

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, 2020**

ANNUAL REPORT

OF

NORFOLK SOUTHERN COMBINED RAILROAD SUBSIDIARIES
("NS RAIL")

TO THE

SURFACE TRANSPORTATION BOARD

FOR THE

YEAR ENDED DECEMBER 31, 2020

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

(Name) Clyde H. "Jake" Allison Jr. (Title) Vice President and Controller

(Telephone number) (757) 629-2680
(Area code) (Telephone number)

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

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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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 Costing System (URCS); 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 this 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
		NONE

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 the exact name of the respondent in full. 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 under a general law, give date of filing certificate of organization; if a reorganization has been effected, give date of reorganization. If a receivership or other trust, also give 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 comprised principally 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 Commonwealth 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 full particulars:

N/A

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 on:

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 particulars in a footnote. **Yes** **No**
3. Are voting rights proportional to holdings? **Yes** **No**. If no, state in a footnote the relationship between holdings and corresponding voting rights.
4. Are voting rights attached to any securities other than stock? **Yes** **No**. If yes, 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 relationship between holdings and corresponding voting rights, indicating 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? **Yes** **No**. If yes, 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, 2020** (date).
8. State the total number of stockholders of record, as of the date shown in answer to Inquiry 7. **One** stockholders.
9. Give the names of 30 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 one year prior to the actual filing of this report), had the highest voting powers in the respondent, showing for each, his or her address, the number of votes he or she 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 or she was entitled, with respect to securities held by him or her, such securities being classified as common stock, second preferred stock, first preferred stock, and other securities (stating in a footnote the names of such other securities, if any). If any such holder held in trust, give (in a footnote) the particulars of the trust. In the case of voting trust agreements, give as supplemental information the names and addresses of the 30 largest holders of the voting trust certificates and the amount of their individual holdings. If the stock book was not closed or the list of stockholders compiled within such year, show such 30 security holders at the close of the year.

Line No.	Name of Security Holder (a)	Address of Security Holder (b)	Number of Votes to Which Security Holder Was Entitled (c)	Number of Votes, Classified With Respect to Securities on Which Based			Line No.
				Stock			
				Common (d)	Preferred		
Second (e)	First (f)						
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
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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 the respondent: 16,668,997 votes cast.
 11. Give the date of such meeting: May 26, 2020
 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 Cincinnati, New Orleans and Texas Pacific Railway Company, The Norfolk Southern Railway Company	Airforce Pipeline, Inc. Alabama Great Southern LLC Central of Georgia, LLC Citico Realty Company High Point, Randleman, Asheboro and Southern Railroad Company
<u>Class II</u>	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] South Western Rail Road Company, The Southern Rail Terminals, Inc. Southern Rail Terminals of North Carolina, Inc. Southern Region Materials Supply, Inc. S-VA Corporation 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 Wheelersburg Terminal LLC Yadkin Railroad Company
Central of Georgia Railroad Company Georgia Southern and Florida Railway Company	
<u>Class III</u>	
Camp Lejeune Railroad Company Chesapeake Western Railway Interstate Railroad Company Norfolk and Portsmouth Belt Line Railroad Company State University Railroad Company Tennessee, Alabama & Georgia Railway Company Tennessee Railway Company	

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	1,055,431	532,259	1
2		702	Temporary cash investments			2
3		703	Special deposits			3
			Accounts receivable			
4		704	- Loan and notes	367	400	4
5		705	- Interline and other balances	26,416	20,248	5
6		706	- Customers	476,138	545,820	6
7		707	- Other	133,705	138,166	7
8		709, 708	- Accrued accounts receivables	211,183	211,287	8
9		708.5	- Receivables from affiliated companies	22,153,223	19,865,080	9
10		709.5	- Less: Allowance for uncollectible accounts	(6,010)	(6,399)	10
11		710, 711, 714	Working funds, prepayments, deferred income tax debits	118,457	180,190	11
12		712	Materials and supplies	219,767	242,920	12
13		713, 713.5, 713.6	Other Current Assets	12,002	72,734	13
14			TOTAL CURRENT ASSETS	24,400,679	21,802,705	14
			Other Assets			
15		715, 716, 717	Special funds	188,067	192,522	15
16		721, 721.5	Investments and advances affiliated companies (Sch. 310 and 310A)	1,269,509	1,299,826	16
17		722, 723	Other investments and advances	7,985	9,283	17
18		737, 738	Property used in other than carrier operation (Less depreciation) \$49,147 and \$58,811, respectively	84,374	86,251	18
19		739, 741	Other assets	518,239	609,872	19
20		743	Other deferred debits	1,859	2,498	20
21		744	Accumulated deferred income tax debits			21
22			TOTAL OTHER ASSETS	2,070,033	2,200,252	22
			Road and Equipment			
23		731, 732	Road (Sch. 330), L-30 Col h & b	32,372,411	31,918,651	23
24		731, 732	Equipment (Sch 330), L-39 Col h & b	10,084,257	10,775,605	24
25		731, 732	Unallocated items	636,327	656,378	25
26		733, 735	Accumulated depreciation and amortization (Sch. 335, 342)	(12,452,899)	(12,411,335)	26
27			Net Road and Equipment	30,640,096	30,939,299	27
28	*		TOTAL ASSETS	57,110,808	54,942,256	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			29
30		752	Accounts payable: interline and other balances	1,071	1,001	30
31		753	Audited accounts and wages	(100)	33,489	31
32		754	Other accounts payable	1,682	18,872	32
33		755, 756	Interest and dividends payable	1,180	3,007	33
34		757	Payables to affiliated companies	1,149,043	1,028,466	34
35		759	Accrued accounts payable	988,841	1,350,869	35
36		760, 761, 761.5, 762	Taxes accrued	254,421	219,257	36
37		763, 763.5, 763.6	Other Current Liabilities	161,356	173,088	37
38		764	Equipment obligations and other long-term debt due within one year	505,184	316,177	38
39			TOTAL CURRENT LIABILITIES	3,062,678	3,144,226	39
			Non-Current Liabilities			
40		765, 767	Funded debt unmaturred	138,085	138,085	40
41		766	Equipment obligations			41
42		766.5	Capitalized lease obligations	20,182	6,160	42
43		768	Debt in default			43
44		769	Accounts payable: affiliated companies	10,078,132	9,771,977	44
45		770.1, 770.2	Unamortized debt premium	24,978	30,579	45
46		781	Interest in default			46
47		783	Deferred revenues - transfers from govt. authorities			47
48		786	Accumulated deferred income tax credits	6,646,902	6,610,056	48
49		771, 772, 774, 775, 782, 784	Other long-term liabilities and deferred credits	3,891,442	3,944,172	49
50			TOTAL NON-CURRENT LIABILITIES	20,799,721	20,501,029	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	7,634,627	7,475,971	55
56		797	Retained earnings: Appropriated			56
57		798	Unappropriated	25,978,379	24,085,125	57
58		798.5	Less treasury stock			58
59		799	Accumulated Other Comprehensive Income or (loss)	(531,287)	(430,785)	59
60			Total shareholders' equity	33,248,409	31,297,001	60
61			Noncontrolling interest			61
62			Total equity (Lines 60 + 61)	33,248,409	31,297,001	62
63			TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	57,110,808	54,942,256	63

NOTES AND REMARKS

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION - EXPLANATORY NOTES
(Dollars in Thousands)

The notes listed below are provided to disclose supplementary information on matters which have an important effect on the financial condition of the carrier. The carrier shall give the particulars called for herein and where there is nothing to report, insert the word "none"; and in addition thereto shall enter in separate notes with suitable particulars other matters involving material amounts of the character commonly disclosed in financial statements under generally accepted accounting 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 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 14, PAGE 13
- (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 14, PAGE 13
- (c) Is any part of the pension plan funded? Specify. Yes X No
- 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, 2020. THE MEMBERS OF THE BOARD OF MANAGERS ARE ANNIE A. ADAMS, CHAIRPERSON; CHRISTOPHER R. NEIKIRK, MEMBER; BARBARA N. PAUL, MEMBER
- Date of trust agreement or latest amendment OCTOBER 01, 2020
- 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 14, PAGE 13
- (e) Is any part of the pension plan fund invested in stock or other securities of the respondent or 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 employer's 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 37465, specify the total amount of business entertainment expenditures charged to the non-operating 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 15 beginning on page 15D.

Continued on following page

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 Stockholder's
(Current Yr.) as of / /	Current Portfolio				N/A
	Noncurrent Portfolio			N/A	
(Previous Yr.) as of / /	Current Portfolio			N/A	N/A
	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 securities was included in net income for ____ (year)

The cost of securities was based on the _____ (method) cost of all the shares of each security held at time of sale.

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

9. New Accounting Pronouncements

In February 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2016-02, "Leases (Topic 842)," and subsequent amendments, which replaced existing lease guidance in GAAP. We adopted the standard on January 1, 2019 using the modified retrospective method and used the effective date as our date of initial application. See Note 12 for additional information.

In June 2016, the FASB issued ASU 2016-13, "Credit Losses - Measurement of Credit Losses on Financial Instruments," which replaced the current incurred loss impairment method with a method that reflects expected credit losses. Short-term and long-term financial assets, as defined by the standard, are impacted by immediate recognition of estimated credit losses in the financial statements, reflecting the net amount expected to be collected. Historically, losses associated from the inability to collect on accounts receivable have been insignificant, with little divergence in collection trends through varying economic cycles. We adopted the standard on January 1, 2020 and there was no material impact to the financial statements upon adoption.

In December 2019, the FASB issued ASU 2019-12, "Simplifying the Accounting for Income Taxes," which adds new guidance to simplify the accounting for income taxes, changes the accounting for certain income tax transactions, and makes other minor changes. We adopted the standard on January 1, 2021 and do not expect it to have a material effect on our financial statements.

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION - EXPLANATORY NOTES - Continued

NOTES TO FINANCIAL STATEMENTS

10. Railway Operating Revenues

The following table disaggregates our revenues by major commodity group:

	2020	2019
	(\$ in millions)	
Merchandise:		
Agriculture, forest and consumer products	\$ 2,116	\$ 2,256
Chemicals	1,809	2,092
Metals and construction	1,333	1,461
Automotive	830	994
Merchandise	6,088	6,803
Intermodal	2,654	2,824
Coal	1,047	1,669
Total	<u>\$ 9,789</u>	<u>\$ 11,296</u>

At the beginning of 2020, we combined the agriculture products and forest and consumer commodity groups. In addition, we also made changes in the categorization of certain other commodity groups within Merchandise. Specifically, certain commodities were shifted between agriculture, forest and consumer products; chemicals; and, metals and construction. We made these changes to better align our commodity groups as a result of an organizational realignment. Prior period railway operating revenues have been reclassified to conform to the current presentation.

We recognize the amount of revenues we expect to be entitled to for the transfer of promised goods or services to customers. A performance obligation is created when a customer under a transportation contract or public tariff submits a bill of lading to us for the transport of goods. These performance obligations are satisfied as the shipments move from origin to destination. As such, transportation revenues are 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 revenues associated with in-process shipments at period-end are recorded based on the estimated percentage of service completed. We had no material remaining performance obligations at December 31, 2020 and 2019.

We may provide customers ancillary services, such as switching, demurrage and other incidental activities, under their transportation contracts. 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 5% of "Total Railway Operating Revenues" on the Results of Operations for both years ended December 31, 2020 and 2019.

Revenues related to interline transportation services that involve another railroad are reported on a net basis. Therefore, the portion of the amount that relates to another party is not reflected in revenues.

Under the typical 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:

	2020	2019
	(\$ in millions)	
Customer	\$ 476	\$ 546
All other accounts receivable	22,519	20,229
Accounts receivable	<u>\$ 22,995</u>	<u>\$ 20,775</u>

Non-customer receivables include non-revenue-related amounts due from affiliated companies, other railroads, governmental entities, and others. "Special funds" on the Comparative Statement of Financial Position includes non-current customer receivables of \$23 million at both December 31, 2020 and 2019. In 2019, we wrote off a \$32 million non-current customer receivable resulting from a legal dispute and this expense is included in "Railway operating expenses" on the Results of Operations. We do not have any material contract assets or liabilities at December 31, 2020 and 2019.

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION - EXPLANATORY NOTES - Continued

NOTES TO FINANCIAL STATEMENTS

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 \$686 million in 2020 and \$753 million in 2019, including a \$55 million markup in 2020 and a \$60 million markup in 2019). In addition, NS charges us a revenue-based licensing fee (which totaled \$144 million in 2020 and \$168 million in 2019) 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 \$129 million in 2020, and \$149 million in 2019. Future payments for access fees due to CRC under the Shared Assets Areas agreements are as follows: \$41 million in each of 2021 through 2023 and \$17 million in 2024. 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 \$6 million annually.

"Accrued accounts payable" includes \$56 million at December 31, 2020, and \$264 million at December 31, 2019, due to Conrail for the operation of the Shared Assets Areas. In 2020, NSR converted approximately \$254 million of our accounts payable into a long-term advance from Conrail. This amount, along with the \$280 million of long-term advances from Conrail included in "Other Long-Term Liabilities and Deferred Credits" at December 31, 2019, is now the obligation of NS. The settlement of this transaction was handled through the intercompany accounts.

Investment in TTX

NSR 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 \$250 million and \$244 million of expense, respectively, for the years ended December 31, 2020 and 2019. Our equity in the earnings of TTX, which offsets these costs and is also included in "Railway operating expenses," totaled \$48 million for 2020 and \$58 million for 2019.

Intercompany Accounts

	2020	2019
	(\$ in millions)	
Current:		
Receivables from Affiliated Companies	\$ 22,153	\$ 19,865
Payables to Affiliated Companies	(1,149)	(1,028)
Long-term:		
Accounts Payable; Affiliated Companies	\$ (10,078)	\$ (9,772)

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 2.55% to 6.0% with maturity dates ranging from 2021 to 2118. NSR's results include interest income on amounts due from NS of \$114 million in 2020 and \$375 million in 2019, and interest expense of \$364 million in 2020 and \$316 million in 2019 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 \$13.0 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

NOTES TO FINANCIAL STATEMENTS

12. Leases

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 ROU assets and lease liabilities on the balance sheet 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 standard will not be provided for dates and periods before January 1, 2019. Upon adoption of the standard, we recognized ROU assets and corresponding lease liabilities of \$586 million on the Comparative Statement of Financial Position as of January 1, 2019. There were no adjustments to "Retained Earnings: Unappropriated" on adoption.

The standard provides a number of optional practical expedients for transition. We elected the package of practical expedients under the transition guidance which permitted us not to reassess under the standard 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 FASB ASC 842. We also elected the practical expedient related to land easements, which allowed 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 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 do 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.

We are committed under long-term lease agreements for equipment, lines of road, and other property. Some of these agreements are variable lease agreements that include usage-based payments. These agreements contain payment provisions that depend on an index or rate, initially measured using the index or rate at the lease commencement date, and are therefore not included in our future minimum lease payments. Our long-term lease agreements do not contain any material restrictive covenants.

Our equipment leases have remaining terms of less than 1 year to 5 years and our lines of road and land leases have remaining terms of less than 1 year to 137 years. Some of these leases include options to extend the leases for up to 99 years and some include options to terminate the leases within 30 days. Because we are not reasonably certain to exercise these renewal options, the options are not considered in determining the lease term, and associated payments are excluded from future minimum lease payments.

Leases with an initial term of twelve months or less are not recorded on the Comparative Statement of Financial Position. We recognize lease expense for these leases on a straight-line basis over the lease term.

Operating lease amounts included on the Comparative Statement of Financial Position were as follows:

	Classification	December 31,	
		2020	2019
		(\$ in millions)	
Assets			
ROU assets	Other assets	\$ 433	\$ 539
Liabilities			
Current lease liabilities	Other current liabilities	\$ 89	\$ 97
Non-current lease liabilities	Other long-term liabilities and deferred credits	344	441
Total lease liabilities		\$ 433	\$ 538

The components of total lease expense, primarily included in "Railway operating expenses," were as follows:

	2020	2019
	(\$ in millions)	
Operating lease expense	\$ 109	\$ 114
Variable lease expense	42	57
Short-term lease expense	9	5
Total lease expense	\$ 160	\$ 176

In March 2019, we entered into a non-cancellable lease for an office building with an estimated construction cost of \$550 million. The lease will commence upon completion of the construction (for which we are a construction agent) of the office building which is expected to be in the second half of 2021. The initial lease term is five years with options to renew, purchase, or sell the office building at the end of the lease term. Upon lease commencement, the ROU asset and lease liability will be determined and recorded. The lease also contains a residual value guarantee of up to ninety percent of the total construction cost.

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION - EXPLANATORY NOTES - Continued

NOTES TO FINANCIAL STATEMENTS

Other information related to operating leases was as follows:

	December 31,	
	2020	2019
Weighted-average remaining lease term (years) on operating leases	8.18	8.25
Weighted-average discount rates on operating leases	3.50%	3.52%

As the rates implicit in most of our leases are not readily determinable, we use a collateralized incremental borrowing rate based on the information available at the lease commencement date in determining the present value of future payments. We use the portfolio approach and group leases into short-, medium-, and long-term categories, applying the corresponding incremental borrowing rates to these categories of leases.

During 2020 and 2019, respectively, ROU assets obtained in exchange for new operating lease liabilities were \$22 million and \$49 million. Cash paid for amounts included in the measurement of lease liabilities was \$109 million and \$114 million in 2020 and 2019, respectively and is included in operating cash flows. During 2019, cash proceeds from a sale and leaseback transaction were \$82 million and the gain on the transaction was \$15 million.

Future minimum lease payments under non-cancellable operating leases were as follows:

	December 31, 2020
	<i>(\$ in millions)</i>
2021	\$ 101
2022	76
2023	67
2024	58
2025	57
2026 and subsequent years	145
Total lease payments	504
Less: Interest	71
Present value of lease liabilities	<u>\$ 433</u>
	December 31, 2019
	<i>(\$ in millions)</i>
2020	\$ 110
2021	104
2022	79
2023	70
2024	61
2025 and subsequent years	206
Total lease payments	630
Less: Interest	92
Present value of lease liabilities	<u>\$ 538</u>

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION - EXPLANATORY NOTES - Continued

NOTES TO FINANCIAL STATEMENTS

13. 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, and
- 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 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.

