

ANNUAL REPORT 1972 CLASS I

ERIE LACKAWANNA RAILWAY CO.

3 OF 3

114600

562. COMPENSATION OF OFFICERS, DIRECTORS, ETC.

1. In columns (a) and (b) enter the name and position of each of the five persons named in Schedules 102 and 103 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 \$40,000 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 104, reference to this fact should be made if the aggregate compensation from all companies amounts to \$40,000 or more. The detail as to division of the compensation should be reported in schedule 564.

4. Other compensation to be entered in column (d) includes, but is not limited to, commissions; bonuses; shares in profits; contingent compensation; moneys paid, set aside or accrued pursuant to any pension, retirement, savings, deferred compensation, or similar plan including premiums paid for retirement annuities, or life insurance where the respondent is not the beneficiary (Premiums on group life insurance for benefits less than \$50,000 need not be reported.), or any other arrangement which constitutes a form of compensation. 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.

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	G. W. Maxwell	President and Chief Executive Officer #		
2		Jan. 1 to Dec. 31 \$110,000	110,000	(c) 1,250
3	J. R. Neikirk	Vice President—Operations		
4		Jan. 1 to May 31 (a)		
5		Senior Vice President		
6		June 1 to Aug. 31 (a)		
7		Sept. 1 to Dec. 31 69,000	69,000	(c) 50
8	R. Jackson	Vice President—Law		
9		Jan. 1 to Aug. 31 43,500		
10		Sept. 1 to Dec. 31 45,892	45,892	
11	M. F. Coffman	Vice President—Traffic		
12		Jan. 1 to Aug. 31 42,500		
13		Sept. 1 to Dec. 31 44,837	44,837	(c) 50
14	R. H. Hahn	Vice President—Finance		
15		Apr. 1 to Aug. 31 (a)		
16		Sept. 1 to Dec. 31 42,500	42,500	
17	J. H. O'Neill	Vice President—Real Estate	(b) 47,000	
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19				
20				
21				
22				
23				
24	(a) Messrs. J. R. Neikirk and R. H. Hahn were not carried on the payroll of Erie Lackawanna			
25	Railway Company for the period January 1 to August 31, 1972, and were not members of			
26	its Supplemental Pension Plan. Erie Lackawanna Railway Company reimbursed Norfolk and			
27	Western Railway Company for portions of their compensation.			
28	(b) Mr. J. H. O'Neill is not carried on the payroll of Erie Lackawanna Railway Company and is			
29	not a member of its Supplemental Pension Plan. Erie Lackawanna Railway Company reimbursed			
30	Delaware and Hudson Railway Company for a portion of Mr. O'Neill's compensation for the			
31	period January 1 to July 24, 1972, and wholly subsequent to that date.			
32	(c) Directors' fees paid by Respondent, subsidiary and other companies.			
33	# Delaware and Hudson Railway Company reimbursed Erie Lackawanna Railway Company a portion			
34	of such compensation for the period January 1 to July 24, 1972.			
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563. 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 562.

(b) Payments for services rendered by affiliates shall be reported in Schedule 564.

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.

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.

Line No.	Name of recipient (a)	Description of service (b)	Amount of payment (c)	
			\$	
1	Alexander & Green	Legal		64,850
2	Associated Railways of New Jersey	Assessment	*	20,000
3	Association of American Railroads	Assessment		119,135
4	Association of Western Railways	Assessment	*	5,497
5	Eastern Railroad Association	Assessment	*	427,468
6	Lamb, Blake, Hutchinson & Dunne	Legal		55,652
7	Midge, Rose, Guthrie & Alexander	Legal		72,000
8	National Railway Labor Conference	Assessment	*	49,580
9	New York Railroad Association	Assessment	*	37,487
10	Ohio Railroad Association	Assessment	*	8,208
11	Peat, Marwick, Mitchell & Co.	Auditing		46,650
12	do.	Financial		7,088
13	Railroad Perishable			
14	Inspection Agency	Assessment	*	174,288
15	Western Weighing &			
16	Inspection Bureau	Assessment	*	11,759
17				
18				
19				
20				
21				
22				
23				
24				
25		*Jointly with other carriers		
26				
27				
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564. TRANSACTIONS BETWEEN RESPONDENT AND COMPANIES OR PERSONS AFFILIATED WITH RESPONDENT FOR SERVICES RECEIVED OR PROVIDED

