 and 231, are reported in Schedule 414 and are not to be included in Schedule 415).

(c) Sum of Lease/rentals for all other equipment, lines 32, 35, 36, 37, 40 and 41, will balance to Schedule 410, lines 311, 312, 315 and 316, except for the interchange rental on trailers and containers which is reported in Schedule 414. Therefore, both Schedules 414 and 415 should be used when balancing lease/rentals other equipment to Schedule 410. Do not report in Schedule 415 the trailer and container rentals reported in Schedule 414.

7. Investment base by types of equipment shall be reported in columns (g) and (h) and should not include the cost of equipment used but not owned when the rents therefore are included in the rent for equipment and Account Nos. 31-21-00, 31-22-00, 31-23-00, 35-21-00, 35-22-00 and 35-23-00. It should include the cost of equipment owned and leased to others when the rents are included in the rent for Equipment Account Nos. 32-21-00, 32-22-00, 32-23-00, 36-21-00, 36-22-00, and 36-23-00.

Property used but not owned should also be included when the rent is included in Account Nos. 31-12-00, 31-13-00, 31-21-00, 31-22-00 and 31-23-00, inclusive.

The grand total of each equipment account in column (h) of Schedule 330 should equal the totals of line items constituting the equipment account totals of columns (g) and (h), of Schedule 415.

8. Accumulated depreciation for each class of equipment shall be reported in columns (i) and (j). The grand total of each equipment reserve account in column (g), Schedule 335, shall equal the combined aggregate total accumulated depreciation for line items constituting the corresponding equipment accounts reported in columns (i) and (j), on Schedule 415.

**415. SUPPORTING SCHEDULE - EQUIPMENT**  
(Dollars in thousands)

Line No.	Cross Check	Types of equipment	Repairs (net expense) (b)	Depreciation		Amortization Adjustment net during year (e)	Line No.
				Owned (c)	Capitalized lease (d)		
		<b>LOCOMOTIVES</b>					
1		Diesel Locomotive-Yard	4,946	228	0	(10)	1
2		Diesel Locomotive-Road	55,974	8,552	0	(827)	2
3		Other Locomotive-Yard	0	0	0	0	3
4		Other Locomotive-Road	0	0	0	0	4
5	*	<b>TOTAL LOCOMOTIVES</b>	<b>60,920</b>	<b>8,780</b>	<b>0</b>	<b>(837)</b>	<b>5</b>
		<b>FREIGHT TRAIN CARS</b>					
6		Box-Plain 40 Foot	0	(17)	0	(17)	6
7		Box-Plain 50 Foot and Longer	134	291	0	233	7
8		Box-Equipped	338	(103)	0	(103)	8
9		Gondola-Plain	13	0	0	0	9
10		Gondola-Equipped	650	(26)	293	(311)	10
11		Hopper-Covered	18,218	5,205	244	(1,111)	11
12		Hopper-Open Top-General Service	551	190	0	(8)	12
13		Hopper-Open Top-Special Service	0	0	0	0	13
14		Refrigerator-Mechanical	0	0	0	0	14
15		Refrigerator-Nonmechanical	27	212	0	169	15
16		Flat TOFC/COFC	0	71	0	71	16
17		Flat Multi-level	1,576	0	0	0	17
18		Flat-General Service	0	(1)	0	(1)	18
19		Flat-Other	2,194	17	0	(88)	19
20		All Other Freight Cars	0	0	0	0	20
21		Cabooses	28	(11)	0	(27)	21
22		Auto Racks	0	1,134	0	(295)	22
23		Miscellaneous Accessories	0	0	0	0	23
24	*	<b>TOTAL FREIGHT TRAIN CARS</b>	<b>23,729</b>	<b>6,962</b>	<b>537</b>	<b>(1,488)</b>	<b>24</b>
		<b>OTHER EQUIPMENT-REVENUE</b>					
		<b>FREIGHT HIGHWAY EQUIPMENT</b>					
25		Refrigerated Trailers	0	0	0	0	25
26		Other Trailers	0	0	0	0	26
27		Refrigerated Containers	0	0	0	0	27
28		Other Containers	807	0	0	0	28
29		Bogies	0	0	0	0	29
30		Chassis	267	108	0	(12)	30
31		Other Highway Equipment (Freight)	545	0	0	0	31
32	*	<b>TOTAL HIGHWAY EQUIPMENT</b>	<b>1,619</b>	<b>108</b>	<b>0</b>	<b>(12)</b>	<b>32</b>
		<b>FLOATING EQUIPMENT-REVENUE</b>					
		<b>SERVICE</b>					
33		Marine Line-Haul	0	0	0	0	33
34		Local Marine	0	0	0	0	34
35	*	<b>TOTAL FLOATING EQUIPMENT</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>35</b>
		<b>OTHER EQUIPMENT</b>					
		<b>Passenger and Other Revenue Equipment (Freight Portion)</b>					
36	*	Computer systems and word processing equipment	1,225	907	0	186	37
37	*	Machinery-Locomotives1	467	372	0	72	38
38	*	Machinery-Freight Cars2	726	167	0	32	39
39	*	Machinery-Other Equipment3	0	104	0	21	40
40	*	Work and Other Non-revenue Equipment	1,543	2,384	0	(171)	41
41	*	<b>TOTAL OTHER EQUIPMENT</b>	<b>3,961</b>	<b>3,955</b>	<b>0</b>	<b>140</b>	<b>42</b>
42		<b>TOTAL ALL EQUIPMENT (FREIGHT PORTION)</b>	<b>90,229</b>	<b>19,805</b>	<b>537</b>	<b>(2,197)</b>	<b>43</b>

- 1 The data to be reported on line 38 in column (b) is the amount reported in Schedule 410, column (f), line 203, reduced by the allocable portion of line 216.
- 2 The data to be reported on line 39 in column (b) is the amount reported in Schedule 410, column (f), line 222, reduced by the allocable portion of line 235.
- 3 The data to be reported on line 40 in column (b) is the amount reported in Schedule 410, column (f), lines 302 through 306, reduced by the allocable portion of line 320.

**415. SUPPORTING SCHEDULE - EQUIPMENT - Continued**  
(Dollars in thousands)

Line No.	Cross Check	Lease and rentals (net) (f)	Investment base as of 12/31		Accumulated depreciation as of 12/31		Line No.
			Owned (g)	Capitalized lease (h)	Owned (i)	Capitalized lease (j)	
1		657	5,103	0	9	0	1
2		9,429	341,482	0	97,468	0	2
3		0	0	0	0	0	3
4		0	0	0	0	0	4
5		10,086	346,585	0	97,477	0	5
6		0	0	0	6	0	6
7		442	2,486	0	1,963	0	7
8		6	1,049	0	(985)	0	8
9		0	0	0	0	0	9
10		3,501	11,367	4,154	6,716	1,065	10
11		33,208	263,576	5,243	110,611	1,245	11
12		2,214	6,593	0	524	0	12
13		1,964	0	0	0	0	13
14		10	0	0	0	0	14
15		538	976	0	934	0	15
16		1	0	0	(14)	0	16
17		3,449	5,904	0	1,578	0	17
18		0	0	0	(8)	0	18
19		5,466	4,060	0	2,336	0	19
20		0	0	0	0	0	20
21		0	624	0	547	0	21
22		2,956	29,870	0	9,172	0	22
23		0	0	0	0	0	23
24		53,755	326,505	9,397	133,380	2,310	24
25		0	0	0	0	0	25
26		0	0	0	0	0	26
27		0	0	0	0	0	27
28		2,397	0	0	0	0	28
29		0	0	0	0	0	29
30		803	1,097	0	353	0	30
31		0	0	0	0	0	31
32		3,200	1,097	0	353	0	32
33		0	0	0	0	0	33
34		0	0	0	0	0	34
35		0	0	0	0	0	35
36		0	450	0	97	0	36
37		0	4,248	0	2,059	0	37
38		0	5,146	0	1,512	0	38
39		0	2,307	0	677	0	39
40		0	1,420	0	417	0	40
41		436	31,278	0	12,401	0	41
42		436	44,849	0	17,163	0	42
43		67,477	719,036	9,397	248,373	2,310	43

- The data to be reported on lines 38, 39 and 40 in columns (g) and (h) is the investment recorded in Property Account 44, allocated to Locomotives, Freight Cars, and Other Equipment.
- The depreciation to be reported on lines 38, 39 and 40 in column (i) is calculated by multiplying the investment in each element by the effective composite rate for Property Account 44, and then adding or subtracting the adjustment reported in column (e). This calculation should equal the amount shown in column (i). Schedule 335.

**416. SUPPORTING SCHEDULE - ROAD**  
(Dollars in thousands)

Line No.	Density category (Class) (n)	Account No. (b)	Owned and used			Improvements to leased property			Capitalized leases			TOTAL		Line No.
			Inv. Base (c)	Accum. depr. (d)	Depr. rate % (e)	Inv. Base (f)	Accum. depr. (g)	Depr. rate % (h)	Inv. Base (i)	Current year Amort. (j)	Accum. Amort. (k)	Inv. Base (l)	Accum. Depr. & Amort. (m)	
1	I	3	18,641	3,907	1.43	165	15	1.43	0	0	0	18,806	3,922	1
2		8	169,829	53,095	4.24	2,731	654	4.39	0	0	0	172,560	53,749	2
3		9	301,106	77,717	3.13	9,527	3,091	3.24	0	0	0	310,633	80,808	3
4		11	114,170	31,323	3.32	1,377	207	2.33	0	0	0	115,547	31,530	4
5	Sub-Total		603,746	166,042		13,800	3,967		0	0	0	617,546	170,009	5
6	II	3	415,084	30,114	1.43	496	94	1.41	0	0	0	415,580	30,208	6
7		8	264,561	59,907	5.53	6,352	2,728	3.89	0	0	0	270,913	62,635	7
8		9	575,752	65,730	2.58	14,634	2,501	1.87	0	0	0	590,386	68,231	8
9		11	143,402	19,474	3.43	2,824	452	1.75	0	0	0	146,226	19,926	9
10	Sub-Total		1,398,799	175,225		24,306	5,775		0	0	0	1,423,105	181,000	10
11	III	3	0	N/A	N/A	0	N/A	N/A	0	N/A	N/A	0	0	11
12		8	0	N/A	N/A	0	N/A	N/A	0	N/A	N/A	0	0	12
13		9	0	N/A	N/A	0	N/A	N/A	0	N/A	N/A	0	0	13
14		11	0	N/A	N/A	0	N/A	N/A	0	N/A	N/A	0	0	14
15	Sub-Total		0	N/A	N/A	0	N/A	N/A	0	N/A	N/A	0	0	15
16	IV	3	55,638	5,546	1.43	269	57	1.43	0	0	0	55,907	5,603	16
17		8	67,954	17,687	4.40	2,476	1,223	2.92	0	0	0	70,430	18,910	17
18		9	137,330	29,396	2.30	1,432	386	1.84	0	0	0	138,762	29,782	18
19		11	21,411	5,574	3.65	506	141	1.25	0	0	0	24,917	5,715	19
20	Sub-Total		285,333	58,203		4,683	1,807		0	0	0	290,016	60,010	20
21	V	3	0	0	0.00	0	0	0.00	0	0	0	0	0	21
22		8	0	0	0.00	0	0	0.00	0	0	0	0	0	22
23		9	0	0	0.00	0	0	0.00	0	0	0	0	0	23
24		11	0	0	0.00	0	0	0.00	0	0	0	0	0	24
25	Sub-Total		0	0		0	0		0	0	0	0	0	25
26	GRAND TOTAL		2,287,878	399,470	0	42,789	11,549	N/A	0	0	0	2,330,667	411,019	26

(1) Columns (c) + (f) + (i) = Column (l).  
Columns (d) + (g) + (k) = Column (m).

(2) The base grand total for owned and used, improvements to leased property and capitalized leases should equal the sum of Accounts 3, 8, 9, and 11 shown at year end on Schedule 330.