14. 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 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, certain health care expenses are covered for retired employees and their dependents, reduced by any deductibles, coinsurance, and, in some cases, coverage provided under other group insurance policies. Eligible retired participants and their spouses 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

NOTES TO FINANCIAL STATEMENTS

Pension and Other Postretirement Benefit Obligations and Plan Assets

	Pension Benefits		Other Postretirement Benefits	
	2020	2019	2020	2019
			(\$ in millions)	
Change in benefit obligations:				
Benefit obligation at beginning of year	\$ 2,588	\$ 2,371	\$ 457	\$ 466
Service cost	40	35	6	6
Interest cost	74	93	12	17
Actuarial losses	294	235	35	28
Plan amendment	-	-	-	(18)
Benefits paid	(151)	(146)	(39)	(42)
Benefit obligation at end of year	<u>2,845</u>	<u>2,588</u>	<u>471</u>	<u>457</u>
Change in plan assets:				
Fair value of plan assets at beginning of year	2,462	2,105	170	158
Actual return on plan assets	345	485	21	34
Employer contribution	19	18	13	20
Benefits paid	(151)	(146)	(39)	(42)
Fair value of plan assets at end of year	<u>2,675</u>	<u>2,462</u>	<u>165</u>	<u>170</u>
Funded status at end of year	<u>\$ (170)</u>	<u>\$ (126)</u>	<u>\$ (306)</u>	<u>\$ (287)</u>
Amounts recognized in the Comparative Statement of Financial Position:				
Special funds	\$ 189	\$ 194	-	-
Other current liabilities	(19)	(18)	-	-
Other long-term liabilities and deferred credits	(340)	(302)	(306)	(287)
Net amount recognized	<u>\$ (170)</u>	<u>\$ (126)</u>	<u>\$ (306)</u>	<u>\$ (287)</u>
Amounts included in accumulated other comprehensive loss (before tax):				
Net loss	\$ 869	\$ 781	\$ 57	\$ 29
Prior service cost (benefit)	-	1	(228)	(253)

NS' accumulated benefit obligation for its defined benefit pension plans is \$2.6 billion and \$2.3 billion at December 31, 2020 and 2019, respectively. NS' unfunded pension plans, included above, which in all cases have no assets, had projected benefit obligations of \$359 million and \$320 million at December 31, 2020 and 2019, respectively, and had accumulated benefit obligations of \$330 million and \$292 million at December 31, 2020 and 2019, respectively.

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION - EXPLANATORY NOTES - Continued

NOTES TO FINANCIAL STATEMENTS

Pension and Other Postretirement Benefit Cost Components

	2020	2019
	(\$ in millions)	
Pension benefits:		
Service cost	\$ 40	\$ 35
Interest cost	74	93
Expected return on plan assets	(190)	(179)
Amortization of net losses	51	43
Amortization of prior service cost	1	1
	<u> </u>	<u> </u>
Net benefit	<u>\$ (24)</u>	<u>\$ (7)</u>
Other postretirement benefits:		
Service cost	\$ 6	\$ 6
Interest cost	12	17
Expected return on plan assets	(14)	(14)
Amortization of prior service benefit	(25)	(24)
	<u> </u>	<u> </u>
Net benefit	<u>\$ (21)</u>	<u>\$ (15)</u>

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

	2020	
	Pension Benefits	Other Postretirement Benefits
	(\$ in millions)	
Net loss arising during the year	\$ 139	\$ 28
Amortization of net losses	(51)	-
Amortization of prior service (cost) benefit	(1)	25
	<u> </u>	<u> </u>
Total recognized in other comprehensive income	<u>\$ 87</u>	<u>\$ 53</u>
Total recognized in net periodic cost and other comprehensive income	<u>\$ 63</u>	<u>\$ 32</u>

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

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 \$66 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 \$23 million.

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION - EXPLANATORY NOTES - Continued

NOTES TO FINANCIAL STATEMENTS

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:

Pension funded status:	<u>2020</u>	<u>2019</u>
Discount rate	2.67%	3.38%
Future salary increases	4.21%	4.21%
Other postretirement benefits funded status:		
Discount rate	2.27%	3.13%
Pension cost:		
Discount rate – service cost	3.71%	4.55%
Discount rate – interest cost	2.92%	3.99%
Return on assets in plans	8.25%	8.25%
Future salary increases	4.21%	4.21%
Other postretirement benefits cost:		
Discount rate – service cost	3.41%	4.39%
Discount rate – interest cost	2.69%	3.83%
Return on assets in plans	8.00%	8.00%
Health care trend rate	6.25%	6.50%

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, 2020, increases in the per capita cost of pre-Medicare covered health care benefits were assumed to be 6.00% for 2021. It is assumed the rate will ratably decrease 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 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	8	(8)

Asset Management

Eleven investment firms manage NS' defined benefit pension plan's assets under investment guidelines approved by NS' Benefits Investment Committee that is composed 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 plan's 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

NOTES TO FINANCIAL STATEMENTS

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

	Percentage of plan assets at December 31,	
	2020	2019
Domestic equity securities	52%	50%
International equity securities	24%	24%
Debt securities	22%	24%
Cash and cash equivalents	2%	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, 2020 of 68% in equity securities and 32% in debt securities compared with 67% in equity securities and 33% in debt securities at December 31, 2019. 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 2021, NS assumes an 8.00% return on pension plan assets.

Fair Value of Plan Assets

The 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 trade price of the 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 the 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 Treasury 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

NOTES TO FINANCIAL STATEMENTS

The following table sets forth the pension plan's assets by valuation technique level, within the fair value hierarchy. There were no level 3 valued assets at December 31, 2020 or 2019.

	December 31, 2020		Total
	Level 1	Level 2 <i>(\$ in millions)</i>	
Common stock	\$ 1,483	\$ -	\$ 1,483
Common collective trusts:			
International equity securities	-	399	399
Debt securities	-	297	297
Fixed income securities:			
Government and agencies securities	-	146	146
Corporate bonds	-	117	117
Mortgage and other asset-backed securities	-	24	24
Commingled funds	-	149	149
Cash and cash equivalents	60	-	60
	<u>1,543</u>	<u>1,132</u>	<u>2,675</u>
Total investments	<u>\$ 1,543</u>	<u>\$ 1,132</u>	<u>\$ 2,675</u>
	December 31, 2019		Total
	Level 1	Level 2 <i>(\$ in millions)</i>	
Common stock	\$ 1,329	\$ -	\$ 1,329
Common collective trusts:			
International equity securities	-	377	377
Debt securities	-	303	303
Fixed income securities:			
Government and agencies securities	-	172	172
Corporate bonds	-	84	84
Mortgage and other asset-backed securities	-	26	26
Commingled funds	-	121	121
Cash and cash equivalents	50	-	50
	<u>1,379</u>	<u>1,083</u>	<u>2,462</u>
Total investments	<u>\$ 1,379</u>	<u>\$ 1,083</u>	<u>\$ 2,462</u>

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION - EXPLANATORY NOTES - Continued

NOTES TO FINANCIAL STATEMENTS

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 \$165 million and \$170 million at December 31, 2020 and 2019, 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 2021, NS expects to contribute approximately \$19 million to its unfunded pension plans for payments to pensioners and approximately \$36 million to its other postretirement benefit plans for retiree health and death benefits. NS does not expect to contribute to its funded pension plan in 2021.

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

	Pension Benefits	(\$ in millions)	Other Postretirement Benefits
2021	\$	147	\$ 36
2022		146	35
2023		145	33
2024		145	32
2025		144	31
Years 2026 – 2030		719	142

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 craft employees. Premiums under this plan are expensed as incurred and totaled \$22 million in 2020 and \$31 million in 2019.

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 \$21 million in 2020 and \$22 million in 2019.

15. 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 and, if material, disclosed below. 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. For lawsuits and other claims where a loss may be reasonably possible, but not probable, or is probable but not reasonably estimable, no accrual is established but the matter, if potentially material, is disclosed below. We routinely review relevant information with respect to our lawsuits and other claims and update our accruals, disclosures and estimates of reasonably possible loss based on such reviews.

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 decision was upheld by the Court of Appeals on August 16, 2019. Since that decision, various individual cases have been filed in multiple jurisdictions and also consolidated in the District of Columbia. 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.

In 2018, a lawsuit was filed against us by the minority owner in a jointly-owned terminal railroad company in which we have the majority ownership. The lawsuit alleged violations of various state laws and federal antitrust laws. It is reasonably possible that we could incur a loss in the case; however, we intend to vigorously defend the case and believe that we will prevail. The potential range of loss cannot be estimated at this time.

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 Federal Employers Liability Act (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.

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION - EXPLANATORY NOTES - Continued

NOTES TO FINANCIAL STATEMENTS

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 claims expense is employee personal injury costs. The independent actuarial firm we engage 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. The accuracy of 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.

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. 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, 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 \$54 million at December 31, 2020, and \$56 million at December 31, 2019, of which \$15 million is classified as a current liability at the end of both 2020 and 2019. At December 31, 2020, the liability represents our estimates of the probable cleanup, investigation, and remediation costs based on available information at 100 known locations and projects compared with 110 locations and projects at December 31, 2019. At December 31, 2020, seventeen sites accounted for \$40 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.

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION - EXPLANATORY NOTES - Continued

NOTES TO FINANCIAL STATEMENTS

Insurance

We purchase insurance covering legal liabilities for bodily injury and property damage to third parties. This insurance provides coverage above \$75 million and below \$800 million (\$1.1 billion for specific perils) per occurrence and/or policy year. In addition, we purchase insurance covering damage to property owned by us or in our care, custody, or control. This insurance covers approximately 85% of potential losses above \$75 million and below \$275 million per occurrence and/or policy year.

Purchase Commitments

At December 31, 2020, we had outstanding purchase commitments totaling approximately \$1.1 billion for locomotives, locomotive diesel fuel, 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 2030.

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.

16. Freight Rates

In 2020, 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.

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 Sched. 410. Any differences between this schedule and Sched. 410 must be explained on page 18.

3. List dividends from investments accounted for under the cost method on line 19, and list dividends accounted for under the equity method on line 25.

4. All contra entries should be shown in parenthesis.

Schedule 210
Line 15, col b
Lines 47,48,49 col b
Line 50, col b

Cross-Checks

Schedule 210
= Line 66, col b
= Line 67, col b
= Line 68, col b

Line 14, col b
Line 14, col d
Line 14, col e

Schedule 410
= Line 620, col h
= Line 620, col f
= Line 620, col 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	9,380,136	10,861,139	9,380,136		1
2		(102) Passenger					2
3		(103) Passenger-related					3
4		(104) Switching	56,614	65,532	56,614		4
5		(105) Water transfers					5
6		(106) Demurrage	259,696	281,332	259,696		6
7		(110) Incidental	92,895	88,061	92,895		7
8		(121) Joint facility - credit					8
9		(122) Joint facility - debit					9
10		(501) Railway operating revenues (Exclusive of transfers from government authorities-lines 1-9)	9,789,341	11,296,064	9,789,341		10
11		(502) Railway operating revenues - transfers from government authorities					11
12		(503) Railway operating revenues - amortization of deferred transfers from government authorities					12
13		TOTAL RAILWAY OPERATING REVENUES (lines 10-12)	9,789,341	11,296,064	9,789,341		13
14	*	(531) Railway operating expenses	7,206,748	7,779,013	7,206,748		14
15	*	Net revenue from railway operations	2,582,593	3,517,051	2,582,593		15
		OTHER INCOME					
16		(506) Revenue from property used in other than carrier operations	4,248	4,698			16
17		(510) Miscellaneous rent income	86,429	88,361			17
18		(512) Separately operated properties - profit					18
19		(513) Dividend income (cost method)					19
20		(514) Interest income	119,015	377,343			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	33,205	62,282			24
25		Income from affiliated companies: 519					
26		a. Dividends (equity method)					25
26		b. Equity in undistributed earnings (losses)	6	6			26
27		TOTAL OTHER INCOME (lines 16-26)	242,903	532,690			27
28		TOTAL INCOME (lines 15, 27)	2,825,496	4,049,741			28
		MISCELLANEOUS DEDUCTIONS FROM INCOME					
29		(534) Expenses of property used in other than carrier operations	19,656	23,456			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	(42,893)	(28,443)			34
35		(553) Uncollectible accounts					35
36		TOTAL MISCELLANEOUS DEDUCTIONS	(23,237)	(4,987)			36
37		Income available for fixed charges	2,848,733	4,054,728			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					
38		(546) Interest on funded debt:			
		(a) Fixed interest not in default	371,894	335,125	38
39		(b) Interest in default			39
40		(547) Interest on unfunded debt	33,237	58,110	40
41		(548) Amortization of discount on funded debt			41
42		TOTAL FIXED CHARGES (lines 38 through 41)	405,131	393,235	42
43		Income after fixed charges (line 37 minus line 42)	2,443,602	3,661,493	43
OTHER DEDUCTIONS					
44		(546) Interest on funded debt:			
		(c) Contingent interest			44
UNUSUAL OR INFREQUENT ITEMS					
45		(555) Unusual or infrequent items (debit) credit			45
46		Income (Loss) from continuing operations (before inc. taxes)	2,443,602	3,661,493	46
PROVISIONS FOR INCOME TAXES					
47	*	(556) Income taxes on ordinary income:			
		(a) Federal income taxes	409,965	451,682	47
48	*	(b) State income taxes	66,045	82,309	48
49	*	(c) Other income taxes			49
50	*	(557) Provision for deferred taxes	70,858	309,765	50
51		TOTAL PROVISION FOR INCOME TAXES (lines 47 through 52)	546,868	843,756	51
52		Income from continuing operations (line 46 minus line 51)	1,896,734	2,817,737	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 through 54)	1,896,734	2,817,737	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 through 58)			59
60		(592) Cumulative effect of changes in accounting principles (less applicable income taxes of \$)			60
61	*	Net income (Loss) (lines 55 + 59 + 60)	1,896,734	2,817,737	61
62		Less: Net Income attributable to non-controlling interest			62
63		Net Income attributable to reporting railroad	1,896,734	2,817,737	63
64		Basic Earnings Per Share	113.79	169.04	64
65		Diluted Earnings Per Share	113.79	169.04	65
RECONCILIATION OF NET RAILWAY OPERATING INCOME (NROI)					
66	*	Net revenues from railway operations	2,582,593	3,517,051	66
67	*	(556) Income taxes on ordinary income (-)	(476,010)	(533,991)	67
68	*	(557) Provision for deferred income taxes (-)	(70,858)	(309,765)	68
69		Income from lease of road and equipment (-)	(1,654)	(10,234)	69
70		Rent for leased roads and equipment (+)	24,524	25,270	70
71		Net railway operating income (loss)	2,058,595	2,688,331	71

Notes and Remarks For Schedules 210 and 220

210 A. CONSOLIDATED STATEMENT 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.

Schedule 210
Line 61, col b

Cross-Checks

=

A
Line 1, col b

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

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	1,896,734	2,817,737	1
2		Other Comprehensive Income, net of tax: Foreign currency translation adjustments			2
3		Unrealized gains on securities: Unrealized holding gains arising during period	2,166	(731)	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 loss arising during period	(122,103)	59,403	6
7		Less: amortization of prior service cost included in net periodic pension cost	(19,435)	(15,221)	7
8		Other Comprehensive Income (Loss)	-	-	8
9		Comprehensive Income (Loss)	1,796,232	2,891,630	9
10		Less: comprehensive income attributable to noncontrolling interest			10
11		Comprehensive Income attributable to reporting railroad (Loss)	1,796,232	2,891,630	11

Notes:

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 should be shown in parentheses.
3. Show in lines 22 and 23 the amount of assigned Federal income tax consequences for accounts 606 and 616.
4. Segregate in column (c) all amounts applicable to the equity in undistributed earnings (losses) of affiliated companies based on the equity method of accounting.
5. Line 3 (line 7 if a debit balance), column (c), should agree with line 26, column (b), in Schedule 210. The total of columns (b) and (c), lines 3 and 7, should agree with line 61, column (b) in 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 (a)	Retained Earnings - Unappropriated (b)	Equity in Undistributed Earnings (Losses) of Affiliated Companies (c)	Line No.
1		Balances at beginning of year	24,085,125		1
2	(601.5)	Prior period adjustments to beginning retained earnings			2
CREDITS					
3	(602)	Credit balance transferred from income	1,896,734		3
4	(603)	Appropriations released			4
5	(606)	Other credits to retained earnings			5
6		TOTAL CREDITS	1,896,734		6
DEBITS					
7	(612)	Debit balance transferred from income			7
8	(616)	Other debits to retained earnings	3,477		8
9	(620)	Appropriations for sinking and other funds			9
10	(621)	Appropriations for other purposes			10
11	(623)	Dividends: Common stock	3		11
12		Preferred stock (1)			12
13		TOTAL DEBITS	3,480		13
14		Net increase (decrease) during year (Line 6 minus line 13)	1,893,254		14
15		Balances at close of year (lines 1, 2, and 14)	25,978,379		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	25,978,379		17
18	(797)	Total appropriated retained earnings:		N/A	18
19		Credits during year \$ _____			19
20		Debits during year \$ _____			20
21		Balance at close of year \$ <u>0</u>			21
22		Amount of assigned Federal income tax consequences Account 606 \$ <u>None</u>			22
23		Account 616 \$ <u>None</u>			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 8 represent distributions of earnings associated with a limited liability company. Board approval for use of Account 616 was provided by letter dated January 15, 2021.

* 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 and 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 revenues and expense items that were not the result of operating cash transactions in the current period to reconcile it to net cash flow from operating activities. If the direct method is used, complete lines 1 through 41. If the indirect method is used complete lines 10 through 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 finance 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)	Previous 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 through 8)			9

RECONCILIATION OF NET INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES

Line No.	Cross Check	Description (a)	Current Year (b)	Previous Year (c)	Line No.
10		Income from continuing operations	1,896,734	2,817,737	10

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

Line No.	Cross Check	Description (a)	Current Year (b)	Previous Year (c)	Line No.
11		Loss (gain) on sale or disposal of tangible property and investments	360,913	(51,480)	11
12		Depreciation and amortization expenses	1,219,725	1,207,042	12
13		Net increase (decrease) in provision for Deferred Income Taxes	70,858	309,765	13
14		Net decrease (increase) in undistributed earnings (losses) of affiliates	56,962	(48,979)	14
15		Decrease (increase) in accounts receivable	66,995	60,871	15
16		Decrease (increase) in material and supplies and other current assets	35,131	(47,264)	16
17		Increase (decrease) in current liabilities other than debt	48,170	(156,723)	17
18		Increase (decrease) in other - net	(182,348)	(246,233)	18
19		Net cash provided from continuing operations (lines 10 through 18)	3,573,140	3,844,736	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 and 20)	3,573,140	3,844,736	21

CASH FLOWS FROM INVESTING ACTIVITIES

Line No.	Cross Check	Description (a)	Current Year (b)	Previous Year (c)	Line No.
22		Proceeds from sale of property	188,843	306,510	22
23		Capital expenditures	(1,487,376)	(2,021,422)	23
24		Net change in temporary cash investments not qualifying as cash equivalents			24
25		Proceeds from sale/repayment of investment and advances	(9,739)	1,285	25
26		Purchase price of long-term investment and advances	(12,794)	(18,180)	26
27		Net decrease (increase) in sinking and other special funds			27
28		Other - net			28
29		NET CASH USED IN INVESTING ACTIVITIES (lines 22 through 28)	(1,321,066)	(1,731,807)	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)	Previous Year (c)	Line No.
30		Proceeds from issuance of long-term debt		600,000	30
31		Principal payments of long-term debt	(319,299)	(602,415)	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	(1,409,603)	(1,891,845)	35
36		NET CASH FROM FINANCING ACTIVITIES (lines 30 through 35)	(1,728,902)	(1,894,260)	36
		NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS (lines 21, 29, and 36)	523,172	218,669	37
38		Cash and cash equivalents at beginning of the year	532,259	313,590	38
39		CASH AND CASH EQUIVALENTS AT END OF THE YEAR (lines 37 & 38)	1,055,431	532,259	39
		Footnotes to Schedule Cash paid during the year for:			
40		Interest (net of amount capitalized) *	8,627	31,056	40
41		Income taxes (net) *	310,887	543,040	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 calculations of lines 9, 10, 20, and 21 to the nearest whole number.