1. Furnish the information called for below concerning each contract, agreement or arrangement (written or unwritten) in effect at any time during the year between the respondent and the affiliated companies listed in Schedule 104, or persons affiliated with the respondent including officers, directors, stockholders, owners, partners or their wives and other close relatives, or their agents. Examples of transactions are, but not restricted to, management, legal, accounting, purchasing or other type of service including the furnishing of materials, supplies, purchase of equipment, leasing of structures, land and equipment, and agreements relating to allocation of officers salaries and other common costs between affiliated companies.

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

- (a) Lawful tariff charges for transportation services.
- (b) Payments to or from other railroads for interline services and interchange of equipment.
- (c) Payments to or from other railroads for services which may reasonably be regarded as ordinarily connected with routine operation, maintenance, or construction of a railroad, but any special or unusual transactions should be reported.
- (d) Agreements relating to allocation of Federal income taxes between affiliated companies should be reported in Schedule 353 (p. 85)
- (e) Agreements relating to joint pension plans with affiliated companies should be reported in explanatory notes section of Schedule 200 (p. 13)

2. In column (a) enter the name of the affiliated company, person, or agent with which respondent received or provided services aggregating \$30,000 or more for the year. If an affiliated company provides services to more than one affiliate, and the aggregate compensation amounts to \$30,000 or more for the year, list all the affiliates included in the agreement and describe the allocation of charges in column (d). If the respondent provides services to more than one affiliate, and the aggregate compensation amounts to \$30,000 or more for the year, reference to this fact should be made and the detail as to the allocation of charges should be stated. For those affiliates providing services to the respondent, also enter in column (a) the percent of affiliate's gross income derived from transactions with respondent.

Attach a balance sheet and income statement for each affiliate with which respondent had reportable transactions during the year. These statements should be prepared on the same accounting year basis and in conformity with the balance sheet and income statement in annual report form A, and should be noted to indicate method of depreciating property, if any, furnished to the respondent. Balance sheet and income statement are not required for affiliated carriers filing annual reports with the Commission.

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

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

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

5. In column (d) fully describe the basis for computing charges under each contract, agreement, etc.

6. In columns (e) and (f) indicate the date and term of each contract or arrangement. If oral contract, indicate with symbol "O".

7. In column (g) report the total amount received, paid, or accrued during the year which is applicable to the year, for each type of service listed in column (c). Indicate purchase items with the symbol "P" and sales items with the symbol "S". Do not report net figures when services are both provided and received between the respondent and an affiliate.

Line No.	Name of Company or Individual and percent of gross income from respondent carrier		Form of Affiliation	Character of Service	Basis of Charge	Contract		Total Charges for Year	
	(a)	%				Date (e)	Term (f)	(P)(S)	(g)
1.	NONE								
2.									
3.									
4.									
5.									
6.									
7.									
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11.									
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15.									

565. OTHER TRANSACTIONS BETWEEN RESPONDENT AND COMPANIES OR PERSONS AFFILIATED WITH RESPONDENT

1. Furnish the information called for below concerning transactions between the respondent and the affiliated companies listed in Schedule 104, or persons affiliated with the respondent including officers, directors, stockholders, owners, partners or their wives and other close relatives, or their agents. Examples of transactions are, but not limited to, purchase, sale or transfer of equipment, land, structures, securities or other assets aggregating \$30,000 in value for the year.
2. In column (a) enter the name of the affiliated company, person, or agent with which respondent transacted purchase, sale or transfer.
3. In column (b) indicate form of affiliation or control between the respondent and company or person identified in column (a) in accord with instruction No. 3 to Schedule 564.
4. In column (c) briefly describe the kind of asset purchased, sold or transferred.
5. In column (d) report the total of all purchases, sales or transfers of property with a value of \$30,000 or more. If individual items are less than that amount, report the total of all purchases or sales with the company or individual named in column (a) when the aggregate of such items is \$30,000 for the year. Indicate purchase items with the symbol "P" and sales items with the symbol "S".
6. In column (e) summarize the book cost, less accrued depreciation if applicable, for each item reported in column (d).
7. In column (f) report the net profit or loss for each item (column (d) less column (e)).
8. Answer all questions at bottom of schedule.

