

OEEAA - R1  
OMB Clearance No. 2140-0009  
Expiration Date 7-31-2026

# **Class I Railroad Annual Report**

**Norfolk Southern Combined  
Railroad Subsidiaries  
650 West Peachtree Street NW  
Atlanta, GA 30308**



**To the Surface Transportation Board  
For the Year Ending December 31, 2023**

OEEAA - R1

OMB Clearance No. 2140-0009

Expiration Date 7-31-2026

# Class I Railroad Annual Report

	<b>Norfolk Southern Combined Railroad Subsidiaries 650 West Peachtree Street NW Atlanta, GA 30308</b>
Correct name and address if different than shown	Full name and address of reporting carrier (Use mailing label on original, copy in full on duplicate)

**To The**

**Surface Transportation Board**

**For the Year Ending December 31, 2023**

ANNUAL REPORT

OF

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

TO THE

SURFACE TRANSPORTATION BOARD

FOR THE

YEAR ENDED DECEMBER 31, 2023

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

(Name) Claiborne L. Moore (Title) Vice President and Controller

(Telephone number) (855) 677-3655  
(Area code) (Telephone number)

(Office address) 650 West Peachtree St NW, Atlanta, Georgia 30308  
(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

## TABLE OF CONTENTS

	Schedule	Page
Schedules Omitted by Respondent	A	1
Identity of Respondent	B	2
Voting Powers and Elections	C	3
Comparative Statement of Financial Position	200	5
Results of Operations	210	16
Consolidated Statement of Comprehensive Income	210A	19
Retained Earnings	220	20
Statement of Cash Flows	240	21
Working Capital	245	23
Investments and Advances - Affiliated Companies	310	25
Investments in Common Stock of Affiliated Companies	310A	30
Road Property and Equipment and Improvements to Leased Property and Equipment	330	31
Depreciation Base and Rates - Road and Equipment Owned and Used and Leased from Others	332	34
Accumulated Depreciation - Road and Equipment Owned and Used	335	35
Accumulated Depreciation - Improvements to Road and Equipment Leased from Others	342	36
Investment in Railroad Property Used in Transportation Service (By Company)	352A	38
Investment in Railroad Property Used in Transportation Service (By Property Account)	352B	39
Railway Operating Expenses	410	40
Way and Structures	412	48
Rents for Interchanged Freight Train Cars and Other Freight Carrying Equipment	414	49
Supporting Schedule - Equipment	415	51
Specialized Service Subschedule - Transportation	417	54
Analysis of Taxes	450	55
Guaranties and Suretyships	501	57
Compensating Balances and Short-Term Borrowing Agreements	502	58
Separation of Debtholdings Between Road Property and Equipment	510	59
Transactions Between Respondent and Companies or Persons Affiliated with Respondent for Services		
Received or Provided	512	60
Mileage Operated at Close of Year	700	62
Miles of Road at Close of Year - By States and Territories (Single Track)	702	64
Inventory of Equipment	710	65
Unit Cost of Equipment Installed During the Year	710S	72
Track and Traffic Conditions	720	73
Consumption of Diesel Fuel	750	74
Railroad Operating Statistics	755	75
PTC Supplement	PTC	81
PTC Road Property and Equipment and Improvements to Leased Property and Equipment	PTC 330	82
PTC Depreciation Base and Rates - Road and Equipment Owned and Leased from Others	PTC 332	84
PTC Accumulated Depreciation - Road and Equipment Owned and Used	PTC 335	85
PTC Investment in Railroad Property Used in Transportation Service (By Property Account)	PTC 352B	86
PTC Railway Operating Expenses	PTC 410	87
PTC Mileage Operated at Close of Year	PTC 700	94
PTC Inventory of Equipment	PTC 710	96
PTC Unit Cost of Equipment Installed During the Year	PTC 710S	102
PTC Track and Traffic Conditions	PTC 720	103
Footnote: PTC Grants	PTC Grants	104
Verification		105
Memoranda		106
Index		107

**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
		<p><b>NONE</b></p>

**B. IDENTITY OF RESPONDENT**

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

1 Give 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

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

**STOCKHOLDERS' REPORTS**

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

Check appropriate box:

Two copies are attached to this report.