Line No.	Item (a)	Source	Amount (b)	Line No.
CURRENT OPERATING ASSETS				
1	Interline and other balances (705)	Sched. 200, line 5, col. b	26,416	1
2	Customers (706)	Sched. 200, line 6, col. b	476,138	2
3	Other (707)	Note A	133,705	3
4	TOTAL CURRENT OPERATING ASSETS	Lines 1 + 2 + 3	636,259	4
OPERATING REVENUE				
5	Railway operating revenue	Sched. 210, line 13, col. b	9,789,341	5
6	Rent income	Note B	267,474	6
7	TOTAL OPERATING REVENUES	Lines 5 + 6	10,056,815	7
8	Average daily operating revenues	Line 7 ÷ 360 days	27,936	8
9	Days of operating revenue in current operating assets	Line 4 ÷ line 8	23	9
10	Revenue delay days plus buffer	Line 9 + 15 days	38	10
CURRENT OPERATING LIABILITIES				
11	Interline and other balances (752)	Sched. 200, line 30, col. b	1,071	11
12	Audited accounts and wages payable (753)	Note A	(100)	12
13	Accounts payable - other (754)	Note A	1,682	13
14	Other taxes accrued (761.5)	Note A	249,948	14
15	TOTAL CURRENT OPERATING LIABILITIES	Sum of lines 11 through 14	252,601	15
OPERATING EXPENSES				
16	Railway operating expenses	Sched. 210, line 14, col. b	7,206,748	16
17	Depreciation	Sched 410, lines 136, 137, 138, 213, 232, 317 col h	1,217,771	17
18	Cash related operating expenses	Line 16 + line 6 - line 17	6,256,451	18
19	Average daily expenditures	Line 18 ÷ 360 days	17,379	19
20	Days of operating expenses in current operating liabilities	Line 15 ÷ line 19	15	20
21	Days of working capital required	Line 10 - line 20 (Note C)	23	21
22	Cash working capital required	Line 21 x line 19	399,717	22
23	Cash and temporary cash balance	Sched. 200, line 1 + line 2, col. b	1,055,431	23
24	Cash working capital allowed	Lesser of line 22 or line 23	399,717	24
MATERIALS AND SUPPLIES				
25	Total materials and supplies (712)	Note A	219,767	25
26	Scrap and obsolete material included in account 712	Note A		26
27	Materials and supplies held for common carrier purposes	Line 25 - line 26	219,767	27
28	TOTAL WORKING CAPITAL	Line 24 + line 27	619,484	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

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:

Sym 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
(Dollars in Thousands)

1. Give particulars of investments in stocks, bonds, other secured obligations, unsecured notes, and investment advances of companies affiliated with respondent, from accounts 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 evidence 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. (a)	Class No. (b)	Kind of Industry (c)	Name of Issuing Company and also lien reference, if any (include rate for preferred stocks and bonds) (d)	Extent of Control (e)	Line No.		
1	721	A-1	VII	Augusta & Summerville RR Co. (1)	50.00	1		
2				Beaver Street Tower Co. (2)	25.00	2		
3				The 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. Co. (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) (18)	50.00	9		
10				Peoria and Pekin Union Rwy. Co. (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 and Blocton Rwy. Co. (14)	50.00	14		
15								
16			Total A-1			16		
17						17		
18						18		
19						19		
20						20		
21						21		
22	A-3	A-3	X	MeteorComm, LLC (15)	25.00	22		
23				PTC 220, LLC (16)	14.29	23		
24				The Roanoke Valley Development Co. (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			
39					39			
40					40			

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 Co. 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 included 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 case of joint control, give names of other parties and particulars 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 1 figure.
9. Also include 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 Surface Transportation Board and are jointly owned, give names and extent of control by other entities by footnotes.

Line No.	Investments and Advances				Disposed of profit (loss) (j)	Adjustments Account 721.5 (k)	Dividends or interest credited to income (l)	Line No.
	Opening Balance (f)	Additions (g)	Deductions (if other than sale, explain) (h)	Closing Balance (i)				
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		(99,000)	52,294				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		(99,000)	359,215		20		16
17								17
18								18
19								19
20								20
21								21
22	96,650	9,000		105,650				22
23	17,974	2,894		20,868				23
24	200			200				24
25								25
26	114,824	11,894		126,718				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

- | | |
|--|--|
| (11) Controlled jointly - Other RRs own 85.71% | (15) Controlled jointly - Other RRs own 75% |
| (12) Controlled jointly - Other RRs own 80.35% | (16) Controlled jointly - Other RRs own 85.71% |
| (13) CSX Transp., Inc. owns 50% | (17) Controlled jointly - Others own 54.56% |
| (14) CSX Transp., Inc. owns 50% | (18) In 2020, we recorded an other-than-temporary impairment of \$99 million related to the carrying value of Pan Am Southern. |

310. INVESTMENTS AND ADVANCES AFFILIATED COMPANIES - (Continued)

(Dollars in Thousands)

Line No.	Account No. (a)	Class No. (b)	Kind of Industry (c)	Name of Issuing Company and also lien reference, if any (include rate for preferred stocks and bonds) (d)	Extent of Control (e)	Line No.
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. Co.		4
5				North Charleston Terminal Co.		5
6				Pan Am Southern, LLC	(19)	6
7				Terminal Railroad Association of St. Louis		7
8				Woodstock & Blocton Rwy. Co.		8
9						9
10						10
11				Total E-1		11
12						12
13		E-3	X	Norfolk Southern Corporation		13
14			VI	Southern Region Industrial Realty, Inc.		14
15						15
16				Total E-3		16
17						17
18						18
19						19
20						20
21						21
22						22
23						23
24				Total 721		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

NOTES AND REMARKS

(19) In 2020, NSR entered into a agreement with Pan Am Southern for a note with annual payments of 10% of the loan balance each December.

310. INVESTMENTS AND ADVANCES AFFILIATED COMPANIES - (Concluded)

(Dollars in Thousands)

Line No.	Investments and Advances				Disposed of profit (loss) (j)	Adjustments Account 721.5 (k)	Dividends or interest credited to income (l)	Line No.
	Opening Balance (f)	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		13,817	(1,381)	12,436				6
7	170			170				7
8	10			10				8
9								9
10								10
11	3,572	13,817	(1,381)	16,008				11
12								12
13	39,731			39,731				13
14	383			383				14
15								15
16	40,114			40,114				16
17								17
18								18
19								19
20	616,725	25,711	(100,381)	542,055				20
21								21
22				(20)	721.5 Total			22
23				727,474	Sch. 310A Total			23
24				1,269,509				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

NOTES AND REMARKS

310A. INVESTMENTS IN COMMON STOCK OF AFFILIATED COMPANIES

(Dollars in Thousands)

Undistributed Earnings From Certain Investments in Affiliated Companies

1. Report below the details of all investments in common stock 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., 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)	Adjustments for investments equity method (c)	Equity in un-distributed 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.
1	Carriers: (List specifics for each company)							1
2	Augusta & Summerville RR Co.	56					56	2
3	The Belt Railway Company of Chicago	27,008		4,202			31,210	3
4	Central Transfer Rwy. and Storage Co.	16					16	4
5	Meridian Speedway, LLC	(33,736)		(1,199)			(34,935)	5
6	Pan Am Southern, LLC	2,791		993			3,784	6
7	Peoria and Pekin Union Rwy. Co.	(445)		(159)			(604)	7
8	TTX Company	748,569		49,491			798,060	8
9	Winston-Salem Southbound Rwy. Co.	8,842		(520)			8,322	9
10	Woodstock and Blocton Rwy. Co.	2	(6)	6			2	10
11								11
12	Total Carriers	753,103	(6)	52,814			805,911	12
13								13
14	Noncarriers: (List specifics for each company)							14
15	Meteorcomm, LLC	(66,111)		(7,657)			(73,768)	15
16	PTC 220, LLC	(5,052)		(798)			(5,850)	16
17	The Roanoke Valley Development Co.	1,181					1,181	17
18								18
19	Total Noncarriers	(69,982)		(8,455)			(78,437)	19
20								20
21	Total Equity*	683,121	(6)	44,359			727,474	21
22								22

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) is \$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 \$42,187 to a portion of the amounts credited to operating expenses. These earnings equal \$42,187 and adjustments to Other Comprehensive loss equals \$2,166.

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 the amounts in columns (c) through (f). Column (h) is the aggregate of columns (b) through (f), inclusive. Grand totals of columns (b) and (h) should equal the sum of Accounts 731 and 732 for the respective periods; if not, a 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" in 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 included 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 Board 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 Board.
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 location and 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 the amount used in a footnote.

NOTES AND REMARKS

(Dollars in Thousands)

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

868,559	Schedule 410, Lines 136 - 138, Column (h)
5,287	Shop Machinery Schedule 335, Line 26, column(c)
16,020	Depreciation capitalized
<u>889,866</u>	Total

850,267	Schedule 335, Line 30, Column (c)
-	Schedule 339, Line 41, Column (c)
39,599	Schedule 342, Line 39, Column (c)
<u>889,866</u>	Total

Equipment (Column (c))

349,212	Schedule 410, Sum of lines 213,232,317, Column (h)
(5,287)	Shop Machinery
-	Other
<u>343,925</u>	Total

343,925	Schedule 335, Line 40, Column (c)
-	Schedule 342, Line 38, Column (c)
<u>343,925</u>	

Schedule 342 (Column (c))

39,599	Road
-	Equipment
<u>39,599</u>	Schedule 342, Line 39, Column (c)

Reconciliation of Accumulated Depreciation and Amortization to Schedule 200

12,134,307	Schedule 335, Line 41, Column (g)
318,592	Schedule 342, Line 39, Column (g)
<u>12,452,899</u>	
<u>12,452,899</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 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	2,275,782			1
2		(3) Grading	3,260,590			2
3		(4) Other right-of-way expenditures	20,168			3
4		(5) Tunnels and subways	412,485			4
5		(6) Bridges, trestles and culverts	3,034,643			5
6		(7) Elevated structures	42,583			6
7		(8) Ties	5,489,866			7
8		(9) Rail and other track material	7,023,678			8
9		(11) Ballast	2,867,988			9
10		(13) Fences, snowsheds and signs	9,533			10
11		(16) Station and office buildings	759,646			11
12		(17) Roadway buildings	50,698			12
13		(18) Water stations				13
14		(19) Fuel stations	125,814			14
15		(20) Shops and enginehouses	604,142			15
16		(22) Storage warehouses	871			16
17		(23) Wharves and docks	6,937			17
18		(24) Coal and ore wharves	256,831			18
19		(25) TOFC/COFC terminals	943,092			19
20		(26) Communications systems	656,513			20
21		(27) Signals and interlockers	2,567,522			21
22		(29) Power plants	2,704			22
23		(31) Power transmission systems	46,942			23
24		(35) Miscellaneous structures	14,373			24
25		(37) Roadway machines	815,995			25
26		(39) Public improvements - construction	412,806			26
27		(44) Shop machinery	201,413			27
28		(45) Power plant machinery	15,036			28
29		Other lease/rentals				29
30		TOTAL EXPENDITURES FOR ROAD	31,918,651			30
31		(52) Locomotives	5,973,284			31
32		(53) Freight train cars	2,987,761			32
33		(54) Passenger train cars				33
34		(55) Highway revenue equipment	600,639			34
35		(56) Floating equipment				35
36		(57) Work equipment	222,580			36
37		(58) Miscellaneous equipment	259,307			37
38		(59) Computer systems & word processing equipment	732,034			38
39		TOTAL EXPENDITURES FOR EQUIPMENT	10,775,605			39
40		(76) Interest during construction				40
41		(80) Other elements of investment				41
42		(90) Construction work in progress	656,378			42
43		GRAND TOTAL	43,350,634			43

330. ROAD PROPERTY AND EQUIPMENT AND IMPROVEMENTS TO LEASED PROPERTY AND EQUIPMENT - (Continued)

(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		13,651	2,253	11,398	2,287,180	1
2		11,085	9,488	1,597	3,262,187	2
3		398		398	20,566	3
4		932	794	138	412,623	4
5		95,933	10,041	85,892	3,120,535	5
6					42,583	6
7		230,645	81,265	149,380	5,639,246	7
8		309,371	180,164	129,207	7,152,885	8
9		135,438	29,921	105,517	2,973,505	9
10		3,722	48	3,674	13,207	10
11		21,876	65,024	(43,148)	716,498	11
12			305	(305)	50,393	12
13						13
14		10,133	(750)	10,883	136,697	14
15		15,060	1,910	13,150	617,292	15
16					871	16
17			566	(566)	6,371	17
18		33,524	5,436	28,088	284,919	18
19		21,387	32,221	(10,834)	932,258	19
20		12,198	(858)	13,056	669,569	20
21		31,901	37,760	(5,859)	2,561,663	21
22					2,704	22
23		466	97	369	47,311	23
24			325	(325)	14,048	24
25		57,755	103,841	(46,086)	769,909	25
26		31,772	23,944	7,828	420,634	26
27		4,110	3,802	308	201,721	27
28					15,036	28
29						29
30		1,041,357	587,597	453,760	32,372,411	30
31		335,245	830,724	(495,479)	5,477,805	31
32		9,559	216,921	(207,362)	2,780,399	32
33						33
34		16	3,272	(3,256)	597,383	34
35						35
36		29,542	4,440	25,102	247,682	36
37		31,641	42,470	(10,829)	248,478	37
38		29,709	29,233	476	732,510	38
39		435,712	1,127,060	(691,348)	10,084,257	39
40						40
41						41
42		(41,863)	(21,812)	(20,051)	636,327	42
43		1,435,206	1,692,845	(257,639)	43,092,995	43

332. DEPRECIATION 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, and 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 therefore 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)		
	ROAD							
1	(3) Grading	3,212,133	3,223,198	1.83%				1
2	(4) Other right-of-way expenditures	19,630	19,753	1.00%				2
3	(5) Tunnels and subways	412,176	413,085	1.11%				3
4	(6) Bridges, trestles and culverts	2,990,482	3,074,969	1.61%				4
5	(7) Elevated structures	42,583	42,583	7.92%				5
6	(8) Ties	5,272,870	5,386,550	4.77%				6
7	(9) Rail and other track material	6,520,599	6,636,267	2.42%				7
8	(11) Ballast	2,722,212	2,797,188	2.75%				8
9	(13) Fences, snowsheds and signs	9,384	9,551	1.15%				9
10	(16) Station and office buildings	715,459	672,547	2.10%				10
11	(17) Roadway buildings	50,539	50,242	2.11%				11
12	(18) Water stations							12
13	(19) Fuel stations	125,437	138,933	3.02%				13
14	(20) Shops and enginehouses	599,398	608,909	1.92%	NOT APPLICABLE - 5 % RULE			14
15	(22) Storage warehouses	871	871	2.50%				15
16	(23) Wharves and docks	6,937	6,371	3.33%				16
17	(24) Coal and ore wharves	256,831	272,043	3.09%				17
18	(25) TOFC/COFC terminals	940,206	930,724	2.97%				18
19	(26) Communications systems	644,077	655,374	4.17%				19
20	(27) Signals and interlockers	2,474,185	2,462,347	3.72%				20
21	(29) Power plants	2,701	2,701	2.91%				21
22	(31) Power transmission systems	46,480	46,831	2.24%				22
23	(35) Miscellaneous structures	13,814	13,489	2.26%				23
24	(37) Roadway machines	815,995	764,351	5.02%				24
25	(39) Public improvements - construction	401,617	407,294	7.40%				25
26	(44) Shop machinery	201,412	201,798	3.30%				26
27	(45) Power plant machinery	15,035	15,035	2.08%				27
28	All other road accounts							28
29	Amortization (other than def. projects)							29
30	TOTAL ROAD	28,513,063	28,853,004	3.03%				30
	EQUIPMENT							
31	(52) Locomotives	5,973,284	5,494,541	3.81%				31
32	(53) Freight train cars	2,987,658	2,787,619	2.64%				32
33	(54) Passenger train cars							33
34	(55) Highway revenue equipment	600,639	597,407	4.61%				34
35	(56) Floating equipment							35
36	(57) Work equipment	222,580	245,696	2.00%				36
37	(58) Miscellaneous equipment	259,307	247,546	7.67%				37
38	(59) Computer systems & WP equipment	732,034	736,054	9.18%				38
39	TOTAL EQUIPMENT	10,775,502	10,108,863	3.98%				39
40	GRAND TOTAL	39,288,565	38,961,867	3.27%			NA	40

