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RC-130500 BURLINGTON NORTHERN

SANTA FE

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APPROVED BY OMB  
2140-0009  
EXPIRES 11/30/2000

# Class I Railroad Annual Report

The Burlington Northern and Santa Fe Railway Company  
Leased Lines and Wholly-Owned Subsidiaries  
3017 Lou Menk Drive  
Fort Worth, Texas 76131



## **BNSF**



To The  
Surface Transportation Board  
For the Year Ending December 31, 1998

# 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 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.

For Index, See Back of Form

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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 all 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.

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, and the Office of Information and Regulatory Affairs, Office of Management and Budget.



## 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

The Burlington Northern and Santa Fe Railway Company

2 Date of incorporation

January 12, 1961

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.

Organized under the provisions of the General Corporation Law of the State of Delaware

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.

Effective as of January 2, 1998, Santa Fe Pacific Corporation ("SFP"), being the owner of all of the issued and outstanding shares of stock of respondent, merged itself with and into respondent ("the Merger") pursuant to the provisions of Section 253 of the General Corporation Law of the State of Delaware, and respondent was the surviving corporation. Information provided herein reflects the Merger as if it occurred on January 1, 1997.

## 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)

(X) No annual report to stockholder's is prepared

Two copies of the Burlington Northern Santa Fe Corporation Annual Report to Shareholders are attached

Two copies of The Burlington Northern and Santa Fe Railway Company SEC Form 10-K are attached

## C VOTING POWERS AND ELECTIONS

- 1 State the par value of each share of stock Common \$1.00 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 [X] Yes [ ] No
- 3 Are voting rights proportional to holdings? [X] Yes [ ] No If not, state in a footnote the relation between holdings and corresponding voting rights
- 4 Are voting rights attached to any securities other than stock? [ ] Yes [X] 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? [ ] Yes [X] 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 and not required to be closed.
- 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  
1,000 votes, as of December 31, 1998.
- 8 State the total number of stockholders of record, as of the date shown in answer to inquiry 7 One (1) stockholder
- 9 Give the names of 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 1 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			
				Common (d)	Preferred Second (e)	First (f)	
1	The Burlington Northern and Santa Fe	3017 Lou Menk Drive	1,000	1,000			1
2	Railway Company	Fort Worth, TX 76131					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	Note						19
20	Effective as of January 2, 1998, Santa Fe Pacific Corporation ("SFP"), being the owner of all of the issued and outstanding shares of stock of respondent, merged						20
21	itself with and into respondent pursuant to the provisions of Section 253 of the General Corporation Law of the State of Delaware In conjunction with such						21
22	merger, the Board of Directors of SFP adopted a resolution by unanimous written consent dated December 15, 1997, directing that the members of the Board						22
23	of Directors of respondent in office at the effective time of the merger should be the members of the Board of Directors of respondent as the surviving corporation						23
24	in the merger As a result of the merger, respondent is now a wholly-owned subsidiary of Burlington Northern Santa Fe Corporation						24
25							25
26							26
27							27
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 "Not Applicable" - Refer to note shown under inquiry 9
- 11 Give the date of such meeting "Not Applicable" - Refer to note shown under inquiry 9
- 12 Give the place of such meeting "Not Applicable" - Refer to note shown under inquiry 9

## NOTES AND REMARKS

## 200 COMPARATIVE STATEMENT OF FINANCIAL POSITION - EXPLANATORY NOTES

7 Give particulars with respect to contingent assets and liabilities at the close of the year, in accordance with Instruction 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 Note 3 on Page 12

(a) Changes in Valuation Accounts

8 Marketable Equity Securities None

		Cost	Market	Dr (Cr ) to Income	Dr (Cr ) to Stockholders Equity
(Current Yr )	Current Portfolio	N/A	N/A	N/A	N/A
as of / /	Noncurrent Portfolio	N/A	N/A	N/A	N/A
(Previous Yr )	Current Portfolio	N/A	N/A	N/A	N/A
as of / /	Noncurrent Portfolio	N/A	N/A	N/A	N/A

(b) At 12/31/98, gross unrealized gains and losses pertaining to marketable equity securities were as follows

	Gains	Losses
Current	\$ 0	\$ 0
Noncurrent	0	0

(c) A net unrealized gain (loss) of \$ 0 on the sale of marketable equity securities was included in net income for 1998  
 The cost of securities sold was based on the N/A (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 financial statements but prior to the filing, applicable to marketable equity securities owned at balance sheet date shall be disclosed below  
 None

NOTE 12/31/98 Balance sheet date of reported year unless specified as previous year

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 and reporting 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 and other funds pursuant to provisions of reorganization plans, mortgages, deeds of trust, or other contracts \$ None

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 \$ 0

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 2 on page 9

(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 2 on page 9

(c) Is any part of pension plan funded? Specify Yes X No

(i) If funding is by insurance, give name of insuring company None

If funding is by trust agreement, list trustee(s) Northern Trust Company

Date of trust agreement or latest amendment June 21, 1996

If respondent is affiliated in any way with the trustee(s), explain affiliation Not affiliated See Note 1 page 9

See Note 1 on page 9

(d) List affiliated companies which are included in the pension plan funding agreement and describe basis for allocating charges under the agreement

See Note 2 on page 9

(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 N/A

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 No X N/A

If yes, who determines how stock is voted?

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 X No

5 (a) The amount of employers contribution to employee stock ownership plans for the current year was \$ NONE

(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 \$ None

6 In reference to Docket No 37465 specify the total amount of business entertainment expenditures charged to the non-operating expense account

\$ None

Continued on following page

## 200 COMPARATIVE STATEMENT OF FINANCIAL POSITION - ASSETS

(Dollars in Thousands)

Line No	Cross Check	Account	Title	Balance at close of year (b)	Balance at beginning of year (c)	Line No
			(a)			
<b>Current Assets</b>						
1	701	Cash		94,744	0	1
2	702	Temporary Cash Investments		0	0	2
3	703	Special Deposits		0	0	3
4	704	Accounts Receivable				4
5	705	-Loan and Notes				5
6	706	-Interline and Other Balances		148,458	135,754	6
7	707	-Customers		322,573	321,987	7
8	707	-Other		41,672	82,423	8
9	709, 708	-Accrued Accounts Receivable		231,094	281,313	9
10	708 5	-Receivables from Affiliated Companies		85,567	0	10
11	709 5	-Less: Allowances for Uncollectible Accounts		(83,770)	(70,260)	11
12	710, 711, 714	Working Funds Prepayments Deferred Income Tax Debits		356,043	353,389	12
13	712	Materials and Supplies		243,701	204,558	13
14	713	Other Current Assets		12,446	9,148	14
15		<b>TOTAL CURRENT ASSETS</b>		<b>1,452,528</b>	<b>1,318,312</b>	<b>15</b>
<b>Other Assets</b>						
16	715, 716, 717	Special Funds		5,642	5,547	16
17	721, 721.5	Investments and Advances Affiliated Companies (Schedule 310 and 310A)		223,293	486,358	17
18	722, 723	Other Investments and Advances		58,544	24,226	18
19	724	Allowances for Net Unrealized Loss on Noncurrent Marketable Equity Securities-Cr				19
20	737, 738	Property Used in Other Than Carrier Operation (Less Depreciation) \$ (3,652)		62,041	65,205	20
21	739, 741	Other Assets		46,157	44,630	21
22	743	Other Deferred Debits		431,144	288,966	22
23	744	Accumulated Deferred Income Tax Debits				23
24		<b>TOTAL OTHER ASSETS</b>		<b>826,821</b>	<b>914,932</b>	<b>24</b>
<b>Road and Equipment</b>						
25	731, 732	Road (Schedule 330) L-30 Column h & b		20,565,169	19,157,554	25
26	731, 732	Equipment (Schedule 330) L-39 Column h & b		4,520,978	4,174,654	26
27	731, 732	Unallocated Items		480,764	490,156	27
28	733, 735	Accumulated Depreciation and Amortization (Schedules 335, 342, 351)		(5,025,220)	(4,735,343)	28
29		<b>Net Road and Equipment</b>		<b>20,541,691</b>	<b>19,087,021</b>	<b>29</b>
30		<b>TOTAL ASSETS</b>		<b>22,821,040</b>	<b>21,320,265</b>	<b>30</b>

## 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 begin- ning of year (c)	Line No
<b>Current Liabilities</b>						
30		751	Loans and Notes Payable			30
31		752	Accounts Payable, Interline and Other Balances	68,988	120,414	31
32		753	Audited Accounts and Wages	255,781	288,703	32
33		754	Other Accounts Payable	99,119	120,614	33
34		755, 756	Interest and Dividends Payable	55,691	60,198	34
35		757	Payables to Affiliated Companies	0	134,660	35
36		759	Accrued Accounts Payable	1,286,094	1,259,554	36
37		760, 761, 761 5, 762	Taxes Accrued	189,166	45,271	37
38		763	Other Current Liabilities	47,803	71,845	38
39		764	Equipment Obligations and Other Long-Term Debt due Within One Year	267,897	108,348	39
40			<b>TOTAL CURRENT LIABILITIES</b>	<b>2,270,539</b>	<b>2,209,607</b>	40
<b>Non-Current Liabilities</b>						
41		765, 767	Funded Debt Unmatured	1,218,036	1,608,535	41
42		766	Equipment Obligations	575,383	545,297	42
43		766 5	Capitalized Lease Obligations	755,144	647,311	43
44		768	Debt in Default			44
45		769	Accounts Payable, Affiliated Companies	2,287,595	2,062,595	45
46		770 1, 770 2	Unamortized Debt Premium	(48,519)	(51,320)	46
47		781	Interest in Default			47
48		783	Def Revenues-Transfers from Gov Authorities	53,152	42,157	48
49		786	Accumulated Deferred Income Tax Credits	5,634,131	5,172,000	49
50		771, 772, 774, 775, 782, 784	Other Long-Term Liabilities and Deferred Credits	1,846,819	2,060,452	50
51			<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>12,321,741</b>	<b>12,087,027</b>	51
<b>Shareholders' Equity</b>						
52		791, 792	Total Capital Stock (Schedule 230, lines 53 & 54)	1	1	52
53			Common Stock	1	1	53
54			Preferred Stock			54
55			Discount on Capital Stock			55
56		794, 795	Additional Capital (Schedule 230)	4,698,154	4,698,865	56
57		797	Retained Earnings Appropriated			57
58		798	Unappropriated (Schedule 220)	3,530,605	2,324,765	58
59		798 1	Net Unrealized Loss on Noncurrent Marketable Equity Securities			59
60		798.5	Less Treasury Stock			60
61			<b>NET SHAREHOLDERS' EQUITY</b>	<b>8,228,760</b>	<b>7,023,631</b>	61
62			<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>22,821,040</b>	<b>21,320,265</b>	62

## NOTES AND REMARKS

Road Initials: BNSF

Year 1998

# ANNUAL REPORT

OF

THE BURLINGTON NORTHERN AND SANTA FE RAILWAY COMPANY

TO THE

## SURFACE TRANSPORTATION BOARD

FOR THE

YEAR ENDED DECEMBER 31, 1998

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

(Name) Thomas N. Hund (Title) Vice President, Controller and Chief Accounting Officer

(Telephone number) (817) 352-4800  
(Area code) (Telephone number)

(Office address) 3017 Lou Menk Drive, Fort Worth, Texas, 76131  
(Street and number, City, State, and ZIP code)

## 200 COMPARATIVE STATEMENT OF FINANCIAL POSITION-EXPLANTORY NOTES-concluded

## NOTES TO FINANCIAL STATEMENTS

**Note 1****Changes to Company Organization and Reporting Presentation**

The Burlington Northern and Santa Fe Railway Company (BNSF Railway) is a wholly owned subsidiary of Burlington Northern Santa Fe Corporation (BNSF). BNSF Railway was formerly known as the Burlington Northern Railroad Company (BNRR). On December 31, 1996, The Atchison, Topeka and Santa Fe Railway Company (ATSF) merged with and into Burlington Northern Railroad Company (BNRR) and the name of the surviving entity, BNRR, was changed to the Burlington Northern and Santa Fe Railway Company. Additionally, on January 2, 1998, BNSF Railway's parent, Santa Fe Pacific Corporation, merged with and into BNSF Railway. Information included herein reflects the merger as if it occurred on January 1, 1997.

**Note 2****Retirement plans**

BNSF Railway is included with certain other BNSF affiliates in the qualified BNSF Retirement Plan and the nonqualified BNSF Supplemental Retirement Plan.

BNSF sponsors two significant defined benefit pension plans: the noncontributory qualified BNSF Retirement Plan, which covers substantially all non-union employees, and the nonqualified BNSF Supplemental Retirement Plan, which covers certain officers and other employees. The benefits under BNSF's plans are based on years of credited service and the highest five-year average compensation levels. BNSF Railway's funding policy is to contribute annually not less than the regulatory minimum and not more than the maximum amount deductible for income tax purposes.

Certain salaried employees of BNSF Railway that have met certain age and years of service requirements are eligible for medical benefits and life insurance coverage during retirement. The retiree medical plan is contributory and provides benefits to retirees, their covered dependents and beneficiaries. Retiree contributions are adjusted annually. The plan also contains fixed deductibles, coinsurance and out-of-pocket limitations. The life insurance plan is noncontributory and covers retirees only. BNSF Railway's policy is to fund benefits payable under the medical and life insurance plans as they come due. Employees beginning salaried employment with BNSF Railway subsequent to September 22, 1995 are not eligible for benefits under these plans.

Components of the net benefit costs for these plans were as follows (in millions):

Year ended December 31,	Pension Benefits		
	1998	1997	1996
Service cost	\$ 15	\$ 14	\$ 17
Interest cost	101	100	97
Expected return on plan assets	(117)	(112)	(113)
Net amortization and deferred amounts	4	4	8
Net benefit cost	<u>\$ 3</u>	<u>\$ 6</u>	<u>\$ 9</u>

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

## NOTES TO FINANCIAL STATEMENTS

Year ended December 31,	Medical and Life Benefits		
	1998	1997	1996
Service cost	\$ 4	\$ 4	\$ 5
Interest cost	16	14	16
Expected return on plan assets	-	-	-
Net amortization and deferred amounts	-	(1)	-
Net benefit cost	\$ 20	\$ 17	\$ 21

The following tables show the change in benefit obligation and plan assets of these plans (in millions):

	Pension Benefits		Medical and Life Benefits	
	1998	1997	1998	1997
Change in benefit obligation				
Benefit obligation at beginning of year	\$1,404	\$1,286	\$ 190	\$ 210
Service cost	15	14	4	4
Interest cost	101	100	16	14
Plan participants' contributions	-	-	3	5
Amendments	-	-	13	-
Actuarial (gain) loss	85	117	39	(22)
Benefits paid	(118)	(113)	(16)	(21)
Benefit obligation at end of year	\$1,487	\$1,404	\$249	\$190

	Pension Benefits		Medical and Life Benefits	
	1998	1997	1998	1997
Change in plan assets				
Fair value of plan assets at beginning of year	\$1,540	\$1,320	\$ -	\$ -
Actual return on plan assets	43	329	-	-
Employer contribution	4	4	13	16
Plan participants' contributions	-	-	3	5
Benefits paid	(118)	(113)	(16)	(21)
Fair value of plan assets at end of year	\$1,469	\$1,540	\$ -	\$ -



## 200 COMPARATIVE STATEMENT OF FINANCIAL POSITION-EXPLANTORY NOTES-concluded

## NOTES TO FINANCIAL STATEMENTS

The following tables show the reconciliation of the funded status of these plans with amounts recorded in BNSF Railway's consolidated balance sheet (in millions):

December 31,	Pension Benefits		Medical and Life Benefits	
	1998	1997	1998	1997
Funded status	\$ (18)	\$ 136	\$ (249)	\$ (190)
Unrecognized net (gain) loss	7	(151)	4	(16)
Unrecognized prior service cost	(8)	(8)	13	-
Unamortized net transition obligation	11	14	-	-
Net amount recognized	<u>\$ (8)</u>	<u>\$ (9)</u>	<u>\$ (232)</u>	<u>\$ (206)</u>

December 31,	Pension Benefits		Medical and Life Benefits	
	1998	1997	1998	1997
Amounts recognized in the consolidated balance sheet				
Prepaid benefit cost	\$ 20	\$ 17	\$ -	\$ -
Accrued benefit liability	(43)	(39)	(232)	(206)
Intangible asset	2	2	-	-
Accumulated other comprehensive income	13	11	-	-
Net amount recognized	<u>\$ (8)</u>	<u>\$ (9)</u>	<u>\$ (232)</u>	<u>\$ (206)</u>

BNSF Railway uses a September 30 measurement date. The assumptions used in accounting for these plans were as follows:

Assumptions	Pension Benefits		Medical and Life Benefits	
	1998	1997	1998	1997
Discount rate	7.0%	7.5%	7.0%	7.5%
Rate of increase in compensation levels	4.0%	4.0%	N/A	N/A
Expected return on plan assets	9.5%	9.5%	N/A	N/A

For purposes of the medical and life benefits calculations for 1998, the assumed health care cost trend rate for both managed care and non-managed care medical costs is 9 percent and is assumed to decrease gradually to 5 percent by 2005 and remain constant thereafter. Increasing the assumed health care cost trend rates by one percentage point would increase the accumulated post-retirement benefit obligation by \$18 million and the combined service and interest components of net post-retirement benefit cost recognized in 1998 by \$1 million. Decreasing the assumed health care cost trend rates by one percentage point would decrease the accumulated post-retirement benefit obligation by \$17 million and the combined service and interest components of net post-retirement benefit cost recognized in 1998 by \$1 million.

Under collective bargaining agreements, BNSF Railway participates in multi-employer benefit plans which provide certain post-retirement health care and life insurance benefits for eligible union employees. Insurance premiums paid attributable to retirees, which are generally expensed as incurred, were \$18 million, \$15 million and \$14 million, in 1998, 1997 and 1996, respectively.

## 200. COMPARATIVE STATEMENT OF FINANCIAL POSITION-EXPLANTORY NOTES-concluded

## NOTES TO FINANCIAL STATEMENTS

BNSF Railway sponsors 401(k) thrift and profit sharing plans which cover substantially all non-union employees and certain union employees. BNSF Railway matches 50 percent of the first 6 percent of non-union employees' contributions, which are subject to certain percentage limits of the employees' earnings, at each pay period. Depending on BNSF Railway's performance, an additional matching contribution of up to 30 percent of the first 6 percent can be made at the end of the year. Employer contributions for all non-union employees are subject to a five-year length of service vesting schedule. BNSF Railway's 401(k) matching expense was \$16 million, \$14 million and \$13 million in 1998, 1997 and 1996, respectively.

**Note 3****Hedging activities, leases, environmental and other commitments and contingencies****Hedging activities**

BNSF Railway has a program to hedge against fluctuations in the price of its diesel fuel purchases. This program includes forward purchases for delivery at fueling facilities, and various commodity swap and collar transactions which are accounted for as hedges. Any gains or losses associated with changes in market value of these hedges are deferred and recognized as a component of fuel expense in the period in which the hedged fuel is purchased and used. To the extent BNSF Railway hedges portions of its fuel purchases, it may not realize the impact of increases or decreases in fuel prices.

As of February 8, 1999, BNSF Railway had entered into fuel swaps for approximately 1,776 million gallons at an average price of approximately 49 cents per gallon. The above price does not include taxes, transportation costs, certain other fuel handling costs, and any differences which may occur from time to time between the prices of commodities hedged and the purchase price of BNSF Railway's diesel fuel.

Currently, BNSF Railway's fuel hedging program covers approximately 75 percent, 40 percent, 22 percent and 7 percent of estimated annual and quarterly fuel purchases for 1999, 2000, 2001, and 2002, respectively. Hedge positions are closely monitored to ensure that they will not exceed actual fuel requirements in any period. Unrecognized losses from BNSF Railway's fuel swap transactions were approximately \$174 million as of December 31, 1998, of which \$120 million relates to swap transactions that will expire in 1999. BNSF Railway also monitors its hedging positions and credit ratings of its counter-parties and does not anticipate losses due to counter-party nonperformance.

