

Class I Railroad Annual Report

	<p>Norfolk Southern Combined Railroad Subsidiaries Three Commercial Place Norfolk, VA 23510-2191</p>
<p>Correct name and address if different than shown</p>	<p>Full name and address of reporting carrier (Use mailing label on original, copy in full on duplicate)</p>



**To the Surface Transportation Board
For the Year Ending December 31, 2018**

NOTICE

1. This report is required for every class I railroad operating within the United States. Three copies of this Annual Report should be completed. Two of the copies must be filed with the Surface Transportation Board, Office of Economics, Environmental Analysis, and Administration, 395 E Street, S.W. Suite 1100, Washington, DC 20423, by March 31 of the year following that for which the report is made. One copy should be retained by the carrier.
2. Every inquiry must be definitely answered. Where the word "none" truly and completely states the fact, it should be given as the answer. If any inquiry is inapplicable, the words "not applicable" should be used.
3. Wherever the space provided in the schedules is insufficient to permit a full and complete statement of the requested information, inserts should be prepared and appropriately identified by the number of the schedule.
4. All entries should be made in a permanent black ink or typed. Those of a contrary character must be indicated in parenthesis. Items of an unusual character must be indicated by appropriate symbols and explained in footnotes.
5. Money items, except averages, throughout the annual report form should be shown in thousands of dollars adjusted to accord with footings. Totals for amounts reported in subsidiary accounts included in supporting schedules must be in agreement with related primary accounts. For purposes of rounding, amounts of \$500 but less than \$1,000 should be raised to the nearest thousand dollars, and amounts of less than \$500 should be lowered.
6. Except where the context clearly indicates some other meaning, the following terms when used in this Form have the following meanings:
 - (a) Board means Surface Transportation Board.
 - (b) Respondent means the person or corporation in whose behalf the report is made.
 - (c) Year means the year ended December 31 for which the report is being made.
 - (d) Close of the Year means the close of business on December 31 for the year in which the report is being made. If the report is made for a shorter period than one year, it means the close of the period covered by the report.
 - (e) Beginning of the Year means the beginning of business on January 1 of the year for which the report is being made. If the report is made for a shorter period than one year, it means the beginning of that period.
 - (f) Preceding Year means the year ended December 31 of the year preceding the year for which the report is made.
 - (g) The Uniform System of Accounts for Railroad Companies means the system of accounts in Part 1201 of Title 49, Code of Federal Regulations, as amended.
7. The ICC Termination Act of 1995 abolished the Interstate Commerce Commission and replaced it with the Surface Transportation Board. Any references to the Interstate Commerce Commission or Commission contained in this report refer to the Surface Transportation Board.
8. Any references to the Bureau of Accounts or the Office of Economics contained in this report refer to the Office of Economics, Environmental Analysis, and Administration of the Surface Transportation Board.

For Index, See Back of Form

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ANNUAL REPORT

OF

NORFOLK SOUTHERN COMBINED RAILROAD SUBSIDIARIES
("NS RAIL")

TO THE

Surface Transportation Board

FOR THE

YEAR ENDED DECEMBER 31, 2018

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

(Name) Jason A. Zampi (Title) Vice President and Controller

(Telephone number) (757) 629-2765
(Area Code)

(Office address) Three Commercial Place, Norfolk, VA 23510-2191
(Street and number, city, state, and ZIP code)

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SPECIAL NOTICE

Docket No. 38559, Railroad Classification Index, (ICC served January 20, 1983), modified the reporting requirements for Class II, Class III, and Switching and Terminal Companies. These carriers will notify the Board only if the calculation results in a different revenue level than its current classification.

The dark borders on the schedules represent data that are captured by the Board.

Supplemental Information about the Annual Report (R-1)

The following information is provided in Compliance with OMB requirements and pursuant to the Paperwork Reduction Act of 1995, 44 U.S.C. §§ 3501-3519 (PRA):

This information collection is mandatory pursuant to 49 U.S.C. § 11145. The estimated hour burden for filing this report is estimated at no more than 800 hours. Information in the Annual Reports is used to monitor and assess railroad industry growth, financial stability, traffic, and operations and to identify industry changes that may affect national transportation policy. In addition, the Board uses data from these reports to more effectively carry out its regulatory responsibilities, such as acting on railroad requests for authority to engage in Board regulated financial transactions (for example, mergers, acquisitions of control, consolidations and abandonments); developing the Uniform Rail Cost System (UCRS); conducting rail revenue adequacy proceedings; developing rail cost adjustment factors; and conducting investigations and rulemakings. The information in this report is ordinarily maintained by the agency in hard copy for 10 years, after which it is transferred to the National Archives, where it is maintained as a permanent record. In addition, some of the information is posted on the Board's website, where it may remain indefinitely. All information collected through this report is available to the public. Under the PRA, a federal agency may not conduct or sponsor, and a person is not required to respond to, nor shall a person be subject to a penalty for failure to comply with, a collection of information unless it displays a currently valid OMB control number. Comments and questions about this collection (2140-0009) should be directed to Paperwork Reduction Officer, Surface Transportation Board, 395 E Street, S.W., Washington, DC 20423-0001.

A. SCHEDULES OMITTED BY RESPONDENT

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

Page	Schedule No.	Title
		<p style="text-align: center;">NONE</p>

B. IDENTITY OF RESPONDENT

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

- 1 Give in full the exact name of the respondent. Use the words "The" and "Company" only when they are parts of the corporate name. Be careful to distinguish between railroad and railway. The corporate name should be given uniformly throughout the report, notably on the cover, on the title page, and in the "Verification." If the report is made by receivers, trustees, a committee of bondholders, or individuals otherwise in possession of the property, state names and facts with precision. If the report is for a consolidated group, pursuant to Special Permission from the Board, indicate such fact on line 1 below and list the consolidated group on page 4.
- 2 If incorporated under a special charter, give date of passage of the act; if a reorganization has been effected, give date of reorganization. If a receivership or other trust, give also date when such receivership or other possession began. If a partnership, give date of formation and also names in full of present partners.
- 3 State the occasion for the reorganization, whether by reason of foreclosure of mortgage or otherwise, according to the fact. Give date of organization of original corporation and refer to laws under which organized.

- 1 Exact name of common carrier making this report Norfolk Southern Combined Railroad Subsidiaries* (NS Rail) is
principally composed of Norfolk Southern Railway Company.
- 2 Date of incorporation Norfolk Southern Railway Company was incorporated June 18, 1894, under the name Southern
Railway Company.
- 3 Under laws of what Government, State, or Territory organized? If more than one, name all. If in bankruptcy, give court of jurisdiction and dates of beginning of receivership and of appointment of receivers or trustees
Norfolk Southern Railway Company - Organized under and by virtue of an act of Assembly of the State of Virginia,
approved February 20, 1894.
- 4 If the respondent was reorganized during the year, involved in a consolidation or merger, or conducted its business under a different name, give full particulars - On June 1, 1982, Southern Railway Company (SR) and Norfolk and Western Railway
Company (NW) became subsidiaries of Norfolk Southern Corporation (NS), a transportation holding company incorporated
in Virginia. Effective December 31, 1990, NS transferred all the common stock of NW to SR, and SR's name was changed to
Norfolk Southern Railway Company (NSR). Effective September 1, 1998, NW was merged with and into NSR. In August 1998,
the STB's decision approving the joint application of NS, NSR and other parties to control Conrail, Inc. (Conrail) (which owns
Consolidated Rail Corporation) became final. NSR and CSX Transportation, Inc. (CSXT) began operating their respective
portions of Conrail's routes and assets on June 1, 1999. See also Note 11 Schedule 200 on page 10.

* See note on page 4 "Principles of Combined Reporting."

STOCKHOLDERS REPORTS

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

Check appropriate box:

Two copies are attached to this report.

Two copies will be submitted

No annual report to stockholders is prepared. Not applicable for "Norfolk Southern Combined Railroad Subsidiaries."

C. VOTING POWERS AND ELECTIONS

1. State the par value of each share of stock: Common, \$ No Par per share; first preferred, \$ ____ per share; second preferred \$ ____ per share; debenture stock, \$ ____ per share.
2. State whether or not each share of stock has the right to one vote; if not, give full particulars in a footnote. Yes
3. Are voting rights proportional to holdings? Yes If no, state in a footnote the relation between holdings and corresponding voting rights.
4. Are voting rights attached to any securities other than stock? No If so, name in a footnote each security, other than stock, to which voting rights are attached (as of the close of the year), and state in detail the relation between holdings and corresponding voting rights, stating whether voting rights are actual or contingent, and if contingent, showing the contingency.
5. Has any class or issue of securities any special privileges in the election of directors, trustees, or managers, or in the determination of corporate action by any method? No If so, describe fully in a footnote each such class or issue and give a succinct statement showing clearly the character and extent of such privileges.
6. Give the date of the latest closing of the stock book prior to the actual filing of this report, and state the purpose of such closing.
Stock Books Do Not Close
7. State the total voting power of all security holders of the respondent at the date of such closing, if within one year of the date of such filing; if not, state as of the close of the year. NSR 16,668,997 votes as of December 31, 2018 (date)
8. State the total number of stockholders of record, as of the date shown in answer to inquiry No. 7. One stockholder.
9. Give the names of the thirty security holders of the respondent who, at the date of the latest closing of the stock book or compilation of the 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 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 agreement, give as supplemental information the names and addresses of the thirty 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 thirty security holders as of the close of the year.

Line No.	Name of Security Holder	Address of Security Holder	Number of votes to which security holder was entitled	NUMBER OF VOTES, CLASSIFIED WITH RESPECT TO SECURITIES ON WHICH BASED			Line No.
				Stock			
				Common	PREFERRED		
Second	First						
1	Norfolk Southern Railway:						1
2	Norfolk Southern Corp.	Norfolk, VA	16,668,997	16,668,997			2
3							3
4							4
5							5
6							6
7							7
8							8
9							9
10							10
11							11
12							12
13							13
14							14
15							15
16							16
17							17
18							18
19							19
20							20
21							21
22							22
23							23
24							24
25							25
26							26
27							27
28							28
29							29
30							30

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 22, 2018

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

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>
Alabama Great Southern Railroad Company, The	Airforce Pipeline, Inc.
Cincinnati, New Orleans and Texas Pacific Railway Company, The	Alabama Great Southern, LLC
Norfolk Southern Railway Company	Central of Georgia, LLC
	Citico Realty Company
	High Point, Randleman, Asheboro and Southern Railroad Company
	Lamberts Point Barge Company, Inc.
	Mobile and Birmingham Railroad Company
	Norfolk Southern International, Inc.
	Norfolk Southern-Mexico, LLC
	NorfolkSouthernMexicana, S. de R.L. de C.V.
	North Carolina Midland Railroad Company, The
	NS Spectrum Corporation
	PLS Investment, LLC
	Rail Investment Company
	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
	TCV, Inc.
	Thoroughbred Direct Intermodal Services, Inc.
	Thoroughbred Emissions Research, LLC
	Thoroughbred Funding, Inc.
	Thoroughbred Logistics Services, Inc.
	Thoroughbred Technology & 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

Class II
Central of Georgia Railroad Company
Georgia Southern and Florida Railway Company

Class III
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

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION - ASSETS						
(Dollars in Thousands)						
Line No.	Cross Check	Account	Title (a)	Balance at close of year (b)	Balance at beginning of year (c)	Line No.
Current Assets						
1		701	Cash and Cash Equivalents	313,590	601,060	1
2		702	Temporary Cash Investments			2
3		703	Special Deposits			3
Accounts Receivable						
4		704	- Loan and Notes	446	2,509	4
5		705	- Interline and Other Balances	41,914	50,010	5
6		706	- Customers	552,953	512,002	6
7		707	- Other	144,250	137,425	7
8		709, 708	- Accrued Accounts Receivables	237,115	242,124	8
9		708.5	- Receivables from Affiliated Companies	15,872,549	11,360,351	9
10		709.5	- Less: Allowance for Uncollectible Accounts	(4,608)	(4,015)	10
11		710, 711, 714	Working Funds Prepayments Deferred Income Tax Debits	106,248	176,974	11
12		712	Materials and Supplies	206,310	221,447	12
13		713, 713.5, 713.6	Other Current Assets	87,774	12,206	13
14			TOTAL CURRENT ASSETS	17,558,541	13,312,093	14
Other Assets						
15		715, 716, 717	Special Funds	30,093	144,192	15
16		721, 721.5	Investments and Advances Affiliated Companies (Schedule 310 and 310A)	1,234,259	1,172,731	16
17		722, 723	Other Investments and Advances	10,209	11,352	17
18		737, 738	Property Used in Other than Carrier Operation (less Depreciation) \$56,989 and \$55,131, respectively	115,053	117,012	18
19		739, 741	Other Assets	138,920	98,007	19
20		743	Other Deferred Debits	660	2,766	20
21		744	Accumulated Deferred Income Tax Debits			21
22			TOTAL OTHER ASSETS	1,529,194	1,546,060	22
Road and Equipment						
23		731, 732	Road (Schedule 330, L-30 Col. h & b)	31,244,061	30,379,073	23
24		731, 732	Equipment (Schedule 330, L-39 Col. h & b)	10,746,890	10,527,935	24
25		731, 732	Unallocated Items	884,592	698,632	25
26		733, 735	Accumulated Depreciation and Amortization (Schedules 335, 342)	(12,578,467)	(12,067,045)	26
27			Net Road and Equipment	30,297,076	29,538,595	27
28	*		TOTAL ASSETS	49,384,811	44,396,748	28

NOTES AND REMARKS

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION - LIABILITIES AND SHAREHOLDERS' EQUITY
(Dollars in Thousands)

Line No.	Cross Check	Account	Title (a)	Balance at close of year (b)	Balance at beginning of year (c)	Line No.
Current Liabilities						
29		751	Loans and Notes Payable		100,000	29
30		752	Accounts Payable; Interline and Other Balances	599	511	30
31		753	Audited Accounts and Wages	39,412	36,232	31
32		754	Other Accounts Payable	24,352	24,017	32
33		755, 756	Interest and Dividends Payable	2,983	3,129	33
34		757	Payables to Affiliated Companies	899,508	743,139	34
35		759	Accrued Accounts Payable	1,415,926	1,322,936	35
36		760, 761, 761.5, 762	Taxes Accrued	215,773	189,985	36
37		763	Other Current Liabilities	100,925	109,496	37
38		764	Equipment Obligations and Other Long-Term Debt	195	186	38
39			TOTAL CURRENT LIABILITIES	2,699,673	2,529,631	39
Non-Current Liabilities						
40		765, 767	Funded Debt Unmatured	451,826	451,826	40
41		766	Equipment Obligations			41
42		766.5	Capitalized Lease Obligations	1,259	1,453	42
43		768	Debt in Default			43
44		769	Accounts Payable; Affiliated Companies	8,149,313	6,125,864	44
45		770.1, 770.2	Unamortized Debt Premium	41,499	51,766	45
46		781	Interest in Default			46
47		783	Deferred Revenues-Transfers from Government Authorities			47
48		786	Accumulated Deferred Income Tax Credits	6,275,508	6,112,373	48
49		771, 772, 774, 775, 782, 784	Other Long-Term Liabilities and Deferred Credits	3,569,231	3,587,573	49
50			TOTAL NONCURRENT LIABILITIES	18,488,636	16,330,855	50
Shareholders' Equity						
51		791, 792	Total Capital Stock:	166,690	166,690	51
52			Common Stock	166,690	166,690	52
53			Preferred Stock			53
54		793	Discount on Capital Stock			54
55		794, 795	Additional Capital	7,263,099	7,263,099	55
56		797	Retained Earnings:			56
57		798	Appropriated			57
58		798.5	Unappropriated	21,271,391	18,415,695	58
59		799	Less Treasury Stock			59
60			Accumulated Other Comprehensive Income or (loss)	(504,678)	(309,222)	60
61			Total stockholders equity	28,196,502	25,536,262	61
62			Noncontrolling interest			62
63	*		Total equity (Lines 60 + 61)	28,196,502	25,536,262	63
63			TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	49,384,811	44,396,748	63

NOTES AND REMARKS

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION – EXPLANATORY NOTES

The notes listed below are provided to disclose supplementary information on matters that 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 statements explaining (1) service interruption insurance policies and indicating the amount of indemnity to which respondent will be entitled for work stoppage losses and the maximum amount of additional premium respondent may be obligated to pay in the event such losses are sustained by other railroads; (2) particulars concerning obligations for stock purchase options granted to officers and employees; and (3) what entries have been made for net income or retained income restricted under provisions of mortgages and other arrangements.

1. Amount (estimated, if necessary) of net income or retained income which has to be provided for capital expenditures, and for sinking 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 realized before paying Federal income taxes because of unused and available net operating loss carryover on January 1 of the year following that for which the report is made
NONE
3. (a) Explain the procedure in accounting for pension funds and recording in the accounts the current and past service pension costs, indicating whether or not consistent with the prior year
SEE NOTE 13, PAGE 11
- (b) State amount, if any, representing the excess of the actuarially computed value of vested benefits over the total of the pension fund
SEE NOTE 13, PAGE 11
- (c) Is any part of pension plan funded? Specify. Yes X No
 (i) If funding is by insurance, give name of insuring company NOT APPLICABLE
 If funding is by trust agreement, list trustee(s) THE BOARD OF MANAGERS OF THE RETIREMENT PLAN OF NORFOLK SOUTHERN CORPORATION AND PARTICIPATING SUBSIDIARY COMPANIES. AS OF DECEMBER 31, 2018, THE MEMBERS OF THE BOARD OF MANAGERS ARE JOHN M. SCHEIB, CHAIRMAN; MIKE J. WHEELER, MEMBER; ANNIE A. ADAMS, MEMBER.
 Date of trust agreement or latest amendment DECEMBER 01, 2017
 If respondent is affiliated in any way with the trustee(s), explain affiliation
- (d) List affiliated companies which are included in the pension plan funding agreement and describe basis for allocating charges under the agreement
SEE NOTE 13, PAGE 11
- (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 X
 If yes, give number of the shares for each class of stock or other security:

 Are voting rights attached to any securities held by the pension plan? Specify. Yes X No
 If yes, who determines how stock is voted? THE BENEFITS INVESTMENT COMMITTEE IS AUTHORIZED TO GIVE INSTRUCTIONS TO THE BENEFITS INVESTMENT COMMITTEE'S NOMINEE REGARDING THE EXECUTION OF GENERAL PROXIES.
4. State whether a segregated political fund has been established as provided by the Federal Election Campaign Act of 1971 (18 U.S.C. 610). Yes X No
5. (a) The amount of employers contribution to employee stock ownership plans for the current year was NONE.
- (b) The amount of investment tax credit used to reduce current income tax expense resulting from contributions to qualified employee stock ownership plans for the current year was NONE.
6. In reference to Docket No. 37465 specify the total amount of business entertainment expenditures charged to the nonoperating expense account. NONE
7. Give particulars with respect to contingent assets and liabilities at the close of the year, in accordance with Instruction 5-6 in the Uniform System of Accounts for Railroad Companies that are not reflected in the amounts of the respondent.

Disclose the nature and amount of contingency that is material.

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

See Note 14 beginning on page 15B.

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION – EXPLANATORY NOTES (continued)

(a) Changes in Valuation Accounts

8. Marketable Equity Securities.

		Cost	Market	Dr. (Cr.) to Income	Dr. (Cr.) to Stockholders Equity
(Current Yr.)	Current Portfolio				N/A
as of / /	Noncurrent Portfolio			N/A	\$
(Previous Yr.)	Current Portfolio			N/A	N/A
as of / /	Noncurrent Portfolio			N/A	N/A

At / / , gross unrealized gains and losses pertaining to marketable equity securities were as follows:

	Gains	Losses
Current	\$	\$
Noncurrent	\$	\$

A net unrealized gain (loss) of \$ _____ on the sale of marketable equity securities was included in net income for _____ (year). The cost of securities sold was based on the _____ (method) cost of all the shares of each security held at time of sale.

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

NOTE: / / (date) Balance sheet date of reported year unless specified as previous year

9. New Accounting Pronouncements

The Financial Accounting Standards Board (FASB) issued ASU 2014-09, "Revenue from Contracts with Customers," and related amendments, which are jointly referred to as Accounting Standards Codification (ASC) Topic 606. This standard replaced most existing revenue recognition guidance in Generally Accepted Accounting Principles (GAAP) and requires entities to recognize the amount of revenue to which it expects to be entitled for the transfer of promised goods or services to customers. A performance obligation is defined as a promise in a contract to transfer a distinct good or service to the customer. A contract's transaction price is allocated to each distinct performance obligation and recognized as revenue when, or as, the performance obligation is satisfied. We adopted the provisions of this standard on January 1, 2018, using the modified retrospective method. There was no cumulative effect of initially applying the standard, nor is there any material difference in revenue for the year ended December 31, 2018, as compared with GAAP that was in effect prior to January 1, 2018.

In March 2017, the FASB issued ASU 2017-07, "Improving the Presentation of Net Periodic Pension Cost and Net Periodic Postretirement Benefit Cost." This update requires segregation of net benefit costs between operating and non-operating expenses. We adopted the standard on January 1, 2018. Under the new standard, only the service cost component of defined benefit pension cost and postretirement benefit cost are reported within "Railway operating expenses" and all other components of net benefit cost are presented within the "Miscellaneous income charges" line on the schedule of Results of Operations. We did not adopt the standard retrospectively for R-1 reporting purposes. The implementation of the standard had no impact on total "Income available for fixed charges."

In February 2018, the FASB issued ASU 2018-02, "Reclassification of Certain Tax Effects from Accumulated Other Comprehensive Income." This update is intended to reclassify the stranded tax effects resulting from tax reform from accumulated other comprehensive income (AOCI) to retained earnings. The amount of the reclassification is the difference between the amount initially charged or credited directly to other comprehensive income at the previously enacted U.S. federal corporate income tax rate that remains in AOCI and the amount that would have been charged or credited directly to other comprehensive income using the newly enacted U.S. federal corporate income tax rate. In the first quarter of 2018, we adopted the provisions of ASU 2018-02 resulting in an increase to "Accumulated Other Comprehensive Income or (loss)" of \$87 million and a corresponding increase to "Retained Earnings: Unappropriated," with no impact on "Total stockholders equity."

In February 2016, the FASB issued ASU 2016-02, "Leases (Topic 842)," and subsequent amendments, which replaced existing lease guidance in GAAP and requires lessees to recognize right-of-use (ROU) assets and lease liabilities on the Comparative Statement of Financial Position for leases greater than twelve months and disclose key information about leasing arrangements. We adopted the standard on January 1, 2019 using the modified retrospective method and used the effective date as our date of initial application. Financial information will not be updated and the disclosures required under the new standard will not be provided for dates and periods before January 1, 2019.

The new standard provides a number of optional practical expedients for transition. We elected the package of practical expedients under the transition guidance which permits us not to reassess under the new standards our prior conclusions for lease identification and lease classification on expired or existing contracts and whether initial direct costs previously capitalized would qualify for capitalization under ASC 842. We also elected the practical expedient related to land easements, allowing us to not reassess our current accounting treatment for existing agreements on land easements, which are not accounted for as leases. We did not elect the hindsight practical expedient to determine the reasonably certain lease term for existing leases.

The new standard also provides practical expedients and recognition exemptions for an entity's ongoing accounting policy elections. We elected the short-term lease recognition exemption for all leases that qualify. This means, for those leases that qualify, we will not recognize ROU assets or lease liabilities. We also elected the practical expedient not to separate lease and non-lease components for all of our leases.

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION – EXPLANATORY NOTES (continued)

We expect that adoption of the standard will result in recognition of lease liabilities of approximately \$600 million as of January 1, 2019, with corresponding ROU assets of the same amount based on the present value of the remaining minimum rental payments under current leasing standards for existing operating leases. There will be no adjustment to "Retained Earnings: Unappropriated" on adoption.

In June 2016, the FASB issued ASU 2016-13, "Credit Losses - Measurement of Credit Losses on Financial Instruments," which replaces the current incurred loss impairment method with a method that reflects expected credit losses. The new standard is effective as of January 1, 2020, and early adoption is permitted as of January 1, 2019. Because credit losses associated from our "Accounts receivable" have historically been insignificant, we do not expect this standard to have a material effect on our financial statements. We will not adopt the standard early.

10. Railway Operating Revenues

The following table disaggregates our revenues by commodity group:

	<u>2018</u>	
	(\$ in millions)	
Merchandise:		
Chemicals	\$	1,808
Agriculture, consumer products, and government		1,674
Metals and construction		1,462
Automotive		991
Paper, clay, and forest products		809
Merchandise		<u>6,744</u>
Intermodal		2,893
Coal		<u>1,821</u>
Total	\$	<u>11,458</u>

A performance obligation is created when a customer under a transportation contract or public tariff submits a bill of lading to NS for the transport of goods. These performance obligations are satisfied as the shipments move from origin to destination. As such, transportation revenue is recognized proportionally as a shipment moves, and related expenses are recognized as incurred. These performance obligations are generally short-term in nature with transit days averaging approximately one week or less for each commodity group. The customer has an unconditional obligation to pay for the service once the service has been completed. Estimated revenue associated with in-process shipments at period-end is recorded based on the estimated percentage of service completed to total transit days. We had no material remaining performance obligations as of December 31, 2018.

Under the typical payment terms of our freight contracts, payment for services is due within fifteen days of billing the customer, thus there are no significant financing components. "Accounts receivable" on the Comparative Statement of Financial Position includes both customer and non-customer receivables as follows:

	<u>2018</u>		<u>2017</u>	
	(\$ in millions)			
Customer	\$	553	\$	512
Non-customer		<u>16,292</u>		<u>11,788</u>
Accounts receivable	\$	<u>16,845</u>	\$	<u>12,300</u>

Non-customer receivables include non-revenue-related amounts due from affiliated companies, other railroads, governmental entities, and others. "Other assets" on the Comparative Statement of Financial Position includes non-current customer receivables of \$55 million and \$39 million at December 31, 2018 and December 31, 2017, respectively. We do not have any material contract assets or liabilities.

Certain of our contracts contain refunds (which are primarily volume-based incentives) that are recorded as a reduction to revenue. Refunds are recorded on the basis of management's best estimate of projected liability, which is based on historical activity, current shipment counts and expectation of future activity.

Certain accessorial services may be provided to customers under their transportation contracts such as switching, demurrage and other incidental service revenues. These are distinct performance obligations that are recognized at a point in time when the services are performed or as contractual obligations are met. This revenue is included in accounts 104, 106, and 110 on the Results of Operations and represents approximately 4% of "Total Railway Operating Revenues."

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION – EXPLANATORY NOTES (continued)

11. Related Parties**General**

NS is our parent holding company. Rail operations are coordinated at the holding company level by the Chief Operating Officer. NS charges us a fee for management services it performs for us (which totaled \$783 million in 2018 and \$815 million in 2017, including a \$63 million markup in 2018 and a \$66 million markup in 2017). In addition, NS charges us a revenue-based licensing fee (which totaled \$169 million in 2018 and \$154 million in 2017) for the use of certain intangible assets owned by NS.

Operations Over Conrail's Lines

Through a limited liability company, NS and CSX Corporation (CSX) jointly own Conrail Inc. (Conrail), whose primary subsidiary is Consolidated Rail Corporation (CRC). NS has a 58% economic and 50% voting interest in the jointly owned entity, and CSX has the remainder of the economic and voting interests.

CRC owns and operates certain properties (the Shared Assets Areas) for the joint and exclusive benefit of NSR and CSX Transportation, Inc. (CSXT). The costs of operating the Shared Assets Areas are borne by NSR and CSXT based on usage. In addition, NSR and CSXT pay CRC a fee for access to the Shared Assets Areas. "Railway operating expenses" include expenses payable to CRC for operation of the Shared Assets Areas totaling \$150 million in 2018 and \$141 million in 2017. Future payments for access fees due to CRC under the Shared Assets Areas agreements are as follows: \$38 million in each of 2019 through 2023 and \$16 million thereafter. NS provides certain general and administrative support functions to Conrail, the fees for which are billed in accordance with several service-provider arrangements and approximate \$7 million annually.

"Accrued accounts payable" includes \$202 million at December 31, 2018, and \$146 million at December 31, 2017, due to Conrail for the operation of the Shared Assets Areas.

Investment in TTX

NS and eight other North American railroads jointly own TTX Company (TTX). NS has a 19.65% ownership interest in TTX, a railcar pooling company that provides its owner-railroads with standardized fleets of intermodal, automotive, and general use railcars at stated rates.

Amounts paid to TTX for use of equipment are included in "Railway operating expenses." This amounted to \$262 million and \$237 million of expense, respectively, for the years ended December 31, 2018 and 2017. NS' equity in the earnings of TTX, also included in "Railway operating expenses," totaled \$61 million for 2018 and \$158 million (including \$115 million related to the enactment of tax reform - see Note 16) for 2017.

Intercompany Accounts

	<u>2018</u>	<u>2017</u>
	(\$ in millions)	
Current:		
Receivables from Affiliated Companies	\$ 15,873	\$ 11,360
Payables to Affiliated Companies	\$ (900)	\$ (743)
Long-term		
Accounts Payable; Affiliated Companies	\$ (8,149)	\$ (6,126)

Interest is applied to certain advances at the average NS yield on short-term investments and to the notes at specified rates. Interest rates on these notes range from 2.90% to 6.0% with maturity dates ranging from 2021 to 2118. NS' results include interest income on amounts due from NS of \$296 million in 2018 and \$118 million in 2017, and interest expense of \$252 million in 2018 and \$200 million in 2017 related to these intercompany accounts.

Intercompany Federal Income Tax Accounts

Intercompany federal income tax accounts are recorded between companies in the NS consolidated group in accordance with the NS tax sharing agreement and are settled no later than the expiration of associated net operating loss carry forwards.

Cash Required for NS Debt

NS has outstanding approximately \$11.4 billion of unsecured notes. A significant portion of the funding for the interest and repayments on this and other NS debt is expected to be provided by us.

NS is subject to various financial covenants with respect to its debt and under its credit agreement, including a maximum leverage ratio restriction and certain restrictions on issuance of further debt. As a major NS subsidiary, we are subject to certain of those covenants.

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION – EXPLANATORY NOTES (continued)

12. Fair Value**Fair Value Measurements**

FASB ASC 820-10, "*Fair Value Measurements*," established a framework for measuring fair value and a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value into three broad levels, as follows:

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that we have the ability to access.

Level 2 Inputs to the valuation methodology include:

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability;
- inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

13. Pensions and Other Postretirement Benefits

NS and certain subsidiaries have both funded and unfunded defined benefit pension plans covering principally salaried employees. NS and certain subsidiaries also provide specified health care and life insurance benefits to eligible retired employees; these plans can be amended or terminated at NS' option. Under NS' self-insured retiree health care plan, for those participants who are not Medicare-eligible, a defined percentage of health care expenses is covered for retired employees and their dependents, reduced by any deductibles, coinsurance, and, in some cases, coverage provided under other group insurance policies. Those participants who are Medicare-eligible are not covered under the self-insured retiree health care plan, but instead are provided with an employer-funded health reimbursement account which can be used for reimbursement of health insurance premiums or eligible out-of-pocket medical expenses.

