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PITTSBURGH CHARTIERS &
YOUGHIOGHENY RAILWAY CC.

1978

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R-3

Class III Railroads
Approved by GAO
B-180220 (R0583)
Expires 12/31/81

annual report

INTERSTATE
COMMERCE COMMISSION

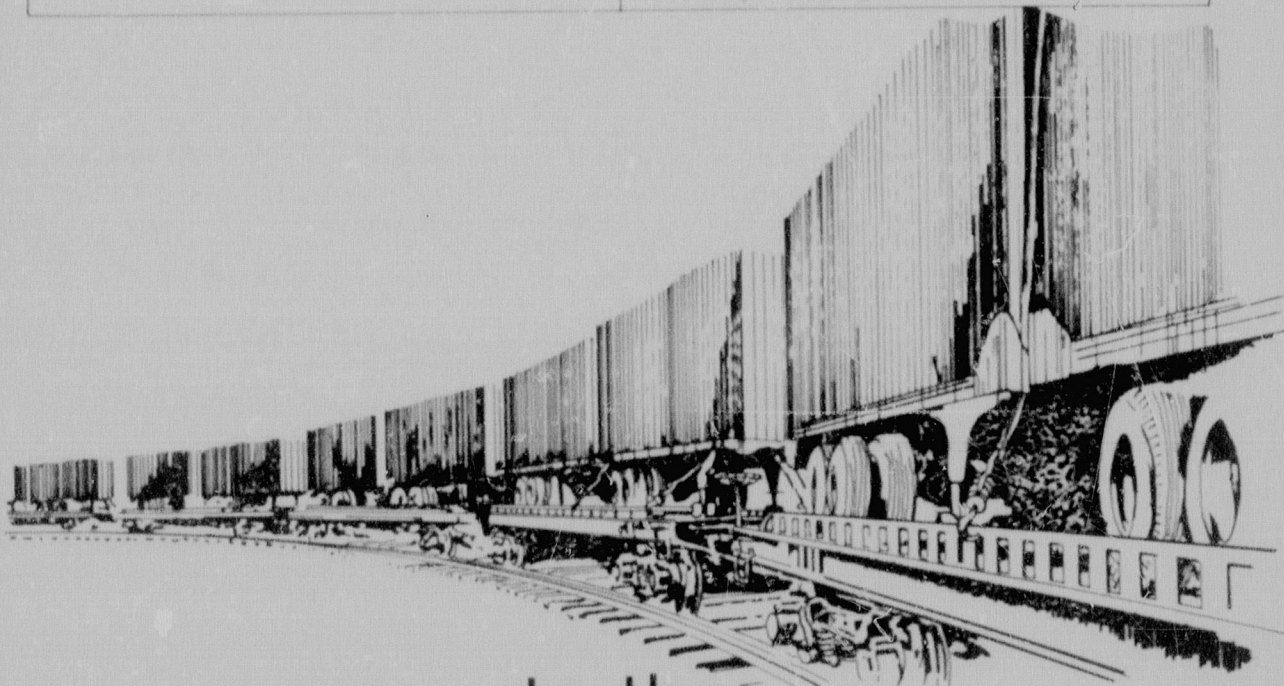
JUN 17 1979

ADMINISTRATIVE SERVICES
MAIL UNIT

RC001300 PITTSBUCHAR 3 0 3 513100
PCY PITTSBURGH CHARTIERS E YOUGHIOGHEN
PELE RR TERMINAL BLD
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, 1978

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A. SCHEDULES OMITTED BY RESPONDENT

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

Page

Schedule No.