**Leases**

BNSF Railway has substantial lease commitments for locomotives, freight cars, trailers, office buildings and other property. Most of these leases provide the option to purchase the equipment at fair market value at the end of the lease. However, some provide fixed price purchase options. Future minimum lease payments (which reflect leases having non-cancelable lease terms in excess of one year) as of December 31, 1998 are summarized as follows (in millions):

## 200 COMPARATIVE STATEMENT OF FINANCIAL POSITION-EXPLANTORY NOTES-concluded

## NOTES TO FINANCIAL STATEMENTS

Year ended December 31	Capital Leases	Operatin Leases
1999	\$116	\$350
2000	105	256
2001	116	206
2002	110	175
2003	109	164
Thereafter	594	1,814
Total	1,150	\$2,965
Less amount representing interest	332	
Present value of minimum lease payments	\$ 818	

Lease rental expense for all operating leases was \$503 million, \$456 million and \$446 million for the years ended December 31, 1998, 1997 and 1996, respectively. Contingent rentals and sublease rentals were not significant.

## Environmental

BNSF Railway's operations, as well as those of its competitors, are subject to extensive federal, state and local environmental regulation. BNSF Railway's operating procedures include practices to protect the environment from the environmental risks inherent in railroad operations, which frequently involve transporting chemicals and other hazardous materials. Additionally, many of BNSF Railway's land holdings are and have been used for industrial or transportation-related purposes or leased to commercial or industrial companies whose activities may have resulted in discharges onto the property. As a result, BNSF Railway is subject to environmental clean-up and enforcement actions. In particular, the Federal Comprehensive Environmental Response, Compensation and Liability Act of 1980 (CERCLA), also known as the "Superfund" law, as well as similar state laws generally impose joint and several liability for clean-up and enforcement costs without regard to fault or the legality of the original conduct on current and former owners and operators of a site. BNSF Railway has been notified that it is a potentially responsible party (PRP) for study and clean-up costs at approximately 32 Superfund sites for which investigation and remediation payments are or will be made or are yet to be determined (the Superfund sites) and, in many instances, is one of several PRPs. In addition, BNSF Railway may be considered a PRP under certain other laws. Accordingly, under CERCLA and other federal and state statutes, BNSF Railway may be held jointly and severally liable for all environmental costs associated with a particular site. If there are other PRPs, BNSF Railway generally participates in the clean-up of these sites through cost-sharing agreements with terms that vary from site to site. Costs are typically allocated based on relative volumetric contribution of material, the amount of time the site was owned or operated, and/or the portion of the total site owned or operated by each PRP.

Environmental costs include initial site surveys and environmental studies of potentially contaminated sites as well as costs for remediation and restoration of sites determined to be contaminated. Liabilities for environmental clean-up costs are initially recorded when BNSF Railway's liability for environmental clean-up is both probable and a reasonable estimate of associated costs can be made. Adjustments to initial estimates are recorded as necessary based upon additional information developed in subsequent periods. BNSF Railway conducts an ongoing environmental contingency analysis, which considers a combination of factors including independent consulting reports, site visits, legal reviews, analysis of the likelihood of participation in and the ability of other PRPs to pay for clean-up, and historical trend analyses.

## 200. COMPARATIVE STATEMENT OF FINANCIAL POSITION-EXPLANTORY NOTES-concluded

## NOTES TO FINANCIAL STATEMENTS

BNSF Railway is involved in a number of administrative and judicial proceedings and other clean-up efforts at approximately 400 sites, including the Superfund sites, at which it is participating in the study or clean-up, or both, of alleged environmental contamination. BNSF Railway paid approximately \$64 million, \$55 million and \$47 million during 1998, 1997 and 1996 respectively, for mandatory and unasserted clean-up efforts, including amounts expended under federal and state voluntary clean-up programs. BNSF Railway has accruals of approximately \$185 million for remediation and restoration of all known sites. BNSF Railway anticipates that the majority of the accrued costs at December 31, 1998, will be paid over the next five years. No individual site is considered to be material.

During 1998, BNSF Railway settled an environmental matter in the State of Missouri related to the release of a reportable quantity of lead sulfide into a waterway. BNSF Railway agreed in the settlement to pay a fine of \$7 million, make restitution payments to the State of Missouri of \$3 million and committed to spend \$9 million, which includes amounts previously paid, in connection with its ongoing remediation efforts. BNSF Railway has made payments of approximately \$16 million related to this settlement, including approximately \$12 million that was paid during 1998, which is included in total 1998 payments discussed above.

Liabilities recorded for environmental costs represent BNSF Railway's best estimates for remediation and restoration of these sites and include both asserted and unasserted claims. Unasserted claims are not considered to be a material component of the liability. Although recorded liabilities include BNSF Railway's best estimates of all costs, without reduction for anticipated recoveries from third parties, BNSF Railway's total clean-up costs at these sites cannot be predicted with certainty due to various factors such as the extent of corrective actions that may be required, evolving environmental laws and regulations, advances in environmental technology, the extent of other parties' participation in clean-up efforts, developments in ongoing environmental analyses related to sites determined to be contaminated, and developments in environmental surveys and studies of potentially contaminated sites. As a result, future charges to income for environmental liabilities could have a significant effect on results of operations in a particular quarter or fiscal year as individual site studies and remediation and restoration efforts proceed or as new sites arise. However, management believes that it is unlikely that any identified matters, either individually or in the aggregate, will have a material adverse effect on BNSF's consolidated financial position or liquidity.

The railroad industry, including BNSF Railway, is subject to future requirements regulating air emissions from diesel locomotives. Final regulations applicable to new and rebuilt locomotive engines were promulgated by the United States Environmental Protection Agency (EPA) and became effective June 15, 1998. The new standards will be phased in between 2000 and 2005. BNSF Railway has evaluated compliance requirements and associated costs and believes the costs will not be material in any given year. BNSF Railway has also entered into agreements with the California State Air Resources Board and the EPA regarding a program to reduce emissions in Southern California through accelerated deployment of locomotives which comply with the federal standards.

**Other commitments and contingencies**

BNSF Railway has entered into commitments to acquire 476 locomotives in 1999. The locomotives will be financed from one or a combination of sources including, but not limited to, cash from operations, capital or operating leases, and debt issuances. The decision on the method used will depend upon the current market conditions and other factors at the time of financing. Additionally, BNSF Railway has committed to acquire 196 and 50 locomotives in 2000 and 2001, respectively.

## 210 RESULTS OF OPERATIONS

(Dollars in Thousands)

1 Disclose the requested information for the respondent, pertaining to the results of operations for the year

2 Report total operating expenses from Schedule 410 of this report. Any disparities in expense amounts shown in this schedule and expense amounts reported in Schedule 410 must be fully explained on page 18

3 List dividends from investments accounted for under the cost method on the appropriate line No. 19 for Account No. 513 "Dividend Income". List dividends accounted for by the equity method on the appropriate dividend line No. 25 under the "Income from Affiliated Companies" subsection of this schedule

4 All contra entries hereunder should be indicated in parenthesis

## 5 Cross-checks

## Schedule 210

Line 15, column (b)  
Line 47 plus 48 plus 49, column (b)  
Line 50, column (b)

Line 14, column (b)  
Line 14, column (d)  
Line 14, column (e)  
Line 49, column (b)

## Schedule 210

= Line 62, col (b)  
= Line 63, col (b)  
= Line 64, col (b)

## Schedule 410

= Line 620, col (h)  
= Line 620, col (l)  
= Line 620, col (g)

Line No	Cross Check	Item (a)	Amount for current year (b)	Amount for preceding year (c)	Freight-related rev & exp (d)	Passenger-related rev & exp (e)	Line No
		<b>ORDINARY ITEMS</b>					
		<b>OPERATING INCOME</b>					
		<b>Railway Operating Income</b>					
1		(101) Freight	8,917,349	8,363,286	8,917,349		1
2		(102) Passenger				0	2
3		(103) Passenger - Related					3
4		(104) Switching	38,108	37,748	38,108		4
5		(105) Water Transfers					5
6		(106) Demurrage	36,526	31,670	36,526		6
7		(110) Incidental	22,726	33,837	22,726		7
8		(121) Joint Facility - Credit	7,560	6,810	7,560		8
9		(122) Joint Facility - Debit	(86,076)	(107,562)	(86,076)		9
10		(501) Railway Operating Revenues (Exclusive of Transfers from Govt. Authorities - Lines 1-9)	8,936,193	8,365,789	8,936,193		10
11		(502) Railway Operating Revenues-Transfers from Govt. Authorities for Current Operations	0	0	0		11
12		(503) Railway Operating Revenues-Amortization of Deferred Transfers from Govt. Authorities					12
13		<b>TOTAL RAILWAY OPERATING REVENUES (LINES 10-12)</b>	8,936,193	8,365,789	8,936,193	0	13
14	*	(531) Railway Operating Expenses	6,781,111	6,599,971	6,781,111		14
15	*	<b>NET REVENUES FROM RAILWAY OPERATIONS</b>	2,155,082	1,765,818	2,155,082	0	15
		<b>OTHER INCOME</b>					
16		(506) Revenue from Property Used in Other than Carrier Operations					16
17		(510) Miscellaneous Rent Income					17
18		(512) Separately Operated Properties-Profit					18
19		(513) Dividend Income (Cost Method)	291	120			19
20		(514) Interest Income	8,919	406			20
21		(516) Income from Sinking and Other Funds	225	250			21
22		(517) Release of Premiums on Funded Debt					22
23		(518) Reimbursements Received Under Contracts and Agreements					23
24		(519) Miscellaneous Income	121,824	43,046			24
25		<b>Income from Affiliated Companies (519)</b>					25
26		A. Dividends (Equity Method)					26
27		B. Equity Undistributed Earnings (Losses)					27
28		<b>TOTAL OTHER INCOME (LINES 16-26)</b>	131,259	43,822			28
29		<b>TOTAL INCOME (LINES 15, 27)</b>	2,286,341	1,809,640			29
		<b>MISCELLANEOUS DEDUCTIONS FROM INCOME</b>					
30		(534) Expenses of Property Used in Other than Carrier Operations		6,501			30
31		(544) Miscellaneous Taxes					31
32		(545) Separately Operated Properties-Loss					32
33		(549) Maintenance of Investment Organizations					33
34		(550) Income Transferred Under Contracts & Agreements					34
35		(551) Miscellaneous Income Charges	54,408	31,465			35
36		(553) Uncollectible Accounts					36
37		<b>TOTAL MISC DEDUCTIONS (LINES 29-35)</b>	54,408	37,966			37
		<b>Income Available For Fixed Charges (LINES 28, 36)</b>	2,231,933	1,771,674			37

## 200. COMPARATIVE STATEMENT OF FINANCIAL POSITION-EXPLANTORY NOTES-concluded

## NOTES TO FINANCIAL STATEMENTS

In connection with the closing of the sale of rail lines in Southern California in 1992 and 1993, BNSF Railway has a \$50 million liability recorded for an obligation retained by BNSF Railway which under certain conditions requires the Company to repurchase a portion of the properties sold.

BNSF Railway is party to a number of legal actions and claims, various governmental proceedings and private civil suits arising in the ordinary course of business, including those related to environmental matters and personal injury claims. While the final outcome of these items cannot be predicted with certainty, considering among other things the meritorious legal defenses available, it is the opinion of management that none of these items, when finally resolved, will have a material adverse effect on the annual results of operations, financial position or liquidity of BNSF Railway, although an adverse resolution of a number of these items could have a material adverse effect on the results of operations in a particular quarter or fiscal year.

## 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
		<b>FIXED CHARGES</b>			
		(546) Interest on Funded Debt			
38		(A) Fixed Interest not in Default	170,978	178,470	38
39		(B) Interest in Default			39
40		(547) Interest on Unfunded Debt	118,183	98,699	40
41		(548) Amortization of Discount on Funded Debt	4,430	4,125	41
42		TOTAL FIXED CHARGES (LINES 38-41)	293,591	281,294	42
43		INCOME AFTER FIXED CHARGES (LINES 37, 42)	1,938,342	1,490,380	43
		<b>OTHER DEDUCTIONS</b>			
		(546) Interest on Funded Debt			
44		(C) Contingent Interest			44
		<b>UNUSUAL OR INFREQUENT ITEMS</b>			
45		(555) Unusual or Infrequent Items (Debit) Credit			45
46		INCOME(LOSS) FROM CONTINUING OPERATION(BEFORE INC TAXES)	1,938,342	1,490,380	46
		<b>PROVISIONS FOR INCOME TAXES</b>			
		(556) Income Taxes on Ordinary Income			
47	*	Federal Income Taxes	247,186	103,769	47
48	*	State Income Taxes	24,410	5,628	48
49	*	Other Income Taxes			49
50	*	(557) Provisions for Deferred Taxes	460,906	450,798	50
51		TOTAL PROVISIONS FOR INCOME TAXES (LINES 47-50)	732,502	560,195	51
52		INCOME FROM CONTINUING OPERATIONS (LINES 46-51)	1,205,840	930,185	52
		<b>DISCONTINUED OPERATIONS</b>			
		(560) Income or Loss from Operations of Discontinued Segments			
53		(Less Applicable Taxes of \$ - )			53
		(562) Gain or Loss on Disposal of Discontinued Segments			
54		(Less Applicable Taxes of \$ - )			54
55		INCOME BEFORE EXTRAORDINARY ITEMS (LINES 52 + 53 + 54)	1,205,840	930,185	55
		<b>EXTRAORDINARY ITEMS AND ACCOUNTING CHANGES</b>			
56		(570) Extraordinary Items (Net)			56
57		(590) Income Taxes on Extraordinary Items			57
58		(591) Provisions for Deferred Taxes - Extraordinary Items			58
59		TOTAL EXTRAORDINARY ITEMS (LINES 56-58)	0	0	59
		(592) Cumulative Effect of Changes in Accounting Principles			
60		(Less Applicable Income Taxes of \$62,397 )			60
61	*	NET INCOME (LOSS) (LINES 55 + 59 + 60)	1,205,840	930,185	61
		<b>RECONCILIATION OF NET RAILWAY OPERATING INCOME</b>			
62		NET REVENUES FROM RAILWAY OPERATIONS	2,155,082	1,765,818	62
63	*	(556) Income Taxes on Ordinary Income (-)	271,596	109,397	63
64	*	(557) Provisions for Deferred Income Taxes (-)	460,906	450,798	64
65		Income from Lease of Road and Equipment (-)	13,927	14,208	65
66		Rent for Leased Roads and Equipment (+)			66
67		NET RAILWAY OPERATING INCOME (LOSS)	1,408,653	1,191,415	67

## NOTES AND REMARKS FOR SCHEDULES 210 AND 220

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**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 under "Remarks" 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	Retained earnings-unappropriated (b)	Equity in undistributed earnings (losses) of affiliated companies (c)	Line No
		(a)	(b)	(c)	
1		Balances at beginning of year	\$ 2,236,786	\$ 87,979	1
2		(601 5) Prior period adjustments to beginning retained earnings			2
		CREDITS			
3	*	(602) Credit balance transferred from income	1,189,565	16,275	3
4		(603) Appropriations released			4
5		(606) Other credits to retained earnings			5
6		TOTAL	1,189,565	16,275	6
		DEBITS			
7	*	(612) Debit balance transferred from income			7
8		(616) Other debits to retained earnings			8
9		(620) Appropriations for sinking and other funds			9
10		(621) Appropriations for other purposes			10
11		(623) Dividends Common stock			11
12		Preferred stock (1)			12
13		TOTAL	0	0	13
14		Net increase (decrease) during year (line 6 minus line 13)	1,189,565	16,275	14
15	*	Balances at close of year (Lines 1 2, and 14)	3,426,351	104,254	15
16	*	Balances from line 15(c)	104,254	N/A	16
17		Total unappropriated retained earnings and equity in undistributed earnings (losses) of affiliated companies at end (798) of year	3,530,605	N/A	17
18		(797) Total appropriated retained earnings			18
19		Credits during year \$ 0			19
20		Debits during year \$ 0			20
21		Balance at Close of year \$ 0			21
		Amount of assigned federal income tax consequences			
22		Account 606 \$ 0			22
23		Account 616 \$ 0			23

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

## 230. CAPITAL STOCK

PART 1. 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 control 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	Common BNSF	1.00	1,000	1,000	NONE	1,000	1	NONE	1
2									2
3									3
4									4
5									5
6									6
7									7
8									8
9									9
10	TOTAL	1 00	1,000	1,000	NONE	1,000	1	NONE	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 Column (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 the 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 \$	Line No
		Number of Shares (b)	Amount \$ (c)	Number of Shares (d)	Amount \$ (e)	Number of Shares (f)	Amount \$ (g)		
11	Balance at the beginning of year	NONE	NONE	1,000	1	NONE	NONE	(h)	11
12	Capital Stock Sold							4,698,865	12
13	Capital Stock Reacquired								13
14	Capital Stock Canceled								14
15	Other (1)							(369)	15
16	Salary Exchange Program (2)							850	16
17	Minimum Pension Liability Adj. (3)							(1,192)	17
18	Balance at close of year	NONE	NONE	1,000	1	NONE	NONE	4,698,154	18

(1) Various posting adjustments.

(2) Program allows senior executives to exchange a portion of their annual salary for stock options.

(3) Based on actuarial figures, the supplemental pension liability was increased

## 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 as 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 revenue 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 direct method is used, complete lines 1-41. Indirect method 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 no significant 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 financing 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.