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION – EXPLANATORY NOTES (continued)

Pension and Other Postretirement Benefit Obligations and Plan Assets

	Pension Benefits		Other Postretirement Benefits	
	2018	2017	2018	2017
	(\$ in millions)			
Change in benefit obligations:				
Benefit obligation at beginning of year	\$ 2,541	\$ 2,420	\$ 510	\$ 528
Service cost	39	38	7	7
Interest cost	83	80	15	15
Actuarial losses (gains)	(149)	143	(24)	6
Benefits paid	<u>(143)</u>	<u>(140)</u>	<u>(42)</u>	<u>(46)</u>
Benefit obligation at end of year	<u>2,371</u>	<u>2,541</u>	<u>466</u>	<u>510</u>
Change in plan assets:				
Fair value of plan assets at beginning of year	2,373	2,073	201	182
Actual return on plan assets	(143)	423	(19)	40
Employer contribution	18	17	18	25
Benefits paid	<u>(143)</u>	<u>(140)</u>	<u>(42)</u>	<u>(46)</u>
Fair value of plan assets at end of year	<u>2,105</u>	<u>2,373</u>	<u>158</u>	<u>201</u>
Funded status at end of year	<u>\$ (266)</u>	<u>\$ (168)</u>	<u>\$ (308)</u>	<u>\$ (309)</u>
Amounts recognized in the Comparative Statement of Financial Position:				
Noncurrent assets	\$ 30	\$ 145	\$ —	\$ —
Current liabilities	(18)	(17)	—	—
Noncurrent liabilities	<u>(278)</u>	<u>(296)</u>	<u>(308)</u>	<u>(309)</u>
Net amount recognized	<u>\$ (266)</u>	<u>\$ (168)</u>	<u>\$ (308)</u>	<u>\$ (309)</u>
Amounts included in accumulated other comprehensive loss (before tax):				
Net loss	\$ 895	\$ 781	\$ 21	\$ 11
Prior service cost (benefit)	2	2	(259)	(283)

NS' accumulated benefit obligation for its defined benefit pension plans is \$2.2 billion and \$2.3 billion at December 31, 2018 and December 31, 2017, respectively. NS' unfunded pension plans, included above, which in all cases have no assets, had projected benefit obligations of \$296 million and \$313 million at December 31, 2018 and December 31, 2017, respectively, and had accumulated benefit obligations of \$263 million and \$267 million at December 31, 2018 and December 31, 2017, respectively.

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION – EXPLANATORY NOTES (continued)

Pension and Other Postretirement Benefit Cost Components

	<u>2018</u>	<u>2017</u>
	(\$ in millions)	
Pension benefits:		
Service cost	\$ 39	\$ 38
Interest cost	83	80
Expected return on plan assets	(177)	(172)
Amortization of net losses	57	51
Amortization of prior service cost	<u>—</u>	<u>1</u>
Net cost (benefit)	<u>\$ 2</u>	<u>\$ (2)</u>
Other postretirement benefits:		
Service cost	\$ 7	\$ 7
Interest cost	15	15
Expected return on plan assets	(15)	(15)
Amortization of prior service benefit	<u>(24)</u>	<u>(24)</u>
Net benefit	<u>\$ (17)</u>	<u>\$ (17)</u>

Other Changes in Plan Assets and Benefit Obligations Recognized in Other Comprehensive Income

	<u>2018</u>	
	<u>Pension</u>	<u>Other</u>
	<u>Benefits</u>	<u>Postretirement</u>
	(\$ in millions)	
Net loss arising during the year	\$ 171	\$ 10
Amortization of net losses	(57)	—
Amortization of prior service benefit	<u>—</u>	<u>24</u>
Total recognized in other comprehensive income	<u>\$ 114</u>	<u>\$ 34</u>
Total recognized in net periodic cost and other comprehensive income	<u>\$ 116</u>	<u>\$ 17</u>

Net actuarial losses arising during the year for pension and other postretirement benefits were due primarily to lower actual returns on plan assets, partially offset by an increase in discount rates.

The estimated net losses for the pension plans that will be amortized from accumulated other comprehensive loss into net periodic cost over the next year are \$44 million. The estimated prior service benefit for the other postretirement benefit plans that will be amortized from accumulated other comprehensive loss into net periodic benefit over the next year is \$24 million.

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION – EXPLANATORY NOTES (continued)

Pension and Other Postretirement Benefits Assumptions

Costs for pension and other postretirement benefits are determined based on actuarial valuations that reflect appropriate assumptions as of the measurement date, ordinarily the beginning of each year. The funded status of the plans is determined using appropriate assumptions as of each year end. A summary of the major assumptions follows:

	<u>2018</u>	<u>2017</u>
Pension funded status:		
Discount rate	4.33 %	3.74 %
Future salary increases	4.21 %	4.21 %
Other postretirement benefits funded status:		
Discount rate	4.18 %	3.57 %
Pension cost:		
Discount rate – service cost	4.01 %	4.31 %
Discount rate – interest cost	3.33 %	3.43 %
Return on assets in plans	8.25 %	8.25 %
Future salary increases	4.21 %	4.21 %
Other postretirement benefits cost:		
Discount rate – service cost	3.83 %	4.17 %
Discount rate – interest cost	3.13 %	3.14 %
Return on assets in plans	8.00 %	8.00 %
Health care trend rate	6.30 %	6.56 %

To determine the discount rates used to measure NS' benefit obligations, NS utilizes analyses in which the projected annual cash flows from the pension and other postretirement benefit plans were matched with yield curves based on an appropriate universe of high-quality corporate bonds. NS uses the results of the yield curve analyses to select the discount rates that match the payment streams of the benefits in these plans.

NS uses a spot rate approach to estimate the service cost and interest cost components of net periodic benefit cost for NS' pension and other postretirement benefit plans.

Health Care Cost Trend Assumptions

For measurement purposes at December 31, 2018, increases in the per capita cost of pre-Medicare covered health care benefits were assumed to be 6.5% for 2019. It is assumed the rate will decrease gradually to an ultimate rate of 5.0% for 2025 and remain at that level thereafter.

Assumed health care cost trend rates affect the amounts reported in the consolidated financial statements. To illustrate, a one-percentage point change in the assumed health care cost trend would have the following effects:

	One-percentage point	
	<u>Increase</u>	<u>Decrease</u>
	<i>(\$ in millions)</i>	
Increase (decrease) in:		
Total service and interest cost components	\$ 1	\$ (1)
Postretirement benefit obligation	9	(8)

Asset Management

Eleven investment firms manage NS' defined benefit pension plans' assets under investment guidelines approved by NS' Benefits Investment Committee that is comprised of members of NS' management. Investments are restricted to domestic and international equity securities, domestic and international fixed income securities, and unleveraged exchange-traded options and financial futures. Limitations restrict investment concentration and use of certain derivative investments. The target asset allocation for equity is 75% of the pension plans' assets. Fixed income investments must consist predominantly of securities rated investment grade or higher. Equity investments must be in liquid securities listed on national exchanges. No investment is permitted in NS' securities (except through commingled pension trust funds).

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION – EXPLANATORY NOTES (continued)

NS' pension plans' weighted-average asset allocations, by asset category, were as follows:

	Percentage of plan assets at December 31,	
	2018	2017
Domestic equity securities	49 %	49 %
International equity securities	23 %	25 %
Debt securities	25 %	24 %
Cash and cash equivalents	3 %	2 %
Total	100 %	100 %

The other postretirement benefit plan assets consist primarily of trust-owned variable life insurance policies with an asset allocation at December 31, 2018 of 64% in equity securities and 36% in debt securities compared with 67% in equity securities and 33% in debt securities at December 31, 2017. The target asset allocation for equity is between 50% and 75% of the plan's assets.

The plans' assumed future returns are based principally on the asset allocations and historical returns for the plans' asset classes determined from both actual plan returns and, over longer time periods, expected market returns for those asset classes. For 2019, NS assumes an 8.25% return on pension plan assets.

Fair Value of Plan Assets

Following is a description of the valuation methodologies used for pension plan assets measured at fair value.

Common stock: Shares held by the plan at year end are valued at the official closing price as defined by the exchange or at the most recent trade price of a security at the close of the active market.

Common collective trusts: The readily determinable fair value is based on the published fair value per unit of the trusts. The common collective trusts hold equity securities, fixed income securities and cash and cash equivalents.

Fixed income securities: Valued based on quotes received from independent pricing services or at an estimated price at which a dealer would pay for a security at year end using observable market-based inputs.

Commingled funds: The readily determinable fair value is based on the published fair value per unit of the funds. The commingled funds hold equity securities.

Cash and cash equivalents: Short-term bills or notes are valued at an estimated price at which a dealer would pay for the security at year end using observable market-based inputs; money market funds are valued at the closing price reported on the active market on which the funds are traded.

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION – EXPLANATORY NOTES (continued)

The following table sets forth the pension plans' assets by valuation technique level, within the fair value hierarchy (there were no level 3 valued assets).

	December 31, 2018		
	<u>Level 1</u>	<u>Level 2</u>	<u>Total</u>
		<i>(\$ in millions)</i>	
Common stock	\$ 1,106	\$ —	\$ 1,106
Common collective trusts:			
International equity securities	—	314	314
Debt securities	—	287	287
Fixed income securities:			
Corporate bonds	—	83	83
Government and agencies securities	—	89	89
Mortgage and other asset-backed securities	—	62	62
Commingled funds	—	92	92
Cash and cash equivalents	72	—	72
Total investments	<u>\$ 1,178</u>	<u>\$ 927</u>	<u>\$ 2,105</u>
	December 31, 2017		
	<u>Level 1</u>	<u>Level 2</u>	<u>Total</u>
		<i>(\$ in millions)</i>	
Common stock	\$ 1,154	\$ —	\$ 1,154
Common collective trusts:			
International equity securities	—	397	397
Debt securities	—	562	562
Fixed income securities:			
Government and agencies securities	—	4	4
Commingled funds	—	233	233
Cash and cash equivalents	23	—	23
Total investments	<u>\$ 1,177</u>	<u>\$ 1,196</u>	<u>\$ 2,373</u>

Following is a description of the valuation methodologies used for other postretirement benefit plan assets measured at fair value.

Trust-owned life insurance: Valued at NS' share of the net assets of trust-owned life insurance issued by a major insurance company. The underlying investments of that trust consist of a U.S. stock account and a U.S. bond account but may retain cash at times as well. The U.S. stock account and U.S. bond account are valued based on readily determinable fair values.

The other postretirement benefit plan assets consisted of trust-owned life insurance with fair values of \$158 million and \$201 million at December 31, 2018 and December 31, 2017, respectively, and are valued under level 2 of the fair value hierarchy. There were no level 1 or level 3 valued assets.

Contributions and Estimated Future Benefit Payments

In 2019, NS expects to contribute approximately \$18 million to its unfunded pension plans for payments to pensioners and approximately \$41 million to our other postretirement benefit plans for retiree health and death benefits. NS does not expect to contribute to its funded pension plan in 2019.

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION – EXPLANATORY NOTES (continued)

Benefit payments, which reflect expected future service, as appropriate, are expected to be paid as follows:

	Pension Benefits	Other Postretirement Benefits
	<i>(\$ in millions)</i>	
2019	\$ 142	\$ 41
2020	143	40
2021	144	38
2022	145	37
2023	146	36
Years 2024 – 2028	733	165

Other Postretirement Coverage

Under collective bargaining agreements, NS and certain subsidiaries participate in a multi-employer benefit plan, which provides certain postretirement health care and life insurance benefits to eligible union employees. Premiums under this plan are expensed as incurred and totaled \$35 million in 2018, and \$44 million in 2017.

Section 401(k) Plans

NS and certain subsidiaries provide Section 401(k) savings plans for employees. Under the plans, NS matches a portion of employee contributions, subject to applicable limitations. NS' matching contributions, recorded as an expense, under these plans were \$23 million in both 2018 and 2017.

14. Commitments and Contingencies**Lawsuits**

We and/or certain subsidiaries are defendants in numerous lawsuits and other claims relating principally to railroad operations. When we conclude that it is probable that a liability has been incurred and the amount of the liability can be reasonably estimated, it is accrued through a charge to earnings. While the ultimate amount of liability incurred in any of these lawsuits and claims is dependent on future developments, in our opinion, the recorded liability is adequate to cover the future payment of such liability and claims. However, the final outcome of any of these lawsuits and claims cannot be predicted with certainty, and unfavorable or unexpected outcomes could result in additional accruals that could be significant to results of operations in a particular year or quarter. Any adjustments to the recorded liability will be reflected in earnings in the periods in which such adjustments become known.

In 2007, various antitrust class actions filed against us and other Class I railroads in various Federal district courts regarding fuel surcharges were consolidated in the District of Columbia by the Judicial Panel on Multidistrict Litigation. In 2012, the court certified the case as a class action. The defendant railroads appealed this certification, and the Court of Appeals for the District of Columbia vacated the District Court's decision and remanded the case for further consideration. On October 10, 2017, the District Court denied class certification; the findings are subject to appeal. We believe the allegations in the complaints are without merit and intend to vigorously defend the cases. We do not believe the outcome of these proceedings will have a material effect on our financial position, results of operations, or liquidity.

Casualty Claims

Casualty claims include employee personal injury and occupational claims as well as third-party claims, all exclusive of legal costs. To aid in valuing our personal injury liability and determining the amount to accrue with respect to such claims during the year, we utilize studies prepared by an independent consulting actuarial firm. Job-related personal injury and occupational claims are subject to FELA, which is applicable only to railroads. FELA's fault-based tort system produces results that are unpredictable and inconsistent as compared with a no-fault workers' compensation system. The variability inherent in this system could result in actual costs being different from the liability recorded. While the ultimate amount of claims incurred is dependent on future developments, in our opinion, the recorded liability is adequate to cover the future payments of claims and is supported by the most recent actuarial study. In all cases, we record a liability when the expected loss for the claim is both probable and reasonably estimable.

Employee personal injury claims - The largest component of casualties and other claims expense is employee personal injury costs. The independent actuarial firm engaged by us provides quarterly studies to aid in valuing our employee personal injury liability and estimating personal injury expense. The actuarial firm studies our historical patterns of reserving for claims and subsequent settlements, taking into account relevant outside influences. The actuarial firm uses the results of these analyses to estimate the ultimate amount of liability. We adjust the liability quarterly based upon our assessment and the results of the study. Our estimate of the liability is subject to inherent limitation given the difficulty of predicting future events such as jury decisions, court interpretations, or legislative changes. As a result, actual claim settlements may vary from the estimated liability recorded.

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION – EXPLANATORY NOTES (continued)

Occupational claims - Occupational claims include injuries and illnesses alleged to be caused by exposures which occur over time as opposed to injuries or illnesses caused by a specific accident or event. Types of occupational claims commonly seen allege exposure to asbestos and other claimed toxic substances resulting in respiratory diseases or cancer, exposure to repetitive motion resulting in various musculoskeletal disorders, and exposure to excessive noise resulting in hearing loss. Many such claims are being asserted by former or retired employees, some of whom have not been employed in the rail industry for decades. The independent actuarial firm provides an estimate of the occupational claims liability based upon our history of claim filings, severity, payments, and other pertinent facts. The liability is dependent upon judgments we make as to the specific case reserves as well as judgments of the actuarial firm in the quarterly studies. The actuarial firm's estimate of ultimate loss includes a provision for those claims that have been incurred but not reported. This provision is derived by analyzing industry data and projecting our experience. We adjust the liability quarterly based upon our assessment and the results of the study. However, it is possible that the recorded liability may not be adequate to cover the future payment of claims. Adjustments to the recorded liability are reflected in operating expenses in the periods in which such adjustments become known.

Third-party claims - We record a liability for third-party claims including those for highway crossing accidents, trespasser and other injuries, automobile liability, property damage, and lading damage. The actuarial firm assists us with the calculation of potential liability for third-party claims, except lading damage, based upon our experience including the number and timing of incidents, amount of payments, settlement rates, number of open claims, and legal defenses. We adjust the liability quarterly based upon our assessment and the results of the study. Given the inherent uncertainty in regard to the ultimate outcome of third-party claims, it is possible that the actual loss may differ from the estimated liability recorded.

Environmental Matters

We are subject to various jurisdictions' environmental laws and regulations. We record a liability where such liability or loss is probable and reasonably estimable. Environmental specialists regularly participate in ongoing evaluations of all known sites and in determining any necessary adjustments to liability estimates.

Our Comparative Statement of Financial Position includes liabilities for environmental exposures of \$55 million at December 31, 2018, and \$58 million at December 31, 2017, of which \$15 million is classified as a current liability at the end of both 2018 and 2017. At December 31, 2018, the liability represents our estimates of the probable cleanup, investigation, and remediation costs based on available information at 114 known locations and projects compared with 127 locations and projects at December 31, 2017. At December 31, 2018, fifteen sites accounted for \$37 million of the liability, and no individual site was considered to be material. We anticipate that much of this liability will be paid out over five years; however, some costs will be paid out over a longer period.

At eleven locations, one or more of our subsidiaries in conjunction with a number of other parties have been identified as potentially responsible parties under the Comprehensive Environmental Response, Compensation and Liability Act of 1980 or comparable state statutes that impose joint and several liability for cleanup costs. We calculate our estimated liability for these sites based on facts and legal defenses applicable to each site and not solely on the basis of the potential for joint liability.

With respect to known environmental sites (whether identified by us or by the Environmental Protection Agency or comparable state authorities), estimates of our ultimate potential financial exposure for a given site or in the aggregate for all such sites can change over time because of the widely varying costs of currently available cleanup techniques, unpredictable contaminant recovery and reduction rates associated with available cleanup technologies, the likely development of new cleanup technologies, the difficulty of determining in advance the nature and full extent of contamination and each potential participant's share of any estimated loss (and that participant's ability to bear it), and evolving statutory and regulatory standards governing liability.

The risk of incurring environmental liability for acts and omissions, past, present, and future, is inherent in the railroad business. Some of the commodities we transport, particularly those classified as hazardous materials, pose special risks that we work diligently to reduce. In addition, several of our subsidiaries own, or have owned, land used as operating property, or which is leased and operated by others, or held for sale. Because environmental problems that are latent or undisclosed may exist on these properties, there can be no assurance that we will not incur environmental liabilities or costs with respect to one or more of them, the amount and materiality of which cannot be estimated reliably at this time. Moreover, lawsuits and claims involving these and potentially other unidentified environmental sites and matters are likely to arise from time to time. The resulting liabilities could have a significant effect on financial position, results of operations, or liquidity in a particular year or quarter.

Based on our assessment of the facts and circumstances now known, we believe we have recorded the probable and reasonably estimable costs for dealing with those environmental matters of which we are aware. Further, we believe that it is unlikely that any known matters, either individually or in the aggregate, will have a material adverse effect on our financial position, results of operations, or liquidity.

Insurance

We obtain on behalf of ourselves and our subsidiaries insurance for potential losses for third-party liability and first-party property damages. We are currently self-insured up to \$50 million and above \$1.1 billion (\$1.5 billion for specific perils) per occurrence and/or policy year for bodily injury and property damage to third parties and up to \$25 million and above \$200 million per occurrence and/or policy year for property owned by us or in our care, custody, or control.

Purchase Commitments

At December 31, 2018, we had outstanding purchase commitments totaling approximately \$1.2 billion for locomotives, track material, long-term service contracts, track and yard expansion projects in connection with our capital programs as well as freight cars and containers through 2023.

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION – EXPLANATORY NOTES (continued)

Change-In-Control Arrangements

We have compensation agreements with certain officers and key employees that become operative only upon a change in control of Norfolk Southern, as defined in those agreements. The agreements provide generally for payments based on compensation at the time of a covered individual's involuntary or other specified termination and for certain other benefits.

Indemnifications

In a number of instances, we have agreed to indemnify lenders for additional costs they may bear as a result of certain changes in laws or regulations applicable to their loans. Such changes may include impositions or modifications with respect to taxes, duties, reserves, liquidity, capital adequacy, special deposits, and similar requirements relating to extensions of credit by, deposits with, or the assets or liabilities of such lenders. The nature and timing of changes in laws or regulations applicable to our financings are inherently unpredictable, and therefore our exposure in connection with the foregoing indemnifications cannot be quantified. No liability has been recorded related to these indemnifications.

15. Freight Rates

In 2018, we continued our reliance on private contracts and exempt price quotes as the predominant pricing mechanism. Thus, a major portion of our freight business is not currently economically regulated by the government. In general, market forces have been substituted for government regulation and now are the primary determinant of rail service prices.

16. Income Taxes

On December 22, 2017, the Tax Cuts and Jobs Act ("tax reform") was signed into law. Tax reform resulted in the remeasurement of net deferred tax liabilities related to the reduction of the federal tax rate from 35% to 21% (the "2017 tax adjustments"). GAAP requires companies to recognize the effect of tax law changes in the period of enactment. As a result, in 2017, Line 66 "Net revenue from railway operations" included a \$118 million benefit for earnings generated from reductions to net deferred tax liabilities at certain equity investees, Line 67 "(556) Income taxes on ordinary income" included a \$5 million expense and Line 68 "(557) Provision for deferred income taxes" included a \$3,279 million benefit primarily due to the remeasurement of our net deferred tax liabilities to reflect the lower rate. In 2017, reasonable estimates were made based on our analysis of tax reform that could have required provisional amounts to be adjusted when additional information was obtained. No material adjustments to our provisional amounts were made in 2018.

210. RESULTS OF OPERATIONS

(Dollars in Thousands)

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

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

3. List dividends from investments accounted for under the cost method on line No. 19 and list dividends accounted for under the equity method on line 25.

4. All contra entries should be shown in parenthesis

5. Cross-checks

Schedule 210

Line 15, column (b)

Line 47 plus 48 plus 49, column (b)

Line 50, column (b)

Line 14, column (b)

Line 14, column (d)

Line 14, column (e)

Schedule 210

= Line 66, column (b)

= Line 67, column (b)

= Line 68, column (b)

Schedule 410

= Line 620, column (h)

= Line 620, column (f)

= Line 620, column (g)

Line No.	Cross Check	Item (a)	Amount for current year (b)	Amount for preceding year (c)	Freight-related revenue & expenses (d)	Passenger-related revenue & expenses (e)	Line No.
		ORDINARY ITEMS OPERATING INCOME Railway Operating Income					
1		(101) Freight	11,066,135	10,232,913	11,066,135		1
2		(102) Passenger					2
3		(103) Passenger-Related					3
4		(104) Switching	55,901	54,391	55,901		4
5		(105) Water Transfers					5
6		(106) Demurrage	243,621	179,920	243,621		6
7		(110) Incidental	92,056	83,889	92,056		7
8		(121) Joint Facility-Credit (Debit)					8
9		(122) Joint Facility-Debit (Credit)					9
10		(501) Railway operating revenues (Exclusive of transfers from Government Authorities-lines 1-9)	11,457,713	10,551,113	11,457,713		10
11		(502) Railway operating revenues-Transfers from Government Authorities for current operations					11
12		(503) Railway operating revenues-Amortization of deferred transfers from Government Authorities					12
13		TOTAL RAILWAY OPERATING REVENUES (lines 10-12)	11,457,713	10,551,113	11,457,713		13
14	*	(531) Railway operating expenses	8,063,981	7,372,499	8,063,981		14
15	*	Net revenue from railway operations	3,393,732	3,178,614	3,393,732		15
		OTHER INCOME					
16		(506) Revenue from property used in other than carrier operations	6,138	5,296			16
17		(510) Miscellaneous rent income	82,679	78,307			17
18		(512) Separately operated properties-Profit					18
19		(513) Dividend Income (cost method)					19
20		(514) Interest Income	309,423	124,631			20
21		(516) Income from sinking and other funds					21
22		(517) Release of premiums on funded debt					22
23		(518) Reimbursements received under contracts and agreements					23
24		(519) Miscellaneous income	155,921	72,927			24
		Income from affiliated companies: 519					
25		a. Dividends (equity method)					25
26		b. Equity in undistributed earnings (losses)	6	6			26
27		TOTAL OTHER INCOME (lines 16-26)	554,167	281,167			27
28		TOTAL INCOME (lines 15, 27)	3,947,899	3,459,781			28
		MISCELLANEOUS DEDUCTIONS FROM INCOME					
29		(534) Expenses of property used in other than carrier operations	22,184	20,921			29
30		(544) Miscellaneous taxes					30
31		(545) Separately operated properties-Loss					31
32		(549) Maintenance of investment organization					32
33		(550) Income transferred under contracts and agreements					33
34		(551) Miscellaneous income charges	(28,316)	26,515			34
35		(553) Uncollectible accounts					35
36		TOTAL MISCELLANEOUS DEDUCTIONS (lines 29-35)	(6,132)	47,436			36
37		Income available for fixed charges (lines 28, 36)	3,954,031	3,412,345			37

210. RESULTS OF OPERATIONS - Continued

(Dollars in Thousands)

Line No.	Cross Check	Item (a)	Amount for current year (b)	Amount for preceding year (c)	Line No.
		FIXED CHARGES			
		(546) Interest on funded debt:			
38		(a) Fixed interest not in default	269,029	211,072	38
39		(b) Interest in default			39
40		(547) Interest on unfunded debt	54,977	43,006	40
41		(548) Amortization of discount on funded debt			41
42		TOTAL FIXED CHARGES (lines 38-41)	324,006	254,078	42
43		Income after fixed charges (line 37 minus line 42)	3,630,025	3,158,267	43
		OTHER DEDUCTIONS			
		(546) Interest on funded debt:			
44		(c) Contingent interest			44
		UNUSUAL OR INFREQUENT ITEMS			
45		(555) Unusual or infrequent items (debit) credit			45
46		Income (Loss) from continuing operations (before income taxes)	3,630,025	3,158,267	46
		PROVISIONS FOR INCOME TAXES			
		(556) Income taxes on ordinary income:			
47	*	(a) Federal income taxes	533,909	745,580	47
48	*	(b) State income taxes	124,360	81,359	48
49	*	(c) Other income taxes			49
50	*	(557) Provision for deferred taxes	199,088	(2,960,013)	50
51		TOTAL PROVISIONS FOR INCOME TAXES (lines 47-50)	857,357	(2,133,074)	51
52		Income from continuing operations (line 46 minus line 51)	2,772,668	5,291,341	52
		DISCONTINUED OPERATIONS			
53		(560) Income or loss from operations of discontinued segments (less applicable income taxes of \$)			53
54		(562) Gain or loss on disposal of discontinued segments (less applicable income taxes of \$)			54
55		Income before extraordinary items (lines 52+53+54)	2,772,668	5,291,341	55
		EXTRAORDINARY ITEMS AND ACCOUNTING CHANGES			
56		(570) Extraordinary items (Net)			56
57		(590) Income taxes on extraordinary items			57
58		(591) Provision for deferred taxes-Extraordinary items			58
59		TOTAL EXTRAORDINARY ITEMS (lines 56-58)			59
60		(592) Cumulative effect of changes in accounting principles (less applicable tax of \$)			60
61	*	Net income (Loss) (lines 55+59+60)	2,772,668	5,291,341	61
62		Less: Net Income attributable to noncontrolling interest			62
63		Net Income attributable to reporting railroad	2,772,668	5,291,341	63
64		Basic Earnings Per Share	166.34	317.44	64
65		Diluted Earnings Per Share	166.34	317.44	65
		RECONCILIATION OF NET RAILWAY OPERATING INCOME (NROI)			
66	*	Net revenues from railway operations	3,393,732	3,178,614	66
67	*	(556) Income taxes on ordinary income (-)	(658,269)	(826,939)	67
68	*	(557) Provision for deferred income taxes (-)	(199,088)	2,960,013	68
69		Income from lease of road and equipment (-)	(10,286)	(10,081)	69
70		Rent for leased roads and equipment (+)	24,713	24,348	70
71		Net railway operating income (loss)	2,550,802	5,325,955	71

Note: On December 22, 2017, the Tax Cuts and Jobs Act ("tax reform") was signed into law. Tax reform resulted in the remeasurement of net deferred tax liabilities related to the reduction of the federal tax rate from 35% to 21% (the "2017 tax adjustments"). GAAP requires companies to recognize the effect of tax law changes in the period of enactment. As a result, in 2017, Line 66 "Net revenue from railway operations" included a \$118 million benefit for earnings generated from reductions to net deferred tax liabilities at certain equity investees, Line 67 "(556) Income taxes on ordinary income" included a \$5 million expense, and Line 68 "(557) Provision for deferred income taxes" included a \$3,279 million benefit primarily due to the remeasurement of our net deferred tax liabilities to reflect the lower rate. The following table adjusted the 2017 reported financial results to exclude the effects of the 2017 tax adjustments.

Item (a)	As Reported Amount for preceding year (c)	2017 tax adjustments	Adjusted Amount for preceding year (c)
Net revenues from railway operations	3,178,614	(118,000)	3,060,614
(556) Income taxes on ordinary income (-)	(826,939)	4,738	(822,201)
(557) Provision for deferred income taxes (-)	2,960,013	(3,278,895)	(318,882)
Income from lease of road and equipment (-)	(10,081)		(10,081)
Rent for leased roads and equipment (+)	24,348		24,348
Net railway operating income (loss)	5,325,955	(3,392,157)	1,933,798

Notes and Remarks For Schedules 210 and 220

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210 A. CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(Dollars in Thousands)

1. This schedule applies only to entities with items of Other Comprehensive Income (OCI)

2. Entities must present comprehensive income in two separate but consecutive financial statements.

Cross-Checks

3. Entities must present reclassification adjustments and the effects of those adjustments on net income and OCI on the face of the financial statements.

Schedule 210 Schedule 210 A
Line 61, col b = Line 1, col b

4. All contra entries should be shown in parenthesis.

Line No.	Cross Check	Item (a)	Amount for current year (b)	Amount for preceding year (c)	Line No.
1		Net Income	2,772,668	5,291,341	1
2		Other Comprehensive Income, net of tax: Foreign currency translation adjustments			2
3		Unrealized gains on securities: Unrealized holding gains arising during period	1,527	(169)	3
4		Less: reclassification adjustment for gains included in net income			4
5		Defined benefit pension plans: Prior service cost arising during period			5
6		Net gain (loss) arising during period	(135,081)	94,921	6
7		Less: amortization of prior service cost included in net periodic pension cost	(24,925)	(18,526)	7
8		Other			8
9		Comprehensive Income (Loss)	2,664,039	5,404,619	9
10		Less: comprehensive income attributable to noncontrolling interest			10
11		Comprehensive Income attributable to reporting railroad (Loss)	2,664,039	5,404,619	11

220. RETAINED EARNINGS

(Dollars in Thousands)

1. Show below the items of Retained Earnings Accounts of the respondent for the year, classified in accordance with the Uniform System of Accounts for Railroad Companies.
2. All contra entries hereunder should be shown in parentheses.
3. Show in lines 22 and 23 the amount of assigned Federal income tax consequences for Account 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. The total of column (b) and (c), lines 3 and 7, should agree with line 61 column (b), Schedule 210.
6. Include in column (b) only amounts applicable to retained earnings exclusive of any amounts included in column (c).