Title

NONE

101. IDENTITY OF RESPONDENT

1. Give the exact name* by which the respondent was known in law at the close of the year
The Pittsburgh, Chartiers and Youghiogheny 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 Pittsburgh, Chartiers and Youghiogheny Railway Co.
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, 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	C. W. Owens Pittsburgh, PA
2	Vice president	T. C. Netherton Pittsburgh, PA
3	Secretary	D. R. Powell Philadelphia, PA
4	Treasurer	C. O. Washburn Pittsburgh, PA
5	Controller XXXXXXXX	R. P. McConnell Pittsburgh, PA
6	XXXXXXXX General counsel	G. E. Neuenschwander Pittsburgh, PA
7	General manager	
8	General superintendent	
9	General freight agent	
10	General passenger agent	
11	General land agent	
12	Chief engineer	J. L. Gerst 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	G. E. Neuenschwander	Pittsburgh, PA	April 4, 1979
15	H. G. Pike T. C. Netherton	Pittsburgh, PA	April 4, 1979
16	W. G. Barber	Philadelphia, PA	April 4, 1979
17	C. W. Owens	Pittsburgh, PA	April 4, 1979
18			
19			
20			
21			
22			
23			

7. Give the date of incorporation of the respondent 10/21/1881. 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.

State of Pennsylvania Act Approved April 4, 1868 P.L. 1868 Page 53.

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 owned 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. (Purchase of entire Capital Stock and Joint Agreement dated 01/25/1892.) The Consolidated Rail Corp. 50%

- (*See note below.) The Pittsburgh and Lake Erie Railroad Co. 50%
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. The company was formed pursuant to Articles of Consolidation entered into by Chartiers and Mansfield Valley Railway Company and McLaughlin and Saw Mill Run Railway Company on October 19, 1881.
- *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.

*Conrail acquired 50% Ownership on April 1, 1976 under the final system plan of The Rail Reorganization Act. Under this plan, the transferors (Philadelphia, Baltimore and Washington RR. Co.) Interest in the stock of the P.C.&Y. was designated for transfer to

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 in schedule No. 705, 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	Address of security holder	NUMBER OF VOTES, CLASSIFIED WITH RESPECT TO SECURITIES ON WHICH BASED				
			Number of votes to which security holder was entitled	Stocks			Other securities with voting power
				Common	Preferred	First	
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
1	Pittsburgh & Lake Erie						
2	RR. Co.	Pittsburgh, PA	13,885				
3	Consolidated Rail Corp.	Philadelphia, PA	13,885				
4	T. C. Netherton	Pittsburgh, PA	5				
5	G. E. Neuenschwander	Pittsburgh, PA	5				
6	C. W. Owens	Pittsburgh, PA	4				
7	W. G. Barber	Philadelphia, PA	8				
8	H. G. Allyn, Jr.	Pittsburgh, PA	5				
9	V. P. DiGiannantonio	Philadelphia, PA	1				
10	Harriet H. Feeney	Philadelphia, PA	1				
11	Benjamin Harder	Philadelphia, PA	1				
12							
13							
14							
15							
16							
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22							
23							
24							
25							
26							
27							
28							
29							
30							

Footnotes and Remarks

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 STATEMENT OF FINANCIAL POSITION - ASSETS

Line No.	Item (a)	Respondent Only	
		Balance at Close of Year (b)	Balance at Beginning of Year (c)
	CURRENT ASSETS	\$	\$
1	Cash	353 705	239 391
2	Temporary Cash Investments	198 594	248 841
3	Special Deposits		
4	Accounts Receivable	620 332	143 461
5	Less: Allowance for Uncollectible Accounts		
6	Accumulated Deferred Income Tax Charges		
7	Other Current Assets	78 564	74 492
8	Total Current Assets	1 251 195	706 185
	OTHER ASSETS		
9	Special Funds	2 092	1 954
10	Other Investments and Advances - (Less Allowances and adjustments \$)		
11	Other Assets (Less Depreciation and Amortization \$)	37 902	39 352
12	Other Deferred Debits	7 622	9 820
13	Total Other Assets	47 616	51 126
	ROAD AND EQUIPMENT		
14	Road and Equipment Property and Improvements on Leased Property	2 186 061	2 187 757
15	Less: Accumulated Depreciation and Amortization	(636 713)	615 788
16	Net Road and Equipment	1 549 348	1 571 969
17	Total Assets	2 848 159	2 329 280
	CURRENT LIABILITIES		
18	Loans and Notes Payable		
19	Accounts Payable	873 698	510 896
20	Interest and Dividends Payable		
21	Federal Income Taxes Accrued	(4 058)	1 711
22	Other Taxes Accrued	20 299	24 703
23	Other Current Liabilities	35 135	(3 441)
24	Equipment Obligations and Other long-term Debt Due Within One Year		
25	Total Current Liabilities	925 074	533 869
	NON CURRENT LIABILITIES		
26	Funded Debt Unmatured		
27	Equipment Obligations		
28	Capitalized Lease Obligations		
29	Accumulated Deferred Income Tax Credits		
30	Other Long-term Liabilities and Deferred Credits	82 294	35 987
31	Total Non current Liabilities	82 294	35 987
	SHAREHOLDERS' EQUITY		
	Capital Stock:		
32	Common Stock	1 390 000	1 390 000
33	Preferred Stock		
34	Discount on Capital Stock		
35	Additional Capital		

