

ANNUAL REPORT 1977 CLASS 1 1 of 2

512400

MONONGAHELA RY CO.

512400

R-2
CLASS II RAILROADS

APPROVED BY GAO
B-180230 (R0471)
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annual report

INTERSTATE
COMMERCE COMMISSION
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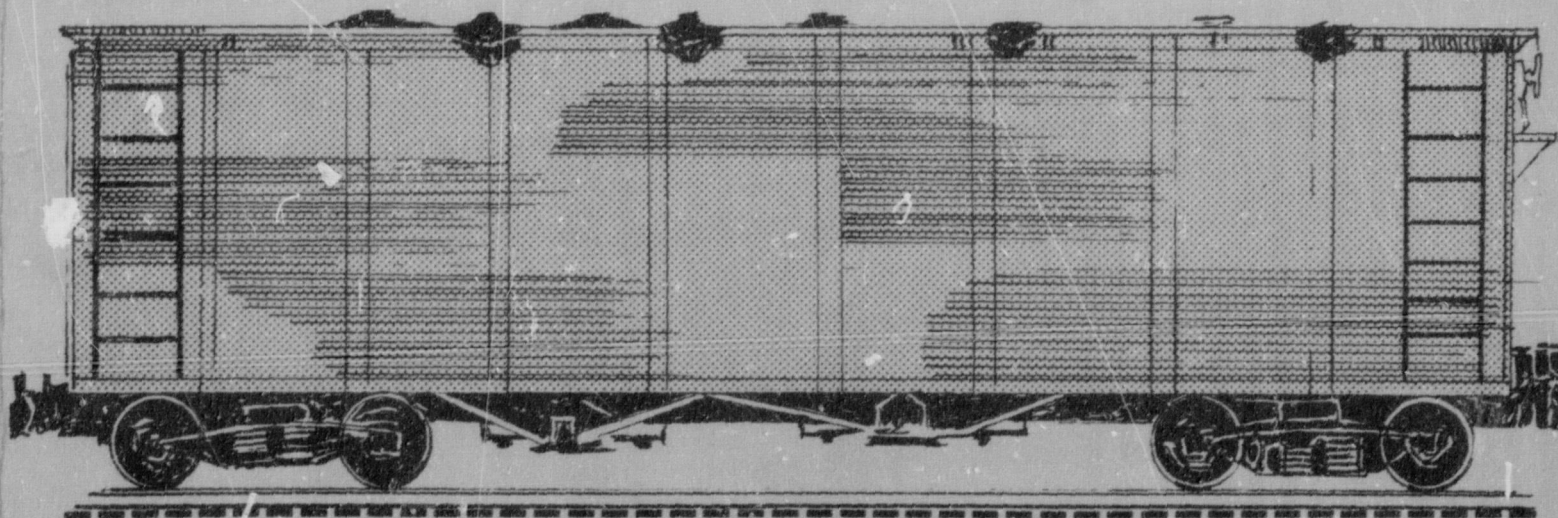
ADMINISTRATIVE SERVICES
MM MAIL BRANCH

RC000167 MONONGARY 2 0 2 116700
MONONGAHELA RY CO.
P&LE RR TERMINAL BLDG
PITTSBURGH PA 15219

512400
RC000167 MONONGARY 2 0 2 116700
MONONGAHELA RY CO.
P&LE RR TERMINAL BLDG
~~6 PENN CENTER PLAZA~~
PITTSBURGH PA 15219

Correct name and address if different than shown.

Full name and address of reporting carrier.
(Use mailing label on original, copy in full on duplicate.)



to the
Interstate Commerce Commission
FOR THE YEAR ENDED DECEMBER 31, 1977

NOTICE

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

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

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

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

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

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

The respondent is further required to send to the Bureau of Accounts, immediately upon preparation, two copies of its latest annual report to stockholders. See scheduled 108, page 3.

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

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

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

5. All entries should be made in a permanent black ink. Those of a contrary character should be indicated in parentheses. Items of an unusual character should be indicated by appropriate symbol and footnote.

6. Money items except averages, throughout the annual report form should be shown in WHOLE DOLLARS adjusted to cents with footings. Totals for amounts reported in subsidiary accounts included in supporting schedules must be in agreement with related primary accounts.

7. Each respondent should make its annual report to this Commission in triplicate, retaining one copy in its files for reference in case correspondence with regard to such report becomes necessary. For this reason three copies of the Form are sent to each corporation concerned.

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

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

Class I companies are those having annual operating revenues of \$10,000,000 or more. For this class, Annual Report Form R-1 is provided.

Class II companies are those having annual operating revenues below \$10,000,000. For this class, Annual Report Form R-2 is provided.

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

Switching and terminal companies are further classified as:

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

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

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

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

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

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

COMMISSION means the Interstate Commerce Commission. RESPONDENT means the person or corporation in whose behalf the report is made. THE YEAR means the year ended December 31 for which the report is made. THE CLOSE OF THE YEAR means the close of business on December 31 of the year for which the report is made; or, in case the report is made for a shorter period than one year, it means the close of the period covered by the report. THE BEGINNING OF THE YEAR means the beginning of business on January 1 of the year for which the report is made; or, in case the report is made for a shorter period than one year, it means the beginning of the period covered by the report. THE PRECEDING YEAR means the year ended December 31 of the year next preceding the year for which the report is made. THE UNIFORM System in Part 1201 of Title 49, Code of Federal Regulations, as amended.

10. All companies using this Form should complete all schedules, with the following exceptions, which should severally be completed by the companies to which they are applicable:

Schedules restricted to Switching and Terminal Companies		Schedules restricted to other than Switching and Terminal Companies	
Schedule.....	2217	Schedule.....	2216
".....	2701	".....	2601
		".....	2602

ANNUAL REPORT

OF

(Full name of the respondent)

THE MONONGAHELA RAILWAY COMPANY

FOR THE

YEAR ENDED DECEMBER 31, 1977

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

(Name) R. P. McConnell (Title) Comptroller

(Telephone number) (412) 261-3201, Ext. 410
(Area code) (Telephone number)

(Office address) The Pittsburgh and Lake Erie RR. Co., Terminal Bldg., Pgh., PA 15219
(Street and number, City, State, and ZIP code)

SPECIAL NOTICE

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

PAGES 4, 4A, 5 and 5A: Schedule 200. Comparative General Balance Sheet

Provision has been made for reporting (1) marketable equity securities; (2) reclassification of long-term debt discount and premium; and, (3) capitalized lease obligations.

For sale by the Superintendent of Documents, U.S. Government Printing Office
Washington, D.C. 20402

Stock No. 026-000-01077-2 / Catalog No. 1C1.FORM R-2/977

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101. IDENTITY OF RESPONDENT

1. Give the exact name* by which the respondent was known in law at the close of the year
The Monongahela Railway Company
2. State whether or not the respondent made an annual report to the Interstate Commerce Commission for the preceding year, or for any part thereof. If so, in what name was such report made? The Monongahela Railway Company
3. If any change was made in the name of the respondent during the year, state all such changes and the dates on which they were made
No Change
4. Give the location (including street and number) of the main business office of the respondent at the close of the year The Pittsburgh and Lake Erie Railroad Company, Terminal Building, Pittsburgh, PA 15219
5. Give the titles, names, and office addresses of all general officers of the respondent at the close of the year. If there are receivers who are recognized as in the controlling management of the road, give also their names and titles, and the location of their offices.

Line No.	Title of general officer (a)	Name and office address of person holding office at close of year (b)
1	President	H. G. Allyn, Jr. Pittsburgh, PA
2	Vice president	C. W. Owens Pittsburgh, PA
3	Secretary	D. R. Powell Philadelphia, PA
4	Treasurer	R. W. Packer Pittsburgh, PA
5	Controller or auditor	R. P. McConnell Pittsburgh, PA
6	Attorney or general counsel	G. E. Neuenschwander Pittsburgh, PA
7	General manager V. Pres.	H. P. Henshaw, Jr. Cleveland, Ohio
8	General superintendent	D. E. Gratz Brownsville, PA
9	General freight agent Vice President	A. W. Johnston Pittsburgh, PA
10	General passenger agent	
11	General land agent	A. R. Brunner Pittsburgh, PA
12	Chief engineer	W. M. McCracken Pittsburgh, PA
13		

6. Give the names and office addresses of the several directors of the respondent at the close of the year, and the dates of expiration of their respective terms.

Line No.	Name of director (a)	Office address (b)	Term expires (c)
14	H. C. Allyn, Jr.	Pittsburgh, PA	04/05/78
15	H. G. Pike	Pittsburgh, PA	04/05/78
16	R. L. Hints	Cleveland Ohio	04/05/78
17	C. E. Wolfinger	Philadelphia, PA	04/05/78
18	C. W. Owens	Pittsburgh, PA	04/05/78
19	H. P. Henshaw, Jr.	Cleveland, Ohio	04/05/78
20			
21			
22			
23			

7. Give the date of incorporation of the respondent 07/01/1915 PA 8. State the character of motive power used Diesel Electric

9. Class of switching and terminal company

10. Under the laws of what Government, State, or Territory was the respondent organized? If more than one, name all. Give reference to each statute and all amendments thereof, effected during the year. If previously effected, show the year(s) of the report(s) setting forth details. If in bankruptcy, give court of jurisdiction and dates of beginning of receivership or trusteeship and of appointment of receivers or trustees The Public Service Co. Law of the Commonwealth of PA approved 07/26/13, Eff. 01/01/14, Sec. 3(c), Art. III, Page 15 and Sec. 18 and 19, Art. V, Page 41 and 42, State of W. VA. Annotated W. VA. Code Edition 1913, Sec. 2559, Page 1203, Ch. 54, Sec. 53. The Monongahela Rwy. Co. is a Corporation organized under the laws of the State of PA & W. VA., being a corp. growing out of the consolidation.

11. State whether or not any corporation or association or group of corporations had, at the close of the year, the right to name the major part of the board of directors, managers, or trustees of the respondent; and if so, give the names of all such corporations and state whether such right was derived through (a) title to capital stock or other securities issued or assumed by the respondent, (b) claims for advances of funds made for the construction of the road and equipment of the respondent, or (c) express agreement or some other source Through Title to Capital Stock.
The Pittsburgh and Lake Erie Railroad Company 33-1/3%
The Baltimore and Ohio Railroad Company 33-1/3%
The Consolidated Rail Corporation 33-1/3%

12. Give hereunder a history of the respondent from its inception to date, showing all consolidations, mergers, reorganizations, etc., and if a consolidated or merging corporation give like particulars for all constituent and subconstituent corporations. Describe also the course of construction of the road of the respondent, and its financing Conrail acquired 33-1/3% ownership on April 1, 1976 under the final system plan of The Rail Reorganization Act. Under this plan, the transferor's (P.C.T.C.) interest in the stock of the Mga. was designated for transfer to Conrail.

* Use the initial word the when (and only when) it is a part of the name, and distinguish between the words railroad and railway and between company and corporation.

107. STOCKHOLDERS

Give the names of the 30 security holders of the respondent who, at the date of the latest closing of the stock book or compilation of list of stockholders of the respondent (if within 1 year prior to the actual filing of this report), had the highest voting powers in the respondent, showing for each his address, the number of votes which he 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 was entitled, with respect to securities held by him, 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 on page 38, the names and addresses of the 30 largest holders of the voting trust certificates and the amount of their individual holdings. If the stock book was not closed or the list of stockholders compiled within such year, show such 30 security holders as of the close of the year.

Line No.	Name of security holder (a)	Address of security holder (b)	Number of votes to which security holder was entitled (c)	NUMBER OF VOTES, CLASSIFIED WITH RESPECT TO SECURITIES ON WHICH BASED			Other securities with voting power (g)
				Stocks		Common (d)	
				PREFERRED			
				Second (e)	First (f)		
1	Consolidated Rail						
2	Corporation	Philadelphia, PA	41,633-1/3	41,633-1/3			
3	The Pittsburgh and Lake						
4	Erie Railroad Co.	Pittsburgh, PA	41,633-1/3	41,633-1/3			
5	Baltimore and Ohio						
6	Railroad Company	Pittsburgh, PA	41,633-1/3	41,633-1/3			
7							
8							
9							
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Footnotes and Remarks

Lines 2, 4 and 6, Columns C and D include Stock registered in the names of directors and judges of election for qualifying purposes

108. STOCKHOLDERS REPORTS

1. The respondent is required to send to the Bureau of Accounts, immediately upon preparation, two copies of its latest annual report to stockholders.

Check appropriate box:

☒ Two copies are attached to this report.

☐ Two copies will be submitted _____ (date)

☐ No annual report to stockholders is prepared.

200. COMPARATIVE GENERAL BALANCE SHEET—ASSETS

For instructions covering this schedule, see the text pertaining to General Balance Sheet Accounts in the Uniform System of Accounts for Railroad Companies. The entries in this balance sheet should be consistent with those in the supporting schedules on the pages indicated. The entries in column (c) should be restated to conform with the accounting requirements followed in column (b). The entries in the short column (a2) should be deducted from those in column (a1) in order to obtain corresponding entries for column (b). All contra entries hereunder should be indicated in parenthesis.

Line No.	Account or item (a)	Balance at close of year (b)	Balance at beginning of year (c)
CURRENT ASSETS			
1	(701) Cash	99,898	351,624
2	(702) Temporary cash investments	1,817,312	1,466,973
3	(703) Special deposits (p. 10B)		
4	(704) Loans and notes receivable		
5	(705) Traffic, car service and other balances due	9,081	678,651
6	(706) Net balance receivable from agents and conductors	35,249	12,722
7	(707) Miscellaneous accounts receivable	37,112	12,341
8	(708) Interest and dividends receivable	15,914	5,048
9	(709) Accrued accounts receivable	16,727	14,669
10	(710) Working fund advances	175	175
11	(711) Prepayments	36,990	40,437
12	(712) Material and supplies	730,795	669,328
13	(713) Other current assets		
14	(714) Deferred income tax charges (p. 10A)		
15	Total current assets	2,805,253	3,251,968
SPECIAL FUNDS			
	(a1) Total bank assets at close of year		(a2) Respondent's own issued included in (a1)
16	(715) Sinking funds		
17	(716) Capital and other reserve funds		
18	(717) Insurance and other funds	14,327	14,327
19	Total special funds	14,327	14,327
INVESTMENTS			
20	(721) Investments in affiliated companies (pp. 16 and 17)		
21	Undistributed earnings from certain investments in account 721 (p. 17A)		
22	(722) Other investments (pp. 16 and 17)		
23	(723) Reserve for adjustment of investment in securities—Credit		
24	(724) Allowance for net unrealized loss and noncurrent marketable equity securities—Cr		
25	Total investments (accounts 721, 722, and 724)		
PROPERTIES			
26	(731) Road and equipment property—Road	20,212,892	20,787,872
27	Equipment	828,147	790,738
28	General expenditures	889,936	936,739
29	Other elements of investment		
30	Construction work in progress	45	12,798
31	Total (p. 13)	21,931,020	22,528,147
32	(732) Improvements on leased property—Road	147,854	114,989
33	Equipment		
34	General expenditures	10,053	10,053
35	Total (p. 12)	157,907	125,042
36	Total transportation property (accounts 731 and 732)	22,088,927	22,653,189
37	(733) Accrued depreciation—Improvements on leased property	(9,117)	(7,484)
38	(735) Accrued depreciation—Road and equipment (pp. 21 and 22)	(3,143,333)	(3,119,338)
39	(737) Amortization of defense projects—Road and Equipment (p. 24)	(2,226)	(2,226)
40	Recorded depreciation and amortization (accounts 733, 735 and 736)	(3,154,676)	(3,129,048)
41	Total transportation property less recorded depreciation and amortization	18,934,251	19,524,141
42	(737) Miscellaneous physical property	1,209,686	1,176,809
43	(738) Accrued depreciation—Miscellaneous physical property (p. 25)	(27,432)	(221,741)
44	Miscellaneous physical property less recorded depreciation (account 737 less 738)	1,182,254	955,068
45	Total properties less recorded depreciation and amortization	19,916,505	20,479,209

Note.—See page 6 for explanatory notes, which are an integral part of the Comparative General Balance Sheet.

200. COMPARATIVE GENERAL BALANCE SHEET—ASSETS—Continued

Line No.	Account or item (a)	Balance at close of year (b)	Balance at beginning of year (c)
	OTHER ASSETS AND DEFERRED CHARGES		
46	(741) Other assets _____	45,595	(441,079)
47	(743) Other deferred charges (p. 26) _____	518,662	557,660
48	(744) Accumulated deferred income tax charges (p. 10A) _____		
49	Total other assets and deferred charges _____	564,257	116,581
50	TOTAL ASSETS _____	23,300,342	23,862,085

200 COMPARATIVE GENERAL BALANCE SHEET—LIABILITIES AND SHAREHOLDERS' EQUITY

For instructions covering this schedule, see the text pertaining to General Balance Sheet Accounts in the Uniform System of Accounts for Railroad Companies. The entries in this balance sheet should be consistent with those in the supporting schedules on the pages indicated. The entries in column (a) should be recast to conform with the account requirements followed in column (b). The entries in short column (a) should reflect total book liability at close of year. The entries in the short column (a) should be deducted from those in column (b) in order to obtain corresponding entries for column (b). All contra entries hereunder should be indicated in parenthesis.

