

122100

CLINCHFIELD RAILROAD COMPANY

1978

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ORIGINAL

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R-1

CLASS I RAILROADS

APPROVED BY GAO
B-110210 (R0470)
Expires 12-31-81

annual report

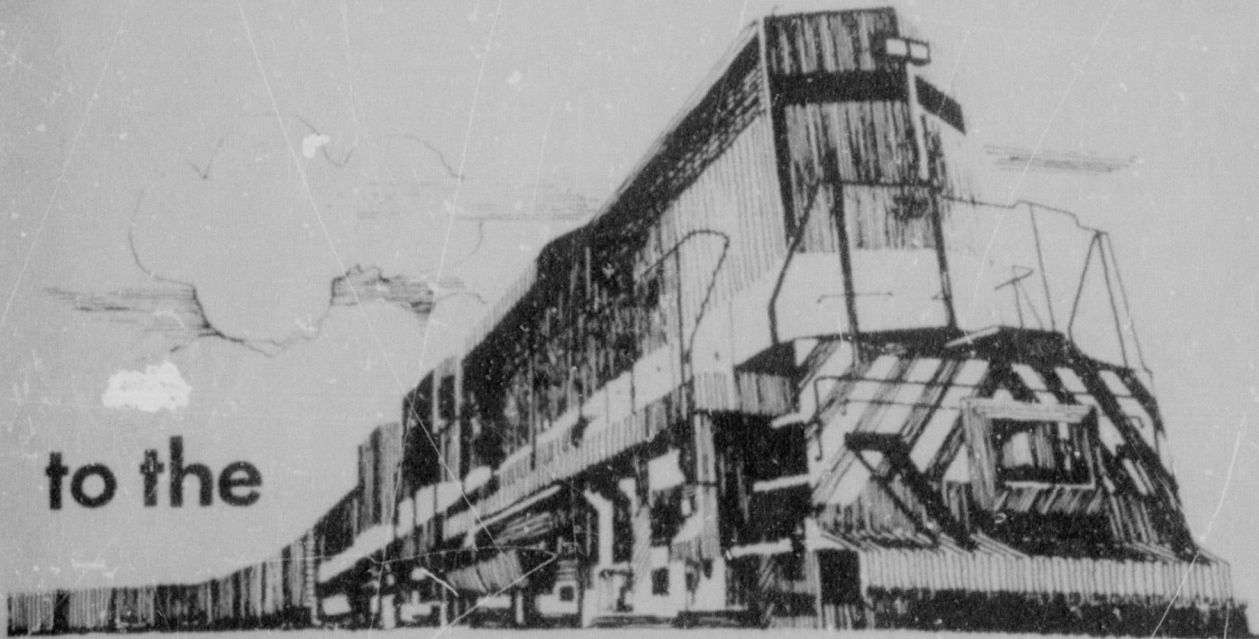
INTERSTATE
COMMERCE COMMISSION
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APR 1 1979

ADMINISTRATIVE SERVICES
MAIL UNIT

	RC000225 CLINCHFIELD 1 0 1 122100 CCD CLINCHFIELD R.R. CO. 229 NOLICHUCKY AVE. ERWIN TN 37650
Correct name and address if different than shown.	Full name and address of reporting carrier. (Use mailing label on original, copy in full on duplicate.)

to the



Interstate Commerce Commission

FOR THE YEAR ENDED DECEMBER 31, 1978

NOTICE

1. This Form for annual report should be filled out in triplicate and two copies returned to the Interstate Commerce Commission, Bureau of Accounts, Washington, D.C. 20423, by March 31, of the year following that for which the report is made. One copy should be retained in respondent's files. Attention is specially directed to the following provisions of Part I of the Interstate Commerce Act:

Sec. 20. (1) The Commission is hereby authorized to require annual, periodical, or special reports from carriers, lessors, * * * (as defined in this section), to prescribe the manner and form in which such reports shall be made, and to require from such carriers, lessors, * * * specific and full, true, and correct answers to all questions upon which the Commission may deem information to be necessary, classifying such carriers, lessors, * * * as it may deem proper for any of these purposes. Such annual reports shall give an account of the affairs of the carrier, lessor, * * * in such form and detail as may be prescribed by the Commission.

(2) Said annual reports shall contain all the required information for the period of twelve months ending on the 31st day of December in each year, unless the Commission shall specify a different date, and shall be made out under oath and filed with the Commission as its office in Washington within three months after the close of the year for which report is made, unless additional time be granted in any case by the Commission.

(7)(b) Any person who shall knowingly and willfully make, cause to be made, or participate in the making of, any false entry in any annual or other report required under this section to be filed, * * * or shall knowingly or willfully file with the Commission any false report or other document, shall be deemed guilty of a misdemeanor and shall be subject, upon conviction in any court of the United States of competent jurisdiction, to a fine of not more than five thousand dollars or imprisonment for not more than two years, or both such fine and imprisonment: * * *

(7)(c) Any carrier or lessor, * * * or any officer, agent, employee or representative thereof, who shall fail to make and file an annual or other report with the Commission within the time fixed by the Commission, or to make specific and full, true, and correct answer to any question within thirty days from the time it is lawfully required by the Commission to do, shall forfeit to the United States the sum of one hundred dollars for each and every day it shall continue to be in default with respect thereto.

(8) As used in this section * * * the term "carrier" means a common carrier subject to this part, and includes a receiver or trustee of such carrier; and the term "lessor" means a person owning a railroad, a water line, or a pipe line, leased to and operated by a common carrier subject to this part, and includes a receiver or trustee of such lessor, * * *

The respondent is further required to send to the Bureau of Accounts immediately upon preparation, two copies of its latest annual report to stockholders. See schedule B, page 2.

2. The instructions in this Form should be carefully observed, and each question should be answered fully and accurately, whether it has been answered in a previous annual report or not. Except in cases where they are specifically authorized, cancellations, arbitrary check marks, and the like should not be used either as partial or as entire answers to inquiries. If any inquiry, based on a preceding inquiry in the present report form is, because of the answer rendered to such preceding inquiry, inapplicable to the person or corporation in whose behalf the report is made, such notation as "Not applicable: see page _____, schedule (or line) number _____" should be used in answer thereto, giving precise reference to the portion of the report showing the facts which make the inquiry inapplicable. Where the word "none" truly and completely states the fact, it should be given as the answer to any particular inquiry or any particular portion of an inquiry. Where dates are called for, the month and day should be stated as well as the year. Customary abbreviations may be used in stating dates.

3. Every annual report should, in all particulars, be complete in itself, and references to the returns of former years should not be made to take the place of required entries except as herein otherwise specifically directed or authorized.

4. If it be necessary or desirable to insert additional statements, typewritten or other, in a report, they should be legibly made on durable paper and, wherever practicable, on sheets not larger than a page of the Form. Inserted sheets should be securely attached, preferably at the inner margin, attachment by pins or clips is insufficient.

5. All entries should be made in a permanent black ink. Those of a contrary character should be indicated in parenthesis.

6. 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.

7. Railroad corporations, mainly distinguished as operating companies and lessor companies, are for the purpose of report to the Interstate Commerce Commission divided into classes. An operating company is one whose officers direct the business of transportation; whose books contain operating as well as financial accounts; and a lessor company, the property of which being leased to and operated by another company, is one that maintains a separate legal existence, keeps financial but not operating accounts. In making reports, lessor companies use Annual Report Form R-4.

Operating companies (including switching and terminal) are broadly classified, with respect to their operating revenues, according to following general definitions:

Class I companies are those having annual operating revenues \$50,000,000, or more. For this class, Annual Report Form R-1 is provided.

Class II companies are those having annual operating revenues more than \$50,000,000 but in excess of \$10,000,000. For this class, Annual Report Form R-2 is provided.

Class III companies are those having annual operating revenues \$10,000,000, or less. For this class, Annual Report Form R-3 is provided.

In applying this classification to any switching or terminal company which is operated as a joint facility of owning or tenant railroads, sum of the annual railway operating revenues, the joint facility income, and the returns to joint facility credit accounts in operating expenses, shall be used in determining its class.

Switching and terminal companies are further classified as:

Class S1. Exclusively switching. This class of companies includes those performing switching service only, whether for joint account or for revenue.

Class S2. Exclusively terminal. This class of companies includes companies furnishing terminal trackage or terminal facilities only, as in union passenger or freight stations, stockyards, etc., for which charge is made, whether operated for joint account or for revenue. If a bridge or ferry is part of the facilities operated by a terminal company, it should be included under this heading.

Class S3. Both switching and terminal. Companies which perform both a switching and a terminal service. This class of companies includes all companies whose operations cover both switching and terminal service, as defined above.

Class S4. Bridge and ferry. This class of companies is confined to those whose operations are limited to bridges and ferries exclusively.

Class S5. Mixed. Companies performing primarily a switching or terminal service, but which also conduct a regular freight or passenger traffic. The revenues of this class of companies include, in addition to switching or terminal revenues, those derived from local passenger service, local freight service, participation in through movement of freight or passenger traffic, other transportation operations, and operations other than transportation.

8. Except where the context clearly indicates some other meaning, the following terms when used in this Form have the meanings here stated:

Commission means the Interstate Commerce Commission. Respondent means the person or corporation in whose behalf the report is made. The Year means the year ended December 31 for which a report is made. The Close of the Year means the close of business, December 31 of the year for which the report is made; or, in case a report is made for a shorter period than one year, it means the close of the period covered by the report. The Beginning of the Year means the beginning of business on January 1 of the year for which the report is made; or, in case the report is made for a shorter period than one year, it means the beginning of the period covered by the report. The Preceding Year means the year ended December 31 of the year immediately preceding the year for which the report is made. The Uniform System of Accounts for Railroad Companies means the system of accounts, Part 1201 of Title 49, Code of Federal Regulations, as amended.

ANNUAL REPORT

OF

CLINCHFIELD RAILROAD COMPANY

TO THE

INTERSTATE COMMERCE COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 1978

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

(Name) J. A. Stanley, Jr. (Title) Comptroller

(Telephone number) 904 353-2011
(Area code) (Telephone number)

(Office address) 500 Water Street, Jacksonville, Florida 32202
(Street and number, city, State, and ZIP code)

SPECIAL NOTICE

The attention of the respondent is directed below to certain particulars, if any, in which this report form differs from the corresponding form for the preceding year. It should be understood that mention is not made of necessary substitutions of dates or, in general, such other things as simple modifications intended to make requirements clearer, other minor adjustments, and typographical corrections.

This form is revised to (1) improve the disclosure of information for both ratemaking and financial reporting purposes, (2) eliminate unnecessary reporting, and (3) conform with the new Uniform System of Accounts for Railroads, effective January 1, 1978. Other significant modifications include revisions to conform with reporting under generally accepted accounting principles and the rearrangement of schedules in a more orderly fashion to make them easier to complete and use.

Revisions to this report resulted from the following Commission's decisions copies of which were served on all railroads:

<u>Docket</u>	<u>Title</u>	<u>Decision Date</u>
36141	Corporate Disclosure Regulations	5/13/77 1/19/78 3/23/78
36367	Revision to the Uniform System of Accounts for Railroads	6/13/77
36604	Accounting for leases	10/12/77
36557	Reporting Railroad Track Maintenance	4/14/78
36725	Revision to the Annual Report Forms for Class I and Class II Railroads	7/18/78
36767	Accounting for Certain Government Transfers by Railroads and Motor Carriers of Passengers	6/30/78

ESTIMATE OF REPORTING BURDEN

In order to monitor carrier reporting burden and to satisfy GAO requirements pursuant to Section 409 of Public Law 93-153, it is requested that you voluntarily furnish your best estimate of the number of hours required to complete this report.

In making this estimate, please include the number of hours attributable to preparing the report and for any special compilations contained in this report that would not generally be maintained or used by management for purposes other than reporting to this Commission.

Total hours (Estimated) 1,300

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A. SCHEDULES OMITTED BY RESPONDENT

1. The respondent, at its option, may omit pages from this report provided there is nothing to report or the schedules are not applicable.

2. Show below the pages excluded and indicate the schedule number and title in the space provided below.

3. If no schedules were omitted indicate "NONE".

Page	Schedule No.	Title
3-4	C	Voting Powers and Elections
11	220	Retained Earnings - Unappropriated
12	221	Retained Earnings - Appropriated
12	225	Transfers from Government Authorities
13	230	Capital Stock
23A	310	Investments and Advances Affiliated Companies - Continued
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24	310A	Investments in Common Stocks of Affiliated Companies
25	-	Notes and Remarks
30	325	Property Used in Other Than Carrier Operations
31	325	Property Used in Other Than Carrier Operations - Continued
32	329	Other Assets and Other Deferred Debits
41	339	Other Elements of Investment
42	340	Depreciation Base and Rates-Road and Equipment Leased to Others
43	342	Accumulated Depreciation - Road and Equipment Leased to Others
49	361	Capitalized Capital Leases
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67-71	419	Remunerations from National Railroad Passenger Corporation
72	430	Miscellaneous Rent Income
73	440	Miscellaneous Rents (Expense)
74	445	Separately Operated Properties - Profit or Loss
77	460	Items in Selected Income and Retained Earnings Accounts for the Year
79	500	Contingent Assets and Liabilities
80	501	Guaranties and Suretyships
83	701	Mileage Owned but not Operated by Respondent at Close of Year
85	705	Changes During the Year
86	-	Notes and Remarks
95	-	Notes and Remarks
101	722	Ties Laid in Additional Tracks and in New Lines and Extensions
106	745	Switching and Terminal Traffic and Car Statistics
108	760	Grade Crossings
112	850	Competitive Bidding -Clayton Antitrust Act

E. 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 detail.

1. Give in full the exact name of the respondent. 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.

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, give also 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 Clinchfield Railroad Company

2. Date of incorporation See reply to No. 3

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 or trusteeship and of appointment of receivers or trustees. "Clinchfield Railroad Company" is the designation of Lessees' operating organization, is not incorporated, and operates the properties of Carolina, Clinchfield and Ohio Railway, Carolina, Clinchfield and Ohio Railway of South Carolina and Clinchfield Northern Railway of Kentucky (merged with and into Carolina, Clinchfield and Ohio Railway on March 26, 1940, Interstate Commerce Commission Finance Docket No. 12671), which

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. (No. 3 continued) were leased jointly (50-50 basis) to Atlantic Coast Line Railroad Company (now Seaboard Coast Line Railroad Company) and Louisville and Nashville Railroad Company under lease dated October 16, 1924, authorized by Interstate Commerce Commission in Finance Docket No. 3131.

No. 4. Not a reorganized, consolidated, or merged company.

5. Class of switching and terminal company

[See section No. 7 on inside of front cover]

Not a switching and terminal company.

STOCKHOLDERS REPORTS

6. The respondent is required to send to the Bureau of Accounts, 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

(date)

☒ No annual report to stockholders is prepared.

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION - ASSETS

Line No.	Account No.	Title (a)	Balance at Close of Year (b)	Balance at Beginning of Year (c)
		<u>Current Asset</u>	\$	\$
1	701	Cash	800	(79)
2	702	Temporary Cash Investments (Sch. 300)	2,635	2,695
3	703	Special Deposits (Sch. 300)	3	2
		Accounts Receivable		
4	705	- Interline and Other Balances	2,360	2,177
5	706	- Customers	1,924	1,697
6	707, 704	- Other	119	414
7	709, 708	- Accrued Accounts Receivables	9,932	8,305
8	708.5	- Receivables from Affiliated Companies	138	
9	709.5	- Less: Allowance for Uncollectible Accounts		
10	711, 714	Prepayments (and working funds) (Sch. 300)	131	116
11	712	Materials and Supplies	4,228	3,888
12	713	Other Current Assets (Sch. 300)	46	55
13		Total Current Assets	22,316	19,270
		<u>Other Assets</u>		
14	715, 716, 717, 722, 723, 724	Special Funds and Other Investments and advances (Sch. 315)	31,623	27,121
15	721, 721.5	Investments and Advances; Affiliated Companies (Sch. 310)	3,694	3,531
16	737, 738	Property used in other than Carrier Operations (less depreciation \$). (Sch. 325)		
17	739, 741	Other Assets (Sch. 329)	1,510	1,965
18	743, 744	Other Deferred Debits (Sch. 329)	156	113
19		Total Other Assets	36,983	32,730
		<u>Road and Equipment</u>		
20	731, 732	Road (Sch. 330 & 330A)	1,179	1,179
21		Equipment	81,597	75,472
22		Unallocated Items	22	22
23	733, 734, 735, 736	Accumulated Depreciation and amortization (Schs. 332, 342, 352, 355)	(30,521)	(29,527)
24		Net road and Equipment	52,277	47,146
25		Total Assets	111,576	99,146

NOTES AND REMARKS

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION - LIABILITIES AND EQUITY

Line No.	Account No.	Title (a)	Balance at Close of Year (b)	Balance at Beginning of Year (c)
		<u>Current Liabilities</u>	\$	\$
26	751	Loans and Notes Payable (Sch. 370)		
27	752	Accounts Payable; Interline and Other Balances	277	624
28	753, 754	Other Accounts Payable	1,306	1,181
29	755, 756	Interest and Dividends Payable	639	584
30	757	Payables to Affiliated Companies	7,602	10,401
31	759	Accrued accounts Payable (Sch. 370)	9,208	7,785
32	760, 761, 761.5, 762	Taxes Accrued (Sch. 379)	1,135	1,397
33	763	Other Current Liabilities (Sch. 370)	1,631	1,697
34	764	Equipment obligations and other long-term debt due within one year	4,051	3,475
35		Total Current Liabilities	25,849	27,144
		<u>Non Current Liabilities</u>		
36	765, 767	Funded debt unmatured		
37	766	Equipment obligations	25,865	19,672
38	766.5	Capitalized Lease Obligations		
39	768	Debt in default		
40	769	Accounts payable; Affiliated Companies	47,406	39,526
41	770.1, 770.2	Unamortized debt premium (discount)	(36)	(9)
42	781	Interest in default		
43	783	Deferred revenues-Transfers from Government Authorities		
44	786	Accumulated deferred income tax credits		
45	771, 772, 774, 775, 782, 784	Other long-term liabilities and deferred credits (Sch. 379)	12,492	12,813
46		Total Noncurrent Liabilities	85,727	72,002
		<u>Stockholders' Equity</u>		
47	791, 792	Capital Stock: (Sch. 230)		
48		Common Stock		
49		Preferred Stock		
50	793	Discount on Capital Stock		
51	794, 795	Additional Capital (230)		
		Retained Earnings:		
52	797	Appropriated (221)		
53	798	Unappropriated (220)		
54	798.1	Net Unrealized loss on noncurrent marketable equity securities		
55	798.5	Less Treasury Stock		
56		Net Stockholders Equity		
57		Total Liabilities and Shareholders Equity	111,576	99,146

NOTES AND REMARKS

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION - EXPLANATORY NOTES

The notes listed below are provided for the purpose of disclosing supplementary information concerning 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 explanatory

statements explaining (1) service interruption insurance policies and indicate 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. (Dollars in thousands)

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 \$ None

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 on Page 8

(b) State amount, if any, representing the excess of the actuarially computed value of vested benefits over the total of the pension fund. Not Available

(c) Is any part of pension plan funded? Specify. Yes X No Not Applicable

(i) If funding is by insurance, give name of insuring company

(ii) If funding is by trust agreement, list trustee(s) First Kentucky Trust Co., Louisville, Ky.

Date of trust agreement or latest amendment December 31, 1978

If respondent is affiliated in any way with the trustee(s), explain affiliation: Not Affiliated

(d) List affiliated companies which are included in the pension plan funding agreement and describe basis for allocating charges under the agreement See note on Page 8

(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 X No

If yes, give number of the shares for each class of stock or other security: \$2,700, 8% Term Note of the Atlantic Land and Improvement Company

(ii) Are voting rights attached to any securities held by the pension plan? Specify. Yes X No If yes, who determines how stock is voted? The Trustee, subject to approval or direction of the Investment Committee

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. State separately amounts of deferred maintenance and delayed capital improvements as reported to the Commission in Ex Parte No. 305 as of close of year:

(a) Deferred maintenance (Maintenance Improvement Program) \$ 11,556

(b) Delayed capital improvements (Capital Improvement Program) \$ 20,496

6. Respondent carries a service interruption policy with the Imperial Insurance Company (Guyana Islands), Limited, indemnifying it against a maximum daily loss of \$91 to cover its fixed and continuing expenses during certain work stoppages. Respondent may be obligated to pay additional premiums subject to a maximum additional premium of \$1,820 in the event such losses are sustained by other railroads holding similar policies.

Continued on following page

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

Marketable Equity Securities - to be completed by companies with \$10.0 million or more in gross operating revenues.