## CASH FLOWS FROM OPERATING ACTIVITIES

Line No	Cross Check	Description (a)	Current Year (b)	Prior Year (c)	Line No
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 - 8)			9

## 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	1,205,840	930,185	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	(48,198)	(13,856)	11
12		Depreciation and amortization expenses	830,273	771,968	12
13		Net increase (decrease) in deferred income taxes	460,906	450,798	13
14		Net decrease (increase) in undistributed earnings (losses) of affiliates	(22,075)	(18,436)	14
15		Decrease (increase) in accounts receivable	(318,150)	(64,248)	15
16		Decrease (increase) in materials and supplies, and other current assets	(39,142)	17,629	16
17		Increase (decrease) in current liabilities other than debt	240,069	(90,829)	17
18		Increase (decrease) in other-net	(202,487)	(82,442)	18
19		Net cash provided from continuing operations (Lines 10-18)	2,107,036	1,880,729	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 & 20)	2,107,036	1,880,729	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	70,671	20,685	22
23		Capital expenditures	(2,147,264)	(2,182,033)	23
24		Net change in temporary cash investments not qualifying as cash equivalents	0	0	24
25		Proceeds from sale/repayment of investment and advances	0	0	25
26		Purchase price of long-term investment and advances	0	0	26
27		Net decrease (increase) in sinking and other special funds	0	0	27
28		Other - net	(341,915)	(166,560)	28
29		NET CASH USED IN INVESTING ACTIVITIES (Lines 22-28)	(2,418,508)	(2,327,908)	29

(Continued on next page)

**240 STATEMENT OF CASH FLOWS (Concluded)**  
(Dollars in Thousands)

**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	293,835	326,595	30
31		Principal payments of long-term debt	(112,398)	(176,719)	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	224,679	277,339	35
36		NET CASH FROM FINANCING ACTIVITIES (Lines 30-35)	406,216	427,215	36
37		NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS (Lines 21,29 & 36)	94,744	(19,964)	37
38		Cash and cash equivalents at beginning of the year	0	19,964	38
39		CASH AND CASH EQUIVALENTS AT END OF THE YEAR (Lines 37 & 38)	94,744	0	39
Footnotes to Schedule 240					
40		Cash paid during the year for Interest (net of amount capitalized)*	204,688	207,413	40
41		Income taxes (net)*	112,767	232,062	41

\*Only applies if indirect method is adopted

**NOTES AND REMARKS**

**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	Source	Amount	Line No.
	(a)		(b)	
<b>CURRENT OPERATING ASSETS</b>				
1	Interline and Other Balances (705)	Schedule 200, line 5, column b	148,458	1
2	Customers (706)	Schedule 200, line 6, column b	322,573	2
3	Other (707)	NOTE A	29,587	3
4	<b>TOTAL CURRENT OPERATING ASSETS</b>	Line 1 + 2 + 3	500,618	4
<b>OPERATING REVENUE</b>				
5	Railway Operating Revenue	Schedule 210, line 13, column b	8,936,193	5
6	Rent Income	NOTE B	177,545	6
7	<b>TOTAL OPERATING REVENUES</b>	Line 5 + 6	9,113,738	7
8	Average Daily Operating Revenues	Line 7 / 360 Days	25,316	8
9	Days of Operating Revenue in Current Operating Assets	Line 4 / Line 8	20	9
10	Revenue Delay Days Plus Buffer	Line 9 + 15 Days	35	10
<b>CURRENT OPERATING LIABILITIES</b>				
11	Interline and Other Balances (752)	Schedule 200, line 31, column b	68,988	11
12	Audited Accounts and Wages Payable (753)	Schedule 200, line 32, column b (NOTE A)	255,781	12
13	Accounts Payable - Other (754)	Schedule 200, line 33, column b (NOTE A)	99,119	13
14	Other Taxes Accrued (761.5)	NOTE A	136,570	14
15	<b>TOTAL CURRENT OPERATING LIABILITIES</b>	Sum of lines 11 to 14	560,458	15
<b>OPERATING EXPENSES</b>				
16	Railway Operating Expenses	Schedule 210, line 14, column b	6,781,111	16
17	Depreciation	Schedule 410, lines 136, 137, 138, 213, 232, 317, column h	770,909	17
18	Cash Related Operating Expenses	Line 16 + line 6 - line 17	6,187,747	18
19	Average Daily Expenditures	Line 18 / 360 Days	17,188	19
20	Days of Operating Expenses in Current Operating Liabilities	Line 15 / Line 19	33	20
21	Days of Working Capital Required	Line 10 - Line 20 (NOTE C)	2	21
22	Cash Working Capital Required	Line 21 x Line 19	34,376	22
23	Cash and Temporary Cash Balance	Schedule 200, line 1 + line 2, column b	94,744	23
24	Cash Working Capital Allowed	Lesser line 22 and line 23	34,376	24
<b>MATERIALS AND SUPPLIES</b>				
25	Total Materials and Supplies (712)	Schedule 200, line 12, column b(NOTE A)	243,701	25
26	Scrap and Obsolete Material Included in Account 712	NOTE A	0	26
27	Materials and Supplies held for Common Carrier Purposes	Line 25 - line 26	243,701	27
28	<b>TOTAL WORKING CAPITAL</b>	Line 24 + line 27	278,077	28

NOTE (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.

## 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 close of 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 corporations, the symbols and industrial classifications to be 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 classed as noncarrier companies, even though the securities held by such companies are largely or entirely those 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 amount, 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.

**310 INVESTMENTS AND ADVANCES AFFILIATED COMPANIES**  
(Dollars in Thousands)

- 1 Give particulars of investments in stocks, bonds, other secured obligations, unsecured notes, and investment advances of companies affiliated with respondent, included in accounts Nos 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 giving 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 19\_\_ to 19\_\_". Abbreviations in common use in standard financial publications may be used to conserve space

Line No	Account No	Class No	Kind of industry	Name of issuing company and also lien reference if any (included rate for preferred stocks and bonds)	Extent of Control	Line No
	(a)	(b)	(c)	(d)	(e)	
1	721	A-1	VII	Alameda Belt Line Common	50 00	1
2			VII	Belt Railway Of Chicago, The Common	16 66	2
3			VII	Camas Prairie Railroad Company Common	50 00	3
4			VII	Central California Traction Co Common	33 33	4
5			VII	Central California Traction Co Preferred	33 33	5
6			VII	Houston Belt & Terminal Railway Company Common	50 00	6
7			VII	Iowa Transfer Railway Company Common	25 00	7
8			VII	Kansas City Terminal Railway Company Common	25 01	8
9			VII	Longview Switching Company Common	50 00	9
10			VII	M T Properties Inc Common	50 00	10
11			VII	Oakland Terminal Railway Common	50 00	11
12			VII	Paducah & Illinois Railroad Company Common	33 33	12
13			VII	Portland Terminal Railroad Company Common	40 00	13
14			VII	St Joseph Terminal R R Co Common	50 00	14
15			VII	Sunset Railway Co Common	50 00	15
16			VII	Texas City Terminal Railway Co Common	33 33	16
17			VII	TTX Company Common	17 13	17
18			VII	Wichita Union Terminal Railway Company Common	66 67	18
19				Total Class A-1		19
20						20
21	721	A-3	VI	Peoria Development Corporation	1 74	21
22				Total Class A-3		22
23						23
24	721	D-1	VII	St Joseph Terminal R R Co 6% Demand Note		24
25				TTX		25
26				Total Class D-1		26
27						27
28	721	D-3	X	Santa Fe Pacific Pipelines Partners, L P		28
29			X	Kinder Morgan Energy Partners L P		29
30				Total Class D-3		30
31						31
32	721	E-1	VII	Camas Prairie Railroad Company		32
33			VII	Houston Belt & Terminal Railway Company		33
34			VII	Kansas City Terminal Railway Company		34
35			VII	Longview Switching Company		35
36			VII	Paducah & Illinois Railroad Company		36
37			VII	Port Terminal Railroad Association		37
38			VII	Terminal Railroad Association of St. Louis		38
39			VII	Wichita Union Terminal Railway Company		39
40			VII	Wichita Terminal Association		40
41			VII	Harbor Belt Line		41
42			VII	St Joseph Terminal Railroad Company		42
43			VII	Central California Traction Co		43
44			VII	Sunset Railway Co		44
45			VII	MT Properties		45
46			VII	Alameda Belt Line		46
47						47
48						48
49				Equity Earnings (Loss) - Schedule 310A		49
50				Total Class E-1		50
51				Grand Total Account 721		51

**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 cases 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 included should be 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 Interstate Commerce Commission and are jointly owned, give names and extent of control of other entities by footnotes.

Line No	Investments and advances				Disposed of profit (loss)	Adjustments Account 721.5	Dividends or interest credited to income	Line No
	Opening Balance	Additions	Deductions (if other than sale, explain)	Closing balance				
	(f)	(g)	(h)	(i)	(j)	(k)	(l)	
1	471			471				1
2	520			520				2
3	50		50	0				3
4	409			409				4
5	264			264				5
6	9			9				6
7	16			16				7
8	163			163				8
9	2			2				9
10	355			355				10
11	113			113				11
12	3			3				12
13	1,368			1,368				13
14	150			150				14
15	54			54				15
16	1,405			1,405				16
17	15,667			15,667				17
18	46			46				18
19	21,065		50	21,015				19
20								20
21	34			34				21
22	34			34				22
23								23
24	175			175				24
25	586			586				25
26	761		0	761				26
27								27
28	285,425		285,425	0				28
29		4,004		4,004				29
30	285,425	4,004	285,425	4,004				30
31								31
32	491		491	0				32
33	7,776			7,776				33
34	8,982			8,982				34
35	63			63				35
36	616		41	575				36
37	(829)	2,128		1,299				37
38	170			170				38
39	844			844				39
40	4			4				40
41	15			15				41
42	191			191				42
43	1,395			1,395				43
44	0	612		612				44
45	0		61	(61)				45
46	0		16	(16)				46
47								47
48								48
49	159,355	16,275		175,630				49
50	179,073	19,015	609	197,479				50
51	486,358	23,019	286,084	223,293				51







## 310 NOTES AND REMARKS

	Number of Shares	% Ownership
(1) ALAMEDA BELT LINE		
The Burlington Northern and Santa Fe Railway Company		50 00
Union Pacific Railroad Company		50 00
		<u>100 00</u>
(2) BELT RAILWAY COMPANY OF CHICAGO, THE		
CSX Transportation, Inc		25 01
Consolidated Rail Corporation		16 68
The Burlington Northern and Santa Fe Railway Company		16 66
Illinois Central Gulf Railroad Company		8 33
Norfolk and Western Railway Company		8 33
Soo Line Railroad Company		8 33
Grand Trunk Western Railroad Company		8 33
Union Pacific Railroad Company		8 33
		<u>100 00</u>
2,599 shares are pledged under CB&Q First and Refunding Mortgage, GN General Gold Bond Mortgage 2,599 shares are pledged under CB&Q First and Refunding Mortgage and GN General Gold Bond Mortgage and BNI Consolidated Mortgage		
(3) CENTRAL CALIFORNIA TRACTION COMPANY		
Union Pacific Railroad Company		66 67
The Burlington Northern and Santa Fe Railway Company		33 33
		<u>100 00</u>
(4) HOUSTON BELT & TERMINAL RAILWAY COMPANY		
The Burlington Northern and Santa Fe Railway Company		50 00
Union Pacific Railroad Company		50 00
		<u>100 00</u>
90 3/4 shares are pledged under GN General Gold Bond Mortgage 30 1/4 shares are pledged under GN General Gold Bond Mortgage and the BNI Consolidated Mortgage		
(5) IOWA TRANSFER RAILWAY COMPANY		
The Burlington Northern and Santa Fe Railway Company		25 00
Union Pacific Railroad Company		25 00
Heartland Rail		25 00
Norfolk and Western Railway Company		25 00
		<u>100 00</u>
161 shares are pledged under CB&Q First and Refunding Mortgage, GN General Gold Bond Mortgage, and BNI Consolidated Mortgage		
(6) KANSAS CITY TERMINAL RAILWAY COMPANY		
Union Pacific Railroad Company		33 34
The Burlington Northern and Santa Fe Railway Company		25 01
Soo Line Railroad Company		8 33
Gateway Western Railroad Company		8 33
Kansas City Southern Railway Company		8 33
Norfolk and Western Railway Company		8 33
St Louis Southwestern Railway Company		8 33
		<u>100 00</u>
1,833 1/3 shares are pledged under CB&Q First and Refunding Mortgage and GN General Gold Bond Mortgage 1,833 1/3 shares are pledged under CB&Q First and Refunding Mortgage and GN General Gold Bond Mortgage and BNI Consolidated Mortgage All of such pledges are subject to Stock Trust Agreement of 06/12/09 under which the shares, excepting directors' shares, are held by the Boatmen's Trust Company		
(7) LONGVIEW SWITCHING COMPANY		
The Burlington Northern and Santa Fe Railway Company		50 00
Union Pacific Railroad Company		50 00
		<u>100 00</u>

## 310 NOTES AND REMARKS

	<u>% Ownership</u>
(8) MT PROPERTIES INC	
The Burlington Northern and Santa Fe Railway Company	37 78
Union Pacific Railroad Company	36 72
Maytag Corporation	12 75
Soo Line Railroad Company	12 75
	<u>100 00</u>
30,498 shares are subject to the liens of the BNI Consolidated Mortgage, CB&Q First and Refunding Mortgage GN General Gold Bond Mortgage and NP General Lien Mortgage	
(9) OAKLAND TERMINAL RAILWAY	
The Burlington Northern and Santa Fe Railway Company	50 00
Union Pacific Railroad Company	50 00
	<u>100 00</u>
(10) PADUCAH & ILLINOIS RAILROAD COMPANY	
The Burlington Northern and Santa Fe Railway Company	33 34
Union Pacific Railroad Company	33 33
Illinois Central Gulf Railroad Company	33 33
CSX Transportation, Inc	<u>100 00</u>
33 1/3 shares are pledged under CB&Q First and Refunding Mortgage, GN General Gold Bond Mortgage and BNI Consolidated Mortgage	
(11) PORTLAND TERMINAL RAILROAD COMPANY	
Union Pacific Railroad Company	60 00
The Burlington Northern and Santa Fe Railway Company	40 00
	<u>100 00</u>
(12) ST JOSEPH TERMINAL RAILROAD COMPANY	
The Burlington Northern and Santa Fe Railway Company	50 00
Union Pacific Railroad Company	50 00
	<u>100 00</u>
(13) SUNSET RAILWAY COMPANY	
The Burlington Northern and Santa Fe Railway Company	50 00
Union Pacific Railroad Company t/k/a Southern Pacific Transportation Company	50 00
	<u>100 00</u>
(14) TERMINAL RAILROAD ASSOCIATION OF ST LOUIS	
Union Pacific Railroad Company	28 60
CSX Transportation, Inc	14 28
Illinois Central Gulf Railroad Company	14 28
The Burlington Northern and Santa Fe Railway Company	14 28
St Louis Southwestern Railway Company	14 28
Norfolk and Western Railway Company	7 14
Southern Railway Company	7 14
	<u>100 00</u>
2,058 shares are pledged under CB&Q First and Refunding Mortgage, GN General Gold Bond Mortgage and BNI Consolidated Mortgage	
(15) TEXAS CITY TERMINAL RAILWAY COMPANY	
Union Pacific Railroad Company	66 67
The Burlington Northern and Santa Fe Railway Company	33 33
	<u>100 00</u>

## 310 NOTES AND REMARKS

	<u>% Ownership</u>
(16) TTX COMPANY	
Union Pacific Railroad Company	32 71
Consolidated Rail Corporation	21 81
The Burlington Northern and Santa Fe Railway Company	17 13
CSX Transportation, Inc	9 35
Saint Louis Southwestern Railway Company	3 12
Norfolk Southern Railway Company	3 12
Central of Georgia Railroad Company	3 11
Norfolk and Western Railway Company	1 56
Illinois Central Gulf Railroad Company	1 56
Soo Line Railroad Company	1 56
Grand Trunk Western Railroad Company	1 56
Florida East Coast Industries, Inc	0 93
Boston and Main Corporation	0 62
The Denver and Rio Grande Western Railroad Company	0 62
Kansas City Southern Railway Company	0 62
Richmond, Fredericksburg and Potomac	0 62
	<u>100 00</u>
(17) WICHITA UNION TERMINAL RAILWAY COMPANY	
The Burlington Northern and Santa Fe Railway Company	66 67
Oklahoma, Kansas and Texas Railroad Company	33 33
	<u>100 00</u>

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**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 (c) 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 definitions 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)	Adjustment 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>Carrier. (list specifics for each company)</b>								
1	Alameda Belt Line	(222)		615			393	1
2	Central California Traction Company	221		(678)			(457)	2
3	Houston Belt & Terminal Railway Company	4,418		747			5,165	3
4	The Oakland Terminal Railway	324		(52)			272	4
5	Sunset Railway Company	326		57			383	5
6	Texas City Terminal Railway	7,493		(15)			7,478	6
7	TTX Company	147,346		15,397			162,743	7
8	The Wichita Union Terminal Railway Company	(295)		(546)			(841)	8
9	Iowa Transfer Railway Co.	24					24	9
10	M T Properties Inc	1,008		80			1,088	10
11	Paducah and Illinois R.R. Co.	142					142	11
12	Portland Terminal R.R. Co.	(810)					(810)	12
13	Kansas City Terminal	(281)		670			389	13
14	Camas Prairie	(50)					(50)	14
15	Longview Switching	(31)					(31)	15
16	St. Joseph Terminal	(258)					(258)	16
17								17
18	<b>TOTAL CARRIERS</b>	<b>159,355</b>		<b>16,275</b>			<b>175,630</b>	<b>18</b>
<b>Noncarrier: (list specifics for each company)</b>								
19								19
20								20
21	<b>TOTAL NONCARRIERS</b>							21
22								22
23	<b>TOTAL INVESTMENTS IN COMMON STOCK</b>	<b>159,355</b>		<b>16,275</b>			<b>175,630</b>	<b>23</b>

## 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 (h) is the aggregate of columns (b) to (f), inclusive. Grand totals of columns (b) and (h) should equal the sum of Accounts 731 and 732 for the respective periods, if not, full explanation should be made in a footnote.

2 In column (c) are to be shown 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," of the Uniform System of Accounts for Railroad Companies for such items.

3 In column (d) is to be shown 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 In column (c) and (e) should be included all entries covering expenditures for additions and betterments, as defined, whether or not replacing other property.

5 In column (f) should be entered all credits representing property sold, abandoned, or otherwise retired.

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 in a footnote the cost, location, area, and other details which will identify the property.

8 Report on line 29, amounts not includible 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 Commission 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 Commission.

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 the 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 in a footnote the amount used.

## 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 at beginning of year (b)	Expenditures during the year for original road and equipment, and road extensions (c)	Expenditures during the year for purchase of existing lines, reorganizations, etc (d)	Line No
1		(2) Land for transportation purposes	1,435,542			1
2		(3) Grading	1,608,796			2
3		(4) Other right-of-way expenditures	20,305			3
4		(5) Tunnels and subways	87,350			4
5		(6) Bridges, trestles, and culverts	1,448,200			5
6		(7) Elevated structures				6
7		(8) Ties	2,539,396			7
8		(9) Rail and other track material	6,210,255			8
9		(11) Ballast	1,602,039			9
10		(13) Fences, snowsheds, and signs	39,086			10
11		(16) Station and office buildings	583,667			11
12		(17) Roadway buildings	39,525			12
13		(18) Water stations	6,746			13
14		(19) Fuel stations	96,558			14
15		(20) Shops and enginehouses	356,268			15
16		(22) Storage warehouses				16
17		(23) Wharves and docks	1,272			17
18		(24) Coal and ore wharves	22,589			18
19		(25) TOFC/COFC terminals	353,150			19
20		(26) Communication systems	421,663			20
21		(27) Signals and interlockers	1,546,035			21
22		(29) Power plants	2,957			22
23		(31) Power-transmission systems	18,449			23
24		(35) Miscellaneous structures	35,094			24
25		(37) Roadway machines	284,132			25
26		(39) Public improvements - construction	254,475			26
27		(44) Shop machinery	138,460			27
28		(45) Power-plant machinery	5,545			28
29		Other lease/rentals				29
30		TOTAL EXPENDITURES FOR ROAD	19,157,554			30
31		(52) Locomotives	1,917,377			31
32		(53) Freight-train cars	1,455,117			32
33		(54) Passenger-train cars				33
34		(55) Highway revenue equipment	20,441			34
35		(56) Floating equipment				35
36		(57) Work equipment	108,996			36
37		(58) Miscellaneous equipment	263,300			37
38		(59) Comp systems and word proc equip	409,423			38
39		TOTAL EXPENDITURES FOR EQUIPMENT	4,174,654			39
40		(76) Interest during construction	30,066			40
41		(80) Other elements of investment	10,513			41
42		(90) Construction in progress	449,577			42
43		GRAND TOTAL	23,822,364			43

330 ROAD PROPERTY AND EQUIPMENT AND IMPROVEMENTS TO LEASED PROPERTY AND EQUIPMENT-Continued  
(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		17,452	19,936	(2,484)	1,433,058	1
2		158,171	23,054	135,117	1,743,913	2
3		2,218	95	2,123	22,428	3
4		473	1,792	(1,319)	86,031	4
5		104,610	21,085	83,525	1,531,725	5
6						6
7		232,246	17,839	214,407	2,753,803	7
8		450,580	27,166	423,414	6,633,669	8
9		224,920	8,330	216,590	1,818,629	9
10		2,660	461	2,199	41,285	10
11		11,810	5,504	6,306	589,973	11
12		1,894	158	1,736	41,261	12
13		1,013	125	888	7,634	13
14		15,083	25	15,058	111,616	14
15		30,513	16,383	14,130	370,398	15
16						16
17		233		233	1,505	17
18		53		53	22,642	18
19		31,691	309	31,382	384,532	19
20		76,785	11,884	64,901	486,564	20
21		200,791	15,488	185,303	1,731,338	21
22		142	157	(15)	2,942	22
23		2,266	122	2,144	20,593	23
24		6,435	19	6,416	41,510	24
25		(14,938)	2,977	(17,915)	266,217	25
26		26,593	2,861	23,732	278,207	26
27		2,100	1,707	393	138,853	27
28			702	(702)	4,843	28
29						29
30		1,585,794	178,179	1,407,615	20,565,169	30
31		426,792	52,435	374,357	2,291,734	31
32		66,494	85,644	(19,150)	1,435,967	32
33						33
34			5,053	(5,053)	15,388	34
35						35
36		2,842	5,762	(2,920)	106,076	36
37		26,759	18,237	8,522	271,822	37
38		49,999	59,431	(9,432)	399,991	38
39		572,886	226,562	346,324	4,520,978	39
40		17,363	3,780	13,583	43,649	40
41			226	(226)	10,287	41
42		(22,749)		(22,749)	426,828	42
43		2,153,294	408,747	1,744,547	25,566,911	43

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

Show in columns (b) and (c), for each primary account, the depreciation base used to compute the depreciation charges for the month of January, and in columns (c) and (f) show the depreciation base used to compute the depreciation charges for the month of December, in columns (d) and (g) show the composite rates used in computing the depreciation charges for the month of 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 the total so computed 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 therefore are included in the 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 the cost of equipment owned and leased to others when 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. The composite rates used should be those prescribed or otherwise authorized by the Commission, except that where the use of component rates has been authorized, the composite rates to be shown for the respective primary accounts 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.

