



ACAA - R1

# Class I Railroad Annual Report

	<p><b>GRAND TRUNK CORPORATION</b> 935 DE LA GAUCHETIERE STREET WEST FLOOR 4 (FINANCIAL REPORTING) MONTREAL, QUEBEC (CANADA) H3B 2M9</p>
<p>Correct name and address if different than shown</p>	<p>Full name and address of reporting carrier (Use mailing label on original, copy in full on duplicate)</p>



**To The  
Surface Transportation Board  
For the Year Ending December 31, 2006**

# NOTICE

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

## Supplemental Information about the Annual Report (R-1)

This information collection is mandatory pursuant to 49 U.S.C. 11145.

The estimated hour burden for filing this report is less than 800 hours.

Information in the Annual Reports is used to monitor and assess railroad industry growth, financial stability, traffic, and operations and to identify industry changes that may affect national transportation policy. In addition, the Board uses data from these reports to more effectively carry out regulatory responsibilities, such as acting on railroad requests for authority to engage in Board regulated financial transactions (for example, mergers, acquisitions of control, consolidations, and abandonments); conducting investigations and rulemakings; conducting rail revenue adequacy proceedings; developing rail cost adjustment factors; and developing the URCS, which is a cost measurement methodology. URCS was developed by the Board pursuant to 49 U.S.C. 11161 and is used as a tool in rail rate proceedings to calculate the variable costs associated with providing a particular service in accordance with 49 U.S.C. 10707(d). The Board also uses URCS to analyze the information that it obtains through the annual railroad industry waybill sample, see 49 CFR 1244, and in railroad abandonment proceedings to measure off-branch costs, pursuant to 49 U.S.C. 10904(a) and in accordance with 49 CFR 1152.32(n).

The information in this report is ordinarily maintained by the agency in hard copy for 10 years, after which it is transferred to the National Archives, where it is maintained as a permanent record. These reports are also maintained by the agency indefinitely on microfiche. In addition, some of this information is posted on the Board's website, [www.stb.dot.gov](http://www.stb.dot.gov), where it may remain indefinitely. All information collected through this report is available to the public.

The OMB control number for this collection is 2140-0009. The display of a currently valid OMB control number is required by law.

#### **Supplemental Information about the Quarterly Condensed Balance Sheet (CBS)**

This information collection is mandatory under 49 CFR 1243.2.

The estimated hour burden for filing this report is six hours per report.

The Board uses the information in this report to ensure competitive, efficient, and safe transportation through general oversight programs that monitor and forecast the financial and operating condition of railroads, and through specific regulation of railroad-rate and service issues and rail-restructuring proposals, including railroad mergers, consolidations, acquisitions of control, and abandonments. Information from the reports is used by the Board, other Federal agencies, and industry groups, including the Association of American Railroads, to assess industry growth and operations, detect changes in carrier financial stability, and identify trends that may affect the national transportation system.

Information from these reports is compiled by the Board and published on its website, [www.stb.dot.gov](http://www.stb.dot.gov), where it may be maintained indefinitely. The compilation report is entitled Class I Railroads, Selected Earnings Data. In addition, paper copies of individual reports are maintained by the Board for ten years, after which they are destroyed. All information collected through this report is available to the public.

The display of a currently valid OMB control number for this collection is required by law.

#### **Supplemental Information about the Quarterly Report of Revenues, Expenses, and Income (Form RE&I)**

This information collection is mandatory pursuant to 49 U.S.C. 11164 and 49 CFR 1243.1.

The estimated hour burden for filing this report is six hours per report.

The Board uses the information in this report to ensure competitive, efficient, and safe transportation through general oversight programs that monitor and forecast the financial and operating condition of railroads, and through regulation of railroad rate and service issues and rail restructuring proposals, including railroad mergers, consolidations, acquisitions of control and abandonments. Information from the reports is used by the Board, other Federal agencies and industry groups to monitor and assess industry growth and operations, detect changes in carrier financial stability, and identify trends that may affect the national transportation system. Individual and aggregate carrier information is needed in our decision making process.

Information from these reports is compiled by the Board and published on its website, [www.stb.dot.gov](http://www.stb.dot.gov), where it may be maintained indefinitely. The compilation report is entitled Class I Railroads, Selected Earnings Data. In addition, paper copies of individual reports are maintained by the Board for ten years, after which they are destroyed. All information collected through this report is available to the public.

The display of a currently valid OMB control number for this collection is required by law.

**Supplemental Information about the Report of Railroad Employees, Service, and Compensation (Wage Forms A & B)**

This information collection is mandatory pursuant to 49 U.S.C. 11145 and 49 CFR 1245.2.

The estimated hour burden for filing this report is 30 hours per quarterly report and 40 hours per annual report.

The Board uses information in this report to forecast labor costs and measure the efficiency of the reporting railroads. The information is also used by the Board to evaluate proposed regulated transactions that may impact rail employees. These transactions include mergers and consolidations, acquisitions of control, purchases, and abandonments. Other Federal agencies and industry groups, including the Railroad Retirement Board, the Bureau of Labor Statistics, and the Association of American Railroads, depend on the information contained in the reports to monitor railroad operations.

Certain information from the reports is compiled and published on the Board's website, [www.stb.dot.gov](http://www.stb.dot.gov), where it may be maintained indefinitely. In addition, paper copies of individual reports are maintained by the Board for ten years, after which they are destroyed. All information collected through this report is available to the public.

The OMB control number for this collection is 2140-0004. The display of a currently valid OMB control number is required by law.

**Supplemental Information about the Monthly Report of Number of Employees of Class I Railroads (Wage Form C)**

This information collection is mandatory pursuant to 49 U.S.C. 11145 and 49 CFR 1246.1.

The estimated hour burden for filing this report is 1.25 hours per monthly report.

The Board uses information in this report to forecast labor costs and measure the efficiency of the reporting railroads. The information is also used by the Board to evaluate proposed regulated transactions that may impact rail employees, including mergers and consolidations, acquisitions of control, purchases, and abandonments. Other Federal agencies and industry groups, including the Railroad Retirement Board, the Bureau of Labor Statistics, and the Association of American Railroads, depend on the information contained in the reports to monitor railroad operations.

The information in this report is compiled and published on the Board's website, [www.stb.dot.gov](http://www.stb.dot.gov), where it may be maintained indefinitely. In addition, paper copies of individual reports are maintained by the Board for ten years, after which they are destroyed. All information collected through this report is available to the public.

The OMB control number for this collection is 2140-0007. The display of a currently valid OMB control number is required by law.

**Supplemental Information about the Annual Report of Cars Loaded and Cars Terminated (Form STB-54)**

This information collection is mandatory pursuant to 49 U.S.C. 11162 and 49 CFR 1247.

The estimated hour burden for filing this report is four hours per report.

The Board uses information in this report to forecast labor costs and measure the efficiency of the reporting railroads. Information in this report is entered into the Board's URCS. In addition, many other Federal agencies and industry groups, including the Department of Transportation and the Association of American Railroads (AAR), depend on Form STB-54 for information regarding the number of cars loaded and terminated on the reporting carrier's line.

All information collected through this report is available to the public. Paper copies of individual reports are maintained by the Board for ten years, after which they are destroyed.

The OMB control number for this collection is 2140-0011. The display of a currently valid OMB control number is required by law.

**Supplemental Information about the Quarterly Report of Freight Commodity Statistics (Form QCS)**

This information collection is mandatory pursuant to 49 U.S.C. 11145 and 49 CFR 1248.

The estimated hour burden for filing this report is 217 hours per report.

Information in this report is entered into the Board's URCS.

All information collected through this report is available to the public. Paper copies of individual reports are maintained by the Board for ten years, after which they are destroyed.

The OMB control number for this collection is 2140-0001. The display of a currently valid OMB control number is required by law.

For Index, See Back of Form

# ANNUAL REPORT

OF

GRAND TRUNK CORPORATION

TO THE

## SURFACE TRANSPORTATION BOARD

FOR THE

YEAR ENDED DECEMBER 31, 2006

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

(Name) Serge Pharand (Title) Vice-President and Corporate Comptroller

(Telephone number) (514) 399 - 4784  
(Area code) (Telephone number)

(Office address) 935 de la Gauchetiere Street West Montreal, Quebec H3B 2M9  
(Street and number, city, State, and ZIP code)

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**SPECIAL NOTICE**

Docket Number 38559 Railroad Classification Index, (ICC served January 20, 1983), modified the reporting requirements for Class II, Class III, and Switching and Terminal companies. These carriers will notify the Board only if the calculation results in a different revenue level than its current classification.

The dark border on the schedule represents data that are captured for processing by the Board.

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

**A. SCHEDULES OMITTED BY RESPONDENT**

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

Page	Schedule Number	Title
		None

**B. IDENTITY OF RESPONDENT**

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

- 1 Give the exact name of the respondent. Use the words "The" and "Company" only when they are parts of the corporate name. Be careful to distinguish between railroad and railway. The corporate name should be given uniformly throughout the report, notably on the cover, on the title page, and in the "Verification". If the report is made by receivers, trustees, a committee of bondholders, or individuals otherwise in possession of the property, state names and facts with precision. If the report is for a consolidated group, pursuant to Special Permission from the Board, indicate such fact on line 1 below and list the consolidated group on page 4.
- 2 If incorporated under a special charter, give date of passage of the act; if under a general law, give date of filing certificate of organization; if a reorganization has been effected, give date of reorganization. If a receivership or other trust, give also date which 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 Grand Trunk Corporation
- 2 Date of incorporation September 22, 1970
- 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.  
State of Delaware
- 4 If the respondent was reorganized during the year, involved in a consolidation or merger, or conducted its business under a different name, give full particulars.  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**STOCKHOLDERS' REPORTS**

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

Check appropriate box

- ☐ Two copies are attached to this report
- ☐ Two copies will be submitted on \_\_\_\_\_ (date)
- ☒ No annual report to stockholders is prepared

## C. VOTING POWERS AND ELECTIONS

1. State the par value of each share of stock: Common \$ - per share, first preferred \$        per share; second preferred \$        per share; debenture stock \$        per share
2. State whether or not each share of stock has the right to one vote, if not, give full particulars in a footnote Class A: Yes, Class B: No
3. Are voting rights proportional to holdings? Yes X No       . If no, state in a footnote the relationship between holdings and corresponding voting rights.
4. Are voting rights attached to any securities other than stock? Yes        No X. If yes, name in a footnote each security, other than stock to which voting rights are attached (as of the close of the year), and state in detail the relationship between holdings and corresponding voting rights, indicating whether voting rights are actual or contingent and, if contingent, showing the contingency.
5. Has any class or issue of securities any special privileges in the election of directors, trustees, or managers, or in the determination of corporate action by any method? Yes        No X. If yes, describe fully in a footnote each such class or issue and give a succinct statement showing clearly the character and extent of such privileges
6. Give the date of the latest closing of the stock book prior to the actual filing of this report, and state the purpose of such closing  
Books not closed
7. State the total voting power of all security holders of the respondent at the date of such closing, if within one year of the date of such filing; if not, state as of the close of the year 99 votes, as of December 31, 2006 (date)
8. State the total number of stockholders of record, as of the date shown in answer to Inquiry 7. 1 stockholder.
9. Give the names of 30 security holders of the respondent who, at the date of the latest closing of the stock book or compilation of list of stockholders of the respondent (if within one year prior to the actual filing of this report), had the highest voting powers in the respondent, showing for each, his or her address, the number of votes he or she would have had a right to cast on that date had a meeting then been in order, and the classification of the number of votes to which he or she was entitled, with respect to securities held by him or her, such securities being classified as common stock, second preferred stock, first preferred stock, and other securities (stating in a footnote the names of such other securities, if any). If any such holder held in trust, give (in a footnote) the particulars of the trust. In the case of voting trust agreements, give as supplemental information the names and addresses of the 30 largest holders of the voting trust certificates and the amount of their individual holdings. If the stock book was not closed or the list of stockholders compiled within such year, show such 30 security holders at the close of the year

Line No	Name of Security Holder (a)	Address of Security Holder (b)	Number of Votes to Which Security Holder Was Entitled (c)	Number of Votes, Classified With Respect to Securities on Which Based			Line No
				Stock			
				Common (d)	Preferred		
Second (e)	First (f)						
1							1
2	Canadian National Railway Co	935 de la Gauchetière West	99	99			2
3	(Class A)	Montreal, Quebec					3
4							4
5							5
6	Canadian National Railway Co	935 de la Gauchetière West	-	-			6
7	(Class B)	Montreal, Quebec					7
8							8
9							9
10							10
11							11
12							12
13							13
14							14
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28							28
29							29
30							30

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

10. State the total number of votes cast at the latest general meeting for the election of directors of the respondent: 99  
votes cast.
- 11 Give the date of such meeting. See Remarks
- 12 Give the place of such meeting: See Remarks

**NOTES AND REMARKS**

There was a Consent in Lieu of the Meeting of the Shareholders, in accordance with the General Corporation Law of the State of Delaware section 228 (a), to elect the members of the Board of Directors

**200. COMPARATIVE STATEMENT OF FINANCIAL POSITION - ASSETS**

(Dollars in Thousands)

Line No.	Cross Check	Account	Title (a)	Balance at close of year (b)	Balance at beginning of year (c)
<b>Current Assets</b>					
1		701	Cash	10,072	(12,045)
2		702	Temporary cash investments	-	-
3		703	Special deposits	-	-
			Accounts receivable		
4		704	- Loan and notes	-	27
5		705	- Interline and other balances	8,387	9,071
6		706	- Customers	423	1,381
7		707	- Other	66,250	61,049
8		709, 708	- Accrued accounts receivable	43,534	45,635
9		708.5	- Receivables from affiliated companies	-	677,791
10		709.5	- Less: Allowance for uncollectible accounts	(16,255)	(5,884)
11		710, 711, 714	Working funds prepayments deferred income tax debits	60,136	64,031
12		712	Materials and supplies	52,386	37,106
13		713	Other current assets	17,005	7,440
14			<b>TOTAL CURRENT ASSETS</b>	<b>241,938</b>	<b>885,602</b>
<b>Other Assets</b>					
15		715, 716, 717	Special funds	-	-
16		721, 721.5	Investments and advances - affiliated companies (Sch. 310 and 310A)	369,121	331,628
17		722, 723	Other investment and advances		
18		724	Allowances for net unrealized losses on noncurrent marketable equity securities - Cr.	-	-
19		737, 738	Property used in other than carrier operation (Less depreciation) \$	45,234	45,414
20		739, 741	Other assets	24,437	23,853
21		743	Other deferred debits	55,088	62,365
22		744	Accumulated deferred income tax debits	-	-
23			<b>TOTAL OTHER ASSETS</b>	<b>493,880</b>	<b>463,260</b>
<b>Road and equipment</b>					
24		731, 732	Road (Sch.330) L-30 Col h & b	8,606,079	8,374,112
25		731, 732	Equipment (sch.330) L-39 Col h & b	1,082,498	1,002,634
26		731, 732	Unallocated items	10,985	8,457
27		733, 735	Accumulated depreciation and amortization (Sch. 335, 342, 351)	(1,336,226)	(1,266,480)
28			Net Road and Equipment	8,363,336	8,118,723
29			<b>TOTAL ASSETS</b>	<b>9,099,154</b>	<b>9,467,585</b>

**NOTES AND REMARKS**

**200. COMPARATIVE STATEMENT OF FINANCIAL POSITION - LIABILITIES AND SHAREHOLDERS' EQUITY**

(Dollars in Thousands)

Line No	Cross Check	Account	Title (a)	Balance at close of year (b)	Balance at beginning of year (c)
<b>Current Liabilities</b>					
30		751	Loan and notes payable	-	-
31		752	Accounts payable: interline and other	8,064	9,021
32		753	Audited accounts and wages payable	100,564	78,605
33		754	Other accounts payable	943	1,096
34		755,756	Interest and dividends payable	9,074	8,425
35		757	Payables to affiliated companies	51,930	-
36		759	Accrued accounts payable	208,185	224,544
37		760,761,761.5,762	Taxes accrued	13,043	490
38		763	Other current liabilities	7,196	8,574
39		764	Equipment obligations and other long-term debt due within one year	88,105	28,125
40			<b>TOTAL CURRENT LIABILITIES</b>	<b>487,104</b>	<b>358,880</b>
<b>Non-Current Liabilities</b>					
41		765,767	Funded debt unmatured	331,101	397,908
42		766	Equipment obligations	-	84
43		766.5	Capitalized lease obligations	112,982	60,728
44		768	Debt in default	-	-
45		769	Accounts payable: affiliated companies	3,512,849	2,277,212
46		770.1, 770 2	Unamortized debt premium	(23,681)	(21,541)
47		781	Interest in default	-	-
48		783	Deferred revenues - transfers from govt.authorities	9,682	10,209
49		786	Accumulated deferred income tax credits	2,641,617	2,537,441
50		771, 772, 774 775, 782, 784	Other long-term liabilities and deferred credits	620,136	698,424
51			<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>7,204,686</b>	<b>5,960,465</b>
<b>Shareholders' Equity</b>					
52		791,792	Total capital stock	10	1,802,429
53			Common stock	10	1,802,429
54			Preferred stock	-	-
55			Discount on capital stock	-	-
56		794,795	Additional capital	76,385	444,508
<b>Retained earnings:</b>					
57		797	Appropriated	1,555	1,507
58		798	Unappropriated	1,329,414	899,796
59		798.1	Net unrealized loss on noncurrent marketable equity securities	-	-
60		798.5	Less: treasury stock	-	-
61			Net stockholders equity	1,407,364	3,148,240
62			<b>TOTAL LIABILITIES AND SHAREHOLDERS EQUITY</b>	<b>9,099,154</b>	<b>9,467,585</b>

**NOTES AND REMARKS**

Account 798 includes a net increase of \$25,720 thousand related to changes in Accumulated comprehensive income. See Schedule 220, Account 606.

**200 - COMPARATIVE STATEMENT OF FINANCIAL POSITION - EXPLANATORY NOTES**  
(Dollars in Thousands)

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

1 Amount (estimated, if necessary) of net income or retained income which has to be provided for capital expenditures, and for sinking funds pursuant to provisions of reorganization plans, mortgages, deeds of trust, or other contracts. N/A \$ N/A

2 Estimated amount of future earnings which can be realized before paying Federal income taxes because of unused and available net operating loss carryover on January 1 of the year following that for which the report is made \$ 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 2 on page 10-11

(b) State amount, if any, representing the excess of the actuarially computed value of vested benefits over the total of the pension fund See Note 2 on page 10-11 \$                     

(c) Is any part of the pension plan funded? Specify Yes X No               
If funding is by insurance give name of insuring company N/A  
If funding is by trust agreement, list trustee(s) The Northern Trust Company  
Date of trust agreement or latest amendment April 1, 1997, with subsequent amendments  
If respondent is affiliated in any way with the trustee(s) explain affiliation N/A

(d) List affiliated companies which are included in the pension plan funding agreement and describe basis for allocating charges under the agreement Grand Trunk Western Railroad Incorporated, Duluth, Winnipeg and Pacific Railway Company,  
Illinois Central Railroad Company, IC RailMarine Terminal Company, Chicago, Central & Pacific Railroad Company,  
Wisconsin Central Ltd., Bessemer & Lake Erie Railroad Company, Pittsburgh & Conneaut Dock Company,  
and Duluth, Missabe and Iron Range Company

(e) Is any part of the pension plan fund invested in stock or other securities of the respondent or its affiliates? Specify Yes No X

If yes, give number of the shares for each class of stock or other security N/A

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 determines how the stock is voted

4 State whether a segregated political fund has been established as provided by the Federal Election Campaign Act of 1971 (18 U.S.C. 610)  
Yes X No                     

5. (a) The amount of employers contribution to employee stock ownership plans for the current year was \$ 3,359

(b) The amount of investment tax credit used to reduce current income tax expense resulting from contributions to qualified employee stock ownership plans for the current year was \$ None

6 In reference to Docket No. 37465 specify the total amount of business entertainment expenditures charged to the non-operating expense account \$ None

Continued on following page



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

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

Disclose the nature and amount of contingency that is material.

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

See Note 3 on page 11.

(a) Changes in Valuation Accounts

8 Marketable Equity Securities.

None

		Cost	Market	Debit (Credit) To Income	Debit (Credit) to Stockholders Equity
(Current Year)	Current Portfolio	N/A	N/A	N/A	N/A
as of / /	Noncurrent Portfolio	N/A	N/A	N/A	N/A
(Previous Year)	Current Portfolio	N/A	N/A	N/A	N/A
as of / /	Noncurrent Portfolio	N/A	N/A	N/A	N/A

At 12/31/2006, gross unrealized gains and losses pertaining to marketable securities were as follows

	Gains	Losses
Current	-	-
Noncurrent	-	-

A net unrealized gain (loss) of \$ N/A on the sale of marketable equity securities was included in net income for 2006

The cost of securities sold was based on the N/A (method) cost of all the shares of each security held at time of sale.

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

NOTE 12/31/2006 - Balance Sheet date of reported year unless specified as previous year.

**200 - COMPARATIVE STATEMENT OF FINANCIAL POSITION - EXPLANATORY NOTES - Continued****NOTES TO FINANCIAL STATEMENTS****NOTE 1 - CONSOLIDATION AND PRESENTATION**

Grand Trunk Corporation and all subsidiaries, collectively "GTC" or "the Company", is engaged in the rail and related transportation business. GTC's revenues are derived from the movement of a diversified and balanced portfolio of goods, including petroleum and chemicals, grain and fertilizers, coal, metals and minerals, forest products, intermodal and automotive.

These consolidated financial statements include the accounts of Grand Trunk Corporation and all subsidiaries, including Illinois Central Corporation and its subsidiaries, Grand Trunk Western Railroad Incorporated, Duluth, Winnipeg and Pacific Railway Company, Wisconsin Central Transportation Corporation (WC) and its subsidiaries and Great Lakes Transportation LLC's Railroads and Related Holdings (GLT) and its subsidiaries.

US Rail Companies consolidated in this report include:

- Grand Trunk Western Railroad Incorporated
- Duluth, Winnipeg and Pacific Railway Company
- Illinois Central Railroad Company
- Chicago Central and Pacific Railroad Company
- Cedar River Railroad Company
- Wisconsin Central Ltd
- Wisconsin Chicago Link Ltd
- Sault Saint-Marie Bridge Company
- Bessemer and Lake Erie Railroad
- Duluth, Missabe and Iron Range Company
- The Pittsburgh and Conneaut Dock Company

Furthermore, these financial statements also fully consolidate the US rail-related subsidiaries. Subsidiaries that are not US rail or rail-related companies are accounted for using the equity method and are not fully consolidated in those statements.

