

RC-615850

STEELTON & HIGHSPIRE R.R. CO.

1979

RC615850

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R-3

Class. R Railroads
Approved by ICAT
R-3 Class. Number
Expires 12-31-80

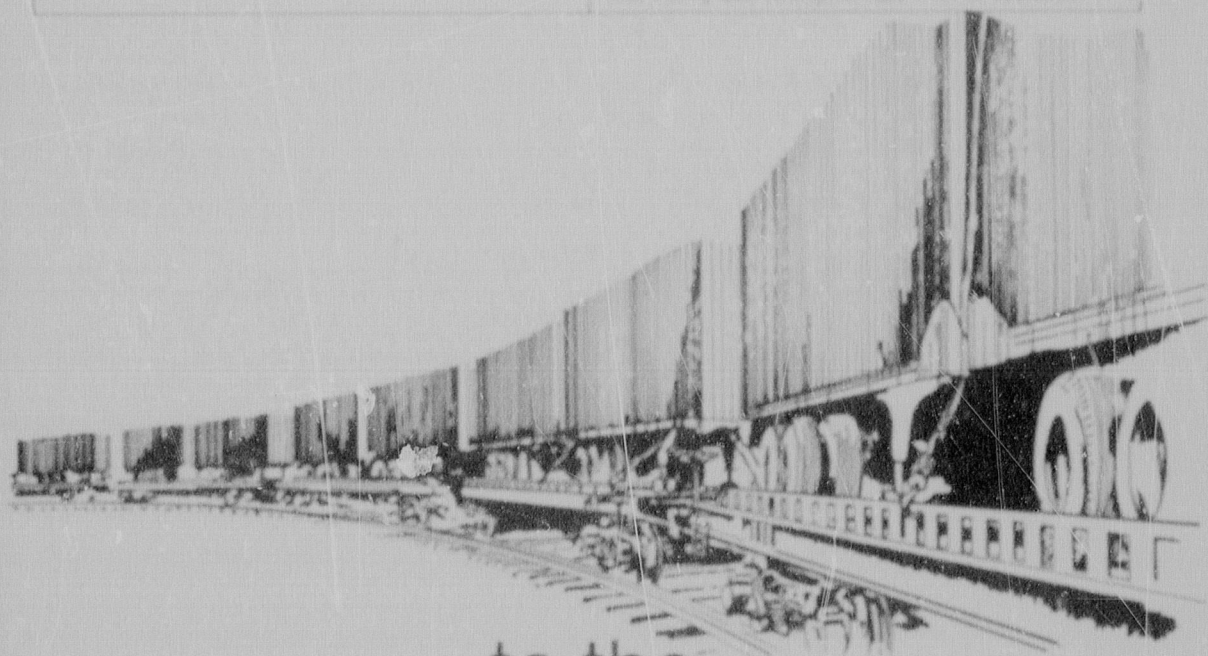
annual report

MAR 31 1980

RC615850 070307 S D 615850
STUCLTON & HIGHSPRINE R.R.CO.
1275 DALY AVE.
BETHLEHEM PA 18015

Business name and address as filed by mailman shown

All names and addresses on receiving letter
have trailing zeros in designating value of bill or invoice



to the
Interstate Commerce Commission
for the year ended December 31, 1979

NOTICE

All switching and terminal companies will be designated class III railroads.

Switching and terminal companies are further classified as:

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

Class II. 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 part of the facilities operated by a terminal company, it should be included under this heading.

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

Class V. 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.

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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 **Steelton & Highspire Railroad 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? **Steelton & Highspire Railroad 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.
None
4. Give the location (including street and number) of the main business office of the respondent at the close of the year.
1275 Daly Avenue, Bethlehem, Pennsylvania 18015
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.