Line No.	Cross Check	Item	Retained earnings- Unappropriated	Equity in undistributed earnings (losses) of affiliated companies	Line No.
		(a)	(b)	(c)	
1		Balances at beginning of year	18,415,695		1
2	(601.5)	Prior period adjustments to beginning retained earnings			2
		CREDITS			
3	(602)	Credit balance transferred from income	2,772,668		3
4	(603)	Appropriations released			4
5	(606)	Other credits to retained earnings	86,827		5
6		TOTAL	2,859,495		6
		DEBITS			
7	(612)	Debit balance transferred from income			7
8	(616)	Other debits to retained earnings	3,789		8
9	(620)	Appropriations for sinking and other funds			9
10	(621)	Appropriations for other purposes			10
11	(623)	Dividends: Common stock	10		11
12		Preferred stock (1)			12
13		TOTAL	3,799		13
14		Net increase (decrease) during year (line 6 minus line 13)	2,855,696		14
15		Balances at close of year (lines 1, 2 & 14)	21,271,391		15
16		Balances from line 15 (c)		N/A *	16
17	(798)	Total unappropriated retained earnings and equity in undistributed earnings (losses) of affiliated companies at end of year	21,271,391	N/A	17
18	(797)	Total appropriated retained earnings:			18
19		Credits during year			19
20		Debits during year			20
21		Balance at close of year \$0			21
		Amount of assigned Federal income tax consequences:			
22		Account 606 \$ None			22
23		Account 616 \$ None			23

(1) If any dividends have not been declared on cumulative preferred stock, give cumulative undeclared dividends at beginning of year and end of year.

NOTES AND REMARKS

Amounts on line 5 represent the adoption of FASB ASU 2018-02 (see Note 9 to Schedule 200 on page 8) resulting in an increase to "Accumulated other comprehensive income (loss)" of \$86,827 and a corresponding increase to "Retained Earnings: Unappropriated," with no impact on "Total stockholders equity."

Amounts on line 8 represent distributions of earnings associated with a limited liability company. Board approval for use of Account 616 was provided by letter dated March 20, 2019.

* Respondent maintains equity accounting for affiliates by recording transactions into the books of accounts. Therefore, a separate retained earnings memorandum account for the financial reporting of the equity portion is not maintained.

240. STATEMENT OF CASH FLOWS

(Dollars in Thousands)

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

CASH FLOWS FROM OPERATING ACTIVITIES

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

RECONCILIATION OF NET INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES

Line No.	Cross Check	Description (a)	Current Year (b)	Prior Year (c)	Line No.
10		Income from continuing operations	2,772,668	5,291,341	10

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

Line No.	Cross Check	Description (a)	Current Year (b)	Prior Year (c)	Line No.
11		Loss (gain) on sale or disposal of tangible property and investments	(152,800)	(68,400)	11
12		Depreciation and amortization expenses	1,168,365	1,119,206	12
13		Increase (decrease) in provision for deferred income taxes	199,088	(2,960,013)	13
14		Net decrease (increase) in undistributed earnings (losses) of affiliates	(55,004)	(149,052)	14
15		Decrease (increase) in accounts receivable	(32,015)	(7,911)	15
16		Decrease (increase) in materials and supplies, and other current assets	(32,865)	(19,374)	16
17		Increase (decrease) in current liabilities other than debt	96,402	154,441	17
18		Increase (decrease) in other-net	58,595	429,016	18
19		Net cash provided from continuing operations (Lines 10-18)	4,022,434	3,789,254	19
20		Add (subtract) cash generated (paid) by reason of discontinued operations and extraordinary items			20
21		NET CASH PROVIDED FROM OPERATING ACTIVITIES (Lines 19 & 20)	4,022,434	3,789,254	21

CASH FLOWS FROM INVESTING ACTIVITIES

Line No.	Cross Check	Description (a)	Current Year (b)	Prior Year (c)	Line No.
22		Proceeds from sale of property and other transactions	210,441	126,187	22
23		Capital expenditures	(1,949,853)	(1,722,308)	23
24		Net change in temporary cash investments not qualifying as cash equivalents			24
25		Proceeds from sale/repayment of investment and advances	6,763	1,490	25
26		Purchase price of long-term investment and advances	(10,250)	(6,939)	26
27		Net decrease (increase) in sinking and other special funds	(68,564)	(440)	27
28		Other-net			28
29		NET CASH USED IN INVESTING ACTIVITIES (Lines 22-28)	(1,811,463)	(1,602,010)	29

(Continued on next page)

240. STATEMENT OF CASH FLOWS - Concluded
(Dollars in Thousands)

CASH FLOWS FROM FINANCING ACTIVITIES

Line No.	Cross Check	Description (a)	Current Year (b)	Prior Year (c)	Line No.
30		Proceeds from issuance of long-term debt	50,000		30
31		Principal payments of long-term debt	(150,186)	(100,176)	31
32		Proceeds from issuance of capital stock			32
33		Purchase price of acquiring treasury stock			33
34		Cash dividends paid			34
35		Other - net	(2,398,255)	(2,372,537)	35
36		NET CASH USED IN FINANCING ACTIVITIES (Lines 30-35)	(2,498,441)	(2,472,713)	36
37		NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS (Lines 21, 29 & 36)	(287,470)	(285,469)	37
38		Cash and cash equivalents at beginning of the year	601,060	886,529	38
39		CASH AND CASH EQUIVALENTS AT END OF THE YEAR (Lines 37 & 38)	313,590	601,060	39
		Footnotes to Schedule 240			
		Cash paid during the year for:			
40		Interest (net of amount capitalized)*	26,757	26,105	40
41		Income taxes (net)*	500,957	689,402	41

*Only applies if indirect method is adopted.

NOTES AND REMARKS

245. WORKING CAPITAL

(Dollars in Thousands)

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

Line No.	Item (a)	Source No.	Amount (b)	Line No.
CURRENT OPERATING ASSETS				
1	Interline and Other Balances (705)	Schedule 200, line 5, column b	41,914	1
2	Customers (706)	Schedule 200, line 6, column b	552,953	2
3	Other (707)	Note A	144,250	3
4	TOTAL CURRENT OPERATING ASSETS	Line 1 + 2 + 3	739,117	4
OPERATING REVENUE				
5	Railway Operating Revenue	Schedule 210, line 13, column b	11,457,713	5
6	Rent Income	Note B	290,133	6
7	TOTAL OPERATING REVENUES	Lines 5 + 6	11,747,846	7
8	Average Daily Operating Revenues	Line 7 ÷ 360 days	32,633	8
9	Days of Operating Revenue in Current Operating Assets	Line 4 ÷ line 8	23	9
10	Revenue Delay Days Plus Buffer	Lines 9 + 15 days	38	10
CURRENT OPERATING LIABILITIES				
11	Interline and Other Balances (752)	Schedule 200, line 30, column b	599	11
12	Audited Accounts and Wages Payable (753)	Note A	39,412	12
13	Accounts Payable-Other (754)	Note A	24,352	13
14	Other Taxes Accrued (761.5)	Note A	203,474	14
15	TOTAL CURRENT OPERATING LIABILITIES	Sum of lines 11 to 14	267,837	15
OPERATING EXPENSES				
16	Railway Operating Expenses	Schedule 210, line 14, column b	8,063,981	16
17	Depreciation	Schedule 410, lines 136, 137, 138, 213, 232, 317, column h	1,166,410	17
18	Cash Related Operating Expenses	Line 16 + line 6 - line 17	7,187,704	18
19	Average Daily Expenditures	Line 18 ÷ 360 days	19,966	19
20	Days of Operating Expenses in Current Operating Liabilities	Line 15 ÷ line 19	13	20
21	Days of Working Capital Required	Line 10 - line 20 (Note C)	25	21
22	Cash Working Capital Required	Line 21 x line 19	499,150	22
23	Cash and Temporary Cash Balance	Schedule 200, line 1 + line 2, column b	313,590	23
24	Cash Working Capital Allowed	Lesser line 22 and line 23	313,590	24
MATERIALS AND SUPPLIES				
25	Total Material and Supplies (712)	Note A	206,310	25
26	Scrap and Obsolete Material included in Acct. 712	Note A		26
27	Materials and Supplies held for Common Carrier Purposes	Line 25 - line 26	206,310	27
28	TOTAL WORKING CAPITAL	Line 24 + line 27	519,900	28

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

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

(C) If result is negative, use zero.

NOTES AND REMARKS

Empty rectangular box for notes and remarks.

GENERAL INSTRUCTIONS CONCERNING RETURNS IN SCHEDULES 310 AND 310A

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

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

310. INVESTMENTS AND ADVANCES AFFILIATED COMPANIES

1. Give particulars of investments in stocks, bonds, other secured obligations, unsecured notes, and investment advances of companies affiliated with respondent, included in accounts Nos. 715, "Sinking Funds"; 716, "Capital Funds"; 721, "Investments and Advances Affiliated Companies"; and 717, "Other Funds."
2. Entries in this schedule should be made in accordance with the definitions and general instructions given on page 25, classifying the investments by means of letters, figures, and symbols in columns (a), (b) and (c).
3. Indicate by means of an arbitrary mark in column (d) the obligation in support of which any security is pledged, mortgaged, or otherwise encumbered. Give names and other important particulars of such obligations in footnotes.
4. Give totals for each class and for each subclass and a grand total for each account.
5. Entries in column (d) should show date of maturity of bonds and other evidences of indebtedness. In case obligations of the same designation mature serially, the date in column (d) may be reported as "Serially ____ to ____." Abbreviations in common use in standard financial publications may be used to conserve space.

Line No.	Account No.	Class No.	Kind of industry	Name of issuing company and also lien reference, if any (include rate for preferred stocks and bonds)	Extent of Control (e)	Line No.
	(a)	(b)	(c)	(d)		
1	721	A-1	VII	Augusta & Summerville RR Co. (1)	50.00	1
2				Beaver Street Tower Co. (2)	25.00	2
3				Belt Railway Company of Chicago (3)	25.00	3
4				Central Transfer Rwy. and Storage Co. (4)	50.00	4
5				Chatham Terminal Co. (5)	50.00	5
6				Kansas City Terminal Rwy. (6)	8.33	6
7				Meridian Speedway, LLC (7)	30.00	7
8				North Charleston Terminal Co. (8)	33.33	8
9				Pan Am Southern, LLC (9)	50.00	9
10				Peoria and Pekin Union Rwy. (10)	40.64	10
11				Terminal Railroad Association of St. Louis (11)	14.29	11
12				TTX Company (12)	19.65	12
13				Winston-Salem Southbound Rwy. Co. (13)	50.00	13
14				Woodstock & Blocton Rwy. Co. (14)	50.00	14
15						15
16				Total A-1		16
17						17
18						18
19						19
20						20
21						21
22		A-3	X	MeteorComm, LLC (15)	25.00	22
23				PTC 220, LLC (16)	14.29	23
24				Roanoke Valley Development Corporation (17)	45.44	24
25						25
26				Total A-3		26
27						27
28						28
29						29
30						30
31						31
32						32
33						33
34						34
35						35
36						36
37						37
38						38

NOTES AND REMARKS

- | | |
|---|--|
| (1) CSX Transp., Inc. owns 50% | (6) Controlled jointly - Other RRs own 91.67% |
| (2) CSX Transp., Inc. owns 50% and FEC owns 25% | (7) KCS owns 70% |
| (3) Controlled jointly - Other RRs own 75% | (8) CSX Transp., Inc. owns 66.67% |
| (4) CSX Transp., Inc. owns 50% | (9) Boston & Maine owns 50% |
| (5) CSX Transp., Inc. owns 50% | (10) Controlled jointly - Other RRs own 59.36% |

310. INVESTMENTS AND ADVANCES AFFILIATED COMPANIES - Continued
(Dollars in Thousands)

- 6. If any of the companies in this schedule are controlled by respondent the percent of control should be shown in column (e). In case any company listed is controlled other than through actual ownership of securities, give particulars in a footnote. In cases of joint control, give names of other parties and particulars of control.
- 7. If any advances reported are pledged, give particulars in a footnote.
- 8. Investments in companies in which neither the original cost or present equity in total assets are less than \$10,000 may be combined in one figure.
- 9. Also included should be investments in unincorporated entities such as lessee organizations (exclusive of amounts nominally settled on a current basis).
- 10. This schedule should not include securities issued or assumed by respondent.
- 11. For affiliates which do not report to the Interstate Commerce Commission and are jointly owned, give names and extent of control of other entities by footnotes.

Line No.	Investments and advances				Disposed of: profit (loss)	Adjustments Account 721.5	Dividends or interest credited to income	Line No.
	Opening balance	Additions	Deductions (if other than sale, explain)	Closing balance				
	(f)	(g)	(h)	(i)	(j)	(k)	(l)	
1	28			28				1
2								2
3	173			173		20		3
4	19			19				4
5	19			19				5
6								6
7	304,408			304,408				7
8	35			35				8
9	151,294			151,294				9
10	157			157				10
11	330			330				11
12	309			309				12
13	1,323			1,323				13
14	120			120				14
15								15
16	458,215			458,215		20		16
17								17
18								18
19								19
20								20
21								21
22	79,650	8,000		87,650				22
23	9,548	1,046		10,594				23
24	200			200				24
25								25
26	89,398	9,046		98,444				26
27								27
28								28
29								29
30								30
31								31
32								32
33								33
34								34
35								35
36								36
37								37
38								38

NOTES AND REMARKS

(11) Controlled jointly - Other RRs own 85.71%
 (12) Controlled jointly - Other RRs own 80.35%
 (13) CSX Transp., Inc. owns 50%
 (14) CSX Transp., Inc. owns 50%

(15) Controlled jointly - Other RRs own 75%
 (16) Controlled jointly - Other RRs own 85.71%
 (17) Controlled jointly - Others own 54.56%

310. INVESTMENTS AND ADVANCES AFFILIATED COMPANIES - Continued

(Dollars in Thousands)

Line No.	Account No.	Class No.	Kind of industry	Name of issuing company and also lien reference, if any (include rate for preferred stocks and bonds)	Extent of Control	Line No.
	(a)	(b)	(c)	(d)	(e)	
1	721	E-1	VII	Beaver St. Tower Co.		1
2				Central Transfer Rwy. & Storage Co.		2
3				Chatham Terminal Co.		3
4				Kansas City Terminal Rwy.		4
5				North Charleston Terminal Co.		5
6				Pan Am Southern, LLC		6
7				Terminal Railroad Association of St. Louis		7
8				Woodstock & Blocton Rwy.		8
9						9
10						10
11						11
12				Total E-1		12
13						13
14		E-3	X	Norfolk Southern Corporation		14
15			X	Other (principally long-term investments in certificates of deposit)		15
16			VI	Southern Region Industrial Realty, Inc.		16
17						17
18				Total E-3		18
19						19
20						20
21						21
22						22
23						23
24						24
25						25
26				Total 721		26
27						27
28						28
29						29
30						30
31						31
32						32
33						33
34						34
35						35
36						36
37						37
38						38
39						39
40						40

NOTES AND REMARKS

310. INVESTMENTS AND ADVANCES AFFILIATED COMPANIES - Concluded

(Dollars in Thousands)

Line No.	Opening balance (f)	Investments and advances			Disposed of: profit (loss) (j)	Adjustments Account 721.5 (k)	Dividends or interest credited to income (l)	Line No.
		Additions (g)	Deductions (if other than sale, explain) (h)	Closing balance (i)				
1	5			5				1
2	25			25				2
3	5			5				3
4	3,133			3,133				4
5	224			224				5
6	219		219					6
7	170			170				7
8	10			10				8
9								9
10								10
11								11
12	3,791		219	3,572				12
13								13
14	39,731			39,731				14
15	3,837		3,837					15
16	383			383				16
17								17
18	43,951		3,837	40,114				18
19								19
20								20
21								21
22	595,355	9,046	4,056	600,345		20		22
23								23
24				(20)	721.5 Total			24
25				633,934	Sch. 310A Total			25
26				1,234,259				26
27								27
28								28
29								29
30								30
31								31
32								32
33								33
34								34
35								35
36								36
37								37
38								38
39								39
40								40

NOTES AND REMARKS

Line 6 and Line 15, column h, represent repayment of advances and interest.

310A. INVESTMENTS IN COMMON STOCKS OF AFFILIATED COMPANIES

(Dollars in Thousands)

Undistributed Earnings From Certain Investments in Affiliated Companies

1. Report below the details of all investments in common stocks included in Account 721, Investments and Advances Affiliated Companies.
2. Enter in column (c) the amount necessary to retroactively adjust those investments. (See instruction 5-2, Uniform System of Accounts.)
3. Enter in column (d) the share of undistributed earnings (i.e., 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.
5. For definitions of "carrier" and "noncarrier," see general instructions.

Line No.	Name of issuing company and description of security held (a)	Balance at beginning of year (b)	Adjustment for investments equity method (c)	Equity in undistributed earnings (losses) during year (d)	Amortization during year (e)	Adjustment for investments disposed of or written down during year (f)	Balance at close of year (g)	Line No.
	Carriers: (List specifics for each company)							
1	Augusta & Summerville RR Co.	56					56	1
2	Belt Railway Company of Chicago	22,028		1,979			24,007	2
3	Central Transfer and Storage Co.	16					16	3
4	Meridian Speedway, LLC	(32,262)		(1,075)			(33,337)	4
5	Pan Am Southern, LLC	2,161		1,636			3,797	5
6	Peoria and Pekin Union Rwy.	(150)		(306)			(456)	6
7	TTX Company	628,415		62,934			691,349	7
8	Winston-Salem Southbound Rwy.	9,574		99			9,673	8
9	Woodstock and Blocton Rwy. Co.	2	(6)	6			2	9
10								10
11	Total Carriers	629,840	(6)	65,273			695,107	11
12								12
13	Noncarriers (List specifics for each company)							13
14	Meteorcomm, LLC	(50,227)		(8,098)			(58,325)	14
15	PTC 220, LLC	(3,398)		(631)			(4,029)	15
16	Roanoke Valley Development Corporation	1,181					1,181	16
17								17
18	Total Noncarriers	(52,444)		(8,729)			(61,173)	18
19								19
20	Total Equity*	577,396	(6)	56,544			633,934	20
21								21

NOTES AND REMARKS

Respondent maintains equity accounting for affiliates by recording transactions into the books of accounts. Therefore, a separate retained earnings memorandum account for the financial reporting of the equity portion is not maintained.

Dividends received are accounted (in column (c)) as a reduction in the investment carrying value.

* Actual equity earnings, as reported on Schedule 210, Line 26 Column (b) are \$6. The difference between the Schedule 210 and the equity in undistributed earnings listed above is due to a portion of the amounts credited to operating expenses. These earnings equal \$55,011 and adjustments to Other Comprehensive Income and Retained Earnings equals \$1,527.

INSTRUCTIONS CONCERNING RETURNS TO BE MADE IN SCHEDULE 330

1. Give particulars of balances at the beginning and close of the year and of all changes during the year in Account No. 731, "Road and Equipment Property," and Account No. 732, "Improvements on Leased Property," classified by primary accounts in accordance with the Uniform System of Accounts for Railroad Companies. The balances, by primary accounts, should insofar as known, be stated in column (b) and all changes made during the year should be analyzed in columns (c) to (f), inclusive. Column (g) should be the net of amounts in column (c) through (f). Column (h) is the aggregate of columns (b) to (f), inclusive. Grand totals of columns (b) and (h) should equal the sum of Accounts 731 and 732 for the respective periods; if not, full explanation should be made in a footnote.
2. In column (c) show disbursements made for the specific purpose of purchasing, constructing, and equipping new lines, and for the extension of old lines, as provided for in Instruction 2-1, "Items to be charged," of the Uniform System of Accounts for Railroad Companies for such items.
3. In column (d) show the cost of a railway or portion thereof, acquired as an operating entity or system by purchase, merger, consolidation, reorganization, receivership sale or transfer, or otherwise.
4. Columns (c) and (e) should include all entries covering expenditures for additions and betterments, as defined, whether or not replacing other property.
5. All credits representing property sold, abandoned, or otherwise retired should be shown in column (f).
6. Both the debit and credit involved in each transfer, adjustment, or clearance between road and equipment accounts, should be included in the column in which the item was initially included; also the transfer of prior years' debits or credits from investment in road and equipment to operating expenses or other accounts, or vice versa, should be included in the column applicable to current items of like nature. Each such transfer, adjustment, or clearance should be fully explained when in excess of \$100,000.
7. If during the year an individual charge of \$100,000 or more was made to Account No. 2, "Land for Transportation Purposes," state the cost, location, area, and other details which will identify the property in a footnote.
8. Report on line 29 amounts not includible in the primary road accounts. The items reported should be briefly identified and explained under "Notes and Remarks" below. Amounts should be reported on this line only under special circumstances, usually after permission is obtained from the 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.
9. If during the year a segment of transportation property was acquired, state in a footnote the name of the vendor, the mileage acquired, and the date of acquisition, giving termini and the cost of the property to the respondent. Also furnish a statement of the amount included in each primary account representing such property acquired, referring to the column or columns in which the entries appear.
10. If an amount of less than \$5,000 is used as the minimum for additions and betterments to property investment accounts as provided for in Instruction 2-2 of the Uniform System of Accounts for Railroad Companies, state in a footnote the amount used.

NOTES AND REMARKS

(Dollars in Thousands)

Reconciliation of Depreciation Expense to Schedule 410**Road (Column (c))**

809,211	Schedule 410, Lines 136 - 138, Column (h)
5,224	Shop Machinery Schedule 335, Line 26, column(c)
14,872	Depreciation capitalized
<u>829,307</u>	Total
802,236	Schedule 335, Line 30, Column (c)
27,071	Schedule 342, Line 29, Column (c)
<u>829,307</u>	Total

Equipment (Column (c))

357,199	Schedule 410, Sum of lines 213,232,317, Column (h)
(5,224)	Shop Machinery
<u>351,975</u>	Total
351,975	Schedule 335, Line 40, Column (c)
-	Schedule 342, Line 38, Column (c)
<u>351,975</u>	

Schedule 342 (Column (c))

27,071	Road
-	Equipment
<u>27,071</u>	Schedule 342, Line 39

Reconciliation of Accumulated Depreciation and Amortization to Schedule 200

12,279,879	Schedule 335, Line 41, Column (g)
298,588	Schedule 342, Line 39, Column (g)
<u>12,578,467</u>	
<u>12,578,467</u>	Schedule 200, Line 26, Column (b)

330. ROAD PROPERTY AND EQUIPMENT AND IMPROVEMENTS TO LEASED PROPERTY AND EQUIPMENT (Dollars in Thousands)						
Line No.	Cross Check	Account (a)	Balance at beginning of year (b)	Expenditures during the year for original road and equipment, and road extensions (c)	Expenditures during the year for purchase of existing lines, reorganizations, etc. (d)	Line No.
1		(2) Land for transportation purpose	2,223,225			1
2		(3) Grading	3,211,185			2
3		(4) Other, right-of-way expenditures	19,118			3
4		(5) Tunnels and subways	407,059			4
5		(6) Bridges, trestles, and culverts	2,902,682			5
6		(7) Elevated structures	42,583			6
7		(8) Ties	5,135,286			7
8		(9) Rail and other track material	6,729,937			8
9		(11) Ballast	2,654,565			9
10		(13) Fences, snow sheds, and signs	7,678			10
11		(16) Station and office buildings	834,872			11
12		(17) Roadway buildings	51,988			12
13		(18) Water stations				13
14		(19) Fuel stations	120,114			14
15		(20) Shops and enginehouses	562,564			15
16		(22) Storage warehouses	871			16
17		(23) Wharves and docks	5,630			17
18		(24) Coal and ore wharves	249,927			18
19		(25) TOFC/COFC terminals	885,739			19
20		(26) Communications systems	640,761			20
21		(27) Signals and interlocker	2,248,189			21
22		(29) Power plants	2,775			22
23		(31) Power-transmissions systems	42,682			23
24		(35) Miscellaneous structures	14,314			24
25		(37) Roadway machines	764,405			25
26		(39) Public improvements-Construction	417,743			26
27		(44) Shop machinery	187,902			27
28		(45) Power-plant machinery	15,279			28
29		Other (specify and explain)				29
30		TOTAL EXPENDITURES FOR ROAD	30,379,073			30
31		(52) Locomotives	5,657,553			31
32		(53) Freight-train cars	3,256,327			32
33		(54) Passenger-train cars				33
34		(55) Highway revenue equipment	493,919			34
35		(56) Floating equipment				35
36		(57) Work equipment	237,439			36
37		(58) Miscellaneous equipment	272,436			37
38		(59) Computer systems and word processing equip	610,261			38
39		TOTAL EQUIPMENT	10,527,935			39
40		(76) Interest during construction				40
41		(80) Other elements of investment				41
42		(90) Construction in progress	698,632			42
43		GRAND TOTAL	41,605,640			43

330. ROAD PROPERTY AND EQUIPMENT AND IMPROVEMENTS TO LEASED PROPERTY AND EQUIPMENT - Continued (Dollars in Thousands)						
Line No.	Cross Check	Expenditures for additions during the year (e)	Credits for property retired during the year (f)	Net changes during the year (g)	Balance at close of year (h)	Line No.
1		1,483	240	1,243	2,224,468	1
2		16,829	(499)	17,328	3,228,513	2
3		2	2		19,118	3
4		2		2	407,061	4
5		85,144	1,831	83,313	2,985,995	5
6					42,583	6
7		274,863	109,563	165,300	5,300,586	7
8		290,853	132,835	158,018	6,887,955	8
9		127,244	22,261	104,983	2,759,548	9
10		15	1	14	7,692	10
11		19,809	729	19,080	853,952	11
12		1,504		1,504	53,492	12
13						13
14		266	91	175	120,289	14
15		12,256	58	12,198	574,762	15
16					871	16
17		236	20	216	5,846	17
18		362	13	349	250,276	18
19		21,428	(73)	21,501	907,240	19
20		40,309	10,134	30,175	670,936	20
21		299,095	73,279	225,816	2,474,005	21
22					2,775	22
23		410		410	43,092	23
24		82		82	14,396	24
25		35,448	32,836	2,612	767,017	25
26		32,446	23,165	9,281	427,024	26
27		11,658	352	11,306	199,208	27
28		82		82	15,361	28
29						29
30		1,271,826	406,838	864,988	31,244,061	30
31		311,623	98,952	212,671	5,870,224	31
32		7,414	80,699	(73,285)	3,183,042	32
33						33
34		82,380	947	81,433	575,352	34
35						35
36		4,786	2,104	2,682	240,121	36
37		16,100	33,230	(17,130)	255,306	37
38		39,030	26,446	12,584	622,845	38
39		461,333	242,378	218,955	10,746,890	39
40						40
41						41
42		180,278	(5,682)	185,960	884,592	42
43		1,913,437	643,534	1,269,903	42,875,543	43

332. DEPRECIATION BASE AND RATES - ROAD AND EQUIPMENT OWNED AND USED AND LEASED FROM OTHERS
(Dollars in Thousands)

- Show in columns (b) and (e), for each primary account, the depreciation base used to compute the depreciation charges for the month of January, and in columns (c) and (f) show the depreciation base used to compute the depreciation charges for the month of December, in columns (d) and (g) show the composite rates used in computing the depreciation charges for the month of December, and on lines 30 and 39 of these columns show the composite percentage for all road and equipment accounts, respectively, ascertained by applying the primary account composite rates to the depreciation base used in computing the charges for December and dividing the total so computed by the total depreciation base for the same month. The depreciation base should not include the cost of equipment used, but not owned, when the rents therefor are included in the rent for equipment and Account Nos. 31-22-00, 31-23-00, 31-25-00, 31-21-00, 35-21-00, 35-23-00, 35-22-00, and 35-25-00. It should include the cost of equipment owned and leased to others when the rents therefor are included in the rent for equipment Accounts Nos. 32-21-00, 32-22-00, 32-23-00, 32-25-00, 36-21-00, 36-22-00, and 36-25-00, 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.
- 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.
- Show in columns (e), (f), and (g) data applicable to Lessor property, when the rent therefor is included in Account Nos. 31-11-00, 31-12-00, 31-13-00, 31-21-00, 31-22-00, and 31-23-00, inclusive.
- 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) effected.
- Disclosures in the respective sections of this schedule may be omitted if either total road leased from other or total equipment leased from others represents less than 5% of total road owned or total equipment owned, respectively.

Line No.	Account (a)	OWNED AND USED			LEASED FROM OTHERS			Line No.
		Depreciation base		Annual composite rate (percent) (d)	Depreciation base		Annual composite rate (percent) (g)	
		1/1 At beginning of year (b)	12/1 At close of year (c)		1/1 At beginning of year (e)	12/1 At close of year (f)		
ROAD								
1	(3) Grading	3,141,765	3,158,725	1.84%				1
2	(4) Other, right-of-way expenditures	18,573	18,575	1.00%				2
3	(5) Tunnels and subways	406,751	406,752	1.11%				3
4	(6) Bridges, trestles, and culverts	2,853,346	2,929,691	1.64%				4
5	(7) Elevated structures	42,583	42,583	7.92%				5
6	(8) Ties	4,891,231	5,037,642	4.79%				6
7	(9) Rail and other track material	6,198,225	6,312,672	2.37%				7
8	(11) Ballast	2,503,965	2,597,749	2.76%				8
9	(13) Fences, snow sheds, and signs	7,452	7,466	1.17%				9
10	(16) Station and office buildings	785,595	803,854	2.09%				10
11	(17) Roadway buildings	51,784	53,260	2.11%				11
12	(18) Water stations							12
13	(19) Fuel stations	119,698	119,873	3.04%				13
14	(20) Shops and enginehouses	553,681	563,248	1.92%	NOT APPLICABLE - 5 % RULE			14
15	(22) Storage warehouses	871	871	2.50%				15
16	(23) Wharves and docks	5,630	5,846	3.33%				16
17	(24) Coal and ore wharves	249,927	250,276	3.09%				17
18	(25) TOFC/COFC terminals	882,729	904,238	3.02%				18
19	(26) Communications systems	627,472	650,375	4.14%				19
20	(27) Signals and interlocker	2,147,433	2,315,076	3.61%				20
21	(29) Power plants	2,771	2,771	3.08%				21
22	(31) Power-transmissions systems	42,207	42,618	2.25%				22
23	(35) Miscellaneous structures	13,746	13,827	2.26%				23
24	(37) Roadway machines	764,405	762,290	5.04%				24
25	(39) Public improvements-Construction	405,685	414,639	7.55%				25
26	(44) Shop machinery	187,903	198,883	3.38%				26
27	(45) Power-plant machinery	15,277	15,360	2.16%				27
28	All other road accounts							28
29	Amortization (Adjustments)							29
30	TOTAL ROAD	26,920,705	27,629,160	3.01%				30
EQUIPMENT								
31	(52) Locomotives	5,657,553	5,820,880	3.84%				31
32	(53) Freight-train cars	3,249,931	3,192,408	2.54%				32
33	(54) Passenger-train cars							33
34	(55) Highway revenue equipment	493,919	534,267	5.04%				34
35	(56) Floating equipment							35
36	(57) Work equipment	237,439	239,633	2.00%				36
37	(58) Miscellaneous equipment	272,436	260,387	7.60%				37
38	(59) Computer systems and word processing equipment	606,003	610,998	10.63%				38
39	TOTAL EQUIPMENT	10,517,281	10,658,573	3.96%				39
40	GRAND TOTAL	37,437,986	38,287,733	3.27%				40

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

1. Disclose the required information in regard to credits and debits to Account No. 735, "Accumulated Depreciation; Road and Equipment Property," during the year relating to owned and used road and equipment. Include entries for depreciation of equipment owned but not used when the resulting rents are included in the "Lease Rentals - Credits - Equipment" accounts and "Other Rents - Credits - Equipment" accounts. Exclude any entries for depreciation of equipment that is used but not owned when the resulting rents are included in "Lease Rental - Debit - Equipment" account and "Other Rents - Debit - Equipment" accounts. (See Schedule 351 for the accumulated depreciation to road and equipment owned and leased to others).
2. If any data are included in columns (d) or (f), explain the entries in detail.
3. A debit balance in columns (b) or (g) for any primary account should be designated "Dr."
4. If there is any inconsistency between the credits to the reserve as shown in column (c) and the charges to operating expenses, a full explanation should be given.
5. Include authorized amortization amounts in column (c) on the lines for the affected accounts.