Two copies will be submitted 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, 2023** (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	<b>Norfolk Southern Railway:</b>						1
2	Norfolk Southern Corp.	Atlanta, GA	16,668,997	16,668,997			2
3							3
4							4
5							5
6							6
7							7
8							8
9							9
10							10
11							11
12							12
13							13
14							14
15							15
16							16
17							17
18							18
19							19
20							20
21							21
22							22
23							23
24							24
25							25
26							26
27							27
28							28
29							29
30							30

### C. VOTING POWERS AND ELECTIONS - Continued

- 10 State the total number of votes cast at the latest general meeting for the election of the respondent: **16,668,997** votes cast.  
 11 Give the date of such meeting: **May 23, 2023**  
 12 Give the place of such meeting: **Atlanta, GA**

#### 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:

Class I	Lessors and Other
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 Carolina and Northwestern Railway Company Citico Realty Company High Point, Randleman, Asheboro and Southern Railroad Company Lamberts Point Barge Company, Inc. Mobile and Birmingham Railroad Company Norfolk Southern International, Inc. Norfolk Southern-Mexico, LLC NorfolkSouthernMexicana, S. de R.L. de C.V. North Carolina Midland Railroad Company, The NS Spectrum Corporation 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 Technology & Telecommunications LLC Transworks Inc. Triple Crown Services Company Triple Crown Services, Inc. Virginia and Southwestern Railway Company Wheelersburg Terminal LLC Yadkin Railroad Company
<h5 style="text-align: center; border-bottom: 1px solid black;">Class II</h5> Central of Georgia Railroad Company Georgia Southern and Florida Railway Company	
<h5 style="text-align: center; border-bottom: 1px solid black;">Class III</h5> Camp Lejeune Railroad Company Chesapeake Western Railway Interstate Railroad Company Norfolk and Portsmouth Belt Line Railroad Company State University Railroad 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	1,538,396	431,272	1
2		702	Temporary cash investments			2
3		703	Special deposits			3
			Accounts receivable			
4		704	- Loan and notes	349	351	4
5		705	- Interline and other balances	14,178	19,084	5
6		706	- Customers	699,909	658,610	6
7		707	- Other	177,826	163,231	7
8		709, 708	- Accrued accounts receivables	262,270	315,020	8
9		708.5	- Receivables from affiliated companies	36,069,017	31,832,466	9
10		709.5	- Less: Allowance for uncollectible accounts	(6,419)	(8,753)	10
11		710, 711, 714	Working funds, prepayments, deferred income tax debits	266,567	141,416	11
12		712	Materials and supplies	263,789	252,397	12
13		713, 713.5, 713.6	Other current assets	20,673	2,916	13
14			<b>TOTAL CURRENT ASSETS</b>	<b>39,306,555</b>	<b>33,808,010</b>	14
			Other Assets			
15		715, 716, 717	Special funds	651,772	482,997	15
16		721, 721.5	Investments and advances affiliated companies (Sch. 310 and 310A)	1,443,030	1,392,135	16
17		722, 723	Other investments and advances	4,555	5,283	17
18		737, 738	Property used in other than carrier operation (Less depreciation) \$54,801 and \$52,847, respectively	78,434	80,425	18
19		739, 741	Other assets	562,707	545,296	19
20		743	Other deferred debits	1,803	(1,489)	20
21		744	Accumulated deferred income tax debits			21
22			<b>TOTAL OTHER ASSETS</b>	<b>2,742,301</b>	<b>2,504,647</b>	22
			Road and Equipment			
23		731, 732	Road (Sch. 330), L-30 Col h & b	34,350,675	33,214,551	23
24		731, 732	Equipment (Sch 330), L-39 Col h & b	11,166,187	10,649,587	24
25		731, 732	Unallocated items	839,230	648,483	25
26		733, 735	Accumulated depreciation and amortization (Sch. 335, 342)	(13,841,824)	(13,138,791)	26
27			Net Road and Equipment	32,514,268	31,373,830	27
28	*		<b>TOTAL ASSETS</b>	<b>74,563,124</b>	<b>67,686,487</b>	28