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	1,073,667	48,683		8,912		1,113,438	1
2		(4) Other right-of-way expenditures	3,125	190		1		3,314	2
3		(5) Tunnels and subways	78,205	4,410		794		81,821	3
4		(6) Bridges, trestles and culverts	625,290	45,599		7,548		663,341	4
5		(7) Elevated structures	41,971	(520)				41,451	5
6		(8) Ties	1,917,535	248,959		110,806		2,055,688	6
7		(9) Rail and other track material	1,790,010	148,082		166,049		1,772,043	7
8		(11) Ballast	669,395	76,552		27,897		718,050	8
9		(13) Fences, snowsheds and signs	4,273	76		38		4,311	9
10		(16) Station and office buildings	204,199	12,032		32,879		183,352	10
11		(17) Roadway buildings	34,459	696		182		34,973	11
12		(18) Water stations							12
13		(19) Fuel stations	39,223	3,801		3,056		39,968	13
14		(20) Shops and enginehouses	153,324	11,109		1,731		162,702	14
15		(22) Storage warehouses	967	(17)				950	15
16		(23) Wharves and docks	2,557	164				2,323	16
17		(24) Coal and ore wharves	130,946	8,119		5,129		133,936	17
18		(25) TOFC/COFC terminals	279,937	26,806		27,907		278,836	18
19		(26) Communications systems	329,485	22,203		9,682		342,006	19
20		(27) Signals and interlockers	272,035	105,205		28,756		348,484	20
21		(29) Power plants	2,584	8				2,592	21
22		(31) Power transmission systems	20,073	837		82		20,828	22
23		(35) Miscellaneous structures	10,625	143		325		10,443	23
24		(37) Roadway machines	272,574	37,438		87,172		222,840	24
25		(39) Public improvements - const.	57,303	44,221		22,834		78,690	25
26		(44) Shop machinery	79,295	5,287		3,056		81,526	26
27		(45) Power plant machinery	11,597	184				11,781	27
28		All other road accounts							28
29		Amortization (adjustments)							29
30		TOTAL ROAD	8,104,654	850,267		545,234		8,409,687	30
EQUIPMENT									
31		(52) Locomotives	2,111,283	189,867		383,380		1,917,770	31
32		(53) Freight train cars	1,148,047	46,027		169,680		1,024,394	32
33		(54) Passenger train cars							33
34		(55) Highway revenue equipment	191,961	26,616		3,057		215,520	34
35		(56) Floating equipment							35
36		(57) Work equipment	82,785	4,155		786		86,154	36
37		(58) Miscellaneous equipment	113,005	14,961		35,493		92,473	37
38		(59) Computer systems & WP equip.	355,243	62,299		29,233		388,309	38
39		Amortization (adjustments)							39
40		TOTAL EQUIPMENT	4,002,324	343,925		621,629		3,724,620	40
41		GRAND TOTAL	12,106,978	1,194,192		1,166,863		12,134,307	41

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 on 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. A debit balance in columns (b) or (g) for any primary account should be shown in parenthesis or designated "Dr."
3. Any inconsistency between credits to the reserve as shown in column (c) and 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, 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			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 interlockers							20	
21	(29)	Power plants							21	
22	(31)	Power transmission systems							22	
23	(35)	Miscellaneous structures							23	
24	(37)	Roadway machines							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		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 & WP equip.							37	
38		TOTAL EQUIPMENT							38	
39		GRAND TOTAL	304,357	39,599		25,364		318,592	39	

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

NOTES AND REMARKS FOR SCHEDULE 342

NOTES AND REMARKS
SCHEDULE 330

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

3 (Grading) to 6 (Bridges, Trestles, and Culverts)	\$	(1,956,208.04)
6 (Bridges, Trestles, and Culverts) from 3 (Grading)	\$	1,956,208.04
3 (Grading) from 11 (Ballast)	\$	(1,267,467.45)
11 (Ballast) to 3 (Grading)	\$	1,267,467.45
3 (Grading) from 16 (Station and Office Buildings)	\$	268,666.78
16 (Station and Office Buildings) to 3 (Grading)	\$	(268,666.78)
3 (Grading) from 25 (TOFC/COFC Terminals)	\$	1,601,702.58
25 (TOFC/COFC Terminals) to 3 (Grading)	\$	(1,601,702.58)
6 (Bridges, Trestles, and Culverts) from 9 (Rail and Other Track Material)	\$	562,419.35
9 (Rail and Other Track Material) to 6 (Bridges, Trestles, and Culverts)	\$	(562,419.35)
6 (Bridges, Trestles, and Culverts) from 27 (Signals and Interlockers)	\$	140,541.60
27 (Signals and Interlockers) to 6 (Bridges, Trestles, and Culverts)	\$	(140,541.60)
8 (Ties) to 27 (Signals and Interlockers)	\$	(527,870.76)
27 (Signals and Interlockers) to 8 (Ties)	\$	527,870.76
8 (Ties) from 9 (Rail and Other Track Material)	\$	233,705.07
9 (Rail and Other Track Material) to 8 (Ties)	\$	(233,705.07)
9 (Rail and Other Track Material) to 27 (Signals and Interlockers)	\$	(1,041,941.45)
27 (Signals and Interlockers) from 9 (Rail and Other Track Material)	\$	1,041,941.45
9 (Rail and Other Track Material) from 17 (Roadway Buildings)	\$	195,023.52
17 (Roadway Buildings) to 9 (Rail and Other Track Material)	\$	(195,023.52)
9 (Rail and Other Track Material) to 11 (Ballast)	\$	(196,415.94)
11 (Ballast) from 9 (Rail and Other Track Material)	\$	196,415.94
16 (Station and Office Buildings) to 25 (TOFC/COFC Terminals)	\$	(2,925,909.87)
25 (TOFC/COFC Terminals) from 16 (Station and Office Buildings)	\$	2,925,909.87
16 (Station and Office Buildings) from 25 (TOFC/COFC Terminals)	\$	1,477,374.89
25 (TOFC/COFC Terminals) to 16 (Station and Office Buildings)	\$	(1,477,374.89)
16 (Station and Office Buildings) from 24 (Coal and ore wharves)	\$	553,505.84
24 (Coal and ore wharves) to 16 (Station and Office Buildings)	\$	(553,505.84)
19 (Fuel Stations) from 25 (TOFC/COFC Terminals)	\$	4,230,486.66
25 (TOFC/COFC Terminals) to 19 (Fuel Stations)	\$	(4,230,486.66)
19 (Fuel Stations) from 20 (Shops and Engine Houses)	\$	200,875.66
20 (Shops and Engine Houses) to 19 (Fuel Stations)	\$	(200,875.66)
20 (Shops and Engine Houses) from 24 (Coal and ore wharves)	\$	123,672.80
24 (Coal and ore wharves) to 20 (Shops and Engine Houses)	\$	(123,672.80)
23 (Wharves and Docks) to 24 (Coal and ore wharves)	\$	(118,245.97)
24 (Coal and ore wharves) from 23 (Wharves and Docks)	\$	118,245.97
26 (Communications Systems) from 27 (Signals and Interlockers)	\$	11,178,406.90
27 (Signals and Interlockers) to 26 (Communications Systems)	\$	(11,178,406.90)
26 (Communications Systems) to 27 (Signals and Interlockers)	\$	(166,648.78)
27 (Signals and Interlockers) from 26 (Communications Systems)	\$	166,648.78
26 (Communications Systems) to 16 (Station and Office Buildings)	\$	(122,101.22)
16 (Station and Office Buildings) from 26 (Communications Systems)	\$	122,101.22
27 (Signals and Interlockers) from 44 (Shop Machinery)	\$	707,726.56
44 (Shop Machinery) to 27 (Signals and Interlockers)	\$	(707,726.56)

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 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 or 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 columns (a) to (e), inclusive, first show the data requested for respondent (R); next show 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 columns (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 to Accounts 731 and 732 on the books of companies whose names appear in column (b). Values of property of other carriers segregated by estimate or otherwise should correspond in amount to 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 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	16,293	43,092,995	12,452,899	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						
9		Less Lines Leased to or Operated by Others				8
10	R	Aberdeen Carolina Western	104	13,018	10,843	9
11	R	Aiken Railway Company	19	3,265	1,498	10
12	R	Ann Arbor Railroad Inc.	4	3,857	1,384	11
13	R	Autauga Northern Railway	44	17,850	7,412	12
14	R	B&H Rail Corp.	17	8,896	4,095	13
15	R	Buckingham Branch	61	16,146	11,462	14
16	R	Buffalo & Pittsburgh Railroad	36	6,204	3,031	15
17	R	C & NC Railroad	21	8,036	3,615	16
18	R	Carolina Coastal Railway	157	30,137	18,607	17
19	R	CaterParrott Railnet	51	10,501	8,211	18
20	R	Central Railroad Company of Indianapolis	16	5,428	2,053	19
21	R	Cincinnati East Terminal Railway	16	7,315	3,443	20
22	R	Cleveland Commercial Railroad	19	22,938	4,445	21
23	R	Columbus & Ohio River Railroad	1	799	170	22
24	R	Columbus & Chattahoochee Railroad	26	9,787	4,483	23
25	R	Delmarva Central Railroad	162	84,391	23,136	24
26	R	Dover & Delaware River Railroad	27	46,723	8,035	25
27	R	East Chattanooga Belt Railway	4	2,473	812	26
28	R	East Penn Railroad LLC	5	5,338	2,078	27
29	R	Elkhart & Western Railroad	23	7,348	3,210	28
30	R	Georgia Southern Railway	57	17,385	10,208	29
31	R	Grand Elk Railroad LLC	123	61,801	21,637	30
32	R	Hilton & Albany Railroad	55	18,392	8,245	31
33	R	Iowa Interstate	13	14,368	10,851	32
34	R	Ithaca Central Railroad	49	35,272	9,580	33
35	R	Jackson & Lansing Railroad	44	18,582	7,858	34
36	R	KNWA	309	239,298	71,440	35
37	R	Lehigh Railway	56	63,055	20,588	36
38	R	Middletown & New Jersey Railroad LLC	38	22,655	6,154	37
39	R	North Carolina & Virginia Railroad	77	12,416	9,511	38
40	R	RSL Railroad LLC	1	1,666	407	39
41	R	R J Corman Co.	16	4,594	2,003	40
42	R	Yadkin Valley Railroad	102	25,047	14,293	41
43		SUB-TOTAL	1,753	844,981	314,798	42
44						43
45						44
46		TOTAL	14,877	42,301,103	12,138,101	45

352B. INVESTMENT IN RAILROAD PROPERTY USED IN TRANSPORTATION SERVICE (By Property Account)

(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	2,202,256	5,493			1
2		(3) Grading	3,180,907	21,826			2
3		(4) Other right-of-way expenditures	20,559	137			3
4		(5) Tunnels and subways	406,235	5,574			4
5		(6) Bridges, trestles and culverts	2,986,522	10,687			5
6		(7) Elevated structures	42,583				6
7		(8) Ties	5,436,289	1,174			7
8		(9) Rail and other track material	6,950,025	5,884			8
9		(11) Ballast	2,877,247	2,156			9
10		(13) Fences, snowsheds and signs	13,195	181			10
11		(16) Station and office buildings	715,606	1,288			11
12		(17) Roadway buildings	50,357	71			12
13		(18) Water stations		24			13
14		(19) Fuel stations	136,697	70			14
15		(20) Shops and enginehouses	617,281	47			15
16		(22) Storage warehouses	871				16
17		(23) Wharves and docks	6,371				17
18		(24) Coal and ore wharves	284,919				18
19		(25) TOFC/COFC terminals	932,258				19
20		(26) Communications systems	666,879	204			20
21		(27) Signals and interlockers	2,552,915	666			21
22		(29) Power plants	2,704				22
23		(31) Power transmission systems	47,268				23
24		(35) Miscellaneous structures	14,048	6			24
25		(37) Roadway machines	769,909				25
26		(39) Public improvements - construction	396,814	1,445			26
27		(44) Shop machinery	201,679	19			27
28		(45) Power plant machinery	15,036	8			28
29		Leased property (capitalized rentals)					29
30		Other (specify and explain)		3,658			30
31		TOTAL ROAD	31,527,430	60,618			31
32		(52) Locomotives	5,477,805				32
33		(53) Freight train cars	2,780,399				33
34		(54) Passenger train cars					34
35		(55) Highway revenue equipment	597,383				35
36		(56) Floating equipment					36
37		(57) Work equipment	247,682				37
38		(58) Miscellaneous equipment	248,478				38
39		(59) Computer systems & WP equipment	732,510				39
40		TOTAL EQUIPMENT	10,084,257				40
41		(76) Interest during construction		2,580			41
42		(80) Other elements of investment		(10,109)			42
43		(90) Construction work in progress	636,327				43
44		GRAND TOTAL	42,248,014	53,089			44

INSTRUCTIONS CONCERNING RETURNS TO BE MADE IN SCHEDULE 410

Cross Checks

<p>Schedule 410</p> <p>Line 620, column (h) =</p> <p>Line 620, column (f) =</p> <p>Line 620, column (g) =</p> <p>Line 231, column (f) =</p> <p>Line 230, column (f) =</p> <p>Line 507, column (f) =</p> <p>Line 508, column (f) =</p> <p>Line 509, column (f) =</p> <p>Line 510, column (f) =</p> <p>Line 511, column (f) =</p> <p>Line 512, column (f) =</p> <p>Line 513, column (f) =</p> <p>Line 514, column (f) =</p> <p>Line 515, column (f) =</p> <p>Line 516, column (f) =</p> <p>Line 517, column (f) =</p> <p>Schedule 450</p> <p>Line 4, column (b) =</p>	<p>Schedule 210</p> <p>Line 14, column (b)</p> <p>Line 14, column (d)</p> <p>Line 14, column (e)</p> <p>Schedule 414</p> <p>Line 19, columns (b) through (d)</p> <p>Line 19, columns (e) through (g)</p> <p>Schedule 417</p> <p>Line 1, column (j)</p> <p>Line 2, column (j)</p> <p>Line 3, column (j)</p> <p>Line 4, column (j)</p> <p>Line 5, column (j)</p> <p>Line 6, column (j)</p> <p>Line 7, column (j)</p> <p>Line 8, column (j)</p> <p>Line 9, column (j)</p> <p>Line 10, column (j)</p> <p>Line 11, column (j)</p> <p>Schedule 210</p> <p>Line 47, column (b)</p>	<p>Schedule 410</p> <p>Lines 136 through 138, column (f)</p> <p>Lines 118 through 123, and 130 through 135, column (f)</p> <p>Lines 207, 208, 211, 212, column (f)</p> <p>Lines 226, 227, column (f)</p> <p>Lines 311, 312, 315, 316, column (f)</p> <p>Line 213, column (f)</p> <p>Line 232, column (f)</p> <p>Line 317, column (f)</p> <p>Line 202, 203, 216, column (f) , equal to or greater than, but variance cannot exceed line 216, column (f)</p> <p>Lines 221, 222, 235, column (f), equal to or greater than, but variance cannot exceed line 235, column (f)</p> <p>Lines 302 through 307 and 320, column (f) equal to or greater than, but variance cannot exceed line 320, column (f)</p>	<p>Schedule 412</p> <p>Line 29. column (b)</p> <p>Line 29. column (c)</p> <p>Schedule 415</p> <p>Lines 5, 38, column (f)</p> <p>Lines 24, 39, column (f)</p> <p>Lines 32, 35, 36, 37, 40, 41, column (f)</p> <p align="center">And</p> <p>Schedule 414</p> <p>Minus line 24, columns (b) through (d) plus line 24, columns (e) through (g)</p> <p>Schedule 415</p> <p>Lines 5, 38, columns (c) and (d)</p> <p>Lines 24, 39, columns (c) and (d)</p> <p>Lines 32, 35, 36, 37, 40, 41, columns (c) and (d)</p> <p>Lines 5, 38, column (b)</p> <p>Lines 24, 39, column (b)</p> <p>Lines 32, 35, 36, 37, 40, 41, column (b)</p>
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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 rules governing the separation of such expenses between freight and passenger services.

Line No.	Cross Check	Name of railway operating expense account (a)	Salaries & Wages (b)	Material, tools, supplies, fuels, & lubricants (c)	Purchased services (d)	General (e)	Total freight expense (f)	Passenger (g)	Total (h)	Line No.
		WAYS & STRUCTURES								
		ADMINISTRATION								
1		Track	655	139	4,417	1,631	6,842		6,842	1
2		Bridge & building	(490)	122	3,810	180	3,622		3,622	2
3		Signal	3	106	2,203	396	2,708		2,708	3
4		Communication	64	5	125	104	298		298	4
5		Other	1,271			59	1,330		1,330	5
		REPAIRS AND MAINTENANCE								
6		Roadway - running	12,208	68	23,616		35,892		35,892	6
7		Roadway - switching	957	3	549		1,509		1,509	7
8		Tunnels & subways - running								8
9		Tunnels & subways - switching								9
10		Bridges & culverts - running	15,849	1,036	15,477	2,336	34,698		34,698	10
11		Bridges & culverts - switching	585	82	1,182	69	1,918		1,918	11
12		Ties - running	12,530	2,955	5,702	1,307	22,494		22,494	12
13		Ties - switching	93	200			293		293	13
14		Rail & other track material - running	62,994	10,444	39,444	9,085	121,967		121,967	14
15		Rail & other track material - switching	2,834	804	1,618	220	5,476		5,476	15
16		Ballast - running	3,543	1,252	918	(38)	5,675		5,675	16
17		Ballast - switching	214	79	58		351		351	17
18		Road property damaged - running	3,935	2,721	4,699	3	11,358		11,358	18
19		Road property damaged - switching								19
20		Road property damaged - other	4	2	9		15		15	20
21		Signals & interlockers - running	33,104	9,403	17,442	1,272	61,221		61,221	21
22		Signals & interlockers - switching	4,978	67	42	10	5,097		5,097	22
23		Communications systems	1,240	1,328	8,165	7	10,740		10,740	23
24		Power systems	745	133			878		878	24
25		Highway grade crossings - running	650	2,002	5,577	3,356	11,585		11,585	25
26		Highway grade crossings - switching		71	152		223		223	26
27		Station & office buildings	1,120	581	18,383		20,084		20,084	27
28		Shop buildings - locomotives	1,875	1,001	2,287	11,366	16,529		16,529	28
29		Shop buildings - freight cars	67	336	1,715		2,118	N/A	2,118	29
30		Shop buildings - other equipment	22	16			38		38	30

410. RAILWAY OPERATING EXPENSES - (Continued)

(Dollars in Thousands)