(a) Changes in Valuation Accounts

Not Applicable

	Cost	Market	Dr. (Cr.) to Income	Dr. (Cr.) to Stockholders Equity
(Current Yr.) Current Portfolio				XXXXXX
as of / / Noncurrent Portfolio			XXXXXX	\$
(Previous Yr.) Current Portfolio			XXXXXX	XXXXXX
as of / / Noncurrent Portfolio			XXXXXX	XXXXXX

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

	Gains	Losses
Current	\$	\$
Noncurrent		

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

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

NOTE: / / - date - Balance sheet date of the current year unless specified as previous year.

NOTES AND REMARKS

3. (a) Respondent is a party to the Seaboard Coast Line Employees' Supplemental Retirement Plan, covering employees not subject to collective bargaining agreements. The policy is to fund pension costs accrued. Contributions cover normal pension costs for the year and amortization of past service costs on a basis that will fund such costs over periods not exceeding thirty years. The plan complies with the Employees Retirement Income Security Act of 1974. Contributions charged to operating expenses during 1978 and 1977 were \$143 and \$223, respectively.

(d) Atlanta and West Point RR Co.; The Atlantic Land & Improvement Co.; Carrollton RR Co.; Columbia, Newberry & Laurens RR Co.; Cybernetics & Systems, Inc.; Gainesville Midland RR Co.; Georgia RR; Haysi RR Co.; Holston Land Co., Inc.; High Point, Thomasville & Denton RR Co.; Louisville and Nashville RR Co.; Seaboard Coast Line RR Co.; Seacoast Transportation Co.; Western Railway of Alabama; and Winston-Salem Southbound Rwy. Co. Charges are actuarially allocated between affiliates based on ages, service and salaries of members.

Note to Schedule 210, page 10:

Account 556 - Income Taxes on Ordinary Income, does not include accrual of Federal income tax on income of Clinchfield Railroad. Such taxes are payable by and included in Account 556 on books of the Lessee Companies, Seaboard Coast Line Railroad Company and Louisville and Nashville Railroad Company. If such accruals had been made on Respondent's books, Net Railway Operating Income and Net Income would have been reduced approximately \$2,475 in 1978 and \$5,394 in 1977. The effect of deferred Federal income tax is also accrued on books of the Lessee Companies.

210. RESULTS OF OPERATIONS

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.

3. List dividends from investments accounted for under the

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

4. All contra entries hereunder should be indicated in parenthesis.

5. Report dollars in thousands.

Line No.	Item	Amount for Current Year	Amount for Preceding Year	Freight-Related Revenues & Expenses	Passenger-Related Revenues & Expenses
	(a)	(b)	(c)	(d)	(e)
	ORDINARY ITEMS				
	OPERATING INCOME				
	Railway Operating Income				
1	(101) Freight **	\$ 60,791	\$	\$ 60,791	\$
2	(102) Passenger **				
3	(103) Passenger-Related				
4	(104) Switching	278		278	
5	(105) Water Transfers				
6	(106) Demurrage	843		843	
7	(110) Incidental	290		290	
8	(121) Joint Facility-Credit				
9	(122) Joint Facility-Debit				
10	(501) Railway operating revenues (Exclusive of transfers from Government Authorities)	62,202		62,202	
11	(502) Railway operating revenues-Transfers from Government Authorities for current operations				
12	(503) Railway operating revenues-Amortization of deferred transfers from Government Authorities				
13	Total railway operating revenues (lines 10-12)	62,202		62,202	
14	(531) Railway operating expenses	52,549		52,549	
15	*Net revenue from railway operations	9,653		9,653	
	OTHER INCOME				
16	(506) Revenue from property used in other than carrier operations	13			
17	(510) Miscellaneous rent income	38			
18	(512) Separately operated properties-Profit				
19	(513) Dividend Income				
20	(514) Interest income	196			
21	(516) Income from sinking and other funds	54			
22	(517) Release of premiums of funded debt				
23	(518) Contributions from other companies				
24	(519) Miscellaneous income	2			
	Income from affiliated companies:				
25	Dividends				
26	Equity in undistributed earnings (losses)	(197)			
27	Total other income (lines 16-26)	106			
28	Total income (lines 15, 27)	9,759			
	MISCELLANEOUS DEDUCTIONS FROM INCOME				
29	(534) Expenses of property used in other than carrier operations				
30	(535) Taxes on property used in other than carrier operations				
31	(543) Miscellaneous rent expense	40			
32	(544) Miscellaneous taxes	25			
33	(545) Separately operated properties-Loss				
34	(549) Maintenance of investment organization				
35	(550) Income transferred to other companies	6,903			
36	(551) Miscellaneous income charges	405			
37	(553) Uncollectible accounts				
38	Total miscellaneous deductions (lines 29-37)	7,373			
39	Income available for fixed charges (lines 28, 38)	2,386			

210. RESULTS OF OPERATIONS - Continued

Line No.	Item (a)	Amount for Current Year (b)	Amount for Preceding Year (c)
	FIXED CHARGES	\$	\$
(546) Interest on funded debt:			
40 (a) Fixed interest not in default		2,122	
41 (b) Interest in default			
42 (547) Interest on unfunded debt			
43 (548) Amortization of discount on funded debt		14	
44 Total fixed charges (lines 40-43)		2,136	
45 Income after fixed charges (lines 39, 44)		250	
	OTHER DEDUCTIONS		
(546) Interest on funded debt:			
46 (c) Contingent interest			
	UNUSUAL OR INFREQUENT ITEMS		
47 (555) Unusual or infrequent items (debit) credit			
48 Income (loss) for continuing operations (before income taxes)		250	
	PROVISIONS FOR INCOME TAXES		
(556) Income taxes on ordinary income:			
49 Federal income taxes (See Note on Page 8)			
50 State income taxes		250	
51 Other income taxes			
52 (557) Provision for deferred income taxes (See Note on Page 8)			
53 Income from continuing operations (See Note on Page 8)		-	
	DISCONTINUED OPERATIONS		
54 (560) Income or loss from operations of discontinued segments (less applicable income taxes of \$)			
55 (562) Gain or loss on disposal of discontinued segments (less applicable income taxes of \$)			
	EXTRAORDINARY ITEMS AND ACCOUNTING CHANGES		
56 (570) Extraordinary items (Net)			
57 (590) Income taxes on extraordinary items			
58 (591) Provision for deferred taxes - Extraordinary items			
59 Total extraordinary items (lines 56-58)			
60 (592) Cumulative effect of changes in accounting principles (less applicable income taxes of \$)			
61 Net income (See Note on Page 8)		-	
	*Reconciliation of net railway operating income (NROI)		
62 Net revenues from railway operations		9,653	
63 (556) Income taxes on ordinary income		(250)	
64 (557) Provision for deferred income taxes			
65 Income from lease of road and equipment			
66 Rent for leased roads and equipment		2,059	
67 Net railway operating income		11,462	
	**Report hereunder the charges to the revenue accounts representing payments made to others for		
68 Terminal collection and delivery services when performed in connection with line-haul transportation of freight on the basis of freight tariff rates \$ None			
(a) Of the amount reported for "Net revenue from railway operations", None % (to nearest whole number) represents payments for collection and delivery of LCL freight either in TOFC trailers or otherwise. The percentage reported is (Check one): Actual () Estimated ()			
69 Switching services when performed in connection with line-haul transportation of freight on the basis of switching tariffs and allowances out of freight rates, including the switching of empty cars in connection with a revenue movement \$ 34			
Substitute highway motor service in lieu of line-haul rail service performed under tariffs published by rail carriers (does not include traffic moved on joint rail-motor rates):			
70 (a) Payments for transportation of persons \$ None			
71 (b) Payments for transportation of freight shipments \$ None			
NOTE - Gross charges for protective services to perishable freight, without deduction for any proportion thereof credited to Account No. 101, "Freight" (not required from switching and terminal companies):			
72 Charges for service for the protection against heat \$ 4			
73 Charges for service for the protection against cold \$ None			

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240. STATEMENT OF CHANGES IN FINANCIAL POSITION

Give the information as requested concerning the source and application of funds during the year. Funds for the purpose of this schedule shall include all assets or financial resources even though a transaction may not directly affect cash or working capital. For example, the purchase of property in exchange for shares of stock or bonds would be an application of funds for invest-

ment in property provided by the issue of securities. Sources and uses of funds should be individually disclosed. For example, outlays for fixed assets should not be reported net of retirements.

Report dollars in thousands.

Line No.	Description (a)	Current year (b)	Prior year (c)
	SOURCES OF WORKING CAPITAL		
	Working capital provided by operations:		
1	Net income (loss) before extraordinary items _____		
	Add expenses not requiring outlay of working capital; (subtract) credits not generating working capital:		
2	Retirement of nondepreciable property _____	14	7
3	Loss (gain) on sale or disposal of tangible property _____		
4	Depreciation and amortization expenses _____	3,465	3,331
5	Net increase (decrease) in deferred income taxes _____		
6	Net decrease (increase) in parent's share of subsidiary's undistributed income for the year _____	197	34
7	Net increase (decrease) in noncurrent portion of estimated liabilities _____	8	3
	Other (specify):		
8	Income transferred to lessees _____	6,903	10,041
9	Lessor's prior years tax and interest accruals not requiring working capital _____	198	185
10	Deferred and incentive compensation not requiring working capital _____		59
11	_____		
12	_____		
13	Total working capital from operations before extraordinary items _____	10,785	13,660

240. STATEMENT OF CHANGES IN FINANCIAL POSITION - Continued

Line No.	Description (a)	Current year (b)	Prior year (c)
SOURCES OF WORKING CAPITAL - Continued			
14	Add funds generated by reason of discontinued operations, extraordinary items, prior period adjustments, and changes in accounting principles	\$	\$
15	Total working capital from operations	10,785	13,660
Working capital from sources other than operating:			
16	Proceeds from issuance of long-term liabilities	11,098	
17	Proceeds from sale/disposition of carrier operating property	715	607
18	Proceeds from sale/disposition of other tangible property		
19	Proceeds from sale/repayment of investments advances	829	436
20	Net decrease in sinking and other special funds		59
21	Proceeds from issue of capital stock		
Other (specify):			
22	Amounts payable to Lessees (1977- 1976 income transferred from current liabilities)	10,075	8,893
23	Increase in other liabilities and deferred credits and decrease in other assets		
24	and deferred charges	197	1,056
25	Various non-current assets and liabilities transferred to SCL RR on exchange of		
26	7 locomotives		2,228
27	Total working capital from sources other than operating	22,914	13,279
28	Total sources of working capital	33,699	26,939

240. STATEMENT OF CHANGES IN FINANCIAL POSITION - Concluded

Line No.	Description (a)	Current year (b)	Prior year (c)
	APPLICATION OF WORKING CAPITAL	\$	\$
29	Amount paid to acquire/retire long-term liabilities	4,941	3,481
30	Cash dividends declared		
31	Purchase price of carrier operating property	8,926	2,518
32	Purchase price of other tangible property		
33	Purchase price of long-term investments and advances	3,412	3,134
34	Net increase in sinking or other special funds	2,280	
35	Purchase price of acquiring treasury stock		
	Other (specify):		
36	Payments to Lessees on operating profits	2,000	7,183
37	1978-1977 income recorded as a current liability	7,100	10,075
38	Increase in other assets and deferred charges and decrease in other liabilities		
39	and deferred credits	685	1,467
40	Property retired not replaced due Lessors	14	8
41			
42			
43			
44			
45	Total application of working capital	29,358	27,866
46	Net increase (decrease) in working capital	4,341	(927)

241. CHANGES IN WORKING CAPITAL

Compute the net changes in each element of working capital.
(Thousand dollar Reporting Rule)

Line No.	Item (a)	Current year (b)	Prior year (c)	Increase (Decrease) (d)
1	Cash and temporary investments	\$ 3,435	\$ 2,616	\$ 819
2	Net receivables	14,473	12,593	1,880
3	Prepayments	131	116	15
4	Materials and supplies	4,228	3,888	340
5	Other current assets not included above	49	57	(8)
6	Notes payable and matured obligations			
7	Accounts payable	19,032	20,575	(1,543)
8	Current equipment obligations and other debt	4,051	3,475	576
9	Other current liabilities not included above	2,766	3,094	(328)
10	Net increase (decrease) in working capital	(3,533)	(7,874)	4,341

Road Initials:

CRR

Year 19 78

245. WORKING CAPITAL INFORMATION

1. Report below the information requested with respect to the referenced accounts.
2. Give the amount of issues from stock during the year for lines 1 thru 5 as it pertains to account 712, "Material and supplies".
3. Report on lines 6 and 7 only the amount applicable to common-carrier transportation service included in accounts 707 and 754.
4. Report on lines 8 and 9 the amount included in account balances for 761 and 556 which represent state income taxes. (Do not include taxes levied in lieu of property taxes).
5. Report dollars in thousands.

Line No.	Item (a)	Amount (b)
1	Construction and additions and betterments _____	\$ 1,101
2	Common-carrier operating purposes _____	9,059
3	Used by other than respondent's lessor companies _____	276
4	Total _____	10,436
5	Portion of balance in the material and supplies account at end of year that represents scrap and obsolete material _____	92
6	Account 707. Accounts receivable; other _____	119
7	Account 754. Accounts payable; other _____	432
8	Account 761. State and other income taxes accrued _____	176
9	Account 556. Income taxes on ordinary income _____	250

NOTES AND REMARKS

300. ITEMS IN SELECTED CURRENT ASSET ACCOUNTS

If the amount in the captioned selected current asset accounts (Accounts 702, 703, 704, 708, 709, 710, 711, 712, and 713) exceeds 5% of total current assets, report the three largest items in the account or combined accounts and any other items exceeding

5% of current assets. Give a brief description of each item listed. In case the character of any item is not fully disclosed by the entries in the columns hereunder, make a full explanation in a footnote. (Dollars in thousands)

Line No.	Account No. (a)	Item (b)	Amount (c)
1	702	Various Commercial Paper	\$ 2,635
2			
3	709	Estimated Revenues on Interline and Local Freight Traffic	7,389
4		Estimated Per Diem and Mileage Due from Others	1,294
5		Estimated Equipment Lease Rental Due from L&N RR Co.	348
6			
7			
8			
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301. COMPENSATING BALANCES AND SHORT-TERM BORROWING ARRANGEMENTS

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 to 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.

Compensating balance arrangements in the aggregate
amount to less than 15% of liquid assets.

Lines of credit unused - None

Lines of credit used - None

Short term borrowings outstanding at December 31, 1978 - None

GENERAL INSTRUCTIONS CONCERNING RETURNS IN SCHEDULES 310, 310A and 315

1. Schedules 310 and 315 should give particulars of stocks, bonds, other secured obligations, unsecured notes, and investment advances of affiliated and nonaffiliated companies held by respondent at close of year. Specifically, the disclosures should include the investments in the obligations of Federal, state and local governments, and the obligation of individuals. 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 in 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 non-carrier 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 Interstate Commerce Commission and are jointly owned, disclose in footnotes the name and extent of control of the other controlling entities.

12. Report dollars in thousands.

310. INVESTMENTS AND ADVANCES AFFILIATED COMPANIES

1. Give particulars of investments in stocks, bonds, other secured obligations, unsecured notes, and investment advances of companies affiliated with respondent, included in accounts Nos. 715, "Sinking funds"; 716, "Capital funds"; 721, "Investments advances in 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 21, 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.

6. If any of the companies included in this schedule are controlled by respondent, the percent of control should be given in

Line No.	Account No.	Class No.	Kind of Industry	Name of issuing company and also lien reference, if any (include rate for preferred stocks and bonds)	Extent of control
	(a)	(b)	(c)	(d)	(e)
1	721	A-3	VI	Holston Land Company, Inc.	100%
2					
3	721	E-2	VII	Haysi Railroad Company	
4					
5	721	E-3	VI	Holston Land Company, Inc.	100%
6				Total Advances	
7					
8					
9					
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39					
40				Total Account 721	

310. INVESTMENTS AND ADVANCES AFFILIATED COMPANIES—Continued

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 is 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 affiliated which do not report to the Interstate Commerce Commission and are jointly owned, give names and extent of control of other entities by footnote.

12. Report dollars in thousands.

Investments and advances				Disposed of, Profit (loss)	Adjustments Account (21.5)	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)	
\$ 712	\$	\$	\$ 712	\$	\$	\$	1
986	400	100	1,286				2
970	60		1,030			69	3
1,956	460	100	2,316			69	4
							5
							6
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2,668	460	100	3,028			69	39
							40

315. SPECIAL FUNDS AND OTHER INVESTMENTS

1. Complete this schedule if the amount in account 722, "Other Investments" is greater than 1% of total assets.

2. Give particulars of investments in stocks, bonds, other secured obligations, unsecured notes, and investment advances of other than affiliated companies, included in accounts Nos. 715, "Sinking funds", and 717, "Other funds." Investments included in

accounts Nos. 715, 716, and 717 held by trustees in lieu of cash deposits required under the governing instrument are not to be reported.

3. Entries in this schedule should be made in accordance with the definitions and general instructions given on page 21, classifying the investments by means of letters, figures, and symbols in columns

Line No.	Account No.	Class No.	Kind of industry	Name of issuing company or government and description of security held; also lien reference, if any	Balance at close of year	Book value of investment made during the year
	(a)	(b)	(c)	(d)	(e)	(f)
1	722	B-1	VII	CC&O Railway First Mortgage Series B	\$ 732	\$ 552
2						
3	722	E-1	VII	Open Accounts Lessors: Carolina, Clinch-		
4				field and Ohio Railway; Carolina,		
5				Clinchfield and Ohio Railway of South		
6				Carolina	28,505	2,400
7						
8						
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45						
46				Total Account 722	29,237	2,952

315. SPECIAL FUNDS AND OTHER INVESTMENTS—Continued

(a), (b), and (c). Investment in U.S. Treasury obligations may be reported as one item. Items where original cost is less than \$500,000 may be combined as one item.

4. 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.

5. Give totals for each subclass and a grand total for each account.

6. Entries in column (d) should show date of maturity of bonds and other evidences of indebtedness. In case obligations of the same designation matured serially, the date in column (d) may be reported as "Serially 19__ to 19__." In making entries in this column, abbreviations in common use in standard financial publications may be used where necessary on account of limited space.

7. If any advances reported are pledged, give particulars in a footnote.

8. Report dollars in thousands.

INVESTMENTS DISPOSED OF OR WRITTEN DOWN DURING YEAR		Adjustment at end of year (Account 723)	Allowance for unrealized loss on noncurrent marketable equity securities (Account 724)		Dividends or interest during year credited to income	Line No.
Book value (g)	Profit or (Loss) (h)		Changes during year (j)	Balance at close of year (k)		
\$ 336	\$	\$	\$	\$	\$	1
						2
						3
						4
393						5
						6
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729						46

319. SECURITIES, ADVANCES, AND OTHER INTANGIBLES OWNED OR CONTROLLED THROUGH NONREPORTING SUBSIDIARIES

1. Give particulars of investments represented by securities and advances (including securities issued or assumed by respondent), and of other intangible property, indirectly owned or controlled by respondent through any subsidiary which does not report to the

Commission under the provisions of the Interstate Commerce Act, without regard to any question of whether the company issuing the securities, or the obligor, is controlled by the subsidiary.

Line No.	Class No.	Name of issuing company and security or other intangible thing in which investment is made	Total book value of investments at close of year	Book value of investments made during year
	(a)	(b)	(c)	(d)
1	A-1	Carolina, Clinchfield and Ohio Railway	\$ 280	\$
2				
3				
4				
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7				
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319. SECURITIES, ADVANCES, AND OTHER INTANGIBLES OWNED OR CONTROLLED THROUGH NONREPORTING SUBSIDIARIES—Continued

2. This schedule should include all securities, open account advances, and other intangible property owned or controlled by non-reporting companies as well as those owned or controlled by any other organization or individual whose action respondent is able to determine.

3. Investments in U.S. Treasury obligations may be combined in a single item.

4. Column (a), Class No., should show classifications as provided in General Instructions, Schedules 310 & 315.
(Dollars in thousands)

INVESTMENTS DISPOSED OF OR WRITTEN DOWN DURING YEAR		Extent of control (g)	Names of subsidiaries in connection with things owned or controlled through them (h)	Line No.
Book Value (e)	Selling price (f)			
\$	\$	1.1 %	Holston Land Company, Incorporated	1
				2
				3
				4
				5
				6
				7
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INSTRUCTIONS CONCERNING RETURNS TO BE MADE IN SCHEDULE 330 AND 330A

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. If account No. 732 for road or for equipment is less than 5% of account No. 731 at the beginning and end of year, the corresponding portion of Schedule 330A may be omitted. 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 columns (c) and (e), should be included all entries covering expenditures for additions and betterments, as defined, whether replacing other property or not.
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 34 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 termini 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 \$2000 is used as the minimum debit or credit 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.
11. Show dollars in thousands.