Line No.	Account or item (a)	Balance at close of year (b)	Balance at beginning of year (c)
	CURRENT LIABILITIES	\$	\$
51	(751) Loans and notes payable (p. 26)		
52	(752) Traffic car service and other balances (p. 26)		
53	(753) Audited accounts and wages payable	27,450	42,197
54	(754) Miscellaneous accounts payable		
55	(755) Interest matured unpaid		
56	(756) Dividends matured unpaid	104,729	100,656
57	(757) Unmatured interest accrued		
58	(758) Unmatured dividends declared	1,556,956	2,161,972
59	(759) Accrued accounts payable		
60	(760) Federal income taxes accrued	109,475	149,889
61	(761) Other taxes accrued		
62	(762) Deferred income tax credits (p. 10A)	11,457	9,014
63	(763) Other current liabilities		
64	Total current liabilities (exclusive of long term debt due within one year)	2,220,067	2,463,728
	LONG-TERM DEBT DUE WITHIN ONE YEAR (a1) Total issued (a2) Held by or for respondent		
65	(764) Equipment obligations and other debt (pp. 11 and 14)		
	LONG-TERM DEBT DUE AFTER ONE YEAR (a1) Total issued (a2) Held by or for respondent		
66	(765) Funded debt unmatured (p. 11)		
67	(766) Equipment obligations (p. 14)		
68	(766.5) Capitalized lease obligations		
69	(767) Receivers' and Trustees' securities (p. 11)		
70	(768) Debt in default (p. 26)		
71	(769) Amounts payable to affiliated companies (p. 14)	7,862,001	8,042,001
72	(770.1) Unamortized discount on long-term debt		
73	(770.2) Unamortized premium on long-term debt	7,862,001	8,042,001
74	Total long-term debt due after one year		
	RESERVES		
75	(771) Pension and welfare reserves	281,788	348,599
76	(774) Casualty and other reserves		
77	Total reserves	281,788	348,599
	OTHER LIABILITIES AND DEFERRED CREDITS		
78	(781) Interest in default	1,724,279	1,533,719
79	(782) Other liabilities		
80	(784) Other deferred credits (p. 26)	1,391	(3,120)
81	(785) Accrued liability—leased property (p. 25)	624,869	550,455
82	(786) Accumulated deferred income tax credits (p. 10A)		
83	Total other liabilities and deferred credits	2,350,539	2,081,054
	SHAREHOLDERS' EQUITY (a1) Total issued (a2) Nominally issued securities		
	Capital stock (Par or stated value)		
84	(791) Capital stock issued: Common stock (p. 11)	6,245,000	6,245,000
85	Preferred stock (p. 11)		
86	Total	6,245,000	6,245,000
87	(792) Stock liability for conversion		
88	(793) Discount on capital stock	6,245,000	6,245,000
89	Total capital stock		
	Capital surplus		
90	(794) Premiums and assessments on capital stock (p. 25)		
91	(795) Paid-in surplus (p. 25)		
92	(796) Other capital surplus (p. 25)		
93	Total capital surplus		

Continued on page 5A

200. COMPARATIVE GENERAL BALANCE SHEET—LIABILITIES AND SHAREHOLDERS' EQUITY—Continued

		<i>Retained income</i>	
94	(797) Retained income—Appropriated (p. 25) —		
95	(798) Retained income—Unappropriated (p. 10) —	4,340,947	4,681,703
96	(798.1) Net unrealized loss on noncurrent marketable equity securities —		
97	Total retained income —	4,340,947	4,681,703
		TREASURY STOCK	
98	(798.5) Less Treasury stock —		
99	Total shareholders' equity —	10,585,947	10,926,703
100	TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY —	23,300,342	23,862,085

Note.—See page 6 for explanatory notes, which are an integral part of the Comparative General Balance Sheet

COMPARATIVE GENERAL BALANCE SHEET—EXPLANATORY NOTES

The notes listed below are provided for the purpose of disclosing supplementary information concerning matters which have an important effect on the financial condition of the carrier. The carrier shall give the particulars called for herein and where there is nothing to report, insert the word, "None", and in addition thereto shall enter in separate notes with suitable particulars other matters involving material amounts of the character commonly disclosed in financial statements under generally accepted accounting and reporting principles, except as shown in other schedules. This includes explanatory statements explaining (1) the procedure in accounting for pension funds including payments to trustees and recording in the accounts pension costs, indicating whether or not consistent with the prior year, and state the amount, as nearly as practicable, of unfunded past service cost; (2) service interruption insurance policies and indicate the amount of indemnity to which respondent will be entitled for work stoppage losses and the maximum amount of additional premium respondent may be obligated to pay in the event such losses are sustained by other railroads; (3) particulars concerning obligations for stock purchase options granted to officers and employees; and (4) what entries have been made for net income or retained income restricted under provisions of mortgages and other arrangements.

1. Show under the estimated accumulated tax reductions realized during current and prior years under section 168 (formerly section 124—A) and under section 167 of the Internal Revenue Code because of accelerated amortization of emergency facilities and accelerated depreciation of other facilities and also depreciation deductions resulting from the use of the new guideline lives, since December 31, 1961, pursuant to Revenue Procedure 62-21 in excess of recorded depreciation. The amount to be shown in each case is the net accumulated reductions in taxes realized less subsequent increases in taxes due to expired or lower allowances for amortization or depreciation as a consequence of accelerated allowances in earlier years. Also, show the estimated accumulated net income tax reduction realized since December 31, 1961, because of the investment tax credit authorized in the Revenue Act of 1962. In the event provision has been made in the accounts through appropriations of surplus or otherwise for the contingency of increase in future tax payments, the amounts thereof and the accounting performed should be shown.

(a) Estimated accumulated net reduction in Federal income taxes since December 31, 1949, because of accelerated amortization of emergency facilities in excess of recorded depreciation under section 168 (formerly section 124—A) of the Internal Revenue Code NONE

(b) Estimated accumulated savings in Federal income taxes resulting from computing book depreciation under Commission rules and computing tax depreciation using the items listed below NONE

—Accelerated depreciation since December 31, 1953, under section 167 of the Internal Revenue Code.

—Guideline lives since December 31, 1961, pursuant to Revenue Procedure 62-21.

—Guideline lives under Class Life System (Asset Depreciation Range) since December 31, 1970, as provided in the Revenue Act of 1970.

(c) Estimated accumulated net income tax reduction utilized since December 31, 1961, because of the investment tax credit authorized in the Revenue Act of 1962, as amended NONE

(d) Show the amount of investment tax credit carryover at end 422,135

(e) Estimated accumulated reduction in Federal income taxes because of accelerated amortization of certain rolling stock since December 31, 1969, under provision of section 164 of the Internal Revenue Code NONE

(f) Estimated accumulated reduction of Federal income taxes because of amortization of certain rights-of-way investment since December 31, 1969, under the provisions of Section 185 of the Internal Revenue Code NONE

2. Amount of accrued contingent interest on funded debt recorded in the balance sheet:

Description of obligation	Year accrued	Account No.	Amount
First Mortgage 2 3/4%	1971-1977	782	\$ 1,714,431
Per Annum Series "B"			
Bonds			
			\$ 1,714,431

3. Amount (estimated, if necessary) of net income, or retained income which has to be provided for capital expenditures, and for sinking and other funds pursuant to provisions of reorganization plans, mortgages, deeds of trust, or other contracts NONE

4. 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 2,456,534

5. Show amount of past service pension costs determined by actuaries at year end 03/31/76 Est. 1,026,000

6. Total pension costs for year:

Normal costs -

Amortization of past service costs -

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

300. INCOME ACCOUNT FOR THE YEAR

1. Give the Income Account of the respondent for the year in accordance with the rules prescribed in the Uniform System of Accounts for Railroad Companies. All contra entries hereunder should be indicated in parentheses.

2. Any unusual accruals involving substantial amounts included in column (b) on lines 7 to 57, inclusive, should be fully explained in a footnote.

3. Line 28 includes only dividends from investments accounted for under the cost method. Line 34 includes only dividends accounted for under the equity method. Line 35 includes the undistributed earnings from investments accounted for under the equity method. Line 36 represents the earnings (losses) of investee companies accounted for under the equity method.

Line No.	Item (a)	Amount for current year (b)
	ORDINARY ITEMS	\$
	OPERATING INCOME	
	RAILWAY OPERATING INCOME	
1	(501) Railway operating revenues (p. 27)	9,740,242
2	(531) Railway operating expenses (p. 28)	6,196,408
3	Net revenue from railway operations	3,543,834
4	(532) Railway tax accruals	847,138
5	(533) Provision for deferred taxes	2,696,696
6	Railway operating income	
	RENT INCOME	
7	(503) Hire of freight cars and highway revenue equipment—Credit balance	
8	(504) Rent from locomotives	
9	(505) Rent from passenger-train cars	
10	(506) Rent from floating equipment	
11	(507) Rent from work equipment	16,109
12	(508) Joint facility rent income	16,109
13	Total rent income	
	RENTS PAYABLE	
14	(536) Hire of freight cars and highway revenue equipment—Debit balance	658,862
15	(537) Rent for locomotives	196,721
16	(538) Rent for passenger-train cars	
17	(539) Rent for floating equipment	
18	(540) Rent for work equipment	
19	(541) Joint facility rents	178,552
20	Total rents payable	1,034,135
21	Net rents (line 13 less line 20)	(1,018,026)
22	Net railway operating income (lines 6,21)	1,678,670
	OTHER INCOME	
23	(502) Revenues from miscellaneous operations (p. 28)	950
24	(509) Income from lease of road and equipment (p. 21)	76,301
25	(510) Miscellaneous rent income (p. 29)	(5,394)
26	(511) Income from nonoperating property (p. 30)	
27	(512) Separately operated properties—Profit	
28	(513) Dividend income (from investments under cost only)	96,962
29	(514) Interest income	913
30	(516) Income from sinking and other reserve funds	
31	(517) Release of premiums on funded debt	202,356
32	(518) Contributions from other companies (p. 31)	
33	(519) Miscellaneous income (p. 29)	(a1) 57,273
34	Dividend income (from investments under equity only)	\$ XXXXX
35	Undistributed earnings (losses)	XXXXX
36	Equity in earnings (losses) of affiliated companies (lines 34,35)	
37	Total other income	429,361
38	Total income (lines 22,37)	2,108,031
	MISCELLANEOUS DEDUCTIONS FROM INCOME	
39	(534) Expenses of miscellaneous operations (p. 28)	
40	(535) Taxes on miscellaneous operating property (p. 28)	48,318
41	(543) Miscellaneous rents (p. 29)	14
42	(544) Miscellaneous tax accruals	
43	(545) Separately operated properties—Loss	

300. INCOME ACCOUNT FOR THE YEAR—Continued

Line No.	Item (a)	Amount for current year (b)
44	(549) Maintenance of investment organization _____	\$
45	(550) Income transferred to other companies (p. 31) _____	
46	(551) Miscellaneous income charges (p. 29) _____	3,649
47	Total miscellaneous deductions _____	51,981
48	Income available for fixed charges (lines 38, 47) _____	2,056,050
FIXED CHARGES		
49	(542) Rent for leased roads and equipment _____	1,898,950
	(546) Interest on funded debt _____	
50	(a) Fixed interest not in default _____	225,128
51	(b) Interest in default _____	
52	(547) Interest on unfunded debt _____	82,236
53	(548) Amortization of discount on funded debt _____	
54	Total fixed charges _____	2,206,314
55	Income after fixed charges (lines 48, 54) _____	(150,264)
OTHER DEDUCTIONS		
	(546) Interest on funded debt _____	
56	(c) Contingent interest _____	190,492
UNUSUAL OR INFREQUENT ITEMS		
57	(555) Unusual or infrequent items-Net-(Debit) credit* _____	
58	Income (loss) from continuing operations (lines 55-57) _____	(340,756)
DISCONTINUED OPERATIONS		
59	(560) Income (loss) from operations of discontinued segments* _____	
60	(562) Gain (loss) on disposal of discontinued segments* _____	
61	Total income (loss) from discontinued operations (lines 59, 60) _____	-
62	Income (loss) before extraordinary items (lines 58, 61) _____	(340,756)
EXTRAORDINARY ITEMS AND ACCOUNTING CHANGES		
63	(570) Extraordinary items-Net-(Debit) credit (p. 9) _____	
64	(590) Income taxes on extraordinary items-Debit (credit) (p. 9) _____	
65	(591) Provision for deferred taxes-Extraordinary items _____	
66	Total extraordinary items (lines 63-65) _____	
67	(592) Cumulative effect of changes in accounting principles* _____	
68	Total extraordinary items and accounting changes-(Debit) credit (lines 66, 67) _____	-
69	Net income (loss) transferred to Retained Income—Unappropriated (lines 62, 68) _____	(340,756)

* Less applicable income taxes of:

555 Unusual or infrequent items-Net-(Debit) (credit) _____ \$ NONE

560 Income (loss) from operations of discontinued segments _____

562 Gain (loss) on disposal of discontinued segments _____

592 Cumulative effect of changes in accounting principles _____

NOTE.—See page 9 for explanatory notes which are an integral part of the Income Account for the Year.

300. INCOME ACCOUNT FOR THE YEAR—EXPLANATORY NOTES

The space below is provided for the purpose of disclosing additional information concerning items of income for the current year. Each carrier shall give the particulars of items herein. Enter in separate notes with suitable explanation, amounts included in income accounts in connection with any unusual and material accrual or changeover in accounting practice and other matters of the character commonly disclosed in financial statements under generally accepted accounting and reporting principles. Minor items which have no consequential effect on net income for the year need not be reported. If carrier has nothing to report, insert the word "None." The explanation of items included in accounts 570, "Extraordinary items"; and 590 "Income taxes on extraordinary items" are to be disclosed in notes and remarks section below.

- 64 Indicate method elected by carrier, as provided in the Revenue Act of 1971, to account for the investment tax credit.
 Flow-through Yes Deferral No
- 65 If flow-through method was elected, indicate net decrease (or increase) in tax accrual because of investment tax credit \$ NONE
- 66 If deferral method was elected, indicate amount of investment tax credit utilized as a reduction of tax liability for current year \$ NONE
- 67 Deduct amount of current year's investment tax credit applied to reduction of tax liability but deferred for accounting purposes (\$ NONE)
- 68 Balance of current year's investment tax credit used to reduce current year's tax accrual \$ NONE
- 69 Add amount of prior year's deferred investment tax credits being amortized and used to reduce current year's tax accrual \$ NONE
- 70 Total decrease in current year's tax accrual resulting from use of investment tax credits \$ NONE

NOTES AND REMARKS

305. RETAINED INCOME—UNAPPROPRIATED

1. Show hereunder the items of the Retained Income 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 indicated in parentheses.
3. Indicate under "Remarks" the amount of assigned Federal income tax consequences, 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 35, column (b), schedule 300. The total of columns (b) and (c), lines 3 and 7, should agree with line 69, column (b), schedule 300.
6. Include in column (b) only amounts applicable to Retained Income *exclusive* of any amounts included in column (c).

Line No.	Item (a)	Retained income Unappropriated (b)	Equity in undistributed earnings (losses) of affiliated companies (c)
1	Balances at beginning of year _____	\$ 4,681,703	\$
2	(601.5) Prior period adjustments to beginning retained income _____		
	CREDITS		
3	(602) Credit balance transferred from income _____		
4	(606) Other credits to retained income [†] _____		
5	(622) Appropriations released _____		
6	Total _____		
	DEBITS		
7	(612) Debit balance transferred from income _____	340,756	
8	(616) Other debits to retained income _____		
9	(620) Appropriations for sinking and other reserve funds _____		
10	(621) Appropriations for other purposes _____		
11	(623) Dividends _____		
12	Total _____	340,756	
13	Net increase (decrease) during year (Line 6 minus line 12) _____	(340,756)	
14	Balances at close of year (Lines 1, 2 and 13) _____	4,340,947	
15	Balance from line 14 (c) _____		XXXXXX
16	Total unappropriated retained income and equity in undistributed earnings (losses) of affiliated companies at end of year _____	4,340,947	XXXXXX
	Remarks		
	Amount of assigned Federal income tax consequences:		
17	Account 606 _____	NONE	XXXXXX
18	Account 616 _____	NONE	XXXXXX

[†]Show principal items in detail.

350. RAILWAY TAX ACCRUALS

1. In Sections A and B show the particulars called for with respect to net accruals of taxes on railroad property and U.S. Government taxes charged to account 532, "Railway tax accruals" of the respondent's Income account for the year.

2. In Section C show an analysis and distribution of Federal income taxes.

A. Other than U.S. Government Taxes			B. U.S. Government Taxes		
Line No.	Name of State (a)	Amount (b)	Kind of tax (a)	Amount (b)	Line No.
1	Pennsylvania	\$ 82,971	Income taxes:		
2	West Virginia	108,025	Normal tax and surtax		11
3			Excess profits		12
4			Total—Income taxes		13
5			Old-age retirement	566,133	14
6			Unemployment insurance	89,537	15
7			All other United States Taxes	472	16
8			Total—U.S. Government taxes	656,142	17
9			Grand Total—Railway Tax Accruals	847,138	18
10	Total—Other than U.S. Government Taxes	190,996	(account 532)		

C. Analysis of Federal Income Taxes

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

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

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

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

5. The total of line 28 in columns (c) and (d) should agree with the total of the contra charges (credits) to account 533, provision for deferred taxes, and account 591, provision for deferred taxes—extraordinary and prior period items, for the current year.

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

Line No.	Particulars (a)	Beginning of Year Balance (b)	Net Credits (Charges) for Current Year (c)	Adjustments (d)	End of Year Balance (e)
19	Accelerated depreciation, Sec. 167 I.R.C.: Guideline lives pursuant to Rev. Proc. 62-21				
20	Accelerated amortization of facilities Sec. 168 I.R.C.				
21	Accelerated amortization of rolling stock, Sec. 184 I.R.C.				
22	Amortization of rights of way, Sec. 185 I.R.C.				
23	Other (Specify)				
24					
25					
26					
27	Investment tax credit				
28	TOTALS	NONE	NONE	NONE	NONE

Notes and Remarks

Schedule 203.—SPECIAL DEPOSITS

For other than compensating balances, state separately each item of \$10,000 or more reflected in account 703. Special deposits, at the close of the year. Items of less than \$10,000 may be combined in a single entry and described as "Minor items less than \$10,000". For compensating balances, state separately the total amounts held on behalf of respondent and held on behalf of others.