NOTES AND REMARKS

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**417. SPECIALIZED SERVICE SUBSCHEDULE - TRANSPORTATION**  
(Dollars in thousands)

1. Report freight expenses only.
2. Report in lines 1, 2, 3, 4 and 10 the total of those natural expenses (salaries and wages, material, tools, supplies, fuels and lubricants, purchased services and general) incurred in the operation of each type of specialized service facility. This schedule does not include switching services performed by train and yard crews in connection with or within specialized service facilities.
3. When necessary to apportion expenses, such as administrative expenses to two or more services, they shall be apportioned on the most equitable basis available to the respondent and only to the services they support. The total expenses in column (j) should balance with the respective line items in Schedule 410. Railway Operating Expenses.
4. Report in column (b), line 2, the expenses incurred in highway movements of trailers and containers performed at the expense of the reporting railroad within a terminal area for the purpose of pick-up, delivery or highway interchange service. Report in column (b), line 3, the expenses incurred in operating facilities for handling trailers and/or containers, including storage expenses. See schedule 755, note R.
5. The operation of floating equipment in line-haul service (between distinct terminals) should be reported in column (c) on line 2. Floating operations conducted within a general terminal or harbor area should be reported in column (c), line 3.
6. Report in column (g), line 3, the expenses incurred by the railroad in loading and unloading automobiles, trucks, etc., to and from bi-level and tri-level auto rack cars. Report on line 2, column (g), the expense incurred by the railroad in moving automobiles, etc., between bi-level and tri-level loading and unloading facilities over the highway to shippers, receivers or connecting carriers. Report in column (f) operating expenses for land facilities in support of floating operations, including the operation of docks and wharves.
7. Report on line 4, column (b), the expenses related to heating and refrigeration of TOFC/COFC trailers and containers (total debits and credits). The expenses on line 4, column (h), relate to refrigerator cars only.
8. Report in column (i) total expenses incurred in performing rail substitute service, other highway revenue service, LCL terminal operations, warehouse operations, freight car transloading, grain elevator terminal operations and livestock feeding operations only.

Line No.	Cross Check	Items (a)	TOFC/COFC terminal (b)	Floating equipment (c)	Coal marine terminal (d)	Ore marine terminal (e)	Other marine terminal (f)	Motor vehicle load and distribution (g)	Protective services refrigerator car (h)	Other special services (i)	Total columns (b - i) (j)	Line No.
1	*	Administration	634	0	0	0	0	0	0	0	634	1
2	*	Pick up and delivery, marine line haul	0	0	0	0	0	0	N/A	0	0	2
3	*	Loading and unloading and local marine	13,615	0	0	0	0	625	N/A	0	14,240	3
4	*	Protective services, total debits and credits	0	0	0	0	0	0	0	0	0	4
5	*	Freight lost or damaged -solely related	0	0	0	0	0	0	0	0	0	5
6	*	Fringe benefits	780	0	0	0	0	0	0	0	780	6
7	*	Casualty and insurance	128	0	0	0	0	0	0	0	128	7
8	*	Joint facility - Debit	0	0	0	0	0	0	0	0	0	8
9	*	Joint facility - Credit	0	0	0	0	0	0	0	0	0	9
10	*	Other	0	0	0	0	0	0	0	0	0	10
11	*	TOTAL	15,157	0	0	0	0	625	0	0	15,782	11

**Schedule 418**

Instruction:  
This schedule will show the investment in capitalized leases in road and equipment by primary account.

Column

- (a) = primary account number and title for which capital lease amounts are included therein.
- (b) = the total investment in that primary account.
- (c) = the investment in capital leases at the end of the year.
- (d) = the current year amortization.
- (e) = the accumulated amortization relating to the leased properties.

**418. SUPPORTING SCHEDULE - CAPITAL LEASES**  
(Dollars in Thousands)

Primary Account Number And Title  (a)	Total Investment At End Of Year  (b)	Capital Leases		
		Investment At End Of Year  (c)	Current Year Amortization  (d)	Accumulated Amortization  (e)
(16) Stat. & Off. Bldgs.	32,391	1,356	145	789
(20) Shops & Enginehouses	0	0	0	0
(25) TOFC COFC Terminals	0	0	0	0
(26) Communication System	0	0	0	0
(37) Roadway Machines	83,063	518	76	323
<b>Total Road</b>	<b>115,454</b>	<b>1,874</b>	<b>221</b>	<b>1,112</b>
(52) Locomotives	0	0	0	0
(53) Freight Train Cars	335,902	9,397	537	2,310
(55) Highway Revenue Equipmt.	0	0	0	0
(57) Work Equipment	0	0	0	0
(58) Miscellaneous Equipment	0	0	0	0
(59) Computer & Word Processing	0	0	0	0
<b>Total Equipment</b>	<b>335,902</b>	<b>9,397</b>	<b>537</b>	<b>2,310</b>
<b>GRAND TOTAL</b>	<b>451,356</b>	<b>11,271</b>	<b>758</b>	<b>3,422</b>

NOTES AND REMARKS

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**450. ANALYSIS OF TAXES**  
(Dollars in thousands)

A. Railway Taxes

Line No.	Cross Check	Kind of Tax (a)	Amount (b)	Line No.
1		Other than U.S. Government Taxes	34,864	1
		U.S. Government Taxes		
		Income Taxes:		
2		Normal Tax & Surtax	(3,566)	2
3		Excess Profits	0	3
4	*	Total Income Taxes (ln. 2 + 3)	(3,566)	4
5		Railroad Retirement	50,576	5
6		Hospital Insurance	4,251	6
7		Supplemental Annuities	0	7
8		Unemployment Insurance	4,586	8
9		All Other United States Taxes	456	9
10		Total - U.S. Government Taxes	56,303	10
11		Total Railway Taxes	91,167	11

B. Adjustments to Federal Income Taxes

1. In column (a) are listed the particulars which most often cause a differential between taxable income and pretax accounting income. Other particulars which cause such a differential should be listed under the caption Other (Specify), including State and other taxes deferred if computed separately. Minor items, each less than \$100,000, may be combined in a single entry under Other (Specify).

2. Indicate in column (b) the beginning of the year total of Accounts 714, 744, 762 and 786 applicable to each particular item in column (a).

3. Indicate in column (c) the net change in Accounts 714, 744, 762 and 786 for the net tax effect of timing differences originating and reversing in the current accounting period.

4. Indicate in column (d) any adjustments, as appropriate, including adjustments to eliminate or reinstate deferred tax effects (credits or debits) due to applying or recognizing a loss carry-forward or loss carry-back.

5. The total of line 19 in columns (c) and (d) should agree with the total of the contra charges (credits) to Account 557, Provision for Deferred Taxes, and Account 591, Provision for Deferred Taxes - Extraordinary Items, for the current year.

6. Indicate in column (e) the cumulative total of columns (b), (c) and (d). The total of column (e) must agree with the total of Accounts 714, 744, 762 and 786.

Line No.	Particulars (a)	Beginning of year balance (b)	Net credits (charges) for current year (c)	Adjustments (d)	End of year balance (e)	Line No.
1	Accelerated depreciation, Sec. 167 I.R.C.; Guideline lives pursuant to Rev. Proc. 62-21.	1,202,643	89,672	0	1,292,315	1
2		0	0	0	0	2
3	Capital leases	551	(465)	0	86	3
4	Amortization of rights of way, Sec. 185 I.R.C.	0	0	0	0	4
5	Intangibles	18,374	(1,021)	0	17,353	5
6	Undistributed earnings from affiliates	16,359	1,271	0	17,630	6
7	<b>Gross deferred tax liabilities</b>	<b>1,237,927</b>	<b>89,457</b>	<b>0</b>	<b>1,327,384</b>	<b>7</b>
8	Accelerated amortization of facilities, Sec. 168 I.R.C.	(9,799)	(367)	0	(10,166)	8
9	Pension & Post retirement benefits	(28,380)	(4,261)	0	(32,641)	9
10	Reserves for employee severance/related costs	(8,759)	3,913	0	(4,846)	10
11	Expense reserves & environmental remediation	(47,886)	81	0	(47,805)	11
12	Capital Leases	0	0	0	0	12
13	Other items	(28,954)	(11,721)	0	(40,675)	13
14	Net operating loss carryforwards (Federal and State)	(15,534)	(5,805)	0	(21,339)	14
15	Other credit carryforwards	(33,848)	(13,819)	0	(47,667)	15
16	Minimum tax credit carryforwards	(23,146)	(347)	0	(23,493)	16
17	<b>Gross deferred tax assets</b>	<b>(196,306)</b>	<b>(32,326)</b>	<b>0</b>	<b>(228,632)</b>	<b>17</b>
18	Deferred tax assets valuation allowance	1,582	13	0	1,595	18
19	<b>NET DEFERRED TAX LIABILITIES</b>	<b>1,043,203</b>	<b>57,144</b>	<b>0</b>	<b>1,100,347</b>	<b>19</b>

**450. ANALYSIS OF TAXES - Continued**  
(Dollars in thousands)

**\*Footnotes:**

1. If Flow-through method was elected, indicate net decrease (or increase) in tax accrual because of investment tax credit	\$ <u>          N/A          </u>
If deferral method for investment tax credit was elected:	
(1) Indicate amount of credit utilized as a reduction of tax liability for current year	\$ <u>          N/A          </u>
(2) Deduct amount of current year's credit applied to a reduction of tax liability but deferred for accounting purposes	\$ <u>          N/A          </u>
(3) Balance of current year's credit used to reduce current year's tax accrual	\$ <u>          N/A          </u>
(4) Add amount of prior year's deferred credits being amortized to reduce current year's tax accrual	\$ <u>          N/A          </u>
(5) Total decrease in current year's tax accrual resulting from use of investment tax credits	\$ <u>          N/A          </u>
2. Estimated amount of future earnings which can be realized before paying Federal income taxes because of unused and available net operating loss carryover on January 1 of the year following that for which the report is made	\$ <u>          36,770          </u>

SOO files income tax returns in the U.S. federal jurisdiction and various U.S. state jurisdictions. SOO is no longer subject to federal income tax examinations by the Internal Revenue Service for years prior to 2007. Unrecognized tax benefits are not expected to significantly increase or decrease within the next 12 months. SOO is no longer subject to state income tax examinations by tax authorities for years before 2008.

A reconciliation of the beginning and ending amount of FIN48 liability is as follows:

	<u>2011</u>	<u>2010</u>
Balance at beginning of year	\$5,484	\$4,099
Additions based on tax positions related to the current year	593	118
Additions for tax positions of prior years	919	2,238
Reductions for tax positions of prior years	(3,490)	(971)
Reductions for tax positions due to statute of limitations	0	0
Balance at end of the year	<u>\$3,506</u>	<u>\$5,484</u>

Included in the SOO balance at December 31, 2011 is \$2.6 million (SOO 2010, \$2.1 million) of tax positions that would not affect the annual effective tax rate.

SOO recognizes both penalties and interest accrued related to unrecognized tax benefits in SOO's provision for income taxes. SOO had approximately \$.2 million (SOO 12/31/2010 \$.8 million) for the payment of interest and penalties accrued at December 31, 2011.

The computation of deferred taxes under ASC 740 (previously FAS 109) provides for the inclusion of judgments about future taxable income, other than temporary item reversals, in the determination of the valuation allowance required.

As of December 31, 2011, SOO had federal and state minimum tax credit carryforwards in the amount of \$23.5 million. These credits are available to be carried forward indefinitely without expiration. During 2011, no minimum tax credits were generated and no minimum tax credits that were anticipated to be used in 2011 were carried forward.

**460. ITEMS IN SELECTED INCOME AND RETAINED EARNINGS ACCOUNTS FOR THE YEAR**  
(Dollars in thousands)

Give a brief description for all items, regardless of amount, included during the year in Accounts 555, Unusual or Infrequent Items; 560, Income or Loss From Operations of Discontinued Segments; 562, Gain or Loss on Disposal of Discontinued Segments; 570, Extraordinary Items; 590, Income Taxes on Extraordinary Items; 592, Cumulative Effect of Changes in Accounting Principles; 603, Appropriations Released; 606, Other Credits to Retained Earnings; 616, Other Debits to Retained Earnings; 620, Appropriations for Sinking Funds; 621, Appropriations for Other Purposes. If appropriations released reflect appropriations provided during the year, each account should not be reported.

For Accounts 519, Miscellaneous Income, and 551, Miscellaneous Income Charges, if the total in either account exceeds 10% of net income before extraordinary items, describe the three largest items in the account and any other items in excess of 10% of net income.

Line No.	Account No. (a)	Item (b)	Debits (c)	Credits (d)	Line No.
1	616	Other Debits to Retained Earnings:	20,544		1
2		ASC 715 and 958 (formerly SFAS 87 / SFAS 158) "Employers			2
3		Accounting for Pensions"			3
4					4
5					5
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MEMORANDA RELATING TO SELECTED INCOME AND RETAINED EARNINGS ACCOUNTS

**501. GUARANTIES AND SURETYSHIPS**  
(Dollars in thousands)

1. If the respondent was under obligation as guarantor or surety for the performance by any other corporation or other association of any agreement or obligation, show the particulars of each contract of guaranty or suretyship in effect at the close of the year or entered into and expired during the year.

This inquiry does not cover the case of ordinary commercial paper maturing on demand or not later than two years after the date of issue. Items of less than \$50,000 may be shown as one total.