NOTES AND REMARKS

Note for Schedule 335B, Page 40.

Line 33 Column (c) represents payroll estimate made in December Accounts. Primary accounts not available at this time.

Notes for Schedule 350, Page 44.

The depreciation Base for Accounts 1, 3, 4, 5 and 39 includes non-depreciable property.

- (A) Line 30 (Columns (e) & (f) & Line 34 Columns (e) & (f): Base depreciated to service value.
- (B) Line 35 Columns (b) & (c): Base depreciated to service value.

330. ROAD AND EQUIPMENT PROPERTY (See Instructions)

Line No.	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)
1	(1) Engineering	\$	\$	\$
2	(2) Land for transportation purposes			
3	(3) Grading			
4	(4) Other right-of-way expenditures			
5	(5) Tunnels and subways			
6	(6) Bridges, trestles, and culverts			
7	(7) Elevated structures			
8	(8) Ties			
9	(9) Rails			
10	(10) Other track material			
11	(11) Ballast			
12	(12) Track laying and surfacing			
13	(13) Fences, snowsheds, and signs			
14	(16) Station and office buildings			
15	(17) Roadway buildings			
16	(18) Water stations			
17	(19) Fuel stations			
18	(20) Shops and enginehouses			
19	(22) Storage warehouses			
20	(23) Wharves and docks			
21	(24) Coal and ore wharves			
22	(25) TOFC/COFC terminals			
23	(26) Communication systems			
24	(27) Signals and interlockers			
25	(29) Power plants			
26	(31) Power-transmission systems			
27	(35) Miscellaneous structures			
28	(37) Roadway machines			
29	(39) Public improvements—Construction			
30	(44) Shop machinery			
31	(45) Power-plant machinery			
32	Other (specify and explain)			
33	Total expenditures for road	20,107		
34	(52) Locomotives	54,686		
35	(53) Freight-train cars	77		
36	(54) Passenger-train cars			
37	(55) Highway revenue equipment			
38	(56) Floating equipment	496		
39	(57) Work equipment	106		
40	(58) Miscellaneous equipment	75,472		
41	Total expenditures for equipment			
42	(76) Interest during construction			
43	(77) Other expenditures—General			
44	Total general expenditures	75,472		
45	Total			
46	(80) Other elements of investment	22		
47	(90) Construction work in progress	75,494		
48	Grand Total			

330. ROAD AND EQUIPMENT PROPERTY (See Instructions)

Expenditures for additions and betterments during the year	Credits for property retired during the year	Net changes during the year	Balance at close of year	Line No.
(c)	(f)	(g)	(h)	
\$	\$	\$	\$	1
				2
				3
				4
				5
				6
				7
				8
				9
				10
				11
				12
				13
				14
				15
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				23
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				26
				27
				28
				29
				30
				31
				32
2,447	1,720	727	20,834	33
6,101	1,060	5,041	59,717	34
			17	35
				36
				37
378		378	874	38
	21	(21)	85	39
8,926	2,801	6,125	81,597	40
				41
				42
				43
8,926	2,801	6,125	81,597	44
				45
				46
8,926	2,801	6,125	22	47
			81,619	48

330A. IMPROVEMENTS ON LEASED PROPERTY (See Instruction)

Line No.	Account (Dollars in thousands)	Balance at beginning of year	Expenditures during the year for original road and equipment, and road extensions	Expenditures during the year for purchase of existing lines, reorganizations, etc.
	(a)	(b)	(c)	(d)
1	(1) Engineering	\$ 16	c	\$
2	(2) Land for transportation purposes			
3	(3) Grading	114		
4	(4) Other right-of-way expenditures			
5	(5) Tunnels and subways			
6	(6) Bridges, trestles, and culverts	14		
7	(7) Elevated structures			
8	(8) Ties	30		
9	(9) Rails	29		
10	(10) Other track material	50		
11	(11) Ballast	3		
12	(12) Track laying and surfacing	48		
13	(13) Fences, snowsheds, and signs			
14	(16) Station and office buildings	14		
15	(17) Roadway buildings			
16	(18) Water stations			
17	(19) Fuel stations			
18	(20) Shops and enginehouses			
19	(22) Storage warehouses			
20	(23) Wharves and docks			
21	(24) Coal and ore wharves			
22	(25) TOFC/COFC terminals			
23	(26) Communication systems			
24	(27) Signals and interlockers	861		
25	(29) Power plants			
26	(31) Power-transmission systems			
27	(35) Miscellaneous structures			
28	(37) Roadway machines			
29	(39) Public improvements—Construction			
30	(44) Shop machinery			
31	(45) Power-plant machinery			
32	Other (specify and explain)			
33	Total expenditures for road	1,179		
34	(52) Locomotives			
35	(53) Freight-train cars			
36	(54) Passenger-train cars			
37	(55) Highway revenue equipment			
38	(56) Floating equipment			
39	(57) Work equipment			
40	(58) Miscellaneous equipment			
41	Total expenditures for equipment			
42	(76) Interest during construction			
43	(77) Other expenditures—General			
44	Total general expenditures	1,179		
45	Total			
46	(80) Other elements of investment			
47	(90) Construction work in progress	1,179		
48	Grand Total			

330A. IMPROVEMENTS ON LEASED PROPERTY—Continued

Expenditures for additions and betterments during the year	Credits for property retired during the year	Net changes during the year	Balance at close of year	Line No.
(e)	(f)	(g)	(h)	
\$	\$	\$	\$	1
			16	2
			114	3
				4
			14	5
				6
			30	7
			29	8
			50	9
			3	10
			48	11
				12
			14	13
				14
				15
				16
				17
				18
				19
				20
				21
				22
				23
			861	24
				25
				26
				27
				28
				29
				30
				31
				32
			1,179	33
				34
				35
				36
				37
				38
				39
				40
				41
				42
				43
			1,179	44
				45
				46
			1,179	47
				48

332. ACCUMULATED DEPRECIATION - ROAD AND EQUIPMENT - OWNED AND USED

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 342 for the accumulated depreciation relating to road and equipment owned but not used by respondent.)

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 line 27.

6. Thousand dollar Reporting Rule.

Line No.	Account	Balance at beginning of year	CREDITS TO RESERVE During the year		DEBITS TO RESERVE During the year		Balance at close of year
			Charges to operating expenses	Other credits	Retirements	Other debits	
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
	ROAD						
1	(1) Engineering						
2	(3) Grading						
3	(4) Other, right-of-way						
4	(5) Tunnels and subways						
5	(6) Bridges, trestles, and culverts						
6	(7) Elevated structures						
7	(13) Fences, snow sheds, and signs						
8	(16) Station and office buildings						
9	(17) Roadway buildings						
10	(18) Water stations						
11	(19) Fuel stations						
12	(20) Shops and enginehouses						
13	(22) Storage warehouses						
14	(23) Wharves and docks						
15	(24) Coal and ore wharves						
16	(25) TOFC/COFC terminals						
17	(26) Communication systems						
18	(27) Signals and interlockers						
19	(29) Power plants						
20	(31) Power-transmission systems						
21	(35) Miscellaneous structures						
22	(37) Roadway machines						
23	(39) Public improvements—Construction						
24	(44) Shop machinery*						
25	(45) Power-plant machinery*						
26	All other road accounts						
27	Amortization (other than defense projects)						
28	Total road						
	EQUIPMENT						
29	(52) Locomotives	12,198	683		1,280		11,601
30	(53) Freight-train cars	16,226	2,353		779		17,800
31	(54) Passenger-train cars	78					78
32	(55) Highway revenue equipment						
33	(56) Floating equipment						
34	(57) Work equipment	215	23				238
35	(58) Miscellaneous equipment	95			22		73
36	Total equipment	28,812	3,059		2,081		29,790
37	GRAND TOTAL	28,812	3,059		2,081		29,790

335A. INVESTMENT IN RAILROAD PROPERTY USED IN TRANSPORTATION SERVICE (By Company)

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, tracks, or bridges (including equipment or other railway property covered by the contract). Equipment leased to others under separate distinct contracts shall not be deducted from the respondent's 731 or 732 property. (b) the investment of other companies' 731 or 732 property (including operating and leased railroads) used by the respondent when the lease is for exclusive use or control of roads, tracks, or bridges (including equipment or 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 columns (a) to (e), inclusive, first show the data requested for the respondent (R); next the data for companies whose entire properties are used in transportation service of the respondent, divided between lessor (L) and proprietary (P) companies; followed by data for carriers and others (O), portions of whose property are used in transportation service of the respondent. Show a total for each class of company. 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, and switching and terminal companies should report the miles of all tracks owned.

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 shown in column (c), line 33, 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 and 732 of the owner should be reported in column (d) in reference to the investment of the respondent in the securities of the owner unless a good reason can be given for the contrary. Methods of estimating (by capitalizing rentals at 6 percent or otherwise) value of property of private owners, or portions of property of other carriers, should be explained.

6. In column (e), show the amount of depreciation and amortization accrued as of the close of the year in accounts 737, 736, and 785, that is applicable to the property of the carriers whose names are listed in column (b), regardless of where the reserves therefor are recorded.

7. Report dollars in thousands.

Line No.	Class (See Ins. 2)	Name of company	Miles of road owned (See Ins. 4)	Investments in property (See Ins. 5)	Depreciation and amortization of defense projects (See Ins. 6)
	(a)	(b)	(c)	(d)	(e)
1	R	Clinchfield Railroad Company	None	\$ 82,798	\$ 30,521
2					
3	L	Carolina, Clinchfield and Ohio Railway	272	77,607	7,383
4					
5	L	Carolina, Clinchfield and Ohio Railway			
6		of South Carolina	18	3,928	290
7					
8	O	East Tennessee and Western North Carolina		19	
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					
21					
22					
23					
24					
25					
26					
27					
28					
29					
30					
31					
32					
33					
34					
35					
36					
37					
38					
39		TOTAL	290	164,352	38,194

335B. INVESTMENT IN RAILWAY PROPERTY USED IN TRANSPORTATION SERVICE
(By Property Accounts)

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

2. The amounts for respondent and for each group or class of companies and properties on line 50 herein, should correspond with the amounts for each class of company and properties shown in schedule 335. Continuing records shall be maintained by respondent of the primary property accounts separately for each company or property included in the schedule.

3. Report on line 32 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 methods of estimating value of property of non-carriers or property of other carriers.

4. Report on line 33 amounts not includible in the accounts shown, or in line 32. The items reported should be briefly identified and explained. Also include here those items after permission is obtained from the Commission for exceptions to prescribe 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.

5. Report dollars in thousands.

Line No.	Account (a)	Respondent (b)	Lessor railroads (c)	Inactive (proprietary companies) (d)	Other leased properties (e)
1	(1) Engineering	\$ 16	\$ 1,385	\$	\$
2	(2) Land for transportation purposes		1,419		3
3	(3) Grading	114	17,896		3
4	(4) Other right-of-way expenditures		90		
5	(5) Tunnels and subway		5,704		
6	(6) Bridges, trestles, and culverts	14	6,462		
7	(7) Elevated structures				
8	(8) Ties	30	1,805		2
9	(9) Rails	29	4,863		5
10	(10) Other track material	50	5,095		3
11	(11) Ballast	3	845		2
12	(12) Track laying and surfacing	48	2,157		1
13	(13) Fences, snowsheds, and signs		127		
14	(16) Station and office buildings	14	1,018		
15	(17) Roadway buildings		178		
16	(18) Water stations		11		
17	(19) Fuel stations		129		
18	(20) Shops and enginehouses		3,550		
19	(22) Storage warehouses				
20	(23) Wharves and docks				
21	(24) Coal and ore wharves				
22	(25) TOFC/COFC terminals		326		
23	(26) Communication systems		472		
24	(27) Signals and interlockers	861	1,988		
25	(29) Power plants		24		
26	(31) Power-transmission systems		87		
27	(35) Miscellaneous structures		22		
28	(37) Roadway machines		1,378		
29	(39) Public improvements—Construction		635		
30	(44) Shop machinery		1,427		
31	(45) Power-plant machinery		38		
32	Leased property capitalized rentals (explain)		24		
33	Other (specify & explain) *				
34	Total expenditures for road	1,179	59,155		19
35	(52) Locomotives	20,834			
36	(53) Freight-train cars	59,727	53		
37	(54) Passenger-train cars	77			
38	(55) Highway revenue equipment				
39	(56) Floating equipment	874	146		
40	(57) Work equipment	85			
41	(58) Miscellaneous equipment	81,597	199		
42	Total expenditures for equipment		3,118		
43	(76) Interest during construction		420		
44	(77) Other expenditures—General		3,538		
45	Total general expenditures		62,892		19
46	Total	82,776	81,535		
47	(80) Other elements of investment		17,956		
48	(90) Construction work in progress	22	687		
49	Grand Total	82,798	81,535		19

*See note on Page 33.

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350. DEPRECIATION BASE AND RATES—ROAD AND EQUIPMENT OWNED AND USED AND LEASED FROM OTHERS

1. Show in columns (b) and (c), for each primary account, the depreciation base used in computing the depreciation charges for the month of January and in columns (c) and (f) show the depreciation base used in computing the depreciation charges 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 28 and 36 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 therefor 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 the rents therefrom are included in the rent for equipment accounts Nos. 32-21-00, 32-22-00, 32-23-00, 32-25-00, 36-21-00, 36-22-00, 36-23-00, and 36-25-00, inclusive. 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 the authorized rates. If any changes in rates were effective during the year, give full particulars in a footnote.

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

3. Show in columns (e), (f), and (g), data applicable to property, used but not owned, when the rent therefor is included in account Nos. 31-11-00, 31-12-00, 31-13-00, 31-21-00, 31-22-00, and 31-23-00, inclusive.

4. If the depreciation base for accounts 1, 3, 4, 5, and 39 includes nondepreciable property, a statement to that effect should be made in a footnote.

5. 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.

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

Line No.	(Dollars in thousands) Account (a)	OWNED AND USED			LEASED FROM OTHERS		
		Depreciation Base		Annual composite rate (percent) (d)	Depreciation base		Annual composite rate (percent) (g)
		At beginning of year (b)	At close of year (c)		At beginning of year (e)	At close of year (f)	
	ROAD	\$	\$	%	\$	\$	%
1	(1) Engineering				1,385	1,385	.92
2	(3) Grading				17,243	17,248	.02
3	(4) Other right-of-way expenditures				90	90	2.00
4	(5) Tunnels and subways				5,704	5,704	.45
5	(6) Bridges, trestles, and culverts				6,462	6,462	1.23
6	(7) Elevated structures						
7	(13) Fences, snowsheds, and signs				127	127	2.00
8	(16) Station and office buildings				935	1,018	1.72
9	(17) Roadway buildings				178	178	2.13
10	(18) Water stations				11	11	2.56
11	(19) Fuel stations				129	129	3.33
12	(20) Shops and enginehouses				1,309	3,288	2.02
13	(22) Storage warehouses						
14	(23) Wharves and docks						
15	(24) Coal and ore wharves				326	326	2.41
16	(25) TOFC/COFC terminals				472	472	1.79
17	(26) Communications systems				1,941	1,974	2.54
18	(27) Signals and interlockers				24	24	1.96
19	(29) Power plants				87	87	2.18
20	(31) Power transmission systems				22	22	3.03
21	(35) Miscellaneous structures				1,349	1,387	5.29
22	(37) Roadway machines				662	620	1.40
23	(39) Public improvements—Construction				1,427	1,427	2.18
24	(44) Shop machinery				38	38	2.86
25	(45) Power plant machinery						
26	All other road accounts						
27	Amortization (other than defense projects)				39,921	42,017	.96
28	Total road						
	EQUIPMENT						
29	(52) Locomotives	20,107	20,834	3.48			
30	(53) Freight-train cars (A)	54,570	59,960	3.98	58	53	
31	(54) Passenger-train cars	77	77	16.20			
32	(55) Highway revenue equipment						
33	(56) Floating equipment						
34	(57) Work equipment (A)	496	862	1.21	267	146	
35	(58) Miscellaneous equipment (B)	106	85	5.26			
36	Total equipment	75,356	81,818	3.84	325	199	
37	GRAND TOTAL	75,356	81,818	3.84	40,246	42,216	.96

Notes for this Schedule shown on Page 33.

351. DEPRECIATION BASE AND RATES-IMPROVEMENTS TO ROAD AND EQUIPMENT LEASED FROM OTHERS

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 29 and 37 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. 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 the authorized

rates. If any charges 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 the depreciation base for accounts 1, 3, 4, 5, and 39 includes nondepreciable property, a statement to that effect should be made in a footnote.

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

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

Line No.	(Dollars in thousands) Account (a)	Depreciation base		Annual composite rate (percent) (d)
		At beginning of year (b)	At close of year (c)	
	ROAD	\$	\$	%
1	(1) Engineering	16	16	.92
2	(3) Grading	111	114	.02
3	(4) Other right-of-way expenditures			
4	(5) Tunnels and subways			
5	(6) Bridges, trestles and culverts	14	14	1.23
6	(7) Elevated structures			
7	(13) Fences, snowsheds, and signs			
8	(16) Station and office buildings	14	14	1.72
9	(17) Roadway buildings			
10	(18) Water stations			
11	(19) Fuel stations			
12	(20) Shops and enginehouses			
13	(22) Storage warehouses			
14	(23) Wharves and docks			
15	(24) Coal and ore wharves			
16	(25) TOFC/COFC terminals			
17	(26) Communications systems			
18	(27) Signals and interlockers	861	861	2.54
19	(29) Power plants			
20	(31) Power transmission systems			
21	(35) Miscellaneous structures			
22	(37) Roadway machines			
23	(39) Public improvements-construction			
24	(44) Shop machinery			
25	(45) Power plant machinery			
26	All other road accounts			
27	Amortization (other than defense projects)			
28	Total road	1,016	1,019	2.21
	EQUIPMENT			
29	(52) Locomotives			
30	(53) Freight-train cars			
31	(54) Passenger-train cars			
32	(55) Highway revenue equipment			
33	(56) Floating equipment			
34	(57) Work equipment			
35	(58) Miscellaneous equipment			
36	Total equipment	None	None	None
37	GRAND TOTAL	1,016	1,019	2.21

352. ACCUMULATED DEPRECIATION-IMPROVEMENTS TO ROAD AND EQUIPMENT LEASED FROM OTHERS

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. 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.

4. Show in column (e) the debits to the reserve arising from retirements.

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

6. Thousand dollar Reporting Rule.

Line No.	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)
			Charges to others (c)	Other credits (d)	Retirements (e)	Other debits (f)	
	ROAD	\$	\$	\$	\$	\$	\$
1	(1) Engineering						
2	(3) Grading	38					38
3	(4) Other right-of-way expen.						
4	(5) Tunnels and subways						
5	(6) Bridges, trestles, and culverts	9					9
6	(7) Elevated structures						
7	(13) Fences, snow sheds, and signs						
8	(16) Station and office buildings	8	1				9
9	(17) Roadway buildings						
10	(18) Water stations						
11	(19) Fuel stations						
12	(20) Shops and enginehouses						
13	(22) Storage warehouses						
14	(23) Wharves and docks						
15	(24) Coal and ore wharves						
16	(25) TOFC/COFC terminals						
17	(26) Communication systems						
18	(27) Signals and interlockers	544	22				566
19	(29) Power plants						
20	(31) Power-transmission systems						
21	(35) Miscellaneous structures						
22	(37) Roadway machines						
23	(39) Public improvements-Construction						
24	(44) Shop machinery						
25	(45) Power-plant machinery						
26	All other road accounts						
27	Total road	599	23				622
	EQUIPMENT						
28	(52) Locomotives						
29	(53) Freight-train cars						
30	(54) Passenger-train cars						
31	(55) Highway revenue equipment						
32	(56) Floating equipment						
33	(57) Work equipment						
34	(58) Miscellaneous equipment						
35	Total equipment	None	None				None
36	GRAND TOTAL	599	23				622

355. ACCRUED LIABILITY - LEASED PROPERTY

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.