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

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.

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) effected.

Disclosure 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	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)		
	(a)							
	ROAD							
1	(3) Grading	1,608,796	1,747,413	1.12				1
2	(4) Other right-of-way expenditures	20,305	21,612	2.05				2
3	(5) Tunnels and subways	87,350	87,447	1.02				3
4	(6) Bridges, trestles, and culverts	1,448,200	1,549,781	1.31				4
5	(7) Elevated structures							5
6	(8) Ties	2,539,396	2,641,158	4.95	TOTAL ROAD AND			6
7	(9) Rail and other track material	6,210,255	6,231,009	3.44				7
8	(11) Ballast	1,602,039	1,726,188	4.39	EQUIPMENT LEASED			8
9	(13) Fences, snowsheds, and signs	39,086	40,964	1.23				9
10	(16) Station and office buildings	583,667	588,527	3.31	FROM OTHERS			10
11	(17) Roadway buildings	39,525	41,006	2.72				11
12	(18) Water stations	6,746	6,839	11.12	IS LESS THAN 5%			12
13	(19) Fuel stations	96,558	107,735	3.24				13
14	(20) Shops and enginehouses	356,268	358,721	1.92	OF TOTAL OWNED			14
15	(22) Storage warehouses							15
16	(23) Wharves and docks	1,272	1,419	0.11				16
17	(24) Coal and ore wharves	22,589	22,639	1.33				17
18	(25) TOFC/COFC terminals	353,150	372,424	3.65				18
19	(26) Communication systems	421,663	474,479	4.70				19
20	(27) Signals and interlockers	1,546,035	1,732,482	3.30				20
21	(29) Power plants	2,957	2,934	2.66				21
22	(31) Power-transmission systems	18,449	19,983	2.33				22
23	(35) Miscellaneous structures	35,094	40,732	2.84				23
24	(37) Roadway machines	284,132	265,043	5.41				24
25	(39) Public improvements--Construction	254,475	275,786	1.81				25
26	(44) Shop machinery	138,460	138,549	4.39				26
27	(45) Power-plant machinery	5,545	4,849	2.13				27
28	All other road accounts							28
29	Amortization (Other than defense projects)							29
30	TOTAL ROAD	17,722,012	18,499,719	3.32				30
	EQUIPMENT							
31	(52) Locomotives	1,917,377	2,256,984	4.85				31
32	(53) Freight-train cars	1,455,117	1,437,158	2.82				32
33	(54) Passenger-train cars							33
34	(55) Highway revenue equipment	20,441	15,388	9.60				34
35	(56) Floating equipment							35
36	(57) Work equipment	108,996	106,084	2.30				36
37	(58) Miscellaneous equipment	263,300	270,697	10.44				37
38	(59) Computer systems and word processing equipment	409,423	384,449	15.53				38
39	TOTAL EQUIPMENT	4,174,654	4,470,760	5.41				39
40	GRAND TOTAL	21,896,666	22,970,479	N/A			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 and 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 for 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 amortization program other than for defense projects on lines 29 and 39.

Line No	Cross Check	Account	Balance at beginning of year (b)	CREDITS TO RESERVE		DEBITS TO RESERVE		Balance at close of year (g)	Line No
				During the year		During the year			
		(a)		Charges to operating expenses (c)	Other Credits (d)	Retirements (e)	Other Debits (f)		
ROAD									
1		(3) Grading	238,590	18,641		12,572		244,659	1
2		(4) Other right-of-way expenditures	2,916	426		68		3,274	2
3		(5) Tunnels and subways	24,924	898		1,628		24,194	3
4		(6) Bridges, trestles and culverts	168,085	19,562		12,712		174,935	4
5		(7) Elevated structures							5
6		(8) Ties	495,286	114,661	10,244	102,027		518,164	6
7		(9) Rail and other track material	1,321,211	199,453	14,060	119,979		1,414,745	7
8		(11) Ballast	329,405	63,957	6,302	13,696		385,968	8
9		(13) Fences, snow sheds, and signs	9,929	485		332		10,082	9
10		(16) Station and office buildings	117,357	10,721	6,417	(702)		135,197	10
11		(17) Roadway buildings	11,392	1,075		298		12,169	11
12		(18) Water stations	2,516	763		395		2,884	12
13		(19) Fuel stations	22,605	3,309		123		25,791	13
14		(20) Shops and enginehouses	100,279	3,974	2,747	17,872		89,128	14
15		(22) Storage warehouses							15
16		(23) Wharves and docks	1,136	3				1,139	16
17		(24) Coal and ore wharves	7,981	311		1		8,291	17
18		(25) TOFC/COFC terminals	69,738	13,240		1,305		81,673	18
19		(26) Communication systems	102,386	9,121	2,682	(517)		114,706	19
20		(27) Signals and interlockers	211,905	51,914		6,933		256,886	20
21		(29) Power plants	1,434	80		162		1,352	21
22		(31) Power-transmission systems	3,656	463		111		4,008	22
23		(35) Miscellaneous structures	11,574	1,076		26		12,624	23
24		(37) Roadway machines	94,994	2,745	11,680	3,158		106,261	24
25		(39) Public improvements--Construction	35,019	4,804		2,378		37,445	25
26		(44) Shop machinery	36,996	6,024		1,922		41,098	26
27		(45) Power-plant machinery	476	95		657		(86)	27
28		All other road accounts							28
29		Amortization (Adjustments)							29
30		TOTAL ROAD	3,421,790	527,801	54,132	297,136		3,706,587	30
EQUIPMENT									
31		(52) Locomotives	380,757	98,524		46,763		432,518	31
32		(53) Freight-train cars	513,135	40,859		75,885		478,109	32
33		(54) Passenger-train cars							33
34		(55) Highway revenue equipment	9,780	1,663		4,539		6,904	34
35		(56) Floating equipment							35
36		(57) Work equipment	41,727	2,542		4,000		40,269	36
37		(58) Miscellaneous equipment	124,208	28,967		20,469		132,706	37
38		(59) Computer systems and word processing equipment	240,358	70,553		86,323		224,588	38
39		Amortization (Adjustments)							39
40		TOTAL EQUIPMENT	1,309,965	243,108		237,979		1,315,094	40
41		GRAND TOTAL	4,731,755	770,909	54,132	535,115		5,021,681	41

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

NOTE: CREDITS IN COLUMN (D) REPRESENT TRANSFERS FROM DEPRECIATION EXPENSE TO INVENTORY AND CAPITAL ACCOUNTS TO RECOGNIZE ALLOCATED OVERHEAD COSTS

**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 No 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 Chec	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)	Retirements (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, and culverts							4
5		(7) Elevated structures							5
6		(8) Ties							6
7		(9) Rail and other track material							7
8		(11) Ballast							8
9		(13) Fences, snowsheds, and signs							9
10		(16) Station and office buildings							10
11		(17) Roadway buildings							11
12		(18) Water stations							12
13		(19) Fuel stations							13
14		(20) Shops and enginehouses							14
15		(22) Storage warehouses							15
16		(23) Wharves and docks							16
17		(24) Coal and ore wharves							17
18		(25) TOFC/COFC terminals							18
19		(26) Communication systems		N/A BASED ON 5% RULE					19
20		(27) Signals and 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 - construction							25
26		(44) Shop machinery *							26
27		(45) Power-plant machinery							27
28		All other road accounts							28
29		Amortization (Adjustments)							29
30		<b>TOTAL ROAD</b>							30
		<b>EQUIPMENT</b>							
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) Comp systems and word proc equip							38
39		Amortization Adjustments							39
40		<b>TOTAL EQUIPMENT</b>							40
41		<b>GRAND TOTAL</b>	None					None	41

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

**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 in computing the depreciation charges for the month of 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 Commission, 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 authorized rates. If any changes in rates were effective during the year, give full particulars in a footnote.

2 All improvements to 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 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.

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 total road owned or total equipment owned, respectively. However, line 41, Grand Total, should be completed.

Line No	Account (a)	Depreciation base		Annual composite rate (percent) (d)	Line No
		At beginning of year (b)	At close of year (c)		
	ROAD				
1	(3) Grading			%	1
2	(4) Other right-of-way expenditures				2
3	(5) Tunnels and subways				3
4	(6) Bridges, trestles, and culverts				4
5	(7) Elevated structures				5
6	(8) Ties				6
7	(9) Rail and other track material				7
8	(11) Ballast				8
9	(13) Fences, snow sheds, and signs				9
10	(16) Station and office buildings				10
11	(17) Roadway buildings				11
12	(18) Water stations				12
13	(19) Fuel stations				13
14	(20) Shops and enginehouses	N/A BASED ON 5% RULE			14
15	(22) Storage warehouses				15
16	(23) Wharves and docks				16
17	(24) Coal and ore wharves				17
18	(25) TOFC/COFC terminals				18
19	(26) Communication systems				19
20	(27) Signals and 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 - Construction				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 equip				38
39	Amortization Adjustments				39
40	TOTAL EQUIPMENT				40
41	GRAND TOTAL	90 637	91 616		41

\*To be reported with equipment expenses 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 35. 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 35

4 Show in column (e) the debits to the reserve arising from retirements. These debits should not exceed investment, etc.

5 Details 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)	Retirements (e)	Other debits (f)		
		<b>ROAD</b>							
1		(3) Grading							1
2		(4) Other right-of-way expenditures							2
3		(5) Tunnels and subways	TOTAL IMPROVEMENTS TO ROAD LEASED FROM OTHERS IS LESS THAN 5% OF TOTAL						
4		(6) Bridges, trestles, and culverts	ROAD OWNED						4
5		(7) Elevated structures							5
6		(8) Ties							6
7		(9) Rail and other track material							7
8		(11) Ballast							8
9		(13) Fences, snow sheds, and signs							9
10		(16) Station and office buildings							10
11		(17) Roadway buildings							11
12		(18) Water stations							12
13		(19) Fuel stations							13
14		(20) Shops and enginehouses							14
15		(22) Storage warehouses							15
16		(23) Wharves and docks							16
17		(24) Coal and ore wharves							17
18		(25) TOFC/COFC terminals							18
19		(26) Communication systems							19
20		(27) Signals and 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 - construction							25
26		(44) Shop machinery *							26
27		(45) Power-plant machinery							27
28		All other road accounts							28
29		<b>TOTAL ROAD</b>							29
		<b>EQUIPMENT</b>							
30		(52) Locomotives							30
31		(53) Freight-train cars	TOTAL IMPROVEMENTS TO EQUIPMENT LEASED FROM OTHERS IS LESS THAN 5% OF TOTAL						
32		(54) Passenger-train cars	EQUIPMENT OWNED						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>							38
39		<b>GRAND TOTAL</b>	27,241	4,002		86		31,157	39

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

NOTES AND REMARKS FOR SCHEDULE 342



## 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 included 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 Commission's Bureau of Accounts, 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 the month of 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 If total road leased to others is less than 5% of total road owned, omit If total equipment leased to others is less than 5% of total equipment owned, omit However Line 39 Grand Total, should be completed

Line No	Account (a)	Depreciation base		Annual composite rate (percent) (d)	Line No
		At beginning of year (b)	At close of year (c)		
	ROAD				
1	(3) Grading	ALL DEPRECIATION EXPENSE FOR OWNED EQUIPMENT LEASED TO OTHERS IS RECORDED IN BNSF'S OPERATING EXPENSE AND TOTAL ROAD AND EQUIPMENT LEASED TO OTHERS IS LESS THAN 5% OF TOTAL OWNED ROAD AND EQUIPMENT			1
2	(4) Other right-of-way expenditures				2
3	(5) Tunnels and subways				3
4	(6) Bridges, trestles and culverts				4
5	(7) Elevated structures				5
6	(8) Ties				6
7	(9) Rail and other track material				7
8	(11) Ballast				8
9	(13) Fences, snow sheds, and signs				9
10	(16) Station and office buildings				10
11	(17) Roadway buildings				11
12	(18) Water stations				12
13	(19) Fuel stations				13
14	(20) Shops and enginehouses				14
15	(22) Storage warehouses				15
16	(23) Wharves and docks				16
17	(24) Coal and ore wharves				17
18	(25) TOFC/COFC terminals				18
19	(26) Communication systems				19
20	(27) Signals and 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 - construction				25
26	(44) Shop machinery *				26
27	(45) Power-plant machinery				27
28	All other road accounts				28
29	TOTAL ROAD				29
	EQUIPMENT				
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	TOTAL EQUIPMENT				38
39	GRAND TOTAL				39

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

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

- 1 This schedule is to be used in cases where the 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 includible 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 "Other credits", and "Other debits" state the facts occasioning such entries. A debit balance in columns (b) or (g) for any primary account should be shown in parenthesis or designated "Dr."
- 4 Details 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)	Retirements (e)	Other debits (f)		
ROAD									
1		(3) Grading		ALL DEPRECIATION EXPENSE FOR OWNED EQUIPMENT LEASED TO OTHERS IS RECORDED IN BNSF'S OPERATING EXPENSE. IN ADDITION, TOTAL ROAD AND EQUIPMENT LEASED TO OTHERS IS LESS THAN 5% OF TOTAL OWNED ROAD AND EQUIPMENT				1	
2		(4) Other right-of-way expenditures						2	
3		(5) Tunnels and subways						3	
4		(6) Bridges, trestles, and culverts						4	
5		(7) Elevated structures						5	
6		(8) Ties						6	
7		(9) Rail and other track material						7	
8		(11) Ballast						8	
9		(13) Fences, snow sheds, and signs						9	
10		(16) Station and office buildings						10	
11		(17) Roadway buildings						11	
12		(18) Water stations						12	
13		(19) Fuel stations						13	
14		(20) Shops and enginehouses						14	
15		(22) Storage warehouses						15	
16		(23) Wharves and docks						16	
17		(24) Coal and ore wharves						17	
18		(25) TOFC/COFC terminals						18	
19		(26) Communication systems						19	
20		(27) Signals and 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 - Construction						25	
26		(44) Shop machinery *						26	
27		(45) Power-plant machinery						27	
28		All other road accounts						28	
29		TOTAL ROAD						29	
EQUIPMENT									
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) Comp. systems and word processing equipment						37	
38		TOTAL EQUIPMENT						38	
39		GRAND TOTAL						39	

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

**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 property owned or leased by the respondent and used in the respondent's transportation service. Such property includes (a) the investment reported in Accounts 731, "Road and Equipment Property" and 732 "Improvements on Leased Property" of the respondent, less any 731 or 732 property leased to others for their exclusive use of road, track or bridges (including equipment of other railway property covered by the contract). Equipment leased to others under separate distinct contracts shall not be deducted from the respondent's 731 or 732 property, and (b) the investment other companies' 731 or 732 property (including operating and lessor railroads) used by the 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 the respondent.

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

3 In column (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 the 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 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 the deductions made by the owners in their reports. If separate value is not available, explanations should be given. Differences between the amounts in column (d) of this schedule and the amounts in column (c), line 24, on the asset side of the comparative general balance sheet of each individual railway, should be explained in a footnote. Book value included in accounts 731 or 732 of the owner should be reported in column (d) in reference to the investment of the investment 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)	Name of company	Miles of road used (See Ins 4) (whole number)	Investments in property (See Ins 5)	Depreciation and amortization of defense products (See Ins 6)	Line No
(a)	(b)	(c)	(d)	(e)		
1	R	The Burlington Northern and Santa Fe Railway Company	24,976	25,566,911	5,025,220	1
2						2
3		Add Leased from Others				3
4	O	Shippers Consortium, Inc - Council Bluffs, NE to Bayard, IA - Track	100	**	*	4
5	O	SP - Klamath Falls, OR - Switch Track & Track		**	*	5
6	O	STLSW - Rio to Hampton, TX - 2nd Track		**	*	6
7	O	U S Government-Shelton to Bangor & Bremerton, WA - Track	49	**	*	7
8	O	City of Pueblo, CO - way switching tracks at Devino, CO		53	*	8
9	O	Conrail - turnouts and yard tracks at Chicago		9	*	9
10		Total Leased from Others	149	62		10
11						11
12		Deduct Leased to Others				12
13	O	Montana Rail Link	507	210,098	151,552	13
14	O	MKT - Rosedale, KS - Driveway		2	0	14
15	O	DMIR - Hibbing, MN Turnout(4th Ave West)		5	4	15
16	O	Brandon Corp - S Omaha, NE - Yard		33	14	16
17	O	Oakland Terminal Railway - yard switching tracks at Oakland, CA		217	144	17
18	O	Houston Belt & Trmnl Ry Co - second main tracks				18
19		& yard switching tracks at Houston, TX	5	687	451	19
20		Total Leased to Others	512	211,042	152,165	20
21						21
22		Deduct Operated by Others				22
23	O	Granbelt Corporation	189	15,254	7,411	23
24	O	Red River Valley & Western	653	40,739	25,115	24
25		Total Operated by Others	842	55,993	32,526	25
26						26
27						27
28						28
29						29
30						30
31		Net Deductions	(1,205)	(266,973)	(184,691)	31
32		GRAND TOTAL	23,771	25,299,938	4,840,529	32

\* Depreciation not available to respondent  
\*\* Investment not available to respondent

## 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 the 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 properties shown in Schedule 352A. Continuing records shall be maintained by respondent of the primary property accounts separately for each company or property included in this 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 reported should be briefly identified and explained. Also include here those items after permission is obtained from the Commission 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 print stub or column headings without authority from the Commission

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	1,433,058			(1,282)	1
2		(3) Grading	1,743,913			(30,554)	2
3		(4) Other right-of-way expenditures	22,428			(48)	3
4		(5) Tunnels and subways	86,031			(4,321)	4
5		(6) Bridges, trestles, and culverts	1,531,725			(10,475)	5
6		(7) Elevated structures					6
7		(8) Ties	2,753,803			(49,075)	7
8		(9) Rail and other track material	6,633,669			(113,993)	8
9		(11) Ballast	1,818,629			(26,696)	9
10		(13) Fences, snow sheds, and signs	41,285			(673)	10
11		(16) Station and office buildings	589,973			(3,438)	11
12		(17) Roadway buildings	41,261			(1,176)	12
13		(18) Water stations	7,634			(26)	13
14		(19) Fuel stations	111,616			(835)	14
15		(20) Shops and enginehouses	370,398			(1,650)	15
16		(22) Storage warehouses					16
17		(23) Wharves and docks	1,505				17
18		(24) Coal and ore wharves	22,642				18
19		(25) TOFC/COFC terminals	384,532			(167)	19
20		(26) Communication systems	486,564			(7,210)	20
21		(27) Signals and interlockers	1,731,338			(12,562)	21
22		(29) Power plants	2,942			(2)	22
23		(31) Power-transmission systems	20,593			(312)	23
24		(35) Miscellaneous structures	41,510			(290)	24
25		(37) Roadway machines	266,217				25
26		(39) Public improvements-Construction	278,207			(1,915)	26
27		(44) Shop machinery	138,853			(86)	27
28		(45) Power-plant machinery	4,843				28
29		Leased property capitalized rentals (explain)					29
30		Other (specify and explain)					30
31		TOTAL ROAD	20,565,169			(266,786)	31
32		(52) Locomotives	2,291,734				32
33		(53) Freight-train cars	1,435,967				33
34		(54) Passenger-train cars					34
35		(55) Highway revenue equipment	15,388				35
36		(56) Floating equipment					36
37		(57) Work equipment	106,076				37
38		(58) Miscellaneous equipment	271,822				38
39		(59) Computer systems and word processing equipment	399,991			(171)	39
40		TOTAL EQUIPMENT	4,520,978			(171)	40
41		(76) Interest during construction	43,649			(16)	41
42		(80) Other elements of investment	10,287				42
43		(90) Construction work in process	426,828				43
44		GRAND TOTAL	25,566,911			(266,973)	44