Line No.	Name of Company or Individual (a)	Form of Affiliation (b)	Description of Item (c)	Sales or Purchase Price (d)	Net Book Value (e)	Gain or (Loss) (f)
1	Dereco, Inc.	Direct	Interest paid on advance	\$ 49,580	\$ 49,580	
2	Harlem Transfer Company	do.	Advance by E.L.	32,500	32,500	
3	Northwestern Mining and					
4	Exchange Co. of Erie, Pa.	do.	Net advance to E.L.	120,000	120,000	
5	Pennsylvania Coal Company	do.	Net advance repayment by E.L.	100,000	100,000	
6						
7						
8						
9						
10						
11						
12						
13						

With respect to the transactions listed above, were any gains or losses incurred by other affiliated companies in the six (6) accounting years preceding this report year on the transfer of the item to the company or individual named in column (a)? Specify. Yes.... No ☒. If yes, give particulars of prior transaction such as sales price, and gain or loss.

Where any services provided or assets transferred between respondent and affiliated companies or individuals during the year for which no charges were assessed? Specify. Yes.... No ☒. If yes, explain.

**566 A. TRANSACTIONS BETWEEN NONCARRIER SUBSIDIARIES OF RESPONDENT AND OTHER AFFILIATED COMPANIES OR PERSONS
FOR SERVICES RECEIVED OR PROVIDED**

1. Furnish the information called for below concerning transactions between noncarrier subsidiaries of the respondent and other affiliated companies for services received or provided in accord with instruction No. 1 to Schedule 564.
2. In column (a) enter the name of the noncarrier subsidiary of respondent.
3. In column (b) enter the name of other affiliated company with which the noncarrier subsidiary received or provided services aggregating \$30,000 or more for the year.
4. In column (c) indicate form of affiliation or control between noncarrier subsidiary and other affiliated company identified in column (b) in accord with instruction No. 3 to Schedule 564.
5. In column (d) fully describe the character of service involved such as management fees, lease of building, purchase of material, etc. If more than one type of service is provided, list each type of service separately. When services are both provided and received between the noncarrier subsidiary and other affiliate they should be listed separately and the amounts shown separately in column (h).
6. In column (e) fully describe the basis for computing charges under each contract, agreement, etc.
7. In columns (f) and (g) indicate the date and term of each contract or arrangement. If oral contract, indicate with symbol "O".
8. In column (h) report the total amount received, paid, or accrued during the year which is applicable to the year, for each type of service listed in column (d). Indicate purchase items with the symbol "P" and sales items with the symbol "S". Do not report net figures when services are both provided and received between the noncarrier subsidiary and other affiliate.

Line No.	Name of Respondent's Noncarrier Subsidiary Company (a)	Name of Other Affiliated Company (b)	Form of Affiliation (c)	Character of Service (d)	Basis of Charge (e)	Contract		Total Charges for Year	
						Date (f)	Term (g)	(P)(S)	(h)
1	NONE								
2									
3									
4									
5									
6									
7									
8									
9									
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566 B. OTHER TRANSACTIONS BETWEEN NONCARRIER SUBSIDIARIES OF RESPONDENT AND OTHER AFFILIATED COMPANIES OR PERSONS

1. Furnish the information called for below concerning other transactions between noncarrier subsidiaries of the respondent and other affiliated companies in accord with instruction No. 1 to Schedule 565.
2. In column (a) enter the name of the noncarrier subsidiary of respondent.
3. In column (b) enter the name of other affiliated company with which the noncarrier subsidiary transacted a purchase, sale or transfer of equipment, land, structures, securities or other assets aggregating \$30,000 in value for the year.
4. In column (c) indicate form of affiliation or control between noncarrier subsidiary and other affiliated company identified in column (b) in accord with instruction No. 3 to Schedule 564.
5. In column (d) briefly describe the kind of asset purchased, sold or transferred.
6. In column (e) report the total of all purchases, sales or transfers of property with a value of \$30,000 or more. If individual items are less than that amount, report the total of all purchases or sales when the aggregate of such items is \$30,000 for the year. Indicate purchase items with the symbol "P" and sales items with the symbol "S".
7. In column (f) summarize the book cost, less accrued depreciation if applicable, for each item reported in column (e).
8. In column (g) report the net profit or loss for each item (column (e) less column (f)).
9. Answer all questions at bottom of schedule.