Line No.	Cross Check	Account (a)	Balance at beginning of year (b)	CREDITS TO RESERVE During the year		DEBITS TO RESERVE During the year		Balance at close of year (g)	Line No.
				Charges to operating expenses (c)	Other credits (d)	Retirements (e)	Other debits (f)		
		ROAD							
1		(3) Grading	976,456	50,221		52		1,026,625	1
2		(4) Other, right-of-way expenditures	2,760	181				2,941	2
3		(5) Tunnels and subways	69,445	4,398				73,843	3
4		(6) Bridges, trestles, and culverts	553,443	45,476		191		598,728	4
5		(7) Elevated structures	41,992	(43)				41,949	5
6		(8) Ties	1,727,643	238,264		130,539		1,835,368	6
7		(9) Rail and other track material	1,851,702	130,439		138,985		1,843,156	7
8		(11) Ballast	570,730	71,385		19,159		622,956	8
9		(13) Fences, snow sheds, and signs	4,247	55				4,302	9
10		(16) Station and office buildings	287,849	13,348		17,301		283,896	10
11		(17) Roadway buildings	34,584	736				35,320	11
12		(18) Water stations							12
13		(19) Fuel stations	33,871	3,497		91		37,277	13
14		(20) Shops and enginehouses	142,761	10,480		58		153,183	14
15		(22) Storage warehouses	977	(5)				972	15
16		(23) Wharves and docks	2,257	137		20		2,374	16
17		(24) Coal and ore wharves	116,475	7,687		12		124,150	17
18		(25) TOFC/COFC terminals	248,166	25,636		286		273,516	18
19		(26) Communications systems	324,880	21,912		9,889		336,903	19
20		(27) Signals and interlocker	218,308	86,452		67,401		237,359	20
21		(29) Power plants	2,621	19				2,640	21
22		(31) Power-transmissions systems	19,155	762				19,917	22
23		(35) Miscellaneous structures	10,374	148				10,522	23
24		(37) Roadway machines	266,785	35,862		31,314		271,333	24
25		(39) Public improvements-Construction	28,168	49,748		23,148		54,768	25
26		(44) Shop machinery*	74,302	5,224		173		79,353	26
27		(45) Power-plant machinery	11,480	217				11,697	27
28		All other road accounts							28
29		Amortization (Adjustments)							29
30		TOTAL ROAD	7,621,431	802,236		438,619		7,985,048	30
		EQUIPMENT							
31	*	(52) Locomotives	2,158,592	198,607		95,848		2,261,351	31
32	*	(53) Freight-train cars	1,285,594	49,219		46,558		1,288,255	32
33	*	(54) Passenger-train cars							33
34	*	(55) Highway revenue equipment	141,270	24,285		718		164,837	34
35	*	(56) Floating equipment							35
36	*	(57) Work equipment	93,078	4,583		1,331		96,330	36
37	*	(58) Miscellaneous equipment	131,957	17,921		31,071		118,807	37
38	*	(59) Computer systems and WP Equip.	333,798	57,360		25,907		365,251	38
39	*	Amortization Adjustments							39
40		TOTAL EQUIPMENT	4,144,289	351,975		201,433		4,294,831	40
41		GRAND TOTAL	11,765,720	1,154,211		640,052		12,279,879	41

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

NOTES AND REMARKS

342. ACCUMULATED DEPRECIATION - IMPROVEMENTS TO ROAD AND EQUIPMENT LEASED FROM OTHERS
(Dollars in Thousands)

1. Enter the required information concerning debits and credits to Account 733, "Accumulated Depreciation -- Improvements of Leased Property," during the year relating to improvements made to road and equipment property leased from others, the depreciation charges for which are included in operating expenses of the respondent.
2. If any entries are made for column (d) "Other credits" or column (f) "Other debits," state the facts occasioning such entries in the notes and remarks section for Schedule 342. 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 in the notes and remarks section for Schedule 342.
4. Show in column (e) the debits to the reserve arising from retirements. These debits should not exceed investment, etc.
5. Disclosures in the respective sections of this schedule may be omitted if either total road leased from others or total equipment leased from others represents less than 5% of total road owned or total equipment owned, respectively. However, line 39, Grand Total should be completed.

Line No.	Cross Check	Account (a)	Balance at beginning of year (b)	CREDITS TO RESERVE During the year		DEBITS TO RESERVE During the year		Balance at close of year (g)	Line No.	
				Charges to operating expenses (c)	Other credits (d)	Retirements (e)	Other debits (f)			
		ROAD								
1		(3) Grading							1	
2		(4) Other, right-of-way expenditures							2	
3		(5) Tunnels and subways							3	
4		(6) Bridges, trestles, and culverts							4	
5		(7) Elevated structures							5	
6		(8) Ties							6	
7		(9) Rail and other track material							7	
8		(11) Ballast							8	
9		(13) Fences, snow sheds, and signs							9	
10		(16) Station and office buildings							10	
11		(17) Roadway buildings							11	
12		(18) Water stations							12	
13		(19) Fuel stations		NOT APPLICABLE - 5 % RULE						13
14		(20) Shops and enginehouses							14	
15		(22) Storage warehouses							15	
16		(23) Wharves and docks							16	
17		(24) Coal and ore wharves							17	
18		(25) TOFC/COFC terminals							18	
19		(26) Communications systems							19	
20		(27) Signals and interlocker							20	
21		(29) Power plants							21	
22		(31) Power-transmissions systems							22	
23		(35) Miscellaneous structures							23	
24		(37) Roadway machines							24	
25		(39) Public improvements-Construction							25	
26		(44) Shop machinery*							26	
27		(45) Power-plant machinery							27	
28		All other road accounts							28	
29		TOTAL ROAD							29	
		EQUIPMENT								
30		(52) Locomotives							30	
31		(53) Freight-train cars							31	
32		(54) Passenger-train cars							32	
33		(55) Highway revenue equipment							33	
34		(56) Floating equipment							34	
35		(57) Work equipment							35	
36		(58) Miscellaneous equipment							36	
37		(59) Computer systems and WP equip.							37	
38		TOTAL EQUIPMENT							38	
39		GRAND TOTAL	301,325	27,071		29,808		298,588	39	

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

NOTES AND REMARKS

SCHEDULE 330

The following accounts received transfers greater than \$100,000:

2 (Land - Operating) from 2 (Land - Non-Operating)	3,286,169.45
3 (Grading) from 16 (Station and Office Buildings)	675,309.24
16 (Station and Office Buildings) to 3 (Grading)	(675,309.24)
16 (Station and Office Buildings) to 25 (TOFC/COFC Terminals)	(598,948.10)
25 (TOFC/COFC Terminals) from 16 (Station and Office Buildings)	598,948.10
16 (Station and Office Buildings - Operating) from 16 (Station and Office Buildings Non-Operating)	36,313,528.78
53 (Freight Cars) to 57 (Work Equipment)	(395,022.60)
57 (Freight Cars) from 53 (Work Equipment)	395,022.60

SCHEDULE 332

NS Rail whole life rates are disclosed per Column (d).

352A. INVESTMENT IN RAILROAD PROPERTY USED IN TRANSPORTATION SERVICE (By Company)
(Dollars in Thousands)

1. Disclose the investment in railway property used in transportation service at the close of the year. This investment represents the aggregate of property owned or leased by respondent and used in respondent's transportation service. Such property includes (a) investment reported in Accounts 731, "Road and Equipment Property" and 732, "Improvements on Leased Property" of respondent, less any 731 or 732 property leased to others for their exclusive use of road, track, or bridges (including equipment or other railway property covered by the contract). Equipment leased to others under separate distinct contracts shall not be deducted from the respondent's 731 or 732 property, and (b) the investment of other companies' 731 or 732 property (including operating and lessor railroads) used by respondent when the lease is for exclusive use or control of roads, tracks or bridges (including equipment of other railway property covered by the contract). This excludes leased equipment from operating railroads under separate distinct contracts and the investment of other carriers in property jointly used by respondent.
2. In column (a), classify each company in this schedule as: "R" for respondent, "L" for lessor railroad, "P" for inactive or proprietary company or "O" for other leased properties.
3. In column (a) to (e), inclusive, first show the data requested for respondent (R); next the data for companies whose entire properties are used in transportation service of the respondent, divided between lessor (L) and proprietary (P) companies; followed by data for carriers and others (O), portions of whose property are used in transportation service of respondent. Show a total for each class of company in column (d) and (e). Then show, as deductions, data for transportation property leased to carriers and others.
4. In column (c), line-haul carriers report the miles of road used in line-haul service. Report miles in whole numbers.
5. In column (d), show the amount applicable in Accounts 731 and 732 on the books of the companies whose names appear in column (b). Values of property of other carriers segregated by estimate or otherwise should correspond in amount to the deductions made by the owners in their reports. If separate value is not available, an explanation should be provided. Differences between amounts shown in column (d) of this schedule and column (c), line 24, on the asset side of the general balance sheet of each individual railway should be explained in a footnote. Book values included in Accounts 731 and 732 of the owner should be reported in column (d) in reference to the investment of respondent in securities of the owner unless a good reason can be given for the contrary. Methods of estimating (by capitalizing rentals at 6 % or otherwise) value of property of private owners, or portions of property of other carriers should be explained.
6. In column (e), show the amount of depreciation and amortization accrued as of the close of the year in Accounts 733, 734, 735, 736, and 772, that is applicable to the property of the carriers whose names are listed in column (b), regardless of where the reserves therefor are recorded.

Line No.	Class (See Ins. 2) (a)	Name of company (b)	Miles of road used (See Ins. 4) (whole number) (c)	Investments in property (See Ins. 5) (d)	Depreciation & amortization of defense projects (See Ins. 6) (e)	Line No.
1	R	Norfolk Southern Combined Railroad Subsidiaries	16,403	42,875,543	12,578,467	1
2						2
3	L	C & EI Railroad Company	2			3
4	L	Cincinnati Southern Railway	335	53,089		4
5	L	Pittsburgh & West Virginia Railroad	121	49,540	33,110	5
6	L	P & WV Subleased to Wheeling & Lake Erie	(121)	(49,540)	(33,110)	6
7		SUB-TOTAL	337	53,089		7
8						8
9		Less Lines Leased to or Operated by Others				9
10	R	Aberdeen Carolina Western	104	13,018	10,843	10
11	R	Aiken Railway Company	19	3,265	1,497	11
12	R	Ann Arbor Railroad Inc.	4	3,857	1,173	12
13	R	Autauga Northern Railway	44	17,850	7,412	13
14	R	B&H Rail Corp.	17	8,896	2,652	14
15	R	Buckingham Branch	57	15,020	11,462	15
16	R	Buffalo & Pittsburgh Railroad	36	6,204	2,503	16
17	R	C & NC Railroad	21	8,036	3,615	17
18	R	Carolina Coastal Railway	157	30,137	18,607	18
19	R	CaterParrott Railnet	51	10,501	8,211	19
20	R	Central Railroad Company of Indianapolis	16	5,428	1,660	20
21	R	Charleston, Blue Creek & Sanderson	17	3,547	1,169	21
22	R	Cincinnati East Terminal Railway	16	7,315	3,443	22
23	R	Cleveland Commercial Railroad	19	22,938	3,694	23
24	R	Columbus & Ohio River Railroad	1	799	170	24
25	R	Columbus & Chattahoochee Railroad	26	9,787	4,483	25

352A. INVESTMENT IN RAILROAD PROPERTY USED IN TRANSPORTATION SERVICE (By Company) - Continued						
Line No.	Class (See Ins. 2) (a)	Name of company (b)	Miles of road used (See Ins. 4) (whole number) (c)	Investments in property (See Ins. 5) (d)	Depreciation & amortization of defense projects (See Ins. 6) (e)	Line No.
26	R	Delmarva Central Railroad	162	84,391	17,718	26
27	R	East Chattanooga Belt Railway	4	2,473	812	27
28	R	East Penn Railroad LLC	7	7,824	1,859	28
29	R	Elkhart & Western Railroad	23	7,348	3,210	29
30	R	Georgia Southern Railway	57	17,385	10,208	30
31	R	Grand Elk Railroad LLC	123	61,962	15,556	31
32	R	Hilton & Albany Railroad	55	18,392	7,103	32
33	R	Iowa Interstate	13	14,368	10,851	33
34	R	Ithaca Central Railroad	49	35,272	7,215	34
35	R	Jackson & Lansing Railroad	44	18,582	5,765	35
36	R	KNWA	309	239,298	60,025	36
37	R	Lehigh Railway	56	63,055	13,671	37
38	R	Middletown & New Jersey Railroad LLC	36	21,949	4,315	38
39	R	North Carolina & Virginia Railroad	77	12,416	9,511	39
40	R	RSL Railroad LLC	1	1,666	301	40
41	R	R J Corman Co.	16	4,594	2,003	41
42	R	Yadkin Valley Railroad	102	25,047	14,293	42
43						43
44		SUB-TOTAL	1,739	802,620	267,010	44
45						45
46						46
47						47
48						48
49						49
50						50
51						51
52						52
53						53
54						54
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63						63
64						64
65						65
66						66
67						67
68						68
69						69
70						70
71						71
72						72
73						73
74						74
75		TOTAL	15,001	42,126,012	12,311,457	75

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352B. INVESTMENT IN RAILWAY PROPERTY USED IN TRANSPORTATION SERVICE

(By Property Accounts)

(Dollars in Thousands)

1. In column (b) through (e) give, by primary accounts, the amount of investment at the close of the year in property of respondent and each group or class of companies and properties.
2. The amounts for respondent and for each group or class of companies and properties on line 44 should correspond with the amounts for each class of company and property shown in Schedule 352A. Continuing records shall be maintained by respondent of the primary property accounts separately for each company or property included in this schedule.
3. Report on line 29 amounts representing capitalization or rentals for leased property based on 6% per year where property is not classified by accounts by noncarrier owners, or where cost of property leased from other carriers is not ascertainable. Identify noncarrier owners, and briefly explain on page 39 the methods of estimating value of property of noncarriers or property of other carriers.
4. Report on line 30 amounts not included in the accounts shown, or in line 29. The items reported should be briefly identified and explained. Also include here those items after permission is obtained from the Board for exceptions to prescribed accounting. Reference to such authority should be made when explaining amounts reported. Respondents must not make arbitrary changes to the printed stub or column headings without specific authority from the Board.

Line No.	Cross Check	Account (a)	Respondent (b)	Lessor railroads (c)	Inactive (proprietary companies) (d)	Other leased properties (e)	Line No.
1		(2) Land for transportation purpose	2,161,673	5,493			1
2		(3) Grading	3,157,801	21,826			2
3		(4) Other, right-of-way expenditures	19,111	137			3
4		(5) Tunnels and subways	400,673	5,574			4
5		(6) Bridges, trestles, and culverts	2,853,110	10,687			5
6		(7) Elevated structures	42,583				6
7		(8) Ties	5,101,415	1,174			7
8		(9) Rail and other track material	6,687,239	5,884			8
9		(11) Ballast	2,665,674	2,156			9
10		(13) Fences, snow sheds, and signs	7,680	181			10
11		(16) Station and office buildings	853,060	1,288			11
12		(17) Roadway buildings	53,456	71			12
13		(18) Water stations		24			13
14		(19) Fuel stations	120,289	70			14
15		(20) Shops and enginehouses	574,751	47			15
16		(22) Storage warehouses	871				16
17		(23) Wharves and docks	5,846				17
18		(24) Coal and ore wharves	250,276				18
19		(25) TOFC/COFC terminals	907,240				19
20		(26) Communications systems	668,247	204			20
21		(27) Signals and interlocker	2,465,289	666			21
22		(29) Power plants	2,775				22
23		(31) Power-transmissions systems	43,049				23
24		(35) Miscellaneous structures	14,396	6			24
25		(37) Roadway machines	767,017				25
26		(39) Public improvements-Construction	403,393	1,445			26
27		(44) Shop machinery*	199,166	19			27
28		(45) Power-plant machinery	15,361	8			28
29		Leased property capitalized rentals (explain)					29
30		Other (specify and explain) Accts. 1 & 77		3,658			30
31		TOTAL EXPENDITURES FOR ROAD	30,441,441	60,618			31
32		(52) Locomotives	5,870,224				32
33		(53) Freight-train cars	3,183,042				33
34		(54) Passenger-train cars					34
35		(55) Highway revenue equipment	575,352				35
36		(56) Floating equipment					36
37		(57) Work equipment	240,121				37
38		(58) Miscellaneous equipment	255,306				38
39		(59) Computer systems and word processing equip	622,845				39
40		TOTAL EQUIPMENT	10,746,890				40
41		(76) Interest during construction		2,580			41
42		(80) Other elements of investment		(10,109)			42
43		(90) Construction in progress	884,592				43
44		GRAND TOTAL	42,072,923	53,089			44

INSTRUCTIONS CONCERNING RETURNS TO BE MADE IN SCHEDULE 410

Cross Checks

Schedule 410

Line 620, column (h)
Line 620, column (f)
Line 620, column (g)

Schedule 210

= Line 14, column (b)
= Line 14, column (d)
= Line 14, column (e)

Schedule 414

Line 231, column (f) = Line 19, columns (b) through (d)
Line 230, column (f) = Line 19, columns (e) through (g)

Schedule 417

Line 507, column (f) = Line 1, column (j)
Line 508, column (f) = Line 2, column (j)
Line 509, column (f) = Line 3, column (j)
Line 510, column (f) = Line 4, column (j)
Line 511, column (f) = Line 5, column (j)
Line 512, column (f) = Line 6, column (j)
Line 513, column (f) = Line 7, column (j)
Line 514, column (f) = Line 8, column (j)
Line 515, column (f) = Line 9, column (j)
Line 516, column (f) = Line 10, column (j)
Line 517, column (f) = Line 11, column (j)

Schedule 450

Line 4, column (b)

Schedule 210

= Line 47, column (b)

Schedule 410

Lines 136 through 138, column (f)
Lines 118 through 123, and 130
through 135, column (f)

Lines 207, 208, 211, 212, column (f)
Lines 226, 227, column (f)
Lines 311, 312, 315, 316, column (f)

Line 213, column (f)
Line 232, column (f)
Line 317, column (f)

Line 202, 203, 216, column (f) , equal
to or greater than, but variance cannot
exceed line 216, column (f)

Lines 221, 222, 235, column (f), equal
to or greater than, but variance cannot
exceed line 235, column (f)

Lines 302 through 307 and 320, column (f)
equal to or greater than, but variance
cannot exceed line 320, column (f)

Schedule 412

= Line 29. column (b)
= Line 29. column (c)

Schedule 415

= Lines 5, 38, column (f)
= Lines 24, 39, column (f)
= Lines 32, 35, 36, 37, 40, 41, column (f)
And

Schedule 414

Minus line 24, columns (b) through (d)
plus line 24, columns (e) through (g)

Schedule 415

= Lines 5, 38, columns (c) and (d)
= Lines 24, 39, columns (c) and (d)
= Lines 32, 35, 36, 37, 40, 41,
columns (c) and (d)

Lines 5, 38, column (b)

Lines 24, 39, column (b)

Lines 32, 35, 36, 37, 40, 41, column (b)

410. RAILWAY OPERATING EXPENSES

(Dollars in Thousands)

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

Line No.	Cross Check	Name of railway operating expense account (a)	FREIGHT					Passenger (g)	Total (h)	Line No.
			Salaries and wages (b)	Material, tools, supplies, fuels and lubricants (c)	Purchased services (d)	General (e)	Total freight expense (f)			
		WAY AND STRUCTURES:								
		ADMINISTRATION:								
1		Track	690	568	4,030	3,172	8,460		8,460	1
2		Bridge and Building	10	154	4,113	202	4,479		4,479	2
3		Signal	98	180	608	477	1,363		1,363	3
4		Communication	15	8	128	409	560		560	4
5		Other	1,417				1,417		1,417	5
		TOTAL ADMINISTRATION	2,230	910	8,879	4,260	16,279		16,279	
		REPAIR AND MAINTENANCE:								
6		Roadway - Running	12,841	315	28,606	1	41,763		41,763	6
7		Roadway - Switching	1,010	3	591		1,604		1,604	7
8		Tunnels and Subways - Running			515		515		515	8
9		Tunnels and Subways - Switching			34		34		34	9
10		Bridges and Culverts - Running	16,467	1,141	16,054	2,789	36,451		36,451	10
11		Bridges and Culverts - Switching	614	94	1,227	82	2,017		2,017	11
12		Ties - Running	12,511	3,141	2,878	1,674	20,204		20,204	12
13		Ties - Switching	97	210			307		307	13
14		Rail and Other Track Material - Running	59,537	10,401	41,288	11,143	122,369		122,369	14
15		Rail and Other Track Material - Switching	3,001	958	1,636	258	5,853		5,853	15
16		Ballast - Running	3,565	969	1,226	(19)	5,741		5,741	16
17		Ballast - Switching	214	57	78		349		349	17
18		Road Property Damaged - Running	4,222	7,068	4,636	5	15,931		15,931	18
19		Road Property Damaged - Switching								19
20		Road Property Damaged - Other	3	3	13		19		19	20
21		Signals and Interlockers - Running	35,252	10,367	8,531	1,920	56,070		56,070	21
22		Signals and Interlockers - Switching	5,363	91	8	15	5,477		5,477	22
23		Communications Systems	1,201	2,048	9,516	9	12,774		12,774	23
24		Power Systems	1,000	233			1,233		1,233	24
25		Highway Grade Crossings- Running	673	799	6,054	2,340	9,866		9,866	25
26		Highway Grade Crossings- Switching		92	173		265		265	26
27		Station and Office Buildings	1,261	1,166	10,806	3	13,236		13,236	27
28		Shop Buildings - Locomotives	3,000	1,370	1,447	13,468	19,285		19,285	28
29		Shop Buildings - Freight Cars	118	1,085	1,738		2,941	N/A	2,941	29
30		Shop Buildings - Other Equipment	23	64			87		87	30

410. RAILWAY OPERATING EXPENSES - Continued

(Dollars in Thousands)

Line No.	Cross Check	Name of railway operating expense account (a)	FREIGHT					Passenger (g)	Total (h)	Line No.
			Salaries and wages (b)	Material, tools, supplies, fuels and lubricants (c)	Purchased services (d)	General (e)	Total freight expense (f)			
101		REPAIR AND MAINTENANCE - Continued: Locomotive Servicing Facilities	8				8		8	101
102		Miscellaneous Buildings and Structures	778	605	1,834		3,217		3,217	102
103		Coal Terminals	2,643	2,060	2,048		6,751	N/A	6,751	103
104		Ore Terminals						N/A		104
105		Other Marine Terminals						N/A		105
106		TOFC/COFC Terminals	97	10,968	17,474		28,539	N/A	28,539	106
107		Motor Vehicle Loading and Distribution Facilities			403		403	N/A	403	107
108		Facilities for Other Specialized Service Operations		1,003	1,927	335	3,265	N/A	3,265	108
109		Roadway Machines	9,294	17,423	846	806	28,369		28,369	109
110		Small Tools and Supplies		14,697	2,264		16,961		16,961	110
111		Snow Removal	3,229	73	5,704		9,006		9,006	111
112		Fringe Benefits - Running				69,555	69,555		69,555	112
113		Fringe Benefits - Switching				4,515	4,515		4,515	113
114		Fringe Benefits - Other				12,063	12,063		12,063	114
115		Casualties and Insurance - Running				35,990	35,990		35,990	115
116		Casualties and Insurance - Switching				2,782	2,782		2,782	116
117		Casualties and Insurance - Other				6,276	6,276		6,276	117
118	*	Lease Rentals - Debit- Running			40,960		40,960		40,960	118
119	*	Lease Rentals - Debit - Switching			146,592		146,592		146,592	119
120	*	Lease Rentals - Debit - Other			12,286		12,286		12,286	120
121	*	Lease Rentals - (Credit) - Running			(10,286)		(10,286)		(10,286)	121
122	*	Lease Rentals - (Credit) - Switching								122
123	*	Lease Rentals - (Credit) - Other								123
124		Joint Facility Rent - Debit - Running			5,123		5,123		5,123	124
125		Joint Facility Rent - Debit - Switching			1,198		1,198		1,198	125
126		Joint Facility Rent - Debit - Other			119		119		119	126
127	*	Joint Facility Rent - (Credit) - Running			(7,272)		(7,272)		(7,272)	127
128	*	Joint Facility Rent - (Credit) - Switching			112		112		112	128
129	*	Joint Facility Rent - (Credit) - Other			(3)		(3)		(3)	129
130	*	Other Rents - Debit -Running			4,464		4,464		4,464	130
131	*	Other Rents - Debit -Switching								131
132	*	Other Rents - Debit -Other			2,253		2,253		2,253	132
133	*	Other Rents - (Credit) -Running								133
134	*	Other Rents - (Credit) -Switching								134
135	*	Other Rents - (Credit) -Other			(2,482)		(2,482)		(2,482)	135

410. RAILWAY OPERATING EXPENSES - Continued
(Dollars in Thousands)

Line No.	Cross Check	Name of railway operating expense account (a)	FREIGHT					Passenger (g)	Total (h)	Line No.
			Salaries and wages (b)	Material, tools, supplies, fuels and lubricants (c)	Purchased services (d)	General (e)	Total freight expense (f)			
		REPAIR AND MAINTENANCE - Continued:								
136	*	Depreciation - Running				414,984	414,984		414,984	136
137	*	Depreciation - Switching				44,486	44,486		44,486	137
138	*	Depreciation - Other				349,741	349,741		349,741	138
139		Joint Facility - Debit - Running			51,447		51,447		51,447	139
140		Joint Facility - Debit - Switching			7,952		7,952		7,952	140
141		Joint Facility - Debit - Other			279		279		279	141
142		Joint Facility - (Credit) - Running			(25,481)		(25,481)		(25,481)	142
143		Joint Facility - (Credit) - Switching			291		291		291	143
144		Joint Facility - (Credit) - Other			(260)		(260)		(260)	144
145		Dismantling Retired Road Property - Running								145
146		Dismantling Retired Road Property - Switching								146
147		Dismantling Retired Road Property - Other								147
148		Other - Running	3,112			5,371	8,483		8,483	148
149		Other - Switching			9		9		9	149
150		Other - Other								150
		TOTAL REPAIR AND MAINTENANCE	181,134	88,504	396,856	980,592	1,647,086		1,647,086	
151		TOTAL WAY AND STRUCTURES	183,364	89,414	405,735	984,852	1,663,365		1,663,365	151
		EQUIPMENT:								
		LOCOMOTIVES:								
201		Administration	9,115	190	2,681	1,198	13,184		13,184	201
202	*	Repair and Maintenance	115,964	194,541	21,771	182	332,458		332,458	202
203	*	Machinery Repair	4,395	1,790	1,420		7,605		7,605	203
204		Equipment Damaged	97	107			204		204	204
205		Fringe Benefits				65,886	65,886		65,886	205
206		Other Casualties and Insurance				9,950	9,950		9,950	206
207	*	Lease Rentals - Debit			29,598		29,598		29,598	207
208	*	Lease Rentals - (Credit)			(7,098)		(7,098)		(7,098)	208
209		Joint Facility Rent - Debit								209
210	*	Joint Facility Rent - (Credit)								210
211	*	Other Rents - Debit			248		248		248	211
212	*	Other Rents - (Credit)								212
213	*	Depreciation				200,069	200,069		200,069	213
214		Joint Facility - Debit								214
215		Joint Facility - (Credit)								215
216	*	Repairs Billed to Others - (Credit)			(2,771)		(2,771)		(2,771)	216
217		Dismantling Retired Property								217

410. RAILWAY OPERATING EXPENSES - Continued

(Dollars in Thousands)

Line No.	Cross Check	Name of railway operating expense account (a)	FREIGHT					Passenger (g)	Total (h)	Line No.
			Salaries and wages (b)	Material, tools, supplies, fuels and lubricants (c)	Purchased services (d)	General (e)	Total freight expense (f)			
218		LOCOMOTIVES - Continued: Other	9,058	25		1	9,084		9,084	218
219		TOTAL LOCOMOTIVES	138,629	196,653	45,849	277,286	658,417		658,417	219
220		FREIGHT CARS: Administration	3,313	687	2,966	520	7,486	N/A	7,486	220
221	*	Repair and Maintenance	34,363	49,844	65,564	65	149,836	N/A	149,836	221
222	*	Machinery Repair	396	475	6,333		7,204	N/A	7,204	222
223		Equipment Damaged	2,851	3,590			6,441	N/A	6,441	223
224		Fringe Benefits				20,739	20,739	N/A	20,739	224
225		Other Casualties and Insurance				8,518	8,518	N/A	8,518	225
226	*	Lease Rentals - Debit			35,039		35,039	N/A	35,039	226
227	*	Lease Rentals - (Credit)			(11,810)		(11,810)	N/A	(11,810)	227
228		Joint Facility Rent - Debit						N/A		228
229	*	Joint Facility Rent - (Credit)						N/A		229
230	*	Other Rents - Debit			537,429		537,429	N/A	537,429	230
231	*	Other Rents - (Credit)			(221,733)		(221,733)	N/A	(221,733)	231
232	*	Depreciation				52,311	52,311	N/A	52,311	232
233		Joint Facility - Debit						N/A		233
234		Joint Facility - (Credit)						N/A		234
235	*	Repairs Billed to Others - (Credit)			(58,713)		(58,713)	N/A	(58,713)	235
236		Dismantling Retired Property						N/A		236
237		Other	6,035	29,830		28	35,893	N/A	35,893	237
238		TOTAL FREIGHT CARS	46,958	84,426	355,075	82,181	568,640	N/A	568,640	238
301		OTHER EQUIPMENT: Administration		177		290	467		467	301
302	*	Repair and Maintenance: Trucks, Trailers and Containers - Revenue Service		856	63,228	274	64,358	N/A	64,358	302
303	*	Floating Equipment - Revenue Service						N/A		303
304	*	Passenger and Other Revenue Equipment								304
305	*	Computer Systems and Word Processing Equipment		1,503	96,299	59	97,861		97,861	305
306	*	Machinery	165	165	83		413		413	306
307	*	Work and Other Non-Revenue Equipment	2,077	1,719	17,607	7	21,410		21,410	307
308		Machinery								308
309		Fringe Benefits				917	917		917	309
310		Other Casualties and Insurance				5,546	5,546		5,546	310
311	*	Lease Rentals - Debit			2,450		2,450		2,450	311