6. Dollars in thousands.

Line No.	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)
			Charges to operating expenses (c)	Other credits (d)	Retirements (e)	Other debits (f)	
	ROAD	\$	\$	\$	\$	\$	\$
1	(1) Engineering	265	13				278
2	(3) Grading	111	4				115
3	(4) Other right-of-way expen.	10	2				12
4	(5) Tunnels and subways	764	26				790
5	(6) Bridges, trestles, and culverts	2,200	80				2,280
6	(7) Elevated structures						
7	(13) Fences, snow sheds, and signs	95	3				98
8	(16) Station and office buildings	383	16		6		393
9	(17) Roadway buildings	30	4				34
10	(18) Water stations	3					3
11	(19) Fuel stations	86	4				90
12	(20) Shops and enginehouses	420	36				456
13	(22) Storage warehouses						
14	(23) Wharves and docks						
15	(24) Coal and ore wharves						
16	(25) TOFC/COFC terminals	53	8				61
17	(26) Communication systems	205	8				213
18	(27) Signals and interlockers	1,080	49				1,129
19	(29) Power plants	(20)					(20)
20	(31) Power-transmission systems	75	2				77
21	(35) Miscellaneous structures	17	1				18
22	(37) Roadway machines	593	73		8		658
23	(39) Public improvements—Construction	110	8				118
24	(44) Shop machinery	690	31				721
25	(45) Power-plant machinery	(45)	1				(44)
26	All other road accounts						
27	Amortization (other than defense projects)						
28	Total road	7,125	369		14		7,480
	EQUIPMENT						
29	(52) Locomotives						
30	(53) Freight-train cars	54	(4)		9		41
31	(54) Passenger-train cars						
32	(55) Highway revenue equipment						
33	(56) Floating equipment						
34	(57) Work equipment	214	4		66		152
35	(58) Miscellaneous equipment						
36	Total equipment	268			75		193
37	GRAND TOTAL	7,393	369		89		7,673

360. LEASES—GENERAL INSTRUCTIONS AND DEFINITIONS**A. General Instructions**

Disclose in the following schedules the required information concerning leases of the respondent:

- Schedule 361 — Capitalized Capital Leases
- 362 — Noncapitalized Capital Leases
- 363 — Operating Leases
- 364 — Lessee Disclosures

Under Docket No. 36604, "Accounting for Leases," the Commission established guidelines for capitalizing all leases entered into after 1/1/77, which meet the criteria of a capital lease. (See 49 CFR 1201, Instruction 2-26). These leases shall be properly disclosed in Schedule 361, "Capitalized Capital Leases." However, for all leases in effect on 12/31/76, respondents may either capitalize these leases immediately or phase in the capitalization requirements through 12/31/80. Thereafter, all capital leases must be capitalized. Noncapitalized capital leases, if any, for this reporting year shall properly be disclosed in Schedule 362, "Noncapitalized Capital Leases."

A general description of the lessee's leasing arrangements shall be included to effect full and complete disclosures. Among the items to be disclosed are:

- The basis on which contingent rental payments are determined.
- The existence and terms of renewal or purchase options and escalation clauses.
- Restrictions imposed by lease agreements, such as those concerning dividends, additional debt, and further leasing.

These and other disclosures shall be included in Schedule 364 and attachments thereto, if necessary.

B. Definitions

(1) **Capital Leases** are those leases which meet one or more of the following four criteria:

- The lease transfers ownership of the property to the lessee by the end of the lease term.
- The lease contains a bargain purchase option.
- The lease term is equal to 75 percent or more of the estimated economic life of the property, and
- The present value at the beginning of the lease term of the minimum lease payments equals or exceeds 90 percent of the fair value of the leased property to the lessor at the inception of the lease less any related investment tax credit retained by the lessor.

(2) **Operating leases** are those leases which do not meet any of the four criteria pertaining to capital leases.

(3) **Minimum lease payments** are the payments that the lessee is obligated to make or can be required to make in connection with the leased property. Executory costs such as insurance, maintenance and taxes in connection with the leased property shall be excluded from minimum lease payments.

(4) **Present value minimum lease payments** are lease payments that the lessee is obligated to make or can be required to make, exclusive of executory cost. Moreover, these payments are reduced by amounts representing interest, calculated at the companies' incremental borrowing rate or the implicit rate computed by the lessor.

(5) **Noncancelable lease/sublease** is one that has an initial or remaining term of one year or more and is noncancelable, or is cancelable only upon the occurrence of some remote contingency or upon the payment of a substantial penalty.

(6) **Contingent rentals**, for the purposes of this report, are rentals paid during the reporting year which depend on some factor other than the passage of time such as rentals based on usage or sales.

362. NONCAPITALIZED CAPITAL LEASES—Continued

PART III. INCOME IMPACT

1. If the impact on net income is less than three percent of the average net income for the most recent three years, a statement to this effect will suffice to complete this schedule. Otherwise, show the impact on net income for each period for which an income statement is presented if all noncapitalized financing leases were capitalized, related assets were amortized on a straight-line

basis and interest cost was accrued on the basis of the outstanding lease liability. The amounts of amortization and interest cost shall be separately identified.

2. In calculating average net income, loss-years should be excluded. If losses were incurred in each of the most recent three years, the average loss shall be used for purposes of this test.

Line No.	Item (a)	Current year (b)	Prior year (c)
14	Amortization of lease rights		
15	Interest		
16	Rent expense		
17	Income tax expense		
18	Impact (reduction) on net income		

PART IV. CLASSES OF CAPITAL LEASES

1. Complete this part only if the present values of the minimum lease commitments are more than five percent of the sum of the long-term debt due after one year. Otherwise, show the present

value of minimum lease commitments in the aggregate for the major classes of properties presented.

Line No.	Classes of leased property (a)	Present value	
		Current year (b)	Prior year (c)
19	Structures		
20	Revenue equipment		
21	Shop and garage equipment		
22	Service cars and equipment		
23	Noncarrier operating property		
24	Other: (Specify)		
25			
26			

363. OPERATING LEASES

PART I. FUTURE MINIMUM RENTAL PAYMENTS

1. Disclose the total minimum lease payments required, reduced by sublease rentals, for the years shown relating to operating leases.

Line No.	Items (a)	Current year (b)	Year 2 (c)	Year 3 (d)	Year 4 (e)	Year 5 (f)	Later years (g)	Total (h)
1	Minimum lease payments required	\$ 5,058	\$ 4,893	\$ 4,861	\$ 4,792	\$ 4,654	\$ 1,532,728	\$ 1,556,986
2	Minimum noncancelable sublease rentals							
3	Net minimum lease payments	5,058	4,893	4,861	4,792	4,654	1,532,728	1,556,986

PART II. TOTAL RENTAL

1. Show the composition of total rental expense for all operating leases for the current and preceding years. See Schedule 360 for definitions of the terms.

Line No.	Expenses (a)	Current year (b)	Prior year (c)
4	Minimum lease payments required	\$ 5,357	\$ 5,220
5	Contingent rentals		
6	Less: Sublease rentals		
7	Total rental expense	5,357	5,220

364. LESSEE DISCLOSURE

Complete this schedule only if gross rental expense in the most recent fiscal year exceeds one percent of operating revenue.

Relate in general terms: (a) the basis for calculating rental payments if dependent upon factors other than the lapse of time; (b) existence and terms of renewal or purchase options, escalation clauses, etc.; (c) the nature and amount of related guarantees made or obligations assumed; (d) restrictions on paying dividends, incurring additional debt, further leasing, etc.; and, (e) any other information necessary to assess the effect of lease commitments upon the financial position, results of operations, and changes in financial position of the lessee.

Line No.	
(a)	None
1	
2	
3	
4	
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7	
8	
(b)	This Company leases a number of cars from Fruit Growers Express Company. The initial lease period is five (5) years and is automatically extended for successive one (1) year periods unless terminated by either party.
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10	
11	
12	
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16	
(c)	None
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19	
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21	
22	
23	
24	
(d)	None
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26	
27	
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(e)	None
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370. ITEMS IN SELECTED CURRENT LIABILITY ACCOUNTS

1. For accounts Nos. 751, "Loans and notes payable", 759, "Accrued accounts payable", and 763, "Other current liabilities", if the total of any such account exceeds 5% of total current liabilities, report the three largest items, and any other items which exceeds 5% of current liabilities.

2. Show character of loans and notes, with name of creditor

(or class of creditors), dates of issue and maturity, and appropriate description for each class of accrued accounts payable and for the other current liabilities.

3. Make full disclosure of the character of each item reported.
(Dollars in thousands)

Line No.	Account No. (a)	Item (b)	Amount (c)
1	759	Estimated Per Diem and Mileage Due Other Lines	\$ 1,554
2		Estimated Liability for Car Repairs	1,218
3		Estimated Liability for Leased Equipment Rents	1,137
4			
5			
6	763	Prepaid Charges on Freight in Transit	1,544
7		Amount Due on Destroyed Leased Equipment	60
8		Amount Due for Spur Tracks, Leased Rail, etc.	25
9			
10			
11			
12			
13			
14			
15			
16			
17			
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379. OTHER LONG-TERM LIABILITIES AND OTHER DEFERRED CREDITS

If the caption "Other long-term liabilities and deferred credits" (accounts 771, 772, 774, 775, 782, and 784) exceeds 5% of total (current and noncurrent) liabilities, report the three largest items,

and each other item amounting to 5% or more of total liabilities. Disclose fully the nature of each item reported. (Dollars in thousands)

Line No.	Account No. (a)	Item (b)	Amount (c)
1	772	Carolina, Clinchfield and Ohio Railway and Carolina, Clinchfield	\$
2		and Ohio Railway of South Carolina Leased Property	7,673
3			
4			
5	782	Net Assets of Lessors (Carolina, Clinchfield and Ohio Railway and	
6		Carolina, Clinchfield and Ohio Railway of South Carolina) Adjusted	1,449
7		Sidetrack Deposits Subject to Refund	1,332
8			
9			
10			
11			
12			
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410. RAILWAY OPERATING EXPENSES

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.	Name of railway operating expense account (a)	Freight					Passenger (g)	Total (h)
		Salaries and wages (b)	Material, tools, supplies, fuels, and lubricants (c)	Purchased services (d)	General (e)	Total freight expense (f)		
		\$	\$	\$	\$	\$	\$	\$
	WAY AND STRUCTURES							
	ADMINISTRATION:							
1	Track	334		58	28	420		420
2	Bridge and Buckling	30				30		30
3	Signal	61				61		61
4	Communication	61			10	71		71
5	Other		9		14	23		23
	REPAIR AND MAINTENANCE:							
6	Roadway - Running	189	6	1010	1110	2315		2315
7	Roadway - Switching	13		28		41		41
8	Tunnels and Subways - Running							
9	Tunnels and Subway - Switching							
10	Bridges and Culverts - Running	423	23	4	27	477		477
11	Bridges and Culverts - Switching	2		(1)		1		1
12	Ties - Running	N/A	636	N/A	N/A	636		636
13	Ties - Switching	N/A	58	N/A	N/A	58		58
14	Rail - Running	N/A	1197	N/A	N/A	1197		1197
15	Rail - Switching	N/A	10	N/A	N/A	10		10
16	Other Track Material - Running	N/A	479	N/A	N/A	479		479
17	Other Track Material - Switching	N/A	(17)	N/A	N/A	(17)		(17)
18	Ballast - Running	N/A	191	N/A	N/A	191		191
19	Ballast - Switching	N/A		N/A	N/A			
20	Track laying and surfacing - Running	1274		131	158	1563		1563
21	Track laying and surfacing - Switching	148		405	1	554		554
22	Road Property Damaged - Running	86	7	(1)		92		92
23	Road Property Damaged - Switching	18				18		18
24	Road Property Damaged - Other							
25	Signals and Interlockers - Running	166	75	9	28	278		278
26	Signals and Interlockers - Switching	1	6	(2)		5		5
27	Communications Systems	92	64	6	23	185		185
28	Electric Power Systems	4			1	5		5
29	Highway Grade Crossings - Running	3	8	10	1	22		22
30	Highway Grade Crossings - Switching		1		2	3		3
31	Station and Office Buildings	71	27	22	25	145		145
32	Shop Buildings - Locomotives							
33	Shop Buildings - Freight Cars						N/A	
34	Shop Buildings - Other Equipment	40	19			59		59

410. RAILWAY OPERATING EXPENSE - Continued

56

Line No.	Name of railway operating expense account	Freight					Passenger	Total
		Salaries and wages	Materials, tools, supplies, fuels, and lubricants	Purchased services	General	Total freight expense		
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
		\$	\$	\$	\$	\$	\$	\$
	WAY AND STRUCTURES - Continued:							
	REPAIRS AND MAINTENANCE - Continued:							
101	Locomotive Servicing Facilities		3	1	1	5		5
102	Miscellaneous Buildings and Structures	19	8		3	30		30
103	Coal Terminals						N/A	
104	Ore Terminals						N/A	
105	Other Marine Terminals						N/A	
106	TOFC/COFC - Terminals		1			1	N/A	1
107	Motor Vehicle Loading and Distribution Facilities						N/A	
108	Facilities for Other Specialized Service Operations						N/A	
109	Roadway Machines	180	208	85	89	562		562
110	Small Tools and Supplies	1	49	122	42	214		214
111	Snow Removal	9			1	10		10
112	Fringe Benefits - Running	N/A	N/A	N/A	617	617		617
113	Fringe Benefits - Switching	N/A	N/A	N/A	14	14		14
114	Fringe Benefits - Other	N/A	N/A	N/A	206	206		206
115	Casualties and Insurance - Running	N/A	N/A	N/A	62	62		62
116	Casualties and Insurance - Switching	N/A	N/A	N/A	(12)	(12)		(12)
117	Casualties and Insurance - Other	N/A	N/A	N/A	104	104		104
118	Lease Rentals - Debit - Running	N/A	N/A		N/A			
119	Lease Rentals - Debit - Switching	N/A	N/A		N/A			
120	Lease Rentals - Debit - Other	N/A	N/A	2059	N/A	2059		2059
121	Lease Rentals - (Credit) - Running	N/A	N/A		N/A			
122	Lease Rentals - (Credit) - Switching	N/A	N/A		N/A			
123	Lease Rentals - (Credit) - Other	N/A	N/A		N/A			
124	Joint Facility Rent - Debit - Running	N/A	N/A	13	N/A	13		13
125	Joint Facility Rent - Debit - Switching	N/A	N/A	260	N/A	260		260
126	Joint Facility Rent - Debit - Other	N/A	N/A		N/A			
127	Joint Facility Rent - (Credit) - Running	N/A	N/A		N/A			
128	Joint Facility Rent - (Credit) - Switching	N/A	N/A	(13)	N/A	(13)		(13)
129	Joint Facility Rent - (Credit) - Other	N/A	N/A		N/A			
130	Other Rents - Debit - Running	N/A	N/A		N/A			
131	Other Rents - Debit - Switching	N/A	N/A		N/A			
132	Other Rents - Debit - Other	N/A	N/A		N/A			
133	Other Rents - (Credit) - Running	N/A	N/A		N/A			
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	360	360		360
137	Depreciation - Switching	N/A	N/A	N/A				
138	Depreciation - Other	N/A	N/A	N/A				
139	Joint Facility - Debit - Running	N/A	N/A	435	N/A	435		435
140	Joint Facility - Debit - Switching	N/A	N/A	2	N/A	2		2
141	Joint Facility - Debit - Other	N/A	N/A		N/A			
142	Joint Facility - (Credit) - Running	N/A	N/A		N/A			
143	Joint Facility - (Credit) - Switching	N/A	N/A	(74)	N/A	(74)		(74)
144	Joint Facility - (Credit) - Other	N/A	N/A		N/A			
145	Dismantling Retired Road Property - Running							
146	Dismantling Retired Road Property - Switching	3				3		3
147	Dismantling Retired Road Property - Other							
148	Other - Running	2	1	78	(115)	(34)		(34)
149	Other - Switching			(32)	(46)	(78)		(78)
150	Other - Other			18	2	20		20
151	Total Way and Structures	3230	3069	4633	2756	13688		13688

Road Infrastructure CRR

Year 1978

Total

410. RAILWAY OPERATING EXPENSE - Continued

Line No.	Name of railway operating expense account	Freight					Passenger	Total
		Salaries and wages	Material, tools, supplies, fuels, and lubricants	Purchased services	General	Total freight expense		
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
	EQUIPMENT	\$	\$	\$	\$	\$	\$	\$
	LOCOMOTIVES:							
201	Administration	48		1	2	51		51
202	Repair and Maintenance	586	1,394	88	306	2,374		2,374
203	Machinery Repair	51	10	4	4	69		69
204	Equipment Damaged			(16)		(16)		(16)
205	Fringe Benefits	N/A	N/A	N/A	170	170		170
206	Other Casualties and Insurance	N/A	N/A	N/A	291	291		291
207	Lease Rentals - Debit	N/A	N/A	250	N/A	250		250
208	Lease Rentals - (Credit)	N/A	N/A		N/A			
209	Joint Facility Rent - Debit	N/A	N/A		N/A			
210	Joint Facility Rent - (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	N/A	709	709		709
214	Joint Facility - Debit	N/A	N/A	4	N/A	4		4
215	Joint Facility - (Credit)	N/A	N/A	(4)	N/A	(4)		(4)
216	Repairs Billed to Others - (Credit)	N/A	N/A	(48)	N/A	(48)		(48)
217	Dismantling Retired Property							
218	X Other	8	4	6	3	21		21
219	X Total Locomotives	693	1,408	285	1,485	3,871		3,871
	FREIGHT CARS:							
220	Administration	113		5		118	N/A	118
221	Repair and Maintenance	1,066	1,050	1,682	532	4,330	N/A	4,330
222	Machinery Repair	5	2	3	2	12	N/A	12
223	Equipment Damaged			598	1,075	1,673	N/A	1,673
224	Fringe Benefits	N/A	N/A	N/A	289	289	N/A	289
225	Other Casualties and Insurance	N/A	N/A	N/A	153	153	N/A	153
226	Lease Rentals - Debit	N/A	N/A	3,039	N/A	3,039	N/A	3,039
227	Lease Rentals - (Credit)	N/A	N/A	(1,209)	N/A	(1,209)	N/A	(1,209)
228	Joint Facility Rent - Debit	N/A	N/A		N/A		N/A	
229	Joint Facility Rent - (Credit)	N/A	N/A	(2)	N/A	(2)	N/A	(2)
230	Other Rents - Debit	N/A	N/A	7,727	N/A	7,727	N/A	7,727
231	Other Rents - (Credit)	N/A	N/A	(7,292)	N/A	(7,292)	N/A	(7,292)
232	Depreciation	N/A	N/A	N/A	2,359	2,359	N/A	2,359
233	Joint Facility - Debit	N/A	N/A		N/A		N/A	
234	Joint Facility - (Credit)	N/A	N/A	(11)	N/A	(11)	N/A	(11)
235	Repairs Billed to Others - (Credit)	N/A	N/A	(1,580)	N/A	(1,580)	N/A	(1,580)
236	Dismantling Retired Property							
237	Other		11		5	16	N/A	16
238	Total Freight Cars	1,184	1,063	2,960	4,415	9,622	N/A	9,622

Purchased for sale for calculation

410. RAILWAY OPERATING EXPENSE - Continued

Line No.	Name of railway operating expense account	Freight					Passenger	Total
		Salaries and wages	Material, tools, supplies, fuels, and lubricants	Purchased services	General	Total freight expense		
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
		\$	\$	\$	\$	\$	\$	\$
	EQUIPMENT-LOCOMOTIVES:							
201	Administration	48		1	2	51		51
202	Repair and Maintenance	586	1394	125	306	2411		2411
203	Machinery Repair	51	10	4	4	69		69
204	Equipment Damaged			(16)		(16)		(16)
205	Fringe Benefits	N/A	N/A	N/A	160	160		160
206	Other Casualties and Insurance	N/A	N/A	N/A	323	323		323
207	Lease Rentals - Debit	N/A	N/A	250	N/A	250		250
208	Lease Rentals - (Credit)	N/A	N/A		N/A			
209	Joint Facility Rent - Debit	N/A	N/A		N/A			
210	Joint Facility Rent - (Credit)	N/A	N/A		N/A			
211	Other Rents - Debit	N/A	N/A	(12)	N/A	(12)		(12)
212	Other Rents - (Credit)	N/A	N/A	(2)	N/A	(2)		(2)
213	Depreciation	N/A	N/A	N/A	683	683		683
214	Joint Facility - Debit	N/A	N/A	4	N/A	4		4
215	Joint Facility - (Credit)	N/A	N/A	(4)	N/A	(4)		(4)
216	Repairs Billed to Others - (Credit)	N/A	N/A	(48)	N/A	(48)		(48)
217	Dismantling Retired Property							
218	Other	8	9	(2)	3	18		18
219	Total Locomotives	693	1413	300	1481	3887		3887
	FREIGHT CARS:							
220	Administration	113		5		118	N/A	118
221	Repair and Maintenance	1066	1050	1401	532	4049	N/A	4049
222	Machinery Repair	5	2	3	2	12	N/A	12
223	Equipment Damaged			764	1075	1839	N/A	1839
224	Fringe Benefits	N/A	N/A	N/A	271	271	N/A	271
225	Other Casualties and Insurance	N/A	N/A	N/A	169	169	N/A	169
226	Lease Rentals - Debit	N/A	N/A	3439	N/A	3439	N/A	3439
227	Lease Rentals - (Credit)	N/A	N/A	(1204)	N/A	(1204)	N/A	(1204)
228	Joint Facility Rent - Debit	N/A	N/A		N/A		N/A	
229	Joint Facility Rent - (Credit)	N/A	N/A	(2)	N/A	(2)	N/A	(2)
230	Other Rents - Debit	N/A	N/A	7291	N/A	7291	N/A	7291
231	Other Rents - (Credit)	N/A	N/A	(7261)	N/A	(7261)	N/A	(7261)
232	Depreciation	N/A	N/A	N/A	2332	2332	N/A	2332
233	Joint Facility - Debit	N/A	N/A		N/A		N/A	
234	Joint Facility - (Credit)	N/A	N/A	(11)	N/A	(11)	N/A	(11)
235	Repairs Billed to Others - (Credit)	N/A	N/A	(1580)	N/A	(1580)	N/A	(1580)
236	Dismantling Retired Property						N/A	
237	Other		29		19	48	N/A	48
238	Total Freight Cars	1184	1081	2845	4400	9510	N/A	9510