Line No.	Name of Respondent's Noncarrier Subsidiary Company (a)	Name of Other Affiliated Company (b)	Form of Affiliation (c)	Description of Item (d)	Sales or Purchase Price (e)	Net Book Value (f)	Gain or (Loss) (g)
1	NONE						
2							
3							
4							
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
15							
16							
17							

With respect to the transactions listed above, were any gains or losses incurred by other affiliated companies in the six (6) accounting years preceding this report year on the transfer of the item to the company or individual named in column (b)? Specify. Yes.... No.... If yes, give particulars of prior transaction such as sales price, and gain or loss.

Were any services provided or assets transferred between noncarrier subsidiaries of respondent and other affiliated companies or individuals for which no charges were assessed? If so, explain.

571. CONSUMPTION OF FUEL BY MOTIVE-POWER UNITS

Show hereunder the amounts of the various kinds of fuel consumed by locomotive units and motor 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 (A) 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) (b)	Kilowatt-hours (c)	Coal (tons) (d)	Fuel oil (gallons) (e)
1	Freight.....	62,518,101			
2	Passenger.....	2,258,380			
3	Yard switching.....	6,109,934			
4	Total.....	70,886,415			
5	Work train.....	215,663			
6	GRAND TOTAL.....	71,102,078			
7	Total cost of fuel*.....	\$ 9,248,697			

B. RAIL MOTORCARS

Line No.	Kind of locomotive service (f)	DIESEL	ELECTRIC	GASOLINE
		Diesel oil (gallons) (g)	Kilowatt-hours (h)	Gasoline (gallons) (i)
11	Freight.....			
12	Passenger.....		48,286,526	
13	Yard switching.....			
14	Total.....		48,286,526	
15	Work train.....			
16	GRAND TOTAL.....		48,286,526	
17	Total cost of fuel*.....		\$ 1,013,958	

*Show cost of fuel charged to train and yard service (accounts Nos. 382 and 384, for other than electric, and accounts Nos. 383, 384, 385, and 386, for electric). The cost stated for the various kinds of fuel should be the total charges in the accounts specified, including freight charge, 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.

NOTES AND REMARKS

581. 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) Express companies.
- (b) Mail.
- (c) Sleeping, parlor, and dining-car companies.
- (d) Freight or transportation companies or lines.
- (e) Other railway companies.
- (f) Steamboat or steamship companies.
- (g) Telegraph companies.
- (h) Telephone companies.
- (i) Equipment purchased under conditional sales contracts.
- (j) Routing traffic of affiliated companies.
- (k) Other contracts.

2. Under item 1(e), 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(i), 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 num-

ber of units of each class of equipment covered, and the terms and conditions of payment.

4. Under item 1(j) 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(k), 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 \$25,000 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."

(a) Express companies - Nothing to report.

(b) Mail - Nothing to report.

(c) Sleeping, parlor and dining-car companies - Nothing to report.

(d) Freight or transportation companies or lines - Nothing to report.

(e) Other railway companies -

Agreement dated June 1, 1972, among The Wheeling and Lake Erie Railway Company, Norfolk and Western Railway Company, Lessee of The Wheeling and Lake Erie Railway Company, jointly referred to as the "N&W" and Respondent, referred to as "EL", covering the exchange of trackage rights between N&W and EL, whereby N&W is using EL's track from East 55th Street, Cleveland, Ohio to Solon, Ohio and EL is using N&W's branch and leased lines from Solon to Kent, Ohio.

(f) Steamboat or steamship companies - Nothing to report.

(g) Telegraph companies - Nothing to report.

(h) Telephone companies - Nothing to report.