410. RAILWAY OPERATING EXPENSES - Continued
(Dollars in Thousands)

Line No.	Cross Check	Name of railway operating expense account (a)	FREIGHT					Passenger (g)	Total (h)	Line No.
			Salaries and wages (b)	Material, tools, supplies, fuels and lubricants (c)	Purchased services (d)	General (e)	Total freight expense (f)			
312	*	OTHER EQUIPMENT - Continued: Lease Rentals - (Credit)								312
313		Joint Facility Rent - Debit			188		188		188	313
314	*	Joint Facility Rent - (Credit)			(7)		(7)		(7)	314
315	*	Other Rents - Debit			28,308		28,308		28,308	315
316	*	Other Rents - (Credit)			(29,554)		(29,554)		(29,554)	316
317	*	Depreciation				104,819	104,819		104,819	317
318		Joint Facility - Debit			16		16		16	318
319		Joint Facility - (Credit)								319
320	*	Repairs Billed to Others - (Credit)			(8,158)		(8,158)		(8,158)	320
321		Dismantling Retired Property								321
322		Other								322
323		TOTAL OTHER EQUIPMENT	2,242	4,420	170,460	111,912	289,034		289,034	323
324		TOTAL EQUIPMENT	187,829	285,499	571,384	471,379	1,516,091		1,516,091	324
		TRANSPORTATION: TRAIN OPERATIONS:								
401		Administration	7,649	3,809	2,115	5,638	19,211		19,211	401
402		Engine Crews	435,440	321	26,745	22,758	485,264		485,264	402
403		Train Crews	300,134	1,642	21,688	19,587	343,051		343,051	403
404		Dispatching Trains	44,570	52	31	875	45,528		45,528	404
405		Operating Signals and Interlockers	41,645	36	2	229	41,912		41,912	405
406		Operating Drawbridges	1,933				1,933		1,933	406
407		Highway Crossing Protection	27	283	5,492	142	5,944		5,944	407
408		Train Inspection and Lubrication	39,258	28			39,286		39,286	408
409	*	Locomotive Fuel		959,447	2		959,449		959,449	409
410		Electric Power Purchased or Produced for Motive Power								410
411		Servicing Locomotives	27,363	4,552	15,191	34	47,140		47,140	411
412		Freight Lost or Damaged - Solely Related								412
413		Clearing Wrecks	163	6	16,279		16,448		16,448	413
414		Fringe Benefits				410,274	410,274		410,274	414
415		Other Casualties and Insurance				45,966	45,966		45,966	415
416		Joint Facility - Debit			1,106		1,106		1,106	416
417		Joint Facility - (Credit)			(120)		(120)		(120)	417
418		Other	3,337	2	71,678	12,604	87,621		87,621	418
419		TOTAL TRAIN OPERATIONS	901,519	970,178	160,209	518,107	2,550,013		2,550,013	419

410. RAILWAY OPERATING EXPENSES - Continued

(Dollars in Thousands)

Line No.	Cross Check	Name of railway operating expense account (a)	FREIGHT					Passenger (g)	Total (h)	Line No.
			Salaries and wages (b)	Material, tools, supplies, fuels and lubricants (c)	Purchased services (d)	General (e)	Total freight expense (f)			
YARD OPERATIONS:										
420		Administration	804	366	757	688	2,615		2,615	420
421		Switch Crews	198,271	951	30,842	570	230,634		230,634	421
422		Controlling Operations	35,220	116	103	17	35,456		35,456	422
423		Yard and Terminal Clerical	2,329	4,715	2,634	339	10,017		10,017	423
424		Operating Switches, Signals, Retarders and Humps		550	11		561		561	424
425	*	Locomotive Fuel		68,979			68,979		68,979	425
426		Electric Power Purchased or Produced for Motive Power								426
427		Servicing Locomotives	159				159		159	427
428		Freight Lost or Damaged - Soley Related								428
429		Clearing Wrecks	70				70		70	429
430		Fringe Benefits				103,062	103,062		103,062	430
431		Other Casualties and Insurance				7,103	7,103		7,103	431
432		Joint Facility - Debit			10,330		10,330		10,330	432
433		Joint Facility - (Credit)			(819)		(819)		(819)	433
434		Other			9		9		9	434
435		TOTAL YARD OPERATIONS	236,853	75,677	43,867	111,779	468,176		468,176	435
TRAIN AND YARD OPERATIONS COMMON:										
501		Cleaning Car Interiors	390	1	3,817		4,208		4,208	501
502		Adjusting and Transferring Loads	46	1	1,094		1,141	N/A	1,141	502
503		Car Loading Devices and Grain Doors	1				1	N/A	1	503
504		Freight Lost or Damaged - All Other				29,850	29,850		29,850	504
505		Fringe Benefits				212	212		212	505
506		TOTAL TRAIN AND YARD OPERATIONS COMMON	437	2	4,911	30,062	35,412		35,412	506
SPECIALIZED SERVICES OPERATIONS:										
507	*	Administration	4,785	853	12,158	572	18,368	N/A	18,368	507
508	*	Pickup and Delivery and Marine Line Haul	732	9,717	87,228	282	97,959	N/A	97,959	508
509	*	Loading and Unloading and Local Marine	8,670	5,895	310,046	7	324,618	N/A	324,618	509
510	*	Protective Services		617	114		731	N/A	731	510
511	*	Freight Lost or Damaged - Solely Related						N/A		511
512	*	Fringe Benefits				5,361	5,361	N/A	5,361	512
513	*	Casualties and Insurance				6,708	6,708	N/A	6,708	513
514	*	Joint Facility - Debit			2		2	N/A	2	514
515	*	Joint Facility - (Credit)						N/A		515
516	*	Other						N/A		516
517	*	TOTAL SPECIALIZED SERVICES OPERATIONS	14,187	17,082	409,548	12,930	453,747	N/A	453,747	517

410. RAILWAY OPERATING EXPENSES - Continued										
(Dollars in Thousands)										
Line No.	Cross Check	Name of railway operating expense account (a)	FREIGHT					Passenger (g)	Total (h)	Line No.
			Salaries and wages (b)	Material, tools, supplies, fuels and lubricants (c)	Purchased services (d)	General (e)	Total freight expense (f)			
ADMINISTRATIVE SUPPORT OPERATIONS:										
518		Administration		(224)	713	616	1,105		1,105	518
519		Employees Performing Clerical and Accounting Functions	17,593	449	1,757	597	20,396		20,396	519
520		Communications Systems Operation	713			9	722		722	520
521		Loss and Damage Claims Processing		11	4,004	(2)	4,013		4,013	521
522		Fringe Benefits				8,042	8,042		8,042	522
523		Casualties and Insurance				538	538		538	523
524		Joint Facility - Debit								524
525		Joint Facility - (Credit)								525
526		Other								526
527		TOTAL ADMINISTRATIVE SUPPORT OPERATIONS	18,306	236	6,474	9,800	34,816		34,816	527
528		TOTAL TRANSPORTATION	1,171,302	1,063,175	625,009	682,678	3,542,164		3,542,164	528
GENERAL AND ADMINISTRATIVE:										
601		Officers - General Administration	964	1,363	360	3,854	6,541		6,541	601
602		Accounting, Auditing and Finance	3,761	117	9,969	870	14,717		14,717	602
603		Management Services and Data Processing	3,301	268	82,270	816	86,655		86,655	603
604		Marketing	15	3	12,249	3,348	15,615		15,615	604
605		Sales		33	52	159	244		244	605
606		Industrial Development	64	64	109	282	519	N/A	519	606
607		Personnel and Labor Relations	234	1,073	12,952	9,087	23,346		23,346	607
608		Legal and Secretarial		227	42,512	2,263	45,002		45,002	608
609		Public Relations and Advertising		197	5,650	1,708	7,555		7,555	609
610		Research and Development								610
611		Fringe Benefits				4,797	4,797		4,797	611
612		Casualties and Insurance				6,125	6,125		6,125	612
613		Writedown of Uncollectible Accounts				967	967		967	613
614		Property Taxes				151,251	151,251		151,251	614
615		Other Taxes Except on Corporate Income or Payrolls				31,764	31,764		31,764	615
616		Joint Facility - Debit								616
617		Joint Facility - (Credit)								617
618		Other	8,342	3,026	750,187	185,708	947,263		947,263	618
619		TOTAL GENERAL AND ADMINISTRATIVE	16,681	6,371	916,310	402,999	1,342,361		1,342,361	619
620	*	TOTAL CARRIER OPERATING EXPENSES	1,559,176	1,444,459	2,518,438	2,541,908	8,063,981		8,063,981	620

412. WAY AND STRUCTURES

(Dollars in Thousands)

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

Line No.	Cross Check	Property Account	Category (a)	Depreciation (b)	Lease/Rentals (net) (c)	Amortization adjustment during year (d)	Line No.
1		2	Land for transportation purpose	N/A	N/A		1
2		3	Grading	51,096	12,236	(7,921)	2
3		4	Other, right-of-way expenditures	186	44	(6)	3
4		5	Tunnels and subways	4,406	1,055	(125)	4
5		6	Bridges, trestles, and culverts	46,340	11,097	(2,031)	5
6		7	Elevated structures	(44)	(11)	(234)	6
7		8	Ties	244,826	58,630	1,944	7
8		9	Rail and other track material	140,531	33,654	(15,512)	8
9		11	Ballast	74,260	17,783	1,129	9
10		13	Fences, snow sheds, and signs	56	13	(32)	10
11		16	Station and office buildings	14,068	3,369	(3,016)	11
12		17	Roadway buildings	738	177	(366)	12
13		18	Water stations				13
14		19	Fuel stations	3,506	840	(144)	14
15		20	Shops and enginehouses	10,541	2,524	(271)	15
16		22	Storage warehouses	(5)	(1)	(27)	16
17		23	Wharves and docks	137	33	(55)	17
18		24	Coal and ore wharves	7,687	1,841	(42)	18
19		25	TOFC/COFC terminals	25,675	6,149	(1,107)	19
20		26	Communications systems	22,569	5,405	(4,354)	20
21		27	Signals and interlocker	90,242	21,611	8,061	21
22		29	Power plants	19	5	(67)	22
23		31	Power-transmissions systems	769	184	(174)	23
24		35	Miscellaneous structures	167	40	(141)	24
25		37	Roadway machines	20,990	5,027	(2,804)	25
26		39	Public improvements-Construction	50,234	12,030	20,488	26
27		45	Power plant machines	217	52	(115)	27
28			Other lease/rentals				28
29	*		Total	809,211	193,787	(6,922)	29

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

(Dollars in Thousands)

1. Report freight expenses only.
 2. Report in this supporting schedule rental information by car type and other freight-carrying equipment relating to the interchange of railroad, owned or leased equipment and privately owned equipment. (Reporting for leased equipment covers equipment with the carrier's own railroad markings.)
 3. The gross amounts receivable and payable for freight-train cars (line 19, columns (b) through (d), and line 19, columns (e) through (g), respectively) should balance with Schedule 410, column (f), lines 231 (credits) and 230 (debits). Trailer and container rentals in this schedule are included in Schedule 410, column (f), lines 315 and 316. However, the trailer and container rentals in this schedule will not balance to lines 315 and 316 of Schedule 410 because those lines include rents for "Other Equipment" which is reported in Schedule 415, column (e). The balancing of Schedule 410, 414 and 415 "Other Equipment" is outlined in note 6 to Schedule 415.
 4. Report in columns (b) and (e) rentals for private-line cars (whether under railroad control or not) and shipper-owned cars.
 5. Report in columns (c), (d), (f), and (g) rentals for railroad owned cars prescribed by the Board in Ex Parte No. 334, for which rentals are settled on a combination mileage and time basis (basic per diem). Include railroad owned per diem tank cars on line 17.
- NOTE: Mechanical designations for each car type are shown in Schedule 710.

Line No.	Cross Check	Type of Equipment (a)	GROSS AMOUNTS RECEIVABLE Per diem basis			GROSS AMOUNTS PAYABLE Per diem basis			Line No.
			Private line cars (b)	Mileage (c)	Time (d)	Private line cars (e)	Mileage (f)	Time (g)	
CAR TYPES									
1		Box-Plain 40 Foot						1	
2		Box-Plain 50 Foot and Longer		85	401	29,091	2,025	6,400	2
3		Box-Equipped		6,316	19,800	134	10,754	49,946	3
4		Gondola-Plain		1,790	7,877	1,609	931	3,029	4
5		Gondola-Equipped		3,178	9,597	22	2,374	8,125	5
6		Hopper-Covered		822	5,620	6,245	3,231	12,232	6
7		Hopper-Open Top-General Service		190	2,820	2	212	878	7
8		Hopper-Open Top-Special Service		124	648	1	64	387	8
9		Refrigerator-Mechanical				9	743	3,303	9
10		Refrigerator-Non-Mechanical				3	397	983	10
11		Flat-TOFC/COFC			27,543	126,151	8,634	35,398	11
12		Flat-Multi-Level		108	56,996	72,234	3,375	40,571	12
13		Flat-General Service		6	17	179	47	46	13
14		Flat-Other		385	1,968	21,027	2,138	9,127	14
15		Tank-Under 22,000 Gallons				2,462			15
16		Tank-22,000 Gallons and Over				6,494			16
17		All Other Freight Cars			12,360		24	98	17
18		Auto Racks			63,082			66,294	18
19		TOTAL FREIGHT TRAIN CARS		13,004	208,729	265,663	34,949	236,817	19
OTHER FREIGHT CARRYING EQUIPMENT									
20		Refrigerated Trailers							20
21		Other Trailers							21
22		Refrigerated Containers							22
23		Other Containers			29,554	2,563		25,630	23
24	*	TOTAL TRAILERS AND CONTAINERS			29,554	2,563		25,630	24
25		GRAND TOTAL (LINES 19 AND 24)		13,004	238,283	268,226	34,949	262,447	25

NOTES AND REMARKS

Empty rectangular box for notes and remarks.

GENERAL INSTRUCTIONS CONCERNING RETURNS TO BE MADE TO SCHEDULE 415

1. Report freight expenses only.
2. Report by type of equipment all natural expenses relating to equipment functions (salaries and wages, materials, tools, supplies, fuels and lubricants, purchased services, and general).
3. Report in column (b) net repair expense, excluding the cost to repair damaged equipment.
Schedule 415, column (b) will balance to Schedule 410, column (f) as follows:
 - (a) Locomotives, line 5 plus line 38, compared to the sum of Schedule 410, lines 202, 203, and 216 (excluding wreck repairs). Do not report in Schedule 415, Equipment Damaged from Schedule 410, line 204.
 - (b) Freight cars, line 24 plus line 39, compared to the sum of Schedule 410, lines 221, 222, and 235 (excluding wreck repairs). Do not report in Schedule 415, Equipment Damaged from Schedule 410, line 223.
 - (c) Sum of highway equipment (line 32), floating equipment (line 35), passenger and other revenue equipment (line 36), computer and data processing equipment (line 37), machinery-other equipment (line 40), and work and other non-revenue equipment (line 41), compared to Schedule 410, the sum of lines 302 through 307, plus line 320 (excluding wreck repairs). Do not report in Schedule 415, equipment damaged from Schedule 410, line 308.

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

415. SUPPORTING SCHEDULE - EQUIPMENT

(Dollars in Thousands)

See also schedule 415 (supplement) on pages 53A and B.

Line No.	Cross Check	Types of equipment (a)	Repairs (net expense) (b)	Depreciation		Amortization Adjustment net during year (e)	Line No.
				Owned (c)	Capitalized lease (d)		
		LOCOMOTIVES					
1		Diesel Locomotive - Yard	23,976	6,019		(839)	1
2		Diesel Locomotive - Road	305,711	192,425		(17,621)	2
3		Other Locomotive - Yard		163			3
4		Other Locomotive - Road					4
5	*	TOTAL	329,687	198,607		(18,460)	5
		FREIGHT TRAIN CARS					
6		Box - Plain 40 Foot					6
7		Box - Plain 50 Foot and Longer	732	23			7
8		Box - Equipped	10,917	430		(5,961)	8
9		Gondola - Plain	32,020	15,434		(3,781)	9
10		Gondola - Equipped	12,234	4,283		(2,771)	10
11		Hopper - Covered	14,194	5,234		(2,163)	11
12		Hopper - Open Top - General Service	3,473	2,896		(7,790)	12
13		Hopper - Open Top - Special Service	2,778	2,182		(1,783)	13
14		Refrigerator - Mechanical	167				14
15		Refrigerator - Nonmechanical	78				15
16		Flat TOFC/COFC	2,439	(96)		(108)	16
17		Flat Multi - level	1,669	634		(282)	17
18		Flat - General Service	28	(18)		(18)	18
19		Flat - Other	3,139	331		(691)	19
20		All Other Freight Cars	7,129	320			20
21		Cabooses	36	48		(111)	21
22		Auto Racks	90	16,596		(4,766)	22
23		Miscellaneous Accessories		922			23
24	*	TOTAL FREIGHT TRAIN CARS	91,123	49,219		(30,225)	24
		OTHER EQUIPMENT - REVENUE FREIGHT HIGHWAY EQUIPMENT					
25		Refrigerated Trailers					25
26		Other Trailers	1,299	980		(1,189)	26
27		Refrigerated Containers					27
28		Other Containers	4,211	10,262			28
29		Bogies					29
30		Chassis	50,690	13,043			30
31		Other Highway Equipment (Freight)					31
32	*	TOTAL HIGHWAY EQUIPMENT	56,200	24,285		(1,189)	32
		FLOATING EQUIPMENT - REVENUE SERVICE					
33		Marine Line - Haul					33
34		Local Marine					34
35	*	TOTAL FLOATING EQUIPMENT					35
		OTHER EQUIPMENT					
36	*	Passenger & Other Revenue Equipment (Freight Portion)					36
37	*	Computer systems & word processing equip.	97,861	57,360		(7,791)	37
38	*	Machinery - Locomotives (see notes 1, 4, 5)	7,605	1,462		(350)	38
39	*	Machinery - Freight Cars (see notes 2, 4, 5)	7,204	3,092		(740)	39
40	*	Machinery - Other Equipment (see notes 3, 4, 5)	413	670		(161)	40
41	*	Work & Other Non - revenue Equipment	21,410	22,504		(3,297)	41
42		TOTAL OTHER EQUIPMENT	134,493	85,088		(12,339)	42
43		TOTAL ALL EQUIPMENT (FREIGHT PORTION)	611,503	357,199		(62,213)	43

Note 1 Data to be reported on line 38, column (b) is the amount reported in Schedule 410, column (f), line 203.

Note 2 Data to be reported on line 39, column (b) is the amount reported in Schedule 410, column (f), line 222.

Note 3 Data to be reported on line 40 in column (b) is the amount reported in Schedule 410, column (f), line 306.

415. SUPPORTING SCHEDULE - EQUIPMENT

(Dollars in Thousands)

See also schedule 415 (supplement) on pages 53A and B.

Line No.	Cross Check	Lease and rentals (net) (f)	Investment base as of 12/31		Accumulated depreciation as of 12/31		Line No.
			Owned (g)	Capitalized lease (h)	Owned (i)	Capitalized lease (j)	
1			136,307		50,070		1
2		22,500	5,730,976		2,210,426		2
3			2,941		855		3
4							4
5		22,500	5,870,224		2,261,351		5
6							6
7		3,365	985		710		7
8		4,077	279,851		180,324		8
9		3,512	817,024		235,220		9
10		8,741	471,616		179,953		10
11		845	400,611		181,557		11
12		1,001	455,232		130,415		12
13			180,319		83,360		13
14							14
15							15
16		(4,250)	417		445		16
17		919	27,533		15,001		17
18		1,300	24		72		18
19			49,479		25,068		19
20		30	18,317		14,609		20
21			4,603		3,246		21
22		2,864	468,842		235,782		22
23			8,086		2,493		23
24		22,404	3,182,939		1,288,255		24
25							25
26		2,087	37,633		36,271		26
27							27
28		331	181,873		45,903		28
29							29
30			355,846		82,663		30
31							31
32		2,418	575,352		164,837		32
33							33
34							34
35							35
36							36
37			622,845		365,251		37
38		248	55,751		22,208		38
39			117,908		46,968		39
40			25,549		10,177		40
41		147	495,427		215,137		41
42		395	1,317,480		659,741		42
43		47,717	10,945,995		4,374,184		43

Note 4 Data reported on lines 38, 39 and 40 in columns (g) and (h) are the investment recorded in property account 44, allocated to locomotives, freight cars and other equipment.

Note 5 Depreciation reported on lines 38, 39 and 40 in column (c) is property account 44 and this amount should equal the amount show in column (c), Schedule 335.

415. SUPPORTING SCHEDULE - IMPROVEMENTS TO EQUIPMENT LEASED FROM OTHERS

(Dollars in Thousands)

****SUPPLEMENT****

Line No.	Cross Check	Types of equipment (a)	Repairs (net expense) (b)	Depreciation		Amortization Adjustment net during year (e)	Line No.
				Owned** (c)	Capitalized lease (d)		
		LOCOMOTIVES					
1		Diesel Locomotive - Yard					1
2		Diesel Locomotive - Road					2
3		Other Locomotive - Yard					3
4		Other Locomotive - Road					4
5	*	TOTAL					5
		FREIGHT TRAIN CARS					
6		Box - Plain 40 Foot					6
7		Box - Plain 50 Foot and Longer					7
8		Box - Equipped					8
9		Gondola - Plain					9
10		Gondola - Equipped					10
11		Hopper - Covered					11
12		Hopper - Open Top - General Service					12
13		Hopper - Open Top - Special Service					13
14		Refrigerator - Mechanical					14
15		Refrigerator - Nonmechanical					15
16		Flat TOFC/COFC					16
17		Flat Multi - level					17
18		Flat - General Service					18
19		Flat - Other					19
20		All Other Freight Cars					20
21		Cabooses					21
22		Auto Racks					22
23		Miscellaneous Accessories					23
24	*	TOTAL FREIGHT TRAIN CARS					24
		OTHER EQUIPMENT - REVENUE FREIGHT HIGHWAY EQUIPMENT					
25		Refrigerated Trailers					25
26		Other Trailers					26
27		Refrigerated Containers					27
28		Other Containers					28
29		Bogies					29
30		Chassis					30
31		Other Highway Equipment (Freight)					31
32	*	TOTAL HIGHWAY EQUIPMENT					32
		FLOATING EQUIPMENT - REVENUE SERVICE					
33		Marine Line - Haul					33
34		Local Marine					34
35	*	TOTAL FLOATING EQUIPMENT					35
		OTHER EQUIPMENT					
36	*	Passenger & Other Revenue Equipment (Freight Portion)					36
37	*	Computer systems & word processing equip.					37
38	*	Machinery - Locomotives (see notes 1, 4, 5)					38
39	*	Machinery - Freight Cars (see notes 2, 4, 5)					39
40	*	Machinery - Other Equipment (see notes 3, 4, 5)					40
41	*	Work & Other Non - revenue Equipment					41
42		TOTAL OTHER EQUIPMENT					42
43		TOTAL ALL EQUIPMENT (FREIGHT PORTION)					43

Note 1 Data to be reported on line 38, column (b) is the amount reported in Schedule 410, column (f), line 203.

Note 2 Data to be reported on line 39, column (b) is the amount reported in Schedule 410, column (f), line 222.

Note 3 Data to be reported on line 40 in column (b) is the amount reported in Schedule 410, column (f), line 306.

415. SUPPORTING SCHEDULE - IMPROVEMENTS TO EQUIPMENT LEASED FROM OTHERS

(Dollars in Thousands)

****SUPPLEMENT****

Line No.	Cross Check	Lease and rentals (net) (f)	Investment base as of 12/31		Accumulated depreciation as of 12/31		Line No.
			Owned** (g)	Capitalized lease (h)	Owned** (i)	Capitalized lease (j)	
1							1
2							2
3							3
4							4
5							5
6							6
7							7
8							8
9							9
10							10
11							11
12							12
13							13
14							14
15							15
16							16
17							17
18							18
19							19
20							20
21							21
22		825	103		103		22
23							23
24		825	103		103		24
25							25
26							26
27							27
28							28
29							29
30							30
31							31
32							32
33							33
34							34
35							35
36							36
37							37
38							38
39							39
40							40
41							41
42							42
43		825	103		103		43

Note 4 Data reported on lines 38, 39 and 40 in columns (g) and (h) are the investment recorded in property account 44, allocated to locomotives, freight cars and other equipment.

Note 5 Depreciation reported on lines 38, 39 and 40 in column (c) is property account 44 and this amount should equal the amount show in column (c), Schedule 335.

417. SPECIALIZED SERVICE SUBSCHEDULE - TRANSPORTATION
(Dollars in Thousands)

1. Report freight expenses only.
2. Report in Lines 1, 2, 3, 4, and 10 the total of those natural expenses (salaries and wages, material, tools, supplies, fuels and lubricants, purchased services, and general) incurred in the operation of each type of specialized service facility. This schedule does not include switching services performed by train and yard crews in connection with or within specialized service facilities.
3. When it is necessary to apportion expenses, such as administrative expenses to two or more services, they shall be apportioned on the most equitable basis available to the respondent and only to the services they support. The total expenses in column (j) should balance with the respective line items in Schedule 410, Railway Operating Expenses.
4. Report in column (b), line 2, the expenses incurred in highway movements of trailers and containers performed at the expense of the reporting railroad within a terminal area for the purpose of pick-up, delivery or highway interchange service. Report in column (b), line 3, the expenses incurred in operating facilities for handling trailers and/or containers, including storage expenses. See Schedule 755, note R.
5. The operation of floating equipment in line-haul service (between distinct terminals) should be reported in column (c) on line 2. Floating operations conducted within a general terminal or harbor area should be reported in column (c), line 3.
6. Report in column (g), line 3, the expenses incurred by the railroad in loading and unloading automobiles, trucks, etc., to and from bi-level and tri-level auto rack cars. Report on line 2, column (g), the expense incurred by the railroad in moving automobiles, etc., between bi-level and tri-level loading and unloading facilities over the highway to shippers, receivers or connecting carriers. Report in column (f) operating expenses for land facilities in support of floating operations, including the operation of docks and wharves.
7. Report on line 4, column (b), the expenses related to heating and refrigeration of TOFC/COFC trailers and containers (total debits and credits). The expenses on line 4, column (h), relate to refrigerator cars only.
8. Report in column (i) total expenses incurred in performing rail substitute service, other highway revenue service, LCL terminal operations, warehouse operations, freight car transloading, grain elevator terminal operations and livestock feeding operations only.

Line No.	Cross Check	Items (a)	TOFC/COFC terminal (b)	Floating equipment (c)	Coal marine terminal (d)	Ore marine terminal (e)	Other marine terminal (f)	Motor vehicle load and distribution (g)	Protective services refrigerator car (h)	Other special services (i)	Total columns (b-i) (j)	Line No.
1		Administration	12,265		124			480		5,499	18,368	1
2		Pick up and delivery, marine line haul	55,269		7,181			2,559		32,950	97,959	2
3		Loading and unloading and local marine	258,439		7,294			52,408		6,477	324,618	3
4		Protective services, total debit and credits							731		731	4
5	*	Freight lost or damaged—solely related										5
6		Fringe benefits	4,289		1,072						5,361	6
7		Casualty and insurance	6,708								6,708	7
8		Joint facility — Debit	2								2	8
9		Joint facility — Credit										9
10	*	Other										10
11		TOTAL	336,972		15,671			55,447	731	44,926	453,747	11

450. ANALYSIS OF TAXES

(Dollars in Thousands)

A. Railway Taxes

Line No.	Cross Check	Kind of tax	Amount	Line No.
1		Other than U.S. Government Taxes	315,220	1
		U. S. Government Taxes		
2		Income Taxes		
		Normal Tax and Surtax	533,909	2
3		Excess Profits		3
4	*	Total - Income Taxes L 2 + 3	533,909	4
5		Railroad Retirement	382,079	5
6		Hospital Insurance	33,536	6
7		Supplemental Annuities		7
8		Unemployment Insurance	19,440	8
9		All Other United States Taxes		9
10		Total - U. S. Government Taxes	968,964	10
11		Total - Railway Taxes	1,284,184	11

B. Adjustments to 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 (Specify), including State and other taxes deferred if computed separately. Minor items, each less than \$100,000, may be combined in a single entry under Other (Specify).
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 19 in columns (c) and (d) should agree with the total of the contra charges (credits) to Account 557, Provision for Deferred Taxes, and Account 591, Provision for Deferred Taxes - Extraordinary Items, for the current year.
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)	Line No.
1	Accelerated Depreciation, Sec. 167 I.R.C.: Guideline lives pursuant to Rev. Proc. 62-21.					1
2	Accelerated Amortization of Facilities, Sec. 168 I.R.C.					2
3	Accelerated Amortization of Rolling Stock, Sec. 184 I.R.C.					3
4	Amortization of Rights of Way, Sec. 185 I.R.C.					4
5	Property	6,063,141	202,285	5,185	6,270,611	5
6	Other (Specify) -- Tax Benefit Transfer Leases	12,962	(549)	(5,185)	7,228	6
7	Reserves, including casualty & other claims	(66,549)	(6,571)		(73,120)	7
8	Compensation and Benefits	(38,759)	(4,018)	(35,953)	(78,730)	8
9	Miscellaneous	141,578	7,941		149,519	9
10						10
11						11
12						12
13						13
14						14
15						15
16						16
17						17
18						18
19	TOTALS	6,112,373	199,088	(35,953)	6,275,508	19

NOTES AND REMARKS

Adjustments in column (d) represent primarily AOCI adjustments in accordance with "Compensation- Retirement Benefits" (ASC 715).

450. ANALYSIS OF TAXES - Continued

(Dollars in Thousands)

*Footnotes:

1. If flow-through method was elected, indicate net decrease (or increase) in tax accrual because of investment tax credit	
If deferral method for investment tax credit was elected:	
(1) Indicate amount of credit utilized as a reduction of tax liability for current year	N/A
(2) Deduct amount of current year's credit applied to reduction of tax liability but deferred for accounting purposes	N/A
(3) Balance of current year's credit used to reduce current year's tax accrual	N/A
(4) Add amount of prior year's deferred credits being amortized to reduce current year's tax accrual	N/A
(5) Total decrease in current year's tax accrual resulting from use of investment tax credit	N/A
2. Estimated amount of future earnings which can be realized before paying Federal income taxes because of unused and available net operating loss carryover on January 1 of the year following that for which the report is made	None

501. GUARANTIES AND SURETYSHIPS
(Dollars in Thousands)

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

Line No.	Names of all parties principally and primarily liable (a)	Description (b)	Amount of contingent liability (c)	Sole or joint contingent liability (d)	Line No.
1					1
2					2
3					3
4					4
5					5
6					6
7	(a) Terminal R.R. Assoc. of St. Louis	Refunding & Improvement Mortgage Series "C" bonds due 7/1/2019 (FD14553-54)	7,014 & int.	Joint and Several	7
8					8
9					9
10					10
11					11
12					12
13	(a) Jointly and Severally with Burlington Northern Santa Fe Railway, CSX Transportation, Inc., Canadian National Railway and Union Pacific Railroad				13
14					14
15					15
16					16
17					17
18					18
19					19
20					20
21					21
22					22
23					23
24					24
25					25
26					26
27					27
28					28
29					29
30					30
31					31
32					32
33					33
34					34

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

Line No.	Finance Docket number, title, maturity date and concise description of agreement or obligation (a)	Names of all guarantors and sureties (b)	Amount contingent liability of guarantors (c)	Sole or joint contingent liability (d)	Line No.
1					1
2					2
3					3
4					4
5					5
6					6
7					7
8					8
9					9

502. COMPENSATING BALANCES AND SHORT-TERM BORROWING ARRANGEMENTS

(Dollars in Thousands)

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

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

We have outstanding letters of credit in the amount of \$5.6 million, with various banks, under which no borrowings were outstanding as of December 31, 2018.