Line No.	Purpose of deposit (a)	Balance at close of year (b)
		\$
	Interest special deposits:	
1		
2		
3		
4		
5		
6	Total	NONE
	Dividend special deposits:	
7		
8		
9		
10		
11		
12	Total	NONE
	Miscellaneous special deposits:	
13		
14		
15		
16		
17		
18	Total	NONE
	Compensating balances legally restricted:	
19	Held on behalf of respondent	
20	Held on behalf of others	
21	Total	NONE

670. FUNDED DEBT UNMATURED

Give particulars of the various issues of securities in accounts Nos. 764, "Equipment obligations and other debt due within one year" (excluding equipment obligations), and 765, "Funded debt unmatured," at close of the year. Funded debt, as here used, comprises all obligations maturing later than one year after date of issue in accordance with the instructions in the Uniform System of Accounts for Railroad Companies. Show

each issue separately, and make all necessary explanations in footnotes. For the purposes of this report, securities are considered to be *actually issued* when sold to a bona fide purchaser for a valuable consideration, and such purchaser holds free from control by the respondent. All securities actually issued and not reacquired by or for the respondent are considered to be *actually outstanding*. It should be noted that section 20a of the

Interstate Commerce Act makes it unlawful for a carrier to issue or assume any securities, unless and until, and then only to the extent that, the Commission by order authorizes such issue or assumption. Entries in columns (k) and (l) should include interest accrued on funded debt reacquired, matured during the year, even though no portion of the issue is outstanding at the close of the year.

Line No.	Name and character of obligation (a)	Nominal date of issue (b)	Date of maturity (c)	Interest provisions		Total amount nominally and actually issued (f)	Nominally issued and held by or for respondent (Identify pledged securities by symbol "P") (g)	Total amount actually issued (h)	Required and held by or for respondent (Identify pledged securities by symbol "P") (i)	Actually outstanding at close of year (j)	Interest during year	
				Rate percent per annum (d)	Dates due (e)						Accrued (k)	Actually paid (l)
1	NONE					\$	\$	\$	\$	\$		\$
2												
3												
4					Total							

5 Funded debt canceled: Nominally issued, \$

Actually issued, \$

6 Purpose for which issue was authorized†

690. CAPITAL STOCK

Give the particulars called for concerning the several classes and issues of capital stocks of the respondent outstanding at the close of the year, and make all necessary explanations in footnotes. For definition of securities *actually issued* and *actually outstanding* see instructions for schedule 670. It should be noted that section 20a of the Interstate Commerce Act makes it unlawful for a carrier to

issue or assume any securities, unless and until, and then only to the extent that, the Commission by order authorizes such issue or assumption.

Line No.	Class of stock (a)	Date issue was authorized† (b)	Par value: per share (c)	Authorized† (d)	Authenticated (e)	Par value of par value or shares of nonpar stock			Actually outstanding at close of year		
						Nominally issued and held by or for respondent (Identify pledged securities by symbol "P") (f)	Total amount actually issued (g)	Reacquired and held by or for respondent (Identify pledged securities by symbol "P") (h)	Par value of par-value stock (i)	Shares Without Par Value Number (j)	Book value (k)
1	Common	07/01/1915	\$ 50	8,755,000	\$ 5,000,000		\$ 5,000,000		\$ 5,000,000	100,000	\$
2	Common	05/15/1935	50	1,245,000	1,245,000		1,245,000		1,245,000	24,900	
3											
4											

5 Par value of par value or book value of nonpar stock canceled: Nominally issued, \$ NONE

Actually issued, \$ NONE

6 Amount of receipts outstanding at the close of the year for installments received on subscriptions for stocks NONE

7 Purpose for which issue was authorized† To Finance the Corporation

8 The total number of stockholders at the close of the year was Three

695. RECEIVERS' AND TRUSTEES' SECURITIES

Give particulars of evidences of indebtedness issued and payment of equipment obligations assumed by receivers and trustees under orders of a court as provided for in account No. 767, "Receivers' and trustees' securities." For definition of securities *actually issued* and *actually outstanding*, see instructions for schedule 670.

orders of a court as provided for in account No. 767, "Receivers' and trustees' securities." For definition of securities *actually issued* and *actually outstanding*, see instructions for schedule 670.

Line No.	Name and character of obligation (a)	Nominal date of issue (b)	Date of maturity (c)	Interest provisions		Total par value authorized† (f)	Total par value held by or for respondent at close of year		Total par value actually outstanding at close of year (i)	Interest during year	
				Rate percent per annum (d)	Dates due (e)		Nominally issued (g)	Nominally outstanding (h)		Accrued (j)	Actually paid (k)
1	NONE					\$	\$	\$	\$		\$
2											
3											
4					Total						

†By the State Board of Railroad Commissioners, or other public authority, if any, having control over the issue of securities; if no public authority has such control, state the purpose and amounts as authorized by the board of directors and approved by stockholders.

Respondent carried a Service Interruption Policy with the Imperial Insurance Company, Limited, under which it will be entitled to an indemnity of \$11,825 per day for certain work stoppage losses. In event such losses are sustained by other railroads holding similar policies, respondent may be obligated to pay a maximum amount of \$202,700 Additional Premiums in any Fiscal Year.

On April 1, 1976, pursuant to the reorganization of the Penn Central Transportation Company (Penn Central), one third of the capital stock of this company was transferred and ownership acquired by Conrail.

As a result of the reorganization, Conrail will share proportionately in all aspects of the operations of the company.

In regard to the fulfillment of all prior responsibilities of the Penn Central Transportation Company (Penn Central) to this company, final settlement and the ultimate effect on the accounts of this company is indeterminable.

701. ROAD AND EQUIPMENT PROPERTY

1. Give particulars of changes during the year in accounts 731, "Road and equipment property," and 732, "Improvements on leased property," classified in accordance with the Uniform System of Accounts for Railroad Companies.

2. Gross charges during the year should include disbursements made for the specific purpose of purchasing, constructing, and equipping new lines, extensions of old lines, and for additions and betterments. Both the debit and credit involved in each transfer, adjustment, or clearance, between road and equipment accounts, should be included in columns (c) and (d), as may be appropriate, depending on the nature of the item. Adjustments in excess of \$100,000 should be

explained. All changes made during the year should be analyzed by primary accounts.

3. Report on line 35 amounts not includable in the primary road accounts. The items reported should be briefly identified and explained in a footnote on page 12. Amounts should be reported on this line only under special circumstances, usually after permission is obtained from the Commission for exceptions to prescribed accounting. Reference to such authority should be made when explaining the amounts reported. Respondents must not make arbitrary changes to the printed stub or column headings without specific authority from the Commission.

Line No.	Account (a)	Balance at beginning of year (b)	Gross charges during year (c)	Credits for property retired during year (d)	Balance at close of year (e)
1	(1) Engineering	\$ 701,359		\$ 26,680	\$ 674,679
2	(2) Land for transportation purposes	2,642,578		60,982	2,581,596
3	(2 1/2) Other right-of-way expenditures	15,987		894	15,093
4	(3) Grading	5,524,706		182,678	5,342,028
5	(5) Tunnels and subways	418,154			418,154
6	(6) Bridges, trestles, and culverts	3,381,798		176,787	3,205,011
7	(7) Elevated structures				
8	(8) Ties	713,949	2,220	74,244	641,925
9	(9) Rails	1,133,624	44,771	92,625	1,085,770
10	(10) Other track material	1,134,194	44,201	57,741	1,120,654
11	(11) Ballast	1,093,032		43,090	1,049,942
12	(12) Track laying and surfacing	845,333	3,644	50,320	798,657
13	(13) Fences, snowsheds, and signs	29,139		1,146	27,993
14	(14) Station and office buildings	905,589		161	905,428
15	(17) Roadway buildings	71,265	1,215	796	71,684
16	(18) Water stations	529			529
17	(19) Fuel stations	67,134			67,134
18	(20) Shops and enginehouses	435,934		1,197	434,737
19	(21) Grain elevators				
20	(22) Storage warehouses				
21	(23) Wharves and docks				
22	(24) Coal and ore wharves				
23	(25) TOFC/COFC terminals				
24	(26) Communication systems	49,500			49,500
25	(27) Signals and interlockers	387,034	5,005		392,039
26	(29) Power plants	27,511			27,511
27	(31) Power transmission systems	102,006		107	101,899
28	(35) Miscellaneous structures	3,734			3,734
29	(37) Roadway machines	701,083	134,186		835,269
30	(38) Roadway small tools	8,434		786	7,648
31	(39) Public improvements—Construction	302,303		6,274	296,029
32	(43) Other expenditures—Road	356			356
33	(44) Shop machinery	177,088		849	176,239
34	(45) Power-plant machinery	29,508			29,508
35	Other (specify and explain)				
36	Total Expenditures for Road	20,902,861	235,242	777,357	20,360,746
37	(52) Locomotives	428,060	567		428,627
38	(53) Freight-train cars	105,414		2,476	102,938
39	(54) Passenger-train cars				
40	(55) Highway revenue equipment				
41	(56) Floating equipment				
42	(57) Work equipment	66,934		3,550	63,384
43	(58) Miscellaneous equipment	191,330	76,972	34,104	233,198
44	Total Expenditures for Equipment	790,738	77,539	40,130	828,147
45	(71) Organization expenses				(11,210)
46	(76) Interest during construction	833,326		11,210	797,732
47	(77) Other expenditures—General	113,467		35,594	113,467
48	Total General Expenditures	946,793		46,804	899,989
49	Total	22,640,392	312,781	864,291	22,088,882
50	(80) Other elements of investment				
51	(90) Construction work in progress	12,797	262,140	274,892	45
52	Grand Total	22,653,189	574,921	1,139,183	22,088,927

801. PROPRIETARY COMPANIES

Give particulars called for regarding each inactive proprietary corporation of the respondent (i.e., one all of whose outstanding stocks or obligations are held by or for the respondent 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 relation to the respondent of the corporation holding the securities should be fully set forth in a footnote.

Line No.	Name of proprietary company (a)	MILEAGE OWNED BY PROPRIETARY COMPANY					Investment in transportation property (accounts Nos. 731 and 732) (g)	Capital stock (account No. 791) (h)	Unmatured funded debt (account No. 765) (i)	Debt in default (account No. 768) (j)	Amounts payable to affiliated companies (account No. 759) (k)
		Road (b)	Second and additional main tracks (c)	Passing tracks, crossovers, and turnouts (d)	Way switching tracks (e)	Yard switching tracks (f)					
1	NONE						\$	\$	\$	\$	\$
2											
3											
4											
5											

901. AMOUNTS PAYABLE TO AFFILIATED COMPANIES

Give full particulars of the amounts payable by the respondent to affiliated companies, as defined in connection with account No. 769, "Amounts payable to affiliated companies," in the Uniform System of Accounts for Railroad Companies. If any such debt is evidenced by notes, each note should be separately shown in column (a). Entries in columns (e) and (f) should include interest accruals and interest payments on non-negotiable debt retired during the year, even though no portion of the issue remained outstanding at the close of the year. Show, also, in a footnote, particulars of interest charged to cost of property.

Line No.	Name of creditor company (a)	Rate of interest (b)	Balance at beginning of year (c)	Balance at close of year (d)	Interest accrued during year (e)	Interest paid during year (f)
1	P&LE, PCTC, B&O	3.25 %	\$6,927,000	\$6,927,000	\$225,128	\$187,606
2	P&LE, B&O	9	260,000	130,000	23,400	20,572
3	PCTC	9	50,000	-	4,500	3,255
4	P&LE, & B&O	6.75	483,334	483,334	32,625	32,624
5	PCTC	6.75	321,667	321,667	21,711	21,711
6	Total		8,042,001	7,862,001	307,364	265,768

902. EQUIPMENT COVERED BY EQUIPMENT OBLIGATIONS

Give the particulars called for regarding the equipment obligations included in the balance outstanding in accounts Nos. 764, "Equipment obligations and other debt due within one year," and 766, "Equipment obligations," at the close of the year. In column (a) show the name by which the equipment obligation is designated and in column (b) show the classes of equipment and the number of units covered by the obligation together with other details of identification. In column (c) show current rate of interest, in column (d) show the contract price at which the equipment is acquired, and in column (e) the amount of cash price upon acceptance of the equipment.

Line No.	Designation of equipment obligation (a)	Description of equipment covered (b)	Current rate of interest (c)	Contract price of equipment acquired (d)	Cash paid on acceptance of equipment (e)	Actually outstanding at close of year (f)	Interest accrued during year (g)	Interest paid during year (h)
1	None		%	\$	\$	\$	\$	\$
2								
3								
4								
5								
6								
7								
8								
9								
10								

GENERAL INSTRUCTIONS CONCERNING RETURNS IN SCHEDULES 1001 AND 1002

1. Schedules 1001 and 1002 should give particulars of stocks, bonds, other secured obligations, unsecured notes, and investment advances of other corporations held by respondent at the close of the year specifically as investments, including obligations of the United States, of a State or local government, or of an individual, so held, in accounts Nos. 715, "Sinking funds"; 716, "Capital and other reserve funds"; 721, "Investments in affiliated companies"; 722, "Other investments"; and 717, "Insurance and other funds"; investments made, disposed of, or written down during the year, and dividends and interest credited to income. Securities of affiliated companies are reportable in schedule No. 1001. Securities of non-affiliated companies are reportable in schedule No. 1002, however, investments included in account Nos. 715, 716 and 717 held by trustees in lieu of cash deposits required under the governing instrument are to be excluded from this schedule. If any advances reported are pledged, give particulars in a footnote. For definition of affiliated companies, see the rules governing account No. 721, "Investments in affiliated companies," in the Uniform System of Accounts for Railroad Companies.

2. These investments should be subdivided to show the book value pledged, unpledged, and held in fund accounts. Under "pledged" include the book value of securities recorded in accounts Nos. 721, "Investments in affiliated companies," and 722, "Other investments," which are deposited with some pledgee or other trustee, or held subject to the lien of a chattel mortgage, or subject to any other restriction or condition which makes them unavailable for general corporate purposes. "Unpledged" should include all securities held by or for the respondent free from any lien or restriction, recorded in the accounts mentioned above. Under "In sinking, insurance, and other funds" include the book value of securities recorded in accounts Nos. 715, "Sinking funds"; 716, "Capital and other reserve funds"; and 717, "Insurance and other funds."

3. 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:

4. The subclassification of classes (B), (C), (D), and (E) should be the same as that provided for class (A).

5. By carriers, as the term is here used, 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, stockyards, express service and facilities, electric railway 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 purposes 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. In case any adjustments in book values thereof have been made during the year, a detailed statement thereof should be given on page 38 of this form.

9. Classify the securities according to the classification given above, showing the subclass by means of letters and figures in columns (a) and (b). Indicate by means of an arbitrary mark in column (c) the obligation in support of which any security is pledged, mortgaged, or otherwise encumbered, giving names and other important particulars of such obligations in footnotes.

10. Entries in column (c) should show date of maturity of bonds and other evidences of indebtedness. Obligations of the same designation which mature serially may be reported as "Serially 19 ____ to 19 ____."

11. If the cost of any investment made during the year differs from the book value reported, explain the matter in a footnote. By "cost" is meant the consideration given minus accrued interest or dividends included therein.

12. These schedules should not include any securities issued or assumed by respondent.

1001. INVESTMENTS IN AFFILIATED COMPANIES (See page 15 for Instructions)

Line No.	Ac- count No.	Class No.	Name of issuing company and description of security held, also lien reference, if any	Extent of control	Investments at close of year	
					Book value of amount held at close of year	
					Pledged (e)	Unpledged (f)
(a)	(b)	(c)	(d)			
1			NONE	%		
2						
3						
4						
5						
6						
7						
8						
9						
10						

1002. OTHER INVESTMENTS (See page 15 for Instructions)

Line No.	Ac- count No.	Class No.	Name of issuing company or government and description of security held, also lien reference, if any	Investments at close of year	
				Book value of amount held at close of year	
				Pledged (d)	Unpledged (e)
(a)	(b)	(c)			
1	717	E	Barclay's Bank D.C.O., Nassau		
2			Service Interruption Insurance		
3					
4					
5					
6					
7					
8					
9					
10					
11					

1001. INVESTMENTS IN AFFILIATED COMPANIES—Concluded

Investments at close of year		Book value of investments made during year (i)	Investments disposed of or written down during year		Dividends or interest during year		Line No.
Book value of amount held at close of year			Book value* (j)	Selling price (k)	Rate (l)	Amount credited to income (m)	
In sinking insurance, and other funds (g)	Total book value (h)						
\$	\$	\$	\$	\$	%	\$	1
							2
							3
							4
							5
							6
							7
							8
							9
							10

1002. OTHER INVESTMENTS—Concluded

Investments at close of year		Book value of investments made during year (h)	Investments disposed of or written down during year		Dividends or interest during year		Line No.
Book value of amount held at close of year			Book value* (i)	Selling price (j)	Rate (k)	Amount credited to income (l)	
In sinking insurance, and other funds (f)	Total book value (g)						
\$ 14,327	\$ 14,327	\$	\$	\$	6.37 ⁶ %	\$ 913	1
							2
							3
							4
							5
							6
							7
							8
							9
							10
							11

*Identify all entries in this column which represent a reduction in the book value of securities by symbol and give full explanation in a footnote in each case.

1003. INVESTMENTS IN COMMON STOCKS OF AFFILIATED COMPANIES

Undistributed Earnings From Certain Investments in Affiliated Companies

1. Report below the details of all investments in common stocks included in Account 721, Investments in Affiliated Companies, which qualify for the equity method under instruction 6-2, in the Uniform System of Accounts for Railroad Companies.

2. Enter in column (c) the amount necessary to retroactively adjust those investments qualifying for the equity method of accounting in accordance with instruction 6-2 (b)(11) of the Uniform System of Accounts for Railroad Companies.

3. Enter in column (d) the share of undistributed earnings (i.e., less dividends) or losses.

4. Enter in column (e) the amortization for the year of the excess of cost over equity in net assets (equity over cost) at date of acquisition. See instruction 6-2 (b)(4).