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

## NOTES TO FINANCIAL STATEMENTS

(Dollars in Thousands)

**NOTE 2 - PENSIONS**

Pension costs are determined using actuarial methods. Net periodic benefit cost is charged to income and includes

- (i) the cost of pension benefits provided in exchange for employees' services rendered during the year,
- (ii) the interest cost of pension obligations,
- (iii) the expected long-term return on pension fund assets,
- (iv) the amortization of prior service costs and amendments over the expected average remaining service life of the employee by the plans, and
- (v) the amortization of cumulative net actuarial gains and losses in excess of 10% of, the greater of the beginning of year the projected benefit obligation or market-related value of plan assets, over the expected average remaining service life group covered by the plans

The pension plans are funded through contributions determined in accordance with the projected unit credit actuarial

**Accounting Change**

On December 31, 2006, the Company adopted SFAS No. 158, "Employers' Accounting for Defined Benefit Pension and Other Postretirement Plans, an amendment of FASB Statements No. 87, 88, 106, and 132(R)," which requires the Company to recognize the over or underfunded status of its various benefit plans in its Consolidated Balance Sheet. As such, on December 31, 2006, the Company increased its pension liability by \$9,852 thousand, to \$49,272 thousand. The Company will recognize changes in the funded status in the year in which the changes occur, through Other comprehensive income (loss). The actuarial gains/losses and prior service costs/credits that arise during the period but are not recognized as components of net periodic benefit cost will be recognized as a component of Other comprehensive income (loss), net of tax. These amounts recognized in Accumulated other comprehensive income (loss) will be adjusted as they are subsequently recognized as components of net periodic benefit cost. Prior to December 31, 2006, actuarial gains/losses and prior service costs/credits were deferred in their recognition, and amortized into net periodic benefit cost over the expected average remaining service life of the employee group covered by the plans. The adoption of SFAS No. 158 had no impact on years prior to 2006 as retrospective application was not allowed. This standard had no effect on the 2006 computation of net periodic benefit cost for pensions and other postretirement benefits.

**Information about the Company's defined benefit pension plans**

The following disclosures in relation to the Company's defined benefit pension plans are made pursuant to SFAS No. 158 requirements.

**(a) Change in benefit obligation**

	Year ended December 31,	
	2006	2005
Benefit obligation at beginning of year	\$ 196,939	\$ 182,266
Amendments - January 1	242	(2,210)
Interest cost	10,429	10,519
Actuarial (gain) loss	(564)	9,856
Service cost	9,234	10,949
Benefit payments and transfers	(22,691)	(14,441)
<b>Benefit obligation at end of year</b>	<b>\$ 193,589</b>	<b>\$ 196,939</b>
Component representing future salary increases	(16,760)	(17,567)
Accumulated benefit obligation at end of year	176,829	179,372

**(b) Change in plan assets**

	Year ended December 31,	
	2006	2005
Fair value of plan assets at beginning of year	\$ 143,206	\$ 122,356
Employer contributions	11,647	18,219
Actual return on plan assets	12,155	17,072
Benefit payments and transfers	(22,691)	(14,441)
<b>Fair value of plan assets at end of year</b>	<b>\$ 144,317</b>	<b>\$ 143,206</b>
<b>Funded status (Excess of fair value of plan assets over benefit obligation at end of year)</b>	<b>\$ (49,272)</b>	<b>\$ (53,733)</b>

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

## NOTES TO FINANCIAL STATEMENTS

**NOTE 2 - PENSIONS (continued)**

## (c) Amount recognized in the Statement of financial position

	December 31,	
	2006	2005
Noncurrent assets	\$ -	\$ 7,895
Current liabilities	(288)	(13,084)
Noncurrent liabilities:	(48,984)	(24,483)
Minimum pension liability	-	(15,703)
Net amount recognized <sup>(1)</sup>	<u>\$ (49,272)</u>	<u>\$ (45,375)</u>

<sup>(1)</sup> At December 31, 2005, the amount recognized in the Consolidated Balance Sheet of \$45,375 thousand differs from the funded status of \$53,733 thousand given the prospective application of SFAS No. 158. The difference of \$8,358 thousand is composed of (i) \$24,061 thousand, representing the excess of the fair value of plan assets over benefit obligation at end of year, and consisting of the unrecognized net actuarial loss of \$25,428 thousand and the unrecognized prior service cost of \$1,367 thousand existing at December 31, 2005, and (ii) \$15,703 thousand, representing an additional minimum pension liability recorded pursuant to SFAS No. 87 requirements which arose because one of the Company's pension plans had an accumulated benefit obligation in excess of the fair value of the plan assets at its measurement date. Adjustments made to the minimum pension liability and recorded as a component of Other comprehensive income (loss) in 2005 and 2004 were \$2,322 thousand and \$4,830 thousand, respectively.

## (d) Amount recognized in Accumulated other comprehensive income

	December 31,	
	2006	2005
Net actuarial (gain) loss	\$ 21,334	\$ -
Prior service cost	938	-
Additional minimum pension liability	-	15,703
Recognized on December 31, 2006 pursuant to SFAS No 158	<u>\$ 22,272</u>	<u>\$ 15,703</u>

## (e) Components of net periodic benefit cost

	Year ended December 31,	
	2006	2005
Service cost	\$ 9,234	\$ 10,949
Interest cost	10,429	10,519
Expected return on plan assets	(10,871)	(9,524)
Amortization of net transition asset	148	148
Recognized net actuarial loss	37	1,570
Net periodic benefit cost	<u>\$ 8,977</u>	<u>\$ 13,662</u>

## (f) Weighted-average assumptions

	December 31,	
	2006	2005
<i>To determine benefit obligation</i>		
Discount rate	5.75%	5.50%
Rate of compensation increase	4.50%	4.50%
<i>To determine net periodic benefit cost</i>		
Discount rate	5.50%	5.50%
Rate of compensation increase	4.50%	4.50%
Expected return on plan assets	8.00%	7.50%

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

(Dollars in Thousands)

**NOTE 2 - PENSIONS (continued)****(g) Estimated future benefit payments**

The estimated future benefit payments for each of the next five years and the subsequent five-year period are as follows:

2007	\$	13,212
2008		14,479
2009		14,942
2010		16,282
2011		16,427
Years 2012 to 2016		85,076

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

## NOTES TO FINANCIAL STATEMENTS

**NOTE 3 - CONTINGENT LIABILITIES**

In the normal course of its operations, the Company becomes involved in various legal actions, including claims relating to personal injuries, occupational disease and damage to property.

Employee work-related injuries, including occupational disease claims, are compensated according to the provisions of the Federal Employers' Liability Act (F.L.A.), which requires either the finding of fault through the U.S. jury system or individual settlements, and represent a major liability for the railroad industry. The Company follows an actuarial-based approach and accrues the expected cost for personal injury and property damage claims and asserted and unasserted occupational disease claims, based on actuarial estimates of their ultimate cost. Prior to 2005, the Company's provisions for unasserted occupational disease claims constituted the minimum amount that could be reasonably estimated, reflecting a 25-year horizon as the Company expected that a large majority of the cases would be received over such period. In 2005, changes in the legislative and judicial environment, as well as in the methodology used by the courts and the Company to diagnose claims, enabled the Company to actuarially determine a best estimate for unasserted occupational disease claims, thereby increasing the expected number of claims to be received. These changes have also rendered the recent claim experience to be more representative of future anticipated settlements for asserted occupational disease claims, thereby reducing the average cost per claim. Accordingly, in 2005, the Company recorded an increase in the provision for unasserted occupational disease claims, which was substantially offset by a reduction in the provision for asserted occupational disease claims.

In 2006, the Company recorded a net reduction to its provision for U.S. personal injury and other claims pursuant to the 2006 external actuarial studies. The reduction was mainly attributable to a decrease in the Company's claims inventory as a result of its ongoing risk mitigation strategy focused on prevention, mitigation of claims and containment of injuries and lower settlements for existing claims.

Due to the inherent uncertainty involved in projecting future events related to occupational diseases, which include but are not limited to, the number of expected claims, the average cost per claim and the legislative and judicial environment, the Company's future obligations may differ from current amounts recorded.

At December 31, 2006, 2005, and 2004, the Company's provision for U.S. personal injury and other claims was as follows:

<i>In millions</i>	2006	2005	2004
Balance January 1,	\$ 452	\$ 438	\$ 421
Accruals and other	(8)	61	94
Payments	(37)	(47)	(77)
Balance December 31	\$ 407	\$ 452	\$ 438

Although the Company considers such provisions to be adequate for all its outstanding and pending claims, the final outcome with respect to actions outstanding or pending at December 31, 2006, or with respect to future claims, cannot be predicted with certainty, and therefore there can be no assurance that their resolution will not have a material adverse effect on the Company's financial position or results of operations in a particular quarter or fiscal year.

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

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

**NOTES TO FINANCIAL STATEMENTS**

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**210 - RESULTS OF OPERATIONS**

(Dollars in Thousands)

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

Cross - Checks

Schedule 210

Line 15, col b

Lines 47, 48, 49 col b

Line 50, col b

Schedule 210

= Line 62, col b

= Line 63, col b

= Line 64, col b

2 Report total operating expenses from Sched 410 Any differences between this schedule and Sched. 410 must be explained on page 18.

Line 14, col b

Line 14, col d

Line 14, col e

Schedule 410

= Line 620, col h

= Line 620, col f

= Line 620, col g

3 List dividends from investments accounted for under the cost method on line 19, and list dividends accounted for under the equity method on line 25.

4. All contra entries should be shown in parenthesis

Line No	Cross Check	Item	Amount for current year	Amount for preceding year	Freight-related revenue & expenses	Passenger-related revenue & expenses
		(a)	(b)	(c)	(d)	(e)
		<b>ORDINARY ITEMS</b>				
		<b>OPERATING INCOME</b>				
		Railway Operating Income				
1		(101) Freight	2,037,249	1,892,932	2,037,249	-
2		(102) Passenger	-	-	-	-
3		(103) Passenger - related	-	-	-	-
4		(104) Switching	57,352	49,533	57,352	-
5		(105) Water Transfers	-	-	-	-
6		(106) Demurrage	22,906	24,686	22,906	-
7		(110) Incidental	47,809	52,878	47,809	-
8		(121) Joint Facility - credit	-	-	-	-
9		(122) Joint Facility - debit	-	-	-	-
10		(501) Railway operating revenues (Exclusive of transfers from government authorities - lines 1 - 9)	2,165,316	2,020,029	2,165,316	-
11		(502) Railway operating revenues - transfer from government authorities	4,713	4,178	4,713	-
12		(503) Railway operating revenues - amortization of deferred transfers from government authorities	527	527	527	-
13		TOTAL RAILWAY OPERATING REVENUES (Lines 10 - 12)	2,170,556	2,024,734	2,170,556	-
14	*	(531) Railway operating expenses	1,382,760	1,422,045	1,382,760	-
15	*	Net revenue from railway operations	787,796	602,689	787,796	-
		<b>OTHER INCOME</b>				
16		(506) Revenue from property used in other than carrier operations	-	-		
17		(510) Miscellaneous rent income	5,602	4,153		
18		(512) Separately operated properties - profit	-	-		
19		(513) Dividend income (cost method)	-	-		
20		(514) Interest income	17,662	272		
21		(516) Income from sinking and other funds	-	-		
22		(517) Release of premiums on funded debt	-	-		
23		(518) Reimbursements received under contracts and agreements	-	-		
24		(519) Miscellaneous income	21,052	20,568		
		Income from affiliated companies 519				
25		a) Dividends (equity method)	-	-		
26		b) Equity in undistributed earnings (losses)	19,949	22,237		
27		TOTAL OTHER INCOME (Lines 16 - 26)	64,265	47,230		
28		TOTAL INCOME (Lines 15, 27)	852,061	649,919		
		<b>MISCELLANEOUS DEDUCTIONS FROM INCOME</b>				
29		(534) Expense of property used in other than carrier operations	-	-		
30		(544) Miscellaneous taxes	-	-		
31		(545) Separately operated properties - Loss	-	-		
32		(549) Maintenance of investment organizations	-	-		
33		(550) Income transferred under contracts and agreements	-	-		
34		(551) Miscellaneous income charges	9,606	9,552		
35		(553) Uncollectible accounts	-	-		
36		TOTAL MISCELLANEOUS DEDUCTIONS	9,606	9,552		
37		Income available for fixed charges	842,455	640,367		

**210 - RESULTS OF OPERATIONS - Continued**  
(Dollars in Thousands)

Line No.	Cross Check	Item (a)	Amount for current year (b)	Amount for preceding year (c)
		<b>FIXED CHARGES</b>		
		(546) Interest on funded debt:		
38		(a) Fixed interest not in default	173,153	169,960
39		(b) Interest in default	-	-
40		(547) Interest on unfunded debt	433	466
41		(548) Amortization of discount on funded debt	683	337
42		<b>TOTAL FIXED CHARGES (Lines 38 - 41)</b>	<b>174,269</b>	<b>170,763</b>
43		Income after fixed charge (Line 37 - Line 42)	668,186	469,604
		<b>OTHER DEDUCTIONS</b>		
		(546) Interest on funded debt:		
44		(c) Contingent interest	-	-
		<b>UNUSUAL OR INFREQUENT ITEMS</b>		
45		(555) Unusual or infrequent items (debit) credit	-	-
46		Income (Loss) from continuing operations (before inc. taxes)	668,186	469,604
		<b>PROVISIONS FOR INCOME TAXES</b>		
		(556) Income taxes on ordinary income:		
47	*	a) Federal income taxes	147,439	95,513
48	*	b) State income taxes	17,555	13,491
49	*	c) Other income taxes	1,887	354
50	*	(557) Provision for deferred taxes	97,359	48,172
51		<b>TOTAL PROVISIONS FOR INCOME TAXES (Lines 47 - 52)</b>	<b>264,240</b>	<b>157,530</b>
52		Income from continuing operations (line 46 minus line 51)	403,946	312,074
		<b>DISCONTINUED OPERATIONS</b>		
53		(560) Income or loss from operations of discontinued segments (less applicable income of \$ )	-	-
54		(562) Gain or loss on disposal of discontinued segments (less applicable income of \$ )	-	-
55		Income before extraordinary items (Line 52 - 54)	403,946	312,074
		<b>EXTRAORDINARY ITEMS AND ACCOUNTING CHANGES</b>		
56		(570) Extraordinary items (Net)	-	-
57		(590) Income taxes on extraordinary items	-	-
58		(591) Provision for deferred taxes - Extraordinary items	-	-
59		<b>TOTAL EXTRAORDINARY ITEMS (Lines 56 - 58)</b>	<b>-</b>	<b>-</b>
60		(592) Cumulative effect of changes in accounting principles (less applicable income taxes of \$ )	-	-
61	*	Net income (loss) (lines 55 + 59 + 60)	403,946	312,074
		<b>RECONCILIATION OF NET RAILWAY OPERATING INCOME (NROI)</b>		
62	*	Net revenues from railway operations	787,796	602,689
63	*	(556) Income taxes on ordinary income (-)	166,881	109,358
64	*	(557) Provision for deferred taxes (-)	97,359	48,172
65		Income from leased road and equipment (-)	-	-
66		Rent for leased road and equipment (+)	1,351	1,351
67		Net railway operating income (loss)	524,907	446,510

**NOTES AND REMARKS FOR SCHEDULES 210 AND 220****Schedule 220 Notes and Remarks**

Account 606, other credits to retained earnings (Line 5), represents amounts related to Comprehensive Income; column (b) represents the adjustments on pension and postretirement plans pursuant to the Company's adoption of SFAS No. 158, "Employers' Accounting for Defined Benefit Pension and Other Postretirement Plans, an amendment of FASB Statements No. 87, 88, 106, and 132(R)", and column (c) represents the foreign exchange on translation of an affiliated company's equity whose functional currency is the Canadian dollar.

Dividends (Line 11 column (c)) represents dividends or payments from affiliated companies and are reversed in column (b) since there is no impact on consolidated retained earnings.

**220 - RETAINED EARNINGS**

(Dollars in Thousands)

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

Line No.	Cross Check	Item (a)	Retained Earnings - Unappropriated (b)	Equity in Undistributed Earnings (Losses) of Affiliated Companies (c)
1		Balances at beginning of year	742,704	157,092
2		(601.5) Prior period adjustment to beginning retained earnings		
		<b>CREDITS</b>		
3	*	(602) Credit balance transferred from income	383,997	19,949
4		(603) Appropriations released	-	-
5		(606) Other credits to retained earnings	18,805	6,915
6		<b>TOTAL CREDITS</b>	402,802	26,864
		<b>DEBITS</b>		
7	*	(612) Debit balance transferred from income		
8		(616) Other debits to retained earnings	-	-
9		(620) Appropriation for sinking and other funds	48	-
10		(621) Appropriations for other purposes	-	-
11		(623) Dividends: Common stock	(2,078)	2,078
12		Preferred Stock (1)	-	-
13		<b>TOTAL DEBITS</b>	(2,030)	2,078
14		Net Increase (decrease) during year (Line 6 minus Line 13)	404,832	24,786
15	*	Balances at close of year (Lines 1, 2 and 14)	1,147,536	181,878
16	*	Balance from line 15 (c)	181,878	N/A
17		(798) Total unappropriated retained earnings and equity in undistributed earnings (losses) of affiliated companies at end of year.	1,329,414	N/A
18		(797) Total appropriated retained earnings :		
19		Credits during year 48 \$		
20		Debits during year \$		
21		Balance at close of year 1,555 \$		
22		Amount of assigned federal income tax consequences :		
23		Account 606 \$		
		Account 616 \$		

1. If any dividends have been declared on cumulative preferred stock, give cumulative undeclared dividends at beginning of year and end of year.

## 230 CAPITAL STOCK

## PART I. CAPITAL STOCK

(Dollars in Thousands)

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

Line No.	Class of Stock (a)	Par Value (b) (Per Share)	Number of Shares			Book Value at End of Year	
			Authorized (c)	Issued (d)	In Treasury (e)	Outstanding (f)	In Treasury (h)
1	Class A Common stock	-	1,000	99	-	99	10
2	Class B Common stock	-	2,000	1,784	-	1,784	-
3							
4							
5							
6							
7							
8							
9							
10	Total	N/A	3,000	1,883	-	1,883	10

## PART II. SUMMARY OF CAPITAL STOCK CHANGES DURING YEAR

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

Line No.	Item (a)	Preferred Stock		Common Stock		Treasury Stock		Additional Capital \$ (h)
		No. of Shares (b)	\$ Amount (c)	No. of Shares (d)	\$ Amount (e)	No. of Shares (f)	\$ Amount (g)	
11	Beginning Balance			1,883	1,802,429			444,508
12								
13	Return of capital to Parent Company				(1,802,419)			
14								
15	Decrease in additional capital							(368,123)
16								
17	Closing Balance		-	1,883	10	-	-	76,385

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

## 240. STATEMENT OF CASH FLOWS

(Dollars in Thousands)

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

## CASH FLOWS FROM OPERATING ACTIVITIES

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

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

Line No.	Cross Check	Description (a)	Current Year (b)	Previous Year (c) see notes	Line No.
10		Income from continuing operations	403,946	312,074	10

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

Line No.	Cross Check	Description (a)	Current Year (b)	Previous Year (c)	Line No.
11		Loss (gain) on sale or disposal of tangible property and investments	-	-	11
12		Depreciation and amortization expenses	184,918	180,270	12
13		Increase (decrease) in provision for Deferred Income Taxes	97,359	48,172	13
14		Net decrease (increase) in undistributed earnings (losses) of affiliates	(19,949)	(22,237)	14
15		Decrease (increase) in accounts receivable	686,731	(190,470)	15
16		Decrease (increase) in materials and supplies and other current assets	(24,845)	2,476	16
17		Increase (decrease) in current liabilities other than debt	91,878	52,904	17
18		Increase (decrease) in other - net	(56,048)	(21,130)	18
19		Net cash provided from continuing operations (lines 10 through 18)	1,363,990	362,059	19
20		Add (Subtract) cash generated (paid) by reason of discontinued operations and extraordinary items	-	-	20
21		NET CASH PROVIDED FROM OPERATING ACTIVITIES (lines 19 and 20)	1,363,990	362,059	21

## CASH FLOWS FROM INVESTING ACTIVITIES

Line No.	Cross Check	Description (a)	Current Year (b)	Previous Year (c)	Line No.
22		Proceeds from sale of property, net	16,502	776	22
23		Capital expenditures	(355,808)	(311,666)	23
24		Net change in temporary cash investments not qualifying as cash equivalents	-	-	24
25		Proceeds from sale/repayment of investment and advances	-	-	25
26		Purchase price of long-term investments and advances	-	-	26
27		Net decrease (increase) in sinking and other special funds	-	-	27
28		Other - net	(5,791)	53,444	28
29		NET CASH USED IN INVESTING ACTIVITIES (lines 22 through 28)	(345,097)	(257,446)	29

(Continued on next page)

## 240. STATEMENT OF CASH FLOWS (Concluded)

(Dollars in Thousands)

## CASH FLOWS FROM FINANCING ACTIVITIES

Line No	Cross Check	Description (a)	Current Year (b)	Previous Year (c)	Line No
30		Proceeds from issuance of long-term debt	1,236,580	82,839	30
31		Principal payments of long-term debt	(45,872)	(208,037)	31
32		Proceeds from issuance of capital stock	-	-	32
33		Purchase price of acquiring treasury stock	-	-	33
34		Cash dividends paid	-	-	34
35		Other - net (1)	(2,187,484)	-	35
36		NET CASH FROM FINANCING ACTIVITIES (lines 30 through 35)	(996,776)	(125,198)	36
37		NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS (lines 21, 29, and 36)	22,117	(20,585)	37
38		Cash and cash equivalents at beginning of year	(12,045)	8,540	38
39		CASH AND CASH EQUIVALENTS AT END OF YEAR (lines 37 and 38)	10,072	(12,045)	39
		Footnotes To Schedule Cash paid during the year for:			
40		Interest (net of amount capitalized) *	172,504	170,851	40
41		Income taxes (net) *	155,775	65,105	41

\* Only applies if indirect method is adopted

## NOTES AND REMARKS

(1) At the end of 2006, the Company executed a return of capital of \$2,187,484 to its parent company

**245. WORKING CAPITAL**

(Dollars in Thousands)

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

Line No.	Item (a)	Source	Amount (b)	Line No.
	<b>CURRENT OPERATING ASSETS</b>			
1	Interline and other balances (705)	Schedule 200, line 5, col. b	8,387	1
2	Customers (706)	Schedule 200, line 6, col. b	423	2
3	Other (707)	Note A	66,250	3
4	<b>TOTAL CURRENT OPERATING ASSETS</b>	Lines 1 + 2 + 3	75,060	4
	<b>OPERATING REVENUE</b>			
5	Railway operating revenue	Schedule 210, line 13, col. b	2,170,556	5
6	Rent income	Note B	135,683	6
7	<b>TOTAL OPERATING REVENUES</b>	Lines 5 + 6	2,306,239	7
8	Average daily operating revenues	Line 7 - 360 days	6,406	8
9	Days of operating revenue in current operating assets	Line 4 - line 8	12	9
10	Revenue delay days plus buffer	Line 9 + 15 days	27	10
	<b>CURRENT OPERATING LIABILITIES</b>			
11	Interline and other balances (752)	Schedule 200, line 31, col. b	8,064	11
12	Audited accounts and wages payable (753)	Note A	100,564	12
13	Accounts payable - other (754)	Note A	943	13
14	Other taxes accrued (761.5)	Note A	23,269	14
15	<b>TOTAL CURRENT OPERATING LIABILITIES</b>	Sum of lines 11 through 14	132,840	15
	<b>OPERATING EXPENSES</b>			
16	Railway operating expenses	Schedule 210, line 14, col. b	1,382,760	16
17	Depreciation	Schedule 410, lines 136, 137, 138, 213, 232, 317, col. h	185,445	17
18	Cash related operating expenses	Line 16 + line 6 - line 17	1,332,998	18
19	Average daily expenditures	Line 18 - 360 days	3,703	19
20	Days of operating expenses in current operating liabilities	Line 15 - line 19	36	20
21	Days of working capital required	Line 10 - line 20 (Note C)	-	21
22	Cash working capital required	Line 21 x line 19	-	22
23	Cash and temporary cash balance	Sched. 200, line 1 + line 2, col. b	10,072	23
24	Cash working capital allowed	Lesser of line 22 and line 23	-	24
	<b>MATERIAL AND SUPPLIES</b>			
25	Total materials & supplies (712)	Note A	52,386	25
26	Scrap and obsolete material included in account 712	Note A	-	26
27	Materials and supplies held for common carrier purposes	Line 25 - line 26	52,386	27
28	<b>TOTAL WORKING CAPITAL</b>	Line 24 + line 27	52,386	28

**NOTES:**

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

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

(C) If result is negative, use zero.