NOTES AND REMARKS

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

Line No.	Cross Check	Account	Title (a)	Balance at close of year (b)	Balance at beginning of year (c)	Line No.
			Current Liabilities			
29		751	Loans and notes payable		100,000	29
30		752	Accounts payable: interline and other balances	380	181	30
31		753	Audited accounts and wages	2,004	2,039	31
32		754	Other accounts payable	2,680	2,766	32
33		755, 756	Interest and dividends payable	649	614	33
34		757	Payables to affiliated companies	2,520,724	2,431,595	34
35		759	Accrued accounts payable	1,621,755	1,256,459	35
36		760, 761, 761.5, 762	Taxes accrued	251,652	305,222	36
37		763, 763.5, 763.6	Other current liabilities	535,092	183,537	37
38		764	Equipment obligations and other long-term debt due within one year	404,569	3,309	38
39			TOTAL CURRENT LIABILITIES	5,339,505	4,285,722	39
			Non-Current Liabilities			
40		765, 767	Funded debt unmatured	138,085	138,085	40
41		766	Equipment obligations			41
42		766.5	Capitalized lease obligations	11,938	13,014	42
43		768	Debt in default			43
44		769	Accounts payable: affiliated companies	14,550,105	11,850,105	44
45		770.1, 770.2	Unamortized debt premium	23,304	23,897	45
46		781	Interest in default			46
47		783	Deferred revenues - transfers from govt. authorities			47
48		786	Accumulated deferred income tax credits	6,889,653	6,952,295	48
49		771, 772, 774, 775, 782, 784	Other long-term liabilities and deferred credits	4,320,486	4,070,423	49
50			TOTAL NON-CURRENT LIABILITIES	25,933,571	23,047,819	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	8,069,999	7,927,132	55
56		797	Retained earnings: Appropriated			56
57		798	Unappropriated	35,335,197	32,571,042	57
58		798.5	Less treasury stock			58
59		799	Accumulated other comprehensive income or (loss)	(281,838)	(311,918)	59
60			Total shareholders' equity	43,290,048	40,352,946	60
61			Noncontrolling interest			61
62			Total equity (Lines 60 + 61)	43,290,048	40,352,946	62
63			TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	74,563,124	67,686,487	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 15, 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 15, PAGE 13
- (c) Is any part of the pension plan funded? Specify. Yes  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, 2023, 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 DECEMBER 14, 2023
- 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 15, 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  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  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  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 16 beginning on page 15D.

Continued on following page

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

## NOTES TO FINANCIAL STATEMENTS

(a) Changes in valuation accounts.

## 8. Marketable equity securities.

		Cost	Market	Dr. (Cr.) to Income	Dr. (Cr.) to Stockholder's Equity
(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 November 2021, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2021-10, "Government Assistance (Topic 832): Disclosures by Business Entities about Government Assistance," which requires annual disclosures when an entity has received government assistance. Entities are required to disclose the types of government assistance received, the accounting treatment for that government assistance, and the effect of the government assistance on the financial statements. We adopted the new standard on January 1, 2022 and there was no material impact to the financial statements upon adoption.

In November 2023, the FASB issued ASU 2023-07, "Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures." This update requires additional reportable segment disclosures, primarily through enhanced disclosures about significant segment expenses and information used to assess performance. The ASU is effective for fiscal years beginning after December 15, 2023 and interim periods within fiscal years beginning after December 15, 2024. We will not early adopt the standard and are currently evaluating the effect on our financial statements.

In December 2023, the FASB issued ASU 2023-09, "Income Taxes (Topic 740): Improvements to Income Tax Disclosures." This update requires additional disclosures including greater disaggregation of information in the reconciliation of the statutory rate to the effective rate and income taxes paid disaggregated by jurisdiction. The ASU is effective for fiscal years ending after December 15, 2024. We will not early adopt the standard and are currently evaluating the 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:

	<u>2023</u>	<u>2022</u>
	<i>(\$ in millions)</i>	
Merchandise:		
Agriculture, forest and consumer products	\$ 2,530	\$ 2,493
Chemicals	2,054	2,148
Metals and construction	1,634	1,652
Automotive	<u>1,135</u>	<u>1,038</u>
Merchandise	7,353	7,331
Intermodal	3,090	3,681
Coal	<u>1,713</u>	<u>1,733</u>
Total	<u>\$ 12,156</u>	<u>\$ 12,745</u>

We recognize the amount of revenues to which we expect to be entitled 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, 2023 and 2022.

We may provide customers ancillary services, such as switching, demurrage and other incidental activities, under their transportation contracts. The revenues associated with these distinct performance obligations are recognized when the services are performed or as contractual obligations are met. These revenues are included in accounts 104, 106, and 110 on the Results of Operations and represents approximately 4% and 6%, respectively, of "Total Railway Operating Revenues" on the Results of Operations for the years ended December 31, 2023 and 2022.