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

Line No.	Item (a)	Respondent Only	
		Balance at Close of Year (b)	Balance at Begin- ning of Year (c)
	SHAREHOLDERS' EQUITY—Continued	\$	\$
	Retained Earnings		
36	Appropriated		
37	Unappropriated	450 791	369 424
38	Net unrealized Loss on Noncurrent Marketable Equity Securities		
39	Less: Treasury Stock		
40	Net Shareholders' Equity	1 840 791	1 759 424
41	Total Liabilities and Shareholders' Equity	2 848 159	2 329 280

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION - EXPLANATORY NOTES

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

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

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

3. (a) Explain the procedure in accounting for pension funds and recording in the accounts the current and past service pension costs, indicating whether or not consistent with the prior year. Actuarial Evaluation

(b) State amount, if any, representing the excess of the actuarially computed value of vested benefits over the total of the pension fund \$ 39,200.00

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

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

(ii) If funding is by trust agreement list trustee(s) Girard Bank; Philadelphia, PA

Date of trust agreement or latest amendment May 1978

If respondent is affiliated in any way with the trustee(s), explain affiliation N/A

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

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

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

(ii) Are voting rights attached to any securities held by the pension plan? Specify Yes ☒ No If yes, who determines how stock is voted? Trustee

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

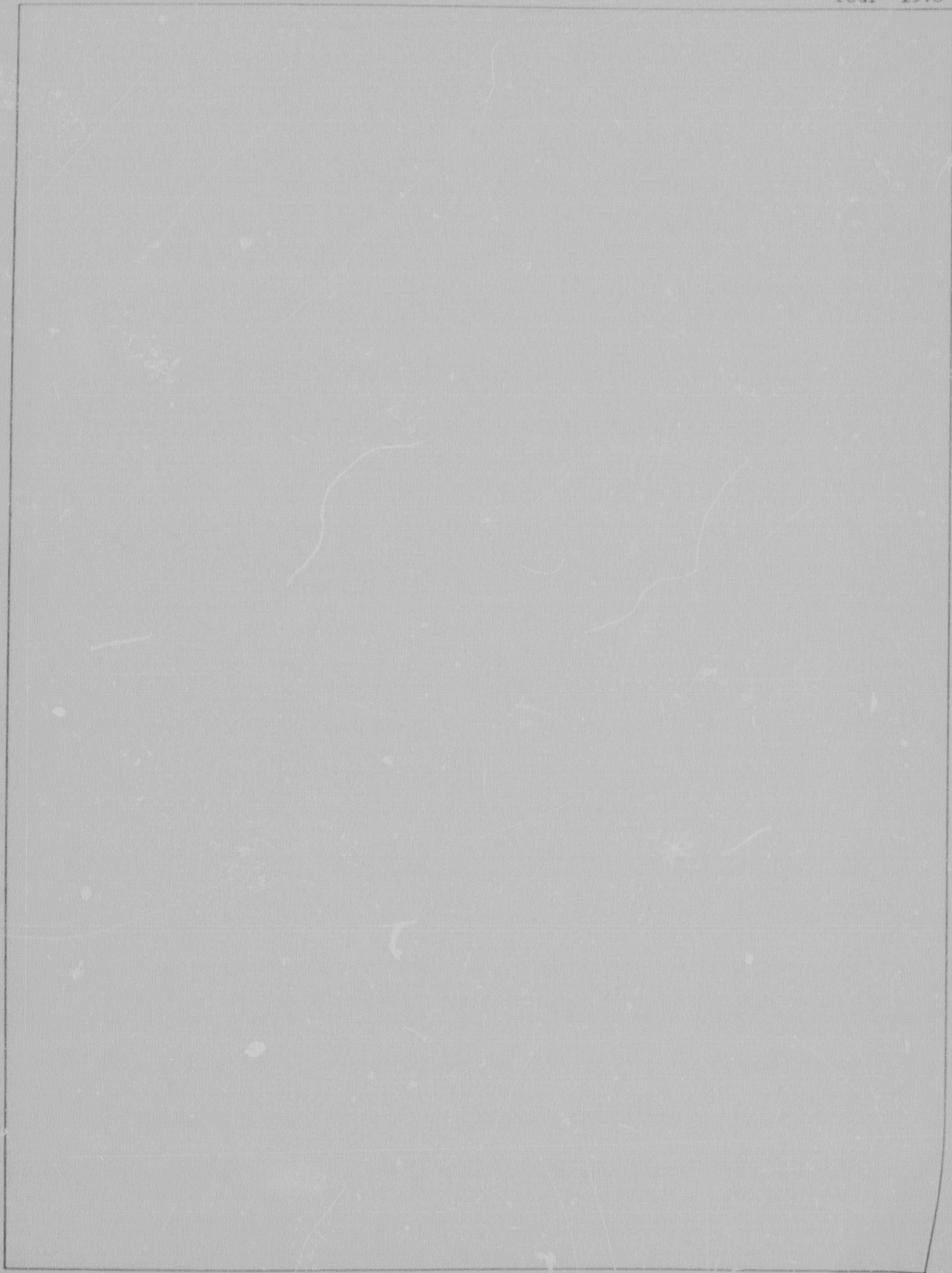
210. RESULTS OF OPERATIONS**INSTRUCTIONS**