(i) Equipment purchased under conditional sales contracts -

Agreement dated as of November 23, 1972, for the purchase of 13 General Electric Diesel Locomotives, assigned to Morgan Guaranty Trust Company of New York, in the amount of approximately \$4,490,759, to be paid in 59 consecutive quarterly installments beginning on February 1, 1973, and the final installment payable on November 1, 1987, I.C.C. Docket 6813.

Agreement dated as of November 21, 1972, for the purchase of 13 General Motors Diesel Electric Locomotives, assigned to Morgan Guaranty Trust Company of New York, in the amount of approximately \$4,388,774, to be paid in 59 consecutive quarterly installments beginning on February 1, 1973, and a final installment payable November 1, 1987, I.C.C. Docket 6816.

(j) Routing traffic of affiliated companies - Nothing to report.

(k) Other contracts -

Agreement dated June 15, 1972, between the State of New Jersey Commuter Operating Agency and Respondent, covering the rehabilitation of various stations on its Morrisown and Gladstone Lines in the New Jersey suburban commuter area. The Respondent's reimbursement from the State is limited to \$950,000 for its services, work and incurred obligations under the agreement.

581. CONTRACTS, AGREEMENTS, ETC. — Continued

(k) Other contracts — Continued

Agreement dated September 11, 1972, between the Commissioner of Transportation, State of New Jersey, and the Respondent, providing for the services of a Resident Inspector and Supervisory Inspectors in connection with the construction of fifty (50) additional new cars by Pullman-Standard for use in the New Jersey suburban commuter area.

Agreement dated October 5, 1972, between the State of New Jersey Commuter Operating Agency and Respondent, providing for the design and installation of standby electrical power facilities at Suffern and Spring Valley, New York, and Waldwick, New Jersey. Payment by the State to Respondent was based on actual cost, not to exceed \$570,000.

Agreement dated November 1, 1972, between the State of New Jersey Commuter Operating Agency and Respondent, in connection with the conversion of Respondent's Long Slip Power Plant in Jersey City, New Jersey, under the State's Environmental Protection program. The program involves two phases — Phase I consists of installation of switch heaters in Hoboken Yard and engineering for Phases I and II. Phase II will consist of providing heating of various terminal buildings. For Phase I Respondent will be paid \$500,000.

Lease dated as of December 8, 1972, for an original term of 60 months of 50 — 100 ton railway covered hopper cars, from Chicago Freight Car Leasing Company, at a rental of \$225 per car per month.

591. CHANGES DURING THE YEAR

Hereunder state the matters called for. Make the statements explicit and precise, and number them in accordance with the inquiries; each inquiry should be fully answered, and if the word "none" truly states the fact it may be used in answering any particular inquiry. Changes in mileage should be reported by classes and stated to the nearest hundredth of a mile.

1. For each railroad property used in respondent's transportation service, show all increases and decreases in mileage, classifying the changes in the tables below as follows:

(Class 1) Line owned by respondent.

(Class 2) Line owned by proprietary companies.

(Class 3) Line operated under lease for a specified sum.

(Class 4) Line operated under contract or agreement for contingent rent.

(Class 5) Line operated under trackage rights.

2. For changes in miles of road, give dates of beginning or abandonment of operations. If any changes reportable in this schedule occurred

under authority granted by the Commission in certificates of convenience and necessity, issued under paragraphs (18) to (22) of section 1 of the Interstate Commerce Act or otherwise, specific reference to such authority should in each case be made by docket number or otherwise, as may be appropriate.

3. All consolidations, mergers, and reorganizations effected, giving particulars.

This statement should show the mileage, equipment, and cash value of property of each company as well as the consideration received by each company party to the action. State the dates on which consolidated, etc., and whether the prior companies have been dissolved. Copies of the articles of consolidation, merger, or reorganization should be filed with this report.