\* Includes property leased from and to and operated by others

## INSTRUCTIONS CONCERNING RETURNS TO BE MADE IN SCHEDULE 410

## Cross-checks

Schedule 410		Schedule 210
Line 620, column (h)	=	Line 14, column (b)
Line 620, column (f)	=	Line 14, column (d)
Line 620, column (g)	=	Line 14, column (e)
		Schedule 412
Line 136 thru 138, column (f)	=	Line 29, column (b)
Line 118 thru 123, and 130 thru 135 column (f)	=	Line 29, column (c)
		Schedule 414
Line 231, column (f)	=	Line 19, columns (b) thru (d)
Line 230, column (f)	=	Line 19, columns (e) thru (g)
		Schedule 415
Line 207, 208, 211, 212, column (f)	=	Lines 5, 38, column (f)
Line 226, 227, column (f)	=	Lines 24, 39, column (f)
Line 311, 312, 315, 316, 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)	=	Lines 5, 38, columns (c) and (d)
Line 232, column (f)	=	Lines 24, 39, columns (c) and (d)
Line 317, column (f)	=	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 1, column (j)
Line 508, column (f)	=	Line 2, column (j)
Line 509, column (f)	=	Line 3, column (j)
Line 510, column (f)	=	Line 4, column (j)
Line 511, column (f)	=	Line 5, column (j)
Line 512, column (f)	=	Line 6, column (j)
Line 513, column (f)	=	Line 7, column (j)
Line 514, column (f)	=	Line 8, column (j)
Line 515, column (f)	=	Line 9, column (j)
Line 516, column (f)	=	Line 10, column (j)
Line 517, column (f)	=	Line 11, column (j)
		Schedule 450
		Schedule 210
Line 4, column (b)		Line 47, column (b)

**410 RAILWAY OPERATING EXPENSES**  
(Dollars In Thousands)

State the railway operating expenses on respondent's road for the year, classifying them in accordance with the Uniform System of Accounts for Railroad Companies, and allocate the common operating expenses in accordance with the Commission's rules governing the separation of such expenses between freight and passenger services

Line No	Cross Check	Name of railway operating expense account	(a)	Salaries and wages	(b)	Material, tools, supplies, fuels, and lubricants	(c)	Freight Purchased services	(d)	General	(e)	Total freight expense	(f)	Passenger	(g)	Total	(h)	Line No
<b>WAY AND STRUCTURES ADMINISTRATION</b>																		
1		Track		17,287	3,014			540		(3,060)		17,781				17,781		1
2		Bridges and Buildings		10,023	1,699			298		(1,608)		10,412				10,412		2
3		Signal		8,780	1,138			204		(1,080)		9,042				9,042		3
4		Communication		3,082	560			93		(482)		3,253				3,253		4
5		Other		28,475	4,055			470		(2,901)		30,099				30,099		5
<b>REPAIR AND MAINTENANCE</b>																		
6		Roadway - Running		42,273	2,556			14,024		4,050		62,903				62,903		6
7		Roadway - Switching		5,951	365			1,921		552		8,789				8,789		7
8		Tunnels and Subways - Running		252	45			207		32		536				536		8
9		Tunnels and Subways - Switching		34				28		4		66				66		9
10		Bridges and Culverts - Running		13,295	1,115			3,850		3,135		21,395				21,395		10
11		Bridges and Culverts - Switching		1,794	153			525		428		2,900				2,900		11
12		Ties - Running		1,382	820			61		1,835		4,098				4,098		12
13		Ties - Switching		399	247			8		250		904				904		13
14		Rail and Other Track Material - Running		66,526	11,391			8,781		5,028		91,726				91,726		14
15		Rail and Other Track Material - Switching		9,215	1,591			1,197		686		12,689				12,689		15
16		Ballast - Running		4,104	553			754		518		5,929				5,929		16
17		Ballast - Switching		566	104			103		71		844				844		17
18		Road Property Damaged - Running		407	848							1,255				1,255		18
19		Road Property Damaged - Switching		85	119							204				204		19
20		Road Property Damaged - Other																20
21		Signals and Interlockers - Running		39,084	12,227			2,520		2,494		56,325				56,325		21
22		Signals and Interlockers - Switching		5,349	1,792			345		340		7,826				7,826		22
23		Communication Systems		18,494	6,911			2,528		1,403		29,336				29,336		23
24		Power Systems		916	395			964		8		2,283				2,283		24
25		Highway Grade Crossing - Running		1,129	287			1,149		102		2,667				2,667		25
26		Highway Grade Crossing - Switching		154	45			157		3		359				359		26
27		Station and Office Buildings		3,962	1,890			9,651		3,060		18,563				18,563		27
28		Shop Buildings - Locomotives		2,935	3,894			6,409		390		13,628				13,628		28
29		Shop Buildings - Freight Cars		331	434			722		44		1,531			N/A	1,531		29
30		Shop Buildings - Other Equipment		868	1,140			1,896		115		4,019				4,019		30

410 RAILWAY OPERATING EXPENSES - Continued (Dollars in Thousands)									
Line No.	Cross Check	Name of railway operating expense account (a)	Freight					Passenger	Total
			Salaries and wages (b)	Material, tools, supplies, fuels, and lubricants (c)	Purchased services (d)	General (e)	Total freight expense (f)		
101		REPAIR AND MAINTENANCE - Continued							
102		Locomotive Servicing Facilities	1,166	2,596	3,124	114	7,000		7,000
103		Miscellaneous Buildings and Structures	6,910	2,571	3,653	539	13,673		13,673
104		Coal Terminals	155	1	295	(984)	(533)	N/A	(533)
105		Ore Terminals	675	2,279	1,602	4	4,560	N/A	4,560
106		Other Marine Terminals	2,742	78	1,096	92	4,008	N/A	4,008
107		TOFC/COFC Terminals	146	82	14,296	6,464	20,988	N/A	20,988
108		Motor Vehicle Loading and Distribution						N/A	
109		Facil for Other Special Service Operations						N/A	
110		Roadway Machines	2,911	4,743	18	2	7,674		7,674
111		Small Tools and Supplies	484	25,541	25	6	26,056		26,056
112		Snow Removal	3,411	471	1,615	249	5,746		5,746
113		Fringe Benefits - Running	N/A	N/A	N/A	72,719	72,719		72,719
114		Fringe Benefits - Switching	N/A	N/A	N/A	10,168	10,168		10,168
115		Fringe Benefits - Other	N/A	N/A	N/A	19,824	19,824		19,824
116		Casualties and Insurance - Running	N/A	N/A	N/A	23,904	23,904		23,904
117		Casualties and Insurance - Switching	N/A	N/A	N/A	399	399		399
118	*	Casualties and Insurance - Other	N/A	N/A	N/A	376	376		376
119	*	Lease Rentals Debit - Running	N/A	N/A	1,050	N/A	1,050		1,050
120	*	Lease Rentals Debit - Switching	N/A	N/A	143	N/A	143		143
121	*	Lease Rentals Debit - Other	N/A	N/A	3	N/A	3		3
122	*	Lease Rentals (Credit) - Running	N/A	N/A	(21,113)	N/A	(21,113)		(21,113)
123	*	Lease Rentals (Credit) - Switching	N/A	N/A	(2,321)	N/A	(2,321)		(2,321)
124	*	Lease Rentals (Credit) - Other	N/A	N/A		N/A			
125	*	Joint Facility Rent Debit - Running	N/A	N/A	5,897	N/A	5,897		5,897
126	*	Joint Facility Rent Debit - Switching	N/A	N/A	801	N/A	801		801
127	*	Joint Facility Rent Debit - Other	N/A	N/A	1,275	N/A	1,275		1,275
128	*	Joint Facility Rent (Credit) - Running	N/A	N/A	(6,699)	N/A	(6,699)		(6,699)
129	*	Joint Facility Rent (Credit) - Switching	N/A	N/A	(934)	N/A	(934)		(934)
130	*	Joint Facility Rent (Credit) - Other	N/A	N/A	(1,675)	N/A	(1,675)		(1,675)
131	*	Other Rents Debit - Running	N/A	N/A	4,098	N/A	4,098		4,098
132	*	Other Rents Debit - Switching	N/A	N/A		N/A			
133	*	Other Rents Debit - Other	N/A	N/A	309	N/A	309		309
134	*	Other Rents (Credit) - Running	N/A	N/A		N/A			

410 RAILWAY OPERATING EXPENSES - Continued (Dollars in Thousands)										
Line No	Cross Check	Name of railway operating expense account	Freight					Total freight expense	Passenger	Total (h)
			Salaries and wages (b)	Material, tools, supplies, fuels, and lubricants (c)	Purchased services (d)	General (e)	(f)			
REPAIR AND MAINTENANCE - Continued										
134		Other Rents (Credit) - Switching	N/A	N/A		N/A				
135		Other Rents (Credit) - Other	N/A	N/A		N/A				
136		Depreciation - Running	N/A	N/A	N/A	332,702	332,702			332,702
137		Depreciation - Switching	N/A	N/A	N/A	45,369	45,369			45,369
138		Depreciation - Other	N/A	N/A	N/A	143,706	143,706			143,706
139		Joint Facility Debit - Running	N/A	N/A	83,786	83,786	83,786			83,786
140		Joint Facility Debit - Switching	N/A	N/A	11,428	N/A	11,428			11,428
141		Joint Facility Debit - Other	N/A	N/A		N/A				
142		Joint Facility (Credit) - Running	N/A	N/A	(42,594)	N/A	(42,594)			(42,594)
143		Joint Facility (Credit) - Switching	N/A	N/A	(5,808)	N/A	(5,808)			(5,808)
144		Joint Facility (Credit) - Other	N/A	N/A		N/A				
145		Dismantling Retired Road Property - Running	15		40	1	56			56
146		Dismantling Retired Road Property - Switching	2		5		7			7
147		Dismantling Retired Road Property - Other								
148		Other - Running	33	70	369	2,408	2,880			2,880
149		Other - Switching	5	10	53	477	545			545
150		Other - Other	21	45	237	1,548	1,851			1,851
151		TOTAL WAY AND STRUCTURES	305,828	97,875	113,479	675,504	1,192,686			1,192,686
EQUIPMENT										
LOCOMOTIVES										
201		Administration	6,289	3,636	4,616	178	14,719			14,719
202		Repair and Maintenance	110,391	95,057	140,942	5,002	351,392			351,392
203		Machinery Repair	164	1,207		572	1,943			1,943
204		Equipment Damaged	133		960	295	1,388			1,388
205		Fringe Benefits	N/A	N/A	N/A	40,656	40,656			40,656
206		Other Casualties and Insurance	N/A	N/A	N/A	12,510	12,510			12,510
207		Lease Rentals Debit	N/A	N/A	185,952	N/A	185,952			185,952
208		Lease Rentals (Credit)	N/A	N/A	(5,446)	N/A	(5,446)			(5,446)
209		Joint Facility Rents - Debit	N/A	N/A		N/A				
210		Joint Facility Rents - (Credit)	N/A	N/A		N/A				
211		Other Rents - Debit	N/A	N/A		N/A				
212		Other Rents - (Credit)	N/A	N/A		N/A				
213		Depreciation	N/A	N/A		101,117	101,117			101,117
214		Joint Facility - Debit	N/A	N/A		N/A				
215		Joint Facility - (Credit)	N/A	N/A	3,694	N/A	3,694			3,694
216		Repairs Billed to Others - (Credit)	N/A	N/A	(37,232)	N/A	(37,232)			(37,232)



410 RAILWAY OPERATING EXPENSES - Continued  
(Dollars in Thousands)

Line No	Cross Check	Name of railway operating expense account (a)	Salaries and wages (b)	Material, tools, supplies, fuels and lubricants (c)	Freight Purchased services (d)	General (e)	Total freight expense (f)	Passenger (g)	Total (h)	Line No
217		LOCOMOTIVES - Continued								217
218		Dismantled Retired Property		1,988			2,226		2,226	218
219		Other		102,848	292,529	160,565	672,919		672,919	219
		TOTAL LOCOMOTIVES	116,977							
220		FREIGHT CARS								220
221		Administration	4,055	2,238	2,841	51	9,185	N/A	9,185	221
222		Repair and Maintenance	95,998	67,050	40,894	22,737	226,679	N/A	226,679	222
223		Machinery Repair		743		352	1,196	N/A	1,196	223
224		Equipment Damaged	1,182	147	502	11,155	12,986	N/A	12,986	224
225		Fringe Benefits				35,219	35,219	N/A	35,219	225
226		Other Casualties and Insurance				21,302	21,302	N/A	21,302	226
227		Lease Rentals Debit			203,181	N/A	203,181	N/A	203,181	227
228		Lease Rentals (Credit)			(1,712)	N/A	(1,712)	N/A	(1,712)	228
229		Joint Facility Rents - Debit				N/A		N/A		229
230		Joint Facility Rents - (Credit)				N/A		N/A		230
231		Other Rents - Debit				N/A		N/A		231
232		Other Rents - (Credit)				N/A		N/A		232
233		Depreciation				42,456	42,456	N/A	42,456	233
234		Joint Facility - Debit				N/A		N/A		234
235		Joint Facility - (Credit)				N/A		N/A		235
236		Repairs Billed to Others - (Credit)				N/A		N/A		236
237		Dismantling Retired Property				N/A		N/A		237
238		Other	101,336	1,223	2	149	1,374	N/A	1,374	238
		TOTAL FREIGHT CARS		71,401	492,454	133,421	798,612	N/A	798,612	
301		OTHER EQUIPMENT								301
302		Administration	2,027	1,119	1,420	807	5,373		5,373	302
303		Repairs and Maintenance								303
304		Trucks, Tractors, & Containers - Revenue Svc	109	529	74,218		74,856	N/A	74,856	304
305		Floating Equipment - Revenue Service								305
306		Passenger and Other Revenue Equipment	483	2,164		4	2,651	N/A	2,651	306
307		Computers and Data Processing Systems	16	33	23	2,299	2,348		2,348	307
308		Machinery	51	371		176	621		621	308
309		Work and Non-Revenue Equipment	3,360	7,850	2,660	(2,985)	10,885		10,885	309
310		Equipment Damaged								310
311		Fringe Benefits				2,101	2,101		2,101	311
312		Other Casualties and Insurance				1,427	1,427		1,427	312
		Lease Rentals - Debit			65,154	N/A	65,154		65,154	
		Lease Rentals - (Credit)				N/A				

410 RAILWAY OPERATING EXPENSES - Continued  
(Dollars in Thousands)

Line No	Cross Check	Name of railway operating expense account	Freight					Total freight expense	Passenger	Total	Line No
			(a)	(b)	(c)	(d)	(e)				
								(f)	(g)	(h)	
OTHER EQUIPMENT - Continued											
313		Joint Facility Rents - Debit		N/A	N/A		N/A				313
314		Joint Facility Rents - (Credit)		N/A	N/A		N/A				314
315		Other Rents - Debit		N/A	N/A	53,499	N/A	53,499		53,499	315
316		Other Rents - (Credit)		N/A	N/A	(22,010)	N/A	(22,010)		(22,010)	316
317		Depreciation		N/A	N/A	N/A	105,559	105,559		105,559	317
318		Joint Facility - Debit		N/A	N/A		N/A				318
319		Joint Facility - (Credit)		N/A	N/A		N/A				319
320		Repairs Billed to Others - (Credit)		N/A	N/A		N/A				320
321		Dismantling Retired Property				(12,843)	N/A	(12,843)		(12,843)	321
322		Other			612	10	(3)	619		619	322
323		TOTAL OTHER EQUIPMENT		6,046	12,678	162,131	109,385	290,240		290,240	323
324		TOTAL EQUIPMENT		224,359	186,927	947,114	403,371	1,761,771		1,761,771	324
TRAIN OPERATIONS											
401		Administration		52,788	5,007	11,801	21,445	91,041		91,041	401
402		Engine Crews		421,504	(902)	41,423	94	462,119		462,119	402
403		Train Crews		390,614	(827)	45,939	51	435,777		435,777	403
404		Dispatching Trains		26,308	(56)	(163)	717	26,804		26,804	404
405		Operating Signals and Interlockers		1,558	102	3,926	1	5,587		5,587	405
406		Operating Drawbridges		2,293	1	7	23	2,324		2,324	406
407		Highway Crossing Protection		(340)	1	4,340	11	4,012		4,012	407
408		Train Inspection and Lubrication		24,866	828	(15)	3,590	29,269		29,269	408
409		Locomotive Fuel			685,083			685,083		685,083	409
410		Electric Power Purchased for Motive Power		39,011	10,501	(3,381)	858	46,989		46,989	410
411		Servicing Locomotives		N/A	N/A	N/A					411
412		Freight Lost or Damaged - Solely Related									412
413		Cleaning Wrecks									413
414		Fringe Benefits		N/A	N/A	N/A	23,953	23,953		23,953	414
415		Other Casualties and Insurance		N/A	N/A	N/A	338,494	338,494		338,494	415
416		Joint Facility - Debit		N/A	N/A	4,461	N/A	4,461		4,461	416
417		Joint Facility - (Credit)		N/A	N/A	(10,229)	N/A	(10,229)		(10,229)	417
418		Other		15,339	2,225	9,336	8,365	35,265		35,265	418
419		TOTAL TRAIN OPERATIONS		973,941	701,961	107,445	470,055	2,253,402		2,253,402	419
YARD OPERATIONS											
420		Administration		8,092	855	1,600	3,032	13,639		13,639	420
421		Switch Crews		220,129		298		220,427		220,427	421

410 RAILWAY OPERATING EXPENSES - Continued (Dollars in Thousands)									
Line No	Cross Check	Name of railway operating expense account	Freight					Passenger	Total
			Salaries and wages	Material, tools, supplies, fuels	Purchased services	General	Total freight expense		
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
<b>YARD OPERATIONS - Continued</b>									
422		Controlling Operations	30,625			684	1	31,310	31,310
423		Yard Terminal Clerical	19,926	1,357		2,786		24,069	24,069
424		Operating Switches, Signals, Retarders & Humps	2	263			540	805	805
425		Locomotive Fuel		36,057				36,057	36,057
426		Electric Power Purchased/Produced for Motive Power							
427		Servicing Locomotives	8,045				769	8,822	8,822
428		Freight Lost or Damaged - Solely Related	N/A	N/A	2	6			
429		Cleaning Wrecks				528		529	529
430		Fringe Benefits	N/A	N/A			99,685		99,685
431		Other Casualties and Insurance	N/A	N/A			25,131		25,131
432		Joint Facility - Debit	N/A	N/A		18,938		18,938	18,938
433		Joint Facility - (Credit)	N/A	N/A		(3,153)		(3,153)	(3,153)
434		Other	2	105		1,899	12	2,018	2,018
435		TOTAL YARD OPERATIONS	286,821	38,639		23,647	129,170	476,277	476,277
<b>TRAIN AND YARD OPERATIONS COMMON</b>									
501		Cleaning Car Interiors		123		5,094	N/A	5,217	5,217
502		Adjusting and Transferring Loads		1		6,362	N/A	6,363	6,363
503		Car Loading Devices and Grain Doors					N/A	N/A	
504		Freight Lost or Damaged - All other	N/A	N/A			26,063		26,063
505		Fringe Benefits	N/A	N/A					
506		TOTAL TRAIN AND YARD OPERATIONS COMMON		124		11,456	26,063	37,643	37,643
<b>SPECIALIZED SERVICE OPERATIONS</b>									
507		Administration	20,159	1,154		2,801	3,537	27,451	27,451
508		Pick-Up and Delivery, and Marine Line Haul		2		72,879	41	72,922	72,922
509		Loading and Unloading Local Marine	104	2,182		129,744	3,826	135,656	135,656
510		Protective Services	5,228	4,553		928	7	10,714	10,714
511		Freight Lost or Damaged - Solely Related	N/A	N/A				N/A	
512		Fringe Benefits	N/A	N/A			8,859		8,859
513		Casualties and Insurance	N/A	N/A			903		903
514		Joint Facility - Debit	N/A	N/A			N/A		
515		Joint Facility - (Credit)	N/A	N/A			N/A		
516		Other		15			15		15
517		TOTAL SPECIALIZED SERVICE OPERATIONS	25,489	7,906		206,152	16,973	256,520	256,520