1. Disclose the requested information for the respondent pertaining to the results of operations for the year.
2. List dividends from investments accounted for under the cost method on the appropriate line, under subsection "Other Income." List dividends accounted for under the equity method on the appropriate line under the "Income from Affiliated Companies" subsection of this schedule.
3. All contra entries hereunder should be indicated in parenthesis.

210. RESULTS OF OPERATIONS		
Line No.	Item (a)	Amount for Current Year (b)
	ORDINARY ITEMS	
	OPERATING INCOME	
	Railway Operating Income	
1	Freight	2 271 465
2	Passenger	
3	Other	240 631
4	Total Railway Operating Revenues	2 512 096
5	Railway Operating Expenses	2 492 527
6	*Net Revenue from Railway Operations	19 569
	OTHER INCOME	
7	Dividend income	
8	Interest income	27 325
9	Other income; Other	144 493
	Income from affiliated companies:	
10	Dividends	
11	Equity in undistributed earnings (losses)	
12	Total other income (Lines 7-11)	171 818
13	Total income (Lines 6, 12)	191 387
	OTHER DEDUCTIONS	
14	Miscellaneous deductions from income	17 596
15	Fixed charges	
	UNUSUAL OR INFREQUENT ITEMS	
16	Unusual or infrequent items (debit) credit	
17	Income (loss) from continuing operations (before income taxes) (Line 13 less Lines 14-16)	173 791
	PROVISIONS FOR INCOME TAXES	
	Income taxes on ordinary income:	
18	Federal income taxes	70 365
19	State income taxes	22 058
20	Other income taxes	
21	Provisions for deferring income taxes	
22	Income before extraordinary items (Line 17 less Lines 18-22)	81 368
	EXTRAORDINARY ITEMS AND ACCOUNTING CHANGES	
23	Extraordinary items (net)	
24	Income taxes on extraordinary items	
25	Provisions for deferred taxes - Extraordinary items	
26	Total extraordinary items (Lines 23-25)	
27	Cumulative effect of changes in accounting principles	
28	(Less applicable income taxes of \$)	
29	Net income	81 368