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

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

	<u>2023</u>	<u>2022</u>
	<i>(\$ in millions)</i>	
Customer	\$ 700	\$ 659
All other accounts receivable	<u>36,517</u>	<u>32,321</u>
Accounts receivable	<u>\$ 37,217</u>	<u>\$ 32,980</u>

Non-customer receivables include non-revenue-related amounts due from affiliated companies, other railroads, governmental entities, and others. There were no non-current customer receivables at December 31, 2023 and 2022. We do not have any material contract assets or liabilities at December 31, 2023 and 2022.

## 11. Income Taxes

On July 8, 2022, House Bill 1342 was signed into law in the Commonwealth of Pennsylvania, which reduced its corporate income tax rate from 9.99% to 4.99%, through a series of phased reductions beginning each tax year from January 1, 2023 through January 1, 2031. Generally Accepted Accounting Principles (GAAP) requires companies to recognize the effect of tax law changes in the period of enactment. As a result, in 2022, we recognized a \$136 million benefit in "Provision for deferred taxes" with a corresponding reduction in "Accumulated deferred income tax credits."

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

## NOTES TO FINANCIAL STATEMENTS

## 12. 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 \$819 million in 2023 and \$769 million in 2022, including a \$66 million markup in 2023 and a \$62 million markup in 2022). In addition, NS charges us a revenue-based licensing fee (which totaled \$180 million in 2023 and \$190 million in 2022) 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 \$164 million in 2023, and \$156 million in 2022. Future payments for access fees due to CRC under the Shared Assets Areas agreements are as follows: \$44 million in each of 2024 through 2028 and \$17 million thereafter. NS provides certain general and administrative support functions to Conrail, the fees for which are billed in accordance with several service-provider arrangements and approximate \$6 million annually.

"Accrued accounts payable" includes \$198 million and \$173 million at December 31, 2023 and 2022, respectively, due to Conrail for the operation of the Shared Assets Areas. "Other Long-Term Liabilities and Deferred Credits" includes \$534 million at both December 31, 2023 and 2022 for long-term advances from Conrail.

## Investment in TTX

NSR and six other North American railroads jointly own TTX Company (TTX), a railcar pooling company that provides its owner-railroads with standardized fleets of intermodal, automotive, and general use rail cars at stated rates. We have a 19.78% ownership interest in TTX.

Amounts paid to TTX for use of equipment are included in "Railway operating expenses." This amounted to \$274 million and \$256 million of expense, respectively, for the years ended December 31, 2023 and 2022. Equity in the earnings of TTX, which partially offsets the costs and are also included in "Railway operating expenses," totaled \$47 million and \$53 million for 2023 and 2022, respectively.

## Intercompany Accounts

	2023	2022
	(\$ in millions)	
Current:		
Receivables from Affiliated Companies	\$ 36,069	\$ 31,832
Payables to Affiliated Companies	(2,521)	(2,432)
Long-term:		
Accounts Payable; Affiliated Companies	\$ (14,550)	\$ (11,850)

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 1.31% to 6.0% with maturity dates ranging from 2024 to 2121. NSR's results include interest income on amounts due from NS of \$1.5 billion in 2023 and \$663 million in 2022, and interest expense of \$527 million in 2023 and \$450 million in 2022 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 \$18.0 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

## 13. Leases

We are committed under long-term lease agreements for equipment, lines of road, and other property. We combine lease and non-lease components for new and reassessed leases. 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 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 7 years and our lines of road and land leases have remaining terms of less than 1 year to 134 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 balance sheet. 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,	
		2023	2022
		(\$ in millions)	
<b>Assets</b>			
Right-of-use (ROU) assets	Other assets	\$ 390	\$ 407
<b>Liabilities</b>			
Current lease liabilities	Other current liabilities	\$ 105	\$ 94
Non-current lease liabilities	Other long-term liabilities and deferred credits	287	316
Total lease liabilities		\$ 392	\$ 410

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

	2023	2022
(\$ in millions)		
Operating lease expense	\$ 115	\$ 101
Variable lease expense	84	55
Short-term lease expense	15	18
Total lease expense	\$ 214	\$ 174

In March 2019, we entered into a non-cancellable lease for an office building. In 2021, the construction of the office building was completed and the lease commenced. The initial lease term is five years with options to renew, purchase, or sell the office building at the end of the lease term. The lease contains a residual value guarantee of up to eighty-three percent of the total construction cost of \$499 million.