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

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

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

**310 - INVESTMENTS AND ADVANCES AFFILIATED COMPANIES**

(Dollars in Thousands)

1 Give particulars of investments in stocks, bonds, other secured obligations, unsecured notes, and investment advances of companies affiliated with respondent, from accounts 715 (sinking funds), 716 (capital funds), 721 (investments and advances affiliated companies), and 717 (other funds).

2 Entries in this schedule should be made in accordance with the definitions and general instructions given on page 25, classifying the investments by means of letters, figures, and symbols in columns (a), (b), and (c)

3. Indicate by means of an arbitrary mark in column (d) the obligation in support of which any security is pledged, mortgaged, or otherwise encumbered. Give names and other important particulars of such obligations in footnotes.

4 Give totals for each class and for each subclass and a grand total for each account

5 Entries in column (d) should show date of maturity of bonds and other evidence of indebtedness. In case obligations of the same designation mature serially, the date in column (d) may be reported as "Serially \_\_\_\_ to \_\_\_\_." Abbreviations in common use in standard financial publications may be used to conserve space.

Line No	Account Number (a)	Class No. (b)	Kind Of Industry (c)	Name Of Issuing Company and also lien reference, if any (include rate for preferred stocks and bonds) (d)	Extent Of Control (e)	Line No.
1	721	A-1	VII	WC Canada Holding Co (Algoma Central Railway)	100 %	1
2	721	A-1	VII	Peona and Pekin Union Railway Co	47 %	2
3	721	A-1	VII	Mississippi Export Railroad Co	38 %	3
4	721	A-1	VII	Paducah & Illinois Railroad Co	33 %	4
5	721	A-1	VII	The Belt Railway Company of Chicago	17 %	5
6	721	A-1	VII	Trailer Train Company (TTX Company)	3 %	6
7						7
8				<i>Sub Total</i>		8
9						9
10	721	A-3	X	WC International	100 %	10
11	721	A-3	VII	IC Railmarine	100 %	11
12	721	A-3	VI	CV Properties	100 %	12
13	721	A-3	VII	Railcase Associates L.L.C. - Partnership	100 %	13
14	721	A-3	VII	Great Lakes Fleet	100 %	14
15						15
16				<i>Sub Total</i>		16
17						17
18	721	E-1	VII	Paducah and Illinois Railroad Co. - Advance		18
19	721	E-1	VII	Terminal Railroad Association of St. Louis - Advance		19
20	721	E-1	VII	WC Canada Holding Co (Algoma Central Railway)		20
21						21
22				<i>Sub Total</i>		22
23						23
24	721	E-3	X	WC International		24
25	721	E-3	VII	IC Railmarine		25
26	721	E-3	VI	CV Properties		26
27	721	F-3	VII	Great Lakes Fleet		27
28						28
29				<i>Sub Total</i>		29
30						30
31						31
32				<i>Grand Total</i>		32
33						33
34				<i>Reconciliation to Schedule 200</i>		34
35						35
36				Column (i) Line 32	187,243	36
37				Schedule 310A Column (g) Line 27	181,878	37
38				Total	369,121	38
39						39
40				Schedule 200 Column (h) Line 16	369,121	40

**310 - INVESTMENTS AND ADVANCES AFFILIATED COMPANIES - (Continued)**

(Dollars in Thousands)

6 If any of the companies included in this schedule are controlled by respondent, the percent of control should be shown in column (e). In case any company listed is controlled other than through actual ownership of securities, give particulars in a footnote. In case of joint control, give names of other parties and particulars of control.

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

8 Investments in companies in which neither the original cost or present equity in total assets are less than \$10,000 may be combined in one figure.

9. Also include investments in unincorporated entities such as lessee organizations (exclusive of amounts nominally settled on a current basis).

10. This schedule should not include securities issued or assumed by respondent.

11. For affiliates which do not report to the Surface Transportation Board and are jointly owned, give names and extent of control by other entities by footnotes.

Line No.	Investments and Advances				Disposed of profit (loss) (j)	Adjustments Account 721.5 (k)	Dividends or interest credited to income (l)	Line No
	Opening Balance (f)	Additions (g)	Deductions (if other than sale, explain) (h) *	Closing Balance (i)				
1	85,105	-	-	85,105	-	-	-	1
2	474	-	-	474	-	-	-	2
3	-	-	-	-	-	-	-	3
4	401	-	-	401	-	-	-	4
5	708	-	188	520	-	-	-	5
6	643	-	-	643	-	-	-	6
7								7
8	87,331	-	188	87,143	-	-	-	8
9								9
10	(31,843)	-	-	(31,843)	-	-	-	10
11	75,247	-	-	75,247	-	-	-	11
12	5,193	-	-	5,193	-	-	-	12
13	-	-	-	-	-	-	-	13
14	65,999	-	-	65,999				14
15								15
16	114,596	-	-	114,596	-	-	-	16
17								17
18	675	-	-	675	-	-	-	18
19	-	-	-	-	-	-	-	19
20	13,708		3,426	10,282	-	-	-	20
21								21
22	14,383	-	3,426	10,957	-	-	-	22
23								23
24	(63,841)		(23,211)	(40,630)	-	-	-	24
25	(5,829)		847	(6,676)	-	-	-	25
26	(5,428)		232	(5,660)	-	-	-	26
27	33,324		5,811	27,513				27
28								28
29	(41,774)	-	(16,321)	(25,453)	-	-	-	29
30								30
31								31
32	174,536	-	(12,707)	187,243	-	-	-	32
33								33
34								34
35								35
36								36
37								37
38								38
39								39
40								40

\* Deductions represent changes in inter-company balances, except line 5, which represents investment writedowns.

## 310 - INVESTMENTS AND ADVANCES AFFILIATED COMPANIES - (Continued)

(Dollars in '1 thousands)

Line No.	Account Number (a)	Class No (b)	Kind Of Industry (c)	Name Of Issuing Company and also lien reference, if any (include rate for preferred stocks and bonds) (d)	Extent Of Control (e)	Line No
1						1
2						2
3						3
4						4
5						5
6						6
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35						35
36						36
37						37
38						38
39						39
40						40

## 310 - INVESTMENTS AND ADVANCES AFFILIATED COMPANIES - (Continued)

(Dollars in Thousands)

Line No.	Investments and Advances				Disposed of profit (loss) (j)	Adjustments Account 721.5 (k)	Dividends or interest credited to income (l)	Line No
	Opening Balance (f)	Additions (g)	Deductions (if other than sale, explain) (h)	Closing Balance (i)				
1								1
2								2
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## 310A. - INVESTMENTS IN COMMON STOCK OF AFFILIATED COMPANIES

(Dollars in Thousands)

## Undistributed Earnings From Certain Investments in Affiliated Companies

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

Line No.	Name of issuing company and description of security held (a)	Balance at beginning of year (b)	Adjustments for investments equity method (c)	Equity in undistributed earnings (losses) during year (d)	Amortization during year (e)	Adjustment for investments disposed of or written down during year (f)	Balance at close of year (g)	Line No.
	Carriers (List specifics for each company)							
1	WC Canada Holding (Algoma Central Railway) - Capital Stock	42,304	-	3,991	10,139	-	56,434	1
2	Peoria and Pekin Union Railway Co. - Capital Stock	1,621	-	462	-	-	2,083	2
3	Mississippi Export Railroad Co. - Capital Stock	4,541	-	127	-	-	4,668	3
4							-	4
5							-	5
6							-	6
7							-	7
8							-	8
9							-	9
10							-	10
11							-	11
12							-	12
13	Total Carrier	48,466	-	4,580	10,139	-	63,185	13
	Noncarriers (List specifics for each company)							
14	WC International - Capital Stock	155,153	-	8,170	(1,405)	-	161,918	14
15	IC Railmarine - Capital Stock	(45,993)	-	(346)	1,583	-	(44,756)	15
16	CV Properties - Capital Stock	945	-	154	-	-	1,099	16
17	Great Lakes Fleet	(1,479)	-	1,693	218	-	432	17
18							-	18
19							-	19
20							-	20
21							-	21
22							-	22
23							-	23
24							-	24
25	Total Non Carrier	108,626	-	9,671	396	-	118,693	25
26							-	26
27	Total	157,092	-	14,251	10,535	-	181,878	27

## INSTRUCTIONS CONCERNING RETURNS TO BE MADE IN SCHEDULE 330

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

## NOTES AND REMARKS

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

(Dollars in Thousands)

Line No.	Cross check	Account (a)	Balance at Beginning of year (b)	Expenditures during the year for original road & equipment & road extensions (c)	Expenditures during the year for purchase of existing lines, reorganizations, etc (d)	Line No.
1		(2) Land for transportation purposes	1,286,908			1
2		(3) Grading	1,164,362			2
3		(4) Other right-of-way expenditures	277			3
4		(5) Tunnels and subways	168,861			4
5		(6) Bridges, trestles, and culverts	1,384,523			5
6		(7) Elevated structures	-			6
7		(8) Ties	804,117			7
8		(9) Rail and other track material	2,136,072			8
9		(11) Ballast	621,014			9
10		(13) Fences, snowsheds, and signs	1,308			10
11		(16) Stations and office buildings	104,989			11
12		(17) Roadway buildings	17,621			12
13		(18) Water stations	1,916			13
14		(19) Fuel stations	29,069			14
15		(20) Shops and enginehouses	46,649			15
16		(22) Storage warehouses	7,274			16
17		(23) Wharves and docks	758			17
18		(24) Coal and ore wharves	105,669			18
19		(25) LOFC/COFC terminals	51,022			19
20		(26) Communication systems	77,568			20
21		(27) Signals and interlockers	199,434			21
22		(29) Power plants	145			22
23		(31) Power-transmission systems	1,872			23
24		(35) Miscellaneous structures	8,154			24
25		(37) Roadway machines	74,738			25
26		(39) Public improvements - construction	50,822			26
27		(44) Shop machinery	28,191			27
28		(45) Power-plant machinery	779			28
29		Other lease/rentals	-			29
30		TOTAL EXPENDITURES FOR ROAD	8,374,112	-		30
31		(52) Locomotives	330,574			31
32		(53) Freight-train cars	640,735			32
33		(54) Passenger-train cars	447			33
34		(55) Highway revenue equipment	2,916			34
35		(56) Floating equipment	1,202			35
36		(57) Work equipment	18,216			36
37		(58) Miscellaneous equipment	8,738			37
38		(59) Computer systems & word processing equipment	(194)			38
39		TOTAL EXPENDITURES FOR EQUIPMENT	1,002,634	-		39
40		(76) Interest during construction	2,113			40
41		(80) Other elements of investment	1,863			41
42		(90) Construction in progress	4,481			42
43		GRAND TOTAL	9,385,203	-		43



**330. ROAD PROPERTY AND EQUIPMENT AND IMPROVEMENTS TO LEASED PROPERTY AND EQUIPMENT - Continued**

(Dollars in Thousands)

Line No.	Cross check	Expenditures for additions during the year (e)	Credits for property retired during the year (f)	Net changes during the year (g)	Balance at close of year (h)	Line No
1	2	6,080	2,546	3,534	1,290,442	1
2	3	11,716	15	11,701	1,176,063	2
3	4	-	-	-	277	3
4	5	-	-	-	168,861	4
5	6	49,981	3,667	46,314	1,430,837	5
6	7	-	-	-	-	6
7	8	68,452	32,473	35,979	840,096	7
8	9	105,778	32,702	73,076	2,209,148	8
9	11	26,546	1,427	25,119	646,133	9
10	13	582	-	582	1,890	10
11	16	1,668	9,424	(7,756)	97,233	11
12	17	1,602	1	1,601	19,222	12
13	18	-	-	-	1,916	13
14	19	3,400	1	3,399	32,468	14
15	20	2,733	100	2,633	49,282	15
16	22	-	-	-	7,274	16
17	23	202	100	102	860	17
18	24	6,310	1,515	4,795	110,464	18
19	25	1,872	196	1,676	52,698	19
20	26	526	23	503	78,071	20
21	27	16,434	993	15,441	214,875	21
22	29	-	-	-	145	22
23	31	-	-	-	1,872	23
24	35	66	-	66	8,220	24
25	37	5,202	-	5,202	79,940	25
26	39	8,536	955	7,581	58,403	26
27	44	593	199	394	28,585	27
28	45	25	-	25	804	28
29				-	-	29
30		318,304	86,337	231,967	8,606,079	30
31	52	23,219	9,729	13,490	344,064	31
32	53	99,091	31,911	67,180	707,915	32
33	54	-	-	-	447	33
34	55	478	-	478	3,394	34
35	56	-	-	-	1,202	35
36	57	54	2,352	(2,298)	15,918	36
37	58	50	-	50	8,788	37
38	59	2,836	1,872	964	770	38
39		125,728	45,864	79,864	1,082,498	39
40	76	-	-	-	2,113	40
41	77.80	-	-	-	1,863	41
42	90	2,528	-	2,528	7,009	42
43		446,560	132,201	314,359	9,699,562	43

**332. DEPRECIATION BASE AND RATES - ROAD AND EQUIPMENT OWNED AND USED AND LEASED FROM OTHERS**

(Dollars in Thousands)

- 1 Show in columns (b) and (c), for each primary account, the depreciation base used to compute the depreciation charges for the month of January, and in columns (e) and (f) show the depreciation base used to compute the depreciation charges for the month of December, in columns (d) and (g) show the composite rates used in computing the depreciation charges for the month of December, and on lines 30 and 39 of these columns show the composite percentage for all road and equipment accounts, respectively, ascertained by applying the primary account composite rates to the depreciation base used in computing the charges for December and dividing the total so computed by the total depreciation base for the same month.
- The depreciation base should not include the cost of equipment used, but not owned, when the rents therefor are included in the rent for equipment and Account Nos. 31-21-00, 31-22-00, 31-23-00, 31-25-00, 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 Account 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 Board, except that where the use of component rates has been authorized, the composite rates to be shown for the respective primary accounts should be recomputed from the December charges developed by the use of the authorized rates. If any changes in rates were effective during the year, give full particulars in a footnote.
- 2 All leased properties may be combined and one composite rate computed for each primary account, or a separate schedule may be included for each such property.
- 3 Show in columns (e), (f), and (g) data applicable to lessor property, when the rent 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 depreciation accruals have been discontinued for any account, the depreciation base should be reported, nevertheless, in support of depreciation reserves. Authority for the discontinuance of accruals should be shown in a footnote indicating the effected account(s).
- 5 Disclosures in the respective sections of this schedule may be omitted if either total road leased from others or total equipment leased from others represents less than 5% of total road owned or total equipment owned, respectively.

Line No	Account  (a)	OWNED AND USED			LEASED FROM OTHERS			Line No
		Depreciation Base		Annual composite rate (%) (d)	Depreciation Base		Annual composite rate (%) (g)	
		1/1 At beginning of year (b)	12/1 At close of year (c)		At beginning of year (e)	At close of year (f)		
	ROAD							
1	(3) Grading	1,164,362	1,167,163	1.01				1
2	(4) Other right-of-way expenditures	277	277	1.28				2
3	(5) Tunnels and subways	168,861	168,663	1.89				3
4	(6) Bridges, trestles, and culverts	1,384,523	1,423,060	1.48				4
5	(7) Elevated structures	-	-					5
6	(8) Ties	804,117	837,141	3.80				6
7	(9) Rail and other track material	2,136,072	2,200,344	2.46				7
8	(11) Ballast	621,014	643,962	3.10				8
9	(13) Fences, snowsheds, and signs	1,308	1,308	1.52				9
10	(16) Station and office buildings	104,989	105,226	2.02				10
11	(17) Roadway buildings	17,621	17,807	2.30				11
12	(18) Water stations	1,916	1,916	4.40				12
13	(19) Fuel stations	29,069	29,189	3.47				13
14	(20) Shops and enginehouses	46,649	46,587	2.24				14
15	(22) Storage warehouses	7,274	7,274	8.71				15
16	(23) Wharves and docks	758	659	1.15				16
17	(24) Coal and ore wharves	105,669	108,507	3.97				17
18	(25) TOFC/COFC terminals	51,022	52,091	2.76				18
19	(26) Communication systems	77,568	77,872	2.63				19
20	(27) Signals and interlockers	199,434	210,930	2.60				20
21	(29) Power plants	145	145	2.29				21
22	(31) Power transmission systems	1,872	1,871	0.98				22
23	(35) Miscellaneous structures	8,154	8,155	1.26				23
24	(37) Roadway machines	74,738	77,885	3.76				24
25	(39) Public improvements-construction	50,822	58,713	1.96				25
26	(44) Shop machinery	28,191	28,483	2.34				26
27	(45) Power plant machinery	779	779	1.42				27
28	All other road accounts							28
29	Amortization (other than def. projects)							29
30	TOTAL ROAD	7,087,204	7,276,007	2.25				30
	EQUIPMENT							
31	(52) Locomotives	330,574	332,727	2.86				31
32	(53) Freight-train cars	640,735	698,410	3.25				32
33	(54) Passenger train cars	447	447	2.87				33
34	(55) Highway revenue equipment	2,916	2,916	7.80				34
35	(56) Floating equipment	1,202	1,202	2.19				35
36	(57) Work equipment	18,216	18,070	3.95				36
37	(58) Miscellaneous equipment	8,738	8,764	12.39				37
38	(59) Computer systems and WP equipment	(194)	(15)	14.74				38
39	TOTAL EQUIPMENT	1,002,634	1,062,521	3.37				39
40	GRAND TOTAL	8,089,838	8,338,528	2.39			N/A	40

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

1. Disclose the required information regarding 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" accounts and "Other Rents - Debit - Equipment" accounts (See Schedule 351 for accumulated depreciation to road and equipment owned and leased to others).
2. If any data are included in columns (d) or (f), explain the entries in detail.
3. A debit balance in columns (b) or (g) for any primary account should be designated "Dr."
4. If there is any inconsistency between the credits to the reserve as shown in column (e) and the charges to operating expenses, a full explanation should be given.
5. Enter amounts representing amortization under an authorized amortization program other than for defense projects on lines 29 and 39.