210. RESULTS OF OPERATIONS—Continued

Line No.	Item (a)	Amount for Current Year (b)
RECONCILIATION OF NET RAILWAY OPERATING INCOME (NROI)		
30	Net revenues from railway operations	19 569
31	Income taxes on ordinary income	92 423
32	Provisions for deferred income taxes	
33	Income from Lease of Road and Equipment	
34	Rent for leased Roads and Equipment	
35	Net Railway Operating Income	(72 854)
	Ton-miles, Revenue Freight (in thousands)	5 487



330. ROAD AND EQUIPMENT PROPERTY

1. Give particulars of changes during the year in Road and Equipment property, and Improvements on leased property.
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.
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 10.

Line No.	ITEM (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)	Accrued depreciation at close of year (f)
1 (1)	Engineering	42 319			42 319	
2 (2)	Land for transportation purposes	333 618		8 189	325 429	
3 (2 1/2)	Other right-of-way expenditures	682			682	623
4 (3)	Grading	369 505			369 505	38 480
5 (5)	Tunnels and subways					
6 (6)	Bridges, trestles, and culverts	283 961			283 961	63 265
7 (7)	Elevated structures					
8 (8)	Ties	96 561	1 371		97 932	
9 (9)	Rails	130 472	483		130 955	
10 (10)	Other track material	191 698	2 125		193 823	
11 (11)	Ballast	52 229	158		52 387	
12 (12)	Track laying and surfacing	107 074	2 357		109 431	
13 (13)	Fences, snowsheds, and signs	985			985	607
14 (16)	Station and office buildings	80 231			80 231	22 982
15 (17)	Roadway buildings	4 069			4 069	1 041
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)	TOFC/COFC terminals					
24 (26)	Communication systems	437			437	470
25 (27)	Signals and interlockers	2 351			2 351	2 424
26 (29)	Power plants					
27 (31)	Power-transmission systems	258			258	246
28 (35)	Miscellaneous structures	11 076			11 076	4 478
29 (37)	Roadway machines	25 208			25 208	20 295
30 (38)	Roadway small tools	1 135			1 135	
31 (39)	Public improvements - Construction	74 544			74 544	48 591
32 (43)	Other expenditures - Road					
33 (44)	Shop machinery					
34 (45)	Power-plant machinery					
35	Other (specify and explain)					
36	Total Expenditures for Road	1 808 413	6 494	8 189	1 806 718	203 504
37 (52)	Locomotives	310 833			310 833	319 075
38 (53)	Freight-train cars	11 377			11 377	1 703
39 (54)	Passenger-train cars					
40 (55)	Highway revenue equipment					
41 (56)	Floating equipment					
42 (57)	Work equipment					
43 (58)	Miscellaneous equipment	4 056			4 056	-
44	Total Expenditures for Equipment	326 266			326 266	320 778

330. ROAD AND EQUIPMENT PROPERTY—Continued

Line No.	ITEM (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)	Accrued depreciation at close of year (f)
45 (71)	Organization expenses					
46 (76)	Interest during construction	53 078			53 078	
47 (77)	Other expenditures—General					
48	Total General Expenditures	53 078			53 078	
49	Total	2 187 757	6 494	8 189	2 186 062	524 282
50 (80)	Other elements of investments					
51 (90)	Construction work in progress					
52	Grand Total	2 187 757	6 494	8 189	2 186 062	524 282

705. 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.

None

*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 relocated and tracks laid to shorten the distance between two points, without serving any new territory.