Line No.	Names of all parties principally and primarily liable (a)	Description (b)	Amount of contingent liability (c)	Sole or joint contingent liability (d)	Line No.
1					1
2					2
3		NONE			3
4					4
5					5
6					6
7					7
8					8
9					9
10					10
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2. If any corporation or other association was under obligation as guarantor or surety for the performance by the respondent of any agreement or obligation, show the particulars called for hereunder for each such contract of guaranty or suretyship in effect at the close of the year or entered into and expired during the year.

This inquiry does not cover the case of ordinary commercial paper maturing on demand or not later than 2 years after date of issue, nor does it include ordinary surety bonds or undertakings on appeals in court proceedings.

Line No.	Finance Docket number, title, maturity date and concise description of agreement or obligation (a)	Names of all guarantors and sureties (b)	Amount of contingent liability of guarantors (c)	Sole or joint contingent liability (d)	Line No.
1					1
2					2
3					3
4		NONE			4
5					5
6					6
7					7
8					8
9					9

**502. COMPENSATING BALANCES AND SHORT-TERM BORROWING ARRANGEMENTS**  
(Dollars in thousands)

Using the following notes as a guideline, show the requirements compensating balances and short-term borrowing agreements. Footnote disclosure is required even though the arrangement is not reduced to writing.

1. Disclose compensating balances not legally restricted, lines of credit used and unused, average interest rate of short-term borrowings that are outstanding at balance sheet date, maximum amount of outstanding borrowings during the period and the weighted average rate of those borrowings.

2. Time deposits and certificates of deposit constituting compensating balances not legally restricted should be disclosed.

3. Compensating balance arrangements need only be disclosed for the latest fiscal year.

4. Compensating balances included in Account 703, Special Deposits and in Account 717, Other Funds, should also be separately disclosed below.

5. Compensating balance arrangements are sufficiently material to require disclosure in footnotes when the aggregate of written and oral agreement balances amount to 15% or more of liquid assets (current cash balances, restricted and unrestricted plus marketable securities).

6. When a carrier is not in compliance with a compensating balance requirement, that fact should be disclosed, along with stated and possible sanctions, whenever such possible sanctions may be immediate (not vague or unpredictable) and material.

SOO has an uncommitted line of credit for short-term loans not to exceed \$15.0 million, under which no amounts were outstanding at December 31, 2011.

SOO's Schedule 200 Line 30, Account 751 Loans and Notes Payable, reports \$2,195 at December 31, 2011. This amount constitutes a negotiated bank overdraft for which SOO pays a daily rate with no specific due date. The interest rate was 5.25%.

NOTES AND REMARKS

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**SCHEDULE 510 SEPARATION OF DEBTHOLDINGS BETWEEN ROAD PROPERTY AND EQUIPMENT**  
(Dollars in thousands)

The principal use of this schedule is to determine the average rate of debt capital.

**I. Debt Outstanding at End of Year:**

Line #	Account No.	Title	Source	Balance at Close of year
1	751	Loans and Notes Payable	Sch. 200, L. 30	2,195
2	764	Equipment Obligations and Other Long Term Debt due Within One Year	Sch. 200, L. 39	5,930
3	765 / 767	Funded Debt Unmatured	Sch. 200, L. 41	3,248
4	766	Equipment Obligations	Sch. 200, L. 42	96,571
5	766.5	Capitalized Lease Obligations	Sch. 200, L. 43	4,078
6	768	Debt in Default	Sch. 200, L. 44	0
7	769	Accounts Payable: Affiliated Companies	Sch. 200, L. 45	1,298,600
8	770.1 / 770.2	Unamortized Debt Premium	Sch. 200, L. 46	0
9		Total Debt	Sum L. 1-8	1,410,622
10		Debt Directly Related to Road Property	Note 1.	3,922
11		Debt Directly Related to Equipment	Note 1.	105,905
12		Total Debt Directly Related to Road and Equipment	Sum L. 10 and 11	109,827
13		Percent Directly Related to Road	L.10/L.12 (2 decimals)	3.57%
14		Percent Directly Related to Equipment	L.11/L.12 (2 decimals)	96.43%
15		Debt Not Directly Related to Road or Equipment	L.9 minus L.12	1,300,795
16		Road Property Debt (Note 2)	(L.13 x L.15) plus L.10	50,360
17		Equipment Debt (Note 2)	(L.14 x L.15) plus L.11	1,360,262

**II. Interest Accrued During Year:**

Line #	Account No.	Title	Source	Balance at Close of year
18	546-548	Total Interest and Amortization (Fixed Charges)	Sch. 210, L. 42	97,003
19	546	Contingent Interest On Funded Debt	Sch. 210, L. 44	0
20	517	Release of Premiums on Funded Debt	Sch. 210, L. 22	0
21		Total Interest (Note 3)	Sum of Lines 18+19 less 20	97,003
22		Interest Directly Related to Road Property Debt	Note 4.	195
23		Interest Directly Related to Equipment Debt	Note 4.	8,156
24		Interest Not Directly Related to Road and Equipment Debt	L.21-(L.22+L.23)	88,652
25		Interest Road Property Debt (Note 5)	L.22+(L.24xL.13)	3,360
26		Interest Equipment Debt (Note 5)	L.23+(L.24xL.14)	93,643
27		Embedded Rate of Debt Capital-Road Property	L.25/ L.16	6.67%
28		Embedded Rate of Debt Capital-Equipment	L.26/ L.17	6.88%

Note 1: Directly related means the purpose which the funds were used when the debt was issued.

Note 2: Line 16 plus Line 17 must equal Line 9.

Note 3: Line 21 includes interest on debt in Account 769--Accounts Payable: Affiliated Companies.

Note 4: This interest relates to debt reported in Lines 10 and 11, respectively.

Note 5: Line 25 plus Line 26 must equal Line 21.

NOTES AND REMARKS

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## INSTRUCTIONS CONCERNING RETURNS TO BE MADE IN SCHEDULE 512

1. Furnish the information called for below between the respondent and the affiliated companies or persons affiliated with the respondent, including officers, directors, stockholders, owners, partners or their wives and other close relatives, or their agents. Examples of transactions are, but are not restricted to, management, legal, accounting, purchasing or other type of service including the furnishing of materials, supplies, purchase of equipment, leasing of structures, land and equipment, and agreements relating to allocation of officers' salaries and other common costs between affiliated companies.

To be excluded are payments for the following types of services:

- (a) Lawful tariff charges for transportation services.
- (b) Payments to or from other carriers for interline services and interchange of equipment.
- (c) Payment to or from other carriers which may reasonably be regarded as ordinarily connected with routine operation or maintenance, but any special or unusual transactions should be reported.
- (d) Payments to public utility companies for rates or charges fixed in conformity with government authority.

2. In column (a) enter the name of the affiliated company, person, or agent with which respondent received or provided services aggregating \$50,000 or more during the year. If an affiliated company provides services to more than one affiliate, and the aggregate compensation amounts to \$50,000 or more for the year, list all the affiliates included in the agreement and describe the allocation of charges. If the respondent provides services to more than one affiliate, and the aggregate compensation amounts to \$50,000 or more for the year, reference to this fact should be made and the detail as to the allocation of charges should be stated. For those affiliates providing services to the respondent, also enter in column (a) the percent of affiliate's gross income derived from transactions with the respondent.

The respondent may be required to furnish as an attachment to Schedule 512 a balance sheet and income statement for each affiliate with which respondent carrier had reportable transactions during the year, or alternatively, attach a "Pro forma" balance

sheet and income statement for that portion or entity of each affiliate which furnished the agreed to services, equipment, or other reportable transaction. The statements, if required, should be prepared on a calendar year basis in conformity with the prescribed schedules for the balance sheet and income statement in Annual Report Form R-1, and should be noted (1) to indicate the method used for depreciating equipment or other property furnished the carrier, and (2) whether the affiliate's Federal income tax return for the year was filed on a consolidated basis with the respondent carrier.

3. In column (b) indicate nature of relationship or control between the respondent and the company or person identified in column (a) as follows:

- (a) If respondent directly controls affiliate, insert the word "direct".
- (b) If respondent controls through another company, insert the word "indirect".
- (c) If respondent is under common control with affiliate, insert the word "common".
- (d) If respondent is controlled directly or indirectly by the company listed in column (a), insert the word "controlled".
- (e) If control is exercised by other means such as a management contract or other arrangement of whatever kind, insert the word "other" and provide a footnote to describe such arrangements.

4. In column (c), fully describe the transactions involved such as management fees, lease of building, purchase of material, etc. When the affiliate listed in column (a) provides more than one type of service in column (c), list each type of service separately and show total for the affiliate. When services are both provided and received between the respondent and an affiliate they should be listed separately and the amounts shown separately in column (c).

5. In column (d), report the dollar amounts of the transactions shown and the effect of any change in the method of establishing the terms from that used in the preceding period.

6. In column (e), report the dollar amounts due from or to related parties and, if not otherwise apparent, the terms and manner of settlement. Insert (P) paid and (R) received by the amount in column (e).

**SCHEDULE 512. TRANSACTIONS BETWEEN RESPONDENT AND COMPANIES OR PERSONS AFFILIATED WITH RESPONDENT FOR SERVICES RECEIVED OR PROVIDED**

Line No.	Name of company or related party with percent of gross income (a)	%	Nature of relationship (b)	Description of transactions (c)	Dollar amounts of transactions (d)		Amount due from or to related parties (e)		Line No.
					Receivable	Payable	Receivable	Payable	
1									1
2									2
3	Canadian Pacific Railway - Parent		Controlled	Asset Purchase/Sale	1,132	21	0	0	3
4				Data Processing Services	0	49,041	0	6,726	4
5				Equipment Repairs	3,436	15,285	373	1,150	5
6				Fuel Equalization	4,694	6,584	986	966	6
7				Joint Operating Activities	504	0	168	0	7
8				Lease Rentals	25	323	499	2,340	8
9				Locomotive HPH Equalization	13,670	2,289	2,586	857	9
10				Management Services	0	37,580	0	9,530	10
11				Materials Purchased	1,500	8,819	856	2,465	11
12				Track Repairs & Projects	1,585	24,060	427	20,453	12
13									13
14									14
15									15
16	Canadian Pacific Railway - Affiliates		Common	Interest Expense		89,655		292	16
17				Loan Fees		211			17
18									18
19									19
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21									21
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### INSTRUCTIONS CONCERNING RETURNS TO BE MADE IN SCHEDULE 700

State particulars of all tracks operated by the respondent at the close of the year, according to the following classification:

- (1) Line owned by respondent
- (2) Line owned by proprietary companies
- (3) Line operated under lease for a specified sum, lessor being (A) an affiliated corporation, or (B) independent or not affiliated with respondent.
- (4) Line operated under contract or agreement for contingent rent, owner being (A) an affiliated corporation, or (B) independent or not affiliated with respondent.
- (5) Line operated under trackage rights.

Give subtotals for each of the several numbered classes, in the order listed above, as well as the total for all classes.

Lengths of track should be reported to the nearest WHOLE mile adjusted to accord with footings; i.e., counting one-half mile or over as a whole mile and disregarding any fraction less than one-half mile.

In Column (a) insert the figure (and letter, if any) indicating its class in accordance with the above list of classifications.

In Column (b) give the various proportions of each class owned or leased by respondent, listing each proportion once in any grouping. Canadian mileage should be segregated and identified on separate lines in the various groupings. For each listing, in Column (d) give its entire length (the distance between terminals of single or first main track), and in the following columns the lengths of second main track, all other main tracks, passing tracks, cross-overs and turn-outs; way switching tracks; and yard switching tracks. These classes of tracks are defined as follows:

**RUNNING TRACKS** - Running tracks, passing tracks, cross-overs, etc., including turn-outs from those tracks to clearance points.

**WAY SWITCHING TRACKS** - Station, team, industry and other switching tracks for which no separate service is maintained.

**YARD SWITCHING TRACKS** - Yard where separate switching services are maintained, including classification, house, team, industry and other tracks switched by yard locomotives.

The returns in Columns (h) and (i) should include tracks serving industries, such as mines, mills, smelters, factories, etc. Tracks belonging to an industry for which no rent is payable should not be included.

Tracks leading to and in gravel and sand pits and quarries, the cost of which is chargeable to a clearing account and which are used in getting out material for the respondent's use, should not be included.

Class (1) includes all lines operated by the respondent at the close of the year to which it has title in perpetuity.