Line No.	Cross Check	Account  (a)	Balance at beginning of year (b)	CREDITS TO RESERVE During the year		DEBITS TO RESERVE During the year		Balance at close of year (g)	Line No.
				Charges to operating expenses (c)	Other Credits (d)**	Retirements (e)	Other Debits (f)***		
ROAD									
1		(3) Grading	100,317	11,733	-	15	-	112,035	1
2		(4) Other, right-of-way expenditures	193	19	-	-	-	212	2
3		(5) Tunnels and subways	33,333	3,133	-	-	-	36,466	3
4		(6) Bridges, trestles and culverts	141,398	19,518	-	3,653	-	157,263	4
5		(7) Elevated structures	-	-	-	-	-	-	5
6		(8) Ties	154,143	25,106	-	32,493	9,565	137,191	6
7		(9) Rail and other track material	299,873	50,967	10,161	32,999	5,492	322,510	7
8		(11) Ballast	133,890	18,486	-	1,427	-	150,949	8
9		(13) Fences, snowsheds, and signs	724	29	-	-	-	753	9
10		(16) Station and office buildings	19,734	2,054	4,503	9,424	-	16,867	10
11		(17) Roadway buildings	933	379	-	1	-	1,311	11
12		(18) Water stations	624	83	-	-	-	707	12
13		(19) Fuel stations	4,807	1,045	-	1	-	5,851	13
14		(20) Shops and enginehouses	16,069	1,096	-	100	-	17,065	14
15		(22) Storage warehouses	2,552	633	-	-	440	2,745	15
16		(23) Wharves and docks	-	1,348	-	100	-	1,248	16
17		(24) Coal and ore wharves	11,555	4,254	37	1,515	-	14,331	17
18		(25) IOTC/COTC terminals	11,772	1,815	-	94	-	13,493	18
19		(26) Communication systems	25,324	2,245	-	23	-	27,546	19
20		(27) Signals and interlockers	38,964	5,249	-	993	1	43,219	20
21		(29) Power plants	88	3	-	-	-	91	21
22		(31) Power-transmission systems	1,132	14	-	-	-	1,146	22
23		(35) Miscellaneous structures	567	102	-	-	-	669	23
24		(37) Roadway machines	22,007	2,886	272	-	-	25,165	24
25		(39) Public improvements-Construction	12,741	920	2	955	-	12,708	25
26		(44) Shop machinery *	10,470	622	1	199	-	10,894	26
27		(45) Power-plant machinery	492	11	-	-	-	503	27
28		All other road accounts	-	-	-	-	-	-	28
29		Amortization (Adjustments)	(83,380)	3,179				(80,201)	29
30		TOTAL ROAD	960,322	156,929	14,976	83,992	15,498	1,032,737	30
EQUIPMENT									
31		(52) Locomotives	88,667	9,389	4,121	9,729	-	92,448	31
32		(53) Freight-train cars	207,465	16,691	10,511	30,967	897	202,803	32
33		(54) Passenger-train cars	38	13	-	-	-	51	33
34		(55) Highway revenue equipment	1,168	247	-	-	-	1,415	34
35		(56) Floating equipment	864	17	-	-	-	881	35
36		(57) Work equipment	6,940	648	-	2,352	-	5,236	36
37		(58) Miscellaneous equipment	7,290	927	-	-	-	8,217	37
38		(59) Computer systems and word processing equipment	(6,274)	584	-	1,872	-	(7,562)	38
39		Amortization Adjustments	-	-	-	-	-	-	39
40		TOTAL EQUIPMENT	306,158	28,516	14,632	44,920	897	303,489	40
41		GRAND TOTAL	1,266,480	185,445	29,608	128,912	16,395	1,336,226	41

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

\*\* Column (d) represents salvage relating to closed projects

\*\*\* Column (f) represents dismantling charges relating to closed projects

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

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

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

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

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

(Dollars in thousands)

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

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

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

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

Line No	Account (a)	Depreciation Base		Annual composite rate (percent) (d)	Line No.
		Beginning of year (b)	Close of year (c)		
	<b>ROAD</b>				
1	(3) Grading				1
2	(4) Other right-of-way expenditures				2
3	(5) Tunnels and subways				3
4	(6) Bridges, trestles & culverts				4
5	(7) Elevated structures				5
6	(8) Ties				6
7	(9) Rail & other track material				7
8	(11) Ballast				8
9	(13) Fences snowsheds & signs				9
10	(16) Station & office buildings				10
11	(17) Roadway buildings				11
12	(18) Water stations				12
13	(19) Fuel stations				13
14	(20) Shops & enginehouses				14
15	(22) Storage warehouses				15
16	(23) Wharves & docks				16
17	(24) Coal & ore wharves				17
18	(25) TOFC/COFC terminals				18
19	(26) Communication systems		Not Applicable: 5% Rule		19
20	(27) Signals & interlockers				20
21	(29) Power plants				21
22	(31) Power-transmission systems				22
23	(35) Miscellaneous structures				23
24	(37) Roadway machines				24
25	(39) Public improvements-const				25
26	(44) Shop machinery *				26
27	(45) Power-plant machinery				27
28	All other road accounts				28
29	Amortization (adjustments)				29
30	<b>TOTAL ROAD</b>				30
	<b>EQUIPMENT</b>				
31	(52) Locomotives				31
32	(53) Freight-train cars				32
33	(54) Passenger-train cars				33
34	(55) Highway revenue equipment				34
35	(56) Floating equipment				35
36	(57) Work equipment				36
37	(58) Miscellaneous equipment				37
38	(59) Computer systems & WP equip				38
39	Amortization (adjustments)				39
40	<b>TOTAL EQUIPMENT</b>				40
41	<b>GRAND TOTAL</b>	18,725	18,725	N/A	41

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

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

(Dollars in Thousands)

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

Line No.	Cross Check	Account (a)	Balance at beginning of year (b)	CREDITS TO RESERVE During the year		DEBITS TO RESERVE During the year		Balance at close of year (g)	Line No
				Charges to operating expenses (c)	Other credits (d)	Retirements (e)	Other debits (f)		
		<b>ROAD</b>							
1		(3) Grading						-	1
2		(4) Other right-of-way expenditures						-	2
3		(5) Tunnels and subways						-	3
4		(6) Bridges, trestles & culverts						-	4
5		(7) Elevated structures						-	5
6		(8) Ties						-	6
7		(9) Rail & other track material						-	7
8		(11) Ballast						-	8
9		(13) Fences snowsheds & signs						-	9
10		(16) Station & office buildings						-	10
11		(17) Roadway buildings						-	11
12		(18) Water stations						-	12
13		(19) Fuel stations		Not Applicable: 5% Rule					13
14		(20) Shops & enginehouses						-	14
15		(22) Storage warehouses						-	15
16		(23) Wharves & docks						-	16
17		(24) Coal & ore wharves						-	17
18		(25) TOFC/COFC terminals						-	18
19		(26) Communication systems						-	19
20		(27) Signals & interlockers						-	20
21		(29) Power plants						-	21
22		(31) Power-transmission systems						-	22
23		(35) Miscellaneous structures						-	23
24		(37) Roadway machines						-	24
25		(39) Public improvements-const						-	25
26		(44) Shop machinery *						-	26
27		(45) Power-plant machinery						-	27
28		All other road accounts						-	28
29		<b>TOTAL ROAD</b>	-	-				-	29
		<b>EQUIPMENT</b>							
30		(52) Locomotives						-	30
31		(53) Freight-train cars						-	31
32		(54) Passenger-train cars						-	32
33		(55) Highway revenue equipment						-	33
34		(56) Floating equipment						-	34
35		(57) Work equipment						-	35
36		(58) Miscellaneous equipment						-	36
37		(59) Computer systems and word processing equipment						-	37
38		<b>TOTAL EQUIPMENT</b>						-	38
39		<b>GRAND TOTAL</b>	6,535	381	-	-	-	6,916	39

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

**NOTES AND REMARKS FOR SCHEDULE 342**

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

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

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

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

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

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

Line No	Cross Check	Account (a)	Depreciation Base		Annual composite rate (percent) (d)	Line No.
			Beginning of year (b)	Close of year (c)		
		<b>ROAD</b>				
1		(3) Grading				1
2		(4) Other right-of-way expenditures				2
3		(5) Tunnels and subways				3
4		(6) Bridges, trestles & culverts				4
5		(7) Elevated structures				5
6		(8) Ties				6
7		(9) Rail & other track material				7
8		(11) Ballast				8
9		(13) Fences, snowsheds and signs				9
10		(16) Station and office buildings	INCLUDED ON SCHEDULE 332			10
11		(17) Roadway buildings				11
12		(18) Water stations				12
13		(19) Fuel stations				13
14		(20) Shops and enginehouses				14
15		(22) Storage warehouses				15
16		(23) Wharves and docks				16
17		(24) Coal and ore wharves				17
18		(25) TOFC/COFC terminals				18
19		(26) Communication systems				19
20		(27) Signals and interlockers				20
21		(29) Power plants				21
22		(31) Power transmission systems				22
23		(35) Miscellaneous structures				23
24		(37) Roadway machines				24
25		(39) Public improvements-const.				25
26		(44) Shop machinery				26
27		(45) Power plant machinery				27
28		All other road accounts				28
29		<b>TOTAL ROAD</b>				29
		<b>EQUIPMENT</b>				
30		(52) Locomotives				30
31		(53) Freight train cars				31
32		(54) Passenger train cars				32
33		(55) Highway revenue equipment				33
34		(56) Floating equipment				34
35		(57) Work equipment				35
36		(58) Miscellaneous equipment				36
37		(59) Computer systems and word processing equipment				37
38		<b>TOTAL EQUIPMENT</b>				38
39		<b>GRAND TOTAL</b>				39



**351. ACCUMULATED DEPRECIATION - ROAD AND EQUIPMENT LEASED TO OTHERS**

(Dollars in Thousands)

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

2 Disclose credits and debits to Account 735, "Accumulated Depreciation - Road Equipment Property", during the year relating to road and equipment leased to others, the depreciation charges for which are not includible in operating expenses of the respondent. (See schedule 330 for the reserve relating to road and equipment owned and used by the respondent).

3 If any entries are made for column (d) "Other credits" or column (f) "Other debits", state the facts occasioning such entries on page 39. A debit balance in columns (b) or (g) for any primary account should be shown in parenthesis or designated "Dr"

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

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

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

**352A. INVESTMENT IN RAILROAD PROPERTY USED IN TRANSPORTATION SERVICE (by Company)**

(Dollars in Thousands)

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

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

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

5 In column (d), show the amount applicable in Accounts 731 and 732 on the books of the company 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, an explanation should be provided. Differences between amounts shown in column (d) of this schedule and column (c), line 24, on the asset side of the general balance sheet of each individual railway should be explained in a footnote. Book values included in Accounts 731 and 732 of the owner should be reported in column (d) in reference to the investment of respondent in securities of the owner unless a good reason can be given for the contrary. Methods of estimating (by capitalizing rentals at 6 percent or otherwise) value of property of private owners, or portions of property of other carriers, should be explained.

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

Line No	Class (See Ins 2) (a)	Name of company (b)	Miles of road used (See Ins 4) (whole number) (c)	Investments in property (See Ins 5) (d)	Depreciation & amortization of defense projects (See Ins. 6) (e)	Line No
1	R	Grand Trunk Corporation	6,737	9,699,562	1,336,226	1
2						2
3						3
4						4
5						5
6						6
7						7
8						8
9						9
10						10
11						11
12						12
13						13
14						14
15						15
16						16
17						17
18						18
19						19
20						20
21						21
22						22
23						23
24						24
25						25
26						26
27						27
28						28
29						29
30						30
31		TOTAL	6,737	9,699,562	1,336,226	31

**352B. INVESTMENT IN RAILWAY PROPERTY USED IN TRANSPORTATION SERVICE (By Property Account)**

(Dollars in Thousands)

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

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

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

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

Line No.	Cross check	Account (a)	Respondent (b)	Lessor Railroads (c)	Inactive (proprietary companies) (d)	Other leased properties (e)	Line No.
1		(2) Land for transportation purposes	1,290,442				1
2		(3) Grading	1,176,063				2
3		(4) Other right-of-way expenditures	277				3
4		(5) Tunnels and subways	168,861				4
5		(6) Bridges, trestles, and culverts	1,430,837				5
6		(7) Elevated structures	-				6
7		(8) Ties	840,096				7
8		(9) Rail and other track material	2,209,148				8
9		(11) Ballast	646,133				9
10		(13) Fences, snowsheds, and signs	1,890				10
11		(16) Station and office buildings	97,233				11
12		(17) Roadway buildings	19,222				12
13		(18) Water stations	1,916				13
14		(19) Fuel stations	32,468				14
15		(20) Shops and enginehouses	49,282				15
16		(22) Storage warehouses	7,274				16
17		(23) Wharves and docks	860				17
18		(24) Coal and ore wharves	110,464				18
19		(25) TOFC/COFC terminals	52,698				19
20		(26) Communication systems	78,071				20
21		(27) Signals and interlockers	214,875				21
22		(29) Power plants	145				22
23		(31) Power transmission systems	1,872				23
24		(35) Miscellaneous structures	8,220				24
25		(37) Roadway machines	79,940				25
26		(39) Public improvements-construction	58,403				26
27		(44) Shop machinery	28,585				27
28		(45) Power plant machinery	804				28
29		Leased property (capitalized rentals)	-				29
30		Other (specify and explain) a/c 77 Other exp-General	-				30
31		TOTAL ROAD	8,606,079	-	-	-	31
32		(52) Locomotives	344,064				32
33		(53) Freight train cars	707,915				33
34		(54) Passenger train cars	447				34
35		(55) Highway revenue equipment	3,394				35
36		(56) Floating equipment	1,202				36
37		(57) Work equipment	15,918				37
38		(58) Miscellaneous equipment	8,788				38
39		(59) Computer systems & WP equipment	770				39
40		TOTAL EQUIPMENT	1,082,498	-	-	-	40
41		(76) Interest during construction	2,113				41
42		(80) Other elements of investment	1,863				42
43		(90) Construction work in progress	7,009				43
44		GRAND TOTAL	9,699,562	-	-	-	44

## INSTRUCTIONS CONCERNING RETURNS TO BE MADE IN SCHEDULE 410

## Cross Checks

[illegible]

# 410. RAILWAY OPERATING EXPENSES (Dollars in thousands)

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

Line No	Cross Check	Name of railway operating expense account (a)	Salaries & Wages (b)	Materials, tools, supplies, fuels & lubricants (c)	Purchased services (d)	General (e)	Total freight expense (f)	Passenger (g)	Total (h)
<b>WAY AND STRUCTURES</b>									
<b>ADMINISTRATION</b>									
1		Track	1,830	398	1,068	1,023	4,319		4,319
2		Bridge and building	1,538	130	195	594	2,457		2,457
3		Signal	1,950	1,162	1,962	428	5,502		5,502
4		Communication	405	177	1,654	86	2,322		2,322
5		Other	8,160	916	839	(206)	9,709		9,709
<b>REPAIR AND MAINTENANCE</b>									
6		Roadway - running	19,992	330	1,475	303	22,100		22,100
7		Roadway - switching	3,863	26	1,905	-	5,794		5,794
8		Tunnels and subways - running	2	-	1	-	3		3
9		Tunnels and subways - switching	1	-	-	-	1		1
10		Bridges and culverts - running	2,982	171	451	128	3,732		3,732
11		Bridges and culverts - switching	92	12	10	-	114		114
12		Ties - running	7	79	-	(89)	(3)		(3)
13		Ties - switching	(124)	-	-	(55)	(179)		(179)
14		Rail and other track material - running	933	(82)	2,000	-	2,851		2,851
15		Rail and other track material - switching	27	18	14	-	59		59
16		Ballast - running	-	24	4	-	28		28
17		Ballast - switching	-	29	3	-	32		32
18		Road property damaged - running	-	-	-	-	-		-
19		Road property damaged - switching	-	-	-	-	-		-
20		Road property damaged - other	-	-	-	-	-		-
21		Signals and interlockers - running	14,453	1,660	414	402	16,929		16,929
22		Signals and interlockers - switching	443	176	2	-	621		621
23		Communications systems	4,269	1,417	815	57	6,558		6,558
24		Power systems	8	(6)	230	-	232		232
25		Highway grade crossings - running	354	30	45	-	429		429
26		Highway grade crossings - switching	7	2	-	-	9		9
27		Station and office buildings	299	765	1,647	(8)	2,703		2,703
28		Shop buildings - locomotives	332	5	5	3	345	N/A	345
29		Shop buildings - freight cars	27	22	125	-	174		174
30		Shop buildings - other equipment	240	66	519	-	825		825

**410. RAILWAY OPERATING EXPENSES - (Continued)**  
(Dollars in thousands)

Line No.	Cross Check	Name of railway operating expense account (a)	Salaries & Wages (b)	Materials, tools, supplies, fuels & lubricants (c)	Purchased services (d)	General (e)	Total freight expense (f)	Passenger (g)	Total (h)
		<b>REPAIR AND MAINTENANCE - (Continued)</b>							
101		Locomotive servicing facilities	40	-	1	-	41	-	41
102		Miscellaneous buildings & structures	471	21	73	10	575	-	575
103		Coal terminals	857	523	248	26	1,654	N/A	1,654
104		Ore terminals	3,884	1,152	1,728	35	6,799	N/A	6,799
105		Other marine terminals	169	100	48	5	322	N/A	322
106		TOFC/COFC - terminals	168	3	168	-	339	N/A	339
107		Motor vehicle loading & distribution facilities	-	-	-	-	-	N/A	-
108		Facilities for Other Specialized Service Operations	-	-	-	-	-	N/A	-
109		Roadway machines	1,139	13,111	13,874	138	28,262	-	28,262
110		Small tools & supplies	6	10,723	3,008	123	13,860	-	13,860
111		Snow removal	1,042	21	290	-	1,353	-	1,353
112		Fringe benefits - running	N/A	N/A	N/A	16,818	16,818	-	16,818
113		Fringe benefits - switching	N/A	N/A	N/A	1,764	1,764	-	1,764
114		Fringe benefits - other	N/A	N/A	N/A	11,044	11,044	-	11,044
115		Casualties & insurance - running	N/A	N/A	N/A	-	-	-	-
116		Casualties & insurance - switching	N/A	N/A	N/A	-	-	-	-
117		Casualties & insurance - other	N/A	N/A	N/A	-	-	-	-
118	*	Lease rentals - debit - running	N/A	N/A	1,350	N/A	1,350	-	1,350
119	*	Lease rentals - debit - switching	N/A	N/A	-	N/A	-	-	-
120	*	Lease rentals - debit - other	N/A	N/A	9,185	N/A	9,185	-	9,185
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	13,785	N/A	13,785	-	13,785
125		Joint facility rent - debit - switching	N/A	N/A	-	N/A	-	-	-
126		Joint facility rent - debit - other	N/A	N/A	-	N/A	-	-	-
127		Joint facility rent - (credit) - running	N/A	N/A	(6,485)	N/A	(6,485)	-	(6,485)
128		Joint facility rent - (credit) - switching	N/A	N/A	-	N/A	-	-	-
129		Joint facility rent - (credit) - other	N/A	N/A	-	N/A	-	-	-
130	*	Other rents - debit - running	N/A	N/A	169	N/A	169	-	169
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	-	-	-

**410. RAILWAY OPERATING EXPENSES - (Continued)**  
(Dollars in thousands)

Line No.	Cross Check	Name of railway operating expense account (a)	Salaries & Wages (b)	Materials, tools, supplies, fuels & lubricants (c)	Purchased services (d)	General (e)	Total freight expense (f)	Passenger (g)	Total (h)
		<b>REPAIR AND MAINTENANCE - (Continued)</b>							
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	121,897	121,897	-	121,897
137	*	Depreciation - switching	N/A	N/A	N/A	17,029	17,029	-	17,029
138	*	Depreciation - other	N/A	N/A	N/A	17,381	17,381	-	17,381
139		Joint facility - debit - running	N/A	N/A	5,763	N/A	5,763	-	5,763
140		Joint facility - debit - switching	N/A	N/A	-	N/A	-	-	-
141		Joint facility - debit - other	N/A	N/A	-	N/A	-	-	-
142		Joint facility - (credit) - running	N/A	N/A	(8,017)	N/A	(8,017)	-	(8,017)
143		Joint facility - (credit) - switching	N/A	N/A	-	N/A	-	-	-
144		Joint facility - (credit) - other	N/A	N/A	-	N/A	-	-	-
145		Dismantling retired road property - running	-	-	-	-	-	-	-
146		Dismantling retired road property - switching	-	-	-	-	-	-	-
147		Dismantling retired road property - other	-	-	-	-	-	-	-
148		Other - running	51	340	4,334	188	4,913	-	4,913
149		Other - switching	1	66	613	33	713	-	713
150		Other - other	1,760	1,366	6,088	250	9,464	-	9,464
151		<b>TOTAL WAY AND STRUCTURES</b>	<b>71,678</b>	<b>34,953</b>	<b>61,606</b>	<b>189,407</b>	<b>357,644</b>	<b>-</b>	<b>357,644</b>
		<b>EQUIPMENT</b>							
		<b>LOCOMOTIVES</b>							
201		Administration	2,620	918	3,567	(581)	6,524	-	6,524
202	*	Repair and maintenance	17,123	25,949	6,681	240	49,993	-	49,993
203	*	Machinery repair	-	33	-	-	33	-	33
204		Equipment damaged	-	-	-	-	-	-	-
205		Fringe benefits	N/A	N/A	N/A	6,452	6,452	-	6,452
206		Other casualties and insurance	N/A	N/A	N/A	-	-	-	-
207	*	Lease rentals - debit	N/A	N/A	13,195	N/A	13,195	-	13,195
208	*	Lease rentals - (credit)	N/A	N/A	(5,482)	N/A	(5,482)	-	(5,482)
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	9,389	9,389	-	9,389
214		Joint facility - debit	N/A	N/A	-	N/A	-	-	-
215		Joint facility - (credit)	N/A	N/A	-	N/A	-	-	-
216	*	Repairs billed to others - (credit)	N/A	N/A	-	N/A	-	-	-

**410. RAILWAY OPERATING EXPENSES - (Continued)**  
(Dollars in thousands)

Line No.	Cross Check	Name of railway operating expense account (a)	Salaries & Wages (b)	Materials, tools, supplies, fuels & lubricants (c)	Purchased services (d)	General (e)	Total freight expense (f)	Passenger (g)	Total (h)
217		LOCOMOTIVES - (Continued)							
218		Dismantling retired property	-	-	-	-	-	-	-
219		Other	-	249	93	143	485	-	485
		TOTAL LOCOMOTIVES	19,743	27,149	18,054	15,643	80,589	-	80,589
220		FREIGHT CARS							
		Administration	3,403	1,559	419	260	5,641	N/A	5,641
221	*	Repair and maintenance	13,374	16,960	18,129	63	48,526	N/A	48,526
222	*	Machinery repair	122	12	66	-	200	N/A	200
223		Equipment damaged	-	-	-	-	-	N/A	-
224		Fringe benefits	N/A	N/A	N/A	5,275	5,275	N/A	5,275
225		Other casualties and insurance	N/A	N/A	N/A	-	-	N/A	-
226	*	Lease rentals - debit	N/A	N/A	59,024	N/A	59,024	N/A	59,024
227	*	Lease rentals - (credit)	N/A	N/A	(5,358)	N/A	(5,358)	N/A	(5,358)
228		Joint facility rent - debit	N/A	N/A	-	N/A	-	N/A	-
229		Joint facility rent - (credit)	N/A	N/A	-	N/A	-	N/A	-
230	*	Other rents - debit	N/A	N/A	95,698	N/A	95,698	N/A	95,698
231	*	Other rents - (credit)	N/A	N/A	(113,994)	N/A	(113,994)	N/A	(113,994)
232	*	Depreciation	N/A	N/A	N/A	16,691	16,691	N/A	16,691
233		Joint facility - debit	N/A	N/A	-	N/A	-	N/A	-
234		Joint facility - (credit)	N/A	N/A	-	N/A	-	N/A	-
235	*	Repairs billed to others - (credit)	N/A	N/A	(16,505)	N/A	(16,505)	N/A	(16,505)
236		Dismantling retired property	-	-	-	-	-	N/A	-
237		Other	-	110	26	63	199	N/A	199
238		TOTAL FREIGHT CARS	16,899	18,641	37,505	22,352	95,397	-	95,397
301		OTHER EQUIPMENT							
		Administration	3,139	287	433	76	3,935	-	3,935
		Repair and maintenance	-	-	2,490	(133)	2,357	N/A	2,357
302	*	Trucks, trailers, and containers - revenue service	-	-	381	-	3,299	N/A	3,299
303	*	Floating equipment - revenue service	1,551	1,367	97	-	251	-	251
304	*	Passenger and other revenue equipment	146	8	-	-	-	-	-
305	*	Computer systems and word processing equipment	-	-	-	-	-	-	-
306	*	Machinery	28	14	-	-	42	-	42
307	*	Work and other non-revenue equipment	4,785	4,070	3,637	491	12,983	-	12,983
308		Equipment damaged	-	-	-	-	-	-	-
309		Fringe benefits	N/A	N/A	N/A	3,892	3,892	-	3,892
310		Other casualties and insurance	N/A	N/A	N/A	-	-	-	-
311	*	Lease rentals - debit	N/A	N/A	129	N/A	129	-	129
312	*	Lease rentals - (credit)	N/A	N/A	-	N/A	-	-	-