710. 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 (f). 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. An "A" unit is the least number of wheel bases with superstructure designed for use singly or as a lead locomotive unit in combination with other locomotive units. A "B" unit is similar to an "A" unit, but not equipped for use singly or as a lead locomotive unit. A "B" unit may be equipped with hostler controls for independent operating at terminals.
5. A "self-propelled car" is a rail motor car propelled by electric motors receiving power from third rail or overhead, or internal combustion engines located on the car itself. Trailers equipped for use only in trains of cars that are self-propelled are to be included as self-propelled equipment.
6. A "Diesel" unit includes all units propelled by diesel internal combustion engines irrespective of final drive, and whether power may at times be supplied from external conductor. Units other than diesel-electric, e.g., diesel-hydraulic, should be identified in a footnote giving the number and a brief description. An "Electric" unit includes all units which receive electric power from an overhead contact wire or third rail, and use the power to drive one or more electric motors that propel the vehicle. An "Other self-powered unit" includes all units other than diesel or electric, e.g., steam, gas turbine. Show the type of unit, service and number, as appropriate, in a brief description sufficient for positive identification. An "Auxiliary unit" includes all units used in conjunction with locomotives but which draw their power from the "mother" unit, e.g., boosters, slugs, etc.
7. 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.

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

Line No.	Item	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. 7) (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-Freight A units								
2	Diesel-Freight B units								
3	Diesel-Passenger A units								
4	Diesel-Passenger B units								
5	Diesel-Multiple purpose A units								
6	Diesel-Multiple purpose B units								
7	Diesel-Switching A units	3	-	-	3	-	3	185-100	-
8	Diesel-Switching B units								
9	Total (lines 1-8)	3	-	-	3	-	3	XXXXXX	-
10	Electric Locomotives								
11	Other self-powered units	3	-	-	3	-	3	XXXXXX	-
12	Total (lines 9, 10 and 11)	-					-		-
13	Auxiliary units								
14	Total Locomotive Units (lines 12 and 13)	3	-	-	3	-	3	XXXXXX	-

UNITS OWNED, INCLUDED IN INVESTMENT ACCOUNT, AND LEASED FROM OTHERS—Cont.

Line No.	Item	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. 7) (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)		
	FREIGHT TRAINCARS							Tons	
15	Plain Box Cars - 40' (B100-129)								
16	Plain Box Cars - 50' (B200-229; B300-329)								
17	Equipped Box Cars (All Code A)								
18	Plain Gondola Cars (G092-392; G401-492)								
19	Equipped Gondola Cars (All Codes C and E)								
20	Covered Hopper Cars (L 151-154; 251-254; 351-354; 451-454; 551-554; 651-654; 751-754)								
21	Open Top Hopper Cars - General Service (All Code H)								
22	Open Top Hopper Cars - Special Service (All Codes J and K)								
23	Refrigerator Cars - Non Mechanical (R 100, 101, 102, 103, 105, 106, 107, 108, 109, 113, 114, 115, 116, R 200, 201, 202, 203, 205, 206, 207, 208, 209, 213, 214, 215, 216)								
24	Refrigerator Cars - Mechanical (R 104, 110, 112, 117, 118, R 204, 210, 211, 212, 217, 218)								
25	Flat Cars - TOFC/COFC (F 071-078 F 871-978)								
26	Flat Cars - Multi-level (All Code V)								
27	Flat Cars - General Service (F 101-109; F 201-209)								
28	Flat Cars - Other (F 11-189; 211-289; 301-389; 401-540)								
29	Tank Cars - Under 22,000 Gallons (T-0, T-1, T-2, T-3, T-4; T-5)								
30	Tank Cars - 22,000 Gallons and over (T-6, T-7, T-8, T-9)								
31	All Other Freight Cars (F 191-199, 291-299, 391-399; L 006-048; L 070; L 080; L 090 - All "L" with second numeric 6; L 161; L 764)								
32	Total (lines 15-31)	None	-	-	-	-	None		None
33	Caboose (All N)	3	-	-	3	-	3	XXXXXX	-
34	Total (lines 32-33)	3	-	-	3	-	3	XXXXXX	None

720. TRACKS

(1) Show, by State, total mileage of tracks owned and operated by respondent 29

(2) Show, by State, 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 (t)

(3) Road is completed from (Line Haul Railways only) McKees Rocks to Carnegie Total distance, 12.87 miles

(4) Road located at (Switching and Terminal Companies only)* N/A

(5) Gage of track 4 ft. 8.5 in.