5. The total of column (g) must agree with column (b), line 21, schedule 200.

6. For definitions of "carrier" and "noncarrier," see general instructions 5 and 6 on page 15.

Line No.	Name of issuing company and description of security held (a)	Balance at beginning of year (b)	Adjustment for investments qualifying for 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)
1	Carriers: (List specifics for each company)	\$	\$	\$	\$	\$	\$
2	NONE						
3							
4							
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
15							
16							
17							
18	Total						
19	Noncarriers: (Show totals only for each column)						
20	Total (lines 18 and 19)						

Road Initials

MGA

Year 1977

NOTES AND REMARKS

1701. SECURITIES, ADVANCES, AND OTHER INTANGIBLES OWNED OR CONTROLLED THROUGH NONREPORTING CARRIER AND NONCARRIER SUBSIDIARIES

1. Give particulars of investments represented by securities and advances (including securities issued or assumed by respondent), and of other intangible property, indirectly owned or controlled by respondent through any subsidiary which does not report to the Commission under the provisions of Part I of the Interstate Commerce Act, without regard to any question of whether the company issuing the securities, or the obligations controlled by the subsidiary.

2. This schedule should include all securities, open account advances, and other intangible property owned or controlled by nonreporting companies shown in schedule 1001, as well as those owned or controlled by any other organization or individual whose action respondent is enabled to determine.

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

Line No.	Class No.	Name of issuing company and security or other intangible thing in which investment is made (list on same line in second section and in same order as in first section)	Total book value of investments at close of the year	Book value of investments made during the year	Investments disposed of or written down during year	
					Book value (e)	Selling price (f)
1		NONE	\$	\$	\$	\$
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
16						
17						
18						
19						
20						
21						
22						
23						
24						

Line No.	Names of subsidiaries in connection with things owned or controlled through them
	(g)
1	
2	
3	
4	
5	
6	
7	
8	
9	
10	
11	
12	
13	
14	
15	
16	
17	
18	
19	
20	
21	

1302. DEPRECIATION BASE AND RATES—ROAD AND EQUIPMENT OWNED AND USED AND LEASED FROM OTHERS

1. Show in columns (b) and (e), for each primary account, the depreciation base used in computing the depreciation charges for the month of January and in columns (c) and (f) show the depreciation base used in computing the depreciation charges 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 29 and 37 of these columns show the composite percentage for all road and equipment accounts, respectively, ascertained by applying the primary account composite rates to the depreciation base used in computing the charges for December and dividing the total so computed by the total depreciation base for the same month. 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 accounts Nos. 536 to 540, inclusive. It should include the cost of equipment owned and leased to others when the rents therefrom are included in the rent for equipment accounts Nos. 503 to 507, inclusive. The composite rates used should be those prescribed or otherwise authorized by the Commission, except that where the use of component rates has been authorized, the composite rates to be shown for the respective

primary accounts should be recomputed from the December charges developed by the use of the authorized rates. If any changes in rates were effective during the year, give full particulars in a footnote.

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

3. Show in columns (e), (f), and (g), data applicable to property, used but not owned, when the rent therefor is included in account No. 542.

4. If the depreciation base for accounts 1, 2 1/2, 3, 5, and 39 includes nondepreciable property, a statement to that effect should be made in a footnote.

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

Line No.	Account (a)	Owned and used			Leased from others		
		Depreciation base		Annual composite rate (percent) (d)	Depreciation base		Annual composite rate (percent) (g)
		At beginning of year (b)	At close of year (c)		At beginning of year (e)	At close of year (f)	
		\$	\$	%	\$	\$	%
ROAD							
1	(1) Engineering	9,213	9,213	2 00	4,678	4,678	1.70
2	(2 1/2) Other right-of-way expenditures	827,752	827,752	1 30	5,704	5,704	1.65
3	(3) Grading	200,726	200,726	1 18	1,879,217	1,879,217	.59
4	(5) Tunnels and subways	3,619,011	3,619,011	1 33	3,582,051	3,582,051	1.41
5	(6) Bridges, trestles, and culverts						
6	(7) Elevated structures	31,119	31,119	-	123,324	123,324	2.07
7	(13) Fences, snowsheds, and signs	940,807	940,807	1 28	582	582	3.85
8	(16) Station and office buildings	71,018	71,018	2 33	525	525	3.00
9	(17) Roadway buildings	2,123	2,123	2 50	1,620	1,620	2.00
10	(18) Water stations	70,811	70,811	2.94			
11	(19) Fuel stations	448,027	448,027	1 28			
12	(20) Shops and enginehouses						
13	(21) Grain elevators						
14	(22) Storage warehouses						
15	(23) Wharves and docks						
16	(24) Coal and ore wharves						
17	(25) TOFC/COFC terminals						
18	(26) Communication systems	58,281	58,281	2 00	788	788	2.33
19	(27) Signals and interlockers	362,190	362,190	2 08	90,148	90,148	2.99
20	(29) Power plants	29,670	29,670	2 86			
21	(31) Power-transmission systems	90,616	90,616	-			
22	(35) Miscellaneous structures	3,735	3,735	2 50			
23	(37) Roadway machines	702,361	702,361	5 29			
24	(39) Public improvements—Construction	191,830	191,830	1 95	432,900	432,900	1.65
25	(44) Shop machinery	177,390	177,390	2.22			
26	(45) Power-plant machinery	40,858	40,858	2 86			
27	All other road accounts						
28	Amortization (other than defense projects)						
29	Total road	7,877,538	7,877,538	1 76	6,121,537	6,121,537	1.21
EQUIPMENT							
30	(52) Locomotives	428,060	428,625	19 04			
31	(53) Freight-train cars	105,414	102,938	2 50			
32	(54) Passenger-train cars						
33	(55) Highway revenue equipment						
34	(56) Floating equipment						
35	(57) Work equipment	66,934	63,384	2 21			
36	(58) Miscellaneous equipment	190,330	233,199	9 00			
37	Total equipment	790,738	828,146	12 37	-	-	-
38	Grand Total	8,668,276	8,705,684	-	6,121,537	6,121,537	-

1303. DEPRECIATION BASE AND RATES—ROAD AND EQUIPMENT LEASED TO OTHERS

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 account No. 509.

2. Show in columns (b) and (c), for each primary account, the depreciation base used in computing 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 includable in operating expenses of the respondent, but for which the depreciation reserve is recorded in the accounts of the respondent. If the base for road is other than the original cost or estimated original cost as found by the Commission's Bureau of Accounts, brought to a current date by the respondent from its Order No. 3 records and accounts, or is other than ledger value for equipment, a full explanation should be given.

3. In column (d) show the composite rates used in computing the depreciation for the month of December and on lines 28 and 36 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 in computing the depreciation for December and dividing the total so computed by the depreciation base.

4. If the depreciation base for accounts 1, 2 1/2, 3, 5, and 39 includes nondepreciable property, a statement to that effect should be made in a footnote.

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

Line No.	Account (a)	Depreciation base		Annual composite rate (percent) (d)
		Beginning of year (b)	Close of year (c)	
	ROAD	\$	\$	%
1	(1) Engineering			
2	(2 1/2) Other right-of-way expenditures			
3	(3) Grading			
4	(5) Tunnels and subways			
5	(6) Bridges, trestles, and culverts			
6	(7) Elevated structures			
7	(13) Fences, snowsheds, and signs			
8	(16) Station and office buildings			
9	(17) Roadway buildings			
10	(18) Water stations			
11	(19) Fuel stations			
12	(20) Shops and enginehouses			
13	(21) Grain elevators			
14	(22) Storage warehouses			
15	(23) Wharves and docks			
16	(24) Coal and ore wharves			
17	(25) TOFC/COFC terminals			
18	(26) Communication systems			
19	(27) Signals and interlockers			
20	(29) Power plants			
21	(31) Power-transmission systems			
22	(35) Miscellaneous structures			
23	(37) Roadway machines			
24	(39) Public improvements—Construction			
25	(44) Shop machinery			
26	(45) Power-plant machinery			
27	All other road accounts			
28	Total road	NONE		
	EQUIPMENT			
29	(52) Locomotives			
30	(53) Freight-train cars			
31	(54) Passenger-train cars			
32	(55) Highway revenue equipment			
33	(56) Floating equipment			
34	(57) Work equipment			
35	(58) Miscellaneous equipment			
36	Total equipment	NONE		
37	Grand total	NONE		

1303—A DEPRECIATION BASE AND RATES—IMPROVEMENTS TO ROAD AND EQUIPMENT LEASED FROM OTHERS

1. Show in column (b) for each primary account, the depreciation base used in computing the depreciation charges for the month of January and in column (c) show the depreciation base used in computing the depreciation charges for the month of December; in column (d) show the composite rates used in computing the depreciation charges for the month of December, and on lines 28 and 36 of these columns show the composite percentage for all road and equipment accounts, respectively, ascertained by applying the primary account composite rates to the depreciation base used in computing the charges for December and dividing the total so computed by the total depreciation base for the same month. This schedule should include only improvements to leased property charged to account 732, Improvements to Leased Property. The composite rates used should be those prescribed or otherwise authorized by the Commission, except that were 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 lease properties may be combined and one composite rate computed for each primary account or a separate schedule may be included for each such property.

3. If the depreciation base for accounts 1, 2-1/2, 3, 5, and 39 includes nondepreciable property, a statement to that effect should be made in a footnote.

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

Line No	Account (a)	Depreciation base		Annual composite rate (percent) (d)
		Beginning of year (b)	Close of year (c)	
		\$	\$	%
	ROAD			
1	(1) Engineering	3,037	3,037	1.70
2	(2 1/2) Other right-of-way expenditures	574	574	1.65
3	(3) Grading	9,598	9,598	1.30
4	(5) Tunnels and subways	16,498	16,498	1.41
5	(6) Bridges, trestles, and culverts			
6	(7) Elevated structures	2,003	2,003	5.00
7	(13) Fences, snowsheds, and signs			
8	(16) Station and office buildings			
9	(17) Roadway buildings			
10	(18) Water stations			
11	(19) Fuel stations			
12	(20) Shops and enginehouses			
13	(21) Grain elevators			
14	(22) Storage warehouses			
15	(23) Wharves and docks			
16	(24) Coal and ore wharves			
17	(25) TOFC/COFC terminals			
18	(26) Communication systems	37,334	37,334	3.00
19	(27) Signals and interlockers			
20	(29) Power plants			
21	(31) Power-transmission systems			
22	(35) Miscellaneous structures			
23	(37) Roadway machines	5,751	5,751	1.70
24	(39) Public improvements—Construction			
25	(44) Shop machinery			
26	(45) Power-plant machinery			
27	All other road accounts	74,795	74,795	2.18
28	Total road			
	EQUIPMENT			
29	(52) Locomotives			
30	(53) Freight-train cars			
31	(54) Passenger-train cars			
32	(55) Highway revenue equipment			
33	(56) Floating equipment			
34	(57) Work equipment			
35	(58) Miscellaneous equipment	NONE	NONE	—
36	Total equipment	74,795	74,795	—
37	Grand total			

1501. DEPRECIATION RESERVE—ROAD AND EQUIPMENT OWNED AND USED

1. Give the particulars called for hereunder with respect to credits and debits to account No. 735, "Accrued depreciation—Road and Equipment," during the year relating to road and equipment owned and used. This schedule should not include any entries for depreciation of equipment, used but not owned, when the rents therefor are included in the rent for equipment accounts Nos. 536 to 540, inclusive. It should include entries for depreciation of equipment owned but not used when the rents therefrom are included in the rent for equipment accounts Nos. 503 to 507, inclusive. (See schedule 1502 for the reserve relating to road and equipment

owned but not used by the respondent.) If any entries are made for "Other credits" or "Other debits," state the facts occasioning such entries. A debit balance in column (b) or (g) for any primary account should be shown in red or designated "Dr."

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

3. All credits or debits to the reserve representing amortization other than for defense projects, if a general amortization program has been authorized, should be entered on line 28.

Line No.	Account (a)	Balance at beginning of year (b)	Credits to reserve during the year		Debits to reserve during the year		Balance at close of year (g)
			Charges to operating expenses (c)	Other credits (d)	Retirements (e)	Other debits (f)	
		\$	\$	\$	\$	\$	\$
	ROAD						
1	(1) Engineering						
2	(2 1/2) Other right-of-way expenditures	6,132	184				6,316
3	(3) Grading	414,593	10,761		10,600		414,754
4	(5) Tunnels and subways	88,366	2,369				90,735
5	(6) Bridges, trestles, and culverts	1,459,156	48,133		183,500		1,323,789
6	(7) Elevated structures						
7	(13) Fences, snowsheds, and signs	29,166			1,190		27,976
8	(16) Station and office buildings	403,047	12,042		122		414,967
9	(17) Roadway buildings	21,840	1,655		(389)		23,884
10	(18) Water stations	303	53				356
11	(19) Fuel stations	32,156	2,082				34,238
12	(20) Shops and enginehouses	193,324	5,735		1,768		197,291
13	(21) Grain elevators						
14	(22) Storage warehouses						
15	(23) Wharves and docks						
16	(24) Coal and ore wharves						
17	(25) TOFC/COFC terminals						
18	(26) Communication systems	27,609	1,166				28,775
19	(27) Signals and interlockers	160,609	7,534				168,143
20	(29) Power plants	10,384	849				11,233
21	(31) Power-transmission systems	85,979			111		85,868
22	(35) Miscellaneous structures	1,899	93				1,992
23	(37) Roadway machines	219,250	37,155		(450)		256,855
24	(39) Public improvements—Construction	114,687	3,741				118,428
25	(44) Shop machinery*	66,573	3,938		881		69,630
26	(45) Power-plant machinery*	20,827	1,169				21,996
27	All other road accounts						
28	Amortization (other than defense projects)						
29	Total road	3,355,900	138,659	-	197,333	-	3,297,226
	EQUIPMENT						
30	(52) Locomotives	(401,770)	81,521				(320,249)
31	(53) Freight-train cars	66,532	2,601		2,475		66,658
32	(54) Passenger-train cars						
33	(55) Highway revenue equipment						
34	(56) Floating equipment						
35	(57) Work equipment	40,386	1,433		(7,850)		49,669
36	(58) Miscellaneous equipment	58,290	16,868		25,129		50,029
37	Total equipment	(236,562)	102,423	-	19,754	-	(153,893)
38	Grand total	3,119,338	241,082	-	217,087	-	3,143,333

*Chargeable to account 2223.

1501-A DEPRECIATION RESERVE—IMPROVEMENTS TO ROAD AND EQUIPMENT LEASED FROM OTHERS

1. Give full particulars called for hereunder with respect to credits and debits to account 733, "Accrued 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 includible in operating expenses of the respondent. This schedule should only include entries for depreciation of road and equipment property includible in account 732, Improvements on Leased Property.

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

3. Any inconsistency between the credits to the reserve as shown in column (c) and the charges to operating expenses should be fully explained.

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

Line No.	Account (a)	Balance at beginning of year (b)	Credits to reserve during the year		Debits to reserve during the year		Balance at close of year (g)
			Charges to operating expenses (c)	Other credits (d)	Retirements (e)	Other debits (f)	
	ROAD	\$	\$	\$	\$	\$	\$
1	(1) Engineering						
2	(2 1/2) Other right-of-way expenditures	1,601	52				1,653
3	(3) Grading	293	9				302
4	(5) Tunnels and subways	3,868	125				3,993
5	(6) Bridges, trestles, and culverts	6,404	232				6,636
6	(7) Elevated structures						
7	(13) Fences, snowsheds, and signs	2,904					2,904
8	(16) Station and office buildings	(11,095)					(11,095)
9	(17) Roadway buildings	(575)					(575)
10	(18) Water stations	(2,927)					(2,927)
11	(19) Fuel stations						
12	(20) Shops and enginehouses						
13	(21) Grain elevators						
14	(22) Storage warehouses						
15	(23) Wharves and docks						
16	(24) Coal and ore wharves						
17	(25) TOFC/COFC terminals						
18	(26) Communication systems	(67)					(67)
19	(27) Signals and interlockers	4,047	1,117				5,164
20	(29) Power plant						
21	(31) Power-transmission systems						
22	(35) Miscellaneous structures						
23	(37) Roadway machines						
24	(39) Public improvements—Construction	3,031	98				3,129
25	(44) Shop machinery*						
26	(45) Power-plant machinery*						
27	All other road accounts						
28	Amortization (other than defense projects)						
29	Total road	7,484	1,633	-	-	-	9,117
	EQUIPMENT						
30	(52) Locomotives						
31	(53) Freight-train cars						
32	(54) Passenger-train cars						
33	(55) Highway revenue equipment						
34	(56) Floating equipment						
35	(57) Work equipment						
36	(58) Miscellaneous equipment						
37	Total equipment	NONE					
38	Grand total	7,484	1,633	-	-	-	9,117

*Chargeable to account 2223

1502. DEPRECIATION RESERVE—ROAD AND EQUIPMENT LEASED TO OTHERS

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 account No. 307.

2. Give the particulars called for hereunder with respect to credits and debits to account No. 735, "Accrued depreciation—Road and Equipment," during the year relating to road and equipment leased to others, the depreciation charges for which are not includable in operating ex-

penses of the respondent. (See schedule 1501 for the reserve relating to road and equipment owned and used by the respondent.)

3. If any entries are made for "Other credits" and "Other debits," state the facts occasioning such entries. A debit balance in columns (b) or (g) for any primary account should be shown in red or designated "Dr."

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

1503 ACCRUED LIABILITY—LEASED PROPERTY

1. Give full particular called for hereunder with respect to credits and debits to account No. 785, "Accrued liability—Leased property," during the year relating to road and equipment leased from others.

2. Show in column (c) amounts which were charged to operating expenses, and in column (f) show payments made to the lessor in settlement thereof. A full explanation should be given to all entries in columns (d) and (f).

3. Any inconsistency between the credits to the account as shown in column (c) and the charges to operating expenses should be fully explained.

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

5. If settlement for depreciation is made currently between lessee and lessor, and no debits or credits to account No. 785 are made by the accounting company, show in column (e) the charges to operating expenses and in column (f) show payments made to the lessor in settlement thereof.