410. RAILWAY OPERATING EXPENSE - Continued

58

Line No.	Name of railway operating expense account	Freight					Passenger	Total
		Salaries and wages	Material, tools, supplies, fuels, and lubricants	Purchased services	General	Total freight expense		
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
	EQUIPMENT - Continued:	\$	\$	\$	\$	\$	\$	\$
	OTHER EQUIPMENT:							
301	Administration			1	15	16		16
	Repair and Maintenance:							
302	Trucks, Trailers, and Containers - Revenue Service	13		48	(10)	51	N/A	51
303	Floating Equipment - Revenue Service						N/A	
304	Passenger and Other Revenue Equipment							
305	Computers and Data Processing Systems							
306	Machinery	4	2			6		6
307	Work and Other Non-Revenue Equipment	20	31	29	21	101		101
308	Equipment Damaged				8	8		8
309	Fringe Benefits	N/A	N/A	N/A	3	3		3
310	Other Casualties and Insurance	N/A	N/A	N/A				
311	Lease Rentals - Debit	N/A	N/A	299	N/A	299		299
312	Lease Rentals - (Credit)	N/A	N/A	(100)	N/A	(100)		(100)
313	Joint Facility Rent - Debit	N/A	N/A		N/A			
314	Joint Facility Rent - (Credit)	N/A	N/A	(7)	N/A	(7)		(7)
315	Other Rents - Debit	N/A	N/A	40	N/A	40		40
316	Other Rents - (Credit)	N/A	N/A	(49)	N/A	(49)		(49)
317	Depreciation	N/A	N/A	N/A	76	76		76
318	Joint Facility - Debit	N/A	N/A	2	N/A	2		2
319	Joint Facility - (Credit)	N/A	N/A	(1)	N/A	(1)		(1)
320	Repairs Billed to Others - (Credit)	N/A	N/A		N/A			
321	Dismantling Retired Property							
322	Other	5	4	(1)	2	10		10
323	Total Other Equipment	42	37	261	115	455		455
324	Total Equipment	1919	2531	3406	5996	13852		13852

410. RAILWAY OPERATING EXPENSE - Continued

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Line No.	Name of railway operating expense account	Freight					Passenger	Total
		Salaries and wages	Material, tools, supplies, fuels, and lubricants	Purchased services	General	Total freight expense		
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
	EQUIPMENT - Continued:	\$	\$	\$	\$	\$	\$	\$
	OTHER EQUIPMENT:							
31	301 Administration			1	15	16		16
	Repair and Maintenance:							
32	302 Trucks, Trailers, and Containers - Revenue Service	13		48	(10)	51	N/A	51
33	303 Floating Equipment - Revenue Service						N/A	
40	304 Passenger and Other Revenue Equipment							
40	305 Computers and Data Processing Systems							
40	306 Machinery	4	2			6		6
40	307 Work and Other Non-Revenue Equipment	20	31	12 ✓	10 ✓	73 ✓		73 ✓
40	308 Equipment Damaged				8	8		8
40	309 Fringe Benefits	N/A	N/A	N/A	3	3		3
40	310 Other Casualties and Insurance	N/A	N/A	N/A				
41	311 Lease Rentals - Debit	N/A	N/A	✓	N/A	✓		✓
41	312 Lease Rentals - (Credit)	N/A	N/A	(10) ✓	N/A	(10) ✓		(10) ✓
41	313 Joint Facility Rent - Debit	N/A	N/A		N/A			
41	314 Joint Facility Rent - (Credit)	N/A	N/A	(7) ✓	N/A	(7) ✓		(7) ✓
41	315 Other Rents - Debit	N/A	N/A	179 ✓	N/A	179 ✓		179 ✓
41	316 Other Rents - (Credit)	N/A	N/A	✓	N/A	✓		✓
41	317 Depreciation	N/A	N/A	N/A	23 ✓	23 ✓		23 ✓
41	318 Joint Facility - Debit	N/A	N/A	2	N/A	2		2
41	319 Joint Facility - (Credit)	N/A	N/A	(1) ✓	N/A	(1) ✓		(1) ✓
42	320 Repairs Billed to Others - (Credit)	N/A	N/A		N/A			
42	321 Dismantling Retired Property							
42	322 Other	5	4	5 ✓	2	16 ✓		16 ✓
42	Total Other Equipment	42	37	229 ✓	51 ✓	359 ✓		359 ✓
42	Total Equipment	1,919	2,508 ✓	3,474 ✓	5,951 ✓	13,852		13,852

Revised too late for tabulation

Road Income: CRR Year 1978

410. RAILWAY OPERATING EXPENSE - Continued

Line No.	Name of railway operating expense account (a)	Freight					Passenger (g)	Total (h)
		Salaries and wages (b)	Material, tools, supplies, fuels, and lubricants (c)	Purchased services (d)	General (e)	Total freight expense (f)		
	TRANSPORTATION:	\$	\$	\$	\$	\$	\$	\$
	TRAIN OPERATIONS:							
401	Administration	439	19	32	32	522		522
402	Engine Crews	1611	13	3	6	1633		1633
403	Train Crews	2918	74	54	29	3075		3075
404	Dispatching Trains	243		1	3	247		247
405	Operating Signals and Interlockers	77	6	12	6	101		101
406	Operating Drawbridges				1	1		1
407	Highway Crossing Protection			1		1		1
408	Train Inspection and Lubrication	590	304	43	6	943		943
409	Locomotive Fuel		4778			4778		4778
410	Electric Power Purchased or Produced for Motive Power							
411	Servicing Locomotives	1067	236	8	12	1323		1323
412	Freight Lost or Damaged - Solely Related	N/A	N/A	N/A	309	309		309
413	Clearing Wrecks	291	12	164	16	483		483
414	Fringe Benefits	N/A	N/A	N/A	1432	1432		1432
415	Other Casualties and Insurance	N/A	N/A	N/A	184	184		184
416	Joint Facility - Debit	N/A	N/A	98	N/A	98		98
417	Joint Facility - (Credit)	N/A	N/A	(111)	N/A	(111)		(111)
418	Other	58	8	101	39	206		206
419	Total Train Operations	7294	5450	506	2075	15325		15325
	YARD OPERATIONS:							
420	Administration	490		1	1	492		492
421	Switch Crews	2268		2	6	2276		2276
422	Controlling Operations	36	3	63	21	123		123
423	Yard and Terminal Clerical	41		1		42		42
424	Operating Switches, Signals, Retarders and Humps	38				38		38
425	Locomotive Fuel		210			210		210
426	Electric Power Purchased or Produced for Motive Power							
427	Servicing Locomotives	76		2	3	81		81
428	Freight Lost or Damaged - Solely Related	N/A	N/A	N/A				
429	Clearing Wrecks	14				14		14
430	Fringe Benefits	N/A	N/A	N/A	670	670		670
431	Other Casualties and Insurance	N/A	N/A	N/A	20	20		20
432	Joint Facility - Debit	N/A	N/A	54	N/A	54		54
433	Joint Facility - (Credit)	N/A	N/A	(188)	N/A	(188)		(188)
434	Other	18	2	8	1	29		29
435	Total Yard Operations	2981	215	(57)	722	3861		3861

410. RAILWAY OPERATING EXPENSE - Continued

60

Line No.	Name of railway operating expense account	Freight					Passenger	Total
		Salaries and wages	Material, tools, supplies, fuels, and lubricants	Purchased services	General	Total freight expense		
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
	TRANSPORTATION - Continued:	\$	\$	\$	\$	\$	\$	\$
	TRAIN AND YARD OPERATIONS COMMON:							
501	Cleaning Car Interiors				N/A			
502	Adjusting and Transferring Loads	21	1	2	N/A	24	N/A	24
503	Car Loading Devices and Grain Doors		1	8	N/A	9	N/A	9
504	Freight Lost or Damaged - all other	N/A	N/A	N/A	9	9		9
505	Fringe Benefits	N/A	N/A	N/A				
506	Total Train and Yard Operations Common	21	2	10	9	42		42
	SPECIALIZED SERVICE OPERATIONS:							
507	Administration						N/A	
508	Pickup & Delivery and Marine Line Haul			71	42	113	N/A	113
509	Loading & Unloading and Local Marine				16	16	N/A	16
510	Protective Services		1	36		37	N/A	37
511	Freight Lost or Damaged - Solely Related	N/A	N/A	N/A	98	98	N/A	98
512	Fringe Benefits	N/A	N/A	N/A			N/A	
513	Casualties and Insurance	N/A	N/A	N/A	1	1	N/A	1
514	Joint Facility - Debit	N/A	N/A		N/A		N/A	
515	Joint Facility - (Credit)	N/A	N/A		N/A		N/A	
516	Other		4			4	N/A	4
517	Total Specialized Services Operations		5	107	157	269	N/A	269
	ADMINISTRATIVE SUPPORT OPERATIONS:							
518	Administration			61	51	112		112
519	Employees Performing Clerical and Accounting Functions	137	4	31	5	177		177
520	Communication Systems Operation		27	14	8	49		49
521	Loss and Damage Claims Processing	18				18		18
522	Fringe Benefits	N/A	N/A	N/A	273	273		273
523	Casualties and Insurance	N/A	N/A	N/A	7	7		7
524	Joint Facility - Debit	N/A	N/A	3	N/A	3		3
525	Joint Facility - (Credit)	N/A	N/A		N/A			
526	Other		4	11	17	32		32
527	Total Administrative Support Operations	155	35	120	361	671		671
528	Total Transportation	10451	5707	686	3324	20168		20168

410. RAILWAY OPERATING EXPENSE - Concluded

Line No.	Name of railway operating expense account (a)	Freight					Passenger (g)	Total (h)
		Salaries and wages (b)	Material, tools, supplies, fuels, and lubricants (c)	Purchased services (d)	General (e)	Total freight expense (f)		
	GENERAL AND ADMINISTRATIVE:	\$	\$	\$	\$	\$	\$	\$
601	Officers - General Administration	176	5	110	23	314		314
602	Accounting, Auditing and Finance	492		211	6	709		709
603	Management Services and Data Processing							
604	Marketing	251	9			260		260
605	Sales	372	10			382		382
606	Industrial Development	17	3	182	7	209	N/A	209
607	Personnel and Labor Relations				3	3		3
608	Legal and Secretariat	58	4			62		62
609	Public Relations and Advertising	29	2	156	69	256		256
610	Research and Development			63	22	85		85
611	Fringe Benefits	N/A	N/A	N/A	138	138		138
612	Casualties and Insurance	N/A	N/A	N/A	28	28		28
613	Writedown of Uncollectible Accounts	N/A	N/A	N/A				
614	Property Taxes	N/A	N/A	N/A	1056	1056		1056
615	Other Taxes Except on Corporate Income or Payrolls	N/A	N/A	N/A	1072	1072		1072
616	Joint Facility - Debit	N/A	N/A		N/A			
617	Joint Facility - (Credit)	N/A	N/A		N/A			
618	Other	76	3	150	38	267		267
619	Total General and Administrative	1471	36	872	2462	4841		4841
620	Total Carrier Operating Expenses	17071	11343	9665	14538	52549		52549

412. WAY AND STRUCTURES

1. Report freight expenses only.
2. Furnish in column (b) the depreciation expenses and in column (c) the retirements pertaining to Way and Structures.
3. Report in column (d) the lease/rentals for the various property categories of Way and Structures. The total net lease/rentals represented on line 35 should balance with the total of the following accounts:

31-11-00	32-11-00
31-12-00	32-12-00
31-13-00	32-13-00
35-11-00	36-11-00
35-12-00	36-12-00
35-13-00	36-13-00

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 (or property bases for nondepreciable property) to the sum of (1) the depreciation bases for all categories of depreciable leased property plus (2) the property bases for nondepreciable leased property. Use Schedule 350 of this report for obtaining the depreciation bases of the categories of leased property.

4. Report on line 34 all other lease rentals not apportioned to any category listed on lines 1-33.
5. Report dollars in thousands.

Line No.	Property account	Category (a)	Depreciation (b)	Retirement (c)	Lease/Rentals (net) (d)
1	1	Engineering	\$ 13	\$	\$
2	2	Land for transportation purposes	N/A	N/A	
3	3	Grading	4		
4	4	Other right-of-way expenditures	2		
5	5	Tunnels and subways	26		
6	6	Bridges, trestles and culverts	80	N/A	
7	7	Elevated structures		N/A	
8	8	Ties	N/A		
9	9	Rails	N/A		
10	10	Other track material	N/A	5	
11	11	Ballast	N/A		
12	12	Track laying and surfacing	N/A		
13	13	Fences, snowsheds and signs	3	N/A	
14	16	Station and office buildings	17	N/A	
15	17	Roadway buildings	4	N/A	
16	18	Water stations	-	N/A	
17	19	Fuel stations	4	N/A	
18	20	Shops and enginehouses	36	N/A	
19	22	Storage warehouses	-	N/A	
20	23	Wharves and docks	-	N/A	
21	24	Coal and ore wharves	-	N/A	
22	25	TOFC/COFC terminals	8	N/A	
23	26	Communications systems	8	N/A	
24	27	Signals and interlockers	71	N/A	
25	29	Power plants		N/A	
26	31	Power transmission systems	2	N/A	
27	35	Miscellaneous structures	1	N/A	
28	37	Roadway machines	73	N/A	
29	39	Public improvements, construction	8		
30	45	Power plant machines		N/A	
31	76	Interest during construction	N/A	1	N/A
32	77	Other expenditures, general	N/A	8	N/A
33	80	Other elements of investment	N/A		N/A
34	*	Other lease/rentals	-		2,059
35	-	Total	360	14	2,059
*38		Roadway Small Tools		8	

413. RENT FOR LEASED ROADS AND EQUIPMENT

1. This schedule may be omitted if total rent is less than 10% of net income before extraordinary items. Otherwise, give particulars called for with respect to roads and equipment leased from others during the year, the rent for which is includible in account No. 31-00-00.

2. Rents payable which are not classifiable under one of the three headings provided should be explained in a footnote.

3. If the respondent held under lease during all or any part of the year any road upon which no rent payable accrued, or if any portion of the charge shown hereunder is for construction on a line in which the respondent's leasehold interest will soon expire, give full particulars in a footnote.

4. Show the three largest items regardless of the dollar amount and all other items amounting to 10% or more of total rent for the year. (Dollars in thousands)

Line No.	Name of lessor or reversioner and description of property (a)	Total rent accrued during year (b)	Classification of Amount Column (b)		
			Interest on bonds (c)	Dividends on stocks (d)	Cash (e)
1	Carolina, Clinchfield & Ohio Ry.	\$ 2,027	\$ 453	\$ 1,250	\$ 14
2	Main Line - 256 - Branch Line - 16				
3	Carolina, Clinchfield & Ohio Ry. of				
4	South Carolina - Main Line - 18				
5	Leased Rail & Facs.-R.L. Love, Inc.	32			32
6					
7					
8					
9					
10	Total	2,059	453	1,250	46

Column (b) includes \$310 for Lessor's Federal Income Taxes.

414. RENTS FOR INTERCHANGED FREIGHT TRAIN CARS AND OTHER FREIGHT CARRYING EQUIPMENT

1. Report freight expenses only.

2. Report in this supporting schedule rental information by car type and other freight carrying equipment relating to the interchanged of railroad equipment, privately owned equipment and equipment leased for less than 30 days.

3. The gross amounts receivable and payable for freight-train cars should balance with Account 35-33-00 (debits) and 36-22-00 (credits). Trailer and container rentals in this schedule are included in Accounts 35-23-00 (debits) and 36-22-00 (credits) but will not balance with these accounts since rents for "Other revenue equipment" (excluding locomotives and freight-train cars) are also chargeable to these accounts.

4. Report in Columns (b) and (f) rentals for private-line cars (whether under railroad control or not) and shipper owned cars.

5. Report in Columns (c), (d), (g), and (h) rentals for railroad owned cars prescribed by the Commission in Ex Parte No. 334, for which rentals are settled on a combination mileage and time basis (basic per diem). Include railroad owned per diem tank cars on line 17.

6. Report in Columns (e) and (i) the incentive per diem payments for Box and Gondola General Service—Unequipped cars prescribed by the Commission in Ex Parte No. 252. Basic per diem payments for these cars are to be reported in Columns (c), (d), (g), and (h).

NOTES: Mechanical designations for each car type are shown in Schedule 710.

7. Thousand dollar reporting rule.

Line No.	Type of Equipment (a)	GROSS AMOUNTS RECEIVABLE Per Diem Basis				GROSS AMOUNTS PAYABLE Per Diem Basis			
		Private Line Cars (b)	Mileage (c)	Time		Private Line Cars (f)	Mileage (g)	Time	
				Basic (d)	Incentive (e)			Basic (h)	Incentive (i)
	CAR TYPES:								
1	Box-Plain 40 Foot	\$	\$	\$	\$	\$	\$ 21	\$ 45	\$ 12
2	Box-plain 50 Foot and Longer		1	2	2	49	88	234	93
3	Box-Equipped		145	296	XXX		157	340	XXX
4	Gondola-Plain			1			15	65	
5	Gondola-Equipped				XXX		24	29	XXX
6	Hopper-Covered		112	203	XXX	173	96	188	XXX
7	Hopper-Open Top-General Service		1,219	4,510	XXX	1	1,660	3,054	XXX
8	Hopper-Open Top-Special Service				XXX	1	6	48	XXX
9	Refrigerator-Mechanical				XXX	12	2	10	XXX
10	Refrigerator-Non-Mechanical		180	402	XXX	18	47	143	XXX
11	Flat TOFC/COFC				XXX	324	2	14	XXX
12	Flat Multi-Level		13	43	XXX	60	15	22	XXX
13	Flat-General Service		2	3	XXX		2	3	XXX
14	Flat-Other				XXX	57	5	13	XXX
15	Tank-Under 22,000 Gallons		XXX	XXX	XXX	295	XXX	XXX	XXX
16	Tank-22,000 Gallons and Over		XXX	XXX	XXX	74	XXX	XXX	XXX
17	All Other Freight Cars		18	50	XXX	3	15	72	XXX
18	Total Freight Train Cars		1,690	5,510	2	1,067	2,155	4,280	105
	OTHER FREIGHT CARRYING EQUIPMENT								
19	Refrigerated trailers				XXX			6	XXX
20	Other trailers				XXX	44		129	XXX
21	Refrigerated containers				XXX				XXX
22	Other containers				XXX				XXX
23	Total Trailers & containers				XXX	44		135	XXX
24	Auto Racks			90	XXX			120	XXX
25	Grand Total (Lines 18, 23, & 24)		1,690	5,600	2	1,111	2,155	4,535	105

SEE INSTRUCTIONS ON PAGE 65A

Line No.	Types of Equipment (a)	Repairs (Net Expense) (b)	Depreciation (c)	Retirements (d)	Lease and Rentals (Net) (e)
LOCOMOTIVES:					
1	Diesel Locomotive - Yard	\$ 106	\$ 28	\$	\$
2	Diesel Locomotive - Road	2,220	655		250
3	Other Locomotive - Yard				
4	Other Locomotive - Road				
5	TOTAL	2,326	683		250
FREIGHT TRAIN CARS:					
6	Box-Plain 40 Foot	13	16		
7	Box-Plain 50 Foot and Longer	103	3		
8	Box-Equipped	112	144		
9	Gondola-Plain	11	2		
10	Gondola-Equipped	2	1		
11	Hopper-Covered	175	137		14
12	Hopper-Open Top-General Service	2,062	2,000		1,170
13	Hopper-Open Top-Special Service				
14	Refrigerator-Mechanical				
15	Refrigerator-Nonmechanical	93			567
16	Flat TOFC/COFC				
17	Flat Multi-level	1	21		
18	Flat-General Service	3	6		
19	Flat-Other		1		
20	All Other Freight Cars	67	1		79
21	Caboose	108	21		
22	Auto Racks				
23	Miscellaneous Accessories				
24	TOTAL FREIGHT TRAIN CARS	2,750	2,353		1,830
OTHER EQUIPMENT-REVENUE FREIGHT					
HIGHWAY EQUIPMENT					
25	Refrigerated Trailers				
26	Other Trailers	51			
27	Refrigerated Containers				
28	Other Containers				
29	Bogies				
30	Chasis				
31	Other Highway Equipment (Freight)				
32	TOTAL HIGHWAY EQUIPMENT	51			
FLOATING EQUIPMENT-REVENUE SERVICE					
33	Marine Line-Haul				
34	Local Marine				
35	TOTAL FLOATING EQUIPMENT				
OTHER EQUIPMENT					
36	Passenger and Other Revenue Equipment (Freight Portion)				
37	Computer & Data Processing Equipment				
38	Machinery - Locomotives	69	26		
39	Machinery - Freight Cars	12	6		
40	Machinery - Other Equipment	6			
41	Work & Other Non-revenue Equipment	73	23		(10)
42	TOTAL OTHER EQUIPMENT	160	55		(10)
43	TOTAL ALL EQUIPMENT (FREIGHT PORTION)	5,287	3,091	None	2,070