410 RAILWAY OPERATING EXPENSES - Continued (Dollars in Thousands)									
Line No	Cross Check	Name of railway operating expense account (a)	Freight					Passenger	Line No
			Salaries and wages (b)	Material, tools, supplies, fuels (c)	Purchased services (d)	General (e)	Total freight expense (f)		
518		ADMINISTRATIVE SUPPORT OPERATIONS							
518		Administration	54,831	6,270	12,169	24,864	98,134		518
519		Employees Perform Clerical & Accounting Functions	23,314	1,184	4,176	1,083	29,757		519
520		Communication System Operation	1,257	443	40,766	1,419	43,885		520
521		Loss and Damage Claims Processing							521
522		Fringe Benefits	N/A	N/A	N/A	31,176	31,176		522
523		Casualties and Insurance	N/A	N/A	N/A	5,674	5,674		523
524		Joint Facility - Debit	N/A	N/A		N/A			524
525		Joint Facility - (Credit)	N/A	N/A		N/A			525
526		Other		95		1	96		526
527		TOTAL ADMINISTRATIVE SUPPORT OPERATIONS	79,402	7,992	57,111	64,217	208,722		527
528		TOTAL TRANSPORTATION	1,365,653	756,622	405,811	706,478	3,234,564		528
601		GENERAL AND ADMINISTRATIVE							
601		Officers - General and Administrative	36,547	13,335	18,936	31,232	100,050		601
602		Accounting, Auditing, and Finance	33,408	3,951	7,358	1,872	46,589		602
603		Management Services and Data Processing	18,295	2,634	63,040	165	84,134		603
604		Marketing	33,228	3,427	7,790	4,268	48,713		604
605		Sales	33,228	3,427	7,790	4,268	48,713		605
606		Industrial Development	653	204	11	572	1,440	N/A	606
607		Personnel and Labor Relations	12,480	121	1,750	3,175	17,526		607
608		Legal and Secretarial	10,600	343	35,276	518	46,737		608
609		Public Relations and Advertising	1,896	733	314	1,022	3,965		609
610		Research and Development							610
611		Fringe Benefits	N/A	N/A	N/A	66,443	66,443		611
612		Casualties and Insurance	N/A	N/A	N/A	1,837	1,837		612
613		Write-down of Uncollectible Accounts	N/A	N/A	N/A	13,802	13,802		613
614		Property Taxes	N/A	N/A	N/A	118,785	118,785		614
615		Other Taxes Except on Corp. Income or Payroll	N/A	N/A	N/A	16,846	16,846		615
616		Joint Facility - Debit	N/A	N/A	3,029	N/A	3,029		616
617		Joint Facility - (Credit)	N/A	N/A	(17)	N/A	(17)		617
618		Other	12,092	1,604	5,604	(45,802)	(26,502)		618
619		TOTAL GENERAL AND ADMINISTRATIVE	192,427	29,779	150,881	219,003	592,090		619
620	*	TOTAL CARRIER OPERATING EXPENSES	2,088,267	1,071,203	1,617,285	2,004,356	6,781,111		620

**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/rental 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 categories is not known, apportion the lease/rentals based on the percentage of the categories' depreciation bases to the depreciation bases for all categories of depreciable leased property  
Use Schedule 352B of this report for obtaining 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 to any category listed on lines 1-27
- 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				1
2		3	Grading	18,641			2
3		4	Other right-of-way expenditures	426			3
4		5	Tunnels and subways	898			4
5		6	Bridges, trestles, and culverts	19,562			5
6		7	Elevated structures				6
7		8	Ties	114,661			7
8		9	Rail and other track material	199,453			8
9		11	Ballast	63,957			9
10		13	Fences, snowsheds and signs	485			10
11		16	Station and office buildings	10,721			11
12		17	Roadway buildings	1,075			12
13		18	Water stations	763			13
14		19	Fuel stations	3,309			14
15		20	Shops and enginehouses	3,974			15
16		22	Storage warehouses				16
17		23	Wharves and docks	3			17
18		24	Coal and ore wharves	311			18
19		25	TOFC/COFC terminals	13,240			19
20		26	Communications systems	9,121			20
21		27	Signals and interlockers	51,914			21
22		29	Power plants	80			22
23		31	Power transmission systems	463			23
24		35	Miscellaneous	1,076			24
25		37	Roadway machines	2,745			25
26		39	Public improvements, construction	4,804			26
27		45	Power plant machines	95			27
28		-	Other lease/rentals		(17,831)		28
29	*	-	<b>TOTAL</b>	<b>521,777</b>	<b>(17,831)</b>		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's own 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 (e). The balancing of Schedules 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 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)	
CAR TYPES									
1		Box-Plain 40 Foot							1
2		Box-Plain 50 Foot and Longer		23	135	12,012	3,020	8,791	2
3		Box-Equipped		3,483	14,142	1	17,301	38,204	3
4		Gondola-Plain		396	578	1,530	798	1,670	4
5		Gondola-Equipped		1,702	7,474	3	4,889	10,036	5
6		Hopper-Covered		4,541	21,508	24,972	5,686	17,487	6
7		Hopper-Open Top-General Service		713	2,370	3	833	2,431	7
8		Hopper-Open Top-Special Service		68	202		138	421	8
9		Refrigerator-Mechanical		862	1,933		360	680	9
10		Refrigerator-Non-Mechanical		1,826	5,568		2,154	4,945	10
11		Flat TOFC/COFC		3,464	17,524	139,205	4,904	13,408	11
12		Flat Multi-Level		1,165	2,205	28,170	1,737	2,555	12
13		Flat-General Service		15	58	92	201	231	13
14		Flat-Other		522	2,819	21,752	5,372	12,854	14
15		Tank-Under 22,000 Gallons		9	40	13,351		5	15
16		Tank-22,000 Gallons and Over		41	230	17,511			16
17		All Other Freight Cars		45	601	159	109	1,473	17
18		Auto Racks			19,373	18,666		1,470	18
19		TOTAL FREIGHT TRAIN CARS		18,875	96,760	277,692	47,502	116,661	19
OTHER FREIGHT-CARRYING EQUIPMENT									
20		Refrigerated Trailers							20
21		Other Trailers			22,010	46,234		7,266	21
22		Refrigerated Containers							22
23		Other Containers							23
24		TOTAL TRAILERS AND CONTAINERS GRAND TOTAL (LINES 19 AND 24)			22,010	46,234		7,266	24
25		GRAND TOTAL (LINES 19 AND 24)		18,875	118,770	323,926	47,502	123,927	25

## 415 SUPPORTING SCHEDULE-EQUIPMENT-CONTINUED

Line No	Cross Check	Lease and rentals (net) (f)	Investment base as of 12/31		Accum. depr. as of 12/31		Line No
			Owned (g)	Capitalized lease (h)	Owned (i)	Capitalized lease (j)	
1			25,748		6,614		1
2		180,506	1,208,177	1,057,809	336,712	89,192	2
3							3
4							4
5		180,506	1,233,925	1,057,809	343,326	89,192	5
6			150		(56)		6
7			15,479		8,421		7
8		7,030	176,617		74,941		8
9		16,116	64,481		6,225		9
10			122,507		42,148		10
11		110,032	457,423		144,460		11
12		1,071	146,706		49,450		12
13		19,089	49,352		9,599		13
14		5,626	33,608		11,411		14
15			132,290		55,551		15
16		30,119	12,247		2,417		16
17			15,218		4,791		17
18		806	2,686		682		18
19			90,027		28,301		19
20		2,101	15,198		3,849		20
21			15,760		6,668		21
22		9,479	79,129		29,437		22
23			7,089		(186)		23
24		201,469	1,435,967		478,109		24
25							25
26		13,777	159		11		26
27							27
28		27,524	9,460		3,160		28
29		70					29
30		23,691	5,769		3,733		30
31							31
32		65,062	15,388		6,904		32
33							33
34							34
35							35
36							36
37		193	376,880	23,111	218,021	6,567	37
38			72,203		21,370		38
39			44,433		13,152		39
40			22,217		6,576		40
41		(102)	377,898		172,975		41
42		91	893,631	23,111	432,094	6,567	42
43		447,128	3,578,911	1,080,920	1,260,433	95,759	43

1 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

2 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 (j). This calculation should equal the amount shown in column (i), Schedule 335.

416. SUPPORTING SCHEDULE - ROAD  
(Dollars in Thousands)

Line No.	Density category (Class) (a)	Account No (b)	Owned and used			Improvements to leased property			Capitalized leases			TOTAL	
			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	1,120,417	125,240	1.07	361	148	1.07				1,120,778	125,388
2		8	1,459,317	213,524	4.68	395	92	4.68				1,459,712	213,616
3		9	3,862,912	814,908	3.67	4,382	619	3.67				3,867,294	815,527
4		11	833,296	133,605	4.35	779	183	4.35				834,075	133,788
5	SUB-TOTAL		7,275,942	1,287,277		5,917	1,042					7,281,859	1,288,319
6	II	3	394,602	76,520	1.07	147	8	1.07				394,749	76,528
7		8	939,057	215,569	4.21	3,046	492	4.21				942,103	216,061
8		9	1,763,681	410,871	2.91	5,370	357	2.91				1,769,051	411,228
9		11	802,996	207,247	4.13	1,891	133	4.13				804,887	207,380
10	SUB-TOTAL		3,900,336	910,207		10,454	990					3,910,790	911,197
11	III	3	-	N/A	N/A		N/A	N/A		N/A			
12		8	-	N/A	N/A		N/A	N/A		N/A			
13		9	-	N/A	N/A		N/A	N/A		N/A			
14		11	-	N/A	N/A		N/A	N/A		N/A			
15	SUB-TOTAL		-	N/A	N/A		N/A	N/A		N/A			
16	IV	3	169,220	37,392	1.07	119	8	1.07				169,339	37,400
17		8	319,622	81,239	3.67	341	286	3.67				319,963	81,525
18		9	897,023	179,010	1.80	585	43	1.80				897,608	179,053
19		11	163,018	41,505	2.54	39	37	2.54				163,057	41,542
20	SUB-TOTAL		1,548,883	339,146		1,084	374					1,549,967	339,520
21	V	3	59,046	5,343	1.07							59,046	5,343
22		8	32,026	6,962	3.67							32,026	6,962
23		9	99,716	8,937	1.77							99,716	8,937
24		11	16,610	3,258	2.54							16,610	3,258
25	SUB-TOTAL		207,398	24,500								207,398	24,500
26	GRAND TOTAL		12,932,559	2,561,130	N/A	17,455	2,406	N/A				12,950,014	2,563,536

(1) Columns (c) + (f) + (i) = Column 12

Columns (d) + (g) + (k) = Column 13

(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 and Schedule 330A



**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	0
2	764	Equipment Obligations and Other Long Term Debt due Within One Year	Sch 200, L 39	267,897
3	765/767	Funded Debt Unmatured	Sch 200, L 41	1,218,036
4	766	Equipment Obligations	Sch 200, L 42	575,383
5	766 5	Capitalized Lease Obligations	Sch 200 L 43	755,144
6	768	Debt in Default	Sch 200, L 44	0
7	769	Accounts Payable - Affiliated Companies	Sch 200, L 45	2,287,595
8	770 1/770 2	Unamortized Debt Discount	Sch 200, L 46	(48,519)
9		Total Debt:	Sum L 1-8	5,055,536
10		Debt Directly Related to Road Property	Note 1	455,402
11		Debt Directly Related to Equipment	Note 1	1,439,883
12		Total Debt Directly Related to Road & Equipment	Sum L 10 and L 11	1,895,285
13		Percent Directly Related to Road	L 10 div by L 12 (Whole % + 2 decimals)	24.03
14		Percent Directly Related to Equipment	L 11 div by L 12 (Whole % + 2 decimals)	75.97
15		Debt Not Directly Related to Road and Equipment	L 9 - L 12	3,160,251
16		Road Property Debt (Note 2)	(L 13 x L 15) plus L 10	1,214,810
17		Equipment Debt (Note 2)	(L 14 x L 15) plus L 11	3,840,726

**II Interest Accrued During the Year**

Line #	Account No	Title	Source	Balance at Close of Year
18	546-548	Total Interest and Amortization (Fixed Charges)	Sch 210, L 42	293,591
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)	(L 18 + L 19) - L 20	293,591
22		Interest Directly Related to Road Property Debt	Note 4	18,664
23		Interest Directly Related to Equipment Debt	Note 4	89,487
24		Interest Not Directly Related to Road or Equipment Property Debt	L 21 - (L 22 + L 23)	185,440
25		Interest on Road Property Debt (Note 5)	L 22 + (L 24 x L 13)	63,225
26		Interest on Equipment Debt (Note 5)	L 23 + (L 24 x L 14)	230,366
27		Embedded Rate of Debt Capital - Road Property	L 25 div by L 16	5.20
28		Embedded Rate of Debt Capital - Equipment	L 26 div by L 17	6.00

Note 1 Directly related means the purpose which the funds were used for 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 on Lines 10 and 11 respectively

Note 5 Line 25 plus Line 26 must equal Line 21

**415 SUPPORTING SCHEDULE-EQUIPMENT**  
(Dollars in Thousands)

Line No	Cross Check	Types of equipment (a)	Repairs (net expense) (b)	Depreciation		Amortization Adj net during year (e)	Line No
				Owned (c)	Capitalized lease (d)		
		<b>LOCOMOTIVES</b>					
1		Diesel Locomotive - Yard	15,708	361			1
2		Diesel Locomotive - Road	298,452	47,042	51,121		2
3		Other Locomotive - Yard					3
4		Other Locomotive - Road					4
5	*	<b>TOTAL LOCOMOTIVES</b>	<b>314,160</b>	<b>47,403</b>	<b>51,121</b>		<b>5</b>
		<b>FREIGHT TRAIN CARS</b>					
6		Box - Plain 40 foot	10	4			6
7		Box - Plain 50 foot and longer	2,302	466			7
8		Box - Equipped	22,052	5,177			8
9		Gondola - Plain	12,695	1,822			9
10		Gondola - Equipped	9,488	3,294			10
11		Hopper - Covered	39,312	10,924			11
12		Hopper - Open Top - General Service	8,428	4,223			12
13		Hopper - Open Top - Special Service	7,923	1,039			13
14		Refrigerator - Mechanical	3,590	951			14
15		Refrigerator - Nonmechanical	5,282	3,788			15
16		Flat TOFC/COFC	10,068	509			16
17		Flat Multi-Level	386	370			17
18		Flat - General Service	5,316	68			18
19		Flat - Other	9,637	2,888			19
20		All Other Freight Cars	10,634	279			20
21		Cabooses	82	736			21
22		Auto Racks		4,173			22
23		Miscellaneous Accessories		148			23
24	*	<b>TOTAL FREIGHT TRAIN CARS</b>	<b>147,205</b>	<b>40,859</b>			<b>24</b>
		<b>OTHER EQUIPMENT-REVENUE FREIGHT</b>					
25		Refrigerated Trailers					25
26		Other Trailers	51,373	16			26
27		Refrigerated Containers					27
28		Other Containers		1,158			28
29		Bogies					29
30		Chassis	10,640	489			30
31		Other Highway Equipment (Freight)					31
32	*	<b>TOTAL HIGHWAY EQUIPMENT</b>	<b>62,013</b>	<b>1,663</b>			<b>32</b>
		<b>FLOATING EQUIPMENT -REVENUE SERVICE</b>					
33		Marine Line Haul					33
34		Local Marine					34
35	*	<b>TOTAL FLOATING EQUIPMENT</b>					<b>35</b>
		<b>OTHER EQUIPMENT</b>					
36	*	Passenger and Other Revenue Equipment (Freight Portion)	2,651				36
37	*	Computer Systems and Word Proc Equip	2,348	66,760	3,793		37
38	*	Machinery - Locomotives	1,943	2,593			38
39	*	Machinery - Freight Cars	1,196	1,597			39
40	*	Machinery - Other Equipment	621	1,834			40
41	*	Work and Other Non-Revenue Equipment	10,885	31,509			41
42		<b>TOTAL OTHER EQUIPMENT</b>	<b>19,644</b>	<b>104,293</b>	<b>3,793</b>		<b>42</b>
43		<b>TOTAL ALL EQUIPMENT (FREIGHT PORTION)</b>	<b>543,022</b>	<b>194,218</b>	<b>54,914</b>		<b>43</b>

1 The data to be reported in 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 portions 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

## 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 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, inclusive, 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 expense 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 and 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

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
- 3 When it is 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 F
- 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 in-level auto rack cars. Report on line 2, column (g), the expense incurred by the railroad in moving automobiles, etc. between bi-level and in-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	TOFC/COFC terminal	Floating equipment	Coal manne terminal	Ore manne terminal	Other manne terminal	Motor vehicle load and distribution	Protective services refrigerator car	Other special services	Total columns (b-i)	Line No
1	.	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	1
2	.	Administration	23,784					404	3,263		27,451	2
3	.	Pick up and delivery, manne line haul	72,903					19			72,922	3
4	.	Loading and unloading, local manne	116,917			4,869		13,870			135,656	4
5	.	Protective services, total debit and credits	3,195						7,519		10,714	5
6	.	Freight lost or damaged--solely related										6
7	.	Fringe benefits	6,592			2,115		152			8,859	7
8	.	Casualty and insurance	419						484		903	8
9	.	Joint facility - Debit										9
10	.	Joint facility - Credit	15								15	10
11	.	Other										11
	.	TOTAL	223,825			6,984		14,445	11,266		256,520	



## 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	162,985	1
		U S Government Taxes		
		Income Taxes		
2		Normal Tax and Surtax	247,186	2
3		Excess Profits		3
4		Total - Income Taxes lines 2 - 3	247,186	4
5		Railroad Retirement	365,425	5
6		Hospital Insurance	37,823	6
7		Supplemental Annuities	24,440	7
8		Unemployment Insurance	2,636	8
9		All Other United States Taxes		9
10		Total - U S Government Taxes	677,510	10
11		Total - Railway Taxes	840,495	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 a 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	Deferred debits					1
2	Accrued liabilities not deductible until paid					2
3	Casualty and Environmental	(269,581)	16,212		(253,369)	3
4	Postretirement benefits	(86,237)	(2,501)		(88,738)	4
5	Restructuring	(213,110)	31,151		(181,959)	5
6	Other	(565,172)	104,102	(535)	(461,605)	6
7	Non-expiring AMT credit carryforwards	(35,521)	35,521		0	7
8	Subtotal	(1,169,621)	184,485	(535)	(985,671)	8
9	Deferred tax credits					9
10	Depreciation	5,677,455	190,330		5,867,785	10
11	Other	330,799	86,091	0	416,890	11
12	Subtotal	6,008,254	276,421	0	6,284,675	12
13						13
14						14
15						15
16						16
17						17
18						18
19	Net deferred tax liability	4,838,633	460,906	(535)	5,299,004	19