In June of 2018, we renewed our accounts receivable securitization program for a 364-day term expiring in May 2019. We also increased the program's capacity from \$350 million to \$400 million. Under this facility NSR sells substantially all of its eligible third-party receivables to a subsidiary, which in turn may transfer beneficial interests in the receivables to various commercial paper vehicles. Amounts received under the facility are accounted for as borrowings. Under this facility, we received \$50 million in 2018, and paid \$150 million and \$100 million during 2018 and 2017, respectively. We had no amounts outstanding under this program at December 31, 2018 and \$100 million (at an average variable interest rate of 3.21%) at December 31, 2017, which is included within "Loans and Notes Payable."

510. SEPARATION OF DEBTHOLDINGS BETWEEN ROAD PROPERTY AND EQUIPMENT

(Dollars in Thousands)

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

I. Debt Outstanding at End of Year:

Line No.	Account No.	Title	Source	Balance at Close of Year
1	751	Loans and Notes Payable	Sch. 200, L. 29	
2	764	Equipment Obligations and Other Long Term Debt due Within One Year	Sch. 200, L. 38	195
3	765/767	Funded Debt Unmatured	Sch. 200, L. 40	451,826
4	766	Equipment Obligations	Sch. 200, L. 41	
5	766.5	Capitalized Lease Obligations	Sch. 200, L. 42	1,259
6	768	Debt in Default	Sch. 200, L. 43	
7	769	Accounts Payable; Affiliated Companies	Sch. 200, L. 44	8,149,313
8	770.1/770.2	Unamortized Debt Premium	Sch. 200, L. 45	41,499
9		Total Debt	Sum L. 1-8	8,644,092
10		Debt Directly Related to Road Property	Note 1.	1,559
11		Debt Directly Related to Equipment	Note 1.	
12		Total Debt Directly Related to Road & Equipment	Sum L. 10 and 11	1,559
13		Percent Directly Related to Road	L. 10 div. by L. 12 Whole % + 2 decimals	100.00%
14		Percent Directly Related to Equipment	L. 11 div. by L. 12 Whole % + 2 decimals	0.00%
15		Debt Not Directly Related to Road or Equipment	L. 9 - L. 12	8,642,533
16		Road Property Debt (Note 2)	(L. 13 x L. 15) + L. 10	8,644,092
17		Equipment Debt (Note 2)	(L. 14 x L. 15) + L. 11	

II. Interest Accrued During the Year:

Line No.	Account No.	Title	Source	Balance at Close of Year
18	546-548	Total Interest and Amortization (Fixed Charges)	Sch. 210, L. 42	324,006 *
19	546	Contingent Interest on Funded Debt	Sch. 210, L. 44	
20	517	Release of Premiums on Funded Debt	Sch. 210, L. 22	
21		Total Interest (Note 3)	(L. 18 + L. 19) - L. 20	324,006
22		Interest Directly Related to Road Property Debt	Note 4	91
23		Interest Directly Related to Equipment Debt	Note 4	
24		Interest Not Directly Related to Road or Equipment Property Debt	L. 21 - (L. 22 + L. 23)	323,915
25		Interest Road Property Debt (Note 5)	L. 22 + (L. 24 x L. 13)	324,006
26		Interest Equipment Debt (Note 5)	L. 23 + (L. 24 x L. 14)	
27		Embedded Rate of Debt Capital - Road Property	L. 25 div. by L. 16	3.75%
28		Embedded Rate of Debt Capital - Equipment	L. 26 div. by L. 17	0.00%

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

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

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

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

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

NOTES AND REMARKS

*Net of capitalized interest of \$16,882.

INSTRUCTIONS CONCERNING RETURNS TO BE MADE IN SCHEDULE 512

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

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

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

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

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

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

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

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

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

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

512. TRANSACTIONS BETWEEN RESPONDENT AND COMPANIES OR PERSONS AFFILIATED WITH RESPONDENT FOR SERVICES RECEIVED OR PROVIDED								
Line No.	Name of company or related party with percent of gross income (a)	%	Nature of relationship (b)	Description of transactions (c)	Dollar amounts of transactions (000's) (d)	Amount due from or to related parties (e)	Line No.	
1							1	
2	If NS Rail provides rail transportation services to any of these entities, it does so in the normal course of business at applicable tariff or contract rates,							2
3	both of which are subject to STB jurisdiction and review.							3
4	Conrail Inc. and CRC		Other	(See Note 1)			4	
5	Norfolk Southern Corporation		Controlled	(See Note 1)			5	
6							6	
7							7	
8							8	
9							9	
10							10	
11							11	
12							12	
13							13	
14							14	
15							15	
16							16	
17							17	
18							18	
NOTES AND REMARKS								
Note 1 - See Note 11 to Schedule 200 on page 10.								

INSTRUCTIONS CONCERNING RETURNS TO BE MADE IN SCHEDULE 700

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

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

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

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

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

In Column (b) give the various proportions of each class owned or leased by respondent, listing each proportion once in any grouping.

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

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

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

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

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

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

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

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

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

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

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

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

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

700. MILEAGE OPERATED AT CLOSE OF YEAR										
Line No.	Class	Proportion owned or leased by Respondent	Running tracks, passing tracks, crossovers, etc.				Miles of way switching tracks (g)	Miles of yard switching tracks (h)	TOTAL (i)	Line No.
			Miles of road (c)	Miles of second main track (d)	Miles of all other main tracks (e)	Miles of passing tracks, cross-overs, and turnouts (f)				
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	
1	1	100%	14,653	2,570	177	1,939	2,484	5,751	27,574	1
2	1	50%	7	5		5	15	13	45	2
3	1	33%	4	3		4		5	16	3
4	1J	75%						7	7	4
5	1J	67%						4	4	5
6	1J	50%				1	12	23	36	6
7	1J	33%					3	2	5	7
8										8
9		Total Class 1	14,664	2,578	177	1,949	2,514	5,805	27,687	9
10										10
11										11
12										12
13	3	100%	23	9			5		37	13
14	3A	100%						2	2	14
15	3B	100%	337	177	4	32	46	80	676	15
16	3BJ	50%				1		5	6	16
17										17
18		Total Class 3	360	186	4	33	51	87	721	18
19										19
20										20
21	4	100%	6				1	33	40	21
22										22
23		Total Class 4	6				1	33	40	23
24										24
25										25
26										26
27										27
28	5	100%	4,390	1,163	590	365	131	531	7,170	28
29										29
30		Total Class 5	4,390	1,163	590	365	131	531	7,170	30
31										31
32										32
33										33
34										34
35										35
36										36
37										37
38										38
39										39
40										40
41										41
42										42
43										43
44										44
45										45
46										46
47										47
48										48
49										49
50										50
51										51
52										52
53										53
54										54
55										55
56										56
57		TOTAL	19,420	3,927	771	2,347	2,697	6,456	35,618	57
58		Miles of electrified road or track included in preceding grand total	N/A							58

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

64

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

Line No.	Cross Check	State or territory (a)	MILES OF ROAD OPERATED BY RESPONDENT								Line No.	
			Line owned (b)	Line of proprietary companies (c)	Line operated under lease (d)	Line operated under contract etc. (e)	Line operated under trackage rights (f)	Total mileage operated (g)	Line owned not operated by respondent (h)	New line constructed during year (i)		
1		Alabama	1,212					92	1,304	89		1
2		Canada						2	2			2
3		Delaware	36					43	79	93		3
4		District of Columbia						13	13			4
5		Florida	95					53	148			5
6		Georgia	1,697					9	1,706	381		6
7		Illinois	842					414	1,256	63		7
8		Indiana	1,174		2			265	1,441	36		8
9		Iowa	5				1	37	43	43		9
10		Kansas						2	2			10
11		Kentucky	154		212			63	429			11
12		Louisiana	72					4	76			12
13		Maryland	59					174	233	37		13
14		Michigan	115					372	487	157		14
15		Mississippi	209					2	211			15
16		Missouri	344					65	409			16
17		New Jersey	124					807	931	2		17
18		New York	547					294	841	227		18
19		North Carolina	822					364	1,186	418		19
20		Ohio	1,622		10			389	2,021	251		20
21		Pennsylvania	1,761				5	637	2,403	193		21
22		South Carolina	658					104	762	37		22
23		Tennessee	647		136			46	829	144		23
24		Virginia	1,883					107	1,990	154		24
25		West Virginia	586					32	618	233		25
26												26
27												27
28												28
29												29
30												30
31												31
32		TOTAL MILEAGE (single track)	14,664		360		6	4,390	19,420	2,558		32

Railroad Annual Report R-1

Road Initials: NS Rail Year: 2018

INSTRUCTIONS CONCERNING RETURNS TO BE MADE IN SCHEDULE 710

Instructions for reporting locomotive and passenger-train car data.

1. Give particulars of each of the various classes of equipment which respondent owned or leased during the year.
2. In column (c), give the number of units purchased new or built in company shops. In column (d), give the number of new units leased from others. The term "new" means a unit placed in service for the first time on any railroad.
3. Units leased to others for a period of one year or more are reportable in column (l). Units temporarily out of respondent's service and rented to others for less than one year are to be included in column (h). Units rented from others for a period less than one year should not be included in column (i).
4. For reporting purposes, a "locomotive unit" is a self-propelled vehicle generating or converting energy into motion, and designed solely for moving other equipment. An "A" unit is the least number of wheel bases with superstructure designed for use singly or as a lead locomotive unit in combination with other locomotive units. A "B" unit is similar to an "A" unit but it is not equipped for use singly or as a lead locomotive unit. A "B" unit may be equipped with hostler controls for independent operation at terminals.
5. A "self-propelled" car is a rail motor car propelled by electric motors receiving power from a third rail or overhead, or internal combustion engines located on the car itself. Trailers equipped for use only in trains of cars that are self-propelled are to be included as self-propelled equipment.
6. A "diesel" unit includes all units propelled by diesel internal combustion engines regardless of final drive or whether power may at times be supplied from an external conductor. Units other than diesel-electric, e.g., diesel-hydraulic, should be identified in a footnote, giving the number and a brief description. An "electric" unit includes all units which receive electric power from a third rail or overhead contact wire, and use the power to drive one or more electric motors that propel the vehicle. An "other self-powered unit" includes all units other than diesel or electric, e.g., gas turbine, steam. Show 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. For reporting purposes, indicate radio-controlled self-powered diesel units on lines 1 through 8, as appropriate. Radio-controlled units that are not self-propelled, i.e., those without a diesel, should be reported on line 13 under "auxiliary units."

7. Column (k) should show aggregate capacity for all units reported in column (j), as follows:
For locomotive units, report the manufacturer's rated horsepower (the maximum continuous power output from the diesel engines or engines delivered to the main generator or generators for tractive purposes). Exclude capacity data for steam locomotives. For passenger-train cars, report the number of passenger seats available for revenue service, counting one passenger to each berth in sleeping cars.
8. Passenger-train car types and service equipment car types correspond to AAR Mechanical Division designations. Descriptions of car codes and designations are published in The Official Railway Equipment Register.

9. Cross-checks

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

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

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

710. INVENTORY OF EQUIPMENT

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

Line No.	Cross Check	Type or design of units (a)	Changes During the Year					Units retired from service of respondent whether owned or leased, including reclassification (g)	Units at Close of Year					Line No.
			Units installed						Owned and used (h)	Leased from others (i)	Total in service of respondent [col (h) & (i)] (j)	Aggregate capacity of units reported in col. (j) (See Ins. 7) (k)	Leased to others (l)*	
			Units in service of respondent at beginning of year (b)	New units purchased or built (c)	New units leased from others (d)	Rebuilt units acquired and rebuilt units rewritten into property accounts (e)	All other units including reclassification and second hand units purchased or leased from others (f)							
Locomotive Units														
1		Diesel-freight units	2,799	15		109		111	2,812		2,812	11,996,800		1
2		Diesel-passenger units												2
3	*	Diesel-multiple purpose units	1,062			4	3	29	1,040		1,040	2,815,500	48	3
4	*	Diesel-switching units	52					2	12	42	42	62,700		4
5	*	TOTAL (lines 1 to 4) units	3,913	15		113	5	152	3,894		3,894	14,875,000	48	5
6		Electric-locomotives												6
7		Other self-powered units	1						1		1	1,350		7
8	*	TOTAL (lines 5, 6 and 7)	3,914	15		113	5	152	3,895		3,895	14,876,350	48	8
9		Auxiliary units	175	2		1			178		178	N/A		9
10	*	TOTAL LOCOMOTIVE UNITS (lines 8 and 9)	4,089	17		114	5	152	4,073		4,073	14,876,350	48	10

* Note: Col (l) - Leased to Others includes 48 NS Owned Locomotives Leased to Conrail for use in Shared Assets Area

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

Line No.	Cross Check	Type or design of units (a)	Before 1/1/1995 (b)	Between 1/1/1995 and 12/31/1999 (c)	Between 1/1/2000 and 12/31/2004 (d)	Between 1/1/2005 and 12/31/2009 (e)	Between 1/1/2010 and 12/31/2014 (f)	During Calendar Year					Line No.	
								2015 (g)	2016 (h)	2017 (i)	2018 (j)	2019 (k)		TOTAL (l)
11	*	Diesel	1,599	843	661	359	317		50	50	15		3,894	11
12	*	Electric												12
13	*	Other self-powered units	1										1	13
14	*	TOTAL (lines 11 to 13)	1,600	843	661	359	317		50	50	15		3,895	14
15	*	Auxiliary units	141				8	8	16	5			178	15
16	*	TOTAL LOCOMOTIVE UNITS (Lines 14 and 15)	1,741	843	661	359	325	8	66	55	15		4,073	16

710. INVENTORY OF EQUIPMENT - Continued														
UNITS OWNED, INCLUDED IN INVESTMENT ACCOUNT, AND LEASED FROM OTHERS														
Line No.	Cross Check	Type or design of units (a)	Changes During the Year					Units retired from service of respondent whether owned or leased, including reclassification (g)	Units at Close of Year					Line No.
			Units installed						Owned and used (h)	Leased from others (i)	Total in service of respondent (col. (h) & (i)) (j)	Aggregate capacity of units reported in col. (j) (see ins. 7) (k)	Leased to others (l)	
			Units in service of respondent at beginning of year (b)	New units purchased or built (c)	New units leased from others (d)	Rebuilt units acquired and rebuilt units rewritten into property accounts (e)	All other units including reclassification and second hand units purchased or leased from others (f)							
17		PASSENGER-TRAIN CARS Non-Self-Propelled Coaches (PA, PB, PBO)												17
18		Combined cars (All class C, except CSB)												18
19		Parlor cars (PBC, PC, PL, PO)												19
20		Sleeping cars (PS, PT, PAS, PDS)												20
21		Dining, grill and tavern cars (All classes D, PD)												21
22		Non-passenger carrying cars (All class B, CSB, M, PSA, 1A)												22
23		TOTAL (lines 17 to 22)												23
24		Self-Propelled Electric passenger cars (EP, ET)												24
25		Electric combined cars (EC)												25
26		Internal combustion rail motorcars (ED,EG)												26
27		Other self-propelled cars (Specify types)												27
28		TOTAL (lines 24 to 27)												28
29		TOTAL (lines 23 and 28)												29
30		COMPANY SERVICE CARS Business cars (PV)	29					1	28		28	N/A		30
31		Board outfit cars (MWX)	306					3	303		303	N/A		31
32		Derrick and snow removal cars (MWU, MWV, MWW, MWK)	254					14	240		240	N/A		32
33		Dump and ballast cars (MWB, MWD)	739					11	473	255	728	N/A		33
34		Other maintenance and service equipment cars	6,130				33	129	6,031	3	6,034	N/A		34
35		TOTAL (lines 30 to 34)	7,458				33	158	7,075	258	7,333	N/A		35

710. INVENTORY OF EQUIPMENT - Continued

Instructions for reporting freight-train car data

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

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

Line No.	Cross Check	Class of equipment and car designations (a)	Units in service of respondent at beginning of year		Changes During the Year				Line No.
			Time-mileage cars (b)	All Others (c)	Units installed				
					New units purchased or built (d)	New or rebuilt units leased from others (e)	Rebuilt units acquired and rebuilt units rewritten into property accounts (f)	All other units, including reclassification and second hand units purchased or leased from others (g)	
36		FREIGHT TRAIN CARS Plain box cars - 40' (B1 __, B2 __)							36
37		Plain box cars - 50' and longer (B3_0-7, B4_0-7, B5 __, B6 __, B7 __, B8 __)	484						37
38		Equipped box cars (All Code A, Except A_5_)	9,126					324	38
39		Plain gondola cars (All Codes G & J_1, J_2, J_3, J_4)	15,253					2,283	39
40		Equipped gondola cars (All Code E)	12,561					801	40
41		Covered hopper cars (C_1, C_2, C_3, C_4)	9,146						41
42		Open top hopper cars - general service (All Code H)	8,004						42
43		Open top hopper cars - special service (J__O, and All Code K)	3,262						43
44		Refrigerator cars - mechanical (R_5_, R_6_, R_7_, R_8_, R_9_)							44
45		Refrigerator cars - non-mechanical (R_0_, R_1_, R_2_)							45
46		Flat cars - TOFC/COFC (All Code P, Q and S, Except Q8__)	1,031					1	46
47		Flat cars - multi-level (All Code V)	470					173	47
48		Flat cars - general service (F10_, F20_, F30_)	1						48
49		Flat cars - other (F_1_, F_2_, F_3_, F_4_, F_5_, F_6_, F_8_, F40_)	1,758						49
50		Tank cars - under 22,000 gallons (T_0_, T_1_, T_2_, T_3_, T_4_, T_5_)							50
51		Tank cars - 22,000 gallons and over (T_6_, T_7_, T_8_, T_9_)		8					51
52		All other freight cars (A_5_, F_7_, All Code L and Q8__)	1,458						52
53		TOTAL (lines 36 to 52)	62,554	8				3,582	53
54		Caboose (All Code M-930)	N/A	144					54
55		TOTAL (lines 53, 54)	62,554	152				3,582	55

710. INVENTORY OF EQUIPMENT - Continued

4. Column (m) should show aggregate capacity for all units reported in columns (k) and (l), as follows. For freight-train cars, report the nominal capacity (in tons of 2,000 lbs) as provided for in Rule 86 of the AAR Code of Rules Governing Cars in Interchange. Convert the capacity of tank cars to capacity in tons of the commodity which the car is intended to customarily carry.
 5. Time-mileage cars refers to freight cars, other than cabooses, owned or held under lease arrangement, whose interline rental is settled on a per diem and line haul mileage basis under "Code of Car Hire Rules" or would be so settled if used by another railroad.

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

Line No.	Cross Check	Changes during year (concluded) Units retired from service of respondent whether owned or leased including reclassification (h)	Units at close of year						Line No.
			Owned and Used (i)	Leased from others (j)	Units installed				
					Total in service of respondent (col. (i) & (j))		Aggregate capacity of units reported in col. (k) & (l) (see ins. 4) (m)	Leased to others (n)	
					Time-mileage cars (k)	All Others (l)			
36								36	
37		111	27	346	373		38,691	37	
38		1,447	7,098	905	8,003		688,003	38	
39		1,126	14,032	2,378	16,410		1,903,301	39	
40		956	10,736	1,670	12,406		1,302,308	40	
41		738	8,323	85	8,408		932,767	41	
42		162	7,842		7,842		891,295	42	
43		103	3,159		3,159		352,721	43	
44								44	
45								45	
46		2	21	1,009	1,030		112,421	46	
47		27	383	233	616		31,212	47	
48			1		1		79	48	
49		112	1,280	366	1,646		168,825	49	
50								50	
51		4		4		4	396	51	
52		5	1,453		1,453		72,807	52	
53		4,793	54,355	6,996	61,347	4	6,494,826	53	
54			144		N/A	144	N/A	54	
55		4,793	54,499	6,996	61,347	148	6,494,826	55	

710. INVENTORY OF EQUIPMENT - Continued

UNITS OWNED, INCLUDED IN INVESTMENT ACCOUNT, AND LEASED FROM OTHERS									
Line No.	Cross Check	Class of equipment and car designations (a)	Units in service of respondent at beginning of year		Changes During the Year				Line No.
			Per diem (b)	All Others (c)	Units installed				
					New units purchased or built (d)	New units leased from others (e)	Rebuilt units acquired and rebuilt units rewritten into property accounts (f)	All other units, including reclassification and second hand units purchased or leased from others (g)	
56		FLOATING EQUIPMENT Self-propelled vessels (tugboats, car ferries, etc.)	N/A						56
57		Non-self-propelled vessels (car floats, lighters, etc.)	N/A						57
58		TOTAL (Lines 56 and 57)	N/A						58
		HIGHWAY REVENUE EQUIPMENT							
59		Chassis (Z_1_, Z_67_, Z_68_, Z_69_)		28,710	5,155				59
60		Dry van (U_2_, Z_, Z_6_, 1-6)		19,036				1,729	60
61		Flat bed (U_3_, Z_3_)		65	19				61
62		Open bed (U_4_, Z_4_)							62
63		Mechanical refrigerator (U_5_, Z_5_)							63
64		Bulk hopper (U_0_, Z_0_)							64
65		Insulated (U_7_, Z_7_)							65
66		Tank (Z_0_, U_6_) (See note)							66
67		Other trailer and container (Special equipped dry van U_9_, Z_8_, Z_9_)							67
68		Tractor							68
69		Truck							69
70		TOTAL (Lines 59 to 69)		47,811	5,174			1,729	70

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

NOTES AND REMARKS

710. INVENTORY OF EQUIPMENT - Concluded

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

Line No.	Cross Check	Changes during year (concluded)	Units at close of year						Line No.	
		Units retired from service of respondent whether owned or leased including reclassification (h)	Owned and used (i)	Leased from others (j)	Total in service of respondent (col (i) & (j))		Aggregate capacity of units reported in col (k) & (l) (see ins. 4) (m)	Leased to Others (n)		
					Per diem (k)	All Others (l)				
56						N/A		N/A		56
57						N/A		N/A		57
58						N/A		N/A		58
59			33,865				33,865	N/A		59
		2,012	18,753				18,753	77,757		
			84				84	945		
		2,012	52,702				52,702	78,702		

NOTES AND REMARKS

710S. UNIT COST OF EQUIPMENT INSTALLED DURING THE YEAR
(Dollars in Thousands)

1. Give particulars, as requested, separately, for the various classes of new units and rebuilt units of equipment installed by respondent during the year. If information regarding the cost of any units installed is not complete at time of filing of this report, the units should be omitted, but reference to the number of units omitted should be given in a footnote, the details as to cost to be given in the report of the following year. The cost of units under construction at the close of the year should not be reflected in this schedule even though part of the cost appears in the property account for the year. Indicate in column (e) whether an installation represents equipment purchased (P), built or rebuilt by contract in outside railroad shops (C), or built or rebuilt in company or system shops (S) including units acquired through capitalized leases (L).
2. In column (a) list each class or type of locomotive unit, car or TOFC/COFC equipment on a separate line. By class is meant the standard classification used to distinguish types of locomotive units, freight cars or other equipment adopted by the Association of American Railroads, and should include physical characteristics requested by Schedule 710. Locomotive units should be identified as to power source, wheel arrangement, and horsepower per unit, such as multiple-purpose diesel locomotive A units (B-B), 2500 HP. Cars should be identified as to special construction or service characteristics, such as aluminum-covered hopper car (LO), steel boxcars-special service (XAP). For TOFC/COFC, show type of equipment as enumerated in Schedule 710.
3. In column (c) show the total weight in tons of 2,000 pounds. The weight of the equipment acquired should be the weight empty.
4. The cost should be the complete cost as entered on the ledger, including foreign line freight charges and handling charges.
5. Data for this schedule should be confined to the units reported in Schedule 710, columns (c) and (e) for locomotive units, passenger-train cars and company service cars and columns (d) and (f) for freight train cars, floating equipment and highway revenue equipment. Disclose new units in the upper section of this schedule. Disclose rebuilt units acquired or rewritten into the respondent's accounts in the lower section. The term "new" as used herein shall mean a unit or units placed in service for the first time on any railroad.
6. All unequipped boxcars acquired in whole or part with incentive per diem funds should be reported on separate lines and be appropriately identified by footnote or sub-heading.

NEW UNITS

Line No.	Class of equipment (a)	Number of Units (b)	Total Weight (Tons) (c)	Total Cost (d)	Method of Acquisition (see instructions) (e)	Line No.
1	Diesel - Freight Units 6-Axle 4,500 HP	2	394	5,592	P	1
2	Diesel - Freight Units 6-Axle 4,300 HP	13	2,808	36,348	P	2
3	Auxiliary Units 6-Axle	2	374	411	P	3
4	53' Domestic Chassis (Z)	5,155	193	72,919	P	4
5	53' Steel Domestic Container (U)	19	1	625	P	5
6						6
7						7
8						8
9						9
10						10
11						11
12						12
13						13
14						14
15						15
16						16
17						17
18						18
19						19
20						20
21						21
22						22
23						23
24						24
25	TOTAL	5,191	3,770	115,895	N/A	25
REBUILT UNITS						
26	Diesel - Freight Units 6-Axle 4,400 HP	50	10,261	90,905	C	26
27	Diesel - Freight Units 6-Axle 4,400 HP	48	9,851	87,723	S	27
28	Diesel - Freight Units 6-Axle 4,300 HP	11	2,376	11,573	S	28
29	Diesel - Multipurpose Units 6-Axle 3,000 HP	4	792	3,511	S	29
30	Auxiliary Units 6-Axle	1	195	199	S	30
31						31
32						32
33						33
34						34
35						35
36						36
37						37
38	TOTAL	114	23,475	193,911	N/A	38
39	GRAND TOTAL	5,305	27,245	309,806	N/A	39

GENERAL INSTRUCTIONS CONCERNING RETURNS TO BE MADE IN SCHEDULE 720

1. For purposes of these schedules, the track categories are defined as follows:
 Track category 1
 A - Freight density of 20 million or more gross ton-miles per track mile per year (include passing tracks, turnouts, and crossovers)
 B - Freight density of less than 20 million gross ton-miles per track mile per year, but at least 5 million (include passing tracks, turnouts, and crossovers)
 C - Freight density of less than 5 million gross ton-miles per track mile per year, but at least 1 million (include passing tracks, turnouts, and crossovers)
 D - Freight density of less than 1 million gross ton-miles per track mile per year (include passing tracks, turnouts, and crossovers)
 E - Way and yard switching tracks (passing tracks, crossovers and turnouts shall be included in categories A, B, C, D, F, and potential abandonments, as appropriate).
 F - Track over which any passenger service is provided (other than potential abandonments). Mileage should be included within track categories A through E unless it is dedicated entirely to passenger service category F.
 Potential abandonments - Route segments identified by railroads as potentially subject to abandonment as required by Section 10903 of the ICC Termination Act of 1995.
2. This schedule should include all class 1, 2, 3, or 4 track from Schedule 700 that is maintained by the respondent (class 5 track is assumed to be maintained by others).
3. If, for two consecutive years, a line segment classified in one track category maintains a traffic density which would place it in another, it shall be reclassified into that category as of the beginning of the second year.
4. Traffic density related to passenger service shall not be included in the determination of the track category of a line segment.

720. TRACK AND TRAFFIC CONDITIONS

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

Line No.	Track category	Mileage of tracks at end of period (whole numbers)	Average annual traffic density in millions of gross ton-miles per track-mile* (use two decimal places)	Average running speed limit (use two decimal places)	Track miles under slow orders at the end of period	Line No.
	(a)	(b)	(c)	(d)	(e)	
1	A	9,453	41.94	53.49	24	1
2	B	6,059	11.59	42.48	28	2
3	C	1,890	2.64	27.42	121	3
4	D	2,555	0.28	19.17	49	4
5	E	8,491	N/A	N/A	N/A	5
6	TOTAL	28,448	23.67	43.29	222	6
7	F	3,480	N/A	N/A	N/A	7
8	Potential abandonments					8

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

750. CONSUMPTION OF DIESEL FUEL
(Dollars in Thousands)

Locomotives			
Line No.	Kind of locomotive service (a)	Diesel oil (gallons) (b)	Line No.
1	Freight	440,125,453	1
2	Passenger		2
3	Yard switching	31,642,551	3
4	TOTAL	471,768,004	4
5	COST OF FUEL \$(000)	\$ 1,028,428	5
6	Work Train	2,621,992	6

INSTRUCTIONS CONCERNING RETURNS TO BE MADE IN SCHEDULE 755

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

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

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

- (M) Road service represents elapse time of transportation trains (both ordinary and light) between the time of leaving the initial terminals and the time at final terminals, including trains switching at way stations and delays on road as shown by conductor's or dispatcher's train reports. Include time of motorcar service performed by train locomotives at terminals and way stations. Report in Item 9-02, train switching hours included in Item 9-01. Train switching is the time spent by the train while performing switching service at terminals and way stations where no regular yard service is maintained. A train hour is independent of the number of locomotives in the train.
- (N) Yard switching hours are hours expended in switching service performed by yard crews in yards where regular switching service is maintained, including switching and transfer service in connection with the transportation of revenue and incidentally of company freight. Hours in yard switching are independent of the number of locomotives used.
- (O) Work-train miles include the miles run by trains engaged in company service such as official inspection; inspection trains for railway commissioners for which no revenue is received; trains running special with fire apparatus to save carrier's property from destruction; trains run for transporting the carrier's employees to and from work when no transportation charge is made; wrecking trains run solely for the purpose of transporting company material; trains run for distributing material and supplies for use in connection with operations; and all other trains used in work-train services. Exclude miles run by locomotives while engaged incidentally in switching company materials in company shops or material yards in connection with regular yard switching service or in switching equipment for repairs between yards and shops.
- (P) The number of loaded freight cars shall be obtained from the conductors' wheel report and shall be the sum of all loaded cars handled by each train. For example, if a car moves loaded (1) in a way train from the origination points, (2) in two through trains, and (3) in a way-train to the destination point, the total count of loaded cars would be four: two counts for the movements in the way trains and two counts for the movements in through trains. Therefore, each car originated or received from a connecting carrier receives an initial count, plus one count for each subsequent physical transfer between trains on respondent's lines. No additional count is given because of crew change or changes in track identification number unless there is a physical transfer of the car between trains. Each car moving under revenue billing shall be considered as a loaded car.
- (Q) Report vehicles (TOFC trailers/containers, automobiles and trucks) loaded and unloaded to and from TOFC and multiple level freight cars when the work is performed at the railroad's expense.
- (R) Report the number of loaded revenue trailers/containers picked up, plus revenue trailers/containers delivered in TOFC/COFC and in highway interchange service, when the work is performed at the railroad's expense. (Performed at railroad's expense means that railroad employees perform the service or that the railroad hires a subsidiary or outside contractor to perform the service.) Do not include those trailers/containers which are picked up or delivered by a shipper or motor carrier, etc. when a tariff provision requires that the shipper or motor carrier, etc., and not the railroad, perform that service. Note: The count should reflect the trailers/containers for which expenses are reported in Schedule 417, line 2, column (b).
- (S) Report under Marine Terminals, Item 16, the tons loaded onto and unloaded from marine vessels at the expense of the reporting railroad.
- (T) Report the total number of foreign railroad cars on line at the end of the year (except surplus cars, see below). Foreign railroad cars refers to freight cars owned by other railroads whose interline rental is settled on time (by hour) and actual line-haul mileage charges under the Code of Car Hire Rules.
- Carriers will be governed by local conditions in determining whether a car at an interchange point should be considered "on-line." Unserviceable cars include cars on repair tracks undergoing or awaiting repairs. They include cars on repair tracks repaired and awaiting switching, cars on repair tracks undergoing or awaiting repairs switching, cars awaiting movement to repair tracks held in train yards (excluding cars which are to be repaired in the train yard without loss of time), cars moving empty in trains en route to shop, and cars stored awaiting disposition.
- Surplus cars are cars which are in serviceable condition for loading on the last day of the year, but have not been placed for loading within 48 hours. This count can be an annual average based on weekly count of cars that have not been placed for loading within 48 hours.
- (U) Flat-TOFC/COFC Car miles reported in lines 25 (4-020), 41 (4-120), 57 (4-140), and 75 (4-160) will be computed using cars rather than constructed container platforms. For example, an articulated car consisting of five platforms moved one mile will be counted as one car-mile, not five car-miles.
- (V) The intermodal Load Factor reported on Line 134 will be calculated for the average number of intermodal (TOFC/COFC) units loaded on the average intermodal car. Units are to be calculated in the same manner as Line 123, (13 TOFC/COFC-No. of Revenue Trailers & Containers Loaded and Unloaded (Q)). Intermodal cars will be calculated in accordance with instruction U for reporting Flat-TOFC/COFC Car-miles. Both intermodal (TOFC/COFC) units and intermodal cars are to be calculated using actual units and not constructed intermodal (TOFC/COFC) units or cars.