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Received for City of Tulsa

122100

CLINCHFIELD RAILROAD COMPANY

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SEE INSTRUCTIONS ON PAGE 65A

Line No.	Types of Equipment (a)	Repairs (Net Expense) (b)	Depreciation (c)	Retirements (d)	Lease and Rentals (Net) (e)
LOCOMOTIVES:					
1	Diesel Locomotive - Yard	\$ 106	\$ 28	\$	\$
2	Diesel Locomotive - Road	2,257	655		250
3	Other Locomotive - Yard				
4	Other Locomotive - Road				
5	TOTAL	2,363	683		250
FREIGHT TRAIN CARS:					
6	Box-Plain 40 Foot	12	16		
7	Box-Plain 50 Foot and Longer	96	3		
8	Box-Equipped	105	144		
9	Gondola-Plain	10	2		
10	Gondola-Equipped	2	1		
11	Hopper-Covered	164	137		14
12	Hopper-Open Top-General Service	1,926	2,000		1,170
13	Hopper-Open Top-Special Service				
14	Refrigerator-Mechanical				
15	Refrigerator-Nonmechanical	87			567
16	Flat TOFC/COFC				
17	Flat Multi-level	1	21		
18	Flat-General Service	3	6		
19	Flat-Other		1		
20	All Other Freight Cars	63	1		79
21	Cabooses	101	21		
22	Auto Racks				
23	Miscellaneous Accessories				
24	TOTAL FREIGHT TRAIN CARS	2,570	2,353		1,830
OTHER EQUIPMENT-REVENUE FREIGHT					
HIGHWAY EQUIPMENT					
25	Refrigerated Trailers				
26	Other Trailers	51			
27	Refrigerated Containers				
28	Other Containers				
29	Bogies				
30	Chassis				
31	Other Highway Equipment (Freight)				
32	TOTAL HIGHWAY EQUIPMENT	51			
FLOATING EQUIPMENT-REVENUE SERVICE					
33	Marine Line-Haul				
34	Local Marine				
35	TOTAL FLOATING EQUIPMENT				
OTHER EQUIPMENT					
36	Passenger and Other Revenue Equipment (Freight Portion)				
37	Computer & Data Processing Equipment				
38	Machinery - Locomotives	69	26		
39	Machinery - Freight Cars	12	6		
40	Machinery - Other Equipment				
41	Work & Other Non-revenue Equipment		23		(10)
42	TOTAL OTHER EQUIPMENT	81	55		(10)
43	TOTAL, ALL EQUIPMENT (FREIGHT PORTION)	5,065	3,091	None	2,070

SCHEDULE 415. SUPPORTING SCHEDULE: EQUIPMENT

1. Report freight expenses only.
2. Report by type of equipment all natural expenses relating to the equipment functions (salaries and wages, materials, tools, supplies, fuels and lubricants, purchases services, and general).
3. Report in column (b) the detail for functions 40 through 47 for the items listed in column (a). Freight car repair expenses shall be assigned directly to the various car types on the basis of job order records whenever possible. When it is necessary to apportion car repair expenses, the apportionment shall be made on the most equitable basis available to the carriers. The following list provides a basis for apportioning freight car repair expenses to car types: a. AAR Car Repair Billing (CRB) Standards; b. A carrier conducted study to determine car repair expenses by car types; and c. Other available standards valid for the respondent carrier. Some useful references in completing column (b) are: (1) Locomotives: Function 41—all natural expenses and account 40-21-41, (2) Freight Cars: Function 42—all natural expenses and account 40-22-42, (3) Highway Equipment: Function 43—all natural expenses and account 40-23-43, (4) Floating Equipment: Function 44—all natural expenses and account 40-23-44, (5) Passenger and Other Revenue Equipment: Function 45—all natural expenses and account 40-23-45, (6) Computer and Data Processing Equipment: Function 46—all natural expenses and account 40-23-46, (7) Machinery-Locomotives: Accounts xx-21-40 and 40-21-40, (8) Machinery-Freight Cars: Accounts xx-22-40 and 40-22-40, (9) Machinery-Other Equipment: Accounts xx-23-40 and 40-23-40, and (10) Work and Other Non-Revenue Equipment: Function 47—all natural expenses and account 40-23-47.
4. Depreciation charges shall be reported in column (c), and some useful references are: Locomotives: 62-21-00; Freight Cars: 62-22-00; Highway Equipment, Floating Equipment, Passenger and Other Revenue Equipment, Computer and Data Processing Equipment, Machinery-Other Equipment, Work and Other Non-Revenue Equipment: 62-23-00; Machinery-Locomotives: 62-21-00; Machinery-Freight Cars: 62-22-00.
5. Retirement charges shall be made on the basis of the actual units retired from service during the reporting period where the service value has been determined, based on the ledger value of salvage and insurance recovered. Report retirement charges in column (d). These charges, however, will not balance with those reported in Schedule 410. Retirement charges are included in, but not limited to, the following accounts: Locomotives: 61-21-99; Car Types: 61-22-99; Other Retirements: 61-23-99.
6. Lease/Rentals (net) shall be reported in column (e). Locomotives would balance to the net of 31-21-00, 32-21-00, 35-21-00 and 36-21-00. Car types would balance to the net of 31-22-00, 32-22-00 and rents for interchanged freight cars reported on Schedule 414. All other subschedule lease/rentals (net) would, in total balance to the net of 31-23-00, 32-23-00, 35-23-00 and 36-23-00; however, rents for interchanged trailers must be added from Schedule 414.

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417. SPECIALIZED SERVICE SUBSCHEDULE - TRANSPORTATION

Instructions:

1. Report freight expenses only.
2. Report in lines 1, 2, 3, 4, and 10, the total of those natural expenses (salaries and wages; material, tools, supplies, fuels and lubricants; purchased services; and general) incurred in the operation of each type of specialized service facility. This schedule *does not* include switching services performed by train and yard crews in connection with or within specialized service facilities.
3. When 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 (i) 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.

5. The operation of floating equipment in line-haul service (between distinct terminals) should be reported in column (c) on line 2. Floating operations conducted within a general terminal or harbor area should be reported in column (c), line 3.

6. Report in column (g), line 3, the expenses incurred by the railroad in loading and unloading automobiles, trucks, etc., to and from bi-level and tri-level auto rack cars. Report on line 2, column (g), the expense incurred by the railroad in moving automobiles, etc., between bi-level and tri-level loading and unloading facilities over the highway to shippers, receivers or connecting carriers. Report in column (F) operating expenses for land facilities in support of floating operations, including the operation of docks and wharves.

7. Report on line 4, column (b), the expenses related to heating and refrigeration of TOFC/COFC trailers and containers (net 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.

9. Thousand dollar Reporting Rule.

Line No.	Items	TOFC/COFC Terminal	Floating Equipment	Coal Marine Terminal	Ore Marine Terminal	Other Marine Terminal	Motor Vehicle Load and Distribution	Protective Services Refrigerator Car	Other Special Services	Total Columns (b-i)
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
1	Administration	\$	\$	\$	\$	\$	\$	\$	\$	\$
2	Pick up & delivery, marine line haul	113						N/A		113
3	Loading and unloading and local marine	16						N/A		16
4	Protective services	17						20		37
5	Freight lost or damaged-solely related	73						25		98
6	Fringe benefits									
7	Casualty and insurance	1								1
8	Joint facility - Debit									
9	Joint facility - Credit									
10	Other	4								4
11	Total	224						45		269

450. ANALYSIS OF 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", 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".

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 10 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.

Report in thousands.

Line No.	Particulars (a)	Beginning of Year Balance (b)	Net Credits (Charges) for Current Year (c)	Adjustments (d)	End of Year Balance (e)
1	Accelerated depreciation, Sec. 167 I.R.C.: Guideline lives pursuant to Rev. Proc. 62-21.	\$	\$	\$	\$
2	Accelerated amortization of facilities Sec. 168, I.R.C.				
3	Accelerated amortization of rolling stock, Sec. 184 I.R.C.				
4	Amortization of rights of way, Sec. 185 I.R.C.				
5	Other (Specify) <u>Deferred income taxes of</u>				
6	<u>Respondent are included on books of</u>				
7	<u>Lessee Companies.</u>				
8					
9	Investment tax credit*				
10	TOTALS	None			None

*Footnotes:

11. If flow-through method was elected, indicate net decrease (or increase) in tax accrual because of investment tax credit \$ None
12. If deferral method for investment tax credit was elected:
- (1) Indicate amount of credit utilized as a reduction of tax liability for current year \$ None
- (2) Deduct amount of current year's credit applied to reduction of tax liability but deferred for accounting purposes \$ None
- (3) Balance of current year's credit used to reduce current year's tax accrual \$ None
- (4) Add amount of prior year's deferred credits being amortized to reduce current year's tax accrual \$ None
- (5) Total decrease in current year's tax accrual resulting from use of investment tax credits \$ None

Note: Federal income tax on the Lessor's income is included in Account 31-13-00, Lease Rentals-Debit. See note on page 8 regarding Federal income tax accrued on income of Clinchfield Railroad.

451. RAILWAY TAX ACCRUALS

1. In Sections A and B show the particulars called for with respect to net accruals of taxes on railroad property, and U.S. Government taxes.

2. Report dollars in thousands.

A. Other than U.S. Government Taxes

Line No.	State (a)	Amount (b)	State (x)	Amount (b)	Line No.
1	Alabama	\$	South Dakota	\$	41
2	Alaska		Tennessee	940	42
3	Arizona		Texas		43
4	Arkansas		Utah		44
5	California		Vermont		45
6	Colorado		Virginia	704	46
7	Connecticut		Washington		47
8	Delaware		West Virginia		48
9	Florida		Wisconsin		49
10	Georgia		Wyoming		50
11	Hawaii		District of Columbia		51
12	Idaho		Other		
13	Illinois		Canada		52
14	Indiana		Mexico		53
15	Iowa		Puerto Rico		54
16	Kansas				55
17	Kentucky	7			56
18	Louisiana		Total—Other than U.S. Government Taxes	2,4	
19	Maine				
20	Maryland		B. U.S. Government Taxes		
21	Massachusetts		Kind of tax (a)	Amount (b)	
22	Michigan				
23	Minnesota				
24	Mississippi		Income taxes: (See Note on Page 75)	\$	
25	Missouri		Normal tax and surtax	308	57
26	Montana		Excess profits		58
27	Nebraska		Total—Income taxes	308	59
28	Nevada		Old-age retirement*	2,479	60
29	New Hampshire		Unemployment insurance	352	61
30	New Jersey		All other United States Taxes	12	62
31	New Mexico		Total—U.S. Government Taxes	3,151	63
32	New York		Grand Total—Railway Tax Accruals	3,566	64
33	North Carolina	691			
34	North Dakota				
35	Ohio				
36	Oklahoma		*Includes taxes for hospital insurance (Medicare) and supplemental annuities as follows:		
37	Oregon				
38	Pennsylvania		Hospital insurance	\$ 158	65
39	Rhode Island		Supplemental annuities	240	66
40	South Carolina	73			

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470. PAYMENTS FOR SERVICES RENDERED BY OTHER THAN EMPLOYEES AND AFFILIATES

1. In the form below give information concerning payments, fees, retainers, commissions, gifts, contributions, assessments, bonuses, pensions, subscriptions, allowance for expenses, or any form of payments amounting in the aggregate to \$50,000 or more during the year to any corporation, institution, association, firm, partnership, committee, or any person, except:

(a) Payments to employees of the respondent shall be reported in Schedule 900.

(b) Payments for services rendered by affiliates.

(c) Payments for accounting and audit fees must be reported in full regardless of the \$50,000 limitation. These fees must not be included with management fees paid to parent companies.

2. The aggregate of payments to be reported in column (c) shall include amounts paid and/or accrued during the year which are applicable to the year.

3. When contributions under \$50,000 are made in common with other carriers under a joint arrangement in payment for the performance of services or as a donation, each such contribution shall be reported, irrespective of the amount thereof, if the total amount paid by all contributors for the performance of the particular service is equal to the sum of \$100,000 or more.

4. Payments to the independent public accountant reporting on the respondent's annual report shall be subdivided to show separately the amount paid for auditing and the total amount paid for other types of management services such as, but not limited to, compensation plans, pension plans, forecasts and budgets, and tax advice. All carriers, whether payments aggregate more or less than \$50,000, shall answer the following question.

Did the independent accountant reporting on the respondent's annual report provide any management services other than auditing?

Specify: Yes ☐ No ☐

5. To be included are, among others, payments, directly or indirectly, for legal, medical, engineering, advertising, valuation,

accounting, statistical, financial, educational, entertainment, charitable, advisory, defensive, detective, developmental, research, appraisal, registration, purchasing, architectural, and hospital services; payments for expert testimony and for handling wage disputes; and payments for services of banks, bankers, trust companies, insurance companies, brokers, trustees, promoters, solicitors, consultants, actuaries, investigators, inspectors, and efficiency engineers. Payments to the various railroad associations, commissions, committees, bureaus, boards, and other organizations maintained jointly by railroads shall also be included. The enumeration of these kinds of payments should not be understood as excluding other payments for services not excluded below.

6. To be excluded are: Rent of buildings or other property, taxes payable to the Federal, State, or local Governments, payments for heat, light, power, telegraph, and telephone services, and payments to other carriers on the basis of lawful tariff charges or for the interchange of equipment between carriers, as well as other payments for services which both as to their nature and amount may reasonably be regarded as ordinarily connected with the routine operation, maintenance, or construction of a railroad, but any special and unusual payments for services should be reported. Payments of \$50,000 or more to organizations maintained jointly by railroads with other railroads are not to be excluded even if their services are regarded as routine.

7. If more convenient, this schedule may be filled out for a group of roads considered as one system and shown only in the report of the principal road in the system, with references thereto in the reports of the other roads. When the respondent is reporting on a system basis, audit fees must be reported separately for each individual railroad included in the system.

8. If any doubt exists in the mind of the reporting officer as to the reportability of any type of payment, request should be made for a ruling before filing this report.

(Dollars in thousands)

Line No.	Name of recipient (a)	Description of service (b)	Amount of payment (c)
1	Association of American Railroads	Railroad industry research,	5
2		coordination, legislative and	
3		public affairs	79
4	National Railway Labor Conference	Advisory, industry wide labor	
5		negotiation services	5
6	North Carolina Railroad Association	Advisory	4
7	Ore & Coal Exchange	Advisory	1
8	Tennessee Railroad Association	Advisory	2
9	Virginia Railroad Association	Advisory	4
10	Western Railroad Association	Advisory	7
11	Deloitte, Haskins & Sells	Audit	10
12	Southeastern Railroads		
13	Associated Bureaus	Advisory	76
14			
15			
16			
17			
18			
19			
20			
21			
22			
23			
24			
25			
26			
27			
28			

INSTRUCTIONS CONCERNING RETURNS 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 distances between termini 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., not classifiable under "branch lines" as defined below. 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 opened by the respondent at the close of the year to which it has title in perpetuity.

In classifying the line between main and branch (column (c)), use the distinction usually followed by respondent. Branch lines are distinguished from industrial tracks or yard tracks and sidings in that branch lines serve one or more stations beyond the point of junction with the main line or another branch line and to or from which stations train service, or its equivalent, is performed.

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.

Switching and terminal companies leave column (c) (Miles of Branch Lines) blank. They should prepare also the following schedule for tracks operated at cost for joint benefit.

TRACKS OPERATED AT COST FOR JOINT BENEFIT (For Switching and Terminal Companies Only)

Line No.	Name of owner(s)	Joint or common title holder(s)	Total mileage operated
1			
2			
3			
4			
5			
6			
7			
8			
9			
10			
11			
12			
13			

700. MILEAGE OPERATED AT CLOSE OF YEAR

Line No.	Class	Proportion owned or leased by respondent	Main (M) or branch (B) line	Running Tracks, Passing Tracks, Cross-Overs, Etc.				Miles of way switching tracks	Miles of yard switching tracks	Total
				Miles of road	Miles of second main track	Miles of all other main tracks	Miles of passing tracks, cross-overs, turnouts			
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
1	3B	100%	(M)	274			47	65	77	463
2										
3	3B	100%	(B)	16			2	3		21
4										
5	3B-J	50%	(M)					2		(a) 2
6	Total Class 3B			290			49	70	77	486
7										
8										
9	5		(M)	6				5		11
10	Total			296			49	75	77	497
11										
12										
13										
14										
15	(a) Tracks owned 50% by Carolina, Clinchfield and Ohio									
16	Railway and 50% by Southern Railway Company.									
17										
18										
19										
20										
21										
22										
23										
24										
25										
26										
27										
28										
29										
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43										
44										
45										
46										
47										
48										
49										
50										
51										
52										
53										
54										
55	Total Main Line		XXX	280			47	72	77	476
56	Total Branch Lines		XXX	16			2	3		21
57	Grand Total		XXX	296			49	75	77	497
58	Miles of road or track electrified included in preceding grand total		XX	None						

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702. MILES OF ROAD AT CLOSE OF YEAR—BY STATES AND TERRITORIES (SINGLE TRACK)
(For other than switching and terminal companies)

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), (e), or (f), as may be

appropriate. The remainder of jointly operated mileage should be shown in column (g). Respondent's proportion of road jointly owned, not operated, should be shown in columns (i) and (j), as may be appropriate. Tracks which have been permanently abandoned should not be included in columns (i) and (j).

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.

Line No.	State or territory (a)	ROAD OPERATED BY RESPONDENT							LINE OWNED, NOT OPERATED BY RESPONDENT		New line constructed during year (k)
		LINE OWNED		Line of proprietary companies (d)	Line operated under lease (e)	Line operated under contract, etc. (f)	Line operated under trackage rights (g)	Total mileage operated (h)	Main line (i)	Branch lines (j)	
		Main line (b)	Branch lines (c)								
1	Kentucky				3			3			
2	Virginia				99		6	105			
3	Tennessee				53			53			
4	North Carolina				117			117			
5	South Carolina				18			18			
6											
7											
8											
9											
10											
11											
12											
13											
14											
15											
16	Total Mileage (single track)	None	None	None	290	None	6	296	None	None	None

703. MILES OF TRACKS AT CLOSE OF YEAR—BY STATES AND TERRITORIES
(For switching and terminal companies only)

Give particulars, as of the close of the year, of all tracks operated and of all owned but not operated. The respondent's proportion of operated tracks held by it as joint or common owner, or under a joint lease, or under any joint arrangement, should be shown in columns (b), (d), or (e), as may be

appropriate. The remainder of jointly operated mileage should be shown in column (f). Tracks owned, not operated by respondent (including respondent's proportion of jointly owned tracks, not operated), should be shown in column (h). If any of the tracks returned in column (h) are operated by other than the

respondent, the name of the company or individual operating them and the conditions under which they are held for operation should be shown in a footnote. Tracks which have been permanently abandoned should not be included in column (h). Lengths should be stated to the nearest whole mile.

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Line No.	State or Territory (a)	Tracks Operated						Tracks owned, not operated by respondent (h)	New tracks constructed during year (i)
		Tracks owned (b)	Tracks of proprietary companies (c)	Tracks operated under lease (d)	Tracks operated under contract, etc. (e)	Tracks operated under trackage rights (f)	Total mileage operated (g)		
1									
2									
3				Not Applicable					
4									
5									
6	Total Mileage								

Not Applicable

INSTRUCTIONS CONCERNING RETURNS IN SCHEDULE 210

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 (f); units temporarily out of respondent's service and rented to others for less than one year are to be included in column (h); units rented from others for a period less than one year should not be included in column (i).
4. For reporting purposes, a "locomotive unit" is a self-propelled vehicle generating or converting energy into motion, and designed solely for moving other equipment. An "A" unit is the least number of wheel bases with superstructure designed for use singly or as a lead locomotive unit in combination with other locomotive units. A "B" unit is similar to an "A" unit, but not equipped for use singly or as a lead locomotive unit. A "B" unit may be equipped with hostler controls for independent operating at terminals.