Class (2) includes each line, full title to which is in an inactive proprietary corporation of the respondent (i.e. one all of whose outstanding stocks or obligations are held by or for the respondent, and which is operated by the respondent or an affiliated system corporation without any accounting to the said proprietary corporation). It may also include such line when the actual title to all of the outstanding stocks or obligations rests in a corporation controlled by or controlling the respondent. But in the case of any such inclusion, the facts of the relationship to the respondent of the corporation holding the securities should be fully set forth in a footnote. An inactive corporation is one which has been practically absorbed in a controlling corporation, and which neither operates property nor administers its financial affairs. If it maintains an organization, it does so only for the purpose of complying with legal requirements and maintaining title to property or franchises.

Class (3) includes all tracks operated under a lease or formal conveyance of less than the grantor's interest in the property, with a specific and unconditional rent reserved. The fact that the lessor does or does not maintain an independent organization for financial purposes is immaterial in this connection.

Class (4) is the same as Class (3), except that the rent reserved is conditional upon earnings or some other fact.

Class (5) includes all tracks operated and maintained by others, but over which the respondent has the right to operate some or all of its trains. In the road of this class the respondent has no proprietary rights, but only the rights of a licensee. Include in this class, also, on main tracks, industrial tracks and sidings owned by noncarrier companies and individuals when the respondent operates over them but does not have exclusive possession of them.

Road held by the respondent as joint or common owner or a joint lessee or under any joint arrangement should be shown in its appropriate class, and the entry of length should be the entire length of the portion jointly held. The class symbol should have the letter (j) attached.

Road operated by the respondent as agent for another carrier should not be included in this schedule.

700. MILEAGE OPERATED AT CLOSE OF YEAR										
Line No.	Class	Proportion owned or leased by respondent (b)	Running tracks, passing tracks, cross-overs, etc.				Miles of way switching tracks (g)	Miles of yard switching tracks (h)	TOTAL (i)	Line No.
			Miles of road (c)	Miles of second main track (d)	Miles of all other main tracks (e)	Miles of running tracks (f)				
	(a)		(c)	(d)	(e)	(f)	(g)	(h)	(i)	
1										1
2	I	100.00%	4,061	230	11	181	320	692	5,495	2
3										3
4	J-1	50.00%	51	6	0	5	24	78	164	4
5										5
6	5		2,026	189	16	65	59	80	2,435	6
7										7
8										8
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56										56
57	TOTAL		6,138	425	27	251	403	850	8,094	57
58	Miles of electrified road or track included in preceding grand total	N/A								58

**702. MILES OF ROAD AT CLOSE OF YEAR - BY STATES AND TERRITORIES (SINGLE TRACK)**

Give particulars, as of the close of the year, of all road operated and of all owned but not operated. The respondent's proportion of operated road held by it as joint or common owner, or under a joint lease, or under any joint arrangement, should be shown in columns (b), (c), (d) or (e), as may be appropriate. The remainder of jointly operated mileage should be shown in column (f). Respondent's proportion of road jointly owned but not operated should be shown in column (h), as appropriate. Mileage which has been permanently abandoned should not be included in column (h).

Mileage should be reported to the nearest WHOLE mile adjusted to accord with footings; i.e., counting one-half mile and over as a whole mile and disregarding any fraction less than one-half mile.

Line No.	Cross Check	State or Territory  (a)	MILES OF ROAD OPERATED BY RESPONDENT								Line No.
			Line Owned  (b)	Line of Proprietary Companies  (c)	Line Operated Under Lease  (d)	Line Operated Under Contract, etc.  (e)	Line Operated Under Trackage Rights  (f)	Total Mileage Operated  (g)	Line Owned, Not Operated By Respondent  (h)	New Line Constructed During Year  (i)	
1		Illinois	158	0	0	0	235	393	0	0	1
2		Indiana	0	0	0	0	154	154	0	0	2
3		Iowa	653	0	0	0	3	656	0	0	3
4		Kansas	0	0	0	0	0	0	0	0	4
5		Michigan	0	0	0	0	80	80	0	0	5
6		Minnesota	1,218	0	0	0	507	1,725	53	0	6
7		Missouri	139	0	0	0	5	144	0	0	7
8		Montana	0	0	0	0	0	0	57	0	8
9		Nebraska	34	0	0	0	7	41	0	0	9
10		New Jersey	0	0	0	0	68	68	0	0	10
11		New York	355	0	0	0	206	561	0	0	11
12		North Dakota	482	0	0	0	0	482	603	0	12
13		Ohio	0	0	0	0	30	30	0	0	13
14		Pennsylvania	127	0	0	0	324	451	0	0	14
15		South Dakota	597	0	0	0	127	724	0	0	15
16		Wisconsin	316	0	0	0	306	622	0	0	16
17		Wyoming	7	0	0	0	0	7	0	0	17
18											18
19											19
20											20
21											21
22											22
23											23
24											24
25											25
26											26
27											27
28											28
29											29
30											30
31											31
32		Total Mileage (single track)	4,086	0	0	0	2,052	6,138	713	0	32

NOTES AND REMARKS

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**INSTRUCTIONS CONCERNING RETURNS TO BE MADE IN SCHEDULE 710**

Instructions for reporting locomotive and passenger-train car data.

1. Give particulars of each of the various classes of equipment which respondent owned or leased during the year.

2. In column (c) give the number of units purchased new or built in company shops. In column (d), give the number of new units leased from others. The term "new" means a unit placed in service for the first time on any railroad.

3. Units leased to others for a period of one year or more are reportable in column (l). Units temporarily out of respondent's service and rented to others for less than one year are to be included in column (h). Units rented from others for a period less than one year should not be included in column (i).

4. For reporting purposes, a "locomotive unit" is a self-propelled vehicle generating or converting energy into motion, and designed solely for moving other equipment. An "A" unit is the least number of wheel bases with superstructure designed for use singly or as a lead locomotive unit in combination with other locomotive units. A "B" unit is similar to an "A" unit but it is not equipped for use singly or as a lead locomotive unit. A "B" unit may be equipped with hostler controls for independent operation at terminals.

5. A "self-propelled car" is a rail motor car propelled by electric motors receiving power from a third rail or overhead, or internal combustion engines located on the car itself. Trailers equipped for use only in trains of cars that are self-propelled are to be included as self-propelled equipment.

6. A "diesel" unit includes all units propelled by diesel internal combustion engines regardless of final drive or whether power may at times be supplied from an external conductor. Units other than diesel-electric, e.g., diesel-hydraulic, should be identified in a footnote giving the number and a brief description. An "electric" unit includes all units which receive electric power from a third rail or overhead contact wire, and use the power to drive one or more electric motors that propel the vehicle. An "other self-powered unit" includes all units other than diesel or electric, e.g., steam, gas turbine. Show the type of unit, service and number, as appropriate, in a brief description sufficient for positive identification. An "auxiliary unit" includes all units used in conjunction with locomotives, but which draw their power from the "mother" unit, e.g., boosters, slugs, etc. For reporting purposes, indicate radio-controlled self-powered diesel units on lines 1 through 8, as appropriate. Radio-controlled units that are not self-powered, i.e., those without a diesel, should be reported on line 13 under "auxiliary units".

7. Column (k) should show aggregate capacity for all units reported in column (i), as follows: For locomotive units, report the manufacturers' rated horsepower (the maximum continuous power output from the diesel engine or engines delivered to the main generator or generators for tractive purposes). Exclude capacity data for steam locomotives. For passenger-train cars report the number of passenger seats available for revenue service, counting one passenger to each berth in sleeping cars.

8. Passenger-train car types and service equipment car types correspond to AAR Mechanical Division designations. Descriptions of car codes and designations are published in The Official Railway Equipment Register.

9. Cross-checks

Schedule 710	=	Schedule 710
Line 5, column (j)	=	Line 11, column (l)
Line 6, column (j)	=	Line 12, column (l)
Line 7, column (j)	=	Line 13, column (l)
Line 8, column (j)	=	Line 14, column (l)
Line 9, column (j)	=	Line 15, column (l)
Line 10, column (j)	=	Line 16, column (l)

When data appear in column (j) lines 1 thru 8, column (k) should have data on same lines.

When data appear in columns (k) or (l) lines 36 thru 53, and 55, column (m) should have data on same lines.

710. INVENTORY OF EQUIPMENT UNITS OWNED, INCLUDED IN INVESTMENT ACCOUNT, AND LEASED FROM OTHERS																				
Line No.	Cross Check	Type or design of units (a)	Units in service of respondent at beginning of year (b)	Changes During the Year				Units at Close of Year												
				New units purchased or built (c)	New units leased from others (d)	Rebuilt units acquired and rewritten into property accounts (e)	All other units including reclassification and second hand units purchased or leased from others (f)	Units retired from service of respondent whether owned or leased, including reclassification (g)	Owned and used (h)	Leased from others (i)	Total in service of respondent total (h) & (i) (j)	Aggregate capacity of reported units (See Ins 7) (k)	Leased to others (l)							
1		Locomotive Units																		
2		Diesel-freight units																		
3		Diesel-passenger units	517	0	0	9	0	0	0	10	264	252	516	1,773,550	0	0	0	0	0	0
4		Diesel-multi purpose units	48	0	0	0	0	0	0	6	18	24	42	67,750	0	0	0	0	0	0
5	*	Diesel-switching units	565	0	0	9	0	0	0	16	282	276	558	1,811,280	0	0	0	0	0	0
6	*	Total (lines 1 to 4)																		
7	*	Electric-locomotives																		
8	*	Other self-powered units	565	0	0	9	0	0	0	16	282	276	558	1,841,280	0	0	0	0	0	0
9	*	Auxiliary units																		
10	*	TOTAL LOCOMOTIVE UNITS (lines 8 & 9)	565	0	0	9	0	0	0	16	282	276	558	N/A	0	0	0	0	0	0

DISTRIBUTION OF LOCOMOTIVE UNITS IN SERVICE OF RESPONDENT AT CLOSE OF YEAR BUILT, DISREGARDING YEAR OF REBUILDING													
Line No.	Cross Check	Type or design of units (n)	Before 1/1/1990 (b)	During Calendar Year				2010 (g)	2011 (h)	2012 (i)	2013 (j)	2014 (k)	TOTAL (l)
				Between 1/1/1990 and 12/31/1994 (c)	Between 1/1/1995 and 12/31/1999 (d)	Between 1/1/2000 and 12/31/2004 (e)	Between 1/1/2005 and 12/31/2009 (f)						
11	*	Diesel	346	0	82	43	87	0	0	0	0	0	558
12	*	Electric											
13	*	Other self-powered units											
14	*	TOTAL (lines 11 to 13)	346	0	82	43	87	0	0	0	0	0	558
15	*	Auxiliary units											
16	*	TOTAL LOCOMOTIVE UNITS (lines 14 & 15)	346	0	82	43	87	0	0	0	0	0	558

**710. INVENTORY OF EQUIPMENT - Continued**  
**UNITS OWNED, INCLUDED IN INVESTMENT ACCOUNT, AND LEASED FROM OTHERS**

Line No.	Cross Check	Type or design of units (a)	Units in service of respondent at beginning of year (b)	Changes During the Year				Units retired from service of respondent whether owned or leased, including reclassification (g)	Units at Close of Year					Line No.
				Units Installed					Owned and used (h)	Leased from others (i)	Total in service of respondent col (h) & (i) (j)	Aggregate capacity of units reported in col (j) (see ins. 7) (k)	Leased to others (l)	
				New units purchased or built (c)	New units leased from others (d)	Rebuilt units acquired & rebuilt units rewritten into property accounts (e)	All other units including reclassification & second hand units purchased or leased from others (f)							
17		PASSENGER-TRAIN CARS Non-Self-Propelled Coaches [PA, PB, PBO]								0			17	
18		Combined cars [All class C, except CSB]								0			18	
19		Parlor cars [PBC, PC, PL, PO]								0			19	
20		Sleeping cars [PS, PT, PAS, PDS]								0			20	
21		Dining, grill & tavern cars [All class D, PD]								0	N/A		21	
22		Non-passenger-carrying cars [All class B, CSB, M, PSA, IA]								0	N/A		22	
23		TOTAL (lines 17 to 22)	0	0	0	0	0	0	0	0	0	0	23	
		Self-Propelled												
24		Electric passenger cars [EP, ET]								0			24	
25		Electric combined cars [EC]								0			25	
26		Internal combustion rail motorcars [ED, EG]								0			26	
27		Other self-propelled cars (Specify types)								0			27	
28		TOTAL (lines 24 to 27)	0	0	0	0	0	0	0	0	0	0	28	
29		TOTAL (lines 25 and 28)	0	0	0	0	0	0	0	0	0	0	29	
		COMPANY SERVICE CARS												
30		Business cars [PV]								0	N/A		30	
31		Board outfit cars [MWX]	2	0	0	0	0	0	2	2	N/A	0	31	
32		Derrick & snow removal cars [MWL, MWV, MWW, MWK]	13	0	0	0	2	0	15	0	15	N/A	0	32
33		Dump and ballast cars [MWB, MWD]	300	0	0	0	0	56	244	0	244	N/A	0	33
34		Other maintenance and service equipment cars	292	0	0	0	5	15	282	0	282	N/A	0	34
35		TOTAL (lines 30 to 34)	607	0	0	0	7	71	543	0	543	N/A	0	35

710. INVENTORY OF EQUIPMENT - Continued

Instructions for reporting freight-train car data.