755. RAILROAD OPERATING STATISTICS

Line No.	Cross Check	Item description (a)	Freight train (b)	Pass. train (c)	Line No.
1		1. MILES OF ROAD OPERATED (A)	19,420		1
		2. TRAIN MILES - RUNNING (B)			
2		2-01 UNIT TRAINS	11,098,005	XXXXXX	2
3		2-02 WAY TRAINS	10,858,184	XXXXXX	3
4		2-03 THROUGH TRAINS	51,221,670		4
5		2-04 TOTAL TRAIN MILES (lines 2-4)	73,177,859		5
6		2-05 MOTORCARS (C)			6
7		2-06 TOTAL, ALL TRAINS (lines 5, 6)	73,177,859		7
		3. LOCOMOTIVE UNIT MILES (D)			
		ROAD SERVICE (E)			
8		3-01 UNIT TRAINS	26,297,739	XXXXXX	8
9		3-02 WAY TRAINS	17,543,017	XXXXXX	9
10		3-03 THROUGH TRAINS	117,430,401		10
11		3-04 TOTAL (lines 8-10)	161,271,157		11
12		3-11 TRAIN SWITCHING (F)	5,565,147	XXXXXX	12
13		3-21 YARD SWITCHING (G)	12,601,042		13
14		3-31 TOTAL ALL SERVICES (lines 11, 12, 13)	179,437,346		14
		4. FREIGHT CAR-MILES (thousands) (H)			
		4-01 RR OWNED AND LEASED - LOADED			
15		4-010 BOX-PLAIN 40-FOOT		XXXXXX	15
16		4-011 BOX-PLAIN 50-FOOT AND LONGER	7,081	XXXXXX	16
17		4-012 BOX-EQUIPPED	101,794	XXXXXX	17
18		4-013 GONDOLA-PLAIN	196,907	XXXXXX	18
19		4-014 GONDOLA-EQUIPPED	76,966	XXXXXX	19
20		4-015 HOPPER-COVERED	102,274	XXXXXX	20
21		4-016 HOPPER-O/T-GENERAL SERVICE	52,379	XXXXXX	21
22		4-017 HOPPER-O/T-SPECIAL SERVICE	12,058	XXXXXX	22
23		4-018 REFRIGERATOR-MECHANICAL	3,583	XXXXXX	23
24		4-019 REFRIGERATOR-NON-MECHANICAL	3,906	XXXXXX	24
25		4-020 FLAT-TOFC/COFC	160,866	XXXXXX	25
26		4-021 FLAT-MULTI-LEVEL	31,199	XXXXXX	26
27		4-022 FLAT-GENERAL SERVICE	176	XXXXXX	27
28		4-023 FLAT-ALL OTHER	31,556	XXXXXX	28
29		4-024 ALL OTHER CAR TYPES	53,667	XXXXXX	29
30		4-025 TOTAL (lines 15-29)	834,412	XXXXXX	30

755. RAILROAD OPERATING STATISTICS

Line No.	Cross Check	Item description (a)	Freight train (b)	Pass. train (c)	Line No.
		4-11 RR OWNED AND LEASED EMPTY			
31		4-110 BOX-PLAIN 40-FOOT		XXXXXX	31
32		4-111 BOX-PLAIN 50-FOOT AND LONGER	7,053	XXXXXX	32
33		4-112 BOX-EQUIPPED	96,932	XXXXXX	33
34		4-113 GONDOLA-PLAIN	187,243	XXXXXX	34
35		4-114 GONDOLA-EQUIPPED	63,108	XXXXXX	35
36		4-115 HOPPER-COVERED	106,760	XXXXXX	36
37		4-116 HOPPER-O/T-GENERAL SERVICE	53,350	XXXXXX	37
38		4-117 HOPPER-O/T-SPECIAL SERVICE	12,638	XXXXXX	38
39		4-118 REFRIGERATOR-MECHANICAL	3,618	XXXXXX	39
40		4-119 REFRIGERATOR-NON-MECHANICAL	3,227	XXXXXX	40
41		4-120 FLAT-TOFC/COFC	15,838	XXXXXX	41
42		4-121 FLAT-MULTI-LEVEL	23,436	XXXXXX	42
43		4-122 FLAT-GENERAL SERVICE	213	XXXXXX	43
44		4-123 FLAT-ALL OTHER	32,729	XXXXXX	44
45		4-124 ALL OTHER CAR TYPES	546	XXXXXX	45
46		4-125 TOTAL (lines 31-45)	606,691	XXXXXX	46
		4-13 PRIVATE LINE CARS - LOADED (H)			
47		4-130 BOX-PLAIN 40-FOOT		XXXXXX	47
48		4-131 BOX-PLAIN 50-FOOT AND LONGER	11,919	XXXXXX	48
49		4-132 BOX-EQUIPPED	41,904	XXXXXX	49
50		4-133 GONDOLA-PLAIN	67,372	XXXXXX	50
51		4-134 GONDOLA-EQUIPPED	14,618	XXXXXX	51
52		4-135 HOPPER-COVERED	357,375	XXXXXX	52
53		4-136 HOPPER-O/T-GENERAL SERVICE	21,567	XXXXXX	53
54		4-137 HOPPER-O/T-SPECIAL SERVICE	90,609	XXXXXX	54
55		4-138 REFRIGERATOR-MECHANICAL	2,450	XXXXXX	55
56		4-139 REFRIGERATOR-NON-MECHANICAL	485	XXXXXX	56
57		4-140 FLAT-TOFC/COFC	555,841	XXXXXX	57
58		4-141 FLAT-MULTI-LEVEL	188,937	XXXXXX	58
59		4-142 FLAT-GENERAL SERVICE	385	XXXXXX	59
60		4-143 FLAT-ALL OTHER	29,950	XXXXXX	60
61		4-144 TANK UNDER 22,000 GALLONS	100,080	XXXXXX	61
62		4-145 TANK - 22,000 GALLONS AND OVER	298,794	XXXXXX	62
63		4-146 ALL OTHER CAR TYPES	6,186	XXXXXX	63
64		4-147 TOTAL (lines 47-63)	1,788,472	XXXXXX	64

755. RAILROAD OPERATING STATISTICS

Line No.	Cross Check	Item description (a)	Freight train (b)	Pass. train (c)	Line No.
		4-15 PRIVATE LINE CARS-EMPTY (H)			
65		4-150 BOX-PLAIN 40-FOOT		XXXXXX	65
66		4-151 BOX-PLAIN 50-FOOT AND LONGER	8,404	XXXXXX	66
67		4-152 BOX-EQUIPPED	28,589	XXXXXX	67
68		4-153 GONDOLA-PLAIN	70,942	XXXXXX	68
69		4-154 GONDOLA-EQUIPPED	16,402	XXXXXX	69
70		4-155 HOPPER-COVERED	362,158	XXXXXX	70
71		4-156 HOPPER-O/T-GENERAL SERVICE	22,434	XXXXXX	71
72		4-157 HOPPER-O/T-SPECIAL SERVICE	90,601	XXXXXX	72
73		4-158 REFRIGERATOR-MECHANICAL	2,508	XXXXXX	73
74		4-159 REFRIGERATOR-NON-MECHANICAL	524	XXXXXX	74
75		4-160 FLAT-TOFC/COFC	44,152	XXXXXX	75
76		4-161 FLAT-MULTI-LEVEL	129,794	XXXXXX	76
77		4-162 FLAT-GENERAL SERVICE	406	XXXXXX	77
78		4-163 FLAT-ALL OTHER	31,838	XXXXXX	78
79		4-164 TANK UNDER 22,000 GALLONS	103,500	XXXXXX	79
80		4-165 TANK - 22,000 GALLONS AND OVER	311,798	XXXXXX	80
81		4-166 ALL OTHER CAR TYPES	6,356	XXXXXX	81
82		4-167 TOTAL (lines 65-81)	1,230,406	XXXXXX	82
83		4-17 WORK EQUIPMENT CAR-MILES	38,238	XXXXXX	83
84		4-18 NO PAYMENT CAR-MILES (I) *		XXXXXX	84
		4-19 TOTAL CAR-MILES BY TRAIN TYPE			
85		4-191 UNIT TRAINS	1,083,448	XXXXXX	85
86		4-192 WAY TRAINS	248,766	XXXXXX	86
87		4-193 THROUGH TRAINS	3,166,005	XXXXXX	87
88		4-194 TOTAL (lines 85-87)	4,498,219	XXXXXX	88
89		4-20 CABOOSE MILES	1,377	XXXXXX	89

* Total number of loaded miles 53,208 and empty miles - by roadrailer reported above on lines 29 and 45 respectively, rather than line 84.

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

755. RAILROAD OPERATING STATISTICS

Line No.	Cross Check	Item description (a)	Freight train (b)	Pass. train (c)	Line No.
		6. GROSS TON MILES (Thousands) (K)			
98		6-01 ROAD LOCOMOTIVES	30,695,783		98
		6-02 FREIGHT TRAINS, CRS., CNTS. & CABOOSE			
99		6-020 UNIT TRAINS	90,625,363	XXXXXX	99
100		6-021 WAY TRAINS	19,840,280	XXXXXX	100
101		6-022 THROUGH TRAINS	282,073,856	XXXXXX	101
102		6-03 PASSENGER-TRAINS, CRS. & CNTS.			102
103		6-04 NON-REVENUE	2,336,972	XXXXXX	103
104		6-05 TOTAL (lines 98-103)	425,572,254		104
		7. TONS OF FREIGHT (Thousands)			
105		7-01 REVENUE	374,199	XXXXXX	105
106		7-02 NON-REVENUE	1,008	XXXXXX	106
107		7-03 TOTAL (lines 105, 106)	375,207	XXXXXX	107
		8. TON-MILES OF FREIGHT (Thousands) (L)			
108		8-01 REVENUE-ROAD SERVICE	207,369,431	XXXXXX	108
109		8-02 REVENUE-LAKE TRANSFER SERVICE		XXXXXX	109
110		8-03 TOTAL (lines 108, 109)	207,369,431	XXXXXX	110
111		8-04 NON-REVENUE-ROAD SERVICE	332,601	XXXXXX	111
112		8-05 NON-REVENUE-LAKE TRANSFER SERV.		XXXXXX	112
113		8-06 TOTAL (lines 111, 112)	332,601	XXXXXX	113
114		8-07 TOTAL-REV AND NON-REV (lines 110, 113)	207,702,032	XXXXXX	114
		9. TRAIN HOURS (M)			
115		9-01 ROAD SERVICE	3,983,271	XXXXXX	115
116		9-02 TRAIN SWITCHING	581,727	XXXXXX	116
117		10. TOTAL YARD SWITCHING HOURS (N)	2,100,174		117
		11. TRAIN-MILES WORK TRAINS (O)			
118		11-01 LOCOMOTIVES	519,696	XXXXXX	118
119		11-02 MOTORCARS		XXXXXX	119
		12. NUMBER OF LOADED FREIGHT CARS (P)			
120		12-01 UNIT TRAINS	1,862,132	XXXXXX	120
121		12-02 WAY TRAINS	4,372,898	XXXXXX	121
122		12-03 THROUGH TRAINS	6,053,741	XXXXXX	122
123		13. TOFC/COFC-NO. OF REV. TRLS. & CONT. LOADED & UNLOADED (Q)	7,840,295	XXXXXX	123
124		14. MULTI-LEVEL CARS-NO. OF MTR. VEH. LOADED AND UNLOADED (Q)	2,312,544	XXXXXX	124
125		15. TOFC/COFC-NO. OF REV TRLS. PICKED UP AND DELIVERED (R)	560,977	XXXXXX	125
		16. REVENUE TONS-MARINE TERMINAL (S)			
126		16-01 MARINE TERMINALS - COAL	24,004,425	XXXXXX	126
127		16-02 MARINE TERMINALS - ORE		XXXXXX	127
128		16-03 MARINE TERMINALS - OTHER		XXXXXX	128
129		16-04 TOTAL (lines 126-128)	24,004,425	XXXXXX	129
		17. NUMBER OF FOREIGN PER DIEM CARS ON LINE (T)			
130		17-01 SERVICEABLE	29,549	XXXXXX	130
131		17-02 UNSERVICEABLE	580	XXXXXX	131
132		17-03 SURPLUS		XXXXXX	132
133		17-04 TOTAL (lines 130-132)	30,129	XXXXXX	133
134		TOFC/COFC - Average No. of Units Loaded Per Car	4.67	XXXXXX	134

PTC Supplement

Schedules 330, 332, 335, 352B, 410, 700, 710, 710S, 720 and Footnote: PTC Grants

**NORFOLK SOUTHERN COMBINED RAILROAD SUBSIDIARIES
("NS RAIL")**

**TO THE
Surface Transportation Board
FOR THE
YEAR ENDED DECEMBER 31, 2018**

PTC 330. ROAD PROPERTY AND EQUIPMENT AND IMPROVEMENTS TO LEASED PROPERTY AND EQUIPMENT						
(Dollars in Thousands)						
Line No.	Cross No.	Account (a)	Balance at Beginning of year (b)	Expenditures during the year for original road & equipment & road extensions (c)	Expenditures during the year for purchase of existing lines, reorganizations, etc. (d)	Line No.
1		(2) Land for transportation purposes	16			1
2		(3) Grading				2
3		(4) Other right-of-way expenditures				3
4		(5) Tunnels and subways				4
5		(6) Bridges, trestles and culverts				5
6		(7) Elevated structures				6
7		(8) Ties				7
8		(9) Rail and other track material				8
9		(11) Ballast				9
10		(13) Fences, snowsheds and signs				10
11		(16) Station and office buildings				11
12		(17) Roadway buildings				12
13		(18) Water stations				13
14		(19) Fuel stations				14
15		(20) Shops and enginehouses				15
16		(22) Storage warehouses				16
17		(23) Wharves and docks				17
18		(24) Coal and ore wharves				18
19		(25) TOFC/COFC terminals				19
20		(26) Communications systems	122,474			20
21		(27) Signals and interlockers	850,232			21
22		(29) Power plants				22
23		(31) Power transmission systems				23
24		(35) Miscellaneous structures				24
25		(37) Roadway machines	52			25
26		(39) Public improvements - construction				26
27		(44) Shop machinery				27
28		(45) Power plant machinery				28
29		Other lease/rentals				29
30		TOTAL EXPENDITURES FOR ROAD	972,774			30
31		(52) Locomotives	180,102			31
32		(53) Freight train cars				32
33		(54) Passenger train cars				33
34		(55) Highway revenue equipment				34
35		(56) Floating equipment				35
36		(57) Work equipment				36
37		(58) Miscellaneous equipment	2,782			37
38		(59) Computer systems & word processing equipment	77,327			38
39		TOTAL EXPENDITURES FOR EQUIPMENT	260,211			39
40		(76) Interest during construction				40
41		(80) Other elements of investment				41
42		(90) Construction work in progress	239,115			42
43		GRAND TOTAL	1,472,100			43

NOTES AND REMARKS			
(Dollars in Thousands)			
We have also made capital contributions to entities that were formed for the purpose of implementing Positive Train Control (PTC), as follows:			
	Balance at beginning of year	Current year	Balance at close of year
Meteorcomm LLC	\$ 79,650	\$ 8,000	\$ 87,650
PTC-220 LLC	\$ 9,548	\$ 1,046	\$ 10,594
In addition, Conrail, Inc. has invested a total of \$8,639 for the purpose of implementing PTC through December 31, 2018, of which \$29 was made in 2018.			
These investments are not included in the above Schedule 330.			

PTC 330. ROAD PROPERTY AND EQUIPMENT AND IMPROVEMENTS TO LEASED PROPERTY AND EQUIPMENT
(Dollars in Thousands)

Line No.	Cross No.	Expenditures for additions during the year (e)	Credits for property retired during the year (f)	Net changes during the year (g)	Balance at close of year (h)	Line No.
1					16	1
2						2
3						3
4						4
5						5
6						6
7						7
8						8
9						9
10						10
11						11
12						12
13						13
14						14
15						15
16						16
17						17
18						18
19						19
20		39,227		39,227	161,701	20
21		278,530		278,530	1,128,762	21
22						22
23						23
24						24
25			52	(52)		25
26						26
27						27
28						28
29						29
30		317,757	52	317,705	1,290,479	30
31		24,109		24,109	204,211	31
32						32
33						33
34						34
35						35
36						36
37			25	(25)	2,757	37
38		563		563	77,890	38
39		24,672	25	24,647	284,858	39
40						40
41						41
42		(89,118)		(89,118)	149,997	42
43		253,311	77	253,234	1,725,334	43

PTC 332. DEPREC. BASE AND RATES - ROAD AND EQUIPMENT OWNED AND LEASED FROM OTHERS
(Dollars in Thousands)

- Show in columns (b) and (e), for each primary account, the depreciation base used to compute depreciation charges for the month of January, and in columns (c) and (f), the depreciation charges for the month of December. In columns (d) and (g) show the composite rates used in computing depreciation charges for December, and on lines 30 and 39 of these columns show the composite percentage for all road and equipment accounts, respectively, ascertained by applying the primary account composite rates to the depreciation base used in computing the charges for December, dividing that total by the total depreciation base for the same month. The depreciation base should not include cost of equipment used, but not owned, when the rents are included in rent for equipment and account nos. 31-22-00, 31-23-00, 31-25-00, 31-21-00, 35-21-00, 35-23-00, 35-22-00, and 35-25-00. It should include cost of equipment owned and leased to others when the rents therefrom are included in the rent for equipment, accounts nos. 32-21-00, 32-22-00, 32-23-00, 32-25-00, 36-21-00, 36-22-00, 36-23-00, and 36-25-00., inclusive. Composite rates used should be those prescribed or authorized by the Board, except that where the use of component rates has been authorized, the composite rates to be shown for the respective primary accounts should be recomputed from the December charges developed by the use of the authorized rates. If any changes in rates were effective during the year, give particulars in a footnote
- All leased property may be combined and one composite rate computed for each primary account, or a separate schedule may be included for each such property.
- Show in columns (e), (f), and (g) data applicable to lessor property, when the rent therefor is included in accounts nos. 31-11-00, 31-12-00, 31-13-00, 31-21-00, 31-22-00, and 31-23-00, inclusive.
- If depreciation accruals have been discontinued for any account, the depreciation base should be reported, nevertheless, in support of depreciation reserves. Authority for discontinuance of accruals should be shown in a footnote, indicating the effected account(s).
- Disclosures in the respective sections of this schedule may be omitted if either total road leased from others or total equipment leased from others represents less than 5% of total road owned or total equipment owned, respectively

Line No.	Account (a)	OWNED AND USED			LEASED FROM OTHERS			Line No.
		Depreciation Base		Annual composite rate % (d)	Depreciation Base		Annual composite rate % (g)	
		1/1 At beginning of year (b)	12/1 At close of year (c)		At beginning of year (e)	At close of year (f)		
1	(3) Grading							1
2	(4) Other right-of-way expenditures							2
3	(5) Tunnels and subways							3
4	(6) Bridges, trestles and culverts							4
5	(7) Elevated structures							5
6	(8) Ties							6
7	(9) Rail and other track material							7
8	(11) Ballast							8
9	(13) Fences, snowsheds and signs							9
10	(16) Station and office buildings							10
11	(17) Roadway buildings							11
12	(18) Water stations							12
13	(19) Fuel stations							13
14	(20) Shops and enginehouses				NOT APPLICABLE - 5% RULE			14
15	(22) Storage warehouses							15
16	(23) Wharves and docks							16
17	(24) Coal and ore wharves							17
18	(25) TOFC/COFC terminals							18
19	(26) Communications systems	122,474	150,742	5.03%				19
20	(27) Signals and interlockers	850,232	1,048,191	4.93%				20
21	(29) Power plants							21
22	(31) Power transmission systems							22
23	(35) Miscellaneous structures							23
24	(37) Roadway machines	52						24
25	(39) Public improvements - construction							25
26	(44) Shop machinery							26
27	(45) Power plant machinery							27
28	All other road accounts							28
29	Amortization (other than def. projects)							29
30	TOTAL ROAD	972,758	1,198,933	4.94%				30
31	(52) Locomotives	180,102	204,211	5.56%				31
32	(53) Freight train cars							32
33	(54) Passenger train cars							33
34	(55) Highway revenue equipment							34
35	(56) Floating equipment							35
36	(57) Work equipment							36
37	(58) Miscellaneous equipment	2,782	2,757	8.45%				37
38	(59) Computer systems & WP equipment	77,327	77,890	9.17%				38
39	TOTAL EQUIPMENT	260,211	284,858	6.58%				39
40	GRAND TOTAL	1,232,969	1,483,791	5.25%			NA	40

NOTES AND REMARKS

Both owned and lease hold improvement assets are included in columns (b) and (c) above.
See Notes and Remarks on page 82 for additional information.

PTC 335. ACCUMULATED DEPRECIATION - ROAD AND EQUIPMENT OWNED AND USED									
(Dollars in Thousands)									
1. Disclose the required information regarding credits and debits to Account No. 735, "Accumulated Depreciation: Road and Equipment Property" during the year relating to owned and used road and equipment. Include entries for depreciation of equipment owned but not used when the resulting rents are included in the "Lease Rentals - Credit - Equipment" accounts and "Other Rents - Credit - Equipment" accounts. Exclude any entries for depreciation of equipment that is used but not owned when the resulting rents are included in "Lease Rental - Debit - Equipment" accounts and "Other Rents - Debit - Equipment" accounts. 2. If any data are included in columns (d) or (f), explain the entries in detail. 3. A debit balance in columns (b) or (g) for any primary account should be designated "Dr." 4. If there is any inconsistency between credits to reserves as shown in column (c) and charges to operating expenses, a full explanation should be given. 5. Enter amounts representing amortization under an authorized amortization program other than for defense projects on lines 29 and 39.									
Line No.	Cross Check	Account (a)	Balance at beginning of year (b)	CREDITS TO RESERVE During the year		DEBITS TO RESERVE During the year		Balance at close of year (g)	Line No.
				Charges to operating expenses (c)	Other credits (d)	Retirements (e)	Other debits (f)		
ROAD									
1		(3) Grading							1
2		(4) Other right-of-way expenditures							2
3		(5) Tunnels and subways							3
4		(6) Bridges, trestles and culverts							4
5		(7) Elevated structures							5
6		(8) Ties							6
7		(9) Rail and other track material							7
8		(11) Ballast							8
9		(13) Fences, snowsheds and signs							9
10		(16) Station and office buildings							10
11		(17) Roadway buildings							11
12		(18) Water stations							12
13		(19) Fuel stations							13
14		(20) Shops and enginehouses							14
15		(22) Storage warehouses							15
16		(23) Wharves and docks							16
17		(24) Coal and ore wharves							17
18		(25) TOFC/COFC terminals							18
19		(26) Communications systems	13,896	7,321	633			21,850	19
20		(27) Signals and interlockers	60,914	48,998	3,521			113,433	20
21		(29) Power plants							21
22		(31) Power transmission systems							22
23		(35) Miscellaneous structures							23
24		(37) Roadway machines	13	2	37	52			24
25		(39) Public improvements - const.							25
26		(44) Shop machinery							26
27		(45) Power plant machinery							27
28		All other road accounts							28
29		Amortization (adjustments)							29
30		TOTAL ROAD	74,823	56,321	4,191	52		135,283	30
EQUIPMENT									
31		(52) Locomotives	28,978	10,548				39,526	31
32		(53) Freight train cars							32
33		(54) Passenger train cars							33
34		(55) Highway revenue equipment							34
35		(56) Floating equipment							35
36		(57) Work equipment							36
37		(58) Miscellaneous equipment	320	235		25		530	37
38		(59) Computer systems & WP equip.	11,105	7,103				18,208	38
39		Amortization (adjustments)							39
40		TOTAL EQUIPMENT	40,403	17,886		25		58,264	40
41		GRAND TOTAL	115,226	74,207	4,191	77		193,547	41
NOTES AND REMARKS									
Both owned and lease hold improvement assets are included in columns (b) and (c) above. See Notes and Remarks on page 82 for additional information.									

PTC 352B. INVESTMENT IN RAILROAD PROPERTY USED IN TRANSPORTATION SERVICE (By Property Accounts)
(Dollars in Thousands)

1. In columns (b) through (e) give, by primary accounts, the amount of investment at the close of the year in property of respondent and each group or class of companies and properties.
2. The amounts for respondent and for each group or class of companies and properties on line 44 should correspond with the amounts for each class of company and property shown in Schedule 352A. Continuing records shall be maintained by respondent of the primary property accounts separately for each company or property included in this schedule.
3. Report on line 29 amounts representing capitalization of rentals for leased property based on 6% per year where property is not classified by accounts by noncarrier owners, or where the cost of property leased from other carriers is not ascertainable. Identify noncarrier owners, and briefly explain on page 39 the methods of estimating value of property on noncarriers or property of other carriers.
4. Report on line 30 amounts not included in the accounts shown, or on line 29. The items reported should be briefly identified and explained. Also include here those items after permission is obtained from the Board for exceptions to prescribed accounting. Reference to such authority should be made when explaining amounts reported. Respondents must not make arbitrary changes to the printed stub or column headings without specific authority from the Board.

Line No.	Cross Check	Account (a)	Respondent (b)	Lessor Railroads (c)	Inactive (proprietary companies) (d)	Other leased properties (e)	Line No.
1		(2) Land for transportation purposes	16				1
2		(3) Grading					2
3		(4) Other right-of-way expenditures					3
4		(5) Tunnels and subways					4
5		(6) Bridges, trestles and culverts					5
6		(7) Elevated structures					6
7		(8) Ties					7
8		(9) Rail and other track material					8
9		(11) Ballast					9
10		(13) Fences, snowsheds and signs					10
11		(16) Station and office buildings					11
12		(17) Roadway buildings					12
13		(18) Water stations					13
14		(19) Fuel stations					14
15		(20) Shops and enginehouses					15
16		(22) Storage warehouses					16
17		(23) Wharves and docks					17
18		(24) Coal and ore wharves					18
19		(25) TOFC/COFC terminals					19
20		(26) Communications systems	161,701				20
21		(27) Signals and interlockers	1,128,762				21
22		(29) Power plants					22
23		(31) Power transmission systems					23
24		(35) Miscellaneous structures					24
25		(37) Roadway machines					25
26		(39) Public improvements - construction					26
27		(44) Shop machinery					27
28		(45) Power plant machinery					28
29		Leased property (capitalized rentals)					29
30		Other (specify and explain)					30
31		TOTAL ROAD	1,290,479				31
32		(52) Locomotives	204,211				32
33		(53) Freight train cars					33
34		(54) Passenger train cars					34
35		(55) Highway revenue equipment					35
36		(56) Floating equipment					36
37		(57) Work equipment					37
38		(58) Miscellaneous equipment	2,757				38
39		(59) Computer systems & WP equipment	77,890				39
40		TOTAL EQUIPMENT	284,858				40
41		(76) Interest during construction					41
42		(80) Other elements of investment					42
43		(90) Construction work in progress	149,997				43
44		GRAND TOTAL	1,725,334				44

NOTES AND REMARKS

See Notes and Remarks on page 82 for additional information.