List No.	Title of general officer	Name and office address of person holding office at close of year
(1)	(2)	(3)
1	President	T. H. Semmel Bethlehem, Pa.
2	Vice president - Operations	H. J. Umberger Bethlehem, Pa.
3	Secretary & V.P. Admin. & Law	R. O. Hancox Bethlehem, Pa.
4	Treasurer	R. A. Ravier Bethlehem, Pa.
5	XXXXXX Auditor	A. J. Fritchman Bethlehem, Pa.
6	Attorney in general counsel	
7	General manager	
8	CLASS superintendent	C. W. Potter, Jr. Steelton, Pa.
9	General freight agent	
10	General passenger agent	
11	General land agent	
12	Chief engineer	D. L. Rauch Bethlehem, Pa.
13	V.P. Personnel & Labor Relations	D. S. Reimer Bethlehem, Pa.

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.

List No.	Name of director	Office address	Term expires
(1)	(2)	(3)	(4)
14	A. J. Fritchman	Bethlehem, Pa.	February 26, 1980
15	R. O. Hancox	Bethlehem, Pa.	February 26, 1980
16	D. S. Reimer	Bethlehem, Pa.	February 26, 1980
17	T. H. Semmel	Bethlehem, Pa.	February 26, 1980
18	H. J. Umberger	Bethlehem, Pa.	February 26, 1980
19			
20			
21			
22			
23			

7. Give the date of incorporation of the respondent. **Nov. 16, 1916** State the character of motive power used. **Diesel Electric**
8. Class of switching and terminal company. **S-1**

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 years of the reports setting forth details. If in bankruptcy, give court of jurisdiction and dates of beginning of receivership or trusteeship and of appointment of receiver or trustee.

See Insert

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.

See Insert

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 subsequent corporations. Describe also the course of construction of the road of the respondent and its financing.

See Insert

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

10. Under an act of the General Assembly of the Commonwealth of Pennsylvania entitled "An act to authorize the formation and regulation of railroad corporations" approved April 4, 1868, also the acts supplementary thereto.
11. Yes. Bethlehem Steel Corporation, a Delaware Corporation, through the exercise of voting power derived from the ownership of all the issued and outstanding shares (except 8 qualifying shares) of the Capital Stock of the respondent.
12. The respondent was incorporated under its present name and has not been a party to any consolidation, merger or reorganization. The respondent acquired almost all its road by purchase in 1918. Since then minor additions have been made through the issuance of capital stock and partly through the issuance of unsecured indebtedness, all of which have been retired.

107 STOCKHOLDERS

Give the names of the 50 security holders of the respondent who, on 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 the number, the number of shares 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 shares 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. 70b, the names and addresses of the 50 largest holders of the voting trust certificates and the amounts of their individual holdings. If the stock book was not closed or the list of stockholders compiled within such year, show such 50 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	Second
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
1	R. N. Ball	Bethlehem, Pa.	1	1	0	0	0
2	Bethlehem Steel Corp.	Bethlehem, Pa.	2,492	2,492	0	0	0
3	A. J. Fritchman	Bethlehem, Pa.	1	1	0	0	0
4	R. O. Bancroft	Bethlehem, Pa.	1	1	0	0	0
5	D. L. Henn	Bethlehem, Pa.	1	1	0	0	0
6	J. C. Morris	Bethlehem, Pa.	1	1	0	0	0
7	D. S. Belmer	Bethlehem, Pa.	1	1	0	0	0
8	T. H. Remzel	Bethlehem, Pa.	1	1	0	0	0
9	H. J. Umberger	Bethlehem, Pa.	1	1	0	0	0
10							
11							
12							
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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.☒ No annual report to stockholders is prepared.

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION - ASSETS

1. Accumulated deferred income tax charges related to current assets should be included in item 6, prepayments, while those related to non-current assets should be included in item 13, Other Deferred Debits.
2. Item 10, Special Funds and Other Investments and Advances, should be shown net of allowances and adjustments.
3. Amounts reported on line 12, Other Assets, should be shown net of depreciation and amortization.

