

**250 - CONSOLIDATED INFORMATION
FOR REVENUE ADEQUACY DETERMINATION**
(Dollars in Thousands)

Line No.	Item (a)	Beginning of year (b)	End of year (c)
	Adjusted Net Railway Operating Income for Reporting Entity		
1	Combined/Consolidated Net Railway Operating Income for Reporting Entity		1,137,416
2	Add: Interest Income from Working Capital Allowance- Cash Portion		2,136
3	Income Taxes Associated with Non-Rail Income and Deductions	N/A	23,939
4	Gain or (loss) from transfer/reclassification to non-rail status (net of income taxes)		12,294
5	Adjusted Net Railway Operating Income (Lines 1, 2, 3 & 4)		1,175,785
	Adjusted Investment in Railroad Property for Reporting Entity		
6	Combined Investment in Railroad Property Used in Transportation Service	21,368,898	21,619,944
7	Less: Interest During Construction	2,580	2,580
8	Other Elements of Investment (if debit balance)	-	-
9	Add: Net Rail Assets of Rail-Related Affiliates	-	-
10	Working Capital Allowance	693,388	592,919
11	Net Investment Base Before Adjustment for Deferred Taxes (Lines 6 through 10)	22,059,706	22,210,283
12	Less: Accumulated Deferred Income Tax Credits (note)	6,634,807	7,071,020
13	Net Investment Base (Line 11-12)	15,424,899	15,139,263

ATTACHMENT TO 2008 FORM R-1 SCHEDULE 250
"CONSOLIDATED INFORMATION FOR REVENUE ADEQUACY DETERMINATION"
Norfolk Southern Combined Railroad Subsidiaries
Year 2009

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

Name of Affiliate	Nature of Business
<p>See Page 4 of R-1 (Schedule C), "Principles of Combined Reporting."</p> <p style="text-align: center;">(see attached)</p>	

Name of Affiliate	Nature of Business
<p><u>Companies added to the railroad entity in 2009:</u></p> <p>Chicago Land Management NS Spectrum Corporation Thoroughbred Funding, Inc.</p> <p><u>Companies subtracted from the railroad entity in 2009:</u></p> <p>None</p>	<p style="text-align: center;">Added October 6, 2009 Added January 30, 2009 Added October 21, 2009</p>

NORFOLK SOUTHERN COMBINED RAILROAD SUBSIDIARIES

SCHEDULE 250 – PART B
Year 2009
Determination of Nonrail Taxes

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

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

(1)	Determine Combined/Consolidated Adjusted income from continuing operations (before taxes) for all affiliated railroads (all classes). Do <u>not</u> include rail-related affiliates that are not railroads in this part. This represents the total combined/consolidated amounts for all items listed below for all railroads in the reporting entity.	<u>\$000's</u>
	Income from continuing operations (before taxes) should be the equivalent of the numbers contained in the R-1 Schedule 210, Line 46 adjusted to include all railroads in the reporting entity.	\$ 1,803,930
	- Equity in undistributed earnings, which represents the total Schedule 210, Line 26 for all railroads in the reporting entity.	47
	- Dividends in affiliated companies. (If the affiliate is 80% or more controlled by the parent railroad, then deduct 100% of the affiliate's dividend. If the affiliate is less than 80% controlled by the parent railroad, then deduct 80% of the affiliate's dividend.	<u>27,905</u>
	= Adjusted income from continuing operations (before taxes). This represents "A" in item (3) below.	<u>\$ 1,775,978</u>
(2)	Determine Combined/Consolidated Adjusted Pretax NROI for all railroads in the reporting entity	
	Combined/Consolidated Pretax NROI for the entire entity, which equals the amount shown on Schedule 250, Line 1.	\$ 1,137,416
	+ Current provision for taxes, which represents the consolidated amounts of Schedule 210, Line 51 for all railroads in the reporting entity. (This figure includes <u>both</u> Account 556, Income Taxes on Ordinary Income and Account 557, Provision for Deferred Taxes.	656,061
	+ Interest income on working capital allowance, which represents the total consolidated interest income relative to the working capital component of the net investment base and should equal the amount shown in Schedule 250, Line 2 for all railroads in the reporting entity.	2,136
	+ Release of premiums on funded debt, which represents the consolidated total of release of premiums on funded debt as shown on Schedule 210, Line 22 for all railroads in the reporting entity.	-
	- Total fixed charges, which represents the consolidated total of fixed charges as shown on schedule 210, Line 42 for all railroads in the reporting entity.	166,540
	- Railroad-related income from affiliates (other than railroads) which was included in consolidated NROI (Schedule 250, Line 1)	<u>-</u>
	= Combined/Consolidated Pretax Adjusted NROI for all railroads. This represents "B" in Item (3) below.	<u>\$ 1,629,073</u>