PTC 410. RAILWAY OPERATING EXPENSES
(Dollars in Thousands)

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

Line No.	Cross Check	Name of railway operating expense account (a)	FREIGHT					Passenger (g)	Total (h)	Line No.
			Salaries and wages (b)	Material, tools, supplies, fuels and lubricants (c)	Purchased services (d)	General (e)	Total freight expense (f)			
		WAY AND STRUCTURES:								
		ADMINISTRATION:								
1		Track								1
2		Bridge and Building			3			3		2
3		Signal		24	18	39		81		3
4		Communication								4
5		Other								5
		TOTAL ADMINISTRATION		24	21	39		84		
		REPAIR AND MAINTENANCE:								
6		Roadway - Running								6
7		Roadway - Switching								7
8		Tunnels and Subways - Running								8
9		Tunnels and Subways - Switching								9
10		Bridges and Culverts - Running								10
11		Bridges and Culverts - Switching								11
12		Ties - Running								12
13		Ties - Switching								13
14		Rail and Other Track Material - Running								14
15		Rail and Other Track Material - Switching								15
16		Ballast - Running								16
17		Ballast - Switching								17
18		Road Property Damaged - Running								18
19		Road Property Damaged - Switching								19
20		Road Property Damaged - Other								20
21		Signals and Interlockers - Running		(2)				(2)		21
22		Signals and Interlockers - Switching								22
23		Communications Systems								23
24		Power Systems								24
25		Highway Grade Crossings- Running								25
26		Highway Grade Crossings- Switching								26
27		Station and Office Buildings			58			58		27
28		Shop Buildings - Locomotives			12			12		28
29		Shop Buildings - Freight Cars			13			13	N/A	29
30		Shop Buildings - Other Equipment								30

PTC 410. RAILWAY OPERATING EXPENSES - Continued
(Dollars in Thousands)

Line No.	Cross Check	Name of railway operating expense account (a)	FREIGHT				Passenger (g)	Total (h)	Line No.
			Salaries and wages (b)	Material, tools, supplies, fuels and lubricants (c)	Purchased services (d)	General (e)			
101		REPAIR AND MAINTENANCE - Continued: Locomotive Servicing Facilities							101
102		Miscellaneous Buildings and Structures			18			18	102
103		Coal Terminals			6		N/A	6	103
104		Ore Terminals					N/A		104
105		Other Marine Terminals					N/A		105
106		TOFC/COFC Terminals			6		N/A	6	106
107		Motor Vehicle Loading and Distribution Facilities					N/A		107
108		Facilities for Other Specialized Service Operations			3		N/A	3	108
109		Roadway Machines							109
110		Small Tools and Supplies							110
111		Snow Removal							111
112		Fringe Benefits - Running							112
113		Fringe Benefits - Switching							113
114		Fringe Benefits - Other							114
115		Casualties and Insurance - Running							115
116		Casualties and Insurance - Switching							116
117		Casualties and Insurance - Other							117
118	*	Lease Rentals - Debit- Running							118
119	*	Lease Rentals - Debit - Switching			246			246	119
120	*	Lease Rentals - Debit - Other			1			1	120
121	*	Lease Rentals - (Credit) - Running							121
122	*	Lease Rentals - (Credit) - Switching							122
123	*	Lease Rentals - (Credit) - Other							123
124		Joint Facility Rent - Debit - Running							124
125		Joint Facility Rent - Debit - Switching							125
126		Joint Facility Rent - Debit - Other							126
127	*	Joint Facility Rent - (Credit) - Running							127
128	*	Joint Facility Rent - (Credit) - Switching							128
129	*	Joint Facility Rent - (Credit) - Other							129
130	*	Other Rents - Debit -Running							130
131	*	Other Rents - Debit -Switching							131
132	*	Other Rents - Debit -Other							132
133	*	Other Rents - (Credit) -Running							133
134	*	Other Rents - (Credit) -Switching							134
135	*	Other Rents - (Credit) -Other							135

PTC 410. RAILWAY OPERATING EXPENSES - Continued
(Dollars in Thousands)

Line No.	Cross Check	Name of railway operating expense account (a)	FREIGHT					Passenger (g)	Total (h)	Line No.
			Salaries and wages (b)	Material, tools, supplies, fuels and lubricants (c)	Purchased services (d)	General (e)	Total freight expense (f)			
		REPAIR AND MAINTENANCE - Continued:								
136	*	Depreciation - Running								136
137	*	Depreciation - Switching								137
138	*	Depreciation - Other				56,321	56,321		56,321	138
139		Joint Facility - Debit - Running								139
140		Joint Facility - Debit - Switching								140
141		Joint Facility - Debit - Other								141
142		Joint Facility - (Credit) - Running								142
143		Joint Facility - (Credit) - Switching								143
144		Joint Facility - (Credit) - Other								144
145		Dismantling Retired Road Property - Running								145
146		Dismantling Retired Road Property - Switching								146
147		Dismantling Retired Road Property - Other								147
148		Other - Running								148
149		Other - Switching								149
150		Other - Other								150
		TOTAL REPAIR AND MAINTENANCE		(2)	363	56,321	56,682		56,682	
151		TOTAL WAY AND STRUCTURES		22	384	56,360	56,766		56,766	151
		EQUIPMENT:								
		LOCOMOTIVES:								
201		Administration								201
202	*	Repair and Maintenance		529	357		886		886	202
203	*	Machinery Repair								203
204		Equipment Damaged								204
205		Fringe Benefits								205
206		Other Casualties and Insurance								206
207	*	Lease Rentals - Debit								207
208	*	Lease Rentals - (Credit)								208
209		Joint Facility Rent - Debit								209
210	*	Joint Facility Rent - (Credit)								210
211	*	Other Rents - Debit								211
212	*	Other Rents - (Credit)								212
213	*	Depreciation				10,548	10,548		10,548	213
214		Joint Facility - Debit								214
215		Joint Facility - (Credit)								215
216	*	Repairs Billed to Others - (Credit)								216
217		Dismantling Retired Property								217

PTC 410. RAILWAY OPERATING EXPENSES - Continued

(Dollars in Thousands)

Line No.	Cross Check	Name of railway operating expense account (a)	FREIGHT					Passenger (g)	Total (h)	Line No.
			Salaries and wages (b)	Material, tools, supplies, fuels and lubricants (c)	Purchased services (d)	General (e)	Total freight expense (f)			
218		LOCOMOTIVES - Continued: Other								218
219		TOTAL LOCOMOTIVES		529	357	10,548	11,434		11,434	219
220		FREIGHT CARS: Administration			21		21	N/A	21	220
221	*	Repair and Maintenance						N/A		221
222	*	Machinery Repair						N/A		222
223		Equipment Damaged						N/A		223
224		Fringe Benefits						N/A		224
225		Other Casualties and Insurance						N/A		225
226	*	Lease Rentals - Debit						N/A		226
227	*	Lease Rentals - (Credit)						N/A		227
228		Joint Facility Rent - Debit						N/A		228
229	*	Joint Facility Rent - (Credit)						N/A		229
230	*	Other Rents - Debit						N/A		230
231	*	Other Rents - (Credit)						N/A		231
232	*	Depreciation						N/A		232
233		Joint Facility - Debit						N/A		233
234		Joint Facility - (Credit)						N/A		234
235	*	Repairs Billed to Others - (Credit)						N/A		235
236		Dismantling Retired Property						N/A		236
237		Other						N/A		237
238		TOTAL FREIGHT CARS			21		21	N/A	21	238
301		OTHER EQUIPMENT: Administration								301
302	*	Repair and Maintenance: Trucks, Trailers and Containers - Revenue Service			6		6	N/A	6	302
303	*	Floating Equipment - Revenue Service						N/A		303
304	*	Passenger and Other Revenue Equipment								304
305	*	Computer Systems and Word Processing Equipment		1	4,362		4,363		4,363	305
306	*	Machinery								306
307	*	Work and Other Non-Revenue Equipment			15		15		15	307
308		Machinery								308
309		Fringe Benefits								309
310		Other Casualties and Insurance								310
311	*	Lease Rentals - Debit								311

PTC 410. RAILWAY OPERATING EXPENSES - Continued
(Dollars in Thousands)

Line No.	Cross Check	Name of railway operating expense account (a)	FREIGHT					Passenger (g)	Total (h)	Line No.
			Salaries and wages (b)	Material, tools, supplies, fuels and lubricants (c)	Purchased services (d)	General (e)	Total freight expense (f)			
		OTHER EQUIPMENT - Continued:								
312	*	Lease Rentals - (Credit)								312
313		Joint Facility Rent - Debit								313
314	*	Joint Facility Rent - (Credit)								314
315	*	Other Rents - Debit								315
316	*	Other Rents - (Credit)								316
317	*	Depreciation				7,338	7,338		7,338	317
318		Joint Facility - Debit								318
319		Joint Facility - (Credit)								319
320	*	Repairs Billed to Others - (Credit)								320
321		Dismantling Retired Property								321
322		Other								322
323		TOTAL OTHER EQUIPMENT		1	4,383	7,338	11,722		11,722	323
324		TOTAL EQUIPMENT		530	4,761	17,886	23,177		23,177	324
		TRANSPORTATION:								
		TRAIN OPERATIONS:								
401		Administration			121		121		121	401
402		Engine Crews								402
403		Train Crews								403
404		Dispatching Trains								404
405		Operating Signals and Interlockers								405
406		Operating Drawbridges								406
407		Highway Crossing Protection								407
408		Train Inspection and Lubrication								408
409	*	Locomotive Fuel								409
410		Electric Power Purchased or Produced for Motive Power								410
411		Servicing Locomotives								411
412		Freight Lost or Damaged - Solely Related								412
413		Clearing Wrecks								413
414		Fringe Benefits								414
415		Other Casualties and Insurance								415
416		Joint Facility - Debit								416
417		Joint Facility - (Credit)								417
418		Other								418
419		TOTAL TRAIN OPERATIONS			121		121		121	419

PTC 410. RAILWAY OPERATING EXPENSES - Continued
(Dollars in Thousands)

Line No.	Cross Check	Name of railway operating expense account (a)	FREIGHT					Passenger (g)	Total (h)	Line No.
			Salaries and wages (b)	Material, tools, supplies, fuels and lubricants (c)	Purchased services (d)	General (e)	Total freight expense (f)			
		YARD OPERATIONS:								
420		Administration							420	
421		Switch Crews							421	
422		Controlling Operations							422	
423		Yard and Terminal Clerical							423	
424		Operating Switches, Signals, Retarders and Humps							424	
425	*	Locomotive Fuel							425	
426		Electric Power Purchased or Produced for Motive Power							426	
427		Servicing Locomotives							427	
428		Freight Lost or Damaged - Soley Related							428	
429		Clearing Wrecks							429	
430		Fringe Benefits							430	
431		Other Casualties and Insurance							431	
432		Joint Facility - Debit							432	
433		Joint Facility - (Credit)							433	
434		Other							434	
435		TOTAL YARD OPERATIONS							435	
		TRAIN AND YARD OPERATIONS COMMON:								
501		Cleaning Car Interiors							501	
502		Adjusting and Transferring Loads					N/A		502	
503		Car Loading Devices and Grain Doors					N/A		503	
504		Freight Lost or Damaged - All Other							504	
505		Fringe Benefits							505	
506		TOTAL TRAIN AND YARD OPERATIONS COMMON							506	
		SPECIALIZED SERVICES OPERATIONS:								
507	*	Administration			90		90	N/A	90	507
508	*	Pickup and Delivery and Marine Line Haul					N/A		508	
509	*	Loading and Unloading and Local Marine					N/A		509	
510	*	Protective Services					N/A		510	
511	*	Freight Lost or Damaged - Solely Related					N/A		511	
512	*	Fringe Benefits					N/A		512	
513	*	Casualties and Insurance					N/A		513	
514	*	Joint Facility - Debit					N/A		514	
515	*	Joint Facility - (Credit)					N/A		515	
516	*	Other					N/A		516	
517	*	TOTAL SPECIALIZED SERVICES OPERATIONS			90		90	N/A	90	517

PTC 410. RAILWAY OPERATING EXPENSES - Continued
(Dollars in Thousands)

Line No.	Cross Check	Name of railway operating expense account (a)	FREIGHT					Passenger (g)	Total (h)	Line No.
			Salaries and wages (b)	Material, tools, supplies, fuels and lubricants (c)	Purchased services (d)	General (e)	Total freight expense (f)			
		ADMINISTRATIVE SUPPORT OPERATIONS:								
518		Administration								518
519		Employees Performing Clerical and Accounting Functions								519
520		Communications Systems Operation								520
521		Loss and Damage Claims Processing								521
522		Fringe Benefits								522
523		Casualties and Insurance								523
524		Joint Facility - Debit								524
525		Joint Facility - (Credit)								525
526		Other								526
527		TOTAL ADMINISTRATIVE SUPPORT OPERATIONS								527
528		TOTAL TRANSPORTATION			211		211		211	528
		GENERAL AND ADMINISTRATIVE:								
601		Officers - General Administration								601
602		Accounting, Auditing and Finance								602
603		Management Services and Data Processing		4	766		770		770	603
604		Marketing			37		37		37	604
605		Sales								605
606		Industrial Development						N/A		606
607		Personnel and Labor Relations			79		79		79	607
608		Legal and Secretarial			14		14		14	608
609		Public Relations and Advertising			18		18		18	609
610		Research and Development								610
611		Fringe Benefits								611
612		Casualties and Insurance								612
613		Writedown of Uncollectible Accounts								613
614		Property Taxes								614
615		Other Taxes Except on Corporate Income or Payrolls				4	4		4	615
616		Joint Facility - Debit								616
617		Joint Facility - (Credit)								617
618		Other			12,191		12,191		12,191	618
619		TOTAL GENERAL AND ADMINISTRATIVE		4	13,105	4	13,113		13,113	619
620	*	TOTAL CARRIER OPERATING EXPENSES		556	18,461	74,250	93,267		93,267	620

PTC 700. MILEAGE OPERATED AT CLOSE OF YEAR

Line No.	Class (a)	Proportion owned or leased by respondent (b)	Running tracks, passing tracks, cross-overs, etc.				Miles of way switching tracks (g)	Miles of yard switching tracks (h)	TOTAL (i)	Line No.
			Miles of road (c)	Miles of second main track (d)	Miles of all other main tracks (e)	Miles of passing tracks, cross-overs, and turnouts (f)				
1	1	100%	5,377	1,298	33			6,708	1	
2									2	
3									3	
4									4	
5									5	
6									6	
7									7	
8									8	
9									9	
10		Total Class 1	5,377	1,298	33			6,708	10	
11									11	
12									12	
13									13	
14									14	
15									15	
16	3B	100%	336	176				512	16	
17									17	
18									18	
19		Total Class 3	336	176				512	19	
20									20	
21									21	
22									22	
23									23	
24									24	
25									25	
26									26	
27									27	
28									28	
29	5	100%	200	82				282	29	
30									30	
31		Total Class 5	200	82				282	31	
32									32	
33									33	
34									34	
35									35	
36									36	
37									37	
38									38	
39									39	
40									40	
41									41	
42									42	
43									43	
44									44	
45									45	
46									46	
47									47	
48									48	
49									49	
50									50	
51									51	
52									52	
53									53	
54									54	
55									55	
56									56	
57	TOTAL		5,913	1,556	33			7,502	57	
58	Miles of electrified road or track included in the preceding grand total									

NOTES AND REMARKS

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

Line No.	Cross Check	Type or design of units (a)	Units in service of respondent at beginning of year (b)	Changes During the Year				Units retired from service of respondent whether owned or leased, including reclassification (g)	Units at Close of Year					Line No.
				Units Installed					Owned and used (h)	Leased from others (i)	Total in service of respondent [col (h) & (i)] (j)	Aggregate capacity of units reported in col (j) (See Ins. 7) (k)	Leased to others (l)	
				New units purchased or built (c)	New units leased from others (d)	Rebuilt units acquired and rebuilt units rewritten into property accounts (e)	All other units including reclassification and second hand units purchased or leased from others (f)							
1		Locomotive Units Diesel-freight units	2,263	381				2,644		2,644	(HP) 11,306,800		1	
2		Diesel-passenger units											2	
3		Diesel-multiple purpose units	91	253				344		344	977,000	20	3	
4		Diesel-switching units											4	
5	*	TOTAL (lines 1 to 4) units	2,354	634				2,988		2,988	12,283,800	20	5	
6	*	Electric locomotives											6	
7	*	Other self-powered units											7	
8	*	TOTAL (lines 5, 6, and 7)	2,354	634				2,988		2,988	12,283,800	20	8	
9	*	Auxiliary units		5				5		5	N/A		9	
10	*	TOTAL LOCOMOTIVE UNITS (lines 8 and 9)	2,354	639				2,993		2,993	12,283,800	20	10	

* Note: Col (l) - Leased to Others includes 20 NS Owned Locomotives Leased to Conrail for use in Shared Assets Area

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

Line No.	Cross Check	Type or design of units (a)	Before 1/1/1995 (b)	Between 1/1/1995 and 12/31/1999 (c)	Between 1/1/2000 and 12/31/2004 (d)	Between 1/1/2005 and 12/31/2009 (e)	Between 1/1/2010 and 12/31/2014 (f)	During Calendar Year					Line No.
								2016 (g)	2016 (h)	2017 (i)	2018 (j)	2019 (k)	
11	*	Diesel						748	1,606	634		2,988	11
12	*	Electric											12
13	*	Other self-powered units											13
14	*	TOTAL (lines 11 to 13)						748	1,606	634		2,988	14
15	*	Auxiliary units								5		5	15
16	*	TOTAL LOCOMOTIVE UNITS (lines 14 and 15)						748	1,606	639		2,993	16

NOTES AND REMARKS

PTC 710. INVENTORY OF EQUIPMENT (Continued)														
UNITS OWNED, INCLUDED IN INVESTMENT ACCOUNT, AND LEASED FROM OTHERS														
Line No.	Cross Check	Type or design of units (a)	Units in service of respondent at beginning of year (b)	Changes During the Year				Units retired from service of respondent whether owned or leased, including reclassification (g)	Units at Close of Year					Line No.
				Units Installed			All other units including reclassification and second hand units purchased or leased from others (f)		Owned and used (h)	Leased from others (i)	Total in service of respondent [col (h) & (i)] (j)	Aggregate capacity of units reported in col (j) (See Ins. 7) (k)	Leased to others (l)	
				New units purchased or built (c)	New units leased from others (d)	Rebuilt units acquired and rebuilt units rewritten into property accounts (e)								
17		Passenger-Train Cars Non-Self-Propelled Coaches (PA, PB, PBO)												17
18		Combined cars (All class C, except CSB)												18
19		Parlor cars (PBC, PC, PL, PO)												19
20		Sleeping cars (PS, PT, PAS, PDS)												20
		Dining, grill, & tavern cars (All class D, PD)												
22		Nonpassenger carrying cars (All class B, CSB, M, PSA, IA)												22
23		TOTAL (Lines 17 to 22)												23
24		Self-Propelled Electric passenger cars (EP, ET)												24
25		Electric combined cars (EC)												25
26		Internal combustion rail motorcars (ED, EG)												26
27		Other self-propelled cars (Specify types)												27
28		TOTAL (Lines 24 to 27)												28
29		TOTAL (Lines 23 and 28)												29
30		Company Service Cars Business cars (PV)												30
31		Board outfit cars (MWX)												31
32		Derrick & snow removal cars (MWU, MWV, MWW, MWK)												32
33		Dump and ballast cars (MWB, MWD)												33
34		Other maintenance and service equipment cars												34
35		TOTAL (Lines 30 to 34)												35

PTC 710. INVENTORY OF EQUIPMENT - Continued									
Instructions for reporting freight-train car data.									
1. Give particulars of each of the various classes of equipment which respondent owned or leased during the year.									
2. In Column (d) give the number of units purchased or built in company shops. In Column (e) give the number of new units leased from others. The term "new" means a unit placed in service for the first time on any railroad.									
3. Units leased to others for a period of one year or more are reportable in Column (n). Units temporarily out of respondent's service and rented to others for less than one year are to be included in Column (i). Units rented from others for a period less than one year should not be included in Column (j).									
UNITS OWNED, INCLUDED IN INVESTMENT ACCOUNT, AND LEASED FROM OTHERS									
Line No.	Cross Check	Class of equipment and car designations (a)	Units in service of respondent at beginning of year		Changes during the year				Line No.
			Time-mileage cars (b)	All Others (c)	New units purchased or built (d)	New or rebuilt units leased from others (e)	Rebuilt units acquired and rebuilt units rewritten into property accounts (f)	All other units, including reclassification and second hand units purchased or leased from others (g)	
36		FREIGHT TRAIN CARS Plain box cars - 40' (B1 , B2)							36
37		Plain box cars - 50' and longer (B3_0-7, B4_0-7, B5__, B6__ B7 , B8)							37
38		Equipped box cars (All Code A, Except A_5)							38
39		Plain gondola cars (All Codes G & J, J__1, J__2, J_3, J_4)							39
40		Equipped gondola cars (All Code E)							40
41		Covered hopper cars (C_1, C_2, C_3, C_4)							41
42		Open top hopper cars - general service (All Code H)							42
43		Open top hopper cars - special service (J_O), and All Code K)							43
44		Refrigerator cars - mechanical (R_5 , R_6 , R_7 , R_8 , R_9)							44
45		Refrigerator cars - nonmechanical (R_0 , R_1 , R_2)							45
46		Flat cars - TOFC/COFC (All Code P, Q, & S, Except Q8)							46
47		Flat cars - multilevel (All Code V)							47
48		Flat cars - general service (F10 , F20 , F30)							48
49		Flat cars - other (F_1__, F_2__, F_3__, F_4__, F_5__, F_6 , F_8 , F40)							49
50		Tank cars - under 22,000 gal. (T__0, T__1, T__2, T__3, T__4, T_5)							50
51		Tank cars - 22,000 gal. and over (T_6, T_7, T_8, T_9)							51
52		All other freight cars (A_5 , F_7 , All Code L & Q8)							52
53		TOTAL (Lines 36 to 52)							53
54		Caboose (All Code M-930)	N/A						54
55		TOTAL (Lines 53 and 54)							55

PTC 710. INVENTORY OF EQUIPMENT - Continued

4. Column (m) should show aggregate capacity for all units reported in Columns (k) and (l), as follows. For freight-train cars, report the nominal capacity (in tons of 2,000 lbs) as provided for in Rule 86 of the AAR Code of Rules Governing Cars in Interchange. Convert the capacity of tank cars to capacity in tons of the commodity which the car is intended to customarily carry.
5. Time-mileage cars refers to freight cars, other than cabooses, owned or held under lease arrangement, whose interline rental is settled on a per diem and line haul mileage basis under "Code of Car Hire Rules" or would be so settled if used by another railroad.

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

Line No.	Cross Check	Units at close of year							
		Changes during year (concluded)		Leased from others (j)	Total in service of respondent (col. (i) & (j))		Aggregate capacity of units reported in col (k) & (l) (see ins. 4) (m)	Leased to Others (n)	Line No.
		Units retired from service of respondent whether owned or leased including reclassification (h)	Owned and used (i)		Time-mileage cars (k)	All Others (l)			
36									36
37									37
38									38
39									39
40									40
41									41
42									42
43									43
44									44
45									45
46									46
47									47
48									48
49									49
50									50
51									51
52									52
53									53
54						N/A		N/A	54
55									55

PTC 710. INVENTORY OF EQUIPMENT - Continued

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

Line No.	Cross Check	Class of equipment and car designations (a)	Units in service of respondent at beginning of year		Changes during the year				Line No.
			Per diem (b)	All Others (c)	Units installed				
					New units purchased or built (d)	New units leased from others (e)	Rebuilt units acquired and rebuilt units rewritten into property accounts (f)	All other units, including reclassification and second hand units purchased or leased from others (g)	
		FLOATING EQUIPMENT							
56		Self-propelled vessels (tugboats, car ferries, etc.)	N/A						56
57		Non-self-propelled vessels (car floats, lighters, etc.)	N/A						57
58		TOTAL (Lines 56 and 57)	N/A						58
		HIGHWAY REVENUE EQUIPMENT							
59		Chassis (Z1 , Z67 , Z68 , Z 69)							59
60		Dry van (U2 , Z , Z6 , 1-6)							60
61		Flat bed (U3 , Z3)							61
62		Open bed (U4 , Z4)							62
63		Mechanical refrigerator (U5 , Z5)							63
64		Bulk hopper (U0 , Z0)							64
65		Insulated (U7 , Z7)							65
66		Tank (Z0 , U6) (See note)							66
67		Other trailer and container (Special equipped dry van U9__ , Z8 , Z9)							67
68		Tractor							68
69		Truck							69
70		TOTAL (Lines 59 to 69)							70

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

NOTES AND REMARKS

PTC 710. INVENTORY OF EQUIPMENT - Concluded

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

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

NOTES AND REMARKS

PTC 710S. UNIT COST OF EQUIPMENT INSTALLED DURING THE YEAR
(Dollars in Thousands)

1. Give particulars, as requested, separately, for the various classes of new units and rebuilt units of equipment installed by respondent during the year. If information regarding the cost of any units installed is not complete at time of filing of this report, the units should be omitted, but reference to the number of units omitted should be given in a footnote, the details as to cost to be given in the report of the following year. The cost of units under construction at the close of the year should not be reflected in this schedule even though part of the cost appears in the property account for the year. Indicate in column (e) whether an installation represents equipment purchased (P), built or rebuilt by contract in outside railroad shops (C), or built or rebuilt in company or system shops (S) including units acquired through capitalized leases (L).
2. In column (a) list each class or type of locomotive unit, car or TOFC/COFC equipment on a separate line. By class is meant the standard classification used to distinguish types of locomotive units, freight cars or other equipment adopted by the Association of American Railroads, and should include physical characteristics requested by Schedule 710. Locomotive units should be identified as to power source, wheel arrangement, and horsepower per unit, such as multiple-purpose diesel locomotive A units (B-B), 2500 HP. Cars should be identified as to special construction or service characteristics, such as aluminum-covered hopper car (LO), steel boxcars-special service (XAP). For TOFC/COFC, show type of equipment as enumerated in Schedule 710.
3. In column (c) show the total weight in tons of 2,000 pounds. The weight of the equipment acquired should be the weight empty.
4. The cost should be the complete cost as entered on the ledger, including foreign line freight charges and handling charges.
5. Data for this schedule should be confined to the units reported in Schedule 710, columns (c) and (e) for locomotive units, passenger-train cars and company service cars and columns (d) and (f) for freight train cars, floating equipment and highway revenue equipment. Disclose new units in the upper section of this schedule. Disclose rebuilt units acquired or rewritten into the respondent's accounts in the lower section. The term "new" as used herein shall mean a unit or units placed in service for the first time on any railroad.
6. All unequipped boxcars acquired in whole or part with incentive per diem funds should be reported on separate lines and be appropriately identified by footnote or sub-heading.

NEW UNITS

Line No.	Class of equipment (a)	Number of Units (b)	Total Weight (Tons) (c)	Total Cost (d)	Method of Acquisition (see instructions) (e)	Line No.
1	Diesel-Freight Locomotives	381	75,838	18,886	P	1
2	Diesel-Multipurpose Locomotives	253	46,261	12,556	P	2
3	Auxiliary Units	5	695	51	P	3
4						4
5						5
6						6
7						7
8						8
9						9
10						10
11						11
12						12
13						13
14						14
15						15
16						16
17						17
18						18
19						19
20						20
21						21
22						22
23						23
24						24
25	TOTAL	639	122,794	31,493	N/A	25

REBUILT UNITS

26						26
27						27
28						28
29						29
30						30
31						31
32						32
33						33
34						34
35						35
36						36
37						37
38	TOTAL	N/A	N/A	N/A	N/A	38
39	GRAND TOTAL	639	122,794	31,493	N/A	39

NOTES AND REMARKS

GENERAL INSTRUCTIONS CONCERNING RETURNS TO BE MADE IN SCHEDULE PTC 720

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

Track category 1

A - Freight density of 20 million or more gross ton-miles per track mile per year (include passing tracks, turnouts, and crossovers)

B - Freight density of less than 20 million gross ton-miles per track mile per year, but at least 5 million (include passing tracks, turnouts, and crossovers)

C - Freight density of less than 5 million gross ton-miles per track mile per year, but at least 1 million (include passing tracks, turnouts, and crossovers)

D - Freight density of less than 1 million gross ton-miles per track mile per year (include passing tracks, turnouts, and crossovers)

E - Way and yard switching tracks (passing tracks, crossovers and turnouts shall be included in categories A, B, C, D, F, and potential abandonments, as appropriate).

F - Track over which any passenger service is provided (other than potential abandonments). Mileage should be included within track categories A through E unless it is dedicated entirely to passenger service category F

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

2. This schedule should include all class 1, 2, 3, or 4 track from schedule 700 that is maintained by the respondent (class 5 track is assumed to be maintained by others).

3. If, for two consecutive years, a line segment classified in one track category maintains a traffic density which would place it in another, it shall be reclassified into that category as of the beginning of the second year.

4. Traffic density related to passenger service shall not be included in the determination of the track category of a line segment.

PTC 720. TRACK AND TRAFFIC CONDITIONS

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

Line No.	Track category	Mileage of tracks at end of period (whole numbers)	Average annual traffic density in millions of gross ton-miles per track-mile* (use two decimal places)	Average running speed limit (use two decimal places)	Track miles under slow orders at the end of period	Line No.
	(a)	(b)	(c)	(d)	(e)	
1	A	5,259	39.49	54.45	18	1
2	B	1,842	13.32	50.88	7	2
3	C	101	3.47	55.27		3
4	D	18	0.42	40.96		4
5	E		N/A	N/A	N/A	5
6	TOTAL	7,220	32.49	53.55	25	6
7	F	1,862	N/A	N/A	N/A	7
8	Potential abandonments					8

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

Footnote: PTC Grants
(Dollars in thousands)

In addition to separating capital expenses and operating expenses incurred by the railroad for PTC, the respondent entity shall include by footnote disclosure here the value of funds received from non-government and government transfers to include grants, subsidies, and other contributions or reimbursements that the respondent entity used to purchase or create PTC assets or to offset PTC costs. These amounts represent non-railroad monies that the respondent entity used or designated for PTC and would provide for full disclosure of PTC costs on an annual basis. This disclosure shall identify the nature and location of the project by FRA identification, if applicable. If FRA identification is not applicable, the disclosure shall identify the location at the state or regional level.

Line No.	Entity Receiving Funds	Entity Dispensing Funds	Name of Program Providing Funding	Location(s) of the Project Funded	Amount of Funding Received	Line No.
1						1
2						2
3						3
4						4
5						5
6						6
7						7
8						8
9						9
10						10
11						11
12						12
13						13
14						14
15						15
16						16
17						17
18						18
19						19
20						20
21						21
22						22
23						23
24						24

NOTES AND REMARKS

VERIFICATION

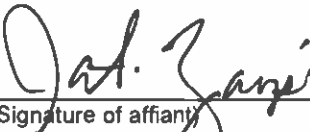
The foregoing report shall be verified by the oath of the officer having control of the accounting of the respondent. This report shall also be verified by the oath of the president or other chief officer of the respondent, unless the respondent states that such officer has no control over the respondent's accounting and reporting.

OATH

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

Commonwealth of Virginia
City of Norfolk

Jason A. Zampi makes oath and states that he is Vice President and Controller of Norfolk Southern Combined Railroad Subsidiaries (see page 4 of STB Annual Report R-1); that it is his duty to have supervision over the books of accounts of the respondent and to control the manner in which such books are kept; that he knows that such books have been kept in good faith during the period covered by this report; that he knows that the entries contained in this report relating to accounting matters that have been prepared in accordance with the provisions of the Uniform System of Accounts for Railroad Companies and other accounting and reporting directives of the Surface Transportation Board; that he believes that all other statements of fact contained in this report are true, and that this report is a correct and complete statement, accurately taken from the books and records, of the business and affairs of the above-named respondent during the period of time from and including January 1, 2018, to and including December 31, 2018.



(Signature of affiant)

Subscribed and sworn to before me, a Notary Public in and for the State and City above named, this 29th day of March, 2019. My commission expires July 31, 2022.



 7024286

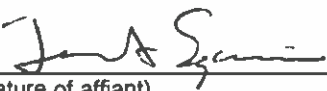
(Signature of officer authorized to administer oaths)

SUPPLEMENTAL OATH

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

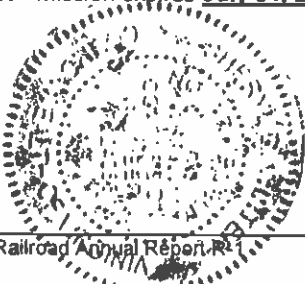
Commonwealth of Virginia
City of Norfolk

James A. Squires makes oath and states that he is Chief Executive Officer of Norfolk Southern Combined Railroad Subsidiaries (see page 4 of STB Annual Report R-1); that he has carefully examined the foregoing report; that he believes that all statements of fact contained in the said report are true; and that the said report is a correct and complete statement of the business and affairs of the above-named respondent and the operations of its property during the period of time from and including January 1, 2018, to and including December 31, 2018.



(Signature of affiant)

Subscribed and sworn to before me, a Notary Public in and for the State and City above named, this 29th day of March, 2019. My commission expires July 31, 2022.



 7024286

(Signature of officer authorized to administer oaths)

**MEMORANDA
(FOR USE OF BOARD ONLY)
CORRESPONDENCE**

Office Addressed		Date of Letter, Fax or Telegram of			Subject				Answer Needed	Answer		
										Date of Letter, Fax, or Telegram		
Name	Title	Month	Day	Year	Page				Month	Day	Year	

CORRECTIONS

Date Correction			Page				Date of Letter, Fax or Telegram of			Authority		Board File Number	Clerk Making Correction Name
										Officer sending letter, fax or telegram			
Month	Day	Year	Month	Day	Year	Name	Title						

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