We currently operate approximately 337 miles of railway that extends from Cincinnati, Ohio to Chattanooga, Tennessee under an operating lease agreement. Lease expense associated with this agreement totaled \$26 million and \$25 million in 2023 and 2022, respectively. In 2022, we entered into an asset purchase and sale agreement with the Board of Trustees of the Cincinnati Southern Railway to purchase this line. The total purchase price is expected to be approximately \$1.7 billion and closed on March 15, 2024. At close, the existing lease arrangement will terminate and the assets purchased will be reflected in "Net Road and Equipment."

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

## NOTES TO FINANCIAL STATEMENTS

Other information related to operating leases was as follows:

	December 31,	
	2023	2022
	<u>                </u>	<u>                </u>
Weighted-average remaining lease term (years) on operating leases	6.12	6.67
Weighted-average discount rates on operating leases	3.78%	3.16%

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.

During 2023 and 2022, respectively, ROU assets obtained in exchange for new operating lease liabilities were \$65 million and \$57 million, respectively. Cash paid for amounts included in the measurement of lease liabilities was \$117 million and \$100 million in 2023 and 2022, respectively, and is included in operating cash flows.

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

	<u>December 31, 2023</u>	
	<i>(\$ in millions)</i>	
2024	\$	116
2025		105
2026		85
2027		42
2028		30
2029 and subsequent years		66
Total lease payments		<u>444</u>
Less: Interest		<u>52</u>
Present value of lease liabilities	<u>\$</u>	<u>392</u>
	<u>December 31, 2022</u>	
	<i>(\$ in millions)</i>	
2023	\$	103
2024		95
2025		87
2026		69
2027		27
2028 and subsequent years		81
Total lease payments		<u>462</u>
Less: Interest		<u>52</u>
Present value of lease liabilities	<u>\$</u>	<u>410</u>

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

## NOTES TO FINANCIAL STATEMENTS

**14. Fair Value****Fair Value Measurements**

FASB Accounting Standards Codification (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.

**15. Pensions and Other Postretirement Benefits**

NS and certain subsidiaries have both funded and unfunded defined benefit pension plans covering eligible 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. Those participants who are Medicare-eligible are not covered under the self-insured retiree health care plan, but instead are provided with an employer-funded health reimbursement account which can be used for reimbursement of health insurance premiums or eligible out-of-pocket medical expenses.

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

## NOTES TO FINANCIAL STATEMENTS

## Pension and Other Postretirement Benefit Obligations and Plan Assets

	Pension Benefits		Other Postretirement Benefits	
	2023	2022	2023	2022
	(\$ in millions)			
<b>Change in benefit obligations:</b>				
Benefit obligation at beginning of year	\$ 2,051	\$ 2,777	\$ 326	\$ 417
Service cost	25	40	4	6
Interest cost	108	67	17	9
Actuarial losses (gains)	122	(677)	1	(70)
Plan amendment	-	(4)	(5)	-
Benefits paid	(155)	(152)	(33)	(36)
Benefit obligation at end of year	<u>2,151</u>	<u>2,051</u>	<u>310</u>	<u>326</u>
<b>Change in plan assets:</b>				
Fair value of plan assets at beginning of year	2,260	2,861	122	173
Actual return on plan assets	375	(470)	21	(28)
Employer contributions	23	21	28	13
Benefits paid	(155)	(152)	(33)	(36)
Fair value of plan assets at end of year	<u>2,503</u>	<u>2,260</u>	<u>138</u>	<u>122</u>
Funded status at end of year	<u>\$ 352</u>	<u>\$ 209</u>	<u>\$ (172)</u>	<u>\$ (204)</u>
Amounts recognized in the Comparative Statement of Financial Position:				
Special funds	\$ 652	\$ 484	\$ -	\$ -
Other current liabilities	(21)	(20)	-	-
Other long-term liabilities and deferred credits	(279)	(255)	(172)	(204)
Net amount recognized	<u>\$ 352</u>	<u>\$ 209</u>	<u>\$ (172)</u>	<u>\$ (204)</u>
Amounts included in accumulated other comprehensive loss (before tax):				
Net (gain) loss	\$ 574	\$ 623	\$ (28)	\$ (19)
Prior service benefit	(5)	(6)	(156)	(177)

NS' accumulated benefit obligation for its defined benefit pension plans is \$2.0 billion and \$1.9 billion at December 31, 2023 and 2022, respectively. NS' unfunded pension plans, included above, which in all cases have no assets, had projected benefit obligations of \$300 million and \$275 million at December 31, 2023 and 2022, respectively, and had accumulated benefit obligations of \$273 million and \$249 million at December 31, 2023 and 2022, respectively.