Line No.	Account (a)	Balance at beginning of year (b)	Credits to account During The Year		Debits to account During The Year		Balance at close of year (g)
			Charges to operating expenses (c)	Other credits (d)	Retirements (e)	Other debits (f)	
	ROAD	\$	\$	\$	\$	\$	\$
1	(1) Engineering						
2	(2 1/2) Other right-of-way expenditures	2,037	80				2,117
3	(3) Grading	4,118	88				4,206
4	(5) Tunnels and subways	87,118	11,071				98,189
5	(6) Bridges, trestles, and culverts	369,179	50,715				419,894
6	(7) Elevated structures						
7	(13) Fences, snowsheds, and signs	15,805	2,555				18,360
8	(16) Station and office buildings	7,991					7,991
9	(17) Roadway buildings	(36)	16				(20)
10	(18) Water stations	3,121	32				3,153
11	(19) Fuel stations						
12	(20) Shops and enginehouses						
13	(21) Grain elevators						
14	(22) Storage warehouses						
15	(23) Wharves and docks						
16	(24) Coal and ore wharves						
17	(25) TOFC/COFC terminals						
18	(26) Communication systems	342	18				360
19	(27) Signals and interlocks	12,830	2,697				15,527
20	(29) Power plants						
21	(31) Power-transmission systems						
22	(35) Miscellaneous structures						
23	(37) Roadway machines						
24	(39) Public improvements—Construction	47,950	7,142				55,092
25	(44) Shop machinery*						
26	(45) Power-plant machinery*						
27	All other road accounts						
28	Total road	550,455	74,414	—	—	—	624,869
	EQUIPMENT						
29	(52) Locomotives						
30	(53) Freight-train cars						
31	(54) Passenger-train cars						
32	(55) Highway revenue equipment						
33	(56) Floating equipment						
34	(57) Work equipment						
35	(58) Miscellaneous equipment						
36	Total Equipment	NONE	NONE				NONE
37	Grand Total	550,455	74,414	—	—	—	624,869

*Chargeable to account 2223.

1605. AMORTIZATION OF DEFENSE PROJECTS—ROAD AND EQUIPMENT OWNED AND LEASED FROM OTHERS

1. Show in columns (b) to (e) the amount of base of road and equipment property for which amortization reserve is provided in account No. 736, "Amortization of defense projects—Road and Equipment" of the respondent. If the Amortization base is other than the ledger value stated in the investment account, a full explanation should be given.

2. Show in columns (f) to (i) the balance at the close of the year and all credits and debits during the year in reserve account No. 736, "Amortization of defense projects—Road and Equipment."

3. The information requested for "Road" by columns (b) through (i) may be shown by projects amounting to \$100,000 or more, or by single entries as "Total road" in line 21. If reported by projects, each project should be briefly described, stating kind,

location, and authorization date and number. Projects amounting to less than \$100,000 should be combined in a single entry designated "Minor items, each less than \$100,000."

4. Any amounts included in columns (b) and (f), and in column (h) affecting operating expenses, should be fully explained.

Line No.	Description of property or account (a)	BASE				RESERVE			
		Debits during year (b)	Credits during year (c)	Adjustments (d)	Balance at close of year (e)	Credits during year (f)	Debits during year (g)	Adjustments (h)	Balance at close of year (i)
1	ROAD: Minor Items, Each Less Than \$100,000	\$ -	\$ -	\$ -	\$ (2,226)	\$ -	\$ -	\$ -	\$ (2,226)
2									
3									
4									
5									
6									
7									
8									
9									
10									
11									
12									
13									
14									
15									
16									
17									
18									
19									
20									
21	Total Road	-	-	-	(2,226)	-	-	-	(2,226)
22	EQUIPMENT:								
23	(52) Locomotives								
24	(53) Freight-train cars								
25	(54) Passenger-train cars								
26	(55) Highway revenue equipment								
27	(56) Floating equipment								
28	(57) Work equipment								
29	(58) Miscellaneous equipment								
30	Total equipment	-	-	-	NONE	-	-	-	NONE
31	Grand Total	-	-	-	(2,226)	-	-	-	(2,226)

Road Initials

MCA

Year 1977

1607. DEPRECIATION RESERVE—MISCELLANEOUS PHYSICAL PROPERTY

Give particulars of the credits and debits during the year to account No. 738, "Accrued depreciation—Miscellaneous physical property," for each item or group of property for which depreciation was accrued; also the balances at the beginning of the year and at the close of the year in the reserve for each such item or group of property.

Show in column (f) the percentage of composite rate used by the respondent for computing the amount of depreciation credited to the account.

Each item amounting to \$50,000 or more should be stated; items less than \$50,000 may be combined in a single entry designated "Minor items, each less than \$50,000."

Line No.	Item (Kind of property and location) (a)	Balance at beginning of year (b)	Credits during year (c)	Debits during year (d)	Balance at close of year (e)	Rate (percent) (f)	Base (g)
1	Various	\$ 221,741	\$ 5,691	\$	\$ 227,432	1.28	\$ 444,637
2							
3							
4							
5							
6							
7							
8							
9							
10							
11							
12							
13	Total	221,741	5,691		227,432	6.28	444,637

1608. CAPITAL SURPLUS

Give an analysis in the form called for below of capital surplus accounts. In column (a) give a brief description of the item added or deducted, and in column (b) insert the contra account number to which the amount stated in column (c), (d), or (e) was charged or credited.

Line No.	Item (a)	Contra account number (b)	ACCOUNT NO.		
			794. Premiums and assessments on capital stock (c)	795. Paid-in surplus (d)	796. Other surplus (e)
1	Balance at beginning of year	XXXXXX	\$	\$	\$
2	Additions during the year (describe):				
3					
4					
5					
6	Total additions during the year	XXXXXX			
7	Deductions during the year (describe):				
8					
9					
10	Total deductions	XXXXXX			
11	Balance at close of year	XXXXXX	NONE		

1609. RETAINED INCOME—APPROPRIATED

Give an analysis in the form called for below of account No. 797, "Retained income—Appropriated."

Line No.	Class of appropriation (a)	Credits during year (b)	Debits during year (c)	Balance at close of year (d)
1	Additions to property through retained income	\$	\$	\$
2	Funded debt retired through retained income			
3	Sinking fund reserves			
4	Miscellaneous fund reserves			
5	Retained income—Appropriated (not specifically invested)			
6	Other appropriations (specify)			
7				
8				
9				
10				
11				
12	Total	NONE		

1701. LOANS AND NOTES PAYABLE

Give particulars of the various creditors and the character of the transactions involved in the current liability account No. 751, "Loans and notes payable." List every item in excess of \$100,000, giving the information indicated in the column headings.

For creditors whose balances were severally less than \$100,000, a single entry may be made under a caption "Minor accounts, each less than \$100,000."

Entries in columns (g) and (h) should include interest accruals and interest payments on loans and notes payable retired during the year, even though no portion of the issue remained outstanding at the close of the year.

Line No.	Name of creditor (a)	Character of liability or of transaction (b)	Date of issue (c)	Date of maturity (d)	Rate of interest (e)	Balance at close of year (f)	Interest accrued during year (g)	Interest paid during year (h)
1	NONE				%	\$	\$	\$
2								
3								
4								
5								
6								
7								
8								
9	Total							

1702. DEBT IN DEFAULT

Give particulars for amounts included in Balance Sheet Account No. 768, "Debt in default," giving particulars for each security outstanding even though the amount be less than \$100,000.

Entries in columns (g) and (h) should include interest accruals and interest payments on matured funded debt retired during the year, even though no portion of the debt remained outstanding at the close of the year.

Line No.	Name of security (a)	Reason for nonpayment at maturity (b)	Date of issue (c)	Date of maturity (d)	Rate of interest (e)	Total per value actually outstanding at close of year (f)	Interest accrued during year (g)	Interest paid during year (h)
1	NONE				%	\$	\$	\$
2								
3								
4								
5								
6	Total							

1703. OTHER DEFERRED CHARGES

Give an analysis of the above-entitled account as of the close of the year, showing in detail each item or subaccount amounting to \$100,000 or more. Items less than \$100,000 may be combined into a single entry designated "Minor items, each less than \$100,000." In case the character of any item is not fully disclosed by the entries in the columns hereunder, make a full explanation in a footnote.

Line No.	Description and character of item or subaccount (a)	Amount at close of year (b)
1	Unamortized Rent Expense	\$ 506,659
2	Minor Items	12,003
3		
4		
5		
6		
7		
8	Total	518,662

1704. OTHER DEFERRED CREDITS

Give an analysis of the above-entitled account as of the close of the year, showing in detail each item or subaccount amounting to \$100,000 or more. Items less than \$100,000 may be combined into a single entry designated "Minor items, each less than \$100,000." In case the character of any item is not fully disclosed by the entries in the columns hereunder, make a full explanation in a footnote.

Line No.	Description and character of item or subaccount (a)	Amount at close of year (b)
1	Minor Items, Each Less Than \$100,000	\$ 1,391
2		
3		
4		
5		
6		
7		
8	Total	1,391

1902. DIVIDEND APPROPRIATIONS

1. Give particulars of each dividend declared. For par value or nonpar stock, show in column (d) the respective total par value or total number of shares on which dividend was declared and the corresponding rate percent or per share in column (b) or (c). If any such dividend was payable in anything other than cash, explain the matter fully in a footnote. 2. If any obligation of any character has been incurred for the purpose of procuring funds for the payment of any dividend or for the purpose of replenishing the treasury of the respondent after payment of any dividend, give full particulars in a footnote. If any class of stock received a return not reportable in this schedule, state the particulars of the case in a footnote. 3. The sum of the dividends stated in column (e) should equal the amount shown in Schedule No. 305.

Line No.	Name of security on which dividend was declared (a)	Rate percent (par value stock) or rate per share (nonpar stock)		Total par value of stock or total number of shares of nonpar stock on which dividend was declared (d)	Dividends (account 623) (e)	Dates	
		Regular (b)	Extra (c)			Declared (f)	Payable (g)
1				\$	\$		
2							
3							
4							
5							
6							
7							
8							
9							
10							
11							
12							
13	Total				NONE		

2001. RAILWAY OPERATING REVENUES

1. State the railway operating revenues of the respondent for the year, classified in accordance with the Uniform System of Accounts for Railroad Companies. The proportion of joint traffic receipts belonging to other carriers should not be included. 2. Any unusual accruals involving substantial amounts included in column (b) should be fully explained in a footnote.

Line No.	Class of railway operating revenues (a)	Amount of revenue for the year (b)	Line No.	Class of railway operating revenues (a)	Amount of revenue for the year (b)
	TRANSPORTATION—RAIL LINE	\$		INCIDENTAL	\$
1	(101) Freight*	9,658,993	11	(131) Dining and buffet	
2	(102) Passenger*		12	(132) Hotel and restaurant	
3	(103) Baggage		13	(133) Station, train, and boat privileges	400
4	(104) Sleeping car		14	(135) Storage—Freight	
5	(105) Parlor and chair car		15	(137) Demurrage	25,690
6	(108) Other passenger-train		16	(138) Communication	
7	(109) Milk		17	(139) Grain elevator	
8	(110) Switching*	979	18	(141) Power	
9	(113) Water transfers		19	(142) Rents of buildings and other property	50,511
10	Total rail-line transportation revenue	9,659,972	20	(143) Miscellaneous	3,669
			21	Total incidental operating revenue	80,270
				JOINT FACILITY	
			22	(151) Joint facility—Cr	—
			23	(152) Joint facility—Dr	—
			24	Total joint facility operating revenue	—
			25	Total railway operating revenues	9,740,242

*Report hereunder the charges to these accounts representing payments made to others as follows:

26	1. For terminal and delivery services when performed in connection with line-haul transportation of freight on the basis of freight tariff rates	\$	NONE
27	2. For switching charges when performed in connection with line-haul transportation of freight on the basis of switching tariffs and allowances out of freight rates, including switching of empty cars in connection with a revenue movement	\$	NONE
	3. For passenger motor service in lieu of line-haul rail service performed under joint tariffs published by rail carriers (does not include traffic moved on joint lines)		
28	(a) Payments for transportation of persons	\$	NONE
29	(b) Payments for transportation of freight shipments	\$	NONE

2002. RAILWAY OPERATING EXPENSES

1. State the railway operating expenses of the respondent for the year, classifying them in accordance with the Uniform System of Accounts for Railroad Companies.

2. Any unusual accruals involving substantial amounts included in column (b) should be fully explained in a footnote.

Line No.	Name of railway operating expense account (a)	Amount of operating expenses for the year (b)	Line No.	Name of railway operating expense account (a)	Amount of operating expenses for the year (b)
MAINTENANCE OF WAY STRUCTURES			TRANSPORTATION—RAIL LINE		
1	(2201) Superintendence	181,892	28	(2241) Superintendence and dispatching	295,790
2	(2202) Roadway maintenance	1,613,530	29	(2242) Station service	75,834
3	(2203) Maintaining structures	113,530	30	(2243) Yard employees	326,581
4	(2203½) Retirements—Road	50,143	31	(2244) Yard switching fuel	15,160
5	(2204) Dismantling retired road property	7,103	32	(2245) Miscellaneous yard expenses	22,486
6	(2208) Road property—Depreciation	209,599	33	(2246) Operating joint yards and terminals—Dr	13,156
7	(2209) Other maintenance of way expenses	277,284	34	(2247) Operating joint yards and terminals—Cr	669
8	(2210) Maintaining joint tracks, yards and other facilities—Dr	22,187	35	(2248) Train employees	852,060
9	(2211) Maintaining joint tracks, yards, and other facilities—Cr	40,392	36	(2249) Train fuel	220,925
10	Total maintenance of way and structures	2,434,876	37	(2251) Other train expenses	132,160
MAINTENANCE OF EQUIPMENT			38	(2252) Injuries to persons	80,935
11	(2221) Superintendence	130,426	39	(2253) Loss and damage	CR 9,037
12	(2222) Repairs to shop and power-plant machinery	3,112	40	(2254) Other casualty expenses	83,460
13	(2223) Shop and power-plant machinery—Depreciation	5,107	41	(2255) Other rail and highway transportation expenses	105,849
14	(2224) Dismantling retired shop and power-plant machinery	—	42	(2256) Operating joint tracks and facilities—Dr	203,307
15	(2225) Locomotive repairs	374,155	43	(2257) Operating joint tracks and facilities—Cr	28,334
16	(2226) Car and highway revenue equipment repairs	317,040	44	Total transportation—Rail line	2,389,663
17	(2227) Other equipment repairs	24,564	MISCELLANEOUS OPERATIONS		
18	(2228) Dismantling retired equipment	—	45	(2258) Miscellaneous operations	—
19	(2229) Retirements—Equipment	—	46	(2259) Operating joint miscellaneous facilities—Dr	—
20	(2234) Equipment—Depreciation	102,421	47	(2260) Operating joint miscellaneous facilities—Cr	—
21	(2235) Other equipment expenses	96,340	GENERAL		
22	(2236) Joint maintenance of equipment expenses—Dr	25,849	48	(2261) Administration	249,858
23	(2237) Joint maintenance of equipment expenses—Cr	13,003	49	(2262) Insurance	22,306
24	Total maintenance of equipment	1,066,011	50	(2264) Other general expenses	12,605
TRAFFIC			51	(2265) General joint facilities—Dr	865
25	(2240) Traffic expenses	20,224	52	(2266) General joint facilities—Cr	—
26			53	Total general expenses	285,634
27			54	Grand Total Railway Operating Expenses	6,196,408
55	Operating ratio (ratio of operating expenses to operating revenues),	63.62	percent (Two decimal places required.)		

2003. MISCELLANEOUS PHYSICAL PROPERTIES OPERATED DURING THE YEAR

Give particulars of each class of miscellaneous physical property or plant operated during the year. Group the properties under the heads of the classes of operations to which they are devoted.

In column (a) give the designation used in the respondent's records and the name of the town or city and State in which the property or plant is located, stating whether the respondent's title

is that of ownership or whether the property is held under lease or other incomplete title. All peculiarities of title should be explained in a footnote.

The totals of columns (b), (c), and (d) should agree with the totals of accounts Nos. 502, "Revenue from Miscellaneous operations," 534, "Expenses of miscellaneous operations," and 535, "Taxes on miscellaneous operating property" in respondent's Income Account for the Year. If not, differences should be explained in a footnote.

Line No.	Designation and location of property or plant, character of business, and title under which held (a)	Total revenue during the year (Acct. 502) (b)	Total expenses during the year (Acct. 534) (c)	Total taxes applicable to the year (Acct. 535) (d)
1		\$	\$	\$
2				
3				
4				
5				
6				
7				
8				
9				
10				
11	Total	NONE	NONE	NONE

2101. MISCELLANEOUS RENT INCOME

Line No.	Description of Property		Name of lessee (c)	Amount of rent (d)
	Name (a)	Location (b)		
1	Minor Rent Items			\$ 76,301
2				
3				
4				
5				
6				
7				
8				
9	Total			76,301

2102. MISCELLANEOUS INCOME

Line No.	Source and character of receipt (a)	Gross receipts (b)	Expenses and other deductions (c)	Net miscellaneous income (d)
1	Minor Items	\$	\$	\$ 57,273
2				
3				
4				
5				
6				
7				
8				
9	Total			57,273

2103. MISCELLANEOUS RENTS

Line No.	Description of Property		Name of lessor (c)	Amount charged to income (d)
	Name (a)	Location (b)		
1	Minor Items			\$ 48,318
2				
3				
4				
5				
6				
7				
8				
9	Total			48,318

2104. MISCELLANEOUS INCOME CHARGES

Line No.	Description and purpose of deduction from gross income (a)	Amount (b)
1	Minor Items	\$ 3,649
2		
3		
4		
5		
6		
7		
8		
9		
10	Total	3,649

2201. INCOME FROM NONOPERATING PROPERTY

Line No.	Designation (a)	Revenues or income (b)	Expenses (c)	Net income or loss (d)	Taxes (e)
1	Miscellaneous Non-operating Property	\$ (5,394)	\$	\$ (5,394)	\$ 14
2					
3					
4					
5					
6					
7	Total	(5,394)		(5,394)	14

2202. MILEAGE OPERATED (ALL TRACKS)†

Give particulars called for concerning all tracks operated by respondent at the close of the year. Way switching tracks include station, team, industry, and other switching tracks for which no separate switching service is maintained. Yard switching tracks include classification, house, team, industry, and other tracks switched by yard locomotives in yards where separate switching services are maintained. Tracks belonging to an industry for which no rent is payable should not be reported. Switching and Terminal Companies report on line 6 only.