1. Give particulars of each of the various classes of equipment which respondent owned or leased during the year.
2. In column (d) give the number of units purchased or built in company shops. In column (e) give the number of new units leased from others. The term "new" means a unit placed in service for the first time on any railroad.
3. Units leased to others for a period of one year or more are reportable in column (n). Units temporarily out of respondent's service and rented to others for less than one year are to be included in column (f). Units rented from others for a period less than one year should not be included in column (f).

UNITS OWNED, INCLUDED IN INVESTMENT ACCOUNT, AND LEASED TO OTHERS									
Line No.	Cross Check	Class of equipment and car designations  (a)	Units in service of respondent at beginning of year		Changes during the year Units installed				Line No.
			Time-mileage cars (b)	All others (c)	New units purchased or built (d)	New or rebuilt units leased from others (e)	Rebuilt units acquired and rebuilt units rewritten into property accounts (f)	All other units, incl. reclassification and second hand units purchased or leased from others (g)	
FREIGHT TRAIN CARS									
36		Plain box cars - 40' (B100 - B287)	141	0	0	0	0	0	36
37		Plain box cars - 50' and longer (B300 - B887)	99	0	0	0	0	0	37
38		Equipped box cars (All code A) Except A 5	97	0	0	0	0	0	38
39		Plain gondola cars (All codes G & J-1, J-2, J-3 & J-4)	0	0	0	0	0	0	39
40		Equipped gondola cars (All code E)	1,259	0	0	0	0	100	40
41		Covered hopper cars (All code C, I, C 2)	12,775	608	0	0	0	832	41
42		Open top hopper cars-general service (All code H)	846	0	0	0	0	45	42
43		Open top hopper cars-special service (All codes K, J-0)	0	320	0	0	0	0	43
44		Refrigerator cars-mechanical R 5, R 6, R 7, R 8, R 9	0	0	0	0	0	0	44
45		Refrigerator cars-non- mechanical R 0, R 1, R 2	206	30	0	0	0	0	45
46		Flat cars - TOFC/COFC (All code P & Q & S) except O8-	0	1	0	0	0	0	46
47		Flat cars - multi-level (All code V)	733	0	0	0	0	0	47
48		Flat cars-general service F10, F20, F30	1	0	0	0	0	0	48
49		Flat cars-other F 1, F 2, F 3, F 4, F 5, F 6, F 7, F 8, F40	1,476	0	0	0	0	0	49
50		Tank cars-under 22,000 ga. (T-0, T-1, T-2, T-3, T-4, T-5)	0	0	0	0	0	0	50
51		Tank cars-22,000 ga. & over (T-6, T-7, T-8, T-9)	0	0	0	0	0	0	51
52		All other freight cars A 5 (All code L & Q8)	1	0	0	0	0	0	52
53		TOTAL (lines 36 to 52)	17,634	959	0	0	0	977	53
54		Caboose (All code M-930)	N/A	29	0	0	0	0	54
55		TOTAL (lines 53 & 54)	17,634	988	0	0	0	977	55

## 710. INVENTORY OF EQUIPMENT - Continued

4. Column (m) should show the aggregate capacity for all units reported in columns (k) and (l), as follows. For freight-train cars, report the nominal capacity (in tons of 2,000 lbs.) as provided for in Rule 86 of the AAR Code of Rules Governing Cars in Interchange. Convert the capacity of tank cars to capacity in tons of the commodity which the car is intended to carry customarily.

5. Time mileage cars refer to freight cars, other than cabooses, owned or held under lease arrangement, whose interline rental is settled on a per diem and line haul mileage basis under "Code of Car Hire Rules" or would be so settled if used by another railroad.

## UNITS OWNED, INCLUDED IN INVESTMENT ACCOUNT, AND LEASED TO OTHERS

Line No.	Cross Check	Changes during year (concluded)	Units at close of year						Line No.
		Units retired from service of respondent whether owned or leased, including reclassification (h)	Owned and used (i)	Leased from others (j)	Total in service of respondent (col (i) & (j))		Aggregate capacity of units reported in columns (k) & (l) (see ins. 4) (m)	Leased to others (n)	
					Time-mileage cars (k)	All other (l)			
36		141	0	0	0	0	0	0	36
37		2	97	0	97	0	7,275	0	37
38		25	72	0	72	0	5,688	0	38
39		0	0	0	0	0	0	0	39
40		288	608	465	1,071	0	110,887	0	40
41		147	6,227	7,841	13,026	1,042	1,512,493	0	41
42		188	282	421	603	100	71,213	0	42
43		320	0	0	0	0	0	0	43
44		0	0	0	0	0	0	0	44
45		127	7	102	109	0	8,491	0	45
46		1	0	0	0	0	0	0	46
47		36	325	372	697	0	26,515	0	47
48		0	1	0	1	0	77	0	48
49		25	110	1,341	1,451	0	164,348	0	49
50		0	0	0	0	0	0	0	50
51		0	0	0	0	0	0	0	51
52		1	0	0	0	0	0	0	52
53		1,301	7,729	10,540	17,127	1,142	1,906,987	0	53
54		1	28	0	N/A	28	N/A	0	54
55		1,302	7,757	10,540	17,127	1,170	1,906,987	0	55

## 710. INVENTORY OF EQUIPMENT - Continued

UNITS OWNED, INCLUDED IN INVESTMENT ACCOUNT, AND LEASED TO OTHERS									
Line No.	Cross Check	Class of equipment and car designations  (a)	Units in service of respondent at beginning of year		Changes during the year				Line No.
			Per diem (b)	All others (c)	New units purchased or built (d)	New or rebuilt units leased from others (e)	Rebuilt units acquired and rebuilt units rewritten into property accounts (f)	All other units, incl. reclassification and second hand units purchased or leased from others (g)	
56		FLOATING EQUIPMENT Self-propelled vessels [Tugboats, car ferries, etc.]	N/A						56
57		Non-self-propelled vessels [Car floats, lighters, etc.]	N/A						57
58		TOTAL (lines 56 & 57)	N/A	0	0	0	0	0	58
59		HIGHWAY REVENUE EQUIPMENT Bogie-chassis Z1, Z67, Z68, Z69	209	180	0	0	0	0	59
60		Dry van U2, Z2, Z6, 1-6	0	1,723	0	0	0	4	60
61		Flat bed U3, Z3							61
62		Open top U4, Z4							62
63		Mechanical refrigerator U5, Z5							63
64		Bulk U0, & Z0							64
65		Insulated U7, Z7							65
66		Tank u1 Z0, U6							66
67		Other trailer and container (Special Equipped Dry Van U9, Z8, & Z9)	0	3				0	67
68		Tractor							68
69		Truck							69
70		TOTAL (lines 59 to 60)	209	1,906	0	0	0	4	70

NOTES AND REMARKS

710. INVENTORY OF EQUIPMENT - Concluded

UNITS OWNED, INCLUDED IN INVESTMENT ACCOUNT, AND LEASED FROM OTHERS

Line No.	Cross Check	Changes during year (concluded)	Units at close of year						Line No.
		Units retired from service of respondent whether owned or leased, including reclassification (h)	Owned and used (i)	Leased from others (i)	Total in service of respondent (col (i) & (i))		Aggregate capacity of units reported in columns (k) & (l) (see ins. 4) (m)	Leased to others (n)	
					Per diem (k)	All other (l)			
56					N/A				56
57					N/A				57
58		0	0	0	N/A	0	0	0	58
59		0	209	180	209	180	13,225	0	59
60		1	1	1,725	1,726	0	50,060		60
61									61
62									62
63									63
64									64
65									65
66									66
67		0	3	0	0	3	90	0	67
68									68
69									69
70		1	213	1,905	1,935	185	63,375	0	70

NOTES AND REMARKS

**710S. UNIT COST OF EQUIPMENT INSTALLED DURING THE YEAR**  
(Dollars in thousands)

1. Give particulars as requested, separately, for the various classes of new units and rebuilt units of equipment installed by respondent during the year. If information regarding the cost of any units installed is not complete at time of filing of report, the units should be omitted, but reference to the number of units omitted should be given in a footnote, the details as to cost to be given in the report of the following year. The cost of units under construction at the close of the year should not be reflected in this schedule even though part of the cost appears in the property account for the year. Indicate in column (e) whether an installation represents equipment purchased (P), built or rebuilt by contract in outside railroad shops (C), or built or rebuilt in company or system shops (S) including units acquired through capitalized leases (L).

2. In column (a) list each class or type of locomotive unit, car or TOFC/COFC equipment on a separate line. By class is meant the standard classification used to distinguish types of locomotive units, freight cars or other equipment adopted by the Association of American Railroads, and should include physical characteristics requested by Schedule 710. Locomotive units should be identified as to power source, wheel arrangement, and horsepower per unit, such as multiple-purpose diesel locomotive A units (B-B), 2500 HP. Cars should be identified as to special construction or service characteristics, such as aluminum-covered hopper car (LO), steel boxcars-special service (XAP), etc. For TOFC/COFC show type of equipment as enumerated in Schedule 710.

3. In column (c) show the total weight in tons of 2,000 pounds. The weight of the equipment acquired should be the weight empty.

4. The cost should be the complete cost as entered on the ledger, including foreign line freight charges and handling charges.

5. Data for this schedule should be confined to the units reported in Schedule 710, columns (c) and (e) for locomotive units, passenger-train cars and company service cars and columns (d) and (f) for freight train cars, floating equipment and highway revenue equipment. Disclose new units in the upper section of this schedule and in the lower section disclose rebuilt units acquired or rewritten into the respondent's accounts. The term "new" as used herein shall mean a unit or units placed in service for the first time on any railroad.

6. All unequipped boxcars acquired in whole or part with incentive per diem funds should be reported on separate lines and appropriately identified by footnote or sub-heading.

**NEW UNITS**

Line No.	Class of equipment (a)	Number of units (b)	Total weight (tons) (c)	Total cost (d)	Method of acquisition (see instructions) (e)	Line No.
1						1
2						2
3						3
4						4
5						5
6						6
7						7
8						8
9						9
10						10
11						11
12						12
13						13
14						14
15						15
16						16
17						17
18						18
19						19
20						20
21						21
22						22
23						23
24						24
25	<b>TOTAL</b>	0	N/A	\$0	N/A	25
<b>REBUILT UNITS</b>						
26						26
27						27
28						28
29						29
30						30
31						31
32						32
33						33
34						34
35						35
36						36
37						37
38	<b>TOTAL</b>	0	N/A	\$0	N/A	38
39	<b>TOTAL</b>	0	N/A	\$0	N/A	39

**GENERAL INSTRUCTIONS CONCERNING RETURNS TO BE MADE IN SCHEDULES 720, 721, 723 AND 726**

1. For purposes of these schedules, the track categories are defined as follows:  
 Track category 1  
 A - Freight density of 20 million or more gross ton-miles per track mile per year (include passing tracks, turnouts and crossovers).  
 B - Freight density of less than 20 million gross ton-miles per track mile per year, but at least 5 million (include passing tracks, turnouts and crossovers).  
 C - Freight density of less than 5 million gross ton-miles per track mile per year, but at least 1 million (include passing tracks, turnouts and crossovers).  
 D - Freight density of less than 1 million gross ton-miles per track mile per year (include passing tracks, turnouts and crossovers).  
 E - Way and yard switching tracks (passing tracks, crossovers and turnouts shall be in category A, B, C, D, F and potential abandonments, as appropriate).  
 F - Track over which any passenger service is provided (other than potential abandonments). Mileage should be included within track categories A through E unless there is dedicated entirely to passenger service F.  
  
 Potential abandonments - Route segments identified by railroads as potentially subject to abandonment as required by Section 10904 of the Interstate Commerce Act. This schedule should include all class 1, 2, 3 or 4 track from schedule 700 that is maintained by the respondent (class 5 is assumed to be maintained by others).
2. This schedule should include all class 1, 2, 3 or 4 track from schedule 700 that is maintained by the respondent (class 5 is assumed to be maintained by others).
3. If, for two consecutive years, a line segment classified in one track category maintains a traffic density which would place it in another, it shall be reclassified into that category as of the beginning of the second year.
4. Traffic density related to passenger service shall not be included in the determination of the track category of a line segment.