450 ANALYSIS OF TAXES - Continued  
(Dollars in Thousands)

\* Footnotes

1 If flow-through method was elected, indicated net decrease (or increase) in tax accrual because of investment tax credit	- 0 -
If deferral method for investment tax credit was elected	
(1) Indicate amount of credit utilized as a reduction of tax liability for current year	N/A
(2) Deduct amount of current year's credit applied to reduction of tax liability but deferred for accounting purposes	N/A
(3) Balance of current year's credit used to reduce current year's tax accrual	N/A
(4) Add amount of prior year's deferred credits being amortized to reduce current year's tax accrual	N/A
(5) Total decrease in current year's tax accrual resulting from use of investment tax credits	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	- 0 -

Notes and Remarks

Adjustment is to reflect income taxes on balance sheet adjustment which, in accordance with generally accepted accounting principles, are not reflected in Railway income tax expense

Deferred compensation and supplemental pension           (\$535)

**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 and Other 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					1
2	519	Gain on sale of Pipeline Partnership		67,461	2
3	519	Gain on property dispositions		48,198	3
4	519	Equity in earnings of Pipeline Partnership		4,302	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

**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 guarantee 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 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	Terminal Railroad Association of St. Louis				1
2	Burlington Northern Santa Fe Railway Company	Sinking Fund and Interest	663	Joint	2
3	CSX Transportation, Inc.	on Refunding and Improvement Mortgage			3
4	Illinois Central Gulf Railroad Co.	Bonds Series C due 7/01/2019			4
5	Norfolk and Western Railway Company				5
6	Southern Railway Company				6
7	Union Pacific Railroad				7
8					8
9					9
10	KCT Intermodal Transportation Corporation				10
11	Burlington Northern Santa Fe Railway Company	Principal and Interest	75,000	Joint	11
12	Union Pacific Railroad Company	on the Series 1998 Bonds due August 1, 2018			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					31
32					32
33					33
34					34
35					35
36					36
37					37
38					38

2 If any corporation or other association was under obligation as guarantor 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 contingent liability of guarantors (c)	Sole or joint contingent liability (d)	Line No
1					1
2		None			2
3					3
4					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 arrangements Footnote disclosure is required even though the arrangement is not reduced in writing

- 1 Disclose compensating balances not legally restricted, lines of credit used and unused, average interest rate of short-term borrowings 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 percent 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

- 1 None
- 2 None
- 3 None
4. None
- 5 None
- 6 None

## 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 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 for 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 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 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 (e).
5. In column (d) report the dollar amounts of transaction 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.
1	BNSF Corp		Controlled	Services Rendered	21,882	-	1
2							2
3	BNSF BC Inc		Common	Services Rendered	63	-	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

## 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 and 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 preceding classification

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 locations 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 Yards 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 rest in a corporation controlled by or controlling the respondent, but in the case of any such inclusion, the facts of the relation 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 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, all 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 of 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 THE CLOSE OF YEAR

Line No	Class	Proportion owned or leased by Respondent	Running tracks, passing tracks, cross-overs, etc				Miles of way switching tracks	Miles of yard switching tracks	TOTAL	Line No.
			Miles of road	Miles of second main track	Miles of all other main tracks	Miles of passing tracks, cross-overs, and turnouts				
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	
1	1	100%	24,776	4,087	103	3,253	2,760	5,688	40,667	1
2	1J	75%						5	5	2
3	1J	66.7%						17	17	3
4	1J	50%	200	122	40	19	60	188	629	4
5	1J	33.3%					6	37	43	5
6	1J	25%					1	56	57	6
7	1J	20%							0	7
8		TOTAL 1J	200	122	40	19	67	303	751	8
9		TOTAL 1 AND 1J	24,976	4,209	143	3,272	2,827	5,991	41,418	9
10	2		137			12	11	25	185	10
11	3		128	2		16	16	8	170	11
12	4		395			7	44	15	461	12
13	5		7,717	353	2	112	127	208	8,519	13
57		GRAND TOTAL	33,353	4,564	145	3,419	3,025	6,247	50,753	57
58		MILES OF ELECTRIFIED ROAD OF TRACK INCLUDED IN PRECEDING GRAND TOTAL			NONE					58

## 700. CANADIAN MILEAGE OPERATED AT THE CLOSE OF YEAR (INCLUDED IN SCHEDULE 700 ABOVE)

Line No	Class	Proportion owned or leased by Respondent	Running tracks, passing tracks, cross-overs, etc				Miles of way switching tracks	Miles of yard switching tracks	TOTAL	Line No.
			Miles of road	Miles of second main track	Miles of all other main tracks	Miles of passing tracks, cross-overs, and turnouts				
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	
1	1	100%	56	10		8	5	21	100	1
2	1J	50%	5						5	2
3		TOTAL CLASS 1	61	10	0	8	5	21	105	3
4	2		4				1	5	10	4
5	5		70	2		5	6		83	5
57		GRAND TOTAL CANADIAN MILES	135	12	0	13	12	26	198	57



## 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, not operated, should be shown in column (h), as may be 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.

		MILES OF ROAD OPERATED BY RESPONDENT													
Line No	Cross Check	State or territory (a)	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)	Line No				
1		Alabama	246				110	356			1				
2		Arizona	595					595			2				
3		Arkansas	208				837	1,045			3				
4		British Columbia	61				1	62			4				
5		California	1,190	@			699	1,889	10		5				
6		Colorado	773	96			584	1,453	3		6				
7		Florida						0			7				
8		Idaho	124				1	125	33		8				
9		Illinois	1,254				2	1,469			9				
10		Iowa	539		127	6	38	710			10				
11		Kansas	1,308	3			585	1,896			11				
12		Kentucky	0			13		13			12				
13		Louisiana	199				181	380			13				
14		Manitoba		4			69	73			14				
15		Minnesota	1,643		1		222	1,866	3		15				
16		Mississippi	179					179			16				
17		Missouri	1,646				155	1,801			17				
18		Montana	2,135				1	2,136	474		18				
19		Nebraska	1,739				2	1,741		0	19				
20		Nevada						809			20				
21		New Mexico	1,306				377	1,683		0	21				
22		North Dakota	2,113				16	2,129	650		22				
23		Oklahoma	1,173				153	1,326	189	0	23				
24		Oregon	310				114	424	53		24				
25		South Dakota	592			363	25	980			25				
26		Tennessee	17					17			26				
27		Texas	2,651			11	1,971	4,667		0	27				
28		Utah		34			436	436			28				
29		Washington	1,742				112	1,854			29				
30		Wisconsin	267				6	273			30				
31		Wyoming	966					966		0	31				
32											32				
33											33				
34											34				
35		TOTAL MILEAGE (single track)	24,976	137	128	395	7,717	33,353	1,415	0	35				

@ Includes approximately 249 miles of lines sold to California regulatory authorities and operated under a freight agreement

## 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 (l)
- 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 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 irrespective 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 an overhead contact wire or a third rail, 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 (l), 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 (i)
Line 6, column (j)	= Line 12, column (i)
Line 7, column (j)	= Line 13, column (i)
Line 8, column (j)	= Line 14, column (i)
Line 9, column (j)	= Line 15, column (i)
Line 10, column (j)	= Line 16, column (i)

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 retired from service of respondent whether owned or leased, including re-classification (g)	Units at Close of Year				
				Units installed					Total in service of respondent (col (h)&(i)) (j)	Leased from others (i)	Aggregate capacity of units reported in col (i) (see ins 7) (k)	Leased to others (l)	
				New units purchased or built (c)	New units leased from others (d)	Rebuilt units acquired and rebuilt units rewritten into property accounts (e)	All other units including re-classification and second hand units purchased or leased from others (f)						
1		Locomotive Units											
1		Diesel-freight units	4,063		304	2		9	2,052	2,308	4,360	14,612,862	1
2		Diesel-passenger units									0		2
3		Diesel-multiple purpose units	450					2	409	39	448	771,944	3
4		Diesel-switching units	182						182	0	182	227,356	4
5	*	TOTAL (lines 1 to 4)	4,695		304	2		11	2,643	2,347	4,990	15,612,162	5
6	*	Electric-locomotives									0		6
7	*	Other self-powered units	2							2	2	2,400	7
8	*	TOTAL (lines 5, 6 and 7)	4,697		304	2		11	2,643	2,349	4,992	15,614,562	8
9	*	Auxiliary units	39						28	11	39	NA	9
10	*	TOTAL LOCOMOTIVE UNITS (lines 8 and 9)	4,736		304	2		11	2,671	2,360	5,031	15,614,562	10

DISTRIBUTION OF LOCOMOTIVE UNITS IN SERVICE OF RESPONDENT AT CLOSE OF YEAR, ACCORDING TO YEAR BUILT, DISREGARDING YEAR OF REBUILDING													
Line No	Cross Check	Type or design of units (a)	Before Jan 1, 1975 (b)	Between Jan 1, 1975 and Dec 31, 1979 (c)	Between Jan 1, 1980 and Dec 31, 1984 (d)	Between Jan 1, 1985 and Dec 31, 1989 (e)	Between Jan 1, 1990 and Dec 31, 1994 (f)	During Calendar Year					TOTAL (l)
								1995 (g)	1996 (h)	1997 (i)	1998 (j)	1999 (k)	
11	*	Diesel	1546	892	492	134	838	261	224	299	304	4,990	11
12	*	Electric										0	12
13	*	Other self-powered units					2					2	13
14	*	TOTAL (lines 11 to 13)	1546	892	492	134	840	261	224	299	304	0	4,992
15	*	Auxiliary units	2	7	19		11					39	15
16	*	TOTAL LOCOMOTIVE UNITS (lines 14 and 15)	1548	899	511	134	851	261	224	299	304	0	5,031

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 re-classification (g)	Units at Close of Year					
				Units installed			All other units including re-classification and second hand units purchased or leased from others (f)		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)	Lessed to others (l)	
				New units purchased or built (c)	New units leased from others (d)	Rebuilt units acquired and rewritten into property accounts (e)								
17		PASSENGER-TRAIN CARS Non-Self-Propelled Coaches (PA, PB, PBO)	141							141	141	20,168		17
18		Combined cars (All class C, except CSB)												18
19		Parlor cars (PBC, PC, PL, PO)												19
20		Sleeping cars (PS, PT, PAS, PDS)												20
21		Dining grill and tavern cars (All class D, PD)												21
22		Non-passenger-carrying cars (All class B, CSB, M, PSA, IA)												22
23		TOTAL (lines 17 to 22)	141	0	0	0	0	0	0	141	141	20,168	0	23
24		Self-Propelled Electric passenger cars (EP, ET)												24
25		Electric combined cars (EC)												25
26		Internal combustion rail motorcars (ED, EG)												26
27		Other self-propelled cars (Specify types)												27
28		TOTAL (lines 24 to 27)	0	0	0	0	0	0	0	0	0	0	0	28
29		TOTAL (lines 23 and 28)	141	0	0	0	0	0	0	141	141	20,168	0	29
30		COMPANY SERVICE CARS Business cars (PV)	45						11	34		N/A		30
31		Board outfit cars (MWX)	197						58	139		N/A		31
32		Derrick and snow removal cars (MWU, MWV, MWW, MWK)	94						2	92		N/A		32
33		Dump and ballast cars (MWB, MWD)	1,486			26			74	1,408	30	N/A		33
34		Other maintenance and service equipment cars	3,374			45			449	2,982		N/A		34
35		TOTAL (lines 30 to 34)	5,196	0	0	71	12	594	4,655	30	4,685	N/A	0	35

Coaches leased from Western Suburban Mass Transit District, a public authority, and used solely for commuter service between Chicago and Aurora, Illinois

Coaches leased from Western Suburban Mass Transit District, a public authority, and used solely for commuter service between Chicago and Aurora, Illinois.

## 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 (i) Units rented from others for a period less than one year should not be included in column (j)

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

Line No	Cross Check	Class of equipment and car designations (a)	Units in service of respon- dent at beginning of year		Changes during the year				Line No
			Time-mileage cars (b)	All others (c)	Units installed				
					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, including reclassi- fication and sec- ond hand units purchased or leased from others (g)	
36		FREIGHT TRAIN CARS  Plain box cars - 40' (B1___, B2___)	120						36
37		Plain box cars - 50' and longer (B3_0-7, B4_0-7, B5___, B6___, B7___, B8___)	922				3		37
38		Equipped box cars (All Code A, Except A_5_)	10,533				378	343	38
39		Plain gondola cars (All Codes G & J_1, J_2, J_3, and J_4)	4,634	18		400	3		39
40		Equipped gondola cars (All Code E)	7,193			432	97	17	40
41		Covered hopper cars (All Code C_1, C_2, C_3, C_4)	43,145			2,467	1,549	1	41
42		Open top hopper cars-general service (All Code H)	8,753				134		42
43		Open top hopper cars-special service (All codes J--O, and All Code K)	1,864			360	36		43
44		Refrigerator cars-mechanical (R_5_, R_6_, R_7_, R_8_, R_9_)	2,094				134		44
45		Refrigerator cars-non-mechanical (R_0_, R_1_, R_2_)	4,450	62			217	1	45
46		Flat cars-TOFC/COFC (All Codes P, Q & S, Except Q8___)	1,189					512	46
47		Flat cars-multi-level (All Code V)	3,588				1		47
48		Flat cars-general service (F10_, F20_, F30_)	224				5		48
49		Flat cars-other (F_1_, F_2_, F_3_, F_4_, F_5_, F_6_, F_8_, F40_)	4,041			500	143	1,619	49
50		Tank cars-under 22,000 gallons (T_0, T_1, T_2, T_3, T_4, T_5, Except T000)	140						50
51		Tank cars-22,000 gallons and over (T_6, T_7, T_8, T_9)	351						51
52		All other freight cars (A_5_, F_7_, All Code L and Q8___)	613	119					52
53		TOTAL (lines 36 to 52)	93,854	199	0	4,159	2,700	2,493	53
54		Caboose(All Code M-930)	N/A	389					54
55		TOTAL (lines 53, 54)	93,854	588	0	4,159	2,700	2,493	55

## 710 INVENTORY OF EQUIPMENT - Continued

- 4 Column (m) should show 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 85 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 refers 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 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	Owned and used	Leased from others	Total in service of respondent (col (i) & (j))		Leased to others	
					Time-sharing cars	All other		
(n)	(i)	(j)	(k)	(l)	(m)	(n)		
36		57	53	10	63	3,485	36	
37		40	597	288	885	99,476	37	
38		959	7,744	2,551	10,295	867,384	38	
39		91	1,399	3,565	4,946	18	515,771	39
40		276	6,602	861	7,463	677,513	40	
41		2,519	25,255	19,388	44,643	4,277,910	41	
42		325	8,405	157	8,562	809,795	42	
43		50	2,210	0	2,210	220,151	43	
44		173	1,930	125	2,055	192,934	44	
45		309	4,133	288	4,339	62	363,718	45
46		1,568	84	19	103	222,869	46	
47		285	810	2,494	3,304	8,348	47	
48		18	211		211	15,153	48	
49		328	3,222	2,753	5,975	446,285	49	
50		1	139		139	10,970	50	
51		1	350		350	33,691	51	
52		3	720	9	610	119	56,132	52
53		7,033	63,864	32,508	96,173	199	8,821,565	53
54		38	351		N/A	351	N/A	54
55		7,071	64,215	32,508	96,173	550	8,821,565	55

## 710 INVENTORY OF EQUIPMENT - Continued

UNITS OWNED, INCLUDED IN INVESTMENT ACCOUNT, AND LEASED FROM OTHERS									
Line	Cross Check	Class of equipment and car designations (a)	Units in service or respondent at beginning of year		Changes during the year				Line No
			Per diem (b)	All others (c)	New units purchased or built (d)	New units leased from others (e)	Rebuilt units acquired and rebuilt units rewritten into property accounts (f)	All other units, including reclassification and second hand units purchased or leased from others (g)	
<b>FLOATING EQUIPMENT</b>									
56		Self-propelled vessels (Tugboats, car ferries, etc.)							56
57		Non-self-propelled vessels (Car floats, lighters, etc.)							57
58		TOTAL (lines 56 and 57)	N/A	0	0	0	0	0	58
<b>HIGHWAY REVENUE EQUIPMENT</b>									
59		Chasis Z1 __, Z67 __, Z68 __, Z69 __		5,152				13,149	59
60		Dry van U2 __, Z __, Z6 __, 1-6	9,671	5,207				11,355	60
61		Flat bed U3 __, Z3 __	381						61
62		Open bed U4 __, Z4 __							62
63		Mechanical refrigerator U5 __, Z5 __							63
64		Bulk U0 __, Z0 __							64
65		Insulated U7 __, Z7 __	252	592				148	65
66		Tank (1) Z0 __, U6 __		25					66
67		Other trailer and container (Special equipped dry van U9 __, Z8 __, Z9 __)	88	18				10,045	67
68		Tractor							68
69		Truck							69
70		TOTAL (lines 59 to 69)	10,392	10,994	0	0	0	34,697	70
NOTES AND REMARKS									
(1) Must have fitting code "CN" to qualify for tank otherwise it is a bulk hopper									

## 710 INVENTORY OF EQUIPMENT - Continued

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	Owned and used	Leased from others	Total in service of respondent (col (i) & (j))		Aggregate capacity of units reported in col (k) & (l) (see ins 4)		Leased to others
		(h)	(i)	(j)	(k)	(l)	(m)	(n)	
56									56
57									57
58		0	0	0	N/A	0	0	0	58
59		8 892	313	9 096		9,409	23 664		59
60		24,028	6	2,199	1,455	750	68 148		60
61		381							61
62									62
63									63
64									64
65		992							65
66		25							66
67		97		10,054	8,345	1 709	69,141		67
68									68
69									69
70		34,415	319	21,349	9 800	11,868	160 953	0	70
NOTES AND REMARKS									

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), 2,500 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 in 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	NONE					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	TOTAL	0	N/A	0	N/A	19

**REBUILT UNITS**

20	FREIGHT-TRAIN CARS				N/A	20
21	PLAIN BOX CARS - 50	3	489	65,828	S	21
22	EQUIPPED BOX CARS	378	64,050	8,120,138	S	22
23	PLAIN GONDOLA CARS	3	496	40,905	S	23
24	EQUIPPED GONDOLA CARS	97	17,802	1,748,540	S	24
25	COVERED HOPPER CARS	1,549	308,621	26,982,426	S	25
26	OPEN TOP HOPPER CARS - GEN SERVICE	134	26,177	1,465,784	S	26
27	OPEN TOP HOPPER CARS - SPL SERVICE	36	7,156	1,407,167	S	27
28	REFRIGERATOR CARS - MECHANICAL	134	22,955	4,680,616	S	28
29	REFRIGERATOR CARS - NON MECHANICAL	217	36,217	8,590,900	S	29
30	FLAT CARS - MULTI-LEVEL	1	199	0	S	30
31	FLAT CARS - GENERAL SERVICES	5	768	23,255	S	31
32	FLAT CARS - OTHER	143	23,190	3,037,709	S	32
	TOTAL FREIGHT CARS	2,700	508,120	56,163,268	N/A	
32	LOCOMOTIVE UNITS				N/A	32
33	DIESEL FREIGHT	2	6,000	1,898,094	S	33
34	COMPANY SERVICE CARS				N/A	34
35	BALLAST AIR DUMP	26	N/A	416,058	S	35
36	OTHER MAINT AND SERVICE EQUIPMENT CARS				N/A	36
37	MECHANICAL TIE	45	N/A	1,380,330	S	37
38	TOTAL COMPANY SERVICE CARS	71		1,796,388	N/A	38
39	GRAND TOTAL	2,773	514,120	59,857,750	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 included 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