Line No.	Item	Respondent Only	
		Balance at Close of Year	Balance at Beginning of Year
		(b)	(c)
	CURRENT ASSETS	\$	\$
1	Cash	164,226	100,398
2	Temporary Cash Investments	900,000	1,738,410
3	Special Deposits	-	-
4	Accounts Receivable	646,552	396,805
5	Less: Allowance for Uncollectible Accounts	-	-
6	Prepayments (and working funds)	-	-
7	Materials and Supplies	302,926	308,362
8	Other Current Assets	-	-
9	Total Current Assets	2,013,704	2,543,975
	OTHER ASSETS		
10	Special Funds and Other Investments and Advances	-	-
11	Other Assets	9,122	9,122
12	Other Deferred Debits	-	-
13	Total Other Assets	9,122	9,122
	ROAD AND EQUIPMENT		
14	Road and Equipment Property	3,961,289	2,593,259
15	Accumulated Depreciation and Amortization	(875,318)	869,817
16	Net Road and Equipment	3,035,971	1,723,442
17	Total Assets	5,108,797	4,276,539
	CURRENT LIABILITIES		
18	Loans and Notes Payable	-	-
19	Accounts Payable	1,847,019	521,325
20	Interest and Dividends Payable	-	-
21	Taxes Accrued	501,615	319,073
22	Other Current Liabilities	-	-
23	Equipment Obligations and Other Long-term Debt Due Within One Year	-	-
24	Total Current Liabilities	2,348,634	840,398
	NON CURRENT LIABILITIES		
25	Fixed Debt Unmatured	-	-
26	Equipment Obligations	16,376	24,920
27	Capitalized Lease Obligations	-	-
28	Accumulated Deferred Income Tax Credits	292,000	266,000
29	Other Long-term Liabilities and Deferred Credits	17,742	17,325
30	Total Non-current Liabilities	326,118	308,245

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

Line No.	Item	Respondent Only	
		Balance at Close of Year (a)	Balance at Beginning of Year (c)
	SHAREHOLDERS' EQUITY	\$	\$
	Capital Stock:		
31	Common	250,000	250,000
32	Preferred	-	-
33	Discount on Capital Stock	-	-
34	Additional Capital	-	-
	Retained Earnings:		
35	Appropriated	-	-
36	Unappropriated	2,184,045	2,877,896
37	Net Unrealized Loss on Noncurrent Marketable Equity Securities	-	-
38	Less: Treasury Stock	-	-
39	Net Shareholders' Equity	2,434,045	3,127,896
40	Total Liabilities and Shareholders' Equity	5,108,797	4,276,539

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 on separate sheets 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 suffered 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 or 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. **None**

2. Estimated amount of future earnings which can be retained before paying Federal income taxes because of unused and available net operating loss carryover on January 1 of the year following that for which the report is made. **None**

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

See Below

(b) State amount, if any, representing the extent of the actuarially computed value of vested benefits over the total of the pension fund. **1,248,000**

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

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

(ii) If funding is by trust agreement for trustees: **Davis T. Dunbar, Walter W. Buckler, Jr., C. Anderson Chafey, Jr.**

Date of trust agreement or latest amendment: **December 31, 1970, amended December 31, 1975**

If trust is affiliated with the carrier, give name of carrier: **All of the trustees are active employees of Bethlehem Steel Corporation.**

(d) List affiliated companies which are included in the pension plan funding agreement and describe basis for allocating charges under the agreement. **See Below**

(e) 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.

(f) Are voting rights attached to any securities held by the pension plan? Specify: Yes ☒ No ☐ If yes, who determines how stock is voted? **"Trustees of the Pension Trust"**

4. State whether a segregated political fund has been established as provided by the Federal Election Campaign Act of 1971 (18 U.S.C. 6101). YES ☐ NO ☒

3. (a) "Calculations were made in accordance with what is generally referred to as an entry age normal cost frozen initial liability method. Procedure in accounting for pensions is consistent with prior year's treatment."

(d) "See attached list. Charges are allocated on the basis of balance of unfunded prior service cost, benefits provided and employee age and service mix."