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

## NOTES TO FINANCIAL STATEMENTS

## Pension and Other Postretirement Benefit Cost Components

	2023	2022
	(\$ in millions)	
<b>Pension benefits:</b>		
Service cost	\$ 25	\$ 40
Interest cost	108	67
Expected return on plan assets	(208)	(213)
Amortization of net losses	4	49
Amortization of prior service benefit	(1)	-
Net benefit	<u>\$ (72)</u>	<u>\$ (57)</u>
<b>Other postretirement benefits:</b>		
Service cost	\$ 4	\$ 6
Interest cost	17	9
Expected return on plan assets	(11)	(13)
Amortization of prior service benefit	(26)	(25)
Net benefit	<u>\$ (16)</u>	<u>\$ (23)</u>

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

	2023	
	Pension Benefits	Other Postretirement Benefits
	(\$ in millions)	
Net gains arising during the year	\$ (45)	\$ (9)
Prior service effect of plan amendment	-	(5)
Amortization of net losses	(4)	-
Amortization of prior service benefit	1	26
Total recognized in other comprehensive income	<u>\$ (48)</u>	<u>\$ 12</u>
Total recognized in net periodic cost and other comprehensive income	<u>\$ (120)</u>	<u>\$ (4)</u>

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

The estimated net losses and prior service credits for the pension plans that will be amortized from accumulated other comprehensive loss into net periodic cost over the next year are \$16 million. The estimated net gains and 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 \$26 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:

	2023	2022
<b>Pension funded status:</b>		
Discount rate	5.23%	5.56%
Future salary increases	4.44%	4.44%
<b>Other postretirement benefits funded status:</b>		
Discount rate	5.11%	5.45%
<b>Pension cost:</b>		
Discount rate – service cost	5.75%	3.25%
Discount rate – interest cost	5.40%	2.45%
Return on assets in plans	8.00%	8.00%
Future salary increases	4.44%	4.44%
<b>Other postretirement benefits cost:</b>		
Discount rate – service cost	5.56%	3.01%
Discount rate – interest cost	5.23%	2.13%
Return on assets in plans	7.75%	7.75%
Health care trend rate	7.00%	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, 2023, increases in the per capita cost of pre-Medicare covered health care benefits were assumed to be 6.5% for 2024. We assume the rate will ratably decrease to an ultimate rate of 5.0% for 2030 and remain at that level thereafter.

**Asset Management**

Thirteen 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,	
	2023	2022
Domestic equity securities	50%	53%
Debt securities	24%	26%
International equity securities	24%	20%
Cash and cash equivalents	2%	1%
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, 2023 of 66% in equity securities and 34% in debt securities compared with 64% in equity securities and 36% in debt securities at December 31, 2022. 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 2024, NS assumes an 8.0% 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 recent 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, 2023 or 2022.

	December 31, 2023		
	Level 1	Level 2 (\$ in millions)	Total
Common stock	\$ 1,192	\$ -	\$ 1,192
Common collective trusts:			
International equity securities	-	371	371
Debt securities	-	310	310
Domestic equity securities	-	166	166
Fixed income securities:			
Government and agencies securities	-	170	170
Corporate bonds	-	93	93
Mortgage and other asset-backed securities	-	32	32
Commingled funds	-	122	122
Cash and cash equivalents	47	-	47
<b>Total investments</b>	<b>\$ 1,239</b>	<b>\$ 1,264</b>	<b>\$ 2,503</b>
	December 31, 2022		
	Level 1	Level 2 (\$ in millions)	Total
Common stock	\$ 1,011	\$ -	\$ 1,011
Common collective trusts:			
International equity securities	-	336	336
Debt securities	-	291	291
Domestic equity securities	-	160	160
Fixed income securities:			
Government and agencies securities	-	158	158
Corporate bonds	-	100	100
Mortgage and other asset-backed securities	-	28	28
Commingled funds	-	121	121
Cash and cash equivalents	55	-	55
<b>Total investments</b>	<b>\$ 1,066</b>	<b>\$ 1,194</b>	<b>\$ 2,260</b>

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' interest in trust-owned life insurance issued by a major insurance company. The underlying investments owned by the insurance company 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 \$138 million and \$122 million at December 31, 2023 and 2022, respectively, and are valued under level 2 of the fair value hierarchy. There were no level 1 or level 3 valued assets.