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	17,794	48.85	57.48	282.6	1
2	B	9,515	11.69	50.21	198.7	2
3	C	2,997	2.52	35.37	189.4	3
4	D	2,991	0.35	25.77	728.6	4
5	E	8,937	n/a	n/a	n/a	5
6	TOTAL	42,234	29.71	50.52	1,399.3	6
7	F	11,168	n/a	n/a	n/a	7
8	Potential abandonments	0	n/a	n/a	n/a	8

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

## 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 conditions 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 No. 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 seasoning yards, the cost of treating 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 cross-ties laid in replacement										Switch and bridge ties (board feet) (j)	Cross-ties and switch and bridge ties Percent of spot maintenance (k)	LINE NO
		New Ties					Second-hand ties							
		Wooden		Concrete	Other	Wooden		Other						
		Treated (b)	Untreated (c)	(d)	(e)	Treated (f)	Untreated (g)	(h)	Total (i)					
1	A	1,363,502		206,008					1,569,510	2,742,000	N/A	1		
2	B	257,525							1,123,358		N/A	2		
3	C	70,517							70,517	558,771	N/A	3		
4	D	36,814							36,814	422,107	N/A	4		
5	E								0		N/A	5		
6		1,728,358	-	206,008	-		-	-	1,934,366	4,846,236	N/A	6		
7	F								0		N/A	7		
8	Potential abandonments	0	-	-	-		-	-	0	0	N/A	8		

9. Average cost per cross-tie \$29.48 and switch-tie (MBM) \$648.31

**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 (n) 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 or treatment, should not be included in this schedule

Line No	Class of ties (a)	CROSSTIES		SWITCH AND BRIDGE TIES			Remarks	Line No
		Total number of ties applied (b)	Average cost per tie (c)	Total cost of crossties laid in new tracks during year (d)	Number of feet (board measure) laid in tracks (e)	Average cost per M feet (board measure) (f)	Total cost of switch and bridge ties laid in new tracks during year (g)	
1	T	37,449	29.82	1,152	548,477	686.30	376,421	1
2	T							2
3	S	468,271	35.21	16,487				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	505,720		17,639	548,477		376,421	20
21	Number of miles of new running tracks, passing tracks, cross-overs, etc., in which ties were laid 176.47							21
22	Number of miles of new yard, station, team, industry, and other switching tracks in which ties were laid 13.93							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 No. 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 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	Miles of rail laid in replacement (rail-miles)						Total		Percent of spot maintenance	LINE NO
		New Rail		Relay rail		Welded rail	Bolted rail				
		Welded rail	Bolted rail	Welded rail	Bolted rail						
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)			
1	A	985 28	5 73	138 00	2 48	1,123 28	8 21	N/A	1		
2	B	303 28	1 24	160 96		464 24	1 24	N/A	2		
3	C	13 49	0 68	28 73		42 22	0 68	N/A	3		
4	D	33 39	0 55	4 45		37 84	0 55	N/A	4		
5	E					0 00	0 00	N/A	5		
6	TOTAL	1,335 44	8 20	332 14	2 48	1,667 58	10 68	N/A	6		
7	F					0 00	0 00	N/A	7		
8	Potential Abandonments							N/A	8		
9	Average cost of new and relay rail laid in replacement per gross ton \$580 53 new and \$269 77 relay							N/A	9		

- (1) Track miles of welded rail installed this year - 833 79
- (2) Total system track miles of welded rail to date - 27,966 88

**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 and of train service in connection with the distribution of the rail should not be included in this schedule

Line No	Class of rail  (a)	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 (d)	Average cost per ton (2,000 lb.) (e)	Weight of rail		Total cost of rail ap- plied in yard, station, team, industry, and other switching tracks during year (h)	Average cost per ton (2,000 lb ) (i)		
		Pounds per yard of rail (b)	Number of tons (2,000 lb ) (c)			Pounds per yard of rail (f)	Number of tons (2,000 lb.) (g)				
1	2	115	10	6	569.71	136	1,300	757	581.26	1	
2	2	132	33	18	554.90					2	
3	2	136	39.090	22,679	580.17					3	
4										4	
5	4	132	2,086	567	271.81	132	502	138	275.00	5	
6	4	136	955	263	274.93	136	1,518	417	274.85	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										31	
32										32	
33	TOTAL	N/A	42,174	23,533		N/A	3,320	1,312		33	
34	Number of miles of new running tracks, passing tracks, cross-overs, etc., in which rails were laid 176.47										34
35	Number of miles of new yard, station, team, industry, and other switching tracks in which rails were laid 13.93										35
36	Track-miles of welded rail installed on system this year 189.57 total to date 1,999.67										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 (a)	Line-haul companies (miles of main track) (b)	Switching and terminal companies (miles of all tracks) (c)	Remarks (d)	Line No.
	(Pounds)				
1	52				1
2	56	7.00			2
3	65				3
4	66	15.00			4
5	67				5
6	68	69.00			6
7	70	17.00			7
8	72	16.00			8
9	75	205.00	11.00		9
10	76	1.00			10
11	77	90.00			11
12	80	57.00			12
13	85	480.00	5.00		13
14	90	1,628.00	7.00		14
15	100	253.00			15
16	105	4.00			16
17	110	446.00	19.00		17
18	112	3,193.00	39.00		18
19	115	3,733.00	19.00		19
20	119	903.00			20
21	128		1.00		21
22	129	361.00			22
23	130	6.00			23
24	131	1,254.00	1.00		24
25	132	8,364.00			25
26	133	4.00			26
27	136	9,213.00			27
28	140	11.00			28
29	155	2.00			29
30					30
31					31
32					32
33					33
34					34
35					35
36					36
37					37
38					38
39					39
40	TOTAL	30,332.00	102.00		40

## 726 SUMMARY OF TRACK REPLACEMENTS

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

Line No	Track category	Ties					Rail	Ballast	Track surfacing		Line No
		Number of ties replaced		Percent replaced		Miles of rail replaced (rail miles)	Percent replaced	Cubic yards of ballast placed	Miles surfaced	Percent surfaced	
		Crossties	Switch and bridge ties (board feet)	Crosstie	Switch and bridge ties (board feet)						
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)			
1	A	1,569,510	2,742,000	2.93	N/A	1,132	3.18	2,054,222	6,680	37.54	1
2	B	257,525	1,123,358	0.90	N/A	465	2.44	628,568	2,044	21.48	2
3	C	70,517	558,771	0.78	N/A	43	0.72	311,209	1,012	33.77	3
4	D	36,814	422,107	0.41	N/A	38	0.64	234,021	761	25.44	4
5	E				N/A			579,990	1,886	21.10	5
6	TOTAL	1,934,366	4,846,236	1.52	N/A	1,678	1.99	3,808,000	12,383	29.32	6
7	F				N/A						7
8	Potential Abandonments				N/A			3,808	124	1.11	8

750 CONSUMPTION OF DIESEL FUEL  
(Dollars in Thousands)

## LOCOMOTIVES

Line No	Kind of locomotive service	Diesel		Line No
		Diesel oil (gallons)		
	(a)	(b)		
1	Freight	1,096,868,100	1	
2	Passenger		2	
3	Yard Switching	57,729,900	3	
4	TOTAL	1,154,598,000	4	
5	COST OF FUEL \$(000)	\$721,140	5	
6	Work Train	17,630,190	6	



## 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 reports. 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 or 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, 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 a 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 shall be 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 passengers, 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 instruction (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) Use car designations shown in Schedule 710, under Railroad Owned and Leased Cars, Items 4-01 and 4-11. Report both foreign cars and respondents' own cars while on the line of the respondent railroad. In Items 4-13 and 4-15 report the private-line categories, miles for private-line cars (whether or not under railroad control), and shipper-owned cars. A car-mile is a movement of a unit of car equipment a distance of one mile. Report miles made by flatcars carrying loaded highway trailers or empty highway trailers moving under revenue billings as loaded freight car-miles and miles made by flatcars carrying other empty highway trailers as empty freight car-miles. Exclude miles made by motorcars and report miles made by business cars of other than the reporting carrier as sleeping car-miles in Item 5-03. Report mail, express baggage cars, and combination cars, other than 5-02 combination cars, in Item 5-05.

(I) Exclude from Items 4-01, 4-11, 4-13, and 4-15 car-miles of work equipment, cars carrying company freight, and no-payment cars moving in transportation trains. Include such car-miles in Items 4-17, 4-18, and 4-19. No-payment car-miles are miles made by private-line cars (other than railroad controlled) and shipper-owned cars for which the railroad does not reimburse the owner on a loaded and/or empty mile basis. If the payment for the loaded miles includes the empty miles, the loaded and empty miles should not be considered no-payment 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 sources, compute weight in tons (2,000 pounds). 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 (car 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.

(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 a transportation train. Include net ton-miles in motorcar trains. Exclude 1 c 1 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 conductor's or dispatcher's 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.

## 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)	33,315	38	1
		2 Train Miles - Running (B)	XXXXXX	XXXXXX	
2		2-01 Unit Train	41,941,509	XXXXXX	2
3		2-02 Way Trains	8,169,076	XXXXXX	3
4		2-03 Through Trains	97,048,206		4
5		2-04 TOTAL TRAIN MILES (lines 2-4)	147,158,791		5
6		2-05 Motorcars (C)	0		6
7		2-06 TOTAL, ALL TRAINS (lines 5, 6)	147,158,791		7
		3 Locomotive Unit Miles (D)	XXXXXX	XXXXXX	
		Road Service (E)	XXXXXX	XXXXXX	
8		3-01 Unit Trains	122,031,705	XXXXXX	8
9		3-02 Way Trains	16,289,601	XXXXXX	9
10		3-03 Through Trains	288,249,701		10
11		3-04 TOTAL (lines 8-10)	426,571,007		11
12		3-11 Train Switching (F)	5,870,735	XXXXXX	12
13		3-21 Yard Switching (F)	14,501,993		13
14		3-31 TOTAL ALL SERVICES (lines 11, 12, 13)	446,943,735		14
		4 Freight Car-Miles (thousands) (H)		XXXXXX	
		4-01 RR Owned and Leased Cars - Loaded		XXXXXX	
15		4-010 Box-Plain 40-Foot	16	XXXXXX	15
16		4-011 Box-Plain 50-Foot and Longer	42,569	XXXXXX	16
17		4-012 Box-Equipped	263,365	XXXXXX	17
18		4-013 Gondola-Plain	202,315	XXXXXX	18
19		4-014 Gondola-Equipped	97,768	XXXXXX	19
20		4-015 Hopper-Covered	398,080	XXXXXX	20
21		4-016 Hopper-Open Top-General Service	109,644	XXXXXX	21
22		4-017 Hopper-Open Top-Special Service	116,970	XXXXXX	22
23		4-018 Refrigerator-Mechanical	28,678	XXXXXX	23
24		4-019 Refrigerator-Non-Mechanical	80,971	XXXXXX	24
25		4-020 Flat-TOFC/COFC	175,212	XXXXXX	25
26		4-021 Flat-Multi-Level	25,101	XXXXXX	26
27		4-022 Flat-General Service	1,055	XXXXXX	27
28		4-023 Flat-All Other	73,356	XXXXXX	28
29		4-024 All Other Car Types-Total	28,333	XXXXXX	29
30		4-025 TOTAL (lines 15-29)	1,643,433	XXXXXX	30

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

(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 while 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 respondents 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 vehicles (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 that requires the shipper or motor carrier etc. and not the railroad perform that service. Note: The count should reflect the trailers/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 end of 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 the train yard without loss of time), cars moving empty in trains en route to shop, and cars stored awaiting disposition.

Surplus cars are cars which are in serviceable condition 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.

## 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	193	XXXXXX	31
32		4-111 Box-Plain 50-Foot and Longer	20,317	XXXXXX	32
33		4-112 Box-Equipped	185,328	XXXXXX	33
34		4-113 Gondola-Plain	201,215	XXXXXX	34
35		4-114 Gondola-Equipped	94,134	XXXXXX	35
36		4-115 Hopper-Covered	383,853	XXXXXX	36
37		4-116 Hopper-Open Top-General Service	112,709	XXXXXX	37
38		4-117 Hopper-Open Top-Special Service	93,145	XXXXXX	38
39		4-118 Refrigerator-Mechanical	13,536	XXXXXX	39
40		4-119 Refrigerator-Non-Mechanical	40,611	XXXXXX	40
41		4-120 Flat-TOFC/COFC	36,247	XXXXXX	41
42		4-121 Flat-Multi-Level	10,388	XXXXXX	42
43		4-123 Flat-General Service	1,885	XXXXXX	43
44		4-123 Flat-All Other	70,549	XXXXXX	44
45		4-124 All Other Car Types	32,969	XXXXXX	45
46		4-125 TOTAL (lines 31-45)	1,297,079	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	37,938	XXXXXX	48
49		4-132 Box-Equipped	2,108	XXXXXX	49
50		4-133 Gondola-Plain	7,482	XXXXXX	50
51		4-134 Gondola-Equipped	1,584	XXXXXX	51
52		4-135 Hopper-Covered	366,309	XXXXXX	52
53		4-136 Hopper-Open Top-General Service	2,372	XXXXXX	53
54		4-137 Hopper-Open Top-Special Service	5,332	XXXXXX	54
55		4-138 Refrigerator-Mechanical	4,172	XXXXXX	55
56		4-139 Refrigerator-Non-Mechanical	6,773	XXXXXX	56
57		4-140 Flat-TOFC/COFC	961,599	XXXXXX	57
58		4-141 Flat-Multi-Level	195,386	XXXXXX	58
59		4-142 Flat-General Service	364	XXXXXX	59
60		4-143 Flat-All Other	71,635	XXXXXX	60
61		4-144 Tank Under 22,000 Gallons	160,281	XXXXXX	61
62		4-145 Tank-22,000 Gallons and Over	167,320	XXXXXX	62
63		4-146 All Other Car Types	103,981	XXXXXX	63
64		4-147 TOTAL (lines 47-63)	2,094,636	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	6,446	XXXXXX	66
67		4-152 Box-Equipped	1,114	XXXXXX	67
68		4-153 Gondola-Plain	4,547	XXXXXX	68
69		4-154 Gondola-Equipped	1,204	XXXXXX	69
70		4-155 Hopper-Covered	174,805	XXXXXX	70
71		4-156 Hopper-Open Top-General Service	1,945	XXXXXX	71
72		4-157 Hopper-Open Top-Special Service	5,524	XXXXXX	72
73		4-158 Refrigerator-Mechanical	1,594	XXXXXX	73
74		4-159 Refrigerator-Non-Mechanical	3,140	XXXXXX	74
75		4-160 Flat-TOFC/COFC	113,603	XXXXXX	75
76		4-161 Flat-Multi-Level	67,479	XXXXXX	76
77		4-162 Flat-General Service	290	XXXXXX	77
78		4-163 Flat-All Other	35,781	XXXXXX	78
79		4-164 Tank-Under 22,000 Gallons	66,432	XXXXXX	79
80		4-165 Tank-22,000 Gallons and Over	77,161	XXXXXX	80
81		4-166 All Other Car Types	21,514	XXXXXX	81
82		4-167 TOTAL (lines 65-81)	582,579	XXXXXX	82
83		4-17 Work Equipment and Company Freight Car-Miles	64,914	XXXXXX	83
84		4-18 No Payment Car-Miles (I)	3,369,065	XXXXXX	84
		4-19 Total Car-Miles by Train Type	XXXXXX	XXXXXX	
85		4-191 Unit Trains	2,534,478	XXXXXX	85
86		4-192 Way Trains	452,585	XXXXXX	86
87		4-193 Through Trains	6,064,643	XXXXXX	87
88		4-194 TOTAL (lines 85-87)	9,051,706	XXXXXX	88
89		4-20 Caboose Miles	511	XXXXXX	89

Total number of loaded miles \_\_\_\_\_ and empty miles \_\_\_\_\_ by roadtrailer reported above.

Note Line 88 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	79,107,670		98
		6-02 Freight Trains, Crs, Cnts, and Caboose	XXXXXX	XXXXXX	
99		6-020 Unit Trains	370,568,787	XXXXXX	99
100		6-021 Way Trains	14,689,257	XXXXXX	100
101		6-022 Through Trains	456,696,766	XXXXXX	101
102		6-03 Passenger-Trains, Crs, and Cnts	0		102
103		6-04 Non-Revenue	8,711,991	XXXXXX	103
104		6-05 TOTAL (lines 98-103)	929,774,471		104
		7 Tons of Freight (thousands)	XXXXXX	XXXXXX	
105		7-01 Revenue	483,399	XXXXXX	105
106		7-02 Non-Revenue	15,164	XXXXXX	106
107		7-03 TOTAL (lines 105, 106)	498,563	XXXXXX	107
		8 Ton-Miles of Freight (thousands) (L)	XXXXXX	XXXXXX	
108		8-01 Revenue-Road Service	469,044,986	XXXXXX	108
109		8-02 Revenue-Lake Transfer Service	0	XXXXXX	109
110		8-03 TOTAL (lines 108, 109)	469,044,986	XXXXXX	110
111		8-04 Non-Revenue-Road Service	4,852,579	XXXXXX	111
112		8-05 Non-Revenue-Lake Transfer Service	0	XXXXXX	112
113		8-06 TOTAL (lines 111, 112)	4,852,579	XXXXXX	113
114		8-07 TOTAL-REVENUE AND NON-REVENUE (lines 110, 113)	473,897,565	XXXXXX	114
		9 Train Hours (M)	XXXXXX	XXXXXX	
115		9-01 Road Service	7,546,644	XXXXXX	115
116		9-02 Train Switching	335,623	XXXXXX	116
117		10 TOTAL YARD-SWITCHING HOURS (N)	2,417,000	XXXXXX	117
		11 Train-Miles Work Trains (O)	XXXXXX	XXXXXX	
118		11-01 Locomotives	641,524	XXXXXX	118
119		11-02 Motorcars	0	XXXXXX	119
		12 Number of Loaded Freight Cars (P)	XXXXXX	XXXXXX	
120		12-01 Unit Trains	3,606,505	XXXXXX	120
121		12-02 Way Trains	2,471,614	XXXXXX	121
122		12-03 Through Trains	4,950,949	XXXXXX	122
123		13 TOFC/COFC-No. of Rev Trailers and Containers Loaded and Unloaded (Q)	6,223,386	XXXXXX	123
124		14 Multi-Level Cars-No. of Motor Vehicles Loaded and Unloaded (Q)	2,014,192	XXXXXX	124
125		15 TOFC/COFC-No. of Rev Trailers Picked Up and Delivered (R)	465,940	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	22,017	XXXXXX	130
131		17-02 Unserviceable	196	XXXXXX	131
132		17-03 Surplus	231	XXXXXX	132
133		17-04 TOTAL (lines 130-132)	22,444	XXXXXX	133

## 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 Texas  
County of Tarrant

Dennis R. Johnson makes oath and states that he is Assistant Vice President and Assistant Controller of Burlington Northern Santa Fe Corporation, 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 relate to accounting matters that have been prepared in accordance with the provisions of the Uniform System of Accounts for Railroad Companies 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, 1998, to and including December 31, 1998.

\_\_\_\_\_  
(Signature of affiant)

Subscribed and sworn to before me, a \_\_\_\_\_ in and for the State and county above named, this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_.

My commission expires \_\_\_\_\_

Use an  
L.S.  
impression seal

\_\_\_\_\_  
(Signature of officer authorized to administer oaths)

## SUPPLEMENTAL OATH

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

State of Texas  
County of Tarrant

Thomas N. Hund makes oath and states that he is Vice President, Controller and Chief Accounting Officer of Burlington Northern Santa Fe Corporation, 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 January 1, 1998, to and including December 31, 1998.

\_\_\_\_\_  
(Signature of affiant)

Subscribed and sworn to before me, a \_\_\_\_\_ in and for the State and county above named, this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_.

My commission expires \_\_\_\_\_

Use an  
L.S.  
impression seal

\_\_\_\_\_  
(Signature of officer authorized to administer oaths)





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