Line No.	Cross Check	Name of railway operating expense account (a)	Salaries & Wages (b)	Material, tools, supplies, fuels, & lubricants (c)	Purchased services (d)	General (e)	Total freight expense (f)	Passenger (g)	Total (h)	Line No.
		REPAIRS AND MAINTENANCE - (Continued)								
101		Locomotive servicing facilities	7				7		7	101
102		Miscellaneous buildings & structures	758	531	1,798		3,087		3,087	102
103		Coal terminals	2,525	1,677	1,635		5,837	N/A	5,837	103
104		Ore terminals						N/A		104
105		Other marine terminals						N/A		105
106		TOFC/COFC terminals	91	8,695	19,433		28,219	N/A	28,219	106
107		Motor vehicle loading & distribution facilities			298		298	N/A	298	107
108		Facilities for other specialized service operations		503	1,699	196	2,398	N/A	2,398	108
109		Roadway machines	9,112	15,098	924	728	25,862		25,862	109
110		Small tools & supplies		14,888	2,394		17,282		17,282	110
111		Snow removal	3,032	58	3,682		6,772		6,772	111
112		Fringe benefits - running				57,855	57,855		57,855	112
113		Fringe benefits - switching				3,941	3,941		3,941	113
114		Fringe benefits - other				9,747	9,747		9,747	114
115		Casualties & insurance - running				31,634	31,634		31,634	115
116		Casualties & insurance - switching				3,532	3,532		3,532	116
117		Casualties & insurance - other				8,268	8,268		8,268	117
118	*	Lease rentals - debit -running			43,899		43,899		43,899	118
119	*	Lease rentals - debit -switching			125,105		125,105		125,105	119
120	*	Lease rentals - debit -other			23,632		23,632		23,632	120
121	*	Lease rentals - (credit) - running			(1,654)		(1,654)		(1,654)	121
122	*	Lease rentals - (credit) - switching								122
123	*	Lease rentals - (credit) - other								123
124		Joint facility rent - debit - running			67		67		67	124
125		Joint facility rent - debit - switching			7		7		7	125
126		Joint facility rent - debit - other			1		1		1	126
127		Joint facility rent - (credit) - running			(101)		(101)		(101)	127
128		Joint facility rent - (credit) - switching			(12)		(12)		(12)	128
129		Joint facility rent - (credit) - other			(1)		(1)		(1)	129
130	*	Other rents - debit - running			2,440		2,440		2,440	130
131	*	Other rents - debit - switching								131
132	*	Other rents - debit - other			1,231		1,231		1,231	132
133	*	Other rents - (credit) - running								133

410. RAILWAY OPERATING EXPENSES - (Continued)

(Dollars in Thousands)

Line No.	Cross Check	Name of railway operating expense account (a)	Salaries & Wages (b)	Material, tools, supplies, fuels, & lubricants (c)	Purchased services (d)	General (e)	Total freight expense (f)	Passenger (g)	Total (h)	Line No.
		REPAIRS AND MAINTENANCE - (Continued)								
134	*	Other rents - (credit) - switching								134
135	*	Other rents - (credit) - other			(2,483)		(2,483)		(2,483)	135
136	*	Depreciation - running				456,971	456,971		456,971	136
137	*	Depreciation - switching				38,751	38,751		38,751	137
138	*	Depreciation - other				372,837	372,837		372,837	138
139		Joint facility - debit - running			39,907		39,907		39,907	139
140		Joint facility - debit - switching			7,045		7,045		7,045	140
141		Joint facility - debit - other			18,623		18,623		18,623	141
142		Joint facility - (credit) - running			(44,439)		(44,439)		(44,439)	142
143		Joint facility - (credit) - switching			(1,332)		(1,332)		(1,332)	143
144		Joint facility - (credit) - other			(3,789)		(3,789)		(3,789)	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	(2,234)		(1)	3,895	1,660		1,660	148
149		Other - switching			11		11		11	149
150		Other - other								150
151		TOTAL WAY AND STRUCTURES	174,341	76,406	397,609	1,019,718	1,668,074		1,668,074	151
		EQUIPMENT								
		LOCOMOTIVES								
201		Administration	5,613	466	3,048	166	9,293		9,293	201
202	*	Repair & maintenance	76,155	135,320	18,730	23	230,228		230,228	202
203	*	Machinery repair	2,984	1,306	1,327		5,617		5,617	203
204		Equipment damaged	63	45			108		108	204
205		Fringe benefits				48,113	48,113		48,113	205
206		Other casualties & insurance				9,186	9,186		9,186	206
207	*	Lease rentals - debit			338		338		338	207
208	*	Lease rentals - (credit)			(8,137)		(8,137)		(8,137)	208
209		Joint facility rent - debit								209
210		Joint facility rent - (credit)								210
211	*	Other rents - debit			136		136		136	211
212	*	Other rents - (credit)								212
213	*	Depreciation				191,346	191,346		191,346	213
214		Joint facility - debit								214
215		Joint facility - (credit)								215
216	*	Repairs billed to others - (credit)			(2,313)		(2,313)		(2,313)	216

410. RAILWAY OPERATING EXPENSES - (Continued)

(Dollars in Thousands)

Line No.	Cross Check	Name of railway operating expense account (a)	Salaries & Wages (b)	Material, tools, supplies, fuels, & lubricants (c)	Purchased services (d)	General (e)	Total freight expense (f)	Passenger (g)	Total (h)	Line No.
313		OTHER EQUIPMENT (Continued) Joint facility rent - debit								313
314		Joint facility rent - (credit)								314
315		Other rents - debit			45,509		45,509		45,509	315
316		Other rents - (credit)			(46,681)		(46,681)		(46,681)	316
317		Depreciation				108,742	108,742		108,742	317
318		Joint facility - debit								318
319		Joint facility - (credit)								319
320		Repairs billed to others - (credit)			(11,455)		(11,455)		(11,455)	320
321		Dismantling retired property								321
322		Other			19		19		19	322
323		TOTAL OTHER EQUIPMENT	1,437	7,117	179,561	118,664	306,779		306,779	323
324		TOTAL EQUIPMENT	121,889	202,046	519,340	833,743	1,677,018		1,677,018	324
		TRANSPORTATION								
		TRAIN OPERATIONS								
401		Administration	5,787	3,493	3,150	1,353	13,783		13,783	401
402		Engine crews	325,388	326	19,026	16,032	360,772		360,772	402
403		Train crews	238,172	1,550	15,346	13,607	268,675		268,675	403
404		Dispatching trains	38,878	50	5	441	39,374		39,374	404
405		Operating signals & interlockers	38,858	38	10	140	39,046		39,046	405
406		Operating drawbridges	1,680				1,680		1,680	406
407		Highway crossing protection	19	85	2,904		3,008		3,008	407
408		Train inspection & lubrication	28,910	17			28,927		28,927	408
409		Locomotive fuel		465,198	1		465,199		465,199	409
410		Electric power purchased or produced for motive power								410
411		Servicing locomotives	19,009	3,309	15,384	1	37,703		37,703	411
412		Freight lost or damaged - solely related								412
413		Clearing wrecks	124	5	15,895		16,024		16,024	413
414		Fringe benefits				322,451	322,451		322,451	414
415		Other casualties & insurance				51,392	51,392		51,392	415
416		Joint facility - debit			2		2		2	416
417		Joint facility - (credit)								417
418		Other	(6,307)		153,257	(178)	146,772		146,772	418
419		TOTAL TRAIN OPERATIONS	690,518	474,071	224,980	405,239	1,794,808		1,794,808	419
		YARD OPERATIONS								
420		Administration	895	122	760	590	2,367		2,367	420
421		Switch crews	151,580	573	24,489	269	176,911		176,911	421

410. RAILWAY OPERATING EXPENSES - (Continued)

(Dollars in Thousands)

Line No.	Cross Check	Name of railway operating expense account (a)	Salaries & Wages (b)	Material, tools, supplies, fuels, & lubricants (c)	Purchased services (d)	General (e)	Total freight expense (f)	Passenger (g)	Total (h)	Line No.
		YARD OPERATIONS (Continued)								
422		Controlling operations	30,588	31	147	10	30,776		30,776	422
423		Yard and terminal clerical	1,424	2,816	2,479	317	7,036		7,036	423
424		Operating switches, signals, retarders, & humps		441	14		455		455	424
425		Locomotive fuel		34,456			34,456		34,456	425
426		Electric power purchased or produced for motive power								426
427		Servicing locomotives								427
428		Freight lost or damaged - solely related								428
429		Clearing wrecks	66				66		66	429
430		Fringe benefits				88,599	88,599		88,599	430
431		Other casualties & insurance				7,163	7,163		7,163	431
432		Joint facility - debit			66		66		66	432
433		Joint facility - (credit)								433
434		Other			7		7		7	434
435		TOTAL YARD OPERATIONS	184,553	38,439	27,962	96,948	347,902		347,902	435
		TRAIN & YARD OPERATIONS COMMON:								
501		Cleaning car interiors	307		2,767		3,074		3,074	501
502		Adjusting & transferring loads	37	1	966		1,004	N/A	1,004	502
503		Car loading devices & grain docks	1				1	N/A	1	503
504		Freight lost or damaged - all other				26,856	26,856		26,856	504
505		Fringe benefits				164	164		164	505
506		TOTAL TRAIN & YARD OPERATIONS COMMON:	345	1	3,733	27,020	31,099		31,099	506
		SPECIALIZED SERVICE OPERATIONS								
507	*	Administration	7,164	202	14,793	141	22,300	N/A	22,300	507
508	*	Pickup & delivery and marine line haul	444	8,176	72,794	229	81,643	N/A	81,643	508
509	*	Loading & unloading and local marine	7,560	1,132	286,869	3	295,564	N/A	295,564	509
510	*	Protective services		17	184		201	N/A	201	510
511	*	Freight lost or damaged - solely related						N/A		511
512	*	Fringe benefits				5,404	5,404	N/A	5,404	512
513	*	Casualties & insurance				7,268	7,268	N/A	7,268	513
514	*	Joint facility - debit			1		1	N/A	1	514
515	*	Joint facility - (credit)						N/A		515
516	*	Other						N/A		516
517	*	TOTAL SPECIALIZED SERVICE OPERATIONS	15,168	9,527	374,641	13,045	412,381	N/A	412,381	517

410. RAILWAY OPERATING EXPENSES - (Continued)

(Dollars in Thousands)

Line No.	Cross Check	Name of railway operating expense account (a)	Salaries & Wages (b)	Material, tools, supplies, fuels, & lubricants (c)	Purchased services (d)	General (e)	Total freight expense (f)	Passenger (g)	Total (h)	Line No.
ADMINISTRATIVE SUPPORT OPERATIONS:										
518		Administration		1,518	601	448	2,567		2,567	518
519		Employees performing clerical & accounting functions	12,031	416	1,615	28	14,090		14,090	519
520		Communication systems operations	730			7	737		737	520
521		Loss & damage claims processing		8	3,793		3,801		3,801	521
522		Fringe benefits				6,271	6,271		6,271	522
523		Casualties & insurance				533	533		533	523
524		Joint facility - debit								524
525		Joint facility - (credit)								525
526		Other								526
527		TOTAL ADMINISTRATIVE SUPPORT OPERATIONS	12,761	1,942	6,009	7,287	27,999		27,999	527
528		TOTAL TRANSPORTATION	903,345	523,980	637,325	549,539	2,614,189		2,614,189	528
GENERAL AND ADMINISTRATIVE										
601		Officers - general administration	569	867	1,335	991	3,762		3,762	601
602		Accounting, auditing, & finance	2,818	66	7,910	898	11,692		11,692	602
603		Management services & data processing	3,748	170	107,267	678	111,863		111,863	603
604		Marketing	51	183	7,997	2,070	10,301		10,301	604
605		Sales		2	11	41	54		54	605
606		Industrial development	67	18	93	120	298	N/A	298	606
607		Personnel & labor relations	5,468	186	11,003	3,505	20,162		20,162	607
608		Legal & secretarial		8	40,199	1,639	41,846		41,846	608
609		Public relations & advertising		118	2,987	1,533	4,638		4,638	609
610		Research & development								610
611		Fringe benefits				5,631	5,631		5,631	611
612		Casualties & insurance				5,556	5,556		5,556	612
613		Writedown of uncollectible accounts				4,451	4,451		4,451	613
614		Property taxes				159,566	159,566		159,566	614
615		Other taxes except on corporate income or payroll				30,446	30,446		30,446	615
616		Joint facility - debit								616
617		Joint facility - (credit)								617
618		Other	21,854	1,929	652,884	160,534	837,201		837,201	618
619		TOTAL GENERAL AND ADMINISTRATIVE	34,575	3,547	831,686	377,659	1,247,467		1,247,467	619
620	*	TOTAL CARRIER OPERATING EXPENSE	1,234,150	805,979	2,385,960	2,780,659	7,206,748		7,206,748	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 lease/rentals reported in column (c), line 29, should balance 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 category is not known, apportion the lease/rentals based on the percentage of the categories' depreciation bases for all categories of depreciable leased property. Use Schedule 352B of this report to obtain 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. The net adjustment on line 29, shall equal the adjustment reported on line 29 of Schedule 335, excluding Account 44, Shop Machinery.
5. Report on line 28, all other lease rentals not apportioned in any category listed on lines 1 through 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 purposes	N/A			1
2		3	Grading	49,677	10,991	(9,891)	2
3		4	Other right-of-way expenditures	196	44	(6)	3
4		5	Tunnels and subways	4,418	977	(160)	4
5		6	Bridges, trestles and culverts	50,332	11,136	(3,392)	5
6		7	Elevated structures	(520)	(115)	(711)	6
7		8	Ties	258,201	57,127	(778)	7
8		9	Rail and other track material	159,427	35,273	(8,402)	8
9		11	Ballast	80,894	17,898	125	9
10		13	Fences, snowsheds and signs	77	17	(31)	10
11		16	Station and office buildings	14,616	3,234	(2,434)	11
12		17	Roadway buildings	697	154	(368)	12
13		18	Water stations				13
14		19	Fuel stations	3,805	842	(161)	14
15		20	Shops and enginehouses	11,170	2,471	(356)	15
16		22	Storage warehouses	(17)	(4)	(26)	16
17		23	Wharves and docks	164	36	(56)	17
18		24	Coal and ore wharves	8,119	1,796	(145)	18
19		25	TOFC/COFC terminals	26,845	5,939	(1,325)	19
20		26	Communications systems	22,873	5,061	(4,796)	20
21		27	Signals and interlockers	110,149	24,371	13,408	21
22		29	Power plants	8	2	(70)	22
23		31	Power transmission systems	852	189	(190)	23
24		35	Miscellaneous structures	162	36	(147)	24
25		37	Roadway machines	21,418	4,739	(2,497)	25
26		39	Public improvements - construction	44,812	9,915	14,354	26
27		45	Power plant machinery	184	41	(129)	27
28			Other lease/rentals	N/A		N/A	28
29			TOTAL	868,559	192,170	(8,184)	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 Schedules 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		8	18	28,779	1,441	3,644	2
3		Box - Equipped		3,649	10,323	133	9,257	31,019	3
4		Gondola - Plain		946	4,229	712	501	1,078	4
5		Gondola - Equipped		2,539	6,419	20	1,574	4,673	5
6		Hopper - Covered		681	3,656	5,118	2,309	5,791	6
7		Hopper - Open Top - General Service		78	1,771	1	81	266	7
8		Hopper - Open Top - Special Service		166	511	2	96	365	8
9		Refrigerator - Mechanical				5	347	1,083	9
10		Refrigerator - Nonmechanical				2	232	380	10
11		Flat - TOFC/COFC			21,569	112,045	10,499	35,053	11
12		Flat - Multi-Level		97	54,742	74,007	2,177	56,888	12
13		Flat - General Service		1	3	277	60	32	13
14		Flat - Other		349	1,403	19,343	1,568	4,685	14
15		Tank - Under 22,000 Gallons				2,585			15
16		Tank - 22,000 Gallons and Over				4,996			16
17		All Other Freight Cars			9,427	1	61	132	17
18		Auto Racks			79,384			68,786	18
19		TOTAL FREIGHT TRAIN CARS		8,514	193,455	248,026	30,203	213,875	19
OTHER FREIGHT CARRYING EQUIPMENT									
20		Refrigerated Trailers							20
21		Other Trailers							21
22		Refrigerated Containers							22
23		Other Containers			46,681	4,128		41,284	23
24	*	TOTAL TRAILERS AND CONTAINERS			46,681	4,128		41,284	24
25		GRAND TOTAL (Lines 19 and 24)		8,514	240,136	252,154	30,203	255,159	25

NOTES AND REMARKS FOR SCHEDULE 414

Empty area 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 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. The net adjustment on line 43 shall equal the equipment amortization adjustment applicable to equipment used in freight service included in line 39, column (c), of Schedule 335.
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)

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 Locomotives - Yard	15,142	3,748		(476)	1
2		Diesel Locomotives - Road	212,773	186,119		(13,237)	2
3		Other Locomotives - Yard					3
4		Other Locomotives - Road					4
5	*	TOTAL LOCOMOTIVES	227,915	189,867		(13,713)	5
		FREIGHT TRAIN CARS					
6		Box - Plain 40 foot					6
7		Box - Plain 50 foot and longer	497	(33)		(36)	7
8		Box - Equipped	7,355	(722)		(4,448)	8
9		Gondola - Plain	11,762	12,260		(4,772)	9
10		Gondola - Equipped	8,731	5,965		(1,324)	10
11		Hopper - Covered	15,320	4,037		(1,856)	11
12		Hopper - Open Top - General Service	2,125	2,644		(7,404)	12
13		Hopper - Open Top - Special Service	2,019	1,918		(1,709)	13
14		Refrigerator - Mechanical	239				14
15		Refrigerator - Nonmechanical	64				15
16		Flat - TOFC/COFC	3,568	(87)		(87)	16
17		Flat - Multi-level	2,953	592		(384)	17
18		Flat - General Service	25	(1)		(1)	18
19		Flat - Other	3,357	211		(578)	19
20		All Other Freight Cars	7,650	291		(53)	20
21		Cabooses	30	55		(102)	21
22		Auto Racks	71	18,090		(5,964)	22
23		Miscellaneous Accessories		807		59	23
24	*	TOTAL FREIGHT TRAIN CARS	65,766	46,027		(28,659)	24
		OTHER EQUIPMENT - REVENUE FREIGHT HIGHWAY EQUIPMENT					
25		Refrigerated Trailers					25
26		Other Trailers	351				26
27		Refrigerated Containers					27
28		Other Containers	5,418	11,472		186	28
29		Bogies					29
30		Chassis	42,705	15,144		(1,023)	30
31		Other Highway Equipment (Freight)					31
32	*	TOTAL HIGHWAY EQUIPMENT	48,474	26,616		(837)	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.	118,664	60,648	2,297	(6,738)	37
38	*	Machinery - Locomotives (1)	5,617	1,479		(312)	38
39	*	Machinery - Freight Cars (2)	6,450	3,097		(650)	39
40	*	Machinery - Other Equipment (3)	237	711		(148)	40
41	*	Work and Other Nonrevenue Equipment	21,336	18,470		(5,184)	41
42		TOTAL OTHER EQUIPMENT	152,304	84,405	2,297	(13,032)	42
43		TOTAL ALL EQUIPMENT (FREIGHT PORTION)	494,459	346,915	2,297	(56,241)	43

(1) Data reported on line 38, column (b) is the amount reported in Sched. 410, column (f), line 203, reduced by the allocable portion of line 216.

(2) Data reported on line 39, column (b) is the amount reported in Sched. 410, column (f), line 222, reduced by the allocable portion of line 235.