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

## NOTES TO FINANCIAL STATEMENTS

**Contributions and Estimated Future Benefit Payments**

In 2024, NS expects to contribute approximately \$22 million to its unfunded pension plans for payments to pensioners and approximately \$31 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 2024.

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

	<u>Pension Benefits</u>	<u>Other Postretirement Benefits</u>
	<i>(\$ in millions)</i>	
2024	\$ 151	\$ 31
2025	149	30
2026	148	29
2027	148	28
2028	148	27
Years 2029 – 2033	743	127

**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 \$11 million in 2023 and \$13 million in 2022.

**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 \$25 million in 2023 and \$22 million in 2022.

**16. Commitments and Contingencies****Eastern Ohio Incident****Summary**

On February 3, 2023, a train operated by us derailed in East Palestine, Ohio. The derailed equipment included 38 railcars, 11 of which were non-Company-owned tank cars containing hazardous materials. Fires associated with the derailment threatened certain of the tank cars. There was concern about the risk that the contents of five of the tank cars carrying vinyl chloride might polymerize, which would have posed the risk of a catastrophic explosion. As a consequence, on February 6, 2023, the local incident commander (the East Palestine Fire Chief)—in consultation with the incident command that included, among others, federal, state and local officials and NS—opted to conduct a controlled vent and burn of five derailed tank cars, all of which contained vinyl chloride. This procedure involved creating holes in the five tank cars to drain the vinyl chloride into adjacent trenches that had been dug into the ground where such vinyl chloride was then burned, with any material remaining after burning of the vinyl chloride being remediated. The February 3rd derailment, the associated fire, and the resulting vent and burn of the tank cars containing vinyl chloride on February 6th is hereinafter referred to as the "Incident."

In response to the Incident, we have been working to clean the site safely and thoroughly, including those activities described in the Environmental Matters section below with respect to potentially impacted air, soil and water and to monitor for any impact on public health and the environment. We are working with federal, state, and local officials to mitigate impacts from the Incident, including, among other efforts, conducting environmental monitoring and clean-up activities (as more fully described below), operating a family assistance center to provide financial support to affected members of the East Palestine and surrounding communities, and committing additional financial support to the community.

**Financial Impact**

Although we cannot predict the final outcome or estimate the reasonably possible range of loss with certainty, we recognized \$1.1 billion of expense in 2023 for costs directly attributable to the Incident (including amounts accrued for the probable and reasonably estimable liabilities for those environmental and non-environmental matters described below) which is included in "Railway operating expenses" on the Results of Operations. The total expense recognized includes the impact of \$101 million in insurance recoveries received in 2023 from claims made under our insurance policies. We recorded a deferred tax asset of \$249 million related to the Incident expecting that certain expenses will be deductible for tax purposes in future periods or offset with insurance recoveries. During 2023, our cash expenditures attributable to the Incident, net of insurance proceeds received, were \$652 million, which are presented in "Net cash provided from operating activities" on the Statement of Cash Flows. The difference between the recognized expense and cash expenditures during 2023 of \$464 million comprises primarily of our current estimates of probable and reasonably estimable liabilities principally associated with environmental matters and legal proceedings, which are discussed in further detail below.

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

## NOTES TO FINANCIAL STATEMENTS

Certain costs recorded in 2023 may be recoverable under our insurance policies in effect at the date of the Incident or from third parties. To date, we have recognized \$101 million in insurance recoveries. Any additional amounts recoverable under our insurance policies or from third parties will be reflected in future periods in which recovery is considered probable. For additional information about our insurance coverage, see "Insurance" below.

**Environmental Matters** – In response to the Incident, we have been working with federal, state, and local officials such as the U.S. Environmental Protection Agency (EPA), the Ohio EPA, the Pennsylvania Department of Environmental Protection (DEP), and the Columbiana County Health District to conduct environmental response and remediation activities, including but not limited to, air monitoring, indoor air quality screenings, municipal water and private water well testing, residential, commercial, and agricultural soil sampling, surface water and groundwater sampling, re-routing a local waterway around the affected site, capturing and shipping stormwater that enters the impacted derailment site to proper disposal facilities, and excavating and disposing of potentially affected soil at hazardous waste landfills or incinerators. The U.S. EPA issued a Unilateral Administrative Order (UAO) on February 21, 2023 containing various requirements, including the submission of numerous work plans to assess and remediate various environmental media and performance of certain removal actions at the affected site. On February 24, 2023, we submitted to the U.S. EPA our Notice of Intent to Comply with the UAO and are currently cooperating with U.S. EPA as well as the Ohio EPA and Pennsylvania DEP, pursuant to the UAO and the directives issued thereunder. On October 18, 2023, the U.S. EPA issued a second unilateral order under Section 311(c) of the Clean Water Act (CWA), requiring preparation of additional environmental work plans. We timely submitted our Notice of Intent to Comply with the CWA order and continue to cooperate with the U.S. EPA, as well as state agencies, in compliance with the CWA order.