5. A "self-propelled car" is a rail motor car propelled by electric motors receiving power from 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, and whether power may at times be supplied from 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 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 (j), as follows: For locomotive units, report the manufacturer's 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.

710. INVENTORY OF EQUIPMENT

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

Line No.	Type or design of units	Units in service of respondent at beginning of year	Changes During the Year				Units retired from service of respondent whether owned or leased, including reclassification	Units at Close of Year				
			Units installed					Owned and used	Leased from others	Total in service of respondent (col. (h) & (i))	Aggregate capacity of units reported in col. (j) (see ins. 7)	Leased to others
			New units purchased or built	New units leased from others	Rebuilt units acquired and rebuilt units rewritten into property accounts	All other units including reclassification and second hand units purchased or leased from others						
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
Locomotive Units												
1	Diesel-Freight A units	7					4	3		3	(H.P.) 4,750	
2	Diesel-Freight B units	2						2		2	3,000	
3	Diesel-Passenger A units											
4	Diesel-Passenger B units											
5	Diesel-Multiple purpose A units	74	5					71	8	79	214,500	
6	Diesel-Multiple purpose B units											
7	Diesel-Switching A units	12						12		12	13,200	
8	Diesel-Switching B units											
9	Total (lines 1 to 8)	95	5				4	88	8	96	235,450	
10	Electric-Locomotives											
11	Other self-powered units	1						1		1	320	
12	Total (lines 9, 10 and 11)	96	5				4	89	8	97	235,770	
13	Auxiliary units										XXXX	
14	Total Locomotive Units (lines 12 and 13)	96	5				4	89	8	97	XXXX	

DISTRIBUTION OF LOCOMOTIVE UNITS IN SERVICE OF RESPONDENT AT CLOSE OF YEAR, ACCORDING TO YEAR BUILT, DISREGARDING YEAR OF REBUILDING

Line No.	Type or design of units	Before Jan. 1, 1955	Between Jan. 1, 1955, and Dec. 31, 1959	Between Jan. 1, 1960, and Dec. 31, 1964	Between Jan. 1, 1965, and Dec. 31, 1969	Between Jan. 1, 1970, and Dec. 31, 1974	During Calendar Year					
							1975	1976	1977	1978	1979	TOTAL
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
15	Diesel	32			24	35				5		96
16	Electric											
17	Other self-powered units Steam	1										1
18	Total (lines 15 to 17)	33			24	35				5		97
19	Auxiliary units											
20	Total Locomotive Units (lines 18 and 19)	33			24	35				5		97

710. INVENTORY OF EQUIPMENT - Continued

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

Line No.	Class of equipment and car designations	Units in service of respondent at beginning of year	Changes During the Year					Units at Close of Year				
			Units Installed				Units retired from service of respondent whether owned or leased, including re-classification					
			New units purchased or built	New units leased from others	Rebuilt units acquired and rebuilt units re-written into property accounts	All other units, including re-classification and second hand units purchased or leased from others		Owened and used	Leased from others	Total in service of respondent (col. (h) & (i))	Aggregate capacity of units reported in col. (j) (see ins. 7)	Leased to others
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
PASSENGER-TRAIN CARS												
<i>Non-Self-Propelled</i>												
21	Coaches [PA, PB, PBO]	11									Seating Capacity	
22	Combined cars [All class C, except CSB]							11		11	588	
23	Parlor cars [PBC, PC, PL, PO]											
24	Sleeping cars [PS, PT, PAS, PDS]											
25	Dining, grill and tavern cars [All class D, PD]											
26	Non-passenger carrying cars [All class B, CSB, M, PSA, IA]										XXXX	
27	Total (lines 21 to 27)	11						11		11	588	
<i>Self-Propelled Rail Motorcars</i>												
29	Electric passenger cars [EP, ET]											
30	Electric combined cars [EC]											
31	Internal combustion rail motorcars [ED, EG]											
32	Other self-propelled cars Specify types:											
33	Total (lines 28 to 32)											
34	Total (lines 28 and 33)	11						11		11	588	
COMPANY SERVICE CARS												
35	Business cars [PV]	2										
36	Boarding outfit cars [MWX]	54				1		3		3	XXXX	
37	Deerick and snow removal cars [MWU, MWV, MWW, MWK]	1			1			32	22	54	XXXX	
38	Dump and ballast cars [MWB, MWD]	9					1	1		1	XXXX	
39	Other maintenance and service equipment cars	47						9		9	XXXX	
40	Total (lines 35 to 39)	113			1	1	1	8	39	47	XXXX	
								53	61	114	XXXX	

Road Initials

CRR

Year 1978

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.	Class of equipment and car designations	Units in service of respondent at beginning of year		Changes During the Year			
		Time-mileage cars	All others	Units Installed			
				New units purchased or built	New units leased from others	Rebuilt units acquired and rebuilt units rewritten into property accounts ¹	All other units, including reclassification and second-hand units purchased or leased from others
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
FREIGHT TRAIN CARS							
41	Plain Box Cars - 40' (B100-129)	30					
42	Plain Box Cars - 50' (B200-229, B300-329)	6					
43	Equipped Box Cars (All Code A)	259					50
44	Plain Gondola Cars (G092-392; G401-492)	12					
45	Equipped Gondola Cars (All Codes C and E)	10					
46	Covered Hopper Cars (L151-154; 251-254; 351-354; 451-454; 551-554; 651-654; 751-754)	331	5				
47	Open Top Hopper Cars - General Service (All Code H)	4,239		200			
48	Open Top Hopper Cars - Special Service (All Codes J and K)						
49	Refrigerator Cars - Non-mechanical (R100, 101, 102, 103, 105, 106, 107, 108, 109, 113, 114, 115, 116, R200, 201, 202, 203, 205, 206, 207, 208, 209, 213, 214, 215, 216)	240					
50	Refrigerator Cars - Mechanical (R104, 110, 111, 112, 117, 118, R204, 210, 211, 212, 217, 218)						
51	Flat Cars - TOFC/COFC (F071-078; F871-978)						
52	Flat Cars - Multi-level (All Code V)	6					
53	Flat Cars - General Service (F101-109; F201-209)	42					
54	Flat Cars - Other (F111-189; 211-289; 301-389; 401-540)	5					
55	Tank Cars - Under 22,000 Gallons (T-1, T-2, T-3, T-4, T-5)						
56	Tank Cars - 22,000 Gallons & Over (T-6, T-7, T-8, T-9)						
57	All Other Freight Cars (F191-199; 291-35; L006-048; L070, L080, L090 - All "L" with second numeric 6; L161-L764; T-770; All Class S)	35					
58	Total (lines 41 to 57)	5,215	5	200			50
59	Caboose (All N)	XXXX	38				
60	Total (lines 58, 59)	5,215	43	200			50
¹ Box, unequipped (which relates to incentive per diem order)		New units purchased or built			Units rebuilt or acquired		
		General funds		Incentive funds	General funds		Incentive funds
		None		None	None		None

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 86 of the AAR Code of Rules Governing Cars in Interchange. Convert the capacity of tank cars to capacity in tons of the commodity which the car is intended to carry customarily.

5. Time-mileage cars 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

Changes during year (Concluded)	Units At Close of Year						Line No.
	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	
			Time-mileage cars	All other			
Units retired from service of respondent whether owned or leased in- cluding re- classification	(i)	(j)	(k)	(l)	(m)	(n)	
(h)	(i)	(j)	(k)	(l)	(m)	(n)	
	30		30		1,500		41
	6		6		300		42
	259	50	309		17,504		43
	12		12		526		44
	10		10		573		45
	331	5	331	5	28,177		46
191	3,403	845	4,248		355,567	473	47
							48
							49
39		201	201		13,710		50
							51
	6		6		420		52
	42		42		2,093		53
	5		5		297		54
							55
							56
							57
	5	30	35		1,900		
230	4,109	1,131	5,235	5	422,567	473	
2	28	8	XXX	36	XXXXXX		58
232	4,137	1,139	5,235	41	422,567	473	59
							60

710. INVENTORY OF EQUIPMENT—Concluded

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

Line No.	Class of equipment and car designations	Units in service of respondent at beginning of year		Changes During the Year			
		Per diem	All other	Units Installed			
				New units purchased or built	New units leased from others	Rebuilt units acquired and rebuilt units re-written into property accounts	All other units, including reclassification and second hand units purchased or leased from others
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
FLOATING EQUIPMENT							
61	Self-propelled vessels [Tugboats, car ferries, etc.]	X X X X					
62	Non-self-propelled vessels [Car floats, lighters, etc.]	X X X X					
63	Total (lines 61 and 62)	X X X X					
HIGHWAY REVENUE EQUIPMENT							
64	Bogie-chassis						
65	Dry van						
66	Flat bed						
67	Open top						
68	Mechanical refrigerator						
69	Bulk						
70	Insulated						
71	Platform removable sides						
72	Other trailer or container						
73	Tractor						
74	Truck						
75	Total (lines 64 to 74)	None	None				

NOTES AND REMARKS

710. INVENTORY OF EQUIPMENT—Concluded

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

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	
			Pier diem	All other			
(h)	(i)	(j)	(k)	(l)	(m)	(n)	
			X X X X				61
			X X X X				62
			X X X X				63
							64
							65
							66
							67
							68
							69
							70
							71
							72
							73
							74
			None	None			75

NOTES AND REMARKS

710-S. UNIT COST OF EQUIPMENT INSTALLED DURING THE YEAR

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).

2. In column (a) list each class or type of locomotive unit, car, or TOFC/COFC equipment on a separate line. By class is meant the standard classification used to distinguish types of locomotive units, freight cars or other equipment adopted by the Association of American Railroads; and should include physical characteristics requested by Schedule 710; locomotive units should be identified as to power source, wheel arrangement, and horsepower per unit; such as Multiple purpose diesel locomotive A units (B-B), 2500 HP; and cars should be identified as to special construction or service characteristics such as Aluminum covered hopper cars, L.O. 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; 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 refer to and 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.

7. Report dollars in thousands.

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)
1	Open-top 100-ton H-8 hopper cars				
2	with roller bearing trucks	200	6,400	6,096	P
3					
4	Diesel Electric, GP38-2, EMD				
5	locomotives, 2000 H.P. 4-axle	5	662	2,447	P
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					
21					
22					
23					
24					
25	TOTAL	205	XXXX	8,543	XXXX

REBUILT UNITS

26	Derrick, 250-ton, powered by a				
27	Detroit Diesel 8V71 engine	1	190	397	C
28					
29					
30					
31					
32					
33					
34					
35					
36					
37					
38	TOTAL	1	XXXX	397	XXXX
39	GRAND TOTAL	206	XXXX	8,940	XXXX

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715. HIGHWAY MOTOR VEHICLE OPERATIONS

Give particulars of highway motor vehicles operated by respondent in revenue and nonrevenue service and of revenue traffic handled for the respondent by others under contractual arrangements.

In reporting highway motor vehicle miles in line-haul service, show the mileage of buses and combination bus-trucks on line 5; the mileage of trucks and of bogies, trailers and semitrailers with trucks on line 6; and the mileage of tractors and of bogies, trailers and semitrailers with tractors on line 7. Vehicle miles in terminal service should be reported on line 8 and 9.

In reporting traffic carried and traffic handled 1 mile on lines 10 to 15, and on lines 20 to 23, both inclusive, show the total

number of tons and ton-miles of revenue freight in column (b) and the total number of passengers carried and passenger-miles in column (c), regardless of the class of vehicle used to perform the transportation service.

In reporting highway motor vehicles in nonrevenue service include those used in maintenance, shops, and storehouses, and transportation of company material; also buses used for transportation of company employees. Exclude automobiles used by officials and employees.

A. OPERATED BY RESPONDENT
(Revenue and nonrevenue service)

Line No.	Item (a)	Bogies (b)	Buses (c)	Chassis (d)
REVENUE SERVICE				
Vehicles owned or leased:				
1	Number available at beginning of year			
2	Number installed during the year			
3	Number retired during the year			
4	Number available at close of year			
Vehicle miles (including loaded and empty):				
Line haul (station to station):				
5	Passenger vehicle miles	XXXXXX		XXXXXX
6	Truck miles		XXXXXX	XXXXXX
7	Tractor miles		XXXXXX	XXXXXX
Terminal service:*				
8	Pick-up and delivery			
9	Transfer service			
Traffic carried:				
10	Tons—Revenue freight—Line haul	XXXXXX	XXXXXX	XXXXXX
11	Tons—Revenue freight—Terminal service only	XXXXXX	XXXXXX	XXXXXX
12	Revenue passengers—Line haul	XXXXXX		XXXXXX
13	Revenue passengers—Terminal service only	XXXXXX		XXXXXX
Traffic handled 1 mile:				
14	Ton-miles—Revenue freight—Line haul	XXXXXX	XXXXXX	XXXXXX
15	Revenue passenger-miles—Line haul	XXXXXX		XXXXXX
NONREVENUE SERVICE				
Vehicles owned or leased:				
16	Number available at beginning of year			
17	Number installed during the year			
18	Number retired during the year			
19	Number available at close of year			

*When performed by vehicles other than those used for line haul.

B. OPERATED BY OTHERS
(Revenue service)

Line No.	Item (a)	Bogies (b)	Buses (c)	Chassis (d)
Traffic carried:				
20	Tons—Revenue freight	XXXXXX	XXXXXX	XXXXXX
21	Revenue passengers	XXXXXX		XXXXXX
Traffic handled 1 mile:				
22	Ton-miles—Revenue freight	XXXXXX	XXXXXX	XXXXXX
23	Revenue passenger-miles	XXXXXX		XXXXXX

715. HIGHWAY MOTOR VEHICLE OPERATIONS—Concluded

"Trailers" means trailer bodies used in TOFC/COFC service which are permanently mounted on running gear. "Containers" means trailer bodies used in TOFC/COFC service which are not

permanently mounted on wheels or chassis, but are separated from such running gear before being loaded on flat cars.

A. OPERATED BY RESPONDENT—Concluded
(Revenue and nonrevenue service)

Containers (e)	Semitrailers (f)	Tractors (g)	Trailers (h)	Trucks (i)	Combination bus-trucks (j)	Line No.
						1
						2
						3
						4
XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX		5
XXXXXX		XXXXXX			XXXXXX	6
XXXXXX				XXXXXX	XXXXXX	7
						8
						9
XXXXXX	XXXXXX	XXXXXX	XXXXXX		XXXXXX	10
XXXXXX	XXXXXX	XXXXXX	XXXXXX		XXXXXX	11
XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	12
XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	13
XXXXXX	XXXXXX	XXXXXX	XXXXXX		XXXXXX	14
XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	15
			2	61		16
				15		17
				11		18
			2	65		19

B. OPERATED BY OTHERS—Concluded
(Revenue service)

Containers (e)	Semitrailers (f)	Tractors (g)	Trailers (h)	Truck (i)	Combination bus-trucks (j)	Line No.
XXXXXX	XXXXXX	XXXXXX	XXXXXX		XXXXXX	20
XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	21
XXXXXX	XXXXXX	XXXXXX	XXXXXX		XXXXXX	22
XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	23

716. HIGHWAY MOTOR-VEHICLE ENTERPRISES IN WHICH THE RESPONDENT HAD A DIRECT OR INDIRECT FINANCIAL INTEREST DURING THE YEAR

Give particulars of highway motor-vehicle enterprises in which the respondent had a financial interest, either directly or indirectly during the year.

In column (a) identify each motor-vehicle enterprise by name and address, and in column (b) state whether the respondent's in-

terest in such enterprise was direct or indirect. If the interest was indirect, give the names of all intermediaries.

In column (c) give the date on which respondent first acquired its direct or indirect interest in the enterprise.

Line No.	Name and address of highway motor-vehicle enterprise (a)	Nature of respondent's interest (b)	Date on which respondent's direct or indirect interest was originally acquired (c)
1	Holston Land Company, Inc.	Indirect	July 1, 1972
2	d/b/a Holston Transportation Company		
3	229 Nolichucky Avenue	The stock of Holston Land	
4	Erwin, Tennessee 37650	Land Company, Inc. is	
5		leased from the Carolina,	
6		Clinchfield and Ohio	
7		Railway Company (CC&O)	
8		to the Atlantic Coast	
9		Line Railroad Company	
10		(now Seaboard Coast Line	
11		Railroad) and Louis-	
12		ville and Nashville	
13		Railroad Company,	
14		Lessees, under a	
15		999 year lease, dated	
16		October 16, 1924. The	
17		stock is registered	
18		jointly in the names	
19		of the Lessees. Also	
20		leased were the rail-	
21		road properties of the	
22		CC&O, which are oper-	
23		ated under the name of	
24		Clinchfield Railroad	
25		Company (unincorporated).	
		Officers of Clinchfield	
		Railroad are also	
		officers of Holston Land	
		Company, Inc. Holston	
		Land Company, Inc.	
		(affiliate) is under	
		common control with the	
		Clinchfield Railroad	
		Company (respondent).	

GENERAL INSTRUCTIONS FOR PREPARING SCHEDULES 720, 721, 723, 726, 727, and 728

1. For purposes of these schedules, the track categories are defined as follows:

Track category

- A - 20 million or more gross ton-miles per mile per year (including track over which passenger service is provided—see Category F).
- B - Less than 20 million gross ton-miles per mile per year but at least 5 million (does not include track over which passenger service is provided—see Category F).
- C - Less than 5 million gross ton-miles per mile per year but at least 1 million (does not include track over which passenger service is provided—see Category F).
- D - Less than 1 million gross ton-miles per year (does not include track over which passenger service is provided—see Category F).
- E - Way and yard switching tracks (passing tracks, crossovers and turnouts shall be

included in appropriate Category A, B, C, D, F, and Potential Abandonments, as appropriate).

F - Track over which any passenger service is provided (other than potential abandonments); however, if annual traffic density is greater than 20 million gross ton-miles per mile per year, the track shall be included in Track Category A.

Potential Abandonments - Route segments identified by railroads as potentially subject to abandonment as required by Section 1a(5)(a) of the Interstate Commerce Act.

2. These schedules shall only include those lines maintained by the reporting carrier. It shall not include track maintained by others over which the reporting carrier has trackage rights.

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.

72. TRACK AND TRAFFIC CONDITIONS

- 1. Disclose the requested information pertaining to track and traffic conditions.
- 2. Average speed reduction per slow order mile in column (e) shall be based on reduction from the maximum authorized timetable train speeds.

3. Miles under slow order in column (f) shall not include those due to ongoing maintenance, or other temporary track conditions such as floods or derailments.

Line No.	Track category	Mileage of tracks at end of period	Average annual traffic density in millions of gross ton-miles per mile	Average running speed limit	Average speed reduction per slow order mile	Miles under slow orders at end of period
	(a)	(b)	(c)	(d)	(e)	(f)
1	A	245	25.4	38.96	-	-
2	B	94	14.5	39.33	-	-
3	C					
4	D					
5	E	147	Less than 1 million gross ton-miles	-	-	-
6	F					
7	Potential abandonments					
8	Total	486	-	-	-	-

721. TIES LAID IN REPLACEMENT

100

(1) Disclose the requested information concerning ties laid in replacement.

(2) The term "spot maintenance" in column (j) means repairs to track components during routine inspections, as opposed to programmed replacements aimed at upgrading the general condition of the tracks. "% of Spot Maintenance" refers to the percentage of total ties laid in replacement considered to be spot maintenance.

Line No.	Track Category (a)	Number of ties laid in replacement							Total (i)	% of Spot Maintenance (j)
		New Ties				Second-hand ties				
		Wooden		Concrete (d)	Other (e)	Wooden		Other (h)		
		Treated (b)	Untreated (c)			Treated (f)	Untreated (g)			
1	A	42,297	-	-	-	-	-	-	42,297	33.15
2	B	4,951	-	-	-	216	-	-	5,167	45.71
3	C									
4	D									
5	E									
6	F									
7	Potential Abandonments									
8	Total	47,248	-	-	-	216	-	-	47,464	-

Remarks

Road Initials

CRF

Year 1978

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723. RAILS LAID IN REPLACEMENT

102

(1) Furnish the requested information concerning rails laid in replacement.

(2) The term "spot maintenance" in column (g) means repairs to track components during routine inspections, as opposed to programmed replacements aimed at upgrading the general condition of the tracks. "% of Spot Maintenance" refers to the percentage of total ties laid in replacement considered to be spot maintenance.