(6) Weight of rail 112 to 132 lb. per yard

(7) Kind and number per mile of crossties Treated wood; 3,114

(8) State number of miles electrified: First main track, None, second and additional main tracks, None
 passing tracks, cross-overs, and turn-outs, None, way switching tracks, None, yard switching tracks, None

(9) Ties applied in replacement during year: Number of crossties, 552, average cost per tie, \$ 11.078, number of feet (B.M.) of switch and bridge ties, 2,551, average cost per M feet (B.M.), \$ 310.35

(10) Rail applied in replacement during year: Tons (2,000 pounds), 35,420, Weight per year, 115#
 cost per ton, \$ 154.700, 100#
 145.053, 85#
 93.540

*Insert names of places.

(t) Mileage should be stated to the nearest whole mile.

- 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 PITTSBURGH, CHARTIERS AND YOUGHIOGHENY RAILWAY COMPANY

1978 ANNUAL REPORT

BOARD OF DIRECTORS

W. G. Barber	Philadelphia, PA
T. C. Netherton	Pittsburgh, PA
G. E. Neuenschwander	Pittsburgh, PA
C. W. Owens	Pittsburgh, PA

OFFICERS

C. W. Owens	President	Pittsburgh, PA
T. C. Netherton	Vice President	Pittsburgh, PA
D. R. Powell	Secretary	Philadelphia, PA
C. O. Washburn	Treasurer	Pittsburgh, PA
R. P. McConnell	Comptroller	Pittsburgh, PA
J. L. Gerst	Chief Engineer	Pittsburgh, PA
G. E. Neuenschwander	General Counsel	Pittsburgh, PA

THE PITTSBURGH, CHARTIERS AND YOUGHIOGHENY RAILWAY COMPANY

BALANCE SHEET

ASSETS

	December 31, 1978	December 31,* 1977
CURRENT ASSETS:		
Cash	\$ 552,299	\$ 488,232
Accounts Receivable	620,332	301,046
Materials and Supplies	71,704	64,218
Miscellaneous	6,860	10,274
Total Current Assets	<u>1,251,195</u>	<u>863,770</u>
INSURANCE AND OTHER FUNDS:	<u>2,092</u>	<u>1,954</u>
PROPERTIES:		
Transportation Property	2,186,061	2,187,757
Less: Accrued Depreciation and Amortization	636,713	615,788
Net Transportation Property	<u>1,549,348</u>	<u>1,571,969</u>
Miscellaneous Physical Property	37,902	39,352
Net Properties	<u>1,587,250</u>	<u>1,611,321</u>
OTHER ASSETS AND DEFERRED CHARGES:	<u>7,622</u>	<u>9,820</u>
TOTAL ASSETS	<u>\$ 2,848,159</u>	<u>\$ 2,486,865</u>

LIABILITIES AND SHAREHOLDERS' EQUITY

CURRENT LIABILITIES:		
Accounts Payable	\$ 873,698	\$ 668,481
Federal Income and Other Taxes Accrued	16,241	26,414
Other Current Liabilities	35,135	(3,441)
Total Current Liabilities	<u>925,074</u>	<u>691,454</u>
CASUALTY AND OTHER RESERVES:	<u>46,513</u>	<u>26,055</u>
OTHER LIABILITIES AND DEFERRED CREDITS:		
Other Liabilities	26,652	8,052
Deferred Credits	9,129	1,880
Total Other Liabilities and Deferred Credits	<u>35,781</u>	<u>9,932</u>
SHAREHOLDERS' EQUITY:		
Capital Stock (27,800 shares, \$50 par value)	1,390,000	1,390,000
Retained Income	450,791	369,424
Total Shareholders' Equity	<u>1,840,791</u>	<u>1,759,424</u>
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	<u>\$ 2,848,159</u>	<u>\$ 2,486,865</u>

*December 31, 1977 was restated to new U.S.C.A. Accounts.