We are also subject to the following legal proceedings that principally relate to the environmental impact of the Incident:

- The DOJ and the U.S. EPA filed a civil complaint (the DOJ Complaint) in the Northern District of Ohio (Eastern Division) seeking injunctive relief, cost recovery and civil penalties for violations of the Clean Water Act and seeking cost recovery under the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA). The Ohio Attorney General (AG) also filed a CERCLA lawsuit (the Ohio Complaint) in the Northern District of Ohio (Eastern Division) seeking statutory damages for a variety of tort and environmental claims under CERCLA and various state laws. The DOJ and Ohio AG cases have been consolidated for discovery purposes. We have filed an answer, and on June 30, 2023, we filed a third-party complaint bringing in numerous parties involved in the Incident.

In connection with the foregoing items, we recognized \$836 million of expense during 2023, of which \$517 million was paid during 2023, related to probable obligations that are reasonably estimable, in accordance with FASB ASC 410-30, "Environmental Obligations." Our current estimate includes ongoing and future environmental cleanup activities and remediation efforts, governmental oversight costs (including those incurred by the U.S. EPA and the Ohio EPA), and other related costs, including those in connection with the DOJ Complaint (including potential civil penalties related to violations of the Clean Water Act). Our current estimates of future environmental cleanup and remediation liabilities related to the Incident may change over time due to various factors, including but not limited to, the nature and extent of required future cleanup and removal activities (including those resulting from soil, water, sediment, and air assessment and investigative activities that are currently being, and will continue to be, conducted at the site), and the extent and duration of governmental oversight, amongst other factors. As clean-up efforts progress and more information is available, we will review these estimates and revise as appropriate.

**Legal Proceedings and Claims (Non-Environmental)** – To date, numerous non-environmental legal actions have commenced with respect to the Incident, including those more specifically set forth below.

- There is a consolidated putative class action pending in the Northern District of Ohio (Eastern Division) in which plaintiffs allege various claims, including negligence, gross negligence, strict liability, and nuisance, and seeking as relief compensatory and punitive damages, medical monitoring and business losses. The putative class is defined by reference to a class area covering a 30-mile radius. On July 12, 2023, we filed a third-party complaint bringing in multiple parties involved in the Incident. The court in the putative class action has established a fact discovery deadline of February 5, 2024. Another putative class action is pending in the Western District of Pennsylvania, brought by Pennsylvania school districts and students. On August 22, 2023, three school districts voluntarily dismissed their actions, then individual lawsuits. On the same day, six Pennsylvania school districts and students filed a putative class action lawsuit alleging negligence, strict liability, nuisance, and trespass, and seeking damages and health monitoring. On December 8, 2023, the school districts amended their complaint to add additional companies as defendants in the action. The putative class action and individual lawsuits are collectively referred to herein as the Incident Lawsuits. In accordance with FASB ASC 450, "Contingencies," we have recognized a \$116 million loss during 2023 with respect to the Incident Lawsuits and related contingencies, of which \$34 million has been paid. At this time, we are unable to estimate the possible loss or range of loss in excess of the amounts accrued regarding the Incident Lawsuits. However, for the reasons set forth below, our estimated loss or range of loss with respect to the Incident Lawsuits may change from time to time, and it is reasonably possible that we will incur actual losses in excess of the amounts currently accrued and such additional amounts may be material. While we continue to work with parties with respect to potential resolution pathways, no assurance can be given that we will be successful in doing so and we cannot predict the outcome of these matters.

- We have received securities and derivative litigation and multiple shareholder document and litigation demand letters, including a securities class action lawsuit under the Securities Exchange Act of 1934 initially filed in the Southern District of Ohio alleging multiple securities law violations but since transferred to the Northern District of Georgia, a securities class action lawsuit under the Securities