PENSION PLAN OF BETHLEHEM STEEL AND ASSOCIATED COMPANIES

TABLE I

PENSION COST FOR 1979 COMPARED WITH MAXIMUM ALLOWABLE FOR FEDERAL INCOME TAX PURPOSES

MAXIMUM ALLOWABLE FOR FEDERAL INCOME TAX PURPOSES

	DEFERRED PROFIT LIABILITY				Current Service Contribution	Maximum Allowance Contribution
	Remaining Unfunded At January 1, 1979	Funded Since 1960	Initial Unfunded As Adjusted	10-Year Amortization of Initial Unfunded		
Pension Contribution For 1979	374,945,435*	136,082,435	1,129,327,934	176,480,885	201,276,049	287,072,146
Bethlehem Steel Corporation	307,306,602*	109,726,975	1,146,254,073	163,215,077	189,581,508	333,181,442
Bethlehem Steel Export Corporation	214,574	579,682	1,409,245	200,643	113,282	313,967
Bethlehem Steel Export Company of Canada, Limited	2,422	24,234	42,483	6,048	(71)	3,877
Leas Fabricators, Inc.	3,797				3,797	3,797
Leas Metal Products Company, Inc.	226,046	19,582	490,448	49,837	187,504	297,351
Manufacturers Water Company, The	71,428	116,014	157,410	50,916	43,614	96,530
Mining Subsidiary Companies:						
Beth-Kibbory Corporation	1,293,240	1,372,191	5,065,187	721,169	914,372	1,436,041
Bromontec Mining Company, Ltd.	5,913	6,010	27,356	3,888	3,776	7,464
Bethlehem Mines Corporation	12,474,427	13,790,781	52,378,394	7,437,303	8,923,933	16,382,726
Bromont Dolomite Incorporated	370,763	137,997	1,231,093	175,280	224,039	369,378
Iron Mine Company of Venezuela	121,749				121,749	121,749
Railroad Subsidiary Companies:						
Cambria and Indiana Railroad Company	203,438	373,541	1,099,015	154,473	123,257	279,727
Cincinnati & Stearns Lick Railroad Company	1,209,513	2,080,707	6,031,001	833,323	947,227	1,621,740
Tennessee & Back Rivers Railroad Company	1,835,678	2,326,269	7,470,934	1,063,493	1,280,164	2,344,187
Philadelphia, Bethlehem and New England Railroad Company	1,469,093	2,285,040	7,370,391	1,077,882	1,100,304	2,178,286
South Atlantic Railway Company	1,216,421	2,340,437	6,875,296	978,897	1,206,540	2,485,732
Seaboard & Highways Railroad Company	258,651	340,373	1,002,045	142,671	182,183	324,774
Other Transportation Subsidiary Companies:						
Interstate Shipping Company	420,136	273,403	1,440,433	216,437	307,549	339,283
Steamship Service Corporation	161,480	48,717	436,374	54,872	149,181	211,533
	374,945,435*	813,082,435	81,219,327,934	876,480,885	920,276,049	938,272,146

PENSION PLAN OF BETHLEHEM STEEL CORPORATION AND ASSOCIATED COMPANIES

ALLOCATION AMONG EMPLOYING COMPANIES:

Bethlehem Steel Corporation
 Bethlehem Steel Export Corporation
 Bethlehem Steel Export Company of Canada, Limited
 Leas Fabricators, Inc.
 Leas Metal Products Company, Inc.
 Manufacturers Water Company, The
 Mining Subsidiary Companies:
 Beth-Kibbory Corporation
 Bromontec Mining Company, Ltd.
 Bethlehem Mines Corporation
 Bromont Dolomite Incorporated
 Iron Mine Company of Venezuela
 Railroad Subsidiary Companies:
 Cambria and Indiana Railroad Company
 Cincinnati & Stearns Lick Railroad Company
 Tennessee & Back Rivers Railroad Company
 Philadelphia, Bethlehem and New England Railroad Company
 South Atlantic Railway Company
 Seaboard & Highways Railroad Company
 Other Transportation Subsidiary Companies:
 Interstate Shipping Company
 Steamship Service Corporation

* Includes a payment of \$365,212 to Pension Benefit Guaranty Corporation.