**410. RAILWAY OPERATING EXPENSES - (Continued)**  
(Dollars in thousands)

Line No.	Cross Check	Name of railway operating expense account (a)	Salaries & Wages (b)	Materials, tools, supplies, fuels & lubricants (c)	Purchased services (d)	General (e)	Total freight expense (f)	Passenger (g)	Total (h)
313		OTHER EQUIPMENT - (Continued)							
314		Joint facility rent - debit	N/A	N/A	-	N/A	-	-	-
315	*	Joint facility rent - (credit)	N/A	N/A	-	N/A	-	-	-
316	*	Other rents - debit	N/A	N/A	4,739	N/A	4,739	-	4,739
317	*	Other rents - (credit)	N/A	N/A	(4,364)	N/A	(4,364)	-	(4,364)
318		Depreciation	N/A	N/A	N/A	3,058	3,058	-	3,058
319		Joint facility - debit	N/A	N/A	-	N/A	-	-	-
320	*	Joint facility - (credit)	N/A	N/A	-	N/A	-	-	-
321		Repairs billed to others - (credit)	N/A	N/A	-	N/A	-	-	-
322		Dismantling retired property	-	-	-	-	-	-	-
323		Other	-	-	-	(1)	(1)	-	(1)
324		TOTAL OTHER EQUIPMENT	9,649	5,746	7,542	7,383	30,320	-	30,320
		TOTAL EQUIPMENT	46,291	51,536	63,101	45,378	206,306	-	206,306
		TRANSPORTATION							
401		TRAIN OPERATIONS							
402		Administration	4,329	240	244	655	5,468	-	5,468
403		Engine crews	57,546	19	1,428	9	59,002	-	59,002
404		Train crews	59,139	19	1,756	10	60,924	-	60,924
405		Dispatching trains	9,308	-	34	42	9,384	-	9,384
406		Operating signals and interlockers	-	-	(5)	-	(5)	-	(5)
407		Operating drawbridges	-	-	-	-	-	-	-
408		Highway crossing protection	-	-	-	-	-	-	-
409		Train inspection and lubrication	14,850	762	3,380	(121)	18,871	-	18,871
410		Locomotive fuel	-	164,938	212	2,387	167,537	-	167,537
411		Electric power purchased or produced for motive power	-	-	-	-	-	-	-
412		Servicing locomotives	5,971	2,878	95	(11)	8,933	-	8,933
413		Freight lost or damaged - solely related	N/A	N/A	N/A	2,520	2,520	-	2,520
414		Cleaning wrecks	222	124	4,679	846	5,871	-	5,871
415		Fringe benefits	N/A	N/A	N/A	57,705	57,705	-	57,705
416		Other casualties and insurance	N/A	N/A	N/A	2,848	2,848	-	2,848
417		Joint facility - debit	N/A	N/A	1,070	N/A	1,070	-	1,070
418		Joint facility - (credit)	N/A	N/A	(3,979)	N/A	(3,979)	-	(3,979)
419		Other	3	(10,942)	521	17	(10,401)	-	(10,401)
		TOTAL TRAIN OPERATIONS	151,368	158,038	9,435	66,907	385,748	-	385,748
420		YARD OPERATIONS							
421		Administration	279	428	227	57	991	-	991
422		Switch crews	84,022	3	(1,293)	-	82,732	-	82,732

**410. RAILWAY OPERATING EXPENSES - (Continued)**  
(Dollars in thousands)

Line No.	Cross Check	Name of railway operating expense account (a)	Salaries & Wages (b)	Materials, tools, supplies, fuels & lubricants (c)	Purchased services (d)	General (e)	Total freight expense (f)	Passenger (g)	Total (h)
422		YARD OPERATIONS - (Continued)							
		Controlling operations	8,783	-	79	34	8,896	-	8,896
423		Yard and terminal clerical	11,138	48	611	250	12,047	-	12,047
424		Operating switches, signals, retarders and humps	-	-	11	-	11	-	11
425		Locomotive fuel	-	26,872	35	389	27,296	-	27,296
426		Electric power purchased or produced for motive power	-	-	-	-	-	-	-
427		Servicing locomotives	1,492	719	24	(3)	2,232	-	2,232
428		Freight lost or damaged - solely related	N/A	N/A	N/A	-	-	-	-
429		Cleaning wrecks	-	-	-	-	-	-	-
430		Fringe benefits	N/A	N/A	N/A	39,836	39,836	-	39,836
431		Other casualties and insurance	N/A	N/A	N/A	-	-	-	-
432		Joint facility - debit	N/A	N/A	278	N/A	278	-	278
433		Joint facility - (credit)	N/A	N/A	(196)	N/A	(196)	-	(196)
434		Other	104	564	429	2	1,099	-	1,099
435		TOTAL YARD OPERATIONS	105,818	28,634	205	40,565	175,222	-	175,222
501		TRAIN AND YARD OPERATIONS COMMON							
		Cleaning car interiors	3,933	(2)	254	N/A	4,185	-	4,185
502		Adjusting and transferring loads	236	68	(99)	N/A	205	N/A	205
503		Car loading devices and grain docks	-	-	-	N/A	-	N/A	-
504		Freight lost or damaged - all other	N/A	N/A	N/A	-	-	-	-
505		Fringe benefits	N/A	N/A	N/A	1,061	1,061	-	1,061
506		TOTAL TRAIN & YARD OPERATIONS COMMON	4,169	66	155	1,061	5,451	-	5,451
507	*	SPECIALIZED SERVICE OPERATIONS							
		Administration	1,780	25	1,273	257	3,335	N/A	3,335
508	*	Pickup and delivery and marine line haul	11,208	1,286	9,787	(28)	22,253	N/A	22,253
509	*	Loading and unloading and local marine	1,612	115	580	29	2,336	N/A	2,336
510	*	Protective services	-	-	-	-	-	N/A	-
511	*	Freight lost or damaged - solely related	N/A	N/A	N/A	-	-	N/A	-
512	*	Fringe benefits	N/A	N/A	N/A	3,752	3,752	N/A	3,752
513	*	Casualties and insurance	N/A	N/A	N/A	-	-	N/A	-
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	47	158	1,193	2	1,400	N/A	1,400
517	*	TOTAL SPECIALIZED SERVICES OPERATIONS	14,647	1,584	12,833	4,012	33,076	-	33,076

**410. RAILWAY OPERATING EXPENSES - (Continued)**  
(Dollars in thousands)

Line No.	Cross Check	Name of railway operating expense account (a)	Salaries & Wages (b)	Materials, tools, supplies, fuels & lubricants (c)	Purchased services (d)	General (e)	Total freight expense (f)	Passenger (g)	Total (h)
		<b>ADMINISTRATIVE SUPPORT OPERATIONS</b>							
518		Administration	20,016	547	1,591	2,250	24,404	-	24,404
519		Employees performing clerical & accounting functions	3,254	-	4	24	3,282	-	3,282
520		Communication systems operation	-	13	1,821	9	1,843	-	1,843
521		Loss and damage claims processing	-	-	-	-	-	-	-
522		Fringe benefits	N/A	N/A	N/A	12,265	12,265	-	12,265
523		Casualties and insurance	N/A	N/A	N/A	-	-	-	-
524		Joint facility - debit	N/A	N/A	-	N/A	-	-	-
525		Joint facility - (credit)	N/A	N/A	-	N/A	-	-	-
526		Other	676	(288)	18,318	(2,861)	15,845	-	15,845
527		<b>TOTAL ADMINISTRATIVE SUPPORT OPERATIONS</b>	23,946	272	21,734	11,687	57,639	-	57,639
528		<b>TOTAL TRANSPORTATION</b>	299,948	188,594	44,362	124,232	657,136	-	657,136
		<b>GENERAL AND ADMINISTRATIVE</b>							
601		Officers - general administration	7,039	(579)	5,433	1,373	13,266	-	13,266
602		Accounting, auditing and finance	2,409	2	348	1,490	4,249	-	4,249
603		Management services and data processing	2,450	(507)	21,220	786	23,949	-	23,949
604		Marketing	6,210	218	1,954	1,682	10,064	-	10,064
605		Sales	1,620	36	74	401	2,131	-	2,131
606		Industrial development	-	-	-	-	-	N/A	-
607		Personnel and labor relations	1,896	28	36	405	2,365	-	2,365
608		Legal and secretarial	62	1	19	20	102	-	102
609		Public relations and advertising	270	24	1,093	280	1,667	-	1,667
610		Research and development	-	-	-	-	-	-	-
611		Fringe benefits	N/A	N/A	N/A	6,046	6,046	-	6,046
612		Casualties and insurance	N/A	N/A	N/A	19,769	19,769	-	19,769
613		Writedown of uncollectible accounts	N/A	N/A	N/A	59	59	-	59
614		Property taxes	N/A	N/A	N/A	32,166	32,166	-	32,166
615		Other taxes except on corporate income or payrolls	N/A	N/A	N/A	5,500	5,500	-	5,500
616		Joint facility - debit	N/A	N/A	3,228	N/A	3,228	-	3,228
617		Joint facility - (credit)	N/A	N/A	(3,841)	N/A	(3,841)	-	(3,841)
618		Other	(18,156)	(3,051)	59,125	3,036	40,954	-	40,954
619		<b>TOTAL GENERAL AND ADMINISTRATIVE</b>	3,800	(3,828)	88,689	73,013	161,674	-	161,674
620	*	<b>TOTAL CARRIER OPERATING EXPENSES</b>	421,717	271,255	257,758	432,030	1,382,760	-	1,382,760

**412. WAY AND STRUCTURES**

(Dollars in Thousands)

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

Line No	Cross Check	Property Account	Category (a)	Depreciation (b)	Lease/rentals (net) (c)	Amortization adjustment during year (d)	Line No.
1		2	Land for transportation purposes	N/A	-	N/A	1
2		3	Grading	11,733	1,728	-	2
3		4	Other right-of-way expenditures	19	-	-	3
4		5	Tunnels and subways	3,133	248	-	4
5		6	Bridges, trestles, and culverts	19,518	2,102	-	5
6		7	Elevated structures	-	-	-	6
7		8	Ties	27,305	1,234	2,199	7
8		9	Rail and other track material	50,967	3,245	-	8
9		11	Ballast	19,466	949	980	9
10		13	Fences, snowsheds, and signs	29	3	-	10
11		16	Station and office buildings	2,054	143	-	11
12		17	Roadway buildings	379	28	-	12
13		18	Water stations	83	3	-	13
14		19	Fuel Stations	1,045	48	-	14
15		20	Shops and enginehouses	1,096	72	-	15
16		22	Storage warehouses	633	11	-	16
17		23	Wharves and docks	1,348	1	-	17
18		24	Coal and ore wharves	4,254	162	-	18
19		25	TOFC/COFC terminals	1,815	77	-	19
20		26	Communication systems	2,245	115	-	20
21		27	Signals and interlockers	5,249	316	-	21
22		29	Power plants	3	-	-	22
23		31	Power transmission systems	14	3	-	23
24		35	Miscellaneous structures	102	12	-	24
25		37	Roadway machines	2,886	117	-	25
26		39	Public improvements; construction	920	86	-	26
27		45	Power plant machines	11	1	-	27
28		-	Other lease/rentals	N/A	-	N/A	28
29	*	-	TOTAL	156,307	10,704	3,179	29

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

(Dollars in Thousands)

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

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

Line No	Cross Check	Type of Equipment (a)	GROSS AMOUNTS RECEIVABLE Per Diem Basis			GROSS AMOUNTS PAYABLE Per Diem Basis			Line No.
			Private Line Cars (b)	Mileage (c)	Time (d)	Private Line Cars (e)	Mileage (f)	Time (g)	
CAR TYPES									
1		Box -Plain 40 Foot		-	-	-	-	-	1
2		Box - Plain 50 Foot and Longer		19	58	1,406	347	998	2
3		Box - Equipped		11,253	34,526	1,433	7,998	22,081	3
4		Gondola - Plain		174	518	242	165	222	4
5		Gondola - Equipped		3,524	8,578	-	2,042	5,584	5
6		Hopper - Covered		6,057	17,296	2,616	4,229	10,158	6
7		Hopper - Open Top - General service		1,802	2,872	-	175	1,096	7
8		Hopper - Open Top - Special service		185	571	-	166	368	8
9		Refrigerator - Mechanical		-	-	-	-	-	9
10		Refrigerator - Nonmechanical		65	177	-	153	689	10
11		Flat - TOFC/COFC		1	15	3,445	274	1,060	11
12		Flat - Multi-Level		1,158	2,092	16,979	190	(7,368)	12
13		Flat - General Service		-	-	5	10	16	13
14		Flat - Other		4,708	13,466	3,920	2,633	6,921	14
15		Tank - Under 22,000 Gallons		30	58	3,903	-	-	15
16		Tank - 22,000 Gallons And Over		-	-	-	-	-	16
17		All Other Freight Cars		23	310	1,376	29	137	17
18		Auto Racks		-	4,458	-	-	-	18
19		TOTAL FREIGHT TRAIN CARS		28,999	84,995	35,325	18,411	41,962	19
OTHER FREIGHT CARRYING EQUIPMENT									
20		Refrigerated Trailers		-	-	-	-	-	20
21		Other Trailers			5	-	-	882	21
22		Refrigerated Containers			-	-	-	-	22
23		Other Containers			-	-	-	474	23
24	*	TOTAL TRAILERS AND CONTAINERS			5	-	-	1,356	24
25		GRAND TOTAL (Lines 19 and 24)		28,999	85,000	35,325	18,411	43,318	25

**NOTES AND REMARKS**

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

1. Report freight expenses only
2. Report by type of equipment all natural expenses relating to the equipment functions (salaries and wages, materials, tools, supplies, fuels and lubricants, purchased services and general)
3. Report in column (b) net repair expense, excluding the cost to repair damaged equipment  
 Schedule 415, column (b), will balance to Schedule 410, column (f), as follows  
 (a) Locomotives, line 5 plus line 38 compared to the sum of Schedule 410, lines 202, 203 and 216 (excluding wreck repairs) Do not report in Schedule 415, Equipment Damaged from Schedule 410, line 204  
 (b) Freight Cars, line 24 plus line 39 compared to the sum of Schedule 410, lines 221, 222 and 235 (excluding wreck repairs) Do not report in Schedule 415, Equipment Damaged from Schedule 410, line 223  
 (c) Sum of highway equipment (line 32), floating equipment (line 35), passenger and other revenue equipment (line 36), computer and data processing equipment (line 37), machinery-other equipment (line 40), plus work and other non-revenue equipment (line 41) compared to Schedule 410, the sum of lines 302 through 307, inclusive, plus line 320 (excluding wreck repairs) Do not report in Schedule 415, equipment damaged from Schedule 410, line 308.  
 Note: Lines 216, 235 and 320 of Schedule 410 are credit amounts  
 The allocation of freight car repair expense reportable on Schedule 415 by car types shall be in accordance with Instruction 2-21, Freight train repair costing, 49 CFR 1201
4. Depreciation expense for each class of equipment by car type shall be reported in columns (c) and (d). For improvements on leased property, Accounts 732 and 733, use a supplementary Schedule 415, which will relate to Schedules 340 and 342  
 Depreciation charges reported in columns (c) and (d) will balance to Schedule 410, column (f), as follows:  
 (a) Locomotives, line 5 and 38, compared to Schedule 410, line 213  
 (b) Freight cars, line 24 and 39, compared to schedule 410, line 232  
 (c) Sum of highway equipment (line 32), floating equipment (line 35), passenger and other revenue equipment (line 36), computer and data processing equipment (line 37), machinery-other equipment (line 40), and work and other non-revenue equipment (line 41) compared to Schedule 410, line 317
5. Amortization adjustment of each equipment type which is included in column (c) shall be reported in column (e) as a debit or credit to the appropriate line item. The net adjustment on line 43 shall equal the equipment amortization adjustment applicable to equipment used in freight service included in line 39, column (c), of Schedule 335
6. Lease/rentals reported in column (f) should balance to column (f) of Schedule 410 as follows.  
 (a) Locomotives, line 5 and 38, compared to Schedule 410, lines 207, 208, 211 and 212  
 (b) Freight cars, line 24 and 39, compared to Schedule 410, lines 226 and 227 (note that Schedule 410, lines 230 and 231, are reported in Schedule 414, and are not included in Schedule 415)  
 (c) Sum of lease/rentals for all other equipment, lines 32, 35, 36, 37, 40 and 41, will balance to Schedule 410, lines 311, 312, 315 and 316, except for the interchange rental on trailers and containers which is reported in Schedule 414. Therefore, both Schedules 414 and 415 should be used when balancing lease/rentals other equipment to Schedule 410. Do not report in Schedule 415, the trailer and container rentals reported in Schedule 414
7. Investment base by types of equipment shall be reported in columns (g) and (h) and should not include the cost of equipment used but not owned when rents therefor are included in the rent for equipment and Account Nos. 31-21-00, 31-22-00, 31-23-00, 35-21-00, 35-22-00 and 35-23-00. It should include the cost of equipment owned and leased to others when the rents are included in the rent for Equipment Account Nos. 32-21-00, 32-22-00, 32-23-00, 36-21-00, 36-22-00, and 36-23-00  
 Property used but not owned should also be included when the rent is included in Account Nos. 31-12-00, 31-13-00, 31-21-00, 31-22-00 and 31-23-00, inclusive.  
 The grand total of each equipment account in column (h) of Schedule 330 should equal the totals of line items constituting the equipment account totals of columns (g) and (h) of Schedule 415
8. Accumulated depreciation for each class of equipment shall be reported in columns (i) and (j). The grand total of each equipment reserve account in column (g), Schedule 335, shall equal the combined aggregate total accumulated depreciation for line items constituting the corresponding equipment accounts reported in columns (i) and (j), on Schedule 415

## 415. SUPPORTING SCHEDULE - EQUIPMENT

(Dollars in Thousands)

Line No.	Cross Check	Types of equipment (a)	Repairs (net expense) (b)	Depreciation		Amortization Adjustment net during year (e)	Line No.
				Owned (c)	Capitalized lease (d)		
		LOCOMOTIVES					
1		Diesel Locomotives-Yard	5,000	303	83		1
2		Diesel Locomotives-Road	44,993	7,639	1,364	-	2
3		Other Locomotive-Yard	-	-	-	-	3
4		Other Locomotive-Road	-	-	-	-	4
5	*	TOTAL LOCOMOTIVES	49,993	7,942	1,447	-	5
		FREIGHT TRAIN CARS					
6		Box-Plain 40 Foot	-	-			6
7		Box-Plain 50 Foot and Longer	15	(116)	-	-	7
8		Box-Equipped	11,877	3,937	1,003	-	8
9		Gondola-Plain	86	(64)	366	-	9
10		Gondola-Equipped	2,706	1,483	140	-	10
11		Hopper-Covered	6,702	1,367	447	-	11
12		Hopper-Open Top-General Service	1,511	1,651	117	-	12
13		Hopper-Open Top-Special Service	3,089	755	12 00	-	13
14		Refrigerator-Mechanical	-	-	-	-	14
15		Refrigerator-Nonmechanical	37	68	110	-	15
16		Flat TOFC/COFC	227	(14)	-	-	16
17		Flat Multi-level	624	1,463	199	-	17
18		Flat-General Service	24	23	-	-	18
19		Flat-Other	4,516	168	521	-	19
20		All Other Freight Cars	607	170	11 00	-	20
21		Caboose		(7)	-	-	21
22		Auto Racks		2,902	-	-	22
23		Miscellaneous Accessories	-	(21)	-	-	23
24	*	TOTAL FREIGHT TRAIN CARS	32,021	13,765	2,926	-	24
		OTHER EQUIPMENT-REVENUE FREIGHT HIGHWAY EQUIPMENT					
25		Refrigerated Trailers	-	-	-	-	25
26		Other Trailers	983	-	-	-	26
27		Refrigerated Containers	-	-	-	-	27
28		Other Containers	12	-	-	-	28
29		Bogies	-	-	-	-	29
30		Chassis	1,204	175	-	-	30
31		Other Highway Equipment (Freight)	158	72	-	-	31
32	*	TOTAL HIGHWAY EQUIPMENT	2,357	247	-	-	32
		FLOATING EQUIPMENT-REVENUE SERVICE					
33		Marine Line-Haul	3,299	17	-	-	33
34		Local Manue	-	-	-	-	34
35	*	TOTAL FLOATING EQUIPMENT	3,299	17	-	-	35
		OTHER EQUIPMENT					
36	*	Passenger & Other Revenue Equipment (Freight Portion)	251	13	-	-	36
37	*	Computer Systems & Word Processing Equip.	-	584	-	-	37
38	*	Machinery - Locomotives (1)	33	-	-	-	38
39	*	Machinery - Freight Cars (2)	200	-	-	-	39
40	*	Machinery - Other Equipment (3)	42	622	-	-	40
41	*	Work and Other Nonrevenue Equipment	12,983	1,575	-	-	41
42		TOTAL OTHER EQUIPMENT	13,509	2,794	-	-	42
43		TOTAL ALL EQUIPMENT (FREIGHT PORTION)	101,179	24,765	4,373	-	43

(1) Data to be reported on line 38, column (b) is the amount reported in Sched 410, column (f), line 203, reduced by the allocable portion of line 216

(2) Data to be reported on line 39, column (b) is the amount reported in Sched 410, column (f), line 222, reduced by the allocable portion of line 235.