C. VOTING POWERS AND ELECTIONS - Continued

10. State the total number of votes cast at the latest general meeting for the election of directors of the respondent.

NSR - 16,668,997 votes

11. Give the date of such meeting. NSR - May 26, 2009

12. Give the place of such meeting. Norfolk, Virginia

NOTES AND REMARKS**Principles of Combined Reporting**

Norfolk Southern Combined Railroad Subsidiaries (NS Rail) includes the affiliated railroads under the COMMON CONTROL of Norfolk Southern Corporation (NS). The major subsidiary is Norfolk Southern Railway Company and consolidated subsidiaries (NSR). See listing of companies included in combined rail reporting below. Nonrailroad subsidiaries whose assets and operations are not deemed to be an integral part of rail operations are included in this combined report in the following classifications:

Balance Sheet - Fixed Capital Assets - "Property Used in Other Than Carrier Operations"

Results of Operations - "Other Income" and "Miscellaneous Deductions From Income"

All significant intercompany balances and transactions have been eliminated in combination.

This form of Combined reporting was approved by the ICC Accounting and Valuation Board on March 23, 1987, as indicated in Chairman William F. Moss, III's letter.

The following companies are included in the combined rail reporting to the Surface Transportation Board:

<u>Class I</u>	<u>Lessors and Other</u>
Cincinnati, New Orleans and Texas Pacific Railway Company, The	Airforce Pipeline, Inc.
Norfolk Southern Railway Company	Alabama Great Southern LLC
	Central of Georgia LLC
	Citico Realty Company
	Chicago Land Management, LLC
	High Point, Randleman, Asheboro and
	Southern Railroad Company
	KPF Bluegrass, LLC
	KPF Holdings, LLC
	KPF Mountaineer, LLC
	Lamberts Point Barge Company, Inc.
	Mobile and Birmingham Railroad Company
	Norfolk Southern International, Inc.
	Norfolk Southern-Mexico, LLC
	NorfolkSouthernMexicana, S de RL de CV
	North Carolina Midland Railroad Company, The
	NS Spectrum Corporation
	PLS Investment, LLC
	Rail Investment Company
	Reading Company, LLC [Delaware]
	Reading Company, LLC [Virginia]
	S-VA Corporation
	South Western Rail Road Company, The
	Southern Rail Terminals, Inc.
	Southern Rail Terminals of North Carolina, Inc.
	Southern Region Materials Supply, Inc.
	T-Cubed of North America, LLC
	TCS Leasing, Inc.
	TCV, Inc.
	Thoroughbred Direct Intermodal Services, Inc.
	Thoroughbred Funding, Inc.
	Thoroughbred Technology and Telecommunications, LLC
	Transworks Company
	Transworks Inc.
	Transworks of Indiana, Inc.
	Triple Crown Services Company
	Virginia and Southwestern Railway Company
	Wheelerburg Terminal LLC
	Yadkin Railroad Company
<u>Class II</u>	
Alabama Great Southern Railroad Company, The	
Central of Georgia Railroad Company	
Georgia Southern and Florida Railway Company	
<u>Class III</u>	
Camp Lejeune Railroad Company	
Chesapeake Western Railway	
Interstate Railroad Company	
Norfolk and Portsmouth Belt Line Railroad Company	
State University Railroad Company	
Tennessee, Alabama & Georgia Railway Company	
Tennessee Railway Company	