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	Amount for Current Year
	(a)	(b)
ORDINARY ITEMS		
OPERATING INCOME		
Railway Operating Income		
1	Freight	4,409,572
2	Passenger	
3	Other	770,449
4	Railway Operating Revenues	5,180,021
5	Railway Operating Expenses	3,422,250
6	*Net Revenue from Railway Operations	1,757,771
OTHER INCOME		
7	Dividend income	
8	Interest income	171,729
9	Other income, Other	47,869
Income from affiliated companies:		
10	Dividends	
11	Equity in undistributed earnings (losses)	
12	Total other income (Lines 7-11)	219,598
13	Total income (Lines 6, 12)	1,977,369
OTHER DEDUCTIONS		
14	Miscellaneous deductions from income	7,021
15	Fixed charges	
16	Income after miscellaneous deductions and fixed charges	1,970,348
UNUSUAL OR INFREQUENT ITEMS		
17	Unusual or infrequent items (debit) credit	
18	Income (loss) from continuing operations (before income taxes) (Line 16 less Line 17)	1,970,348
PROVISIONS FOR INCOME TAXES		
Income taxes on ordinary income:		
19	Federal income taxes	240,331
20	State income taxes	397,868
21	Other income taxes	
22	Provisions for deferring income taxes	26,000
23	Income before extraordinary items (Line 18 less Lines 19-22)	1,306,149
EXTRAORDINARY ITEMS AND ACCOUNTING CHANGES		
24	Extraordinary items (net)	
25	Income taxes on extraordinary items	
26	Provisions for deferred taxes - Extraordinary items	
27	Total extraordinary items (Lines 24-26)	
28	Cumulative effect of changes in accounting principles	
29	(Less applicable income taxes of 3)	
30	Net income	1,306,149

219. 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 parentheses.

219. RESULTS OF OPERATIONS—Continued

Line No.	Item (a)	Amount for Current Year (b)
RECONCILIATION OF NET RAILWAY OPERATING INCOME (NROI)		
31	Net revenues from railway operations	1,757,771
32	Income taxes on ordinary income	638,199
33	Provision for deferred income taxes	26,000
34	Income from Lease of Road and Equipment	
35	Rent for leased Roads and Equipment	
36	Net Railway Operating Income	1,093,572
37	Revenue Freight—Ton-miles	

* Not Applicable, a switching and terminal railroad

APPENDIX A

SCHEDULE 210A, SUPPLEMENTAL INFORMATION FOR SWITCHING AND TERMINAL COMPANIES

1.	Item Facility		
	Category	Debit	Credit
	Way and Structures	NOT APPLICABLE	
	Equipment		
	Road		
	Yard		
	Other Transportation		

2. Depreciation Expense - way and structures - running
 Depreciation Expense - way and structures - switching
 Depreciation Expense - way and structures - others
 All other way and structures operating expenses
 Total Way and Structures Operating Expenses

Depreciation Expense - locomotives
 Depreciation Expense - freight cars
 Depreciation Expense - other equipment

3. *Number of locomotive-miles in yard switching service: Freight Passenger

*Number of locomotive-miles in yard switching service should be computed in accordance with OS-A report note 1.

338. 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 32 amounts not includable in the primary road accounts.

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	21,475			21,475	
2 (2)	Land for transportation purposes	1,942			1,942	
3 (3)	Other right-of-way expenditures					
4 (4)	Grading	8,368			8,368	
5 (5)	Tunnels and subways					
6 (6)	Bridges, trestles, and culverts	60,702			60,702	35,585
7 (7)	Elevated structures					
8 (8)	Ties	153,773			153,773	11,650
9 (9)	Rails	270,168	9,350		279,518	13,167
10 (10)	Other track material	232,631	8,480		241,111	4,903
11 (11)	Ballast	25,899			25,899	
12 (12)	Track laying and surfacing	220,779			220,779	
13 (13)	Fences, snow sheds, and signs	822			822	260
14 (14)	Station and office buildings	272,712		6,570	266,142	124,046
15 (15)	Roadway buildings	7,920			7,920	9,242
16 (16)	Water stations					1,166
17 (17)	Fuel stations	33,894			33,894	48,845
18 (18)	Shops and enginehouses	276,632			276,632	118,937
19 (19)	Storage warehouses					
20 (20)	Wharves and docks					
21 (21)	Coal and ore wharves					
22 (22)	TOFC/COFC terminals					
23 (23)	Communication systems	710	21,664		22,374	446
24 (24)	Signals and interlockers	1,505			1,505	1,942
25 (25)	Power plants					
26 (26)	Power-transmission systems					
27 (27)	Miscellaneous structures					
28 (28)	Roadway machinery	256,041			256,041	113,114
29 (29)	Public improvements - Construction	586			586	
30 (30)	Shop machinery	50,974	1,535		52,509	17,966
31 (31)	Power-plant machinery					
32 (32)	Other (specify and explain)	1,044			1,044	300
33	Total Expenditures for Road	1,898,577	41,029	6,570	1,933,036	501,509
34 (34)	Locomotives	654,519	9,766	102,231	562,054	342,888
35 (35)	Freight train cars		1,241,250		1,241,250	1,052
36 (36)	Passenger train cars					
37 (37)	Highway revenue equipment					
38 (38)	Floating equipment					
39 (39)	Work equipment					(1,087)
40 (40)	Miscellaneous equipment	40,163	12,784	1,422	51,525	30,956
41	Total Expenditures for Equipment	694,682	1,263,800	103,653	1,854,829	373,809