(3) Data to be reported on line 40, column (b) is the amount reported in Sched 410, column (f), lines 302 through 306, reduced by the allocable portion of line 320



## 415. SUPPORTING SCHEDULE - EQUIPMENT - (Continued)

Line No	Cross Check	Lease & rentals (net) (f)	Investment base as of 12/31		Accumulated depreciation as of 12/31		Line No
			Owned (g)	Capitalized lease (h)	Owned (i)	Capitalized lease (j)	
1		-	11,549	2,158	2,984	908	1
2		7,713	269,221	61,136	85,000	3,556	2
3		-	-	-	-	-	3
4		-	-	-	-	-	4
5		7,713	280,770	63,294	87,984	4,464	5
6		-	-	-	-	-	6
7		3,401	186	-	(1,195)	-	7
8		17,272	179,321	53,430	71,210	1,373	8
9		331	5,536	5,941	1,877	792	9
10		880	83,935	26,004	19,105	1,515	10
11		14,476	49,225	31,028	23,587	12,935	11
12		2,759	100,945	9,260	16,055	326	12
13		2,873	23,667	2,016	9,365	12	13
14		-	-	-	-	-	14
15		-	3,835	2,652	2,390	2,497	15
16		-	(187)	-	(264)	-	16
17		346	41,991	6,000	10,658	600	17
18		-	342	-	(654)	-	18
19		10,837	11,354	22,741	1,592	262	19
20		-	4,621	492	5,700	11	20
21		-	1,047	-	1,166	-	21
22		491	42,223	-	21,390	-	22
23		-	310	-	498	-	23
24		53,666	548,351	159,564	182,480	20,323	24
25		-	-	-	-	-	25
26		369	-	-	-	-	26
27		-	-	-	-	-	27
28		-	-	-	-	-	28
29		-	-	-	-	-	29
30		-	2,264	-	1,147	-	30
31		(1,391)	1,130	-	268	-	31
32		(1,022)	3,394	-	1,415	-	32
33		-	1,202	-	881	-	33
34		-	-	-	-	-	34
35		-	1,202	-	881	-	35
36		34	447	-	51	-	36
37		-	770	-	(7,562)	-	37
38		-	-	-	-	-	38
39		-	-	-	-	-	39
40		-	28,585	-	10,894	-	40
41		141	24,706	-	13,453	-	41
42		175	54,508	-	16,836	-	42
43		60,532	888,225	222,858	289,596	24,787	43

(1) Data to be reported on lines 38, 39 and 40 in columns (g) and (h) are the investment recorded in property account 44, allocated to locomotives, freight cars, and other equipment

(2) Depreciation to be reported on lines 38, 39 and 40 in column (i) is calculated by multiplying the investment in each element by the effective composite rate for property account 44, and then adding or subtracting the adjustment reported in column (j). This calculation should equal the amount shown in column (i), Schedule 335

## 416. SUPPORTING SCHEDULE - ROAD

(Dollars in Thousands)

Line No	Density Category (Class)	Account No (b)	Owned and Used			Improvements to Leased Property			Capitalized Leases			Total		Line No
			Investment base (c)	Accumulated depreciation (d)	Depr. Rate % (e)	Investment Base (f)	Accumulated Depreciation (g)	Depr Rate % (h)	Investment Base (i)	Current Year Amortization (j)	Accumulated Amortization (k)	Investment Base (l)	Accumulated Depreciation & Amortization (m)	
1	I	3	510,164	47,359	1 01							510,164	47,359	1
2	(20+ MGTMs/mi)	8	340,706	51,040	3 80							340,706	51,040	2
3		9	881,489	105,030	2 46							881,489	105,030	3
4		11	258,210	59,990	3 10							258,210	59,990	4
5	SUB-TOTAL		1,990,569	263,419								1,990,569	263,419	5
6	II	3	595,723	55,302	1 01							595,723	55,302	6
7	(<20 MGTMs/mi)	8	397,846	59,599	3 80							397,846	59,599	7
8		9	1,029,322	122,644	2 46							1,029,322	122,644	8
9		11	301,514	70,051	3 10							301,514	70,051	9
10	SUB-TOTAL		2,324,405	307,596		-	-					2,324,405	307,596	10
11	III	3	-	-			N/A	N/A				-	-	11
12	(Aband candidates)	8	-	-			N/A	N/A				-	-	12
13		9	-	-			N/A	N/A				-	-	13
14		11	-	-			N/A	N/A				-	-	14
15	SUB-TOTAL		-	-			N/A	N/A				-	-	15
16	IV	3	70,176	9,374	1 01							70,176	9,374	16
17	(Yds & Sw irks)	8	101,277	26,482	3 80				267	7	70	101,544	26,552	17
18		9	295,038	94,450	2 46				3,299	56	386	298,337	94,836	18
19		11	86,240	20,877	3 10				169	4	31	86,409	20,908	19
20	SUB-TOTAL		552,731	151,183		-	-		3,735	67	487	556,466	151,670	20
21	V	3	-	-								-	-	21
22	(Electronic yds)	8	-	-								-	-	22
23		9	-	-								-	-	23
24		11	-	-								-	-	24
25	SUB-TOTAL		-	-								-	-	25
26	GRAND TOTAL		4,867,705	722,198	N/A	-	-	N/A	3,735	67	487	4,871,440	722,685	26

## Notes:

(1) Columns (c) + (f) - (i) = Column (l)

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

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

NOTES AND REMARKS

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## 417. SPECIALIZED SERVICE - TRANSPORTATION

(Dollars in Thousands)

1 Report freight expenses only.

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

3 When it is necessary to apportion expenses to two or more services, they shall be apportioned on the most equitable basis available to the respondent and only to the services they support. The total expenses in column (j) should balance with the respective line items in Schedule 410. Railway Operating Expenses.

4 Report in column (b), line 2, the expenses incurred in highway movements of trailers and containers performed at the expense of the reporting railroad within a terminal area for the purpose of pick-up, delivery, or highway interchange service. Report in column (b), line 3, the expenses incurred in operating facilities for handling trailers and/or containers, including storage expenses. See Schedule 755, note R.

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

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

7 Report on line 4, column (b), the expenses related to heating and refrigeration of TOFC/COFC trailers and containers (total debits and credits) The expenses on line 4, column (h), relate to refrigerator cars only

8 Report in column (i) total expenses incurred in performing rail substitute service, other highway revenue service, LCL terminal operations, warehouse operations, freight car transloading, grain elevator terminal operations, and livestock feeding operations only.

Line No.	Cross Check	Items (a)	TOFC/COFC terminal (b)	Floating equipment (c)	Coal marine terminal (d)	Ore marine terminal (e)	Other marine terminal (f)	Motor vehicle load & distribution (g)	Protective services refrigerator car (h)	Other special services (i)	Total columns (b) - (i) (j)	Line No
1	*	Administration	2,971	-	2	362	-	-	-	-	3,335	1
2	*	Pick up and delivery, marine line haul	1,651	-	2,521	7,920	483	-	-	9,678	22,253	2
3	*	Loading and unloading and local marine	2,289	-	-	-	-	47	-	-	2,336	3
4	*	Protective services - total debits and credits	-	-	-	-	-	-	-	-	-	4
5	*	Freight lost or damaged - solely related	-	-	-	-	-	-	-	-	-	5
6	*	Fringe benefits	1,878	-	404	1,393	77	-	-	-	3,752	6
7	*	Casualty and insurance	-	-	-	-	-	-	-	-	-	7
8	*	Joint facility - debit	-	-	-	-	-	-	-	-	-	8
9	*	Joint facility - credit	-	-	-	-	-	-	-	-	-	9
10	*	Other	1,400	-	-	-	-	-	-	-	1,400	10
11	*	TOTAL	10,189	-	2,927	9,675	560	47	-	9,678	33,076	11

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

**Instruction.**

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

**Column**

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

Primary Account No. and Title (a)	Total Investment At End of Year (b)	Capital Leases		
		Investment at End of Year (c)	Current Year Amortization (d)	Accumulated Amortization (e)
(2) Land for transportation purposes	1,290,442	2,480	-	-
(8) Ties	840,096	267	7	70
(9) Rail and other track material	2,209,148	3,290	56	386
(11) Ballast	646,133	169	4	31
(25) T.O.C./C.O.C. terminals	52,698	2,113	54	284
(52) Locomotives	344,064	63,294	1,447	4,464
(53) Freight-train cars	707,915	159,564	2,926	20,323
<b>TOTAL</b>	<b>6,090,496</b>	<b>231,186</b>	<b>4,494</b>	<b>25,558</b>

**NOTES AND REMARKS**

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

**A. Railway Taxes**

Line No.	Cross Check	Kind of Tax	Amount	Line No
1		Other than U S Government Taxes	69,865	1
		U S Government Taxes		
		Income Taxes.		
2		Normal Tax & Surtax	147,439	2
3		Excess Profits		3
4	*	Total - Income Taxes (ln 2 + 3)	147,439	4
5		Railroad Retirement	80,948	5
6		Hospital Insurance	8,758	6
7		Supplemental Annuities	-	7
8		Unemployment Insurance	3,650	8
9		All Other United States Taxes	87,443	9
10		Total - U S Government Taxes	328,238	10
11		Total - Railway Taxes	398,103	11

**B. Adjustments to Federal Income Taxes**

- In column (a) are listed the particulars which most often cause a differential between taxable income and pretax accounting income. Other particulars which cause such a differential should be listed under the caption "Other (Specify)," including state and other taxes deferred if computed separately. Minor items, each less than \$100,000, may be combined in a single entry under "Other (Specify) "
- Indicate in column (b) the beginning of year totals of Accounts 714, 744, 762 and 786 applicable to each particular item in column (a).
- Indicate in column (c) the net changes in Accounts 714, 744, 762 and 786 for the net tax effect of timing differences originating and reversing in the current accounting period.
- Indicate in column (d) any adjustments, as appropriate, including adjustments to eliminate or reinstate deferred tax effects (credits or debits) due to applying or recognizing a loss carry-forward or loss carry-back.
- The total of line 19 in columns (c) and (d) should agree with the total of the contra charges (credits) to Account 557, Provision for Deferred Taxes, and Account 591, Provision for Deferred Taxes - Extraordinary Items, for the current year.
- Indicate in column (e) the cumulative total of columns (b), (c) and (d). The total of column (e) must agree with the total of Accounts 714, 744, 762, and 786.

Line No	Particulars (a)	Beginning of year balance (b)	Net credits (charges) for current year (c)	Adjustments* (d)	End of year balance (e)	Line No
1	Accelerated depreciation, Sec. 167 IRC Guideline lives pursuant to Rev. Proc. 62-21					1
2	Accelerated amortization of facilities, Sec. 168 IRC					2
3	Accelerated amortization of rolling stock, Sec. 184 IRC					3
4	Amortization of rights of way, Sec. 185 IRC					4
5	Other (Specify)					5
6						6
7	Property depreciation & basis difference	2,763,057	73,258	-	2,836,315	7
8	Reserve for workforce reduction	(4,476)	3,304	-	(1,172)	8
9	Postretirement benefits	(58,016)	2,288	11,527	(44,201)	9
10	Claims, accruals & other reserves	(196,591)	15,451	-	(181,140)	10
11	Loss & Credit Carryforwards	(7,119)	3,058	-	(4,061)	11
12						12
13						13
14						14
15						15
16						16
17						17
18						18
19	TOTALS	2,496,855	97,359	11,527	2,605,741	19

\* Relates mainly to tax adjustments on other comprehensive income

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

**\*Footnotes:**

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



**460. ITEMS IN SELECTED INCOME AND RETAINED EARNINGS ACCOUNTS FOR THE YEAR**

(Dollars in Thousands)

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

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

Line No	Account No. (a)	Item (b)	Debits (c)	Credits (d)	Line No
1					1
2	606	Comprehensive Income.			2
3		Foreign exchange on translation of affiliated company's equity whose functional currency is the Canadian dollar	6,915		3
4		Adjustments on Pension and Postretirement plans pursuant to adoption of FAS 158		18,805	4
5					5
6					6
7	620	Appropriations for sinking and other funds	48		7
8					8
9					9
10					10
11	519	Miscellaneous Income			11
12		Net revenues from maritime operations		20,390	12
13		Equity income from Canadian operations owned by U.S. subsidiary		14,927	13
14		Equity income from investments other than subsidiaries		2,632	14
15		Other		3,052	15
16		Total Miscellaneous Income		41,001	16
17					17
18					18
19					19
20					20
21					21
22					22
23					23
24					24
25					25
26					26
27					27
28					28
29					29
30					30

**MEMORANDA RELATING TO SELECTED INCOME AND RETAINED EARNINGS ACCOUNTS**

**501. GUARANTIES AND SURETYSHIPS**

(Dollars in thousands)

1. If the respondent was under obligation as guarantor or surety for the performance by any other corporation or other association of any agreement or obligation, show the particulars of each contract of guaranty or suretyship in effect at the close of the year or entered into and expired during the year. This inquiry does not cover the case of ordinary commercial paper maturing on demand or not later than 2 years after the date of issue. Items of less than \$50,000 may be shown as one total.

Line No	Names of all parties principally and primarily liable (a)	Description (b)	Amount of contingent liability (c)	Sole or joint contingent liability (d)	Line No.
1					1
2	Canadian National Railway Company	5 Year Revolving Credit Facility	US \$ 1,000,000	Joint	2
3	Grand Trunk Corporation (GTC)	expiring in 2011			3
4	Grand Trunk Western Railroad Inc (GTW)				4
5	Illinois Central Railroad Co (ICRR)				5
6	Wisconsin Central Ltd (WCL)				6
7					7
8					8
9					9
10	Terminal RR Assn of St. Louis (Note 1)	Refunding & Improvement mortgage			10
11		Bonds Series "C"	US \$7,787	Joint	11
12					12
13					13
14					14
15					15
16					16
17					17
18					18
19					19
20					20
21					21
22					22
23					23
24					24
25					25
26					26
27					27
28					28
29	Note 1 Terminal Railroad Association of St. Louis Mortgage Bonds are fully funded by TRRA through a sinking fund established				29
30	with a balance in the amount of approximately \$15.4 million as of December 31, 2006. This fund covers future interest and				30
31	principal payments through the remainder of the bonds term.				31
32					32
33					33
34					34
35					35
36					36
37					37
38					38

2. If any corporation or other association was under obligation as guarantor or surety for the performance by the respondent of any agreement or obligation, show particulars called for hereunder for each such contract of guaranty or suretyship in effect at the close of the year or entered into and expired during the year. This inquiry does not cover the case of ordinary commercial paper maturing on demand or not later than two years after the date of issue, nor does it include ordinary surety bonds or undertakings on appeals in court proceedings.

Line No.	Finance docket number, title, maturity date and concise description of agreement or obligation (a)	Names of all guarantors and sureties (b)	Amount of contingent liability of guarantors (c)	Sole or joint contingent liability (d)	Line No.
1					1
2	Uncommitted credit lines	Canadian National Railway Company	CA \$ 55,000	Sole	2
3					3
4					4
5					5
6					6
7					7
8					8
9					9

**502. COMPENSATING BALANCES AND SHORT-TERM BORROWING AGREEMENTS**

(Dollars in thousands)

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

1. Disclose compensating balances not legally restricted, lines of credit used and unused, average interest rate of short-term borrowings that are outstanding at balance sheet date, maximum amount of outstanding borrowings during the period and the weighted average rate of those borrowings.
2. Time deposits and certificates of deposit constituting compensating balances not legally restricted should be disclosed.
3. Compensating balance arrangements need only be disclosed for the latest fiscal year
4. Compensating balances included in Account 703, Special Deposits and in Account 717, Other Funds, should also be separately disclosed below
5. *Compensating balance arrangements are sufficiently material to require disclosure in footnotes when the aggregate of written and oral agreement balances amount to 15% or more of liquid assets (current cash balances, restricted and unrestricted, plus marketable securities).*
6. When a carrier is not in compliance with a compensating balance requirement, that fact should be disclosed, along with stated and possible sanctions, whenever such possible sanctions may be immediate (not vague or unpredictable) and material.

GTC, GTW, ICRR and WCL have access to \$185 million of the credit facility discussed in schedule 501:

The maximum amount of outstanding borrowings during 2006 was \$15 million at an average interest rate of 4.66%.

At December 31, 2006, there was no outstanding borrowings on the credit facility.

The Companies do not have any compensating balances.

**NOTES AND REMARKS**

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**510. SEPARATION OF DEBTHOLDINGS BETWEEN ROAD PROPERTY AND EQUIPMENT**

(Dollars in Thousands)

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

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

Line No.	Account No (a)	Title (b)	Source (c)	Balance Close of Year (d)	Line No.
1	751	Loans and notes payable	Sch 200, Line 30	-	1
2	764	Equipment obligations and other long-term debt due within one year	Sch 200, Line 39	88,105	2
3	765/767	Funded debt unmatured	Sch 200, Line 41	331,101	3
4	766	Equipment obligations	Sch 200, Line 42	-	4
5	766.5	Capitalized lease obligations	Sch 200, Line 43	112,982	5
6	768	Debt in default	Sch 200, Line 44	-	6
7	769	Accounts payable - affiliated companies	Sch 200, Line 45	3,512,849	7
8	770.1/770.2	Unamortized debt premium	Sch 200, Line 46	(23,681)	8
9		Total debt	Sum of Lines 1 through 8	4,021,356	9
10		Debt directly related to road property	Note 1	-	10
11		Debt directly related to equipment	Note 1	149,791	11
12		Total debt related to road and equipment	Lines 10 and 11	149,791	12
13		Percent directly related to road	Line 10 / Line 12 Whole % + 2 decimals	-	13
14		Percent directly related to equipment	Line 11 / Line 12 Whole % + 2 decimals	100.00%	14
15		Debt not directly related to road and equipment	Line 9 - Line 12	3,871,565	15
16		Road property debt (Note 2)	(Line 13 x Line 15) + Line 10	-	16
17		Equipment debt (Note 2)	(Line 14 x Line 15) + Line 11	4,021,356	17

**II. Interest Accrued During the Year**

Line No.	Account No (a)	Title (b)	Source (c)	Balance Close of Year (d)	Line No.
18	546-548	Total interest and amortization (fixed charges)	Sch 210, Line 42	174,269	18
19	546	Contingent interest on funded debt	Sch 210, Line 44	-	19
20	517	Release of premium on funded debt	Sch 210, Line 22	-	20
21		Total interest (Note 3)	(Line 18 + Line 19) - Line 20	174,269	21
22		Interest directly related to road property debt	Note 4	-	22
23		Interest directly related to equipment debt	Note 4	5,842	23
24		Interest not directly related to road or equipment property debt	Line 21 - (Lines 22 + 23)	168,427	24
25		Interest on road property debt (Note 5)	Line 22 + (Line 24 x Line 13)	-	25
26		Interest on equipment debt (Note 5)	Line 23 + (Line 24 x Line 14)	174,269	26
27		Embedded rate of debt capital - road property	Line 25 / Line 16	-	27
28		Embedded rate of debt capital - equipment	Line 26 / Line 17	4.33%	28

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

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

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

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

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

**NOTES AND REMARKS**

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## INSTRUCTIONS CONCERNING RETURNS TO BE MADE IN SCHEDULE 512

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

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

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

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

The respondent may be required to furnish as an attachment to Schedule 512 a balance sheet and income statement for each affiliate with which respondent carrier had reportable transactions during the year, or alternatively, attach a "Pro forma" balance sheet and income statement for that portion of equity of each affiliate which furnished the agreed to services, equipment, or other reportable transaction. The statements, if required, should be prepared on a calendar year basis in conformity with the prescribed schedules for the balance sheet and income statement in Annual Report Form R-1, and should be noted (1) to indicate the method used for depreciating equipment or other property furnished the carrier, and (2) whether the affiliate's Federal income tax return for the year was filed on a consolidated basis with the respondent carrier.

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

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

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

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

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

## 512. TRANSACTIONS BETWEEN RESPONDENT AND COMPANIES OR PERSONS AFFILIATED WITH RESPONDENT FOR SERVICES RENDERED OR PROVIDED

(Dollars in thousands)

Line No	Name of company or related party with percent of gross income (a)	%	Nature of relationship (b)	Description of transactions (c)	Dollar amounts of transactions (d)	Amount due from or to related parties (e)	Line No
1							1
2							2
3	Canadian National Rwy Co		Controlled	Management fees	52.433	51.930 P	3
4							4
5							5
6							6
7							7
8							8
9							9
10							10
11							11
12							12
13							13
14							14
15							15
16							16
17							17
18							18
19							19
20							20
21							21
22							22
23							23
24							24
25							25



**INSTRUCTIONS CONCERNING RETURNS TO BE MADE IN SCHEDULE 700**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

## 700. MILEAGE OPERATED AT CLOSE OF YEAR

Line No.	Class	Proportion owned or leased by respondent	Running tracks, passing tracks, crossovers, etc.				Miles of way switching tracks (g)	Miles of yard switching tracks (h)	TOTAL (i)	Line No.
			Miles of road (c)	Miles of second main track (d)	Miles of all other main tracks (e)	Miles of passing tracks, cross-overs, and turnouts (f)				
1										1
2	I	100%	6,269	588	18	598	804	1,825	10,102	2
3										3
4	IJ	50%	1	0	0	8	25	47	81	4
5										5
6	3B	LEASED	12	0	0	0	1	0	13	6
7										7
8	5	TRACKAGE RIGHTS	455	6	62	44	283	229	1,079	8
9										9
10										10
11										11
12										12
13										13
14										14
15										15
16										16
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49										49
50										50
51										51
52										52
53										53
54										54
55										55
56										56
57		TOTAL	6,737	594	80	650	1,113	2,101	11,275	57
58		Miles of electrified road or track included in preceding grand total	N/A							58

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

Give particulars, as of the close of the year, of all road operated and of all owned but not operated. The respondent's proportion of operated road held by it as joint or common owner, or under a joint lease, or under any joint arrangement, should be shown in columns (b), (c), (d), or (e), as may be appropriate. The remainder of jointly operated mileage should be shown in column (f). Respondent's proportion of road jointly owned, not operated, should be shown in column (h), as may be appropriate. Mileage which has been permanently abandoned should not be included in column (h). Mileage should be reported to the nearest WHOLE mile adjusted to accord with footings, i.e., counting one-half mile and over as a whole mile and disregarding any fraction less than one-half mile.

Line No.	Cross Check	State or territory	MILES OF ROAD OPERATED BY RESPONDENT								Line No.
			Line owned (b)	Line of proprietary companies (c)	Line operated under lease (d)	Line operated under contract etc. (e)	Line operated under trackage rights (f)	Total mileage operated (g)	Line owned not operated by respondent (h)	New line constructed during year (i)	
1											1
2		ALABAMA	41					41			2
3											3
4		ILLINOIS	1,246	1	1		271	1,519			4
5											5
6		INDIANA	80					80			6
7											7
8		IOWA	605					605			8
9											9
10		KENTUCKY	89				17	106			10
11											11
12		LOUISIANA	259				4	263			12
13											13
14		PENNSYLVANIA	155					155			14
15											15
16		MICHIGAN	942		11		63	1,016			16
17											17
18		MINNESOTA	383				52	435			18
19											19
20		MISSISSIPPI	847				4	851			20
21											21
22		OHIO	7					7			22
23											23
24		TENNESSEE	145					145			24
25											25
26		WISCONSIN	1,470				44	1,514			26
27											27
28											28
29											29
30											30
31											31
32		TOTAL MILEAGE (single track)	6,269	1	12		455	6,737			32

**NOTES AND REMARKS**

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## INSTRUCTIONS CONCERNING RETURNS TO BE MADE IN SCHEDULE 710

Instructions for reporting locomotive and passenger-train car data.