(3) Data reported on line 40, column (b) is the amount reported in Sched. 410, column (f), lines 302 through 306, reduced by the allocable portion of line 320.

415. SUPPORTING SCHEDULE - EQUIPMENT - (Continued)

Line No.	Cross Check	Lease & 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			93,498		36,086		1
2		(7,799)	5,384,307		1,881,684		2
3							3
4							4
5	*	(7,799)	5,477,805		1,917,770		5
6							6
7		3	125		108		7
8		3,209	144,000		73,577		8
9		3,407	705,980		191,808		9
10		9,116	431,139		135,772		10
11		344	325,663		113,268		11
12		1,521	409,341		109,968		12
13			155,417		75,985		13
14							14
15							15
16		(2,738)	268		451		16
17		821	26,299		16,743		17
18		16	24		(2)		18
19			42,370		25,129		19
20		28	17,940		15,326		20
21			4,477		3,612		21
22		1,470	510,747		261,857		22
23		0	6,506		792		23
24	*	17,197	2,780,296		1,024,394		24
25							25
26			37,633		25,039		26
27							27
28		715	192,491		74,459		28
29							29
30			367,259		116,022		30
31							31
32	*	715	597,383		215,520		32
33							33
34							34
35	*						35
36	*						36
37	*		721,615	10,895	383,715	4,594	37
38	*	136	56,430		22,806		38
39	*		118,163		47,756		39
40	*		27,128		10,964		40
41	*	97	473,832	22,328	175,465	3,162	41
42		233	1,397,168	33,223	640,706	7,756	42
43		10,346	10,252,652	33,223	3,798,390	7,756	43

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

(2) Depreciation reported on lines 38, 39, and 40 in column (c) is calculated by multiplying the investment in each element by the effective composite rate for property account 44, and then adding or subtracting the adjustment reported in column (e). This calculation

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)		
1		LOCOMOTIVES Diesel Locomotive - Yard					1
2		Diesel Locomotive - Road					2
3		Other Locomotive - Yard					3
4		Other Locomotive - Road					4
5	*	TOTAL					5
6		FREIGHT TRAIN CARS 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 (see note 4)					23
24	*	TOTAL FREIGHT TRAIN CARS					24
25		OTHER EQUIPMENT - REVENUE FREIGHT HIGHWAY EQUIPMENT 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
33		FLOATING EQUIPMENT - REVENUE SERVICE Marine Line - Haul					33
34		Local Marine					34
35	*	TOTAL FLOATING EQUIPMENT					35
36	*	OTHER EQUIPMENT Passenger & Other Revenue Equipment (Freight Portion)					36
37	*	Computer systems & word processing equip.					37
38	*	Machinery - Locomotives (see note 1)					38
39	*	Machinery - Freight Cars (see note 2)					39
40	*	Machinery - Other Equipment (see note 3)					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, reduced by the allocable portion of line 216.

Note 2 Data to be reported on line 39, column (b) is the amount reported in Schedule 410, column (f), line 222, reduced by the allocable portion of line 235.

Note 3 Data to be reported on line 40 in column (b) is the amount reported in Schedule 410, column (f), lines 302 through 306, reduced by the allocable portion of line 320

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 1 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 2 Depreciation reported on lines 38, 39 and 40 in column (c) is calculated by multiplying the investment in each element by the effective composite rate for property account 44, and then adding or subtracting the adjustment reported in column (e). This calculation should equal the amount shown 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 relating 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 & distribution (g)	Protective services refrigerator car (h)	Other special services (i)	Total columns (b) - (i) (j)	Line No.
1	*	Administration	17,157		1,001			968		3,174	22,300	1
2	*	Pick up and delivery, marine line haul	45,116		4,340			2,927	N/A	29,260	81,643	2
3	*	Loading and unloading and local marine	248,877		5,585			42,227	N/A	(1,125)	295,564	3
4	*	Protective services - total debits and credits							201		201	4
5	*	Freight lost or damaged - solely related										5
6	*	Fringe benefits	4,725		679						5,404	6
7	*	Casualty and insurance	7,268								7,268	7
8	*	Joint facility - debit	1								1	8
9	*	Joint facility - credit										9
10	*	Other										10
11	*	TOTAL	323,144		11,605			46,122	201	31,309	412,381	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	263,166	1
		U.S. Government Taxes		
		Income Taxes		
2		Normal Tax and Surtax	409,965	2
3		Excess Profits		3
4	*	Total - Income Taxes (Lines 2 and 3)	409,965	4
5		Railroad Retirement	324,579	5
6		Hospital Insurance	26,818	6
7		Supplemental Annuities		7
8		Unemployment Insurance	3,858	8
9		All Other United States Taxes		9
10		Total - U.S. Government Taxes	765,220	10
11		Total - Railway Taxes	1,028,386	11

B. Adjustments to Federal Income Taxes

- 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)."
- Indicate in column (b) the beginning of year totals of Accounts 714, 744, 762, and 786 applicable to each particular item in column (a).
- Indicate in column (c) the net changes in Accounts 714, 744, 762, and 786 for the net tax effect of timing differences originating and reversing in the current accounting period.
- 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.
- 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.
- 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 IRC: Guideline lives pursuant to Rev. Proc. 62-21.					1
2	Accelerated amortization of facilities, Sec. 168 IRC					2
3	Accelerated amortization of rolling stock, Sec. 184 IRC					3
4	Amortization of rights of way, Sec 185 IRC					4
5	Other:					5
6	Property	6,562,357	110,975	(1)	6,673,331	6
7	Tax Benefit Transfer Leases	6,537	(868)		5,669	7
8	Reserves, Including Casualty & Other Claims	(93,423)	(3,798)		(97,221)	8
9	Compensation Benefits	(38,739)	16,512	(34,011)	(56,238)	9
10	Miscellaneous	173,324	(51,963)		121,361	10
11						11
12						12
13						13
14						14
15						15
16						16
17						17
18						18
19	TOTALS	6,610,056	70,858	(34,012)	6,646,902	19

NOTES AND REMARKS

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

450. ANALYSIS OF TAXES

(Dollars in Thousands)

* Footnotes:

1.	If the flow-through method was elected, indicate the net decrease (or increase) in tax accrual because of investment tax credit.	
	If the 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 the amount of the 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 credits	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 association of any agreement or obligation, show the particulars of each contract of guarantee 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 two years 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	None				
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					
21					
22					
23					
24					
25					
26					
27					
28					
29					
30					
31					
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33					
34					
35					
36					
37					
38					

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 two years after the 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 of contingent liability of guarantors (c)	Sole or joint contingent liability (d)	Line No.
1	None				
2					
3					
4					
5					
6					
7					
8					
9					

502. COMPENSATING BALANCES AND SHORT-TERM BORROWING AGREEMENTS

(Dollars in Thousands)

Using the following notes as a guideline, show the requirements of compensating balances and short-term borrowing agreements. 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 that are 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% 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 \$5.2 million, with various banks, under which no borrowings were outstanding as of December 31, 2020.

In May 2020, we renewed and amended our accounts receivable securitization program, reducing our maximum borrowing capacity from \$450 million to \$400 million. The term expires in May 2021. We had no amounts outstanding at either December 31, 2020 or 2019, and our available borrowing capacity was \$400 million and \$429 million, respectively.

510. SEPARATION OF DEBTHOLDINGS BETWEEN ROAD PROPERTY AND EQUIPMENT

(Dollars in Thousands)

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

I. Debt Outstanding at End of Year

Line No.	Account No. (a)	Title (b)	Source (c)	Balance Close of Year (d)
1	751	Loans and notes payable	Sch 200, Line 29	
2	764	Equipment obligations and other long-term debt due within one year	Sch 200, Line 38	505,184
3	765/767	Funded debt unmatured	Sch 200, Line 40	138,085
4	766	Equipment obligations	Sch 200, Line 41	
5	766.5	Capitalized lease obligations	Sch 200, Line 42	20,182
6	768	Debt in default	Sch 200, Line 43	
7	769	Accounts payable - affiliated companies	Sch 200, Line 44	10,078,132
8	770.1/770.2	Unamortized debt premium	Sch 200, Line 45	24,978
9		Total debt	Sum of Lines 1 through 8	10,766,561
10		Debt directly related to road property	Note 1	25,471
11		Debt directly related to equipment	Note 1	
12		Total debt related to road and equipment	Lines 10 and 11	25,471
13		Percent directly related to road	Line 10 /Line 12 Whole % + 2 decimals	100.00%
14		Percent directly related to equipment	Line 11 /Line 12 Whole % + 2 decimals	0.00%
15		Debt not directly related to road and equipment	Line 9 - Line 12	10,741,090
16		Road property debt (Note 2)	(Line 13 x Line 15) + Line 10	10,766,561
17		Equipment debt (Note 2)	(Line 14 x Line 15) + Line 11	

II. Interest Accrued During the Year

Line No.	Account No. (a)	Title (b)	Source (c)	Balance Close of Year (d)
18	546-548	Total interest and amortization (fixed charges)	Sch. 210, Line 42	405,131*
19	546	Contingent interest on funded debt	Sch. 210, Line 44	
20	517	Release of premium on funded debt	Sch. 210, Line 22	
21		Total interest (Note 3)	(Line 18 + Line 19) - Line 20	405,131
22		Interest directly related to road property debt	Note 4	258
23		Interest directly related to equipment debt	Note 4	
24		Interest not directly related to road or equipment property debt	Line 21 - (Lines 22 + 23)	404,873
25		Interest on road property debt (Note 5)	Line 22 + (Line 24 x Line 13)	405,131
26		Interest on equipment debt (Note 5)	Line 23 + (Line 24 x Line 14)	
27		Embedded rate of debt capital - road property	Line 25 / Line 16	3.76%
28		Embedded rate of debt capital - equipment	Line 26 / Line 17	0.00%

Note 1: Directly related means the purpose which the funds were used for 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 - Accounts Payable; Affiliated Companies.

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

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

NOTES AND REMARKS

*Net of capitalized interest of \$13,926.

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
(Dollars in Thousands)

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 (d)	Amount due from or to related parties (e)		
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							4	
5	Conrail Inc. and CRC		Other	(See Note 1)			5	
6	Norfolk Southern Corporation		Controlled	(See Note 1)			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	

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, cross-overs, etc.				Miles of way switching tracks	Miles of yard switching tracks	TOTAL	Line No.
			Miles of road	Miles of second main track	Miles of all other main tracks	Miles of passing tracks, cross-overs, and turnouts				
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	
1	1	100%	14,529	2,578	91	1,994	2,477	5,750	27,419	1
2	1	50%	7	5		5	15	13	45	2
3	1	33%	4	3		4		5	16	3
4	1J	75%						6	6	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	14,540	2,586	91	2,004	2,507	5,803	27,531	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		36	46	80	676	15
16	3BJ	50%				1		6	7	16
17										17
18		Total Class 3	360	186		37	51	88	722	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%	4,429	1,152	551	370	135	532	7,169	28
29										29
30		Total Class 5	4,429	1,152	551	370	135	532	7,169	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		19,335	3,924	642	2,411	2,694	6,456	35,462	57
58	Miles of electrified road or track included in the preceding grand total									58

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

Give particulars, as of the close of the year, of all road operated and of all road owned but not operated. The respondent's proportion of operated road held by it as a 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 but not operated should be shown in column (h), as appropriate. Mileage which has been permanently abandoned should not be included in column (h).

Mileage should be reported to the nearest WHOLE mile adjusted in 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					46	82	93		3
4		District of Columbia						19	19			4
5		Florida	95					53	148			5
6		Georgia	1,697					9	1,706	381		6
7		Illinois	847					414	1,261	63		7
8		Indiana	1,172		2			265	1,439	36		8
9		Iowa	5			1		37	43	41		9
10		Kansas						2	2			10
11		Kentucky	154		212			63	429			11
12		Louisiana	72					4	76			12
13		Maryland	59					200	259	37		13
14		Michigan	115					372	487	157		14
15		Mississippi	209					2	211			15
16		Missouri	344					65	409			16
17		New Jersey	95					807	902	29		17
18		New York	545					294	839	227		18
19		North Carolina	823					364	1,187	418		19
20		Ohio	1,513		10			389	1,912	361		20
21		Pennsylvania	1,773			5		641	2,419	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	155		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)	14,540		360	6	4,429	19,335	2,694			32

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)	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	2,625			103		491	2,237		2,237	(HP) 9,716,400		1
2		Diesel-passenger units												2
3		Diesel-multiple purpose units	1,047				6	267	786		786	2,098,000	37	3
4		Diesel-switching units	17					13	4		4	4,400		4
5	*	TOTAL (lines 1 to 4) units	3,689			103	6	771	3,027		3,027	11,818,800	37	5
6	*	Electric locomotives												6
7	*	Other self-powered units												7
8	*	TOTAL (lines 5, 6, and 7)	3,689			103	6	771	3,027		3,027	11,818,800	37	8
9	*	Auxiliary units	178					40	138		138	N/A		9
10	*	TOTAL LOCOMOTIVE UNITS (lines 8 and 9)	3,867			103	6	811	3,165		3,165	11,818,800	37	10

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 1/1/2000 (b)	During Calendar Year				2020 (g)	2021 (h)	2022 (i)	2023 (j)	2024 (k)	TOTAL (l)	Line No.
				Between 1/1/2000 and 12/31/2004 (c)	Between 1/1/2005 and 12/31/2009 (d)	Between 1/1/2010 and 12/31/2014 (e)	Between 1/1/2015 and 12/31/2019 (f)							
11	*	Diesel	1,705	582	274	317	149						3,027	11
12	*	Electric												12
13	*	Other self-powered units												13
14	*	TOTAL (lines 11 to 13)	1,705	582	274	317	149						3,027	14
15	*	Auxiliary units	101			8	29						138	15
16	*	TOTAL LOCOMOTIVE UNITS (lines 14 and 15)	1,806	582	274	325	178					N/A	3,165	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)	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)							
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, & tavern cars (All class D, PD)										N/A		21
22		Nonpassenger carrying cars (All class B, CSB, M, PSA, IA)										N/A		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						29		29	N/A		30
31		Board outfit cars (MWX)	303			29		39	293		293	N/A		31
32		Derrick & snow removal cars (MWU, MWV, MWW, MWK)	186					12	174		174	N/A		32
33		Dump and ballast cars (MWB, MWD)	596					92	324	180	504	N/A		33
34		Other maintenance and service equipment cars	4,856			9		192	4,670	3	4,673	N/A		34
35		TOTAL (Lines 30 to 34)	5,970			38		335	5,490	183	5,673	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)	
		FREIGHT TRAIN CARS							
36		Plain box cars - 40' (B1_, B2_)							36
37		Plain box cars - 50' and longer (B3_0-7, B4_0-7, B5_, B6_ B7_, B8_)	12						37
38		Equipped box cars (All Code A, Except A 5_)	5,167						38
39		Plain gondola cars (All Codes G & J, J__1, J__2, J__3, J__4)	14,816						39
40		Equipped gondola cars (All Code E)	10,710					96	40
41		Covered hopper cars (C__1, C__2, C__3, C__4)	6,320						41
42		Open top hopper cars - general service (All Code H)	6,940						42
43		Open top hopper cars - special service (J__O), and All Code K)	2,937						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_)	316						46
47		Flat cars - multilevel (All Code V)	462						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_)	1,180						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)		4					51
52		All other freight cars (A__5_, F__7_, All Code L & Q8_)	1,453						52
53		TOTAL (Lines 36 to 52)	50,314	4				96	53
54		Caboose (All Code M-930)	N/A	139					54
55		TOTAL (Lines 53 and 54)	50,314	143				96	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)	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		9	3			3		256	37
38		1,702	2,848	617		3,465		312,738	38
39		2,771	10,409	1,636		12,045		1,407,066	39
40		690	8,549	1,567		10,116		1,053,110	40
41		369	5,951			5,951		661,573	41
42		836	6,104			6,104		695,841	42
43		318	2,619			2,619		297,115	43
44									44
45									45
46		303	13			13		764	46
47		12	365	85		450		21,557	47
48			1			1		79	48
49		65	1,115			1,115		111,186	49
50									50
51				4			4	396	51
52		32	1,421			1,421		69,649	52
53		7,107	39,398	3,909		43,303	4	4,631,330	53
54		1	138			N/A	138	N/A	54
55		7,108	39,536	3,909		43,303	142	4,631,330	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)	
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)		33,865					2 59
60		Dry van (U2 , Z , Z6 , I-6)		20,003					60
61		Flat bed (U3 , Z3)		90					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)		53,958					2 70

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 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		2	33,865			33,865	N/A		59
60		570	19,433			19,433	548,890		60
61			90			90	1,012		61
62									62
63									63
64									64
65									65
66									66
67									67
68									68
69									69
70		572	53,388			53,388	549,902		70

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 the 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) or steel boxcars-special service (XAP). For TOFC/COFC, show the 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 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 in 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	Number of Units	Total Weight (Tons)	Total Cost	Method of Acquisition (see instructions)	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
25	TOTAL					25

REBUILT UNITS

26	Diesel - Freight Units 6-Axle 4,500 HP	3	591	5,641	C	26
27	Diesel - Freight Units 6-Axle 4,400 HP	73	15,757	148,740	C	27
28	Diesel - Freight Units 6-Axle 4,400 HP	27	5,832	54,492	S	28
29	Steel Board Outfit Cars	29	11	1,036	S	29
30	Steel Other Maintenance and Service Cars	9	3	331	S	30
31						31
32						32
33						33
34						34
35						35
36						36
37						37
38	TOTAL	141	22,194	210,240	N/A	38
39	GRAND TOTAL	141	22,194	210,240	N/A	39

GENERAL INSTRUCTIONS CONCERNING RETURNS TO BE MADE IN SCHEDULES 720

1. For purposes of these schedules, the track categories are defined as follows:
 - A. Freight density of 20 million or more gross ton-miles per track-mile per year (including 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 (including 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 (including passing tracks, turnouts, and crossovers).
 - D. Freight density of less than 1 million gross ton-miles per track-mile per year (including passing tracks, turnouts, and crossovers).
 - E. Way and yard switching tracks (passing tracks, turnouts, and crossovers shall be included in categories A, B, C, D, F, or 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

Disclose the requested information pertaining to track and traffic conditions.