* (38) Roadway Small Tools

330. ROAD AND EQUIPMENT PROPERTY—Continued

Line No.	ITEM	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)
	(a)					(g)
42 (76)	Interest during construction					
43 (77)	Other expenditures - General					
44	Total General Expenditures					
45	Total	2,593,259	1,304,829	110,223	3,787,865	875,318
46 (80)	Other elements of investments		173,424		173,424	
47 (90)	Construction work in progress					
48	Grand Total	2,593,259	1,478,253	110,223	3,961,289	875,318

705. IMPORTANT CHANGES DURING THE YEAR

Hereunder state the following matters, mentioning the statements in accordance with the importance, and if no changes of the character before indicated occurred during the year, state that fact. Changes in mileage should be stated in the nearest hundredth of a mile. If any changes applicable to this schedule occurred under authority granted by the Commission in circumstances of emergency, and necessary record under paragraph (18) or (22) of section 1 of the Interstate Commerce Act or otherwise, specific reference to such authority should in each case be made by check number or otherwise, as may be appropriate.

1. All portions of road put in operation or abandoned, giving particulars, the length of road, and the dates of beginning operations of all abandoned roads.
2. All other important physical changes, including bridges and new tracks built.
3. All lands sold, acquired or surrendered, giving particulars, the length of same, the names of parties, all terms, and all other conditions.
4. All agreements for trackage rights acquired or surrendered, giving particulars, the length of same, the names of parties, all terms, and all other conditions.
5. All consolidations, mergers, and reorganizations effected, giving particulars.
6. All stock issued, giving for purposes for which issued, the names of stocks, and to whom was issued, and describing in full the actual consideration received, giving full amounts and full value, give similar information concerning all stocks retired, if any.
7. All bonded debt issued, giving for purposes for which issued, the names of securities and to whom was issued, and describing in full the actual consideration received, giving full amounts and full value, also give particulars concerning any bonded debt paid or otherwise retired, giving similar general, the date retired or collected, full face value of amount retired.
8. All other important financial changes.
9. All changes in and all additions to trackage rights, describing fully in full the actual consideration given therefor, and stating fully the parties from whom acquired, if no consideration was given more than fact.
10. If any the respondent has two or more operating roads, and no construction has been entered on during the year, then fully the reasons therefor.
11. All additional matters of this kind elsewhere provided for which the respondent may desire to include in his report.

1.)
2.)
3.)
4.)
5.)
6.)
7.)
8.)
9.)
10.)
11.)

None

If under paragraph 1 and 2, and, the third item track owned by respondent representing the construction of permanent abandonment give the following particulars:

Miles of road constructed

None

Miles of road abandoned

None

The note "Miles of road constructed" is intended to show the mileage of road more track had to extend respondent's road, and should not include tracks followed 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 and reportable in column (c), units temporarily out of respondent's service and rented to others for less than one year are to be included in column (c); units rented from others for a period less than one year should not be included in column (c). 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 (g).
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 train number of wheel bases with superstructure designed for use singly or as a lead locomotive unit in conjunction 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 booster 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 conductor 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.