2203. MILEAGE OPERATED—BY STATES

Line Haul Railways show single track only.
Switching and Terminal Companies show all tracks.

Line No.	Line in use (a)	Owned (b)	Proprietary companies (c)	Leased (d)	Operated under contract (e)	Operated under trackage rights (f)	Total operated (g)
1	Single or first main track	103		58		12	173
2	Second and additional main tracks	9					9
3	Passing tracks, cross-overs, and turn-outs	5		8		1	14
4	Way switching tracks	3		3			6
5	Yard switching tracks	18		3			21
6	Total	138		72		13	223

Line No.	State (a)	Owned (b)	Proprietary companies (c)	Leased (d)	Operated under contract (e)	Operated under trackage rights (f)	Total operated (g)
1	Pennsylvania	53		43		12	108
2							
3	West Virginia	50		15			65
4							
5							
6	Total	103		58		12	173

2215. Show, by States, mileage of tracks owned but not operated by respondent: First main track, NONE; second and additional main tracks, NONE; industrial tracks, NONE; yard track and sidings, NONE; total, all tracks, NONE.
2216. Road is completed from (Line Haul Railways only) Brownsville Jct., PA to North Fairmont, W.VA. Total distance, 67.7 miles.
2217. Road located at (Switching and Terminal Companies only)* _____
2218. Gage of track 4 ft. 8½ in. 2219. Weight of rail 85 to 115 lb. per yard.
2220. Kind and number per mile of crossties 3,114
2221. State number of miles electrified: First main track, _____; second and additional main tracks, _____; passing tracks, _____; cross-overs, and turn-outs, _____; way switching tracks, _____; yard switching tracks, _____
2222. Ties applied in replacement during year: Number of crossties, 21,366; average cost per tie, \$ 11.97; number of feet (B. M.) of switch and bridge ties, 26,298; average cost per M feet (B. M.), \$ 311.04; number of feet (B. M.) of switch and bridge ties, 85# (182.82)
2223. Rail applied in replacement during year: Tons (2,000 pounds), 51.71; weight per yard, 115#; average cost per ton, \$ 234.53

* Insert names of places.

†Mileage should be stated to the nearest whole mile.

2301. RENTS RECEIVABLE

Income from lease of road and equipment

Line No.	Road leased (a)	Location (b)	Name of lessee (c)	Amount of rent during year (d)
1	Minor Items			\$ 950
2				
3				
4				
5			Total	950

2302. RENTS PAYABLE

Rent for leased roads and equipment

Line No.	Road leased (a)	Location (b)	Name of lessor (c)	Amount of rent during year (d)
1	Waynesburg Sou. Ry.	Waynesburg, PA	Waynesburg Southern Ry.	\$ 24,516
2	Connellsville & Mga.	Brownsville, PA	Penn Central	64,709
3	Paw Paw & Catawba Br.	Riversville, W. VA.	Baltimore & Ohio RR.	26,392
4	Waynesburg Sou. Ry.	Waynesburg, PA	Waynesburg Southern Ry.	1,783,333
5	7½% First Mortgage Reg. Bonds		Total	1,898,950

2303. CONTRIBUTIONS FROM OTHER COMPANIES**2304. INCOME TRANSFERRED TO OTHER COMPANIES**

Line No.	Name of contributor (a)	Amount during year (b)	Line No.	Name of transferee (a)	Amount during year (b)
1	Pittsburgh & Lake Erie RR.	\$ 97,896	1	NONE	\$
2	Consolidation Rail Corp.	104,460	2		
3			3		
4			4		
5			5		
6	Total	202,356	6	Total	

2305. Describe fully all liens upon any of the property of the respondent at the close of the year, and all mortgages, deeds of trust, and other instruments whereby such liens were created. Describe also all property subject to the said several liens. This inquiry covers judgment liens, mechanics' liens, etc., as well as liens based on contract. If there were no liens of any character upon any of the property of the respondent at the close of the year, state that fact.

NONE

2401. EMPLOYEES, SERVICE, AND COMPENSATION

1. Give particulars of the average number of employees of various classes in the service of the respondent, of service rendered by such employees, and of compensation paid therefor during the year. Employees are to be counted and classified and their service and compensation reported in accordance with the Commission's Rules Governing the Classification of Railroad Employees and Reports of their Service and Compensation, effective January 1, 1951.

2. Averages called for in column (b) should be the average of twelve middle-of-month counts.

3. Pensioners rendering no service are not to be included in the count, nor is any compensation paid them to be included hereunder.

4. If any of the general officers served without compensation or were carried on the payrolls of another company, those facts should be stated in a footnote.

5. If any compensation was paid or is payable under labor awards of the current year, include the amount applicable to the current year in column (d) and show the portion applicable to prior years (back pay) in a footnote, by groups of employees. For purposes of this report, labor awards are intended to cover adjustments resulting from the decisions of Wage Boards and voluntary awards by the respondent incident thereto.

6. This schedule does not include old-age retirements, and unemployment insurance taxes.

Line No.	Classes of employees (a)	Average number of employees (b)	Total service hours (c)	Total compensation (d)	Remarks (e)
1	Total (executives, officials, and staff assistants)	7	14,794	\$ 172,354	
2	Total (professional, clerical, and general)	24	55,233	393,005	
3	Total (maintenance of way and structures)	81	171,401	1,180,955	
4	Total (maintenance of equipment and stores)	33	71,469	536,033	
5	Total (transportation—other than train, engine, and yard)	7	20,527	169,024	
6	Total (transportation—yardmasters, switch tenders, and hostlers)	4	8,693	71,343	
7	Total, all groups (except train and engine)	156	342,117	2,522,714	
8	Total (transportation—train and engine)	56	142,885	1,071,092	
9	Grand Total	212	485,002	3,593,806	

Amount of foregoing compensation (excluding back pay for prior years) that is chargeable to account No. 531, "Railway operating expenses": \$3,333,568

2402. CONSUMPTION OF FUEL BY MOTIVE-POWER UNITS

1. Show hereunder the quantities of the various kinds of fuel consumed by locomotives and motor or other self-propelled rail cars in the service of respondent during the year, and the

number of kilowatt-hours for such tractive equipment as was propelled by electricity.
2. The ton of 2,000 pounds should be used.

Line No.	Kind of service (a)	A. Locomotives (diesel, electric, steam, and other)					B. Rail motor cars (gasoline, oil-electric, etc.)		
		Diesel oil (gallons) (b)	Gasoline (gallons) (c)	Electricity (kilowatt-hours) (d)	Steam		Electricity (kilowatt-hours) (g)	Gasoline (gallons) (h)	Diesel oil (gallons) (i)
					Coal (tons) (e)	Fuel oil (gallons) (f)			
1	Freight	587,018							
2	Passenger								
3	Yard switching	40,393							
4	Total transportation	627,411							
5	Work train	3,526							
6	Grand total	630,937							
7	Total cost of fuel*	236,084		XXXXXX			XXXXXX		

*Show cost of fuel charged to yard and train service (accounts Nos. 22-4 and 2249). The cost stated for the various kinds of fuel should be the total charges in the accounts specified, including freight charges and handling expenses. The cost stated for electric current should be the total charges in the accounts enumerated. Fuel and power consumed by mixed and special trains that are predominantly freight should be included in freight service, but where the service of mixed or special trains is predominantly passenger, the fuel and power used should be included in passenger service.

2501. COMPENSATION OF OFFICERS, DIRECTORS, ETC.

Give the name, position, salary, and other compensation, such as bonus, commission, gift, reward, or fee, of each of the five persons named in Sections 5 and 6 of Schedule 101 of this report to whom the respondent paid the largest amount during the year covered by this report as compensation for current or past service over and above necessary expenses incurred in discharge of duties, and in addition, all other officers, directors, pensioners, or employees, if any, to whom the respondent similarly paid \$40,000 or more. If more convenient, this schedule may be filled out for a group of companies considered as one system and shown only in the report of the principal company in the system, with references thereto in the reports of the other companies. Any large "other compensation" should be explained in a footnote. If salary

of an individual was changed during the year, show salary before each change as well as at close of year. If an officer, director, etc., receives compensation from more than one transportation company (whether a subsidiary or not) or from a subsidiary company, reference to this fact should be made if his aggregate compensation amounts to \$40,000 or more and the detail as to division of the salary should be stated. By salary (column (c)) is meant the annual rate at which an employee is paid, rather than the amount actually paid for a part of a year when the salary is changed. Also when a 10 percent (or other percent) reduction is made, the net rate and not the basic rate should be shown.

Line No.	Name of person (a)	Title (b)	Salary per annum as of close of year (see instructions) (c)	Other compensation during the year (d)
1	H. G. Allyn, Jr.	President & Director	\$	\$ 200
2	H. P. Henshaw, Jr.	Vice. Pres. & Director		200
3	H. G. Pike	Director		200
4	C. H. Wolfinger	Director		200
5	C. W. Owens	Director		100
6				
7				
8				
9				
10				
11				
12				
13				
14				

2502. PAYMENTS FOR SERVICES RENDERED BY OTHER THAN EMPLOYEES

In the form below give information concerning payments, fees, retainers, commissions, gifts, contributions, assessments, bonuses, pensions, subscriptions, allowances for expenses, or any form of payments amounting in the aggregate of \$20,000 or more during the year to any corporation, institution, association, firm, partnership, committee, or any person (other than one of respondent's employees covered in schedule 2501 in this annual report) for services or as a donation, except that with respect to contributions under \$20,000 which are made in common with other carriers under a joint arrangement in payment for the performance of services or as a donation, each such contribution shall be reported, irrespective of the amount thereof, if the total amount paid by all contributors for the performance of the particular service is equal to the sum of \$20,000 or more.

To be included are, among others, payments, directly or indirectly, for legal, medical, engineering, advertising, valuation, accounting, statistical, financial, education, entertainment, charitable, advisory, defensive, detective, development, research, appraisal, registration, purchasing, architectural, and hospital services; payments for expert testimony and for handling wage disputes; and payments for services of banks, bankers, trust companies, insurance companies, brokers, trustees, promoters, solicitors, consultants, actuaries, investigators, inspectors, and efficiency engineers. Payments to the various railway associations, commissions,

committees, bureaus, boards, and other organizations maintained jointly by railways shall also be included. The enumeration of these kinds of payments should not be understood as excluding other payments for services not excluded below.

To be excluded are: Rent of buildings or other property, taxes payable to the Federal, State, or local Governments, payments for heat, light, power, telegraph, and telephone services, and payments to other carriers on the basis of lawful tariff charges or for the interchange of equipment between carriers, as well as other payments for services which both as to their nature and amount may reasonably be regarded as ordinary connected with the routine operation, maintenance or construction of a railroad, but any special and unusual payments for services should be reported. Payments of \$20,000 or more to organizations maintained jointly by railways with other railways are not to be excluded even if their services are regarded as routine.

If more convenient, this schedule may be filled out for a group of roads considered as one system and shown only in the report of the principal road in the system, with references thereto in the reports of the other roads.

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

Line No.	Name of recipient (a)	Nature of service (b)	Amount of payment (c)
1	Assoc. of American Railroads	Assessment	\$ 3,392
2	Associated Railroads of PA	Assessment	1,987
3	W. VA. Railroad Association	Assessment	700
4	Eastern Railroad Association	Expenses - Tariffs and Supplements	1,545
5	Furbee, Amos, Webb & Critchfield	Legal retainer	1,215
6			
7			
8			
9			
10			
11			
12			
13			
14		Total	8,839

2601. STATISTICS OF RAIL-LINE OPERATIONS. [For Road Haul Traffic Only]

Give the various statistical items called for concerning the rail-line operations of respondent's road during the year. Motor car and trailer miles, if any, should be included. Highway traffic to be excluded. Locomotive unit-miles should include all miles made by each locomotive unit. Use 150 pounds as the average weight per passenger and four tons as the average weight of contents of each head-end car.

Line No.	Item (a)	Freight trains (b)	Passenger trains (c)	Total transportation service (d)	Work trains (e)
1	Average mileage of road operated (whole number required) _____	184		184	XXXXXX
	Train-miles				
2	Total (with locomotives) _____	110,166		110,166	
3	Total (with motorcars) _____				
4	Total train-miles _____	110,166		110,166	
	Locomotive unit-miles				
5	Road service _____	310,541		310,541	XXXXXX
6	Train switching _____	294		294	XXXXXX
7	Yard switching _____	33,750		33,750	XXXXXX
8	Total locomotive unit-miles _____	344,585		344,585	XXXXXX
	Car-miles				
9	Loaded freight cars _____	3,699,263		3,699,263	XXXXXX
10	Empty freight cars _____	3,353,323		3,353,323	XXXXXX
11	Caboose _____	110,166		110,166	XXXXXX
12	Total freight car-miles _____	7,162,752		7,162,752	XXXXXX
13	Passenger coaches _____				XXXXXX
14	Combination passenger cars (mail, express, or baggage, etc., with passenger) _____				XXXXXX
15	Sleeping and parlor cars _____				XXXXXX
16	Dining, grill and tavern cars _____				XXXXXX
17	Head-end cars _____				XXXXXX
18	Total (lines 13, 14, 15, 16 and 17) _____				XXXXXX
19	Business cars _____				XXXXXX
20	Crew cars (other than cabooses) _____				XXXXXX
21	Grand total car-miles (lines 12, 18, 19 and 20) _____	7,162,752		7,162,752	XXXXXX
	Revenue and nonrevenue freight traffic				
22	Tons—revenue freight _____	XXXXXX	XXXXXX	6,915,922	XXXXXX
23	Tons—nonrevenue freight _____	XXXXXX	XXXXXX	33,226	XXXXXX
24	Total tons—revenue and nonrevenue freight _____	XXXXXX	XXXXXX	6,949,148	XXXXXX
25	Ton-miles—revenue freight _____	XXXXXX	XXXXXX	379,387,399	XXXXXX
26	Ton-miles—nonrevenue freight _____	XXXXXX	XXXXXX	999,297	XXXXXX
27	Total ton-miles—revenue and nonrevenue freight _____	XXXXXX	XXXXXX	380,386,696	XXXXXX
	Revenue passenger traffic				
28	Passengers carried—revenue _____	XXXXXX	XXXXXX		XXXXXX
29	Passenger-miles—revenue _____	XXXXXX	XXXXXX		XXXXXX

NOTES AND REMARKS

2602. REVENUE FREIGHT CARRIED DURING THE YEAR (For Road Haul Traffic Only)

1. Give the particulars called for concerning the commodities carried by the respondent during the year, the revenue from which is includible in account No. 101, Freight, on the basis of the 2-digit codes named in 49 C.F.R. 123.52, by Order of September 13, 1963. In stating the number of tons received from connecting carriers (c), include all connecting carriers, whether rail or water and whether the freight is received directly or indirectly (as through elevators).

2. Under Order of December 16, 1964, traffic involving less than three shippers reportable in any one commodity class may be excluded from this schedule, but must be submitted unbound in a separate schedule supplemental to this one and marked *Supplemental*. Extra copies of Schedule 26-02 may be obtained upon request to the Interstate Commerce Commission, Bureau of Accounts, Washington, D.C., 20423. If a supplemental schedule is filed, check the space provided at the bottom of this schedule. Supplemental reports will be withheld from public inspection.

3. Particulars for Codes 01 to 46 inclusive, should include all traffic moved in lots of 10,000 pounds or more. Forwarder traffic includes freight traffic shipped by or consigned to any forwarder holding a permit under part IV of the Interstate Commerce Act. Code 47 should include all traffic moved in lots of less than 10,000 pounds.

4. Gross freight revenue means respondent's gross freight revenue without adjustment for absorption or corrections.

Line No.	Commodity		Revenue freight in tons (2,000 pounds)			Gross freight revenue (dollars) (e)
	Description (a)	Code No.	Originating on respondent's road (b)	Received from connecting carriers (c)	Total carried (d)	
1	Farm products	01	49		49	261
2	Forest products	08				
3	Fresh fish and other marine products	09				
4	Metallic ores	10		1,472	1,472	2,834
5	Coal	11	6,850,297	288	6,850,585	9,645,516
6	Crude petro, nat gas, & nat gasln	13				
7	Nonmetallic minerals, except fuels	14		27,971	27,971	65,211
8	Ordnance and accessories	19				
9	Food and kindred products	20		1,719	1,719	3,610
10	Tobacco products	21				
11	Textile mill products	22				
12	Apparel & other finished tex prd inc knit	23				
13	Lumber & wood products, except furniture	24		10,170	10,170	22,243
14	Furniture and fixtures	25				
15	Pulp, paper and allied products	26		35	35	66
16	Printed matter	27	77	3,880	3,957	8,538
17	Chemicals and allied products	28	5,944	1,333	7,277	31,096
18	Petroleum and coal products	29	1,646	986	2,632	5,688
19	Rubber & miscellaneous plastic products	30				
20	Leather and leather products	31				
21	Stone, clay, glass & concrete prd	32		6,934	6,934	13,900
22	Primary metal products	33	76	333	409	1,167
23	Fabr metal prd, exc ordn, machy & transp	34	74	205	279	584
24	Machinery, except electrical	35	52	643	695	1,350
25	Electrical machy, equipment & supplies	36		35	35	80
26	Transportation equipment	37	580	194	774	2,030
27	Instr, phot & opt gd, watches & clocks	38				
28	Miscellaneous products of manufacturing	39				
29	Waste and scrap materials	40	316	613	929	1,537
30	Miscellaneous freight shipments	41				
31	Containers, shipping, returned empty	42				
32	Freight forwarder traffic	44				
33	Shipper Assn or similar traffic	45				
34	Misc mixed shipment exc fwdr & shpr assn	46				
35	Total, carload traffic		6,859,111	56,811	6,915,922	9,805,711
36	Small packaged freight shipments	47				
37	Total, carload & lcl traffic		6,859,111	56,811	6,915,922	9,805,711

1 This report includes all commodity statistics for the period covered.

1 A supplemental report has been filed covering traffic involving less than three shippers reportable in any one commodity code.