1. Give particulars of each of the various classes of equipment which respondent owned or leased during the year.
2. In column (c) give the number of units purchased new or built in company shops. In column (d) give the number of new units leased from others. The term "new" means a unit placed in service for the first time on any railroad.
3. Units leased to others for a period of one year or more are reportable in column (l). Units temporarily out of respondent's service and rented to others for less than one year are to be included in column (h). Units rented from others for a period less than one year should not be included in column (i).
4. For reporting purposes, a "locomotive unit" is a self-propelled vehicle generating or converting energy into motion, and designed solely for moving other equipment. An "A" unit is the least number of wheel bases with superstructure designed for use singly or as a lead locomotive unit in combination with other locomotive units. A "B" unit is similar to an "A" unit, but not equipped for use singly or as a lead locomotive unit. A "B" unit may be equipped with hostler controls for independent operation at terminals.
5. A "self-propelled car" is a rail motor car propelled by electric motors receiving power from a third rail or overhead, or internal combustion engines located on the car itself. Trailers equipped for use only in trains of cars that are self-propelled are to be included as self-propelled equipment.
6. A "diesel" unit includes all units propelled by diesel internal combustion engines regardless of final drive or whether power may at times be supplied from an external conductor. Units other than diesel-electric, e.g., diesel-hydraulic, should be identified in a footnote giving the number and a brief description. An "electric" unit includes all units which receive electric power from an overhead contact wire or a third rail, and use the power to drive one or more electric motors that propel the vehicle. An "other self-powered unit" includes all units other than diesel, or electric, e.g., gas turbine, steam. Show 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 manufacturers' rated horsepower (the maximum continuous power output from the diesel engine or engines delivered to the main generator or generators for tractive purposes). Exclude capacity data for steam locomotives. For passenger-train cars, report the number of passenger seats available for revenue service, counting one passenger to each berth in sleeping cars.

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

## 9. Cross-checks

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

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

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

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

Line No.	Cross Check	Type or design of units (a)	Units in service of respondent at beginning of year (b)	Changes During the Year				Units retired from service of respondent whether owned or leased, including reclassification (g)	Units at Close of Year				Line No	
				Units installed					Owned and used (h)	Leased from others (i)	Total in service of respondent (col (h) & (i)) (j)	Aggregate capacity of units reported in col. (j) (see ins 7) (k)		Leased to others (l)
				New units purchased or built (c)	New units leased from others (d)	Rebuilt units acquired and rebuilt units rewritten into property accounts (e)	All other units including reclassification and second hand units purchased or leased from others (f)							
1		Locomotive Units	469					78	265	126	391	1,102,150 (HP)	1	
2		Diesel-freight	4						4		4	9,600	2	
3		Diesel-passenger	201					2	199		199	397,350	3	
4		Diesel-multiple purpose	42					3	39		39	51,300	4	
5	*	Diesel-switching	716					83	507	126	633	1,560,400	5	
6	*	TOTAL (lines 1 to 4)											6	
7	*	Electric locomotives											7	
8	*	Other self-powered units											8	
9	*	TOTAL (lines 5,6 and 7)	716					83	507	126	633	1,560,400	9	
10	*	Auxiliary units	4						4		4	N/A	10	
		TOTAL LOCOMOTIVE UNITS (lines 8 and 9)	720					83	511	126	637	N/A	17	

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

Line No.	Cross Check	Type or design of units (a)	Before Jan 1, 1985 (b)	During Calendar Year				2005 (g)	2006 (h)	2007 (i)	2008 (j)	2009 (k)	TOTAL (l)	Line No.
				Between Jan. 1, 1985 and Dec. 31, 1989 (c)	Between Jan. 1, 1990 and Dec. 31, 1994 (d)	Between Jan. 1, 1995 and Dec. 31, 1999 (e)	Between Jan 1, 2000 and Dec 31, 2004 (f)							
11		Diesel	556		12	35	30	-	-	-	-	-	633	11
12		Electric												12
13		Other self-powered units												13
14		TOTAL (lines 11 to 13)	556		12	35	30	-	-	-	-	-	633	14
15		Auxiliary units	2	2									4	15
16		TOTAL LOCOMOTIVE UNITS (Lines 14 and 15)	558	2	12	35	30	-	-	-	-	-	637	16

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

Line No	Cross Check	Type or design of units (a)	Units in service of respondent at beginning of year (b)	Changes During the Year				Units retired from service of respondent whether owned or leased, including reclassification (g)	Units at Close of Year				Line No.	
				Units installed					Owned and used (h)	Leased from others (i)	Total in service of respondent (col. (h) & (i)) (j)	Aggregate capacity of units reported in col. (j) (see ins 7) (k)		Leased to others (l)
				New units purchased or built (c)	New units leased from others (d)	Rebuilt units acquired and rebuilt into property accounts (e)	All other units including reclassification and second hand units purchased or leased from others (f)							
17		Passenger- Train Cars Non-Self-Propelled Coaches (PA, PB, PBO)											17	
18		Combined cars (All class C, except CSB)											18	
19		Parlor cars (PBC, PC, PL, PO)											19	
20		Sleeping cars (PS, PL, PAS, PDS)											20	
21		Dining, grill and tavern cars (All class D, PD)										N/A	21	
22		Non-passenger carrying cars (All class B, CSB, M, PSA, 1A)										N/A	22	
23		TOTAL (lines 17 to 22)											23	
24		Self-Propelled Electric passenger cars (EP, ET)											24	
25		Electric combined cars (FC)											25	
26		Internal combustion rail motorcars (ED, EG)											26	
27		Other self-propelled cars (Specify types)											27	
28		TOTAL (lines 24 to 27)											28	
29		TOTAL (lines 23 and 28)											29	
30		Company Service Cars										N/A	30	
31		Business cars (PV)	6						6		6	N/A	31	
32		Board outfit cars (MWX)											32	
33		Derrick and snow removal cars (MWU, MWV, MWV, MWK)	20						20		20	N/A	33	
		Dump and ballast cars (MWB, MWD)	308							61	266	N/A		
34		Other maintenance and service equipment cars	420						31	6	420	N/A	34	
35		TOTAL (lines 30 to 34)	754						74	67	712	N/A	35	

## 710. INVENTORY OF EQUIPMENT - Continued

Instructions for reporting freight-train car data.

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

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

Line No.	Cross Check	Class of equipment and car designations  (a)	Units in service of respondent at beginning of year		Changes During the Year				Line No
			Time-mileage cars (b)	All Others (c)	Units installed				
					New units purchased or built (d)	New or rebuilt units leased from others (e)	Rebuilt units acquired and rebuilt units rewritten into property accounts (f)	All other units, including reclassification and second hand units purchased or leased from others (g)	
36		FREIGHT TRAIN CARS Plain box cars - 40' (B1 __, B2 __)							36
37		Plain box cars - 50' and longer (B3 __0-7, B4 __0-7, B5 __, B6 __, B7 __, B8 __)	36						37
38		Equipped box cars (All Code A, Except A 5 )	11,506					981	38
39		Plain gondola cars (All Codes G & J __1, J __2, J __3, J __4)	123					39	39
40		Equipped gondola cars (All Code F)	2,931		216			375	40
41		Covered hopper cars (C __1, C __2, C __3, C __4)	7,395					749	41
42		Open top hopper cars - general service (All Code H)	3,026					213	42
43		Open top hopper cars - special service (J __O, and All Code K)	1,428	3,872				387	43
44		Refrigerator cars - mechanical (R __5, R __6, R __7, R __8, R __9)							44
45		Refrigerator cars - non-mechanical (R __0, R __1, R __2)	163					8	45
46		Flat cars - IOFC/COFC (All Code P, Q and S, Except Q8 __)	44					2	46
47		Flat cars - multi-level (All Code V)	556						47
48		Flat cars - general service (F10 __, F20 __, F30 __)	21					1	48
49		Flat cars - other (F __1, F __2, F __3, F __4, F __5, F __6, F __8, F40 __)	3,718					874	49
50		Tank cars - under 22,000 gallons (T __0, T __1, T __2, T __3, T __4, T __5)	35						50
51		Tank cars - 22,000 gallons and over (T __6, T __7, T __8, T __9)							51
52		All other freight cars (A __5, F __7, All Code I and Q8 __)	415					375	52
53		TOTAL (lines 36 to 52)	31,397	3,872	216			4,004	53
54		Caboose (All Code M-930)		61					54
55		TOTAL (lines 53, 54)	31,397	3,933	216			4,004	55



## 710. INVENTORY OF EQUIPMENT - Continued

4. Column (m) should show aggregate capacity for all units reported in columns (k) and (l), as follows. For freight-train cars, report the nominal capacity (in tons of 2,000 lbs) as provided for in Rule 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 customarily carry.

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

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

Line No	Cross Check	Changes during year (concluded)	Units at close of year							Line No
		Units retired from service of respondent whether owned or leased including reclassification (h)	Owned and used (i)	Leased from others (j)	Total in service of respondent (col (i) & (j))		Aggregate capacity of units reported in col (k) & (l) (see ins 4) (m)	Leased to Others (n)		
					Time - mileage cars (k)	All Others (l)				
36	PB									36
37	EB	2	18	16	33	1	2,802			37
38	PG	2,187	4,718	5,582	10,139	161	841,809	1		38
39	EG	6	146	10	156		14,754			39
40	CH	568	2,560	394	2,917	37	293,008	8		40
41		1,228	3,745	3,171	6,897	19	710,191	27		41
42		383	2,148	708	2,854	2	285,830			42
43		1,161	4,273	253	1,116	3,410	409,163			43
44										44
45		67	103	1	104		7,319			45
46	FEC	46								46
47	FML	12	505	39	544		24,544			47
48		2	20			20	1,534			48
49	FO	556	2,155	1,881	4,006	30	406,105			49
50			35		35		3,544			50
51										51
52		527	263		263		24,652			52
53		6,745	20,689	12,055	29,064	3,680	3,025,255	36		53
54		1	60		44	16				54
55		6,746	20,749	12,055	29,108	3,696	3,025,255	36		55

## 710. INVENTORY OF EQUIPMENT - Continued

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

Line No.	Cross Check	Class of equipment and car designations  (a)	Units in service of respondent at beginning of year		Changes During the Year				Line No.
			Per diem  (b)	All others  (c)	Units installed				
					New units purchased or built  (d)	New units leased from others  (e)	Rebuilt units acquired and rebuilt units rewritten into property accounts  (f)	All other units, including reclassification and second hand units purchased or leased from others  (g)	
56		FLOATING EQUIPMENT Self-propelled vessels (Tugboats, car ferries, etc.)	N/A						56
57		Non-self-propelled vessels (Car floats, lighters, etc.)	N/A						57
58		TOTAL (lines 56 and 57)	N/A						58
59		HIGHWAY REVENUE EQUIPMENT Chassis Z1 __, Z67 __, Z68 __, Z69 __							59
60		Dry van U2 __, Z __, Z6 __, 1-6							60
61		Flat bed U3 __, Z3							61
62		Open bed U4 __, Z4							62
63		Mechanical refrigerator U5 __, Z5							63
64		Bulk hopper U0 __, Z0							64
65		Insulated U7 __, Z7							65
66		Tank U0 __, U6							66
67		Other trailer and container (Special equipped dry van U9 __, Z8 __, Z9 __)							67
68		Tractor							68
69		Truck							69
70		TOTAL (lines 59 to 69)	0	0	0	0	0	0	70

## NOTES AND REMARKS

Note: Line 66 (Tank) must have fitting code "CN" to qualify as a tank, otherwise it is a bulk hopper

## 710. INVENTORY OF EQUIPMENT - Concluded

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

Line No	Cross Check	Changes during year (concluded)	Units at close of year						Line No.
		Units retired from service of respondent whether owned or leased including reclassification (h)	Owned and used (i)	Leased from others (j)	Total in service of respondent (col (i) & (j))		Aggregate capacity of units reported in col (k) & (l) (see ins. 4) (m)	Leased to Others (n)	
					Per diem (k)	All Others (l)			
56					N/A				56
57					N/A				57
58					N/A				58
59									59
60									60
61									61
62									62
63									63
64									64
65									65
66									66
67									67
68									68
69									69
70									70

NOTES AND REMARKS

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

(Dollars in thousands)

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

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

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

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

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

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

**NEW UNITS**

Line No	Class of equipment	Number of units	Total weight (tons)	Total cost	Method of acquisition (see instructions)	Line No
1	Coil Cars G1W 187400-187599	200	6,173	19,028	L	1
2	Coil Cars G1W 187600-187699 Partial Order	16	495	1,539	L	2
3						3
4						4
5						5
6						6
7						7
8						8
9						9
10						10
11						11
12						12
13						13
14						14
15						15
16						16
17						17
18						18
19						19
20						20
21						21
22						22
23						23
24						24
25	TOTAL	216	6,668	20,567		25

**REBUILT UNITS**

26						26
27						27
28						28
29						29
30						30
31						31
32						32
33						33
34						34
35						35
36						36
37						37
38	TOTAL		N/A		N/A	38
39	GRAND TOTAL	216	6,668	20,567		39

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

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

- A - Freight density of 20 million or more gross ton-miles per track mile per year (include passing tracks, turnouts, and crossovers)
- B - Freight density of less than 20 million gross ton-miles per track mile per year, but at least 5 million (include passing tracks, turnouts, and crossovers)
- C - Freight density of less than 5 million gross ton-miles per track mile per year, but at least 1 million (include passing tracks, turnouts, and crossovers)
- D - Freight density of less than 1 million gross ton-miles per track mile per year (include passing tracks, turnouts, and crossovers)
- E - Way and yard switching tracks (passing tracks, turnouts and crossovers shall be included in categories A, B, C, D, F, or potential abandonments, as appropriate)
- F - Track over which any passenger service is provided (other than potential abandonments) Mileage should be included within track categories A through E unless there is dedicated entirely to passenger service F.

**Potential abandonments - Route segments identified by railroads as potentially subject to abandonment as required by Section 10903 of the ICC Termination Act of 1995.**

- 2 This schedule should include all class 1, 2, 3, or 4 track from Schedule 700, that is maintained by the respondent (Class 5 track is assumed to be maintained by others)
- 3. If, for two consecutive years, a line segment classified in one track category maintains a traffic density which would place it in another, it shall be reclassified into that category as of the beginning of the second year.
- 4. Traffic density related to passenger service shall not be included in the determination of the track category of a line segment.

### 720. TRACK AND TRAFFIC CONDITIONS

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

Line No.	Track category (a)	Mileage or tracks at end of period (whole numbers) (b)	Average annual traffic density in millions of gross ton-miles per track-mile* (use two decimal places) (c)	Average running speed limit (use two decimal places) (d)	Track miles under slow orders at the end of period (e)	Line No.
1	A	3,840	42.86	50.52	15.50	1
2	B	2,226	12.56	42.00	224.20	2
3	C	1,565	3.29	38.36	236.95	3
4	D	693	0.55	28.50	237.00	4
5	E	1,872	N/A	N/A	N/A	5
6	TOTAL	10,196	19.28	42.56	713.65	6
7	F					7
8	Potential abandonments					8

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

## 721. TIES LAID IN REPLACEMENT

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

Line No.	Track category (a)	Number of crossties laid in replacement								Total (i)	Switch and bridge ties (board feet) (j)	Crossties switch and bridge ties % of spot maintenance (k)	Line No.
		New ties				Second-hand ties							
		Wooden		Concrete (d)	Other (e)	Wooden		Other (h)					
		Treated (b)	Untreated (c)			Treated (f)	Untreated (g)						
1	A	558,638							558,638	442,942	N/A	1	
2	B	287,642							287,642	819,600	N/A	2	
3	C	71,590							71,590	161,554	N/A	3	
4	D	4,550							4,550	14,955	N/A	4	
5	E	66,817							66,817	269,086	N/A	5	
6	TOTAL	989,237				-			989,237	1,708,137	N/A	6	
7	F											7	
8	Potential abandonments											8	
9	Average cost per crosstie	\$ 38.45											

and switchie (MBM)

## 722. TIES LAID IN ADDITIONAL TRACKS AND IN NEW LINES AND EXTENSIONS

(Dollars in Thousands)

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

In column (a) classify the ties as follows

U - Wooden ties untreated when applied

T - Wooden ties treated before application

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

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

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

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

## 723. RAILS LAID IN REPLACEMENT

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

Line No.	Track category (a)	Miles of rail laid in replacement (rail-miles)						Total		Percent of spot maintenance (h)	Line No.
		New rail		Relay rail		Welded rail (f)	Bolted rail (g)				
		Welded rail (b)	Bolted rail (c)	Welded rail (d)	Bolted rail (e)						
1	A	172.68	0.16	19.49	1.61	192.17	1.77	0.9%	1		
2	B	20.38	0.09	49.81	0.87	70.19	0.96	1.3%	2		
3	C	5.09	0.02	43.22	0.20	48.31	0.22	0.5%	3		
4	D	-	-	6.39	-	6.39	-	-	4		
5	E	-	-	37.02	-	37.02	-	-	5		
6	TOTAL	198.15	0.27	155.93	2.68	354.08	2.95	0.8%	6		
7	F								7		
8	Potential Abandonments								8		
9	Average cost of new rail laid in replacement per gross ton \$ 803 New \$ 268 relay								9		



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

(Dollars in Thousands)

1. Give particulars of all rails applied during the year in connection with the construction of new track

In column (a) classify the kind of rail applied as follows:

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

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

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

Line No.	Class of rail	Rail Applied in Running Tracks, Passing Tracks, Crossovers, etc.				Rail Applied in Yard, Station, Team, Industry and Other Switching Tracks				Line No.
		Weight of rail		Total cost of rail applied in running track, passing track cross-overs, etc., during year	Average cost per ton (2000 lb)	Weight of rail		Total cost of rail applied in yard, station, team, industry, and other switching track during year	Average cost per ton (2000 lb)	
		Pounds per yard of rail	Number of tons (2000 lb)			Pounds per yard of rail	Number of tons (2000 lb)			
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	
1										1
2										2
3										3
4										4
5										5
6				NIL						6
7										7
8										8
9										9
10										10
11										11
12										12
13										13
14										14
15										15
16										16
17										17
18										18
19										19
20										20
21										21
22										22
23										23
24										24
25										25
26										26
27										27
28										28
29										29
30										30
31										31
32										32
33	TOTAL	N/A								33
34	Number of miles of new running tracks, passing tracks, cross-overs, etc., in which rails were laid									34
35	Number of miles of new yard, station, team, industry, and other switching tracks in which rails were laid									35
36	Track-miles of welded rail installed on system this year : total to date									36

## 725. WEIGHT OF RAIL

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

Line No.	Weight of rails per yard (pounds) (a)	Line-haul companies (miles of main track) (b)	Switching and terminal companies (miles of all tracks) (c)	Remarks (d)	Line No.
	<i>Pounds</i>				
1					1
2	60	1			2
3	70	1			3
4	80	36			4
5	85	34			5
6	90	319			6
7	100	267			7
8	105	1			8
9	110	21			9
10	112	1,267			10
11	115	2,790			11
12	119	8			12
13	127	22			13
14	130	7			14
15	131	112			15
16	132	475			16
17	133	0			17
18	136	1,353			18
19	140	79			19
20	152	35			20
21	155	45			21
22					22
23					23
24					24
25					25
26					26
27					27
28					28
29					29
30					30
31					31
32					32
33					33
34					34
35					35
36					36
37					37
38					38
39					39
40					40
41					41
42					42
43					43
44					44
45					45
46					46
47					47
48	Total	6,873			48

## 726. SUMMARY OF TRACK REPLACEMENTS

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

Line No.	Track category (a)	Ties				Rail		Ballast	Track surfacing		Line No.
		Number of ties replaced		Percent replaced		Miles of rail replaced (rail-miles) (f)	Percent replaced (g)		Cubic yards of ballast placed (h)	Miles surfaced (i)	
		Crossties (b)	Switch and bridge ties (board feet) (c)	Crosstie (d)	Switch and bridge ties (board feet) (e)						
1	A	558,638	442,942	4.5%	N/A	193.94	5.1%	284,275	1,490	39%	1
2	B	287,642	819,600	4.0%	N/A	71.15	3.2%	91,267	378	17%	2
3	C	71,590	161,554	1.4%	N/A	48.53	3.1%	40,829	188	12%	3
4	D	4,550	14,955	0.2%	N/A	6.39	0.9%	9,464	88	13%	4
5	E	66,817	269,086	1.1%	N/A	37.02	2.0%	33,699	361	19%	5
6	TOTAL	989,237	1,708,137	3.0%	N/A	357.03	3.5%	459,534	2,505	25%	6
7	F										7
8	Potential abandonments	-	-	-	-	-	-	-	-	-	8

750. CONSUMPTION OF DIESEL FUEL  
 (Dollars in Thousands)

## LOCOMOTIVES

Line No.	Kind of locomotive service  (a)	Diesel		Line No.
		Diesel oil (gallons)		
		(b)		
1	Freight	92,991.911		1
2	Passenger	-		2
3	Yard switching	15,150.477		3
4	TOTAL	108,142.388		4
5	COST OF FUEL \$ (000) *	\$194,833		5
6	Work Train	195.019		6

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

## INSTRUCTIONS CONCERNING RETURNS TO BE MADE IN SCHEDULE 755

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

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

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

- (L) From conductors' train reports or other appropriate sources, compute ton-miles of freight. Ton-miles represent the number of tons of revenue and non-revenue freight moved one mile in transportation train. Include net ton-miles in motorcar trains. Exclude i.e. 1 shipment of freight handled in mixed baggage express cars. Total Ton-Miles Revenue Freight should correspond to the Ton-Miles reported on Form CBS.
- (M) Road service represents elapsed time of transportation trains (both ordinary and light) between the time of leaving the initial terminals and the time at final terminals, including trains switching at way stations and delays on road as shown by conductors' or dispatchers' train reports. Include time of motorcar service performed by train locomotives at terminals and way stations. Report in Item 9-02 train switching hours included in Item 9-01. Train switching is the time spent by the train while performing switching service at terminals and way stations where no regular yard service is maintained. A train hour is independent of the number of locomotives in the train.
- (N) Yard switching hours are hours expended in switching service performed by yard crews in yards where regular switching service is maintained, including switching and transfer service in connection with the transportation of revenue and incidentally of company freight. Hours in yard switching are independent of the number of locomotives used.
- (O) Work-train miles include the miles run by trains engaged in company service such as official inspection, inspection trains for Railway Commissioners for which no revenue is received, trains running special with fire apparatus to save carrier's property from destruction, trains run for transporting the carrier's employees to and from work when no transportation charge is made, wrecking trains, trains run solely for the purpose of transporting company material, trains run for distributing material and supplies for use in connection with operations, and all other trains used in work-train services. Exclude miles run by locomotives while engaged incidentally in switching company materials in company shops or material yards in connection with regular yard switching service or in switching equipment for repairs between yards and shops.
- (P) The number of loaded freight cars shall be obtained from the conductors' wheel report and shall be the sum of all loaded cars handled by each train. For example, if a car moves loaded (1) in a way train from the origination points, (2) in two through trains, and (3) in a way train to the destination point, the total count of loaded cars would be four; two counts for the movements in the way trains and two counts for the movements in through trains. Therefore, each car originated or received from a connecting carrier receives an initial count, plus one count for each subsequent physical transfer between trains on respondents lines. No additional count is given because of crew change or changes in track identification number unless there is a physical transfer of the car between trains. Each car moving under revenue billing shall be considered as a loaded car.
- (Q) Report vehicle (TOFC trailers/containers, automobiles and trucks) loaded and unloaded to and from TOFC and multiple level freight cars when the work is performed at the railroad's expense.
- (R) Report the number of loaded revenue trailers/containers picked up, plus revenue trailers/containers delivered in TOFC/COFC and in highway interchange service, when the work is performed at the railroads' expense. (Performed at railroads' expense means that railroad employees perform the service or that the railroad hires a subsidiary or outside contractor to perform the service.) Do not include those trailers/containers which are picked up or delivered by a shipper or motor carrier, etc., when a tariff provision requires the shipper-motor carrier, etc., and not the railroad to perform that service. Note: the count should reflect the trailer/containers for which expenses are reported in Schedule 417 Line 2 Column (b).
- (S) Report under Marine Terminals, Item 16, the tons loaded onto and unloaded from marine vessels at the expense of the reporting railroad.
- (T) Report the total number of foreign railroad cars on line at the end of the year (except surplus cars, see below). Foreign railroad Cars refers to freight cars owned by other railroads, whose interline rental is settled on time (by hour) and actual line-haul mileage charges under the code of car hire rules.