**720. TRACK AND TRAFFIC CONDITIONS**

1. Disclose the requested information pertaining to track and traffic conditions.

Line No.	Track category (a)	Mileage of tracks at end of period (whole numbers) (b)	Average annual traffic density in millions of gross ton-miles per track mile* (use two decimal places) (c)	Average running speed limit (use two decimal places) (d)	Track miles under slow orders at end of period (e)	Line No.
1	A	1,198	33.78	46.31	1.20	1
2	B	2,004	10.27	45.06	102.20	2
3	C	915	2.45	33.99	8.20	3
4	D	392	0.74	18.37	0.00	4
5	E	1,087	XXXXXXXX	XXXXXXXX	0.00	5
6	TOTAL (1)	5,596	10.54	43.50	111.60	6
7	F	560	XXXXXXXX	XXXXXXXX	0.00	7
8	Potential abandonments	5	N/A	N/A	0.00	8

\* To determine average density, total track miles (route miles times number of tracks) rather than route miles shall be used.

(1) Total excludes 63 miles of Class 1 and J-1 track that is maintained by others.

721. TIES LAID IN REPLACEMENT

1. Furnish the requested information concerning ties laid in replacement.
2. In column (j), report the total board feet of switch and bridge ties laid in replacement.
3. The term "spot maintenance" in column (k) means repairs to track components during routine inspections, as opposed to programmed replacements aimed at upgrading the general condition of the tracks. "Percent of spot maintenance" refers to the percentage of total ties or board feet laid in replacement considered to be spot maintenance.
4. In line 9, the average cost per tie should include transportation charges on foreign lines, tie trains, loading, inspection and the cost of handling ties in general supply storage and seasoning yards, and in the case of treated ties, also the cost of handling at treating plants and the cost of treatment. The cost of unloading, hauling over carrier's own lines, and placing the ties in tracks and of train service other than that necessary in connection with loading or treatment should not be included in this schedule.

Line No.	Track category  (a)	Number of crossties laid in replacement							Total  (i)	Switch and bridge ties (board feet)  (j)	Crossties switch and bridge ties  Percent of spot maintenance (k)	Line No.
		New ties				Second-hand ties						
		Wooden		Concrete  (d)	Other  (e)	Wooden		Other  (h)				
		Treated  (b)	Untreated  (c)			Treated  (f)	Untreated  (g)					
1	A	64,634	0	0	0	0	0	0	64,634	225,225	5.2%	1
2	B	107,899	0	0	0	48	0	0	107,947	160,157	1.6%	2
3	C	39,740	0	0	0	0	0	0	39,740	57,997	0.8%	3
4	D	29,421	0	0	0	14,251	0	0	43,672	62,233	0.5%	4
5	E	10,143	0	0	0	0	0	0	10,143	199,526	10.8%	5
6	TOTAL	251,837	0	0	0	14,299	0	0	266,136	705,138	2.6%	6
7	F	13,259	0	0	0	0	0	0	13,259	216,127	9.7%	7
8	Potential abandonments	0	0	0	0	0	0	0	0	0		8

9 Average cost per crosstie \$  and switchtie (MBM) \$

**722. TIES LAID IN ADDITIONAL TRACKS AND IN NEW LINES AND EXTENSIONS**  
(Dollars in thousands)

Give particulars of ties laid during the year in new construction during the year.

In column (a) classify the ties as follows:

U - Wooden ties untreated when applied.

T - Wooden ties treated before application.

S - Ties other than wooden (steel, concrete, etc.). Indicate type in column (h).

Report new and second-hand (relay) ties separately, indicating in column (h) which ties are new.

In columns (d) and (g) show the total cost, including transportation charges on foreign lines, tie trains, loading, inspection, and the cost of handling ties in general supply, storage and seasoning yard. In the case of treated ties, also show the cost of handling at treating plants and the cost of treatment. The cost of unloading, hauling over carrier's own lines and placing the ties in tracks, and of train service, other than that necessary in connection with loading and treatment, should not be included in this schedule.

Line No.	Class of ties (a)	CROSSTIES			SWITCH AND BRIDGE TIES			Remarks (h)	Line No.	
		Total number of ties applied (b)	Average cost per tie (in dollars) (c)	Total cost of crossties laid in new tracks during year (in thousands) (d)	Number of feet (board measure) laid in tracks (e)	Average cost per M feet (board measure) (in dollars) (f)	Total cost of switch & bridge ties laid in new tracks during (in thousands) (g)			
1	T	13,425	\$68.76	\$923	11,886	\$1,371.69	\$16	NEW	1	
2	S	0			0				2	
3									3	
4									4	
5									5	
6									6	
7									7	
8									8	
9									9	
10									10	
11									11	
12									12	
13									13	
14									14	
15									15	
16									16	
17									17	
18									18	
19									19	
20	TOTAL	13,425	\$68.76	\$923	11,886	\$1,371.69	\$16		20	
21	Number of miles of new running tracks, passing tracks, crossovers, etc., in which ties were laid							3.32		21
22	Number of miles of new yard, station, team, industry, and other switching tracks in which ties were laid							3.40		22

**723. RAILS LAID IN REPLACEMENT**

1. Furnish the requested information concerning rails laid in replacement.
2. The term "spot maintenance" in column (h) means repairs to track components during routine inspections, as opposed to programmed replacements aimed at upgrading the general condition of the tracks. "Percent of spot maintenance" refers to the percentage of total rails laid in replacement considered to be spot maintenance.
3. In line 9, the average cost of new and relay rail should include the cost of loading at the point of purchase ready for shipment, the freight charges paid on foreign lines and the cost of handling rails in general supply and storage yards. The cost of unloading, hauling over carrier's own lines and placing the rails in tracks and of train service in connection with the distribution of rails should not be included in this schedule.

Line No.	Track category  (a)	Miles of rail laid in replacement (rail-miles)				Total		Percent of spot maintenance  (h)	Line No.
		New rail		Relay rail		Welded rail  (f)	Bolted rail  (g)		
		Welded rail  (b)	Bolted rail  (c)	Welded rail  (d)	Bolted rail  (e)				
1	A	120.79	1.41	0.15	5.80	120.94	7.21	2.2%	1
2	B	69.49	0.63	14.52	12.63	84.01	13.26	4.5%	2
3	C	1.74	0.66	1.09	63.61	2.83	64.27	1.3%	3
4	D	0.37	0.42	0.00	1.65	0.37	2.07	4.6%	4
5	E	0.00	0.26	0.19	0.81	0.19	1.07	100.0%	5
6	TOTAL	192.39	3.38	15.95	84.50	208.34	87.88	3.2%	6
7	F	32.77	1.36	0.32	0.88	33.09	2.24	4.6%	7
8	Potential abandonments	0.00	0.00	0.00	0.00	0.00	0.00	0.0%	8

9 Average cost of new and relay rail laid in replacement per gross ton      New    \$ 877.42      Relay    \$ 245.40

**724. RAILS LAID IN ADDITIONAL TRACKS AND IN NEW LINES AND EXTENSIONS**  
(Dollars in thousands)

1. Give particulars of all rails applied during the year in connection with the construction of new track. In column (a) classify the kind of rail applied as follows:

- (1) New steel rails, Bessemer process.
- (2) New steel rails, open-hearth process.
- (3) New rails, special alloy (describe more fully in a footnote).
- (4) Relay rails.

2. Returns in columns (c) and (g) should be reported in WHOLE numbers. Fractions of less than one-half should be disregarded, and fractions of one-half or more should be counted as one.

3. The returns in columns (d) and (h) should include the cost of loading at the point of purchase ready for shipment, the freight charges paid foreign lines, and the cost of handling rails in general supply and storage yards. The cost of unloading, hauling over carrier's own lines, and placing the rails in tracks as well as train service in connection with distribution of the rail should not be included in this schedule.

Line No.	Class of rail	RAIL APPLIED IN RUNNING TRACKS, PASSING TRACKS, CROSS-OVERS, ETC.				RAIL APPLIED IN YARD, STATION, TEAM, INDUSTRY, AND OTHER SWITCHING TRACKS				Line No.	
		Weight of rail		Total cost of rail applied in running tracks, passing tracks, cross-overs, etc. during year (in thousands)	Average cost per ton (in dollars) (2,000 lb)	Weight of rail		Total cost of rail applied in yard, station, team, industry, and other switching tracks during year (in thousands)	Average cost per ton (in dollars) (2,000 lb)		
		Pounds per yard of rail	Number of tons (2,000 lb)			Pounds per yard of rail	Number of tons (2,000 lb)				
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)			
1	NEW	115	17	\$15	\$878.06	115	11	\$10	\$874.91	1	
2	NEW	136	126	\$114	\$908.70	136	646	\$589	\$911.45	2	
3										3	
4	RELAY	115	744	\$172	\$230.52	115	480	\$110	230.37	4	
5										5	
6										6	
7										7	
8										8	
9										9	
10										10	
11										11	
12										12	
13										13	
14										14	
15										15	
16										16	
17										17	
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21										21	
22										22	
23										23	
24										24	
25										25	
26										26	
27										27	
28										28	
29										29	
30										30	
31										31	
32										32	
33	Total	N/A	887	\$301	\$2,017	N/A	1,137	\$709	\$2,017	33	
34	Number of miles of new running tracks, passing tracks, cross-overs, etc. in which rails were laid.								3.32		34
35	Number of miles of new yard, station, team, industry, and other switching tracks in which rails were laid.								3.40		35
36	Track-miles of welded rail installed on system this year								1.72	total to date	36

725. WEIGHT OF RAIL

Give the particulars called for below concerning the road and track operated by the respondent at the close of the year. Only the respondent's proportion of jointly owned mileage should be included. Under "Weight of rail" the various weights of rails should be given. Road and track occupied under trackage right or other form of license should not be included herein, but all road and track held under any form of lease (granting exclusive possession to the lessee) should be included.

Line No.	Weight of rails per yard (pounds) (a)	Line-haul companies (miles of main track) (b)	Switching and terminal companies (miles of all tracks) (c)	Remarks (d)	Line No.
1	136	998.94	0.00	NONE	1
2	133	18.30	0.00	NONE	2
3	132	464.42	0.00	NONE	3
4	131	235.57	0.00	NONE	4
5	130	0.17	0.00	NONE	5
6	119	3.80	0.00	NONE	6
7	115	1408.88	0.00	NONE	7
8	112	343.02	0.00	NONE	8
9	110	3.70	0.00	NONE	9
10	100	276.44	0.00	NONE	10
11	90	353.61	0.00	NONE	11
12	85	94.16	0.00	NONE	12
13	80	39.91	0.00	NONE	13
14	75	4.30	0.00	NONE	14
15	72	74.64	0.00	NONE	15
16	70	0.00	0.00	NONE	16
17	65	2.10	0.00	NONE	17
18	60	1.18	0.00	NONE	18
19					19
20					20
21					21
22					22
23					23
24					24
25					25
26					26
27					27
28					28
29					29
30					30
31					31
32					32
33					33
34					34
35					35
36					36
37					37
38					38
39					39
40					40
41					41
42					42
43					43
44					44
45					45
46					46
47					47
48	TOTAL	4,323.14	N/A	N/A	48

**726. SUMMARY OF TRACK REPLACEMENTS**

1. Furnish the requested information concerning the summary of track replacements.
2. In columns (d), (e), (g) and (j) give the percentage of replacements to units of property in each track category at year end.

Line No.	Track category (a)	Ties				Rail		Ballast	Track surfacing		Line No.
		Number of ties replaced		Percent replaced		Miles of rail replaced (rail-miles) (f)	Percent replaced (g)	Cubic yards of ballast placed (h)	Miles surfaced (i)	Percent surfaced (j)	
		Crossties (b)	Switch and Bridge ties (board feet) (c)	Crossties (d)	Switch and Bridge ties (board feet) (e)						
1	A	64,634	225,225	1.8%	*	128.15	5.3%	74,944	236.2	20.0%	i
2	B	107,947	160,157	1.8%	*	97.27	2.4%	63,649	149.3	7.0%	2
3	C	39,740	57,997	1.4%	*	67.10	3.7%	86,304	176.2	23.0%	3
4	D	43,672	62,233	3.7%	*	2.44	0.3%	17,107	46.1	15.0%	4
5	E	10,143	199,526	0.3%	*	1.26	0.1%	24,071	16.0	1.0%	5
6	TOTAL	266,136	705,138	1.6%	*	296.22	2.6%	266,075	623.8	11.0%	6
7	F	13,259	216,127	0.8%	*	35.33	3.2%	21,590	27.0	5.0%	7
8	Potential abandonments	0	0	0.0%	*	0.00	0.0%	0	0.0	0.0%	8

\* This information is not available

**750. CONSUMPTION OF DIESEL FUEL**  
(Dollars in thousands)

LOCOMOTIVES			
Line No.	Kind of locomotive service (a)	Diesel	Line No.
		Diesel oil (gallons) (b)	
1	Freight	67,631,000	1
2	Passenger	0	2
3	Yard switching	4,811,000	3
4	TOTAL	72,442,000	4
5	COST OF FUEL \$(000) *	230,744	5
6	Work Train	448,000	6

\* Show cost of fuel charged to train and yard service (function 67-Loco. Fuels). The cost stated for diesel fuel should be the total charges in the accounts specified, including freight charges and handling expenses. Fuel consumed by mixed and special trains that are predominantly freight should be included in freight service, but where the service of mixed or special trains is predominantly passenger, the fuel should be included in passenger service.