1 Supplemental Report NOT OPEN TO PUBLIC INSPECTION

ABBREVIATIONS USED IN COMMODITY DESCRIPTIONS

Assn	Association	Inc	Including	Nat	Natural	Prd	Products
Exc	Except	Instr	Instruments	Opt	Optical	Shpr	Shipper
Fabr	Fabricated	LCL	Less than carload	Ordn	Ordnance	Tex	Textile
Fwdr	Forwarder	Machy	Machinery	Petro	Petroleum	Transp	Transportation
Gd	Goods	Misc	Miscellaneous	Phot	Photographic		
Gasln	Gasoline						

2701. SWITCHING AND TERMINAL TRAFFIC AND CAR STATISTICS

(For Switching or Terminal Companies Only)

Give particulars of cars handled during the year. With respect to the term "cars handled," it should be observed that, when applied to switching operations, the movement of a car from the point at which a switching company receives it, whether loaded or empty, to the point where it is loaded or unloaded or delivered to another connecting line is to be counted as one car handled. The return of a car, whether loaded or empty, from the point where it is loaded or unloaded, to the point of delivery is to be counted as one car handled. No incidental movement is to be considered, unless such incidental movement involves the receipt of additional revenue. When applied to terminal operations, such as union station, bridge, ferry, or other point facility terminal operations, the term "cars handled" includes all cars for which facilities are furnished.

The number of locomotive miles in yard-switching service should be computed in accordance with account No. 16, "Yard switching locomotive miles."

Line No.	Item (a)	Switching operations (b)	Terminal operations (c)	Total (d)
FREIGHT TRAFFIC				
1	Number of cars handled earning revenue—loaded			
2	Number of cars handled earning revenue—empty			
3	Number of cars handled at cost for tenant companies—loaded			
4	Number of cars handled at cost for tenant companies—empty			
5	Number of cars handled not earning revenue—loaded			
6	Number of cars handled not earning revenue—empty			
7	Total number of cars handled			
PASSENGER TRAFFIC				
8	Number of cars handled earning revenue—loaded			
9	Number of cars handled earning revenue—empty			
10	Number of cars handled at cost for tenant companies—loaded			
11	Number of cars handled at cost for tenant companies—empty			
12	Number of cars handled not earning revenue—loaded			
13	Number of cars handled not earning revenue—empty			
14	Total number of cars handled			
15	Total number of cars handled in revenue service (items 7 and 14)			
16	Total number of cars handled in work service			

Number of locomotive miles in yard-switching service: Freight

passenger

NOT APPLICABLE

2801. INVENTORY OF EQUIPMENT

INSTRUCTIONS

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 of equipment purchased, built in company shops, or otherwise acquired.

3. Units leased to others for a period of one year or more are reportable in column (i); units temporarily out of respondent's service and rented to others for less than one year are to be included in column (e); units rented from others for a period less than one year should not be included in column (i). Units installed during the year and subsequently leased to others for a year or more should be shown as added in column (c), as retired in column (d), and 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. (A locomotive tender should be considered as a part of the locomotive unit.) A "self-propelled car" is a rail motor car propelled by electric motors receiving power from third rail or overhead, or internal combustion engines located on the car itself. Trailers equipped for use only in trains of cars that are self-propelled are to be included as self-propelled equipment.

5. A "Diesel" unit includes all units propelled by diesel internal combustion engines irrespective of final drive, and whether power may at times be supplied from an external conductor. An "Electric" unit includes all units which receive electric power from an overhead

contact wire or third rail, and use the power to drive one or more electric motors that propel the vehicle. An "Other" unit includes all units other than diesel or electric, e.g., steam gas turbine. Show the types of other units, service and number, as appropriate, in a brief description sufficient for positive identification.

6. Column (h) should show aggregate capacity for all units reported in column (g), 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), or tractive effort of steam locomotive units; for freight-train cars report the nominal capacity (in tons of 2,000 lbs.) as provided for in Rule 86 of the AAR Code of Rules Governing Cars in Interchange. Convert the capacity of tank cars to capacity in tons of the commodity which the car is intended to carry customarily; for passenger-train cars report the number of passenger seats available for revenue service, counting one passenger to each berth in sleeping cars.

7. Freight-train car type codes shown in column (a) correspond to the AAR Multilevel Per Diem Master List. Dashes are used in appropriate places to permit a single code to represent several car type codes. 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.

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

Line No.	Item (a)	Units in service of respondent at beginning of year (b)	Number added during year (c)	Number retired during year (d)	Number at close of year			Aggregate capacity of units reported in col. (g) (See ins. 6) (h)	Number leased to others at close of year (i)
					Owned and used (e)	Leased from others (f)	Total in service of respondent (e+f) (g)		
LOCOMOTIVE UNITS								(h.p.)	
1	Diesel	11			6	5	11	19,000	
2	Electric								
3	Other								
4	Total (lines 1 to 3)	11	0	0	6	5	11	XXXXXX	0
FREIGHT-TRAIN CARS								(tons)	
5	Box-general service (A-20, A-30, A-40, A-50, all B (except B080) L070, R-00, R-01, R-06, R-07)								
6	Box-special service (A-00, A-10, B080)								
7	Gondola (All G, J-00, all C, all E)								
8	Hopper-open top (all H, J-10 all K)								
9	Hopper-covered (L-5)								
10	Tank (all T)								
11	Refrigerator-mechanical (R-04, R-10, R-11, R-12)								
12	Refrigerator-non-mechanical (R-02, R-03, R-05, R-08, R-09, R-13, R-14, R-15, R-16, R-17)								
13	Stock (all S)								
14	Flat--Multi-level (vehicular) (All V)								
15	Flat-- (except F-5, F-6, F-7, F-8), L-2								
16	Flat-TOFC (F-7, F-8)								
17	All other (L-0, L-1, L-4, L080, L090)								
18	Total (lines 5 to 17)	10			10		10	XXXXXX	
19	Caboose (all N)	10	0	0	10	0	10	XXXXXX	0
20	Total (lines 18 and 19)							(seating capacity) XXXXXX	
PASSENGER-TRAIN CARS NON-SELF-PROPELLED									
21	Coaches and combined cars (PA, PB, PBO, all class C, except C'B)								
22	Parlor, sleeping, dining cars (PBC, PC, PL, PO, PS, PT, PAS, PDS, all class D, PD)								
23	Non-passenger carrying cars (all class B, CSB, PSA, IA, all class M)							XXXXXX	
24	Total (lines 21 to 23)								

2801. INVENTORY OF EQUIPMENT—Concluded

Units Owned, Included in Investment Account, and Leased From Others

Line No.	Item (a)	Units in service of respondent at beginning of year (b)	Number added during year (c)	Number retired during year (d)	Number at close of year			Aggregate capacity of units reported in col. (g) (See ins. 6) (h)	Number leased to others at close of year (i)
					Owned and used (e)	Leased from others (f)	Total in service of respondent (e + f) (g)		
	Passenger-Train Cars—Continued							(Seating capacity)	
	Self-Propelled Rail Motorcars								
25	Electric passenger cars (FC, EP, ET)								
26	Internal combustion rail motorcars (ED, EG)								
27	Other self-propelled cars (Specify types)								
28	Total (lines 25 to 27)								
29	Total (lines 24 and 28)								
	Company Service Cars								
30	Business cars (PV)							XXXX	
31	Boarding outfit cars (MWX)							XXXX	
32	Derrick and slow removal cars (MWK, MWU, MWV, MWW)							XXXX	
33	Dump and ballast cars (MWB, MWD)	4		1	3		3	XXXX	
34	Other maintenance and service equipment cars	11			11		11	XXXX	
35	Total (lines 30 to 34)	15		1	14		14	XXXX	
36	Grand total (lines 20, 29, and 35)	25	0	1	24	0	24	XXXX	0
	Floating Equipment								
37	Self-propelled vessels (Tugboats, car ferries, etc.)							XXXX	
38	Non-self-propelled vessels (Car floats, lighters, etc.)							XXXX	
39	Total (lines 37 and 38)							XXXX	

2900. IMPORTANT CHANGES DURING THE YEAR

Hereunder state the following matters, numbering the statements in accordance with the inquiries, and if no changes of the character below indicated occurred during the year, state that fact. Changes in mileage should be stated to the nearest hundredth of a mile. If any changes reportable in this schedule occurred under authority granted by the Commission in certificates of convenience and necessity, issued under paragraphs (18) to (22) of section 1 of the Interstate Commerce Act or otherwise, specific reference to such authority should in each case be made by docket number or otherwise, as may be appropriate.

1. All portions of road put in operation or abandoned, giving (a) termini, (b) length of road, and (c) dates of beginning operations or of abandonment.*
2. All other important physical changes, including herein all new tracks built.*
3. All leaseholds acquired or surrendered, giving (a) dates, (b) length of terms, (c) names of parties, (d) rents, and (e) other conditions.
4. All agreements for trackage rights acquired or surrendered, giving (a) dates, (b) length of terms, (c) names of parties, (d) rents, and (e) other conditions.
5. All consolidations, mergers, and reorganizations effected, giving particulars.

6. All stocks issued, giving (a) purposes for which issued, (b) names of stocks, and (c) amounts issued, and describing (d) the actual consideration realized, giving (e) amounts and (f) values; give similar information concerning all stocks retired (if any).

7. All funded debt issued, giving (a) purposes for which issued, (b) names of securities and (c) amounts issued, and describing (d) the actual consideration realized, giving (e) amounts and (f) values; also give particulars concerning any funded debt paid or otherwise retired, stating (a) date acquired, (b) date retired or canceled, (c) par value of amount retired.

8. All other important financial changes.

9. All changes in and all additions to franchise rights, describing fully (a) the actual consideration given therefor, and stating (b) the parties from whom acquired; if no consideration was given, state that fact.

10. In case the respondent has not yet begun operation, and no construction has been carried on during the year, state fully the reasons therefor.

11. All additional matters of fact (not elsewhere provided for) which the respondent may desire to include in its report.

1. (a) Abandonment of remainder of Scotts Run Branch, W. VA.
(b) 15.6 miles
(c) I.C.C. order date March 30, 1977. Docket #AB-5 (Sub #161)

*If returns under items 1 and 2 include any first main track owned by respondent representing new construction or permanent abandonment give the following particulars:

Miles of road constructed _____ Miles of road abandoned _____

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

Schedule 2910.—COMPETITIVE BIDDING — CLAYTON ANTITRUST ACT

Section 10 of the Clayton Antitrust Act (15 U.S.C. 20) states that "no common carrier engaged in commerce shall have any dealings in securities, supplies or other articles of commerce, or shall make or have any contracts for construction or maintenance of any kind, to the amount of more than \$50,000, in the aggregate, in any one year, with another corporation, firm, partnership or association when the said common carrier shall have upon its board of directors or as its president, manager or as its purchasing or selling officer, or agent in the particular transaction, any person who is at the same time a director, manager, or purchasing or selling officer of, or who has any substantial interest in, such other corporation, firm, partnership or association, unless and except such purchases shall be made from, or such

dealings shall be made with, the bidder whose bid is the most favorable to such common carrier, to be ascertained by competitive bidding under regulations to be prescribed by rule or otherwise by the Interstate Commerce Commission." The specification for competitive bids is found in the Code of Federal Regulations, Part 1010: Competitive Bids through Part 1010.7 - Carriers Subject to the Interstate Commerce Act.

In column (g), identify the company awarded the bid by including company name and address, name and title of respondent officers, directors, selling officer, purchasing officer and/or general manager that has an affiliation with the seller.

Line No.	Nature of bid (a)	Date Published (b)	Contract number (c)	No. of bidders (d)	Method of awarding bid (e)	Date filed with the Commission (f)	Company awarded bid (g)
1	NONE						
2							
3							
4							
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
15							
16							
17							
18							
19							
20							
21							
22							
23							
24							
25							
26							
27							
28							
29							
30							

VERIFICATION

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

OATH

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

State of PennsylvaniaCounty of Allegheny } ss:R. P. McConnell

makes oath and says that he is

Comptroller

(Insert here the name of the affiant)

(Insert here the official title of the affiant)

of The Monongahela Railway Company

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

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

of time from and including January 1, 1977, to and including December 31, 1977

R. P. McConnell

(Signature of affiant)

Subscribed and sworn to before me, a Notary Public

in and for the State and

county above named, this

3rdday of April 1978JOHN D. HARTMAN, NOTARY PUBLIC
PITTSBURGH, ALLEGHENY COUNTY

My commission expires

MY COMMISSION EXPIRES JUNE 20, 1981
Member, Pennsylvania Association of NotariesJohn D. Hartman

(Signature of officer authorized to administer oaths)

SUPPLEMENTAL OATH

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

State of PennsylvaniaCounty of Allegheny } ss:H. G. Allyn, Jr.

makes oath and says that he is

President

(Insert here the name of the affiant)

(Insert here the official title of the affiant)

of The Monongahela Railway Company

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

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

the period of time from and including January 1, 1977, to and including December 31, 1977

H. G. Allyn, Jr.

(Signature of affiant)

Subscribed and sworn to before me, a Notary Public

in and for the State and

county above named, this

3rdday of April 1978JOHN D. HARTMAN, NOTARY PUBLIC
PITTSBURGH, ALLEGHENY COUNTY

My commission expires

MY COMMISSION EXPIRES JUNE 20, 1981
Member, Pennsylvania Association of NotariesJohn D. Hartman

(Signature of officer authorized to administer oaths)

(For use of Commission only)

[illegible][illegible]

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701. ROAD AND EQUIPMENT PROPERTY

1. Give particulars of changes in accounts Nos. 731, "Road and equipment property" and 732, "Improvements on leased property," classified in accordance with the Uniform System of Accounts for Railroad Companies.

2. Credit items in the entries should be fully explained.

3. Report on line 35 amount, not includable in the primary road accounts. The items re-

ported should be briefly identified and explained in a footnote. Amounts should be reported on this line only under special circumstances, usually after permission is obtained from the Commission for exceptions to prescribed accounting. Reference to such authority should be made when explaining the amounts reported. Respondents must not make arbitrary changes to the printed stub or column headings without specific authority from the Commission.

Line No.	Account (a)	Balance at beginning of year		Total expenditures during the year		Balance at close of year	
		Entire line (b)	State (c)	Entire line (d)	State (e)	Entire line (f)	State (g)
1	(1) Engineering						
2	(2) Land for transportation purposes						
3	(2 1/2) Other right-of-way expenditures						
4	(3) Grading						
5	(5) Tunnels and subways						
6	(6) Bridges, trestles, and culverts						
7	(7) Elevated structures						
8	(8) Ties						
9	(9) Rails						
10	(10) Other track material						
11	(11) Ballast						
12	(12) Track laying and surfacing						
13	(13) Fences, snowsheds, and signs						
14	(14) Station and office buildings						
15	(17) Roadway buildings						
16	(18) Water stations						
17	(19) Fuel stations						
18	(20) Shops and enginehouses						
19	(21) Grain elevators						
20	(22) Storage warehouses						
21	(23) Wharves and docks						
22	(24) Coal and ore wharves						
23	(25) TOPC/COPC terminals						
24	(26) Communication systems						
25	(27) Signals and interlockers						
26	(29) Powerplants						
27	(31) Power-transmission systems						
28	(35) Miscellaneous structures						
29	(37) Roadway machines						
30	(38) Roadway small tools						
31	(39) Public improvements—Construction						
32	(43) Other expenditures—Road						
33	(44) Shop machinery						
34	(45) Powerplant machinery						
35	Other (specify & explain)						
36	Total expenditures for road						
37	(52) Locomotives						
38	(53) Freight-train cars						
39	(54) Passenger-train cars						
40	(55) Highway revenue equipment						
41	(56) Floating equipment						
42	(57) Work equipment						
43	(58) Miscellaneous equipment						
44	Total expenditures for equipment						
45	(71) Organization expenses						
46	(76) Interest during construction						
47	(77) Other expenditures—General						
48	Total general expenditures						
49	Total						
50	(80) Other elements of investment						
51	(90) Construction work in progress						
52	Grand total						

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2002. RAILWAY OPERATING EXPENSES

1. State the railway operating expenses of the respondent for the year, classifying them in accordance with the Uniform System of Accounts for Railroad Companies.
 2. Any unusual accruals involving substantial amounts included in columns (b), (c), (e), and (f), should be fully explained in a footnote.