4. Other important changes not elsewhere provided for involving more than \$50,000, giving full particulars.

INCREASES IN MILEAGE

Line No.	Class	Main (M) or branch (B) line	RUNNING TRACKS, PASSING TRACKS, CROSS-OVERS, ETC.								Miles of way switching tracks	Miles of yard switching tracks	Total	Remarks
			Miles of road		Miles of second main track		Miles of all other main tracks		Miles of passing tracks, cross-overs, and turn-outs					
			(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)				
1	1	M								45	1 00	1 45		
2	2	B	(a) 1 84					41	1 35	08	3 68			
3	5	M								53	53			
4														
5														
6														
7														
8														
9														
10														
11														
12														
13	TOTAL INCREASE		1 84					41	1 80	1 61	5 66			

DECREASES IN MILEAGE

21	1	M			51	2 40	2 39	33 91	39 21	
22	1	B	(b) 1 83	1 28		2 69	5 18	2 95	13 93	
23	1J	B						26	26	
24	5	M			02			07	09	
25										
26										
27										
28										
29										
30										
31										
32	TOTAL DECREASE		1 83	1 28	53	5 09	7 57	37 19	53 49	

If returns under Inquiry No. 1 above include any first main track owned by respondent or its proprietary companies representing new construction or permanent abandonment give the following particulars:

Owned by respondent:

Miles of road constructed None Miles of road abandoned None

Owned by proprietary companies:

Miles of road constructed None Miles of road abandoned None

The item "miles of road constructed" is intended to show the mileage of first main track laid to extend respondent's road, and should not include tracks relocated and tracks laid to shorten the distance between two points, without serving any new territory.

By road abandoned is meant "permanently abandoned," the cost of which has been or is to be written out of the investment accounts.

(a) Required account construction of Southern Tier Expressway

Savona Spur - Savona, N.Y. to Bath, N.Y. effective January 1972.

(b) Retirement of track:

New York Wayland Branch - Gibson, N.Y. to Wayland, N.Y., effective January 1972 account acquisition of the right-of-way for construction of the Southern Tier Expressway.

VERIFICATION

The foregoing report must be verified by the oath of the officer having control of the accounting of the respondent. It should be verified, also, by the oath of the president or other chief officer of the respondent, unless the respondent states on the last preceding page of this report that such chief officer has no control over the accounting of the respondent. The oath required may be taken before any person authorized to administer an oath by the laws of the State in which the same is taken.

OATH

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

State of OHIO

County of CUYAHOGA

J. E. KEENAN

(Insert here the name of the respondent)

makes oath and says that he is

COMPTROLLER

(Insert here the official title of the affiant)

of THOMAS F. PATTON AND RALPH S. TYLER, JR., TRUSTEES
OF THE PROPERTY OF ERIE LACKAWANNA RAILWAY COMPANY

(Insert here the exact legal title or name of the respondent)

that it is his duty to have supervision over the books of account of the respondent and to control the manner in which such books are kept; that he knows that such books have, during the period covered by the foregoing report, been kept in good faith in accordance with the accounting and other orders of the Interstate Commerce Commission, effective during the said period; that he has carefully examined the said report and to the best of his knowledge and belief the entries contained in the said report have, so far as they relate to matters of account, been accurately taken from the said books of account and are in exact accordance therewith; that he believes that all other 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 during the period of time from and including

January 1, 1972, to and including December 31, 1972.

J. E. Keenan
(Signature of affiant)

Subscribed and sworn to before me, a Notary Public, in and for the State and county above named, this 30th day of APRIL, 1973.
My commission expires MAY 26, 1974

Use an
L. S.
impression seal

Geza G. Horvath
(Signature of officer authorized to administer oaths)

GEZA G. HORVATH, Notary Public
Cuyahoga County, Ohio
My Commission Expires May 26, 1974

SUPPLEMENTAL OATH

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

State of OHIO

County of CUYAHOGA

G. W. MAXWELL

(Insert here the name of the respondent)

makes oath and says that he is

President and Chief Executive Officer

(Insert here the official title of the affiant)

of THOMAS F. PATTON AND RALPH S. TYLER, JR., TRUSTEES
OF THE PROPERTY OF ERIE LACKAWANNA RAILWAY 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, 1972, to and including December 31, 1972.

G. W. Maxwell
(Signature of affiant)

Subscribed and sworn to before me, a Notary Public, in and for the State and county above named, this 30th day of APRIL, 1973.
My commission expires MAY 26, 1974

Use an
L. S.
impression seal

Geza G. Horvath
(Signature of officer authorized to administer oaths)

GEZA G. HORVATH, Notary Public
Cuyahoga County, Ohio
My Commission Expires May 26, 1974

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