### INSTRUCTIONS CONCERNING RETURNS TO BE MADE IN SCHEDULE 755

Unit Train, Way Train, and Through Train data under Items 2, 3, 4, 6, and 12 shall be obtained from conductor's wheel reports (freight) or similar records. Unit train service is a specialized scheduled shuttle type service in equipment (railroad or privately owned) dedicated to such service, moving between origin and destination. The applicable tariffs and/or contracts generally require that a specific minimum tonnage or quantity of carloads be tendered as a unit for shipment on one bill of lading or other shipping document in a solid train for movement between origin and destination. Such tariffs and/or contracts generally contain restricted detention provisions and are subject to time-volume requirements which reflect the approximate capacity of the unit trains for the stated period. Way trains are defined as trains operated primarily to gather and distribute cars in road service and move them between way stations or way points. Through trains are those trains operated between two or more major concentration or distribution points. Do not include unit train statistics in way and through train statistics. A Work train is a train operated solely or preponderantly for the purpose of transporting company freight, work equipment or company employees. Statistics for work trains should be reported under Item 11 only. Statistics related to company equipment, company employees and company freight moving in transportation trains are not to be reported in Item 11, but are to be reported in Items 4-17, 6-04, 7-02, and 8-04 and 8-05 as instructed in notes, I, K, and L.

- (A) Report miles of road operated at close of year, excluding industrial tracks, yard tracks, and sidings.
- (B) A train-mile is the movement of a train a distance of one mile. In computing train-miles, fractions representing less than one-half mile shall be disregarded and other fractions considered as one mile. Train Miles-Running shall be based on the actual distance run between terminals and/or stations and shall be computed from the official time tables or distance tables. Train-miles shall not be increased to cover the running of locomotives from shops to terminals, doubling hills, switching, or other work at way stations, or for the service of helper or pusher locomotives or of extra locomotives on double-head or triple-head trains. When the carrier's trains are detoured over foreign roads, the miles shall be computed on the basis of the miles actually run and in accordance with the service performed. Train-miles shall be kept separately for trains hauled by locomotives and trains moved by motorcars.
- (C) A motorcar is a self-propelled unit of equipment designed to carry freight or passenger traffic, and is not considered a locomotive.
- (D) A locomotive is a self-propelled unit of equipment designed solely for moving other equipment. A locomotive unit-mile is a movement of a locomotive unit a distance of one mile under its own power. Include miles made by all locomotive units. Exclude miles made by motorcars. Miles of locomotives in helper service shall be computed on the basis of actual distance run in such service.
- (E) All locomotives unit-miles in road service shall be based on the actual distance run between terminals and/or stations. Follow instructions (B) regarding fractions and official time tables for computing locomotive-miles.
- (F) Train switching locomotive-miles shall be computed at the rate of six miles per hour for the time actually engaged in such service. Include miles allowed train locomotives for performing switching service at terminals and way stations.
- (G) Yard switching locomotive-miles shall be computed at the rate of six miles per hour for the time actually engaged in yard switching service. Include miles allowed for yard locomotives for switching service in yards where regular switching service is maintained and in terminal switching and transfer service.
- (H) A car-mile is a movement of a unit of car equipment a distance of one mile. Use car designations shown in Schedule 710. Under Railroad Owned and Leased Cars, Items 4-01 and 4-11, report both foreign cars and respondent's own cars while on the line of the respondent railroad. In Items 4-13 and 4-15, report private-line cars and shipper owned cars. Loaded and empty miles should be reported whether or not the railroad reimbursed the owner on a loaded and/or empty mile basis. Report miles made by flatcars carrying empty highway trailers that are not moving under revenue billings as empty freight car-miles. Do not report miles made by motorcars or business cars.
- (I) Exclude from Item 4-01, 4-11, 4-13, and 4-15 car-miles of work equipment, cars carrying company freight, and non-revenue private line cars moving in transportation trains. Include such car-miles in Items 4-17, 4-18, and 4-19. If private line cars move in revenue service, the loaded and empty miles should not be considered no-payment or non-revenue car-miles.
- (J) Report miles actually run by passenger-train cars in transportation service. Passenger-train car-miles include miles run by coaches and cars in which passengers are carried at regular tariff fares without extra charge for space occupied; miles run by combination passenger and baggage, passenger and mail, passenger and express; miles run by sleeping, parlor and other cars for which an extra fare is charged; miles run by dining, cafe, and other cars devoted exclusively to the serving of meals and other refreshments and by club, lounge, and observation cars; and miles run by other passenger-train cars where services are combined such as baggage, express and mail.
- (K) From conductor's or dispatcher's train reports or other appropriate source's, compute weight in tons (2,000 lbs). Item 6-01 includes weight of all locomotive units moved one mile in transportation trains. Ton-miles of motorcars should be excluded. Items 6-02 and 6-03 represent tons behind locomotive units (cars and contents, cabooses) moved one mile in transportation trains (excluding non-revenue gross ton-miles). Non-revenue gross ton-miles in transportation trains include work equipment and cars carrying company freight (and their contents). Use 150 lbs. as the average weight per passenger, and four tons as the average weight of contents of each head-end car.

**INSTRUCTIONS CONCERNING RETURNS TO BE MADE IN SCHEDULE 755 - Concluded**

- (L) From conductor's train reports or other appropriate sources, compute ton-miles of freight. Ton-miles represent the number of tons of revenue and non-revenue freight moved one mile in transportation train. Include net ton-miles in motorcar trains. Exclude i.e.l. shipment of freight handled in mixed baggage express cars. Total ton-miles of revenue freight should correspond to the ton-miles reported on Form CBS.
- (M) Road service represents elapsed time of transportation trains (both ordinary and light) between the time of leaving the initial terminals and the time at final terminals, including trains switching at way stations and delays on road as shown by conductors' or dispatchers' train reports. Include time of motorcar service performed by train locomotives at terminals and way stations. Report in Item 9-02 train switching hours included in Item 9-01. Train switching is the time spent by the train while performing switching service at terminals and way stations where no regular yard service is maintained. A train hour is independent of the number of locomotives in the train.
- (N) Yard switching hours are hours expended in switching service performed by yard crews in yards where regular switching service is maintained, including switching and transfer service in connection with the transportation of revenue and incidentally of company freight. Hours in yard switching are independent of the number of locomotives used.
- (O) Work-train miles include the miles run by trains engaged in company service such as official inspection, inspection trains for railway commissioners for which no revenue is received, trains running special with fire apparatus to save carrier's property from destruction, trains run for transporting the carrier's employees to and from work when no transportation charge is made, wrecking trains, trains run solely for the purpose of transporting company material, trains run for distributing material and supplies for use in connection with operations, and all other trains used in work-train services. Exclude miles run by locomotives which engaged incidentally in switching company materials in company shops or material yards in connection with regular yard switching service or in switching equipment for repairs between yards and shops.
- (P) The number of loaded freight cars shall be obtained from the conductors' wheel report and shall be the sum of all loaded cars handled by each train. For example, if a car moves loaded (1) in a way train from the origination points, (2) in two through trains, and (3) in a way train to the destination point, the total count of loaded cars would be four: two counts for the movements in the way trains and two counts for the movements in through trains. Therefore, each car originated or received from a connecting carrier receives an initial count, plus one count for each subsequent physical transfer between trains on respondent's lines. No additional count is given because of crew change or changes in track identification number unless there is a physical transfer of the car between trains. Each car moving under revenue billing shall be considered as a loaded car.
- (Q) Report vehicle (TOFC trailers/containers, automobiles and trucks) loaded and unloaded to and from TOFC and multiple level freight cars when the work is performed at the railroad's expense.
- (R) Report the number of loaded revenue trailers/containers picked up, plus revenue trailers/containers delivered in TOFC/COFC and in highway interchange service, when the work is performed at the railroad's expense. (Performed at railroad's expense means that railroad employees perform the service or that the railroad hires a subsidiary or outside contractor to perform the service.) Do not include those trailers/containers which are picked up or delivered by a shipper or motor carrier, etc., when a tariff provision requires the shipper or motor carrier, etc., and not the railroad, perform that service. Note: The count should reflect the trailer/containers for which expenses are reported in Schedule 417 line 2 column (b).
- (S) Report under Marine Terminals, Item 16, the tons loaded onto and unloaded from marine vessels at the expense of the reporting railroad.
- (T) Report the total number of foreign railroad cars on line at the end of the year (except surplus cars, see below). Foreign railroad cars refers to freight cars owned by other railroads, whose interline rental is settled on time (by hour) and actual line-haul mileage charges under the Code of Car Hire Rules.
- Carriers will be governed by local conditions in determining whether a car at an interchange point should be considered "on-line". Unserviceable cars include cars on repair tracks undergoing or awaiting repairs. They include cars on repair tracks repaired and awaiting switching, cars on repair tracks undergoing or awaiting repairs switching, cars awaiting movement to repair tracks held in train yard (excluding cars which are to be repaired in train yard without loss of time), car moving empty in trains en route to shop, and cars stored awaiting disposition.
- Surplus cars are cars which are in serviceable condition available for loading on the last day of the year, but have not been placed for loading within 48 hours. This count can be an annual average based on weekly count of cars that have not been placed for loading within 48 hours.
- (U) Flat-TOFC/COFC Car-miles reported in lines 25 (4-020), 41 (4-120), 57 (4-140), and 75 (4-160) will be computed using cars rather than constructed container platforms. For example, an articulated car consisting of five platforms moved one mile will be counted as one car-mile, not five car-miles.
- (V) The intermodal Load Factor reported on Line 134 will be calculated for the average number of intermodal (TOFC/COFC) units loaded on the average intermodal car. Units are to be calculated in the same manner as Line 123 (13 TOFC/COFC - No. of Revenue Trailers & Containers Loaded and Unloaded (Q)). Intermodal cars will be calculated in accordance with instruction U for reporting Flat-TOFC/COFC Car-miles. Both intermodal (TOFC/COFC) units and intermodal cars are to be calculated using actual units and not constructed intermodal (TOFC/COFC) units or cars.