Line No.	Track category (a)	Miles of rail laid in replacement (rail-miles)				Total (f)	Percent of spot maintenance (g)
		New rail		Relay rail			
		Welded rail (b)	Bolted rail (c)	Welded rail (d)	Bolted rail (e)		
1	A	20.32	7.50	-	3.74	31.56	13.44
2	B	-	4.01	-	0.59	4.60	13.91
3	C						
4	D						
5	E						
6	F						
7	Potential Abandonments						
8	Other						
9	TOTAL	20.32	11.51	-	4.33	36.16	-

Remarks

Road Initials:

CRR

Year '9 78

724. RAILS LAID IN ADDITIONAL TRACKS AND IN NEW LINES AND EXTENSIONS

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.

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 reckoned as one.

The returns in columns (j) 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 rails, should not be included in this schedule. In these columns, "total cost" is to be reported in thousands.

Line No.	Class of rail	RAIL APPLIED IN RUNNING TRACKS, PASSING TRACKS, CROSS-OVERS, ETC.				RAIL APPLIED IN YARD, STATION, TEAM, INDUSTRY, AND OTHER SWITCHING TRACKS			
		Weight of Rail		Total cost of rail applied in running tracks, passing tracks, cross-overs, etc., during year	Average cost per ton (2,000 lb.)	Weight of Rail		Total cost of rail applied in yard, station, team, industry, and other switching tracks during year	Average cost per ton (2,000 lb.)
		Pounds per yard of rail	Number of tons (2,000 lb.)			Pounds per yard of rail	Number of tons (2,000 lb.)		
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
1									
2									
3									
4									
5									
6									
7									
8									
9									
10									
11									
12									
13									
14									
15									
16	Total	X X X				X X X			
17	Number of miles of new running tracks, passing tracks, cross-overs, etc., in which rails were laid _____								
18	Number of miles of new yard, station, team, industry, and other switching tracks in which rails were laid _____								
19	Track-miles of welded rail installed this year _____ : total to date _____								

725. WEIGHT OF RAIL

Give the particulars below called for 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)
1	Pounds 132	287		
2	115	1		
3	112	2		
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				

726. SUMMARY OR TRACK MAINTENANCE

1. Disclose the requested information concerning the summary of track maintenance.

2. In column (c), (e), and (h) give the percentage of replacements to total units of property at year end.

Line No.	Track category (a)	Ties		Rail		Ballast	Track surfacing	
		Number of ties replaced (b)	Percent replaced (c)	Miles of rail replaced (rail-miles) (d)	Percent replaced (e)	Cubic yards of ballast placed (f)	Miles surfaced (g)	Percent surfaced (h)
1	A	42,297	6.2	31.56	7.51	75,733	156.39	74.47
2	B	5,167	2.4	4.60	3.43	12,383	21.58	32.21
3	C							
4	D							
5	E							
6	F							
7	Potential abandonments							
8	Total	47,464	-	36.16	-	88,116	177.97	-

727. TEN-YEAR SUMMARY OF TRACK MAINTENANCE

1. Report in appropriate columns total numbers of replacements for all categories of track lines and the percentage of replacements to the units of property.

2. Explain in "Remarks" changes in track mileage due to acquisition, mergers, major abandonments and other disposals.

Line No.	Year (a)	Ties		Rail		Ballast	Track surfacing	
		Number of ties replaced (b)	Percent replaced (c)	Miles of rail replaced (rail-miles) (d)	Percent replaced (e)	Cubic yards of ballast placed (f)	Miles surfaced (g)	Percent surfaced (h)
1	Current year 1978	47,464	5.3%	36.16	6.5%	88,116	177.97	64.2%
2	First preceding 1977	45,198	5.0%	9.95	3.6%	119,887	195.85	70.7%
3	Second preceding 1976	46,943	5.2%	6.10	2.2%	114,893	256.78	92.7%
4	Third preceding 1975	45,655	5.1%	5.06	1.8%	103,296	242.56	87.6%
5	Fourth preceding 1974	39,658	4.4%	10.37	3.7%	89,987	231.30	83.5%
6	Fifth preceding 1973	39,437	4.4%	11.89	4.3%	85,160	157.16	56.7%
7	Sixth preceding 1972	38,044	4.2%	8.86	3.2%	75,333	187.62	67.7%
8	Seventh preceding 1971	33,979	3.8%	12.97	4.7%	40,502	199.30	71.9%
9	Eighth preceding 1970	19,927	2.2%	.25	.1%	47,591	61.60	22.2%
10	Ninth preceding 1969	31,028	3.4%	17.72	6.4%	54,596	56.60	21.1%

REMARKS

728. DEFERRED MAINTENANCE-TRACKS

- (1) Disclose the requested information concerning the monetary and quantity of deferred maintenance of tracks.
- (2) Explain in remarks section below the methods and/or calculations used in determining the amounts and quantities reported.

Road Initials:

CRR

Year 19 78

Line No.	Type of Track	Monetary Amount of Deferred Maintenance	
		End of the Year	Beginning of the Year
	(a)	(b)	(c)
1	A	\$	\$
2	B		
3	C		
4	D		
5	E	NCNE	
6	F		
7	Potential Abandonments		
8	Total Tracks		
	Selected Track Maintenance	Quantities of Deferred Maintenance	
		End of the Year	Beginning of the Year
9	Crossties		
10	Rail		
11	Ballast		

Remarks

As stated by the ICC, the subjective nature of deferred maintenance cannot be overcome by any definition. The criteria used in making the above determination are in accordance with that prescribed by the ICC in Docket 36557, "...the accrued deterioration or deficiency in the physical operating condition of railroad track structures...which produces an adverse effect on railroad operations to an extent that services to shippers have been rendered partially or wholly inadequate and/or has resulted in diminishing the railroads' competitive ability;...." The conclusions reached were based on a line by line analysis conducted by a special committee consisting of officers of the Engineering, Transportation, Traffic and Accounting Departments.

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750. CONSUMPTION OF FUEL BY MOTIVE-POWER UNITS

Show hereunder the amounts of the various kinds of fuel consumed by locomotive units and motors or other self-propelled rail cars in the service of the respondent during the year, and the number of kilowatt-hours for such tractive equipment as was propelled by electricity. The ton of 2,000 pounds should be used.

Kilowatt-hours, for entry in column (c) of section A, and column (h) of section B, are to be figures at high tension taps (point of production or point of purchase), and divided among the several classes of service, the division being made on the respondent's best estimate if actual figures are not available.

A. LOCOMOTIVES

Line No.	Kind of locomotive service (a)	Diesel	Electric	Other (Steam, Gas Turbine, Etc.)	
		Diesel oil (gallons)	Kilowatt-hours	Coal (tons)	Fuel oil (gallons)
		(b)	(c)	(d)	(e)
1	Freight	13,227,167			
2	Passenger	21,071			
3	Yard switching	537,654			
4	Total	13,785,892			
5	Cost of Fuel*	\$4,988	\$	\$	\$
6	Work Train	15,748			

B. RAIL MOTORCARS

Line No.	Kind of locomotive service (f)	Diesel	Electric	Gasoline
		Diesel oil (gallons)	Kilowatt-hours	Gasoline (gallons)
		(g)	(h)	(i)
7	Freight			
8	Passenger			
9	Yard switching			
10	Total			
11	Cost of Fuel*	\$	\$	\$
12	Work Train			

*Show cost of fuel charged to train and yard service (Functions 67-Loco. Fuels and 68-Electric Power Purchased/Produced for Motive Power). The cost stated for the various kinds of fuel should be the total charges in the accounts specified, including freight charges and handling expenses. The cost stated for electric current should be the total charges in the accounts enumerated. Fuel and power consumed by mixed and special trains that are predominantly freight should be included in freight service, but where the service of mixed or special trains is predominantly passenger, the fuel and power used should be included in passenger service. (Dollars in thousands)

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760. GRADE CROSSINGS-Continued

B-Railroad With Highway

1. A highway grade crossing is to be regarded as a single crossing of all of the tracks within the adjacent owned or leased right(s) of way of the railroad(s) at the point of intersection with a publicly maintained highway, street or avenue at the same grade to the extent that the tracks are located within the limits of a single set of grade crossing signs or protective devices having an integrated set of actuating circuits.

2. Not to be included are crossings of tracks with private roads leading to or within industrial plants, or with other roads or driveways not dedicated to public use. All crossings of tracks at grade with public roads and streets should be included if any railroad operations are conducted thereover by the reporting company whether or not the track is located on railroad right-of-way.

3. A private grade crossing which becomes public during the year should be reported as a new grade crossing. A grade crossing of a dual or multi-lane highway should be reported as one crossing. In the classification of protection, a crossing having more than one of the classes of protection listed below should be reported once only, using the furthest left column that applies. To avoid

duplicate reporting of jointly owned, jointly maintained or jointly used crossings, one railroad shall be designated the reporting road by mutual agreement of the interested parties.

4. In columns (b) and (c) include grade crossings with or without audible signals. In columns (d) and (e) include grade crossings with or without any type of audible or visible supplemental device. Exclude from columns (f) and (g) those crossings where train movement is protected only by a member of the train crew. Audible signals reportable in column (h) include any train-actuated bell, whistle, siren or other audible device located adjacent to the crossing. Other automatic signals reportable in column (i) include wigwags, Highway Traffic Signals or special types of train-actuated devices with or without audible supplements. Include in column (j), in addition to "Railroad Crossing" crossbuck, any other static sign (except "Number of Tracks" sign) or any non-train-actuated signal such as amber continuous-flashing lights. In column (m) report other than railroad crossbuck. Totals in column (o), lines 9 and 10 should be equal, resulting in no change in the total number of crossings.

Line No.	Item of Annual Change (a)	TYPES OF PROTECTION FOR, AND NUMBERS OF CROSSINGS AT GRADE													
		Automatic gates with flashing lights (b)	Automatic flashing light signals (c)	Gates manually operated		Watchmen only		Audible signals only (h)	Other automatic signals (i)	Total indicating warning of train approach (j)	"Rail-road crossing" crossbuck (k)	Cross-buck signs with other fixed signs (l)	Other fixed signs only (m)	No signs or signals (n)	Total crossings at grade (o)
				24 hours per day (d)	Less than 24 hours per day (e)	24 hours per day (f)	Less than 24 hours per day (g)								
1	Number at beginning of year	6	17							23	155				178
2	Added: By new, extended or relocated highway	1								1	1				2
3	By new, extended or relocated railroad														
4	Total added	1								1	1				2
5	Eliminated: By closing or relocation of highway														
6	By relocation or abandonment of railroad														
7	By separation of grades														
8	Total eliminated														
9	Changes in protection: Number of each type added	1								1	1				2
10	Number of each type deducted														
11	Net of all changes	1								1	1				2
12	Number at close of year	7	17							24	156				180
13	Number at close of year by States:														
14	Kentucky										2				2
15	Virginia	3	4							7	45				52
16	Tennessee	2	6							8	37				45
17	North Carolina	1	6							7	61				68
18	South Carolina	1	1							2	11				13
19															
20															
21															
22															
23															
24															
25															
26															

761. GRADE SEPARATIONS
Highway-Railroad

1. (a) A highway-railroad grade separation is to be regarded as a single crossing of all of the tracks within the owned or leased right-of-way or contiguous rights-of-way of the railroad(s) at the point of intersection with a publicly maintained highway, street or avenue at separate grades.

(b) Not to be included are structures which serve some major purpose other than the avoidance of conflict of railway movements with highway movements and which contain no design features required for accommodation of the intersecting traffic flow as in the case of major tunnels.

(c) In order to avoid duplicate reporting and possible confusion, in reporting grade separations used or maintained by more than one railroad, the interested parties in each case should designate one line to be the reporting railroad.

2. All separated crossings of tracks with public roads and streets should be included if any railroad operations are conducted thereover by the reporting company whether or not the track is located on railroad owned right-of-way.

3. Not to be included are crossings of tracks with private roads leading to or within industrial plants, or with other roads not dedicated to public use.

4. A private crossing which becomes public during the year should be reported as a new crossing.

5. A crossing of a dual or multi-line highway should be reported as one crossing.

Line No.	Items of Annual Change (a)	Types and numbers of highway-railroad grade separations		
		Overpass (Highway above railroad) (b)	Underpass (Railroad above highway) (c)	TOTAL (d)
1	Number at beginning of year	49	67	116
2	Added: By new, extended or relocated highway			
3	By new, extended or relocated railroad			
4	By elimination of grade crossing			
5	Total added			
6	Deducted: By closing or relocation of highway			
7	By relocation or abandonment of railroad			
8	Total deducted			
9	Net of all changes			
10	Number at close of year	49	67	116
	Number at close of year by States:			
11	Kentucky	1		1
12	Virginia	5	19	24
13	Tennessee	21	31	52
14	North Carolina	12	13	25
15	South Carolina	10	4	14
16				
17				
18				
19				
20				
21				
22				
23				
24				
25				
26				
27				
28				
29				

800. CONTRACTS, AGREEMENTS, ETC.

1. Hereunder give a concise statement of each important contract, agreement, arrangement, etc., with other companies or persons, together with important revisions, modifications, terminations, and other changes thereof, which became effective during the year, and concerned in any way the transportation of persons or things at other than tariff rates, or the purchase of equipment under conditional sales plans without the issuance of securities by respondent, making such statements in the following order:

- (a) Freight or transportation companies or lines.
- (b) Other railway companies.
- (c) Steamboat or steamship companies.
- (d) Telegraph companies.
- (e) Telephone companies.
- (f) Equipment purchased under conditional sales contracts.
- (g) Routing traffic of affiliated companies.
- (h) Other contracts.

2. Under item 1(b), include particulars of joint facility arrangements entered into during the year by the respondent, including those maintained or operated by other carriers as well as those maintained or operated by respondent. For each joint facility, give a brief statement of the basis or bases on which revenues, expenses, taxes, interest on investment, and other items, if any, related to the facility are apportioned among the carriers using the facility or otherwise deriving benefit therefrom.

3. Under item 1(f), give particulars of conditional sales agreements, lease or rental contracts, and other similar instruments, entered into by respondent for the purchase of equipment, which provide for payment in installments and do not involve the issuance of securities by respondent. State the names of the parties to the contracts or agreements, the number of units of each class of equipment covered, and the terms and conditions of payment.

4. Under item 1(g), give particulars of arrangements, written or

oral with affiliated companies for routing of traffic. Through route arrangements for handling of traffic interchanged with carrier affiliates should not be reported.

5. Under item 1(h), Other contracts, describe briefly the particulars of all contracts or agreements, including estimated amounts receivable, under which a government agency, or instrumentality thereof, seeks to assist respondent with grants or aid for providing passenger commuter or other passenger-train services.

6. Information concerning contracts of minor importance may be omitted. A contract of minor importance is defined as one involving receipts or payments of less than \$50,000 per year, and which, by its terms, is otherwise unimportant.

7. In lieu of giving abstracts, copies of contracts may be filed. Every copy of a contract furnished in connection with the foregoing requirement should be listed hereunder.

8. The basis for computing receipts and payments should be fully stated in the case of each such contract, agreement, or arrangement.

9. Compliance with the requirements of this schedule does not relieve the respondent of the duty placed upon common carriers by section 6(5), Part I, of the Interstate Commerce Act, which reads as follows:

"Every common carrier subject to this part shall also file with said Commission copies of all contracts, agreements, or arrangements with other common carriers in relation to any traffic affected by the provisions of this part to which it may be a party. Provided, however, that the Commission, by regulations, may provide for exceptions from the requirements of this paragraph in the case of any class or classes of contracts, agreements, or arrangements, the filing of which, in its opinion, is not necessary in the public interest."

1.(a) through (e), (g), (h) - None

(f) Conditional Sale Agreement dated January 1, 1978 between Bethlehem Steel Corporation and General Motors Corporation, Vendors, and Seaboard Coast Line Railroad Company and Louisville and Nashville Railroad Company, Vendees, and Agreement and Assignment dated January 1, 1978 between Mercantile-Safe Deposit and Trust Company and said Vendors, covering 200 100-ton open-top hopper cars and 5 GP38-2 diesel electric locomotives, providing for \$8,533 to be paid in 30 consecutive equal semiannual installments commencing October 1, 1978 and ending April 1, 1993.

Conditional Sale Agreement dated November 1, 1978 between Bethlehem Steel Corporation, Vendor, and Seaboard Coast Line Railroad Company and Louisville and Nashville Railroad Company, Vendees, and Agreement and Assignment dated November 1, 1978 between Mercantile-Safe Deposit and Trust Company and said Vendor, covering 700 100-ton open-top hopper cars, providing for approximately \$24,000 to be paid in 30 consecutive equal semiannual installments commencing September 1, 1979 and ending March 1, 1994.

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900. COMPENSATION OF OFFICERS, DIRECTORS, ETC.

1. In columns (a) and (b) enter the name and position of each of the persons named in Schedule 110 of this report to whom the respondent paid the largest amount during the year as compensation for current or past service over and above necessary expenses incurred in discharge of duties. In addition, list all other officers, directors, pensioners or employees, if any, to whom the respondent paid \$75,000 or more in total compensation during the year.

2. The salary per annum to be entered in column (c) is the annual rate at which an employee is paid rather than the amount actually paid for a part of a year. If the salary of an individual was increased or decreased during the year, show salary before each change as well as at close of year.

3. If an officer, director, etc., receives compensation from one or more of the affiliated companies listed in Schedule 112 reference to this fact should be made if the aggregate compensation from all companies amounts to \$75,000 or more.

4. Report in column (d) the total amount of compensation other than annual salary paid to each listed employee during the year. This includes forms of nonmonetary compensation given which directly benefits each employee. Examples:

Fair value of property given, such as exclusive use of an automobile;

Amount paid for membership of the employee in nonbusiness associations, private clubs, etc.;

Commissions, bonuses, shares in profits;

Contingent compensation plans;

Monies paid or accrued for: any pension, retirement, savings, retirement annuities, deferred compensation, or similar plan;

Premiums on life insurance where the respondent is not the beneficiary. Do not report premiums on group life insurance for benefits less than \$75,000.

Give the details of any plan not previously reported, the basis of determining the ultimate benefits payable, and the payments or provisions made during the year.

5. Also include in column (d) all remuneration paid, directly or indirectly, in the form of securities, options, warrants, rights or other property. Furnish particulars concerning any options, warrants, or rights issued or granted during the year including prices, expiration dates and other information relating to exercise of the options, warrants, or rights. Specify the amount of such securities or assets so entitled to be purchased by each officer, director, etc. (Dollars in thousands)

Line No.	Name of person (a)	Position or Title (b)	Salary per annum as of close of year (see instructions) (c)	Other compensation during the year (d)
1	Thomas D. Moore, Jr.	Executive Vice	\$	\$
2		President and		
3		General Manager		
4		1-1-78	40	(a) 2
5		7-1-78	50	
6				
7				
8				
9				
10				
11				
12				
13	(a) Fees of \$1 as member of Executive Board, Premium of \$1 on group life			
14	insurance for benefits in excess of \$50.			
15				
16	Note: W. Thomas Rice, Prime F. Osborn, A. Paul Funkhouser, Richard D. Spence			
17	and J. A. Stanley, Jr. each receive \$75 or more compensation and/or fees			
18	from affiliated companies.			
19				
20				
21				
22				
23				
24				
25				
26				
27				
28				
29				
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31				
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37				
38				

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 Florida

County of Duval

J. A. Stanley, Jr. makes oath and says that he is Comptroller
(Insert here name of the affiant) (Insert here the official title of the affiant)

Of Clinchfield Railroad Company
(Insert here the exact legal title or name of the respondent)

that it is his duty to have supervision over the books of accounts of the respondent and to control the manner in which such books are kept; that he knows that such books have been kept in good faith during the period covered by this report; that he knows that the entries contained in this report relating to accounting matters have been prepared in accordance with the provisions of the Uniform System of Accounts for Railroads and other accounting and reporting directives of this Commission; 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, 19 78, to and including December 31, 19 78

[Signature]
(Signature of affiant)

Subscribed and sworn to before me, a Notary Public in and for the State and county above named, this 19th day of March, 19 79

My commission expires AUG 8 1980

Use an
L.S.
impression seal

[Signature]
(Signature of officer authorized to administer oaths)

SUPPLEMENTAL OATH

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

State of Florida

County of Duval

T. D. Moore, Jr. makes oath and says that he is Executive Vice President and General Manager
(Insert here name of the affiant) (Insert here the official title of the affiant)

Of Clinchfield Railroad Company
(Insert here the exact legal title or name of the respondent)

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

January 1, 19 78, to and including December 31, 19 78

[Signature]
(Signature of affiant)

Subscribed and sworn to before me, a Notary Public in and for the State and county above named, this 19th day of March, 19 79

My commission expires AUG 8 1980

Use an
L.S.
impression seal

[Signature]
(Signature of officer authorized to administer oaths)