Line No.	Track category (a)	Mileage of tracks at end of period (whole numbers) (b)	Average annual traffic density in millions of gross ton-miles per track-mile* (use two decimal places) (c)	Average running speed limit (use two decimal places) (d)	Track miles under slow orders at end of period (e)	Line No.
1	A	7,937	37.60	54.12	11	1
2	B	6,481	12.19	46.32	3	2
3	C	2,562	2.84	29.9	23	3
4	D	2,830	0.27	18.75	37	4
5	E	8,483	XXXXXXXXXX	XXXXXXXXXX	N/A	5
6	TOTAL	28,293	19.46	43.38	74	6
7	F	3,478	XXXXXXXXXX	XXXXXXXXXX	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)			
Line No.	LOCOMOTIVES		Line No.
	Kind of locomotive service (a)	Diesel oil (gallons) (b)	
1	Freight	342,470,779	1
2	Passenger		2
3	Yard Switching	25,365,861	3
4	TOTAL	367,836,640	4
5	COST OF FUEL \$(000)	499,655	5
6	Work Train	4,702,260	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 mile 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 4-5, 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.

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

(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.

(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)	Passenger Train (c)	Line No.
1		1 Miles of Road Operated (A)	19,335		1
2		2 Train Miles - Running (B)			
		2-01 Unit Trains	7,246,107	XXXXXX	2
3		2-02 Way Trains	11,673,661	XXXXXX	3
4		2-03 Through Trains	39,664,871		4
5		2-04 TOTAL TRAIN MILES (Lines 2-4)	58,584,639		5
6		2-05 Motorcars (C)			6
7		2-07 TOTAL ALL TRAINS (Lines 5 and 6)	58,584,639		7
		3 Locomotive Unit Miles (D)			
		Road Service (E)			
8		3-01 Unit Trains	16,535,016	XXXXXX	8
9		3-02 Way Trains	17,926,855	XXXXXX	9
10		3-03 Through Trains	93,379,441		10
11		3-04 TOTAL (Lines 8-10)	127,841,312		11
12		3-11 Train Switching (F)	5,109,943	XXXXXX	12
13		3-21 Yard Switching (G)	9,223,177		13
14		3-31 TOTAL ALL SERVICES (Lines 11-13)	142,174,432		14
		4 Freight Car-Miles (thousands) (H)			
		4-01 RR Owned and Leased Cars - Loaded			
15		4-010 Box-Plain 40-Foot		XXXXXX	15
16		4-011 Box-Plain 50-Foot and Longer	7,143	XXXXXX	16
17		4-012 Box-Equipped	62,108	XXXXXX	17
18		4-013 Gondola-Plain	127,280	XXXXXX	18
19		4-014 Gondola-Equipped	54,082	XXXXXX	19
20		4-015 Hopper-Covered	79,790	XXXXXX	20
21		4-016 Hopper-Open Top-General Service	25,384	XXXXXX	21
22		4-017 Hopper-Open Top-Special Service	8,559	XXXXXX	22
23		4-018 Refrigerator-Mechanical	1,876	XXXXXX	23
24		4-019 Refrigerator-Non-Mechanical	2,561	XXXXXX	24
25		4-020 Flat-TOFC/COFC	180,609	XXXXXX	25
26		4-021 Flat-Multi-Level	25,761	XXXXXX	26
27		4-022 Flat-General Service	122	XXXXXX	27
28		4-023 Flat-All Other	22,139	XXXXXX	28
29		4-024 All Other Car Types-Total	37,057	XXXXXX	29
30		4-025 TOTAL (Lines 15-29)	634,471	XXXXXX	30

755. RAILROAD OPERATING STATISTICS - (Continued)

Line No.	Cross Check	Item Description (a)	Freight Train (b)	Passenger Train (c)	Line No.
31		4-11 RR Owned and Leased Cars - Empty 4-110 Box-Plain 40-Foot		XXXXXX	31
32		4-111 Box-Plain 50-Foot and Longer	6,970	XXXXXX	32
33		4-112 Box-Equipped	60,953	XXXXXX	33
34		4-113 Gondola-Plain	125,548	XXXXXX	34
35		4-114 Gondola-Equipped	49,279	XXXXXX	35
36		4-115 Hopper-Covered	80,559	XXXXXX	36
37		4-116 Hopper-Open Top-General Service	26,565	XXXXXX	37
38		4-117 Hopper-Open Top-Special Service	8,921	XXXXXX	38
39		4-118 Refrigerator-Mechanical	1,857	XXXXXX	39
40		4-119 Refrigerator-Non-Mechanical	2,103	XXXXXX	40
41		4-120 Flat-TOFC/COFC	25,828	XXXXXX	41
42		4-121 Flat-Multi-Level	20,226	XXXXXX	42
43		4-122 Flat-General Service	127	XXXXXX	43
44		4-123 Flat-All Other	23,172	XXXXXX	44
45		4-124 All Other Car Types-Total	156	XXXXXX	45
46		4-125 TOTAL (Lines 31-45)	432,264	XXXXXX	46
47		4-13 Private Line Cars - Loaded (H) 4-130 Box-Plain 40-Foot		XXXXXX	47
48		4-131 Box-Plain 50-Foot and Longer	7,896	XXXXXX	48
49		4-132 Box-Equipped	52,764	XXXXXX	49
50		4-133 Gondola-Plain	45,532	XXXXXX	50
51		4-134 Gondola-Equipped	14,567	XXXXXX	51
52		4-135 Hopper-Covered	310,014	XXXXXX	52
53		4-136 Hopper-Open Top-General Service	16,199	XXXXXX	53
54		4-137 Hopper-Open Top-Special Service	45,855	XXXXXX	54
55		4-138 Refrigerator-Mechanical	2,210	XXXXXX	55
56		4-139 Refrigerator-Non-Mechanical	616	XXXXXX	56
57		4-140 Flat-TOFC/COFC	487,289	XXXXXX	57
58		4-141 Flat-Multi-Level	146,975	XXXXXX	58
59		4-142 Flat-General Service	248	XXXXXX	59
60		4-143 Flat-All Other	25,445	XXXXXX	60
61		4-144 Tank Under 22,000 Gallons	79,257	XXXXXX	61
62		4-145 Tank - 22,000 Gallons and Over	228,127	XXXXXX	62
63		4-146 All Other Car Types-Total	6,825	XXXXXX	63
64		4-147 TOTAL (Lines 47-63)	1,469,819	XXXXXX	64

755. RAILROAD OPERATING STATISTICS - (Continued)

Line No.	Cross Check	Item Description (a)	Freight Train (b)	Passenger Train (c)	Line No.
65		4-15 Private Line Cars - Empty (H) 4-150 Box-Plain 40-Foot		XXXXXX	65
66		4-151 Box-Plain 50-Foot and Longer	6,664	XXXXXX	66
67		4-152 Box-Equipped	34,913	XXXXXX	67
68		4-153 Gondola-Plain	47,454	XXXXXX	68
69		4-154 Gondola-Equipped	14,932	XXXXXX	69
70		4-155 Hopper-Covered	314,896	XXXXXX	70
71		4-156 Hopper-Open Top-General Service	16,684	XXXXXX	71
72		4-157 Hopper-Open Top-Special Service	47,311	XXXXXX	72
73		4-158 Refrigerator-Mechanical	2,076	XXXXXX	73
74		4-159 Refrigerator-Non-Mechanical	697	XXXXXX	74
75		4-160 Flat-TOFC/COFC	65,374	XXXXXX	75
76		4-161 Flat-Multi-Level	109,512	XXXXXX	76
77		4-162 Flat-General Service	267	XXXXXX	77
78		4-163 Flat-All Other	28,052	XXXXXX	78
79		4-164 Tank Under 22,000 Gallons	86,890	XXXXXX	79
80		4-165 Tank - 22,000 Gallons and Over	237,971	XXXXXX	80
81		4-166 All Other Car Types-Total	7,210	XXXXXX	81
82		4-167 TOTAL (Lines 65-81)	1,020,903	XXXXXX	82
83		4-17 Work Equipment and Company Freight Car-Miles	36,605	XXXXXX	83
84		4-18 No Payment Car-Miles (I) <1>		XXXXXX	84
85		4-19 Total Car-Miles by Train Type (Note) 4-191 Unit Trains	697,463	XXXXXX	85
86		4-192 Way Trains	157,218	XXXXXX	86
87		4-193 Through Trains	2,739,381	XXXXXX	87
88		4-194 TOTAL (Lines 85-87)	3,594,062	XXXXXX	88
89		4-20 Caboose Miles	1,625	XXXXXX	89

<1> Total number of loaded miles 36,867 and empty miles - by roadrailer included 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 - (Continued)

Line No.	Cross Check	Item Description (a)	Freight Train (b)	Passenger Train (c)	Line No.
		6 Gross Ton-Miles (thousands) (K)			
98		6-01 Road Locomotives	24,845,285		98
99		6-02 Freight Trains, Crs., Cnts, & Caboose			
		6-020 Unit Trains	58,840,092	XXXXXX	99
100		6-021 Way Trains	12,415,250	XXXXXX	100
101		6-022 Through Trains	246,570,726	XXXXXX	101
102		6-03 Passenger Trains, Crs, & Cnts.			102
103		6-04 Non-Revenue	2,199,271	XXXXXX	103
104		6-05 TOTAL (Lines 98 - 103)	344,870,624		104
		7 Tons of Freight (thousands)			
105		7-01 Revenue	291,901	XXXXXX	105
106		7-02 Non-Revenue	982	XXXXXX	106
107		7-03 TOTAL (Lines 105 and 106)	292,883	XXXXXX	107
		8 Ton-Miles of Freight (thousands) (L)			
108		8-01 Revenue - Road Service	164,056,102	XXXXXX	108
109		8-02 Revenue - Lake Transfer Service		XXXXXX	109
110		8-03 TOTAL (Lines 108 and 109)	164,056,102	XXXXXX	110
111		8-04 Non-Revenue - Road Service	363,645	XXXXXX	111
112		8-05 Non-Revenue - Lake Transfer Service		XXXXXX	112
113		8-06 TOTAL (Lines 111 and 112)	363,645	XXXXXX	113
114		8-07 TOTAL - REVENUE & NON-REVENUE (Lines 110 and 113)	164,419,747	XXXXXX	114
		9 Train Hours (M)			
115		9-01 Road Service	3,118,074	XXXXXX	115
116		9-0 Train Switching	559,807	XXXXXX	116
117		10 TOTAL YARD-SWITCHING HOURS (N)	1,537,196		117
		11 Train-Miles Work Trains (O)			
118		11-01 Locomotives	484,998	XXXXXX	118
119		11-02 Motorcars		XXXXXX	119
		12 Number of Loaded Freight Cars (P)			
120		12-01 Unit Trains	1,029,329	XXXXXX	120
121		12-02 Way Trains	3,212,064	XXXXXX	121
122		12-03 Through Trains	5,562,522	XXXXXX	122
123		13 TOFC/COFC- No. of Revenue Trailers & Containers Loaded and Unloaded (Q)	7,079,320	XXXXXX	123
124		14 Multi-Level Cars - No. of Motor Vehicles Loaded & Unloaded (Q)	1,712,363	XXXXXX	124
125		15 TOFC/COFC - No. of Revenue Trailers Picked Up & Delivered (R)	301,017	XXXXXX	125
		16 Revenue-Tons Marine Terminal (S)			
126		16-01 Marine Terminals - Coal	15,689,735	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)	15,689,735	XXXXXX	129
		17 Number of Foreign Per-Diem Cars on Line (T)			
130		17-01 Serviceable	25,683	XXXXXX	130
131		17-02 Unserviceable	251	XXXXXX	131
132		17-03 Surplus		XXXXXX	132
133		17-04 TOTAL (Lines 130 - 132)	25,934	XXXXXX	133
134		TOFC/COFC - Average No. of Units Loaded Per Car	4.48	XXXXXX	134

PTC Supplement

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

TO THE
SURFACE TRANSPORTATION BOARD
FOR THE
YEAR ENDED DECEMBER 31, 2020

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	172,255			20
21		(27) Signals and interlockers	1,231,966			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		Other lease/rentals				29
30		TOTAL EXPENDITURES FOR ROAD	1,404,237			30
31		(52) Locomotives	227,574			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	2,757			37
38		(59) Computer systems & word processing equipment	95,273			38
39		TOTAL EXPENDITURES FOR EQUIPMENT	325,604			39
40		(76) Interest during construction				40
41		(80) Other elements of investment				41
42		(90) Construction work in progress	76,781			42
43		GRAND TOTAL	1,806,622			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	\$ 96,650	\$ 9,000	\$ 105,650
PTC-220 LLC	\$ 17,974	\$ 2,894	\$ 20,868

In addition, Conrail, Inc. has invested a total of \$9,757 for the purpose of implementing PTC through December 31, 2020.

These investments are not included in the above Schedule PTC 330.

PTC 330. ROAD PROPERTY AND EQUIPMENT AND IMPROVEMENTS TO LEASED PROPERTY AND EQUIPMENT - (Continued)
(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		279		279	172,534	20
21		20,200		20,200	1,252,166	21
22						22
23						23
24						24
25						25
26						26
27						27
28						28
29						29
30		20,479		20,479	1,424,716	30
31		71,372	30,704	40,668	268,242	31
32						32
33						33
34						34
35						35
36						36
37			53	(53)	2,704	37
38		5,341		5,341	100,614	38
39		76,713	30,757	45,956	371,560	39
40						40
41						41
42		(56,750)		(56,750)	20,031	42
43		40,442	30,757	9,685	1,816,307	43

PTC 332. DEPRECIATION 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, and 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, 35-22-00, 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 therefore 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)		
	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				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	172,255	172,534	5.03%				19
20	(27) Signals and interlockers	1,231,966	1,243,179	5.00%				20
21	(29) Power plants							21
22	(31) Power transmission 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	Amortization (other than def. projects)							29
30	TOTAL ROAD	1,404,221	1,415,713	5.00%				30
	EQUIPMENT							
31	(52) Locomotives	227,574	200,047	5.48%				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	2,757	2,704	8.44%				37
38	(59) Computer systems & WP equipment	95,273	96,432	7.84%				38
39	TOTAL EQUIPMENT	325,604	299,183	6.27%				39
40	GRAND TOTAL	1,729,825	1,714,896	NA			NA	40

NOTES AND REMARKS

Both owned and leasehold 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	30,839	9,667				40,506	19
20		(27) Signals and interlockers	175,574	65,528				241,102	20
21		(29) Power plants							21
22		(31) Power transmission systems							22
23		(35) Miscellaneous structures							23
24		(37) Roadway machines							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	206,413	75,195				281,608	30
		EQUIPMENT							
31		(52) Locomotives	39,261	11,459	550	30,024		21,246	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	763	229		53		939	37
38		(59) Computer systems & WP equip.	11,847	7,560				19,407	38
39		Amortization (adjustments)							39
40		TOTAL EQUIPMENT	51,871	19,248	550	30,077		41,592	40
41		GRAND TOTAL	258,284	94,443	550	30,077		323,200	41

NOTES AND REMARKS

Both owned and leasehold 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 Account)

(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	172,534				20
21		(27) Signals and interlockers	1,252,166				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	1,424,716				31
32		(52) Locomotives	268,242				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	2,704				38
39		(59) Computer systems & WP equipment	100,614				39
40		TOTAL EQUIPMENT	371,560				40
41		(76) Interest during construction					41
42		(80) Other elements of investment					42
43		(90) Construction work in progress	20,031				43
44		GRAND TOTAL	1,816,307				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 rules governing the separation of such expenses between freight and passenger services.

Line No.	Cross Check	Name of railway operating expense account (a)	Salaries & Wages (b)	Material, tools, supplies, fuels, & lubricants (c)	Purchased services (d)	General (e)	Total freight expense (f)	Passenger (g)	Total (h)	Line No.
		WAYS & STRUCTURES								
		ADMINISTRATION								
1		Track								1
2		Bridge & building								2
3		Signal		3	173	15	191		191	3
4		Communication								4
5		Other								5
		REPAIRS AND MAINTENANCE								
6		Roadway - running								6
7		Roadway - switching								7
8		Tunnels & subways - running								8
9		Tunnels & subways - switching								9
10		Bridges & culverts - running								10
11		Bridges & culverts - switching								11
12		Ties - running								12
13		Ties - switching								13
14		Rail & other track material - running								14
15		Rail & 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 & interlockers - running								21
22		Signals & interlockers - switching								22
23		Communications systems		22			22		22	23
24		Power systems								24
25		Highway grade crossings - running								25
26		Highway grade crossings - switching								26
27		Station & office buildings			51		51		51	27
28		Shop buildings - locomotives			11		11		11	28
29		Shop buildings - freight cars			12		12	N/A	12	29
30		Shop buildings - other equipment								30

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Road Initials: NS Rail Year: 2020

PTC 410. RAILWAY OPERATING EXPENSES - (Continued)

(Dollars in Thousands)

Line No.	Cross Check	Name of railway operating expense account (a)	Salaries & Wages (b)	Material, tools, supplies, fuels, & lubricants (c)	Purchased services (d)	General (e)	Total freight expense (f)	Passenger (g)	Total (h)	Line No.
101		REPAIRS AND MAINTENANCE - (Continued) Locomotive servicing facilities								101
102		Miscellaneous buildings & structures			17		17		17	102
103		Coal terminals			6		6	N/A	6	103
104		Ore terminals						N/A		104
105		Other marine terminals						N/A		105
106		TOFC/COFC terminals			6		6	N/A	6	106
107		Motor vehicle loading & distribution facilities						N/A		107
108		Facilities for other specialized service operations			3		3	N/A	3	108
109		Roadway machines								109
110		Small tools & supplies		4			4		4	110
111		Snow removal								111
112		Fringe benefits - running	N/A	N/A	N/A					112
113		Fringe benefits - switching	N/A	N/A	N/A					113
114		Fringe benefits - other	N/A	N/A	N/A					114
115		Casualties & insurance - running	N/A	N/A	N/A					115
116		Casualties & insurance - switching	N/A	N/A	N/A					116
117		Casualties & insurance - other	N/A	N/A	N/A					117
118	*	Lease rentals - debit -running	N/A	N/A		N/A				118
119	*	Lease rentals - debit -switching	N/A	N/A	204	N/A	204		204	119
120	*	Lease rentals - debit -other	N/A	N/A		N/A				120
121	*	Lease rentals - (credit) - running	N/A	N/A	()	N/A	()	()	()	121
122	*	Lease rentals - (credit) - switching	N/A	N/A	()	N/A	()	()	()	122
123	*	Lease rentals - (credit) - other	N/A	N/A	()	N/A	()	()	()	123
124		Joint facility rent - debit - running	N/A	N/A		N/A				124
125		Joint facility rent - debit - switching	N/A	N/A		N/A				125
126		Joint facility rent - debit - other	N/A	N/A		N/A				126
127		Joint facility rent - (credit) - running	N/A	N/A	()	N/A	()	()	()	127
128		Joint facility rent - (credit) - switching	N/A	N/A	()	N/A	()	()	()	128
129		Joint facility rent - (credit) - other	N/A	N/A	()	N/A	()	()	()	129
130	*	Other rents - debit - running	N/A	N/A		N/A				130
131	*	Other rents - debit - switching	N/A	N/A		N/A				131
132	*	Other rents - debit - other	N/A	N/A		N/A				132
133	*	Other rents - (credit) - running	N/A	N/A	()	N/A	()	()	()	133