## 755. RAILROAD OPERATING STATISTICS

Line No.	Cross Check	Item description (a)	Freight train (b)	Passenger train (c)	Line No.
1		1. Miles of Road Operated (A)	6,138	XXXXXX	1
		2. Train Miles - Running (B)	XXXXXX	XXXXXX	
2		2-01 Unit Trains	1,850,059	XXXXXX	2
3		2-02 Way Trains	1,427,282	XXXXXX	3
4		2-03 Through Trains	8,501,940	XXXXXX	4
5		2-04 TOTAL TRAIN MILES (lines 2-4)	11,779,281	XXXXXX	5
6		2-05 Motorcars (C)	0	XXXXXX	6
7		2-06 TOTAL ALL TRAINS (lines 5, 6)	11,779,281	XXXXXX	7
		3. Locomotive Unit Miles (D)	XXXXXX	XXXXXX	
		Road Service (E)	XXXXXX	XXXXXX	
8		3-01 Unit Trains	4,442,629	XXXXXX	8
9		3-02 Way Trains	2,248,190	XXXXXX	9
10		3-03 Through Trains	20,717,160	XXXXXX	10
11		3-04 TOTAL (lines 8-10)	27,407,979	XXXXXX	11
12		3-11 Train Switching (F)	2,686,353	XXXXXX	12
13		3-21 Yard Switching (G)	2,577,600	XXXXXX	13
14		3-31 TOTAL ALL SERVICES (lines 11, 12, 13)	32,671,932	XXXXXX	14
		4. Freight Car-Miles (thousands) (H)	XXXXXX	XXXXXX	
		4-01 RR Owned and Leased Cars - Loaded	XXXXXX	XXXXXX	
15		4-010 Box-Plain 40-Foot	0	XXXXXX	15
16		4-011 Box-Plain 50-Foot and Longer	659	XXXXXX	16
17		4-012 Box-Equipped	16,755	XXXXXX	17
18		4-013 Gondola-Plain	1,918	XXXXXX	18
19		4-014 Gondola-Equipped	9,465	XXXXXX	19
20		4-015 Hopper-Covered	89,237	XXXXXX	20
21		4-016 Hopper-Open Top-General Service	2,922	XXXXXX	21
22		4-017 Hopper-Open Top-Special Service	29	XXXXXX	22
23		4-018 Refrigerator-Mechanical	57	XXXXXX	23
24		4-019 Refrigerator-Non-Mechanical	691	XXXXXX	24
25		4-020 Flat-TOFC/COFC	10,516	XXXXXX	25
26		4-021 Flat-Multi-Level	3,385	XXXXXX	26
27		4-022 Flat-General Service	22	XXXXXX	27
28		4-023 Flat-All Other	9,286	XXXXXX	28
29		4-024 All Other Car Types-Total	281	XXXXXX	29
30		4-025 TOTAL (lines 15-29)	145,223	XXXXXX	30

## 755. RAILROAD OPERATING STATISTICS - Continued

Line No.	Cross Check	Item description (a)	Freight train (b)	Passenger train (c)	Line No.
		4-11 RR Owned and Leased Cars-Empty	XXXXXX	XXXXXX	
31		4-110 Box-Plain 40-Foot	0	XXXXXX	31
32		4-111 Box-Plain 50-Foot and Longer	666	XXXXXX	32
33		4-112 Box-Equipped	15,249	XXXXXX	33
34		4-113 Gondola-Plain	1,775	XXXXXX	34
35		4-114 Gondola Equipped	9,719	XXXXXX	35
36		4-115 Hopper-Covered	84,213	XXXXXX	36
37		4-116 Hopper-Open Top-General Service	3,209	XXXXXX	37
38		4-117 Hopper-Open Top-Special Service	33	XXXXXX	38
39		4-118 Refrigerator-Mechanical	88	XXXXXX	39
40		4-119 Refrigerator-Non-Mechanical	833	XXXXXX	40
41		4-120 Flat-TOFC/COFC	739	XXXXXX	41
42		4-121 Flat-Multi-level	1,620	XXXXXX	42
43		4-122 Flat-General Service	32	XXXXXX	43
44		4-123 Flat-All Other	9,395	XXXXXX	44
45		4-124 All Other Car Types	298	XXXXXX	45
46		4-125 TOTAL (lines 31-45)	127,869	XXXXXX	46
		4-13 Private Line Cars - Loaded (H)	XXXXXX	XXXXXX	
47		4-130 Box-Plain 40-Foot	0	XXXXXX	47
48		4-131 Box-Plain 50-Foot and Longer	1,054	XXXXXX	48
49		4-132 Box-Equipped	3,184	XXXXXX	49
50		4-133 Gondola-Plain	22,010	XXXXXX	50
51		4-134 Gondola-Equipped	2,378	XXXXXX	51
52		4-135 Hopper-Covered	76,253	XXXXXX	52
53		4-136 Hopper-Open Top-General Service	663	XXXXXX	53
54		4-137 Hopper-Open Top-Special Service	5,135	XXXXXX	54
55		4-138 Refrigerator-Mechanical	1,657	XXXXXX	55
56		4-139 Refrigerator-Non-Mechanical	273	XXXXXX	56
57		4-140 Flat-TOFC/COFC	59,088	XXXXXX	57
58		4-141 Flat-Multi-level	33,291	XXXXXX	58
59		4-142 Flat-General Service	12	XXXXXX	59
60		4-143 Flat-All Other	5,487	XXXXXX	60
61		4-144 Tank Under 22,000 Gallons	14,149	XXXXXX	61
62		4-145 Tank-22,000 Gallons and Over	78,970	XXXXXX	62
63		4-146 All Other Car Types	120	XXXXXX	63
64		4-147 TOTAL (lines 47-63)	303,724	XXXXXX	64

755. RAILROAD OPERATING STATISTICS - Continued

Line No.	Cross Check	Item description (a)	Freight train (b)	Passenger train (c)	Line No.
		4-15 Private Line Cars - Empty (H)	XXXXXX	XXXXXX	
65		4-150 Box-Plain 40-Foot	0	XXXXXX	65
66		4-151 Box-Plain 50-Foot and Longer	814	XXXXXX	66
67		4-152 Box-Equipped	2,999	XXXXXX	67
68		4-153 Gondola-Plain	21,658	XXXXXX	68
69		4-154 Gondola-Equipped	2,043	XXXXXX	69
70		4-155 Hopper-Covered	78,016	XXXXXX	70
71		4-156 Hopper-Open Top-General Service	742	XXXXXX	71
72		4-157 Hopper-Open Top-Special Service	5,106	XXXXXX	72
73		4-158 Refrigerator-Mechanical	1,781	XXXXXX	73
74		4-159 Refrigerator-Non-Mechanical	228	XXXXXX	74
75		4-160 Flat-TOFC/COFC	4,358	XXXXXX	75
76		4-161 Flat-Multi-Level	13,424	XXXXXX	76
77		4-162 Flat-General Service	53	XXXXXX	77
78		4-163 Flat-All Other	4,680	XXXXXX	78
79		4-164 Tank Under 22,000 Gallons	14,571	XXXXXX	79
80		4-165 Tank-22,000 Gallons and Over	80,604	XXXXXX	80
81		4-166 All Other Car Types	34	XXXXXX	81
82		4-167 TOTAL (lines 65-81)	231,111	XXXXXX	82
83		4-17 Work Equipment and Company Freight Car-Miles	6,422	XXXXXX	83
84		4-18 No Payment Car-Miles (1) 1	N/A	XXXXXX	84
		4-19 Total Car-Miles by Train Type (Note)	XXXXXX	XXXXXX	
85		4-191 Unit-Trains	165,602	XXXXXX	85
86		4-192 Way-Trains	33,606	XXXXXX	86
87		4-193 Through Trains	615,141	XXXXXX	87
88		4-194 TOTAL (lines 85-87)	814,349	XXXXXX	88
89		4-20 Caboose Miles	70	XXXXXX	89

1 Total number of loaded miles 0 and empty miles 0 by roadrailer reported above.

NOTE: Line 88 total car miles is equal to the sum of Lines 30, 46, 64, 82, 83 and 84. Accordingly, the car miles reported on Lines 83 and 84 are to be allocated to Lines 85, 86 and 87 and included in the total shown on Line 88.

## 755. RAILROAD OPERATING STATISTICS - Concluded

Line No.	Cross Check	Item description (a)	Freight train (b)	Passenger train (c)	Line No.
		6. Gross Ton-Miles (thousands) (K)	XXXXXX	XXXXXX	
98		6-01 Road Locomotives	5,428,256	XXXXXX	98
		6-02 Freight Trains, Crs., Cnts., and Caboose	XXXXXX	XXXXXX	
99		6-020 Unit Trains	14,309,526	XXXXXX	99
100		6-021 Way Trains	2,561,817	XXXXXX	100
101		6-022 Through Trains	47,559,075	XXXXXX	101
102		6-03 Passenger-Trains, Crs., Cnts., and Caboose	0	XXXXXX	102
103		6-04 Non-Revenue	467,002	XXXXXX	103
104		6-05 TOTAL (lines 98-103)	70,325,676	XXXXXX	104
		7. Tons of Freight (thousands)	XXXXXX	XXXXXX	
105		7-01 Revenue	76,580	XXXXXX	105
106		7-02 Non-Revenue	877	XXXXXX	106
107		7-03 TOTAL (lines 105,106)	77,457	XXXXXX	107
		8. Ton-Miles of Freight (thousands) (L)	XXXXXX	XXXXXX	
108		8-01 Revenue-Road Service	34,581,354	XXXXXX	108
109		8-02 Revenue-Lake Transfer Service	0	XXXXXX	109
110		8-03 TOTAL (lines 108,109)	34,581,354	XXXXXX	110
111		8-04 Non-Revenue-Road Service	333,090	XXXXXX	111
112		8-05 Non-Revenue-Lake Transfer Service	0	XXXXXX	112
113		8-06 TOTAL (lines 111,112)	333,090	XXXXXX	113
114		8-07 TOTAL-Revenue & Non-Revenue (lines 110,113)	34,914,444	XXXXXX	114
		9. Train Hours (M)	XXXXXX	XXXXXX	
115		9-01 Road Service	704,644	XXXXXX	115
116		9-02 Train Switching	192,752	XXXXXX	116
117		10. TOTAL YARD-SWITCHING HOURS (N)	372,165	XXXXXX	117
		11. Train-Miles Work Trains (O)	XXXXXX	XXXXXX	
118		11-01 Locomotives	67,130	XXXXXX	118
119		11-02 Motorcars	0	XXXXXX	119
		12. Number of Loaded Freight Cars (P)	XXXXXX	XXXXXX	
120		12-01 Unit Trains	258,937	XXXXXX	120
121		12-02 Way Trains	601,535	XXXXXX	121
122		12-03 Through Trains	1,142,491	XXXXXX	122
123		13. TOFC/COFC-No. of Rev. Trls & Cntms Lded & Unlded (Q)	398,661	XXXXXX	123
124		14. Multi-level Cars-No. of Motor Vehicles Lded & Unlded (Q)	254,890	XXXXXX	124
125		15. TOFC/COFC-No. of Rev. Trailers Picked Up & Delivered (R)	0	XXXXXX	125
		16. Revenue Tons-Marine Terminal (S)	XXXXXX	XXXXXX	
126		16-01 Marine Terminals-Coal	0	XXXXXX	126
127		16-02 Marine Terminals-Ore	0	XXXXXX	127
128		16-03 Marine Terminals-Other	0	XXXXXX	128
129		16-04 TOTAL (lines 126-128)	0	XXXXXX	129
		17. Number of Foreign Per Diem Cars on Line (T)	XXXXXX	XXXXXX	
130		17-01 Serviceable	1,985	XXXXXX	130
131		17-02 Unserviceable	71	XXXXXX	131
132		17-03 Surplus	0	XXXXXX	132
133		17-04 TOTAL (lines 130-132)	2,056	XXXXXX	133
134		TOFC/COFC - Average No. of Units Loaded Per Car	2.68	XXXXXX	134

**NOTES AND REMARKS**

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VERIFICATION

The foregoing report shall be verified by the oath of the officer having control of the accounting of the respondent. This report shall also be verified by the oath of the president or other chief officer of the respondent, unless the respondent states that such officer has no control over the respondent's accounting and reporting.

OATH

(To be made by the officer having control of the accounting of the respondent)

State of Minnesota  
County of Hennepin

John J. Huber makes oath and says that he is VP Finance and Controller  
(insert here name of the affiant) (insert here the official title of the affiant)  
of Soo Line Corporation  
(insert here the exact legal title or name of the respondent)

that it is his duty to have supervision over the books of accounts of the respondent and to control the manner in which such books are kept; that he knows that such books have been kept in good faith during the period covered by this report; that he knows that the entries contained in this report relating to accounting matters have been prepared in accordance with the provisions of the Uniform System of Accounts for Railroads and other accounting and reporting directives of the Surface Transportation Board; that he believes that all other statements of fact contained in this report are true, and that this report is a correct and complete statement, accurately taken from the books and records, of the business and affairs of the above-named respondent during the period of time from and including January 1, 2011 to and including December 31, 2011.

*[Handwritten Signature]*  
(signature of affiant)

Subscribed and sworn to before me, a Notary Public in and for the State and County above named; this 30th day of March, 2012. My commission expires January 31, 2015.



*Terrill A. Matchey*  
(signature of officer authorized to administer oaths)

SUPPLEMENTAL OATH\*

(by the president or other chief officer of the respondent)

State of  
County of

\_\_\_\_\_ makes oath and says that he is \_\_\_\_\_  
(insert here name of the affiant) (insert here the official title of the affiant)  
of \_\_\_\_\_  
(insert here the exact legal title or name of the respondent)

that he has carefully examined the foregoing report; that he believes that all statements of fact contained in the said report are true, and that the said report is a correct and complete statement of the business and affairs of the above-named respondent and the operations of its property during the period of time from and including \_\_\_\_\_, to and including \_\_\_\_\_

(signature of affiant)

Subscribed and sworn to before me, a \_\_\_\_\_ in and for the State and County above named, this \_\_\_\_\_ day of \_\_\_\_\_, My commission expires \_\_\_\_\_

Use an  
L.S.  
impression seal

(signature of officer authorized to administer oaths)

\* Under the Company's delegation of authority, the Controller has authorization to execute reports required by the Surface Transportation Board; therefore, the Supplemental Oath is not required.

**NOTES AND REMARKS**

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