Carriers will be governed by local conditions in determining whether a car at an interchange point should be considered "on line". Unserviceable cars include cars on repair tracks undergoing or awaiting repairs. They include cars on repair tracks repaired and awaiting switching, cars on repair tracks undergoing or awaiting repairs switching, cars awaiting movement to repair tracks held in train yard (excluding cars which are to be repaired in train yard without loss of time), car moving empty in trains en route to shop, and cars stored awaiting disposition.

Surplus cars are cars which are in serviceable condition for loading on the last day of the year, but have not been placed for loading within 48 hours. This count can be an annual average based on weekly count of cars that have not been placed for loading within 48 hours.

## 755. RAILROAD OPERATING STATISTICS

Line No.	Cross Check	Item description (a)	Freight train (b)	Passenger train (c)	Line No.
1		1. Miles of Road Operated (A)	6,737		1
2		2. Train Miles - Running (B)			
2		2-01 Unit Trains	2,035,602	xxxxxx	2
3		2-02 Way Trains	2,856,228	xxxxxx	3
4		2-03 Through Trains	11,743,829		4
5		2-04 TOTAL TRAIN MILES (lines 2-4)	16,635,659		5
6		2-05 Motorcars (C)	-		6
7		2-06 TOTAL ALL TRAINS (lines 5, 6)	16,635,659		7
		3. Locomotive Unit Miles (D)			
		Road Service (E)			
8		3-01 Unit Trains	4,395,092	xxxxxx	8
9		3-02 Way Trains	4,562,943	xxxxxx	9
10		3-03 Through Trains	27,099,526		10
11		3-04 TOTAL (lines 8-10)	36,057,561		11
12		3-11 Train Switching (F)	3,037,303	xxxxxx	12
13		3-21 Yard Switching (G)	6,316,476		13
14		3-31 TOTAL ALL SERVICES (lines 11, 12, 13)	45,411,340		14
		4. Freight Car-Miles (thousands) (H)			
		4-01 RR Owned and Leased Cars - Loaded			
15		4-010 Box-Plain 40-Foot	-	xxxxxx	15
16		4-011 Box-Plain 50-Foot and Longer	3,077	xxxxxx	16
17		4-012 Box-Equipped	101,745	xxxxxx	17
18		4-013 Gondola-Plain	4,438	xxxxxx	18
19		4-014 Gondola-Equipped	19,343	xxxxxx	19
20		4-015 Hopper-Covered	75,139	xxxxxx	20
21		4-016 Hopper-Open Top-General Service	21,160	xxxxxx	21
22		4-017 Hopper-Open Top-Special Service	36,038	xxxxxx	22
23		4-018 Refrigerator-Mechanical	508	xxxxxx	23
24		4-019 Refrigerator-Non-Mechanical	496	xxxxxx	24
25		4-020 Flat-TOFC/COFC	7,206	xxxxxx	25
26		4-021 Flat-Multi-Level	6,103	xxxxxx	26
27		4-022 Flat-General Service	72	xxxxxx	27
28		4-023 Flat-All Other	45,681	xxxxxx	28
29		4-024 All Other Car Types-Total	3,711	xxxxxx	29
30		4-025 TOTAL (lines 15-29)	324,717	xxxxxx	30

## 755. RAILROAD OPERATING STATISTICS - Continued

Line No.	Cross Check	Item description (a)	Freight train (b)	Passenger train (c)	Line No.
31		4-11 RR Owned and Leased Cars-Empty			
		4-110 Box-Plain 40-Foot	-	xxxxxx	31
32		4-111 Box-Plain 50-Foot and Longer	3,048	xxxxxx	32
33		4-112 Box-Equipped	90,017	xxxxxx	33
34		4-113 Gondola-Plain	4,516	xxxxxx	34
35		4-114 Gondola-Equipped	22,776	xxxxxx	35
36		4-115 Hopper-Covered	78,835	xxxxxx	36
37		4-116 Hopper-Open Top-General Service	19,639	xxxxxx	37
38		4-117 Hopper-Open Top-Special Service	37,516	xxxxxx	38
39		4-118 Refrigerator-Mechanical	323	xxxxxx	39
40		4-119 Refrigerator-Non-Mechanical	551	xxxxxx	40
41		4-120 Flat-TOFC/COFC	1,489	xxxxxx	41
42		4-121 Flat-Multi-Level	2,801	xxxxxx	42
43		4-122 Flat-General Service	116	xxxxxx	43
44		4-123 Flat-All Other	50,225	xxxxxx	44
45		4-124 All Other Car Types	2,559	xxxxxx	45
46		4-125 TOTAL (lines 31-45)	314,411	xxxxxx	46
		4-13 Private Line Cars - Loaded (H)			
47		4-130 Box-Plain 40-Foot	-	xxxxxx	47
48		4-131 Box-Plain 50-Foot and Longer	2,568	xxxxxx	48
49		4-132 Box-Equipped	3,221	xxxxxx	49
50		4-133 Gondola-Plain	16,669	xxxxxx	50
51		4-134 Gondola-Equipped	3,487	xxxxxx	51
52		4-135 Hopper-Covered	125,581	xxxxxx	52
53		4-136 Hopper-Open Top-General Service	11,690	xxxxxx	53
54		4-137 Hopper-Open Top-Special Service	18,047	xxxxxx	54
55		4-138 Refrigerator-Mechanical	14	xxxxxx	55
56		4-139 Refrigerator-Non-Mechanical	61	xxxxxx	56
57		4-140 Flat-TOFC/COFC	16,435	xxxxxx	57
58		4-141 Flat-Multi-Level	49,647	xxxxxx	58
59		4-142 Flat-General Service	10	xxxxxx	59
60		4-143 Flat-All Other	10,703	xxxxxx	60
61		4-144 Tank Under 22,000 Gallons	51,957	xxxxxx	61
62		4-145 Tank-22,000 Gallons and Over	57,754	xxxxxx	62
63		4-146 All Other Car Types	11,026	xxxxxx	63
64		4-147 TOTAL (lines 47-63)	378,870	xxxxxx	64

## 755. RAILROAD OPERATING STATISTICS - Continued

Line No.	Cross Check	Item description (a)	Freight train (b)	Passenger train (c)	Line No.
65		4-15 Private Line Cars-Empty (H) 4-150 Box-Plain 40-Foot	-	xxxxxx	65
66		4-151 Box-Plain 50-Foot and Longer	1,383	xxxxxx	66
67		4-152 Box-Equipped	2,365	xxxxxx	67
68		4-153 Gondola-Plain	17,023	xxxxxx	68
69		4-154 Gondola-Equipped	3,517	xxxxxx	69
70		4-155 Hopper-Covered	131,704	xxxxxx	70
71		4-156 Hopper-Open Top-General Service	12,535	xxxxxx	71
72		4-157 Hopper-Open Top-Special Service	18,858	xxxxxx	72
73		4-158 Refrigerator-Mechanical	16	xxxxxx	73
74		4-159 Refrigerator-Non-Mechanical	55	xxxxxx	74
75		4-160 Flat-TOFC/COFC	2,448	xxxxxx	75
76		4-161 Flat-Multi-Level	21,182	xxxxxx	76
77		4-162 Flat-General Service	41	xxxxxx	77
78		4-163 Flat-All Other	7,847	xxxxxx	78
79		4-164 Tank Under 22,000 Gallons	53,986	xxxxxx	79
80		4-165 Tank-22,000 Gallons and Over	62,764	xxxxxx	80
81		4-166 All Other Car Types	2,262	xxxxxx	81
82		4-167 TOTAL (lines 65-81)	337,986	xxxxxx	82
83		4-17 Work Equipment and Company Freight Car-Miles	5,871	xxxxxx	83
84		4-18 No Payment Car-Miles (1) <sup>(1)</sup>	-	xxxxxx	84
85		4-19 Total Car-Miles by Train Type 4-191 Unit Trains	207,176	xxxxxx	85
86		4-192 Way Trains	84,784	xxxxxx	86
87		4-193 Through Trains	1,069,895	xxxxxx	87
88		4-194 TOTAL (lines 85-87)	1,361,855	xxxxxx	88
89		4-20 Caboose Miles	3	xxxxxx	89

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

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



## 755. RAILROAD OPERATING STATISTICS - Concluded

Line No.	Cross Check	Item description (a)	Freight train (b)	Passenger train (c)	Line No.
		6. Gross Ton Miles (thousands) (K)	xxxxxx	xxxxxx	
98		6-01 Road Locomotives	6,816,767		98
99		6-02 Freight Trains, Crs., Cnts., and Caboose			
		6-020 Unit Trains	15,958,671	xxxxxx	99
100		6-021 Way Trains	6,018,375	xxxxxx	100
101		6-022 Through Trains	83,041,083	xxxxxx	101
102		6-03 Passenger-Trains, Crs., and Cnts.	-		102
103		6-04 Non-Revenue	797,953	xxxxxx	103
104		6-05 TOTAL (lines 98-103)	112,632,849		104
		7. Tons of Freight (thousands)			
105		7-01 Revenue	200,321	xxxxxx	105
106		7-02 Non-Revenue	4,379	xxxxxx	106
107		7-03 TOTAL (lines 105, 106)	204,700	xxxxxx	107
		8. Ton-Miles of Freight (thousands) (L)			
108		8-01 Revenue-Road Service	55,260,521	xxxxxx	108
109		8-02 Revenue-Lake Transfer Service	-	xxxxxx	109
110		8-03 TOTAL (lines 108, 109)	55,260,521	xxxxxx	110
111		8-04 Non-Revenue-Road Service	462,889	xxxxxx	111
112		8-05 Non-Revenue-Lake Transfer Service	-	xxxxxx	112
113		8-06 TOTAL (lines 111, 112)	462,889	xxxxxx	113
114		8-07 TOTAL-REVENUE AND NON-REVENUE (lines 110, 113)	55,723,410	xxxxxx	114
		9. Train Hours (M)			
115		9-01 Road Service	796,341	xxxxxx	115
116		9-02 Train Switching	316,873	xxxxxx	116
117		10. Total Yard-Switching Hours (N)	769,450	xxxxxx	117
		11. Train-Miles Work Trains (O)			
118		11-01 Locomotives	19,872	xxxxxx	118
119		11-02 Motorcars	-	xxxxxx	119
		12. Number of Loaded Freight Cars (P)			
120		12-01 Unit Trains	1,134,248	xxxxxx	120
121		12-02 Way Trains	1,245,066	xxxxxx	121
122		12-03 Through Trains	3,402,875	xxxxxx	122
123		13. TOFC/COFC-No. of Rev. Trailers & Cont Loaded & Unloaded (Q)	479,379	xxxxxx	123
124		14. Multi-Level Cars-No. of Motor Vehicles Loaded & Unloaded (Q)	35,037	xxxxxx	124
125		15. TOFC/COFC-No. of Rev. Trailers Picked Up and Delivered (R)	14,828	xxxxxx	125
		16. Revenue Tons-Marine Terminal (S)			
126		16-01 Marine Terminals-Coal	3,666,259	xxxxxx	126
127		16-02 Marine Terminals-Ore	26,400,764	xxxxxx	127
128		16-03 Marine Terminals-Other	701,589	xxxxxx	128
129		16-04 TOTAL (lines 126-128)	30,768,612	xxxxxx	129
		17. Number of Foreign Per Diem Cars on Line (T)			
130		17-01 Serviceable	6,862	xxxxxx	130
131		17-02 Unserviceable	-	xxxxxx	131
132		17-03 Surplus	-	xxxxxx	132
133		17-04 TOTAL (lines 130-132)	6,862	xxxxxx	133
134		TOFC/COFC - Average No. Of Units Loaded Per Car	4.33	xxxxxx	134

## 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 QUEBEC

County of MONTREAL

SERGE PHARAND

(Insert here name of the affiant)

makes oath and says that he is VICÉ-PRESIDENT AND CORPORATE COMPTROLLER

(Insert here the official title of the affiant)

Of GRAND TRUNK CORPORATION

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

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

JANUARY 1, 2006 to and including DECEMBER 31, 2006

*Serge Pharand*  
(Signature of affiant)

Subscribed and sworn to before me, a COMMISSIONER OF OATHS in and for the State and County  
above named, this 28 day of MARCH, 2007

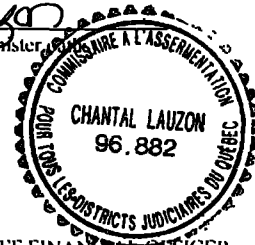
My commission expires October 20, 2009

Use an  
I. S.  
impression seal

*Chantal Lauzon*  
(Signature of officer authorized to administer oaths)

## SUPPLEMENTAL OATH

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



State of QUEBEC

County of MONTREAL

CLAUDE MONGEAU

(Insert here name of the affiant)

makes oath and says that he is EXECUTIVE VICE-PRESIDENT AND CHIEF FINANCIAL OFFICER

(Insert here the official title of the affiant)

Of GRAND TRUNK CORPORATION

(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, 2006 to and including DECEMBER 31, 2006

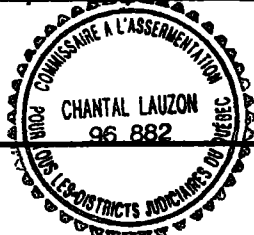
*C Mongeau*  
(Signature of affiant)

Subscribed and sworn to before me, a COMMISSIONER OF OATHS in and for the State and county  
above named, this 28 day of MARCH, 2007

My commission expires October 20, 2009

Use an  
I. S.  
impression seal

*Chantal Lauzon*  
(Signature of officer authorized to administer oaths)





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**250. CONSOLIDATED INFORMATION FOR REVENUE ADEQUACY DETERMINATION**  
(DOLLARS IN THOUSANDS)

Line No.	Item ( a )	Beginning of year ( b )	End of year ( c )	Line No.
	<b>Adjusted Net Railway Operating Income For Reporting Entity</b>			
1	Combined / Consolidated Net Railway Operating Income For Reporting Entity		524,907	1
2	Add: Interest Income from Working Capital Allowance - Cash Portion		-	2
3	Income Taxes Associated with Non-Rail Income and Deductions		12,067	3
4	Gain or (Loss) from Transfer / Reclassification to Nonrail-Status (Net of Income Taxes)		1,644	4
5	Adjusted Net Railway Operating Income (Lines 1,2,3 & 4)		538,618	5
	<b>Adjusted Investment in Railroad Property for Reporting Entity</b>			
6	Combined Investment in Railroad Property Used in Transportation Service	7,946,969	8,200,117	6
7	Less: Interest During Construction	2,113	2,113	7
8	Other Elements of Investment (if debit balance)	1,863	1,863	8
9	Add: Net Rail Assets of Rail-Related Affiliates	171,754	163,219	9
10	Working Capital Allowance	25,061	52,386	10
11	Net Investment Base Before Adjustments for Deferred Taxes (Lines 6 through 10)	8,139,808	8,411,746	11
12	Less: Accumulated Deferred Income Tax Credits	2,537,441	2,641,617	12
13	Net Investment Base (Lines 11-12)	5,602,367	5,770,129	13

In the space provided, please list all railroads and rail-related affiliated companies which are being reported in this consolidated report, along with the nature of the business for each company.

Name of Affiliate	Nature of Business
Grand Trunk Corporation	Railroad-related
Grand Trunk Western Railroad	Railroad
Duluth, Winnipeg & Pacific Company	Railroad
St-Clair Tunnel Company	Tunnel operator, Railroad-related
Illinois Central Corporation	Railroad-related
Illinois Central Railroad Company	Railroad
Waterloo Railway Company	Railroad
Mississippi Valley Corporation	Railroad-related
Chicago, Central & Pacific Holdings, Inc.	Railroad-related
Chicago, Central & Pacific Railroad Company	Railroad
Cedar River Railroad Company	Railroad
Iron Horse Properties, Inc.	Railroad-related
Missouri River Bridge Company	Bridge operator, Railroad-related
IC Financial Services Corporation	Rail Equipment Leasing
IC Leasing Corporation I	Rail Equipment Leasing
IC Leasing Corporation II	Rail Equipment Leasing
IC Leasing Corporation III	Rail Equipment Leasing
Cottonwood Distribution Services Inc.	Railroad-related
Stellar Distribution Services Inc.	Railroad-related
Wisconsin Central Transportation Corporation	Railroad-related
Wisconsin Central Ltd.	Railroad
Sault Ste. Marie Bridge Company	Railroad
Wisconsin Chicago Link Ltd.	Railroad
Bessemer and Lake Erie Railroad	Railroad
Duluth, Missabe and Iron Range Company	Railroad
The Pittsburgh and Conneaut Dock Company	Railroad-related
CN Financial Services II, Inc.	Financing, Railroad-related
IBS International Bulk Service USA	Railroad-related
National Distribution Services	Railroad-related
Cottonwood Transportation USA	Railroad-related
GLT Management Company	Railroad-related

**NOTICE**

**SCHEDULE 250 - PART B****Determination of Nonrail Taxes**

This table is designed to facilitate the calculation of taxes that are not rail-related. The amount to be reported on Schedule 250, Line 3.

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**PART I - DETERMINE TAXES ON NONRAILROAD INCOME FOR ALL COMBINED / CONSOLIDATED RAILROADS  
(EXCLUDES ALL RAIL-RELATED AFFILIATES)**


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- (1) Determine Combined / Consolidated Adjusted income from continuing operations (before taxes) for all affiliated railroads (all classes). Do not include rail-related affiliates that are not railroads in this part. This represents the total combined / consolidated amounts for all items listed below for railroads in the reporting entity.

Income from continuing operations (before taxes) should be the equivalent of the numbers contained in the R-1 Schedule 210, Line 46, adjusted to include all railroads in the reporting entity.

606,222

- Equity in undistributed earnings, which represents the total of Schedule 210, Line 26, for all railroads in the reporting entity

2,632

- Dividends in affiliated companies. (If the affiliate is 80% or more controlled by the parent railroad, then deduct 100% of the affiliate's dividend. If the affiliate is less than 80% controlled by the parent railroad, then deduct 80% of the affiliate's dividend.

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= Adjusted income from continuing operations (before taxes). This represents "A" in item (3) below.

603,590

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- (2) Determine Combined / Consolidated Adjusted Pre-tax NROI for all railroads in the reporting entity

Combined / Consolidated Pre-Tax NROI for the entire entity, which equals the amount shown on Schedule 250, Line 1.

524,907

+ Current provision for taxes, which represents the consolidated amounts of Schedule 210, Line 51, for all railroads in the reporting entity. (This figure includes both Account 556, Income Taxes on Ordinary Income and Account 557, Provision for Deferred Taxes.

300,704

+ Interest income on working capital allowance, which represents the total consolidated interest income relative to the working capital component of the net investment base and should equal the amount shown in Schedule 250, Line 2, for all railroads in the reporting entity.

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+ Release of premiums on funded debt, which represents the consolidated total of the release of premium on funded debt as shown on Schedule 210, Line 22, for all railroads in the reporting entity.

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- Total fixed charges, which represents the consolidated total of fixed charges as shown on Schedule 210, Line 42 for all railroads in the reporting entity

144,309

- Railroad-related income from affiliated (other than railroads) which was included in consolidated NROI (Schedule 250, Line 1).

99,959

= Combined / Consolidated Pre-tax Adjusted NROI for all railroads. This represents "B" in item (3) below.

581,343

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- (3) Calculate the railroad-related tax ratio: "B/A"

96.31%

- (4) Compute the nonrailroad-related complement (1 - Railroad-related income ratio) which equals the Nonrailroad-related tax ratio.

3.69%

- (5) Compute the nonrailroad portion of the total provision for taxes. This equals:

The Nonrailroad-related tax ratio (Item (4) above) times the total current taxes accrued on ordinary income (Account 556) which represents the consolidated amounts of Schedule 210, Line 47, 48 and 49 for all railroads in the reporting entity.

8,130

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**PART II - DETERMINE NONRAILROAD-RELATED TAXES FOR RAIL-RELATED AFFILIATES (EXCLUDES ALL AFFILIATED RAILROADS)**


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- (6) This is calculated by dividing the nonrailroad-related income for combined rail-related affiliates by the total pre-tax net income for all combined rail-related affiliates and multiplying this result by the total taxes (current provision plus deferred). This equals the taxes on nonrailroad income for all affiliated companies.

3,937

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**PART III - DETERMINE TOTAL NONRAILROAD-RELATED TAXES**


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- (7) This is determined as follows:

Total income taxes on nonrailroad-related income for all railroads in the reporting entity (Item (5) above).

8,130

+ Total Nonrailroad-related taxes for rail-related affiliated (item (6) above).

3,937

Equals total nonrailroad-related taxes. (This amount should be transferred to Schedule 250, Part A, Line 3).

12,067

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