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

Line No.	Item	Units in service of respondent at beginning of year	Units installed during year	Number retired during year	Units at close of year				
					Owened and used	Leased from others	Total in service of respondent (c + f)	Aggregate capacity of units reported in col. (g)	Leased to others
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
LOCOMOTIVE UNITS									
1	Diesel Freight	A units						(h p.)	
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	1	1	7	7	7,000	
7	Diesel Switching	A units							
8	Diesel Switching	B units	7	1	1	7	7	xxxxxx	
9	Total (lines 1-8)								
10	Electric Locomotives								
11	Other self-powered units								
12	Total (lines 9, 10 and 11)		7	1	1	7	7	xxxxxx	
13	Auxiliary units		1		1		1	None	
14	Total Locomotive Units (lines 12 and 13)		8	1	1	8	8	xxxxxx	

NONE

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

Line No.	Item	Units in service of respondent at begin- ning of year	Units installed during year	Numbers retired during year	Units at close of year				
					Owned and used	Leased from others	Total in service of respondent (e + f)	Aggregate capacity of units report- ed in col. (g)	Leased to others
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
	FREIGHT TRAINCARS							Tons	
15	Plain Box Cars - 40 (BHX-129)								
16	Plain Box Cars - 50 (B25-0, 129, 4000, 379)								
17	Equipped Box Cars (All Code A)		30		30		30	2,100	
18	Plain Gondola Cars (G405, 491, G401-491)								
19	Equipped Gondola Cars (N) (Codes C and L)								
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 100-109, 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, 1, 406-048, 5, 370, 1, 090, 1, 090, All "L" with second numeric 6, 1, 161, 1, 764)		30		30		30	2,100	
32	Total (lines 15-31)							XXXXXX	
33	Caboose (All N)		30		30		30	XXXXXX	
34	Total (lines 32-33)								

NONE

710. TRACKS

26

(1) Show, by State, total mileage of tracks owned and operated by respondent _____
 (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 (3)
 (3) Road is completed from (1) one Haul Roadways only? _____ Not Applicable Total distance _____
 miles _____
 (4) Road located at (Switching and Terminal Companies only)? _____ Steelton, Pa. and Highspire, Pa.
 (5) Gauge of track _____ 8-1/2 _____
 (6) Weight of rail 100# and 115# _____ lb. per yard
 (7) Kind and number per mile of crossings _____ Wood treated 2,640 per mile
 (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 ties _____ 1,197 average cost per tie \$ 16.53 number of feet
 (B.M.) of switch and bridge ties _____ 19,661 average cost per M feet (B.M.) \$ 351.68
 (10) Rail applied in replacement during year: Ties (2,000 pounds) _____ 105.40 Weight per year, 100# and 115# average
 cost per ton \$ 326.48

(11) List names of places _____

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

VERIFICATION

This 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 first preceding page of this report that such 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 **Northampton**
E. Belshaw

Knows that the facts of the above

maker, such and says that he is

Auditor

Knows that the facts of the above

of **Steelton & Highspire Railroad Company**

Knows that the facts of the above

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 being as far as they relate to matters of account, have accurately taken from the said books of account and are in exact accordance therewith and 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,** 19**79** and including **December 31,** 19**79**

E. Belshaw

Signature of officer

Subscribed and sworn to before me, a

Notary Public
26th

Notary Public, on this day

My commission expires

at and for the State and

March
Donald L. Henn 1980

DONALD L. HENN, Notary Public
Bethlehem, Northampton Co., Pa.

My Commission Expires Feb. 2, 1981

SUPPLEMENTAL OATH

(To be made by the president or other chief officer of the respondent.)

State of **Pennsylvania**

County of **Northampton**
T. H. Semmel

Knows that the facts of the above

maker, such and says that he is

President

Knows that the facts of the above

of **Steelton & Highspire Railroad Company**

Knows that the facts of the above

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,** 19**79** and including **December 31,** 19**79**

T. H. Semmel

Signature of officer

Subscribed and sworn to before me, a

Notary Public
26th

Notary Public, on this day

My commission expires

at and for the State and

March
Donald L. Henn 1980

DONALD L. HENN, Notary Public
Bethlehem, Northampton Co., Pa.

My Commission Expires Feb. 2, 1981