February 21, 1979

THE PITTSBURGH, CHARTIERS AND YOUGHIOGHENY RAILWAY COMPANY

INCOME STATEMENT

	Year Ended December 31	
	1978	1977
OPERATING REVENUES:		
Freight	\$ 2,271,465	\$ 2,367,778
Demurrage	167,260	33,066
All Other	73,371	65,567
Total	<u>2,512,096</u>	<u>2,466,411</u>
OPERATING EXPENSES:		
Maintenance of Way and Structures	303,006	281,002
Maintenance of Equipment	78,603	70,135
Net Hire of Equipment	487,854	481,230
Transportation	1,083,258	1,028,990
Other	243,666	233,880
Total	<u>2,196,387</u>	<u>2,095,237</u>
NET REVENUE FROM RAILWAY OPERATIONS	<u>315,709</u>	<u>371,174</u>
TAX ACCRUALS:		
Railroad Retirement Taxes	194,822	189,818
Unemployment Insurance Taxes	38,130	32,273
Other Railway Taxes	164,462	96,738
Total	<u>397,414</u>	<u>318,829</u>
JOINT FACILITY RENTS:	Cr 8,851	Cr 4,189
NET RAILWAY OPERATING INCOME	<u>(72,854)</u>	<u>56,534</u>
NON-OPERATING INCOME:		
Miscellaneous Rent Income	34,204	26,235
Interest Income	27,325	19,717
Miscellaneous	110,289	23,794
Total	<u>171,818</u>	<u>69,746</u>
TOTAL INCOME	<u>98,964</u>	<u>126,280</u>
FIXED CHARGES AND OTHER DEDUCTIONS:		
Miscellaneous	17,596	43,189
Total	<u>17,596</u>	<u>43,189</u>
NET INCOME (LOSS)	<u>\$ 81,368</u>	<u>\$ 83,091</u>

STATEMENT OF RETAINED INCOME

Balance January 1, 1978	\$ 369,424
Add: Gain for the Year	<u>81,368</u>
Balance December 31, 1978	<u>\$ 450,792</u>

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 Pennsylvania

County of Allegheny

R. P. McConnell

makes oath and says that he is

Controller

(Insert here the name of the affiant)

(Insert here the official title of the affiant)

The Pittsburgh, Chartiers and Youghiogheny Railway Company

of

(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, 1978 to and including December 31, 1978

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

7th

day of

June

19 79

My commission expires

JOHN D. HARTMAN, NOTARY PUBLIC
PITTSBURGH, ALLEGHENY COUNTY
MY COMMISSION EXPIRES JUNE 20, 1981
Member, Pennsylvania Association of Notaries

John D. Hartman
(Signature of officer authorized to administer oaths)

SUPPLEMENTAL OATH

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

State of Pennsylvania

County of Allegheny

C. W. Owens

makes oath and says that he is

President

(Insert here the name of the affiant)

(Insert here the official title of the affiant)

The Pittsburgh, Chartiers and Youghiogheny Railway Company

of

(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, 1978 to and including December 31, 1978

C. W. Owens
(Signature of affiant)

Subscribed and sworn to before me, a Notary Public in and for the State and

county above named, this

8th

day of

June

19 79

My commission expires

Leonard J. Luntz, Notary Public
Green Tree Borough, Allegheny County
My Commission Expires Mar. 14, 1983
Member, Pennsylvania Association of Notaries

Leonard J. Luntz
(Signature of officer authorized to administer oaths)