Line No.	Name of railway operating expense account (a)	Amount of operating expenses for the year		Line No.	Name of railway operating expense account (a)	Amount of operating expenses for the year	
		Entire line (b)	State (c)			Entire line (b)	State (c)
		\$	\$			\$	\$
	MAINTENANCE OF WAY AND STRUCTURES			32	(2247) Operating joint yards and terminals—Cr		
1	(2201) Superintendence			33	(2248) Train employees		
2	(2202) Roadway maintenance			34	(2249) Train fuel		
3	(2203) Maintaining structures			35	(2251) Other train expenses		
4	(2203 1/2) Retirements—Road			36	(2252) Injuries to persons		
5	(2204) Dismantling retired road property			37	(2253) Loss and damage		
6	(2208) Road Property—Depreciation			38	(2254) Other casualty expenses		
7	(2209) Other maintenance of way expenses			39	(2255) Other rail and highway transportation expenses		
8	(2210) Maintaining joint tracks, yards, and other facilities—Dr			40	(2256) Operating joint tracks and facilities—Dr		
9	(2211) Maintaining joint tracks, yards, and other facilities—Cr			41	(2257) Operating joint tracks and facilities—CR		
10	Total maintenance of way and structure			42	Total transportation—Rail line		
	MAINTENANCE OF EQUIPMENT				MISCELLANEOUS OPERATIONS		
11	(2221) Superintendence			43	(2258) Miscellaneous operations		
12	(2222) Repairs to shop and power-plant machinery			44	(2259) Operating joint miscellaneous facilities—Dr		
13	(2223) Shop and power-plant machinery—Depreciation			45	(2260) Operating joint miscellaneous facilities—Cr		
14	(2224) Dismantling retired shop and power-plant machinery			46	Total miscellaneous operating		
15	(2225) Locomotive repairs				GENERAL		
16	(2226) Car and highway revenue equipment repairs			47	(2261) Administration		
17	(2227) Other equipment repairs			48	(2262) Insurance		
18	(2228) Dismantling retired equipment			49	(2264) Other general expenses		
19	(2229) Retirements—Equipment			50	(2265) General joint facilities—Dr		
20	(2234) Equipment—Depreciation			51	(2266) General joint facilities—Cr		
21	(2235) Other equipment expenses			52	Total general expenses		
22	(2236) Joint maintenance of equipment expenses—Dr				RECAPITULATION		
23	(2237) Joint maintenance of equipment expenses—Cr			53	Maintenance of way and structures		
24	Total maintenance of equipment			54	Maintenance of equipment		
	TRAFFIC			55	Traffic expenses		
25	(2240) Traffic expenses			56	Transportation—Rail line		
	TRANSPORTATION—RAIL LINE			57	Miscellaneous operations		
26	(2241) Superintendence and dispatching			58	General expenses		
27	(2242) Station service			59	Grand total railway operating expense		
28	(2243) Yard employees						
29	(2244) Yard switching fuel						
30	(2245) Miscellaneous yard expenses						
31	(2246) Operating joint yard and terminals—Dr						
60	Operating ratio (ratio of operating expenses to operating revenues) _____ percent.						
	(Two decimal places required.)						

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2003. MISCELLANEOUS PHYSICAL PROPERTIES OPERATED DURING THE YEAR

Give particulars of each class of miscellaneous physical property or plant operated during the year. Group the properties under the heads of the classes of operations to which they are devoted.

In column (a) give the designation used in the respondent's records and the name of the town or city and State in which the property or plant is located, stating whether the respondent's

title is that of ownership or whether the property is held under lease or other incomplete title. All peculiarities of title should be explained in a footnote.

The totals of columns (b), (c), and (d) should agree with the totals of accounts Nos. 502, "Revenue from miscellaneous operations," 534, "Expenses of miscellaneous operations," and 535, "Taxes on miscellaneous operating property" in respondent's Income Account for the Year. If not, difference should be explained in a footnote.

Line No.	Designation and location of property or plant, character of business, and title under which held	Total revenue during the year (Acct. 502) (b)	Total expenses during the year (Acct. 534) (c)	Total taxes applicable to the year (Acct. 535) (d)
	(a)			
1		\$	\$	\$
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12	Total			

2301. SUMMARY STATEMENT OF TRACK MILEAGE WITHIN THE STATE AND OF TITLES THERETO AT CLOSE OF YEAR*

Line No.	Item	Line operated by respondent							
		Class 1: Line owned		Class 2: Line of proprietary companies		Class 3: Line operated under lease		Class 4: Line operated under contract	
		Added during year	Total at end of year	Added during year	Total at end of year	Added during year	Total at end of year	Added during year	Total at end of year
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
1	Miles of road								
2	Miles of second main track								
3	Miles of all other main tracks								
4	Miles of passing tracks, crossovers, and turnouts								
5	Miles of way switching tracks								
6	Miles of yard switching tracks								
7	All tracks								

Line No.	Item	Line operated by respondent				Line owned but not operated by respondent	
		Class 5: Line operated under trackage rights		Total line operated		Added during year	Total at end of year
		Added during year	Total at end of year	At beginning of year	At close of year		
	(j)	(k)	(l)	(m)	(n)	(o)	(p)
1	Miles of road						
2	Miles of second main track						
3	Miles of all other main tracks						
4	Miles of passing tracks, crossovers, and turnouts						
5	Miles of way switching tracks—Industrial						
6	Miles of way switching tracks—Other						
7	Miles of yard switching tracks—Industrial						
8	Miles of yard switching tracks—Other						
9	All tracks						

*Entries in columns headed "Added during the year" should show net increases.

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2302. RENTS RECEIVABLE

Income from lease of road and equipment

Line No.	Road leased (a)	Location (b)	Name of lessee (c)	Amount of rent during year (d)
1				\$
2				
3				
4				
5				
Total				

2303. RENTS PAYABLE

Rent for leased roads and equipment

Line No.	Road leased (a)	Location (b)	Name of lessor (c)	Amount of rent during year (d)
1				\$
2				
3				
4				
5				
Total				

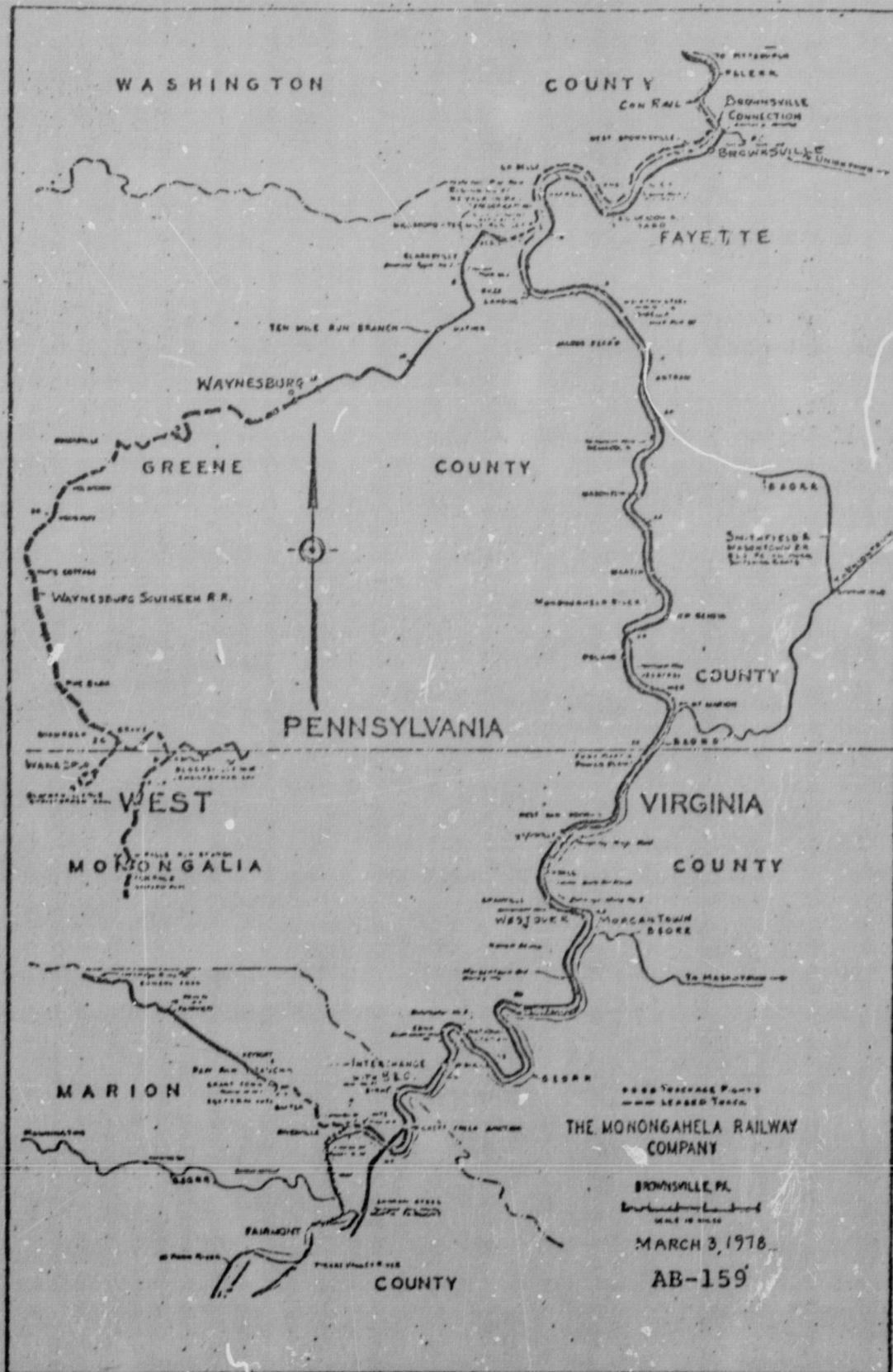
2304. CONTRIBUTIONS FROM OTHER COMPANIES

2305. INCOME TRANSFERRED TO OTHER COMPANIES

Line No.	Name of contributor (a)	Amount during year (b)	Name of transferee (c)	Amount during year (d)
1		\$		\$
2				
3				
4				
5				
6	Total		Total	

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Red

All lines or portions of lines which are anticipated to be the subject of an abandonment or discontinuance application to be filed within three years following April 30, 1977.

Green

All lines or portions of lines potentially subject to abandonment which are under study and believed to be the subject of a future abandonment application because of either anticipated operating losses or excessive rehabilitation costs as compared to potential revenues.

Yellow

All lines or portions of lines for which an abandonment or discontinuance application is pending before the Commission as of April 30, 1977.

Brown

All lines or portions of lines which are being operated under the Rail Services Continuation provisions of the Interstate Commerce Act or the Regional Rail Reorganization Act of 1973 as of April 30, 1977.

Black

All other lines or portions of lines which are owned and operated either directly or indirectly.

THE MONONGAHELA RAILWAY COMPANY

1977 ANNUAL REPORT

BOARD OF DIRECTORS

H. G. Allyn, Jr.	Pittsburgh, PA
H. G. Pike	Pittsburgh, PA
H. P. Henshaw, Jr.	Cleveland, Ohio
C. W. Owens	Pittsburgh, PA
C. H. Wolfinger	Philadelphia, PA
R. L. Hintz	Cleveland, Ohio

OFFICERS

H. G. Allyn, Jr.	President	Pittsburgh, PA
C. W. Owens	Vice President	Pittsburgh, PA
H. P. Henshaw, Jr.	Vice President	Cleveland, Ohio
A. W. Johnston	Vice President	Pittsburgh, PA
D. R. Powell	Secretary	Philadelphia, PA
R. W. Packer	Treasurer	Pittsburgh, PA
R. P. McConnell	Comptroller	Pittsburgh, PA
G. E. Neuenschwander	General Counsel	Pittsburgh, PA
D. E. Gratz	Superintendent	Brownsville, PA
A. R. Brunner	Manager-Real Estate	Pittsburgh, PA
W. M. McCracken	Chief Engineer	Pittsburgh, PA

512400

ANNUAL REPORT CLASS 1

2 of 2

MONONGAHELA RY CO.

THE MONONGAHELA RAILWAY COMPANY

BALANCE SHEET

ASSETS

	December 31, 1977	December 31, 1976
CURRENT ASSETS:		
Cash	\$ 1,917,210	\$ 1,818,597
Accounts Receivable	114,083	723,431
Material and Supplies	736,795	669,328
Miscellaneous	37,165	40,612
Total Current Assets	<u>2,805,253</u>	<u>3,251,968</u>
INSURANCE AND OTHER FUNDS:	<u>14,327</u>	<u>14,327</u>
PROPERTIES:		
Transportation Property	22,088,927	22,653,189
Less: Accrued Depreciation and Amortization	<u>3,154,676</u>	<u>3,129,048</u>
Net Transportation Property	18,934,251	19,524,141
Miscellaneous Physical Property	982,254	955,068
Net Properties	<u>19,916,505</u>	<u>20,479,209</u>
OTHER ASSETS AND DEFERRED CHARGES:	<u>564,257</u>	<u>116,581</u>
TOTAL ASSETS	<u>\$ 23,300,342</u>	<u>\$ 23,862,085</u>

LIABILITY AND SHAREHOLDERS EQUITY

CURRENT LIABILITIES:		
Accounts Payable	\$ 1,994,406	\$ 2,204,169
Interest Payable	104,729	100,656
Federal Income Taxes Accrued	-	-
Other Taxes Accrued	109,475	149,889
Other Current Liabilities	<u>11,457</u>	<u>9,014</u>
Total Current Liabilities	<u>2,220,067</u>	<u>2,463,728</u>
LONG-TERM DEBT DUE AFTER ONE YEAR:		
Amounts Payable to Affiliated Companies:		
Baltimore and Ohio Railroad Company	2,620,667	2,680,667
Penn Central Transportation Company	2,620,667	2,680,667
Pittsburgh and Lake Erie Railroad Company	<u>2,620,667</u>	<u>2,680,667</u>
Total Long-Term Debt Due After One Year	<u>7,862,001</u>	<u>8,042,001</u>
CASUALTY AND OTHER RESERVES:	<u>281,788</u>	<u>348,599</u>
OTHER LIABILITIES AND DEFERRED CREDITS:		
Other Liabilities	1,724,279	1,533,719
Deferred Credits	1,391	(3,120)
Accrued Depreciation - Leased Property	<u>624,869</u>	<u>550,455</u>
Total Other Liabilities and Deferred Credits	<u>2,350,539</u>	<u>2,081,054</u>
SHAREHOLDERS' EQUITY:		
Capital Stock (124,900 shares, \$50 par value)	6,245,000	6,245,000
Retained Income	<u>4,340,947</u>	<u>4,681,703</u>
Total Shareholders' Equity	<u>10,585,947</u>	<u>10,926,703</u>
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	<u>\$ 23,300,342</u>	<u>\$ 23,862,085</u>

See Note - Page 4

THE MONONGAHELA RAILWAY COMPANY

INCOME STATEMENT

	Year Ended December 31	
	1977	1976
OPERATING REVENUES:		
Freight	\$ 9,658,993	\$ 10,150,780
Rents of Buildings and Other Property	50,511	42,981
All Other	30,738	9,234
Total	<u>9,740,242</u>	<u>10,202,995</u>
OPERATING EXPENSES:		
Maintenance of Way and Structures	2,434,876	2,269,811
Maintenance of Equipment	1,066,010	943,824
Traffic	20,224	17,013
Transportation	2,389,664	2,309,101
General	285,634	246,787
Total	<u>6,196,408</u>	<u>5,786,536</u>
NET REVENUE FROM RAILWAY OPERATIONS	<u>3,543,834</u>	<u>4,416,459</u>
TAX ACCRUALS:		
Railroad Retirement Taxes	566,133	542,410
Unemployment Insurance Taxes	89,537	63,330
Other Railway Taxes	191,468	166,364
Federal Income Tax	-	-
Total	<u>847,138</u>	<u>772,104</u>
EQUIPMENT AND JOINT FACILITY RENTS:	<u>1,018,027</u>	<u>844,067</u>
NET RAILWAY OPERATING INCOME	<u>1,678,669</u>	<u>2,800,288</u>
NON-OPERATING INCOME:		
Contributions from Other Companies	202,356	205,976
Miscellaneous Rent Income	76,301	76,757
Interest Income	96,962	58,149
Profit from Sale of Property	57,273	16,398
Miscellaneous	(3,531)	(1,898)
Total	<u>429,361</u>	<u>356,382</u>
TOTAL INCOME	<u>2,108,030</u>	<u>3,156,670</u>
FIXED CHARGES AND OTHER DEDUCTIONS:		
Rent for Leased Roads and Equipment	1,898,950	1,820,656
Interest on Funded Debt	415,620	415,620
Interest on Unfunded Debt	82,236	82,236
Miscellaneous	51,980	48,659
Total	<u>2,448,786</u>	<u>2,367,171</u>
EXTRAORDINARY ITEMS	<u>-</u>	<u>488,000</u>
NET INCOME (LOSS)	<u>\$ (340,756)</u>	<u>\$ 301,499</u>

STATEMENT OF RETAINED INCOME

Balance January 1, 1977	\$ 4,681,703
Add: Net Income (Loss)	(340,756)
Balance December 31, 1977	<u>\$ 4,340,947</u>

THE MONONGAHELA RAILWAY COMPANY

DETAIL OF OPERATING EXPENSES

	<u>1977</u>	<u>1976</u>
MAINTENANCE OF WAY AND STRUCTURES:		
Superintendence	\$ 181,892	\$ 178,538
Track Material	525,376	506,063
Roadway and Track	1,025,657	986,031
Bridges and Structures	133,278	93,941
Communication and Signal Systems	172,760	162,650
Depreciation and Retirements	266,845	219,783
Miscellaneous	147,273	119,349
Joint Facilities	(18,205)	3,456
Total Maintenance of Way and Structures	<u>2,434,876</u>	<u>2,269,811</u>
MAINTENANCE OF EQUIPMENT:		
Superintendence	130,426	122,482
Machinery	3,112	11,620
Equipment	715,759	551,768
Depreciation and Retirements	107,528	106,491
Miscellaneous	96,339	139,228
Joint Facilities	12,846	12,235
Total Maintenance of Equipment	<u>1,066,010</u>	<u>943,824</u>
TRAFFIC:		
Superintendence	15,667	15,123
Stationery and Printing	4,227	1,689
Miscellaneous	330	201
Total Traffic	<u>20,224</u>	<u>17,013</u>
TRANSPORTATION:		
Supervision	295,790	287,057
Station Service	75,834	74,278
Yard Service	364,227	398,743
Train Service	1,205,145	1,189,531
Casualties	134,162	132,555
Miscellaneous	127,046	116,525
Joint Facilities	187,460	110,412
Total Transportation	<u>2,389,564</u>	<u>2,309,101</u>
GENERAL:		
Salaries and Expenses	227,146	198,668
Pensions	1,899	3,945
Miscellaneous	56,589	44,174
Total General	<u>285,634</u>	<u>246,787</u>
TOTAL OPERATING EXPENSES	<u>\$ 6,196,408</u>	<u>\$ 5,786,536</u>

On April 1, 1976, pursuant to the reorganization of the Penn Central Transportation Company (Penn Central), one third of the capital stock of this company was transferred and ownership acquired by ConRail.

As a result of the reorganization, ConRail will share proportionately in all aspects of the operations of the company.

In regards to the fulfillment of all prior responsibilities of the Penn Central Transportation Company (Penn Central) to this company, final settlement and the ultimate effect on the accounts of this company is indeterminable.

February 24, 1978