PTC 410. RAILWAY OPERATING EXPENSES - (Continued)

(Dollars in Thousands)

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Road Initials: NS Rail Year: 2020

Line No.	Cross Check	Name of railway operating expense account (a)	Salaries & Wages (b)	Material, tools, supplies, fuels, & lubricants (c)	Purchased services (d)	General (e)	Total freight expense (f)	Passenger (g)	Total (h)	Line No.
		REPAIRS AND MAINTENANCE - (Continued)								
134	*	Other rents - (credit) - switching	N/A	N/A	()	N/A	()	()	()	134
135	*	Other rents - (credit) - other	N/A	N/A	()	N/A	()	()	()	135
136	*	Depreciation - running	N/A	N/A	N/A					136
137	*	Depreciation - switching	N/A	N/A	N/A					137
138	*	Depreciation - other	N/A	N/A	N/A	75,195	75,195		75,195	138
139		Joint facility - debit - running	N/A	N/A		N/A				139
140		Joint facility - debit - switching	N/A	N/A		N/A				140
141		Joint facility - debit - other	N/A	N/A		N/A				141
142		Joint facility - (credit) - running	N/A	N/A	()	N/A	()	()	()	142
143		Joint facility - (credit) - switching	N/A	N/A	()	N/A	()	()	()	143
144		Joint facility - (credit) - other	N/A	N/A	()	N/A	()	()	()	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
151		TOTAL WAY AND STRUCTURES		29	483	75,210	75,722		75,722	151
		EQUIPMENT								
		LOCOMOTIVES								
201		Administration								201
202	*	Repair & maintenance		781	495		1,276		1,276	202
203	*	Machinery repair								203
204		Equipment damaged								204
205		Fringe benefits	N/A	N/A	N/A					205
206		Other casualties & insurance	N/A	N/A	N/A					206
207	*	Lease rentals - debit	N/A	N/A		N/A				207
208	*	Lease rentals - (credit)	N/A	N/A	()	N/A	()	()	()	208
209		Joint facility rent - debit	N/A	N/A		N/A				209
210		Joint facility rent - (credit)	N/A	N/A	()	N/A	()	()	()	210
211	*	Other rents - debit	N/A	N/A		N/A				211
212	*	Other rents - (credit)	N/A	N/A	()	N/A	()	()	()	212
213	*	Depreciation	N/A	N/A	N/A	11,460	11,460		11,460	213
214		Joint facility - debit	N/A	N/A		N/A				214
215		Joint facility - (credit)	N/A	N/A	()	N/A	()	()	()	215
216	*	Repairs billed to others - (credit)	N/A	N/A	()	N/A	()	()	()	216

PTC 410. RAILWAY OPERATING EXPENSES - (Continued)

(Dollars in Thousands)

Line No.	Cross Check	Name of railway operating expense account (a)	Salaries & Wages (b)	Material, tools, supplies, fuels, & lubricants (c)	Purchased services (d)	General (e)	Total freight expense (f)	Passenger (g)	Total (h)	Line No.
217		LOCOMOTIVES - (Continued) Dismantling retired property								217
218		Other								218
219		TOTAL LOCOMOTIVES		781	495	11,460	12,736		12,736	219
220		FREIGHT CARS Administration			21		21	N/A	21	220
221	*	Repair & maintenance		2			2	N/A	2	221
222	*	Machinery repair						N/A		222
223		Equipment damaged						N/A		223
224		Fringe benefits	N/A	N/A	N/A			N/A		224
225		Other casualties & insurance	N/A	N/A	N/A			N/A		225
226	*	Lease rentals - debit	N/A	N/A		N/A		N/A		226
227	*	Lease rentals - (credit)	N/A	N/A	()	N/A	()	N/A	()	227
228		Joint facility rent - debit	N/A	N/A		N/A		N/A		228
229		Joint facility rent - (credit)	N/A	N/A	()	N/A	()	N/A	()	229
230	*	Other rents - debit	N/A	N/A		N/A		N/A		230
231	*	Other rents - (credit)	N/A	N/A	()	N/A	()	N/A	()	231
232	*	Depreciation	N/A	N/A	N/A			N/A		232
233		Joint facility - debit	N/A	N/A		N/A		N/A		233
234		Joint facility - (credit)	N/A	N/A	()	N/A	()	N/A	()	234
235	*	Repairs billed to others - (credit)	N/A	N/A	()	N/A	()	N/A	()	235
236		Dismantling retired property						N/A		236
237		Other						N/A		237
238		TOTAL FREIGHT CARS		2	21	-	23	N/A	23	238
301		OTHER EQUIPMENT Administration								301
302	*	Repair & maintenance: Trucks, trailers, & containers - revenue service			18		18	N/A	18	302
303	*	Floating equipment - revenue service						N/A		303
304	*	Passenger & other revenue equipment								304
305	*	Computers and data processing equipment		3	4,945		4,948		4,948	305
306	*	Machinery								306
307	*	Work & other non-revenue equipment			3		3		3	307
308		Equipment damaged								308
309		Fringe benefits	N/A	N/A	N/A					309
310		Other casualties & insurance	N/A	N/A	N/A					310
311	*	Lease rentals - debit	N/A	N/A		N/A				311
312	*	Lease rentals - (credit)	N/A	N/A	()	N/A	()	()	()	312

PTC 410. RAILWAY OPERATING EXPENSES - (Continued)

(Dollars in Thousands)

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Line No.	Cross Check	Name of railway operating expense account (a)	Salaries & Wages (b)	Material, tools, supplies, fuels, & lubricants (c)	Purchased services (d)	General (e)	Total freight expense (f)	Passenger (g)	Total (h)	Line No.
		OTHER EQUIPMENT (Continued)								
313		Joint facility rent - debit	N/A	N/A		N/A				313
314		Joint facility rent - (credit)	N/A	N/A	()	N/A	()	()	()	314
315		Other rents - debit	N/A	N/A		N/A				315
316		Other rents - (credit)	N/A	N/A	()	N/A	()	()	()	316
317		Depreciation	N/A	N/A	N/A	7,790	7,790		7,790	317
318		Joint facility - debit	N/A	N/A		N/A				318
319		Joint facility - (credit)	N/A	N/A	()	N/A	()	()	()	319
320		Repairs billed to others - (credit)	N/A	N/A	()	N/A	()	()	()	320
321		Dismantling retired property								321
322		Other								322
323		TOTAL OTHER EQUIPMENT		3	4,966	7,790	12,759		12,759	323
324		TOTAL EQUIPMENT		786	5,482	19,250	25,518		25,518	324
		TRANSPORTATION								
		TRAIN OPERATIONS								
401		Administration		1	26		27		27	401
402		Engine crews								402
403		Train crews								403
404		Dispatching trains								404
405		Operating signals & interlockers								405
406		Operating drawbridges								406
407		Highway crossing protection								407
408		Train inspection & lubrication								408
409		Locomotive fuel								409
410		Electric power electric power produced or purchased for motive power								410
411		Servicing locomotives								411
412		Freight lost or damaged - solely related	N/A	N/A	N/A					412
413		Clearing wrecks								413
414		Fringe benefits	N/A	N/A	N/A					414
415		Other casualties & insurance	N/A	N/A	N/A					415
416		Joint facility - debit	N/A	N/A		N/A				416
417		Joint facility - (credit)	N/A	N/A	()	N/A	()	()	()	417
418		Other								418
419		TOTAL TRAIN OPERATIONS		1	26		27		27	419
		YARD OPERATIONS								
420		Administration			1		1		1	420
421		Switch crews		1			1		1	421

PTC 410. RAILWAY OPERATING EXPENSES - (Continued)

(Dollars in Thousands)

Line No.	Cross Check	Name of railway operating expense account (a)	Salaries & Wages (b)	Material, tools, supplies, fuels, & lubricants (c)	Purchased services (d)	General (e)	Total freight expense (f)	Passenger (g)	Total (h)	Line No.
422		YARD OPERATIONS (Continued) Controlling operations								422
423		Yard and terminal clerical								423
424		Operating switches, signals, retarders, & humps								424
425		Locomotive fuel								425
426		Electric power electric power produced or purchased for motive power								426
427		Servicing locomotives								427
428		Freight lost or damaged - solely related	N/A	N/A	N/A					428
429		Clearing wrecks								429
430		Fringe benefits	N/A	N/A	N/A					430
431		Other casualties & insurance	N/A	N/A	N/A					431
432		Joint facility - debit	N/A	N/A		N/A				432
433		Joint facility - (credit)	N/A	N/A	()	N/A	()	()	()	433
434		Other								434
435		TOTAL YARD OPERATIONS		1	1		2		2	435
501		TRAIN & YARD OPERATIONS COMMON: Cleaning car interiors				N/A				501
502		Adjusting & transferring loads				N/A		N/A		502
503		Car loading devices & grain docks				N/A		N/A		503
504		Freight lost or damaged - all other	N/A	N/A	N/A					504
505		Fringe benefits	N/A	N/A	N/A					505
506		TOTAL TRAIN & YARD OPERATIONS COMMON:								506
507	*	SPECIALIZED SERVICE OPERATIONS Administration			246		246	N/A	246	507
508	*	Pickup & delivery and marine line haul						N/A		508
509	*	Loading & unloading and local marine			9		9	N/A	9	509
510	*	Protective services						N/A		510
511	*	Freight lost or damaged - solely related	N/A	N/A	N/A			N/A		511
512	*	Fringe benefits	N/A	N/A	N/A			N/A		512
513	*	Casualties & insurance	N/A	N/A	N/A			N/A		513
514	*	Joint facility - debit	N/A	N/A		N/A		N/A		514
515	*	Joint facility - (credit)	N/A	N/A	()	N/A	()	N/A	()	515
516	*	Other						N/A		516
517	*	TOTAL SPECIALIZED SERVICE OPERATIONS			255		255	N/A	255	517

PTC 410. RAILWAY OPERATING EXPENSES - (Continued)

(Dollars in Thousands)

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Road Initials: NS Rail Year: 2020

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Line No.	Cross Check	Name of railway operating expense account (a)	Salaries & Wages (b)	Material, tools, supplies, fuels, & lubricants (c)	Purchased services (d)	General (e)	Total freight expense (f)	Passenger (g)	Total (h)	Line No.
		ADMINISTRATIVE SUPPORT OPERATIONS:								
518		Administration								518
519		Employees performing clerical & accounting functions								519
520		Communication systems operations								520
521		Loss & damage claims processing								521
522		Fringe benefits	N/A	N/A	N/A					522
523		Casualties & insurance	N/A	N/A	N/A					523
524		Joint facility - debit	N/A	N/A		N/A				524
525		Joint facility - (credit)	N/A	N/A	()	N/A	()	()	()	525
526		Other								526
527		TOTAL ADMINISTRATIVE SUPPORT OPERATIONS								527
528		TOTAL TRANSPORTATION		2	282		284		284	528
		GENERAL AND ADMINISTRATIVE								
601		Officers - general administration								601
602		Accounting, auditing, & finance								602
603		Management services & data processing			944		944		944	603
604		Marketing			47		47		47	604
605		Sales								605
606		Industrial development						N/A		606
607		Personnel & labor relations			101		101		101	607
608		Legal & secretarial			15		15		15	608
609		Public relations & advertising			19		19		19	609
610		Research & development								610
611		Fringe benefits	N/A	N/A	N/A					611
612		Casualties & insurance	N/A	N/A	N/A					612
613		Writedown of uncollectible accounts	N/A	N/A	N/A					613
614		Property taxes	N/A	N/A	N/A					614
615		Other taxes except on corporate income or payroll	N/A	N/A	N/A					615
616		Joint facility - debit	N/A	N/A		N/A				616
617		Joint facility - (credit)	N/A	N/A	()	N/A	()	()	()	617
618		Other			15,627		15,627		15,627	618
619		TOTAL GENERAL AND ADMINISTRATIVE			16,753		16,753		16,753	619
620	*	TOTAL CARRIER OPERATING EXPENSE		817	23,000	94,460	118,277		118,277	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%	7,335	2,306	96	930		16	10,683	1
2										2
3										3
4										4
5										5
6										6
7										7
8										8
9										9
10	Total Class 1		7,335	2,306	96	930		16	10,683	10
11										11
12										12
13										13
14										14
15	3	100%	9	8		1			18	15
16	3B	100%	336	188		25		1	550	16
17										17
18										18
19	Total Class 3		345	196		26		1	568	19
20										20
21										21
22										22
23										23
24										24
25										25
26										26
27										27
28										28
29	5	100%	276	92		52			420	29
30										30
31	Total Class 5		276	92		52			420	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		7,956	2,594	96	1,008		17	11,671	57
58	Miles of electrified road or track included in the preceding grand total									58

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 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	2,737	21			541	2,217		2,217	(HP) 9,635,800		1	
2		Diesel-passenger units											2	
3		Diesel-multiple purpose units	475	214			85	604		604	1,514,500	12	3	
4		Diesel-switching units											4	
5	*	TOTAL (lines 1 to 4) units	3,212	235			626	2,821		2,821	11,150,300	12	5	
6	*	Electric locomotives											6	
7	*	Other self-powered units											7	
8	*	TOTAL (lines 5, 6, and 7)	3,212	235			626	2,821		2,821	11,150,300	12	8	
9	*	Auxiliary units	5				1	4		4			9	
10	*	TOTAL LOCOMOTIVE UNITS (lines 8 and 9)	3,217	235			627	2,825		2,825	11,150,300	12	10	

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 1/1/2000 (b)	Between 1/1/2000 and 12/31/2004 (c)	Between 1/1/2005 and 12/31/2009 (d)	Between 1/1/2010 and 12/31/2014 (e)	Between 1/1/2015 and 12/31/2019 (f)	During Calendar Year					Line No.
								2020 (g)	2021 (h)	2022 (i)	2023 (j)	2024 (k)	
11	*	Diesel				2,587	234					2,821	11
12	*	Electric											12
13	*	Other self-powered units											13
14	*	TOTAL (lines 11 to 13)				2,587	234					2,821	14
15	*	Auxiliary units				4						4	15
16	*	TOTAL LOCOMOTIVE UNITS (lines 14 and 15)				2,591	234					2,825	16

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 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)							
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, & tavern cars (All class D, PD)										N/A		21
22		Nonpassenger carrying cars (All class B, CSB, M, PSA, IA)										N/A		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)										N/A		30
31		Board outfit cars (MWX)										N/A		31
32		Derrick & snow removal cars (MWU, MWV, MWW, MWK)										N/A		32
33		Dump and ballast cars (MWB, MWD)										N/A		33
34		Other maintenance and service equipment cars										N/A		34
35		TOTAL (Lines 30 to 34)										N/A		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)	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)	
		FREIGHT TRAIN CARS							
36		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 __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 __0 and All Codes K)							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 __)							46
47		Flat cars--multi-level (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--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)							51
52		All other freight cars (A 5_, F 7_, All Code L and Q8 __)							52
53		TOTAL (lines 36 to 52)							53
54		Caboose (All Code M-930)							54
55		TOTAL (lines 53, 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 carry customarily.
- 5. Time-mileage cars refers to freight cars, other than cabooses, owned or held under lease agreement, 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 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)	
					Time-mileage cars (k)	All other (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									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.]							56
57		Non-self-propelled vessels [Car floats, lighters, etc.]							57
58		TOTAL (lines 56 and 57)							58
		HIGHWAY REVENUE EQUIPMENT							
59		Chassis Z1 __, Z67 __, Z68 __, Z69 __							59
60		Dry van U __, 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 ¹ 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

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 at close of year						Line No.
		Units retired from service of respondent whether owned or leased, including reclassification (h)	Owned and used	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 other (l)			
56									56
57									57
58									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 the 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) or steel boxcars-special service (XAP). For TOFC/COFC, show the 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 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 in 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	Number of Units	Total Weight (Tons)	Total Cost	Method of Acquisition (see instructions)	Line No.
1	Diesel-Freight Locomotives	21	3,677	1,717	P	1
2	Diesel-Multipurpose Locomotives	214	32,373	17,498	P	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	TOTAL	235	36,050	19,215	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	235	36,050	19,215	N/A	39

GENERAL INSTRUCTIONS CONCERNING RETURNS TO BE MADE IN SCHEDULES PTC 720

1. For purposes of these schedules, the track categories are defined as follows:
 - A. Freight density of 20 million or more gross ton-miles per track-mile per year (including 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 (including 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 (including passing tracks, turnouts, and crossovers).
 - D. Freight density of less than 1 million gross ton-miles per track-mile per year (including passing tracks, turnouts, and crossovers).
 - E. Way and yard switching tracks (passing tracks, turnouts, and crossovers shall be included in categories A, B, C, D, F, or 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

Disclose the requested information pertaining to track and traffic conditions.

Line No.	Track category (a)	Mileage of tracks at end of period (whole numbers) (b)	Average annual traffic density in millions of gross ton-miles per track-mile* (use two decimal places) (c)	Average running speed limit (use two decimal places) (d)	Track miles under slow orders at end of period (e)	Line No.
1	A	6,836	38.02	54.75	11	1
2	B	3,088	13.42	49.2	1	2
3	C	300	3.62	42.22	1	3
4	D	54	0.4	33.43		4
5	E	973	XXXXXXXXXX	XXXXXXXXXX	N/A	5
6	TOTAL	11,251	29.43	52.61	13	6
7	F	3,478	XXXXXXXXXX	XXXXXXXXXX	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

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

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 over the accounting of the respondent)

State of Virginia
County of Norfolk

Clyde H. "Jake" Allison Jr. 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 or her 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 or she knows that such books have been kept in good faith during the period covered by this report; that he or she knows that the entries contained in this report relate 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 or she 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, 2020 to and including December 31, 2020

Clyde H. Allison Jr.
(Signature of affiant)

Subscribed and sworn to before me, Deborah Ann Malbon, a Notary in and for the State and county above named, this 30th day of March, 20 21.

My commission expires January 31, 2023



Deborah A. Malbon
(Signature of officer authorized to administer oaths)

SUPPLEMENTAL OATH

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

State of Virginia
County 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 or she has carefully examined the foregoing report; that he or she 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, 2020 to and including December 31, 2020

James A. Squires
(Signature of affiant)

Subscribed and sworn to before me, Deborah Ann Malbon, a Notary in and for the State and county above named, this 30th day of March, 20 21.

My commission expires January 31, 2023



Deborah A. Malbon
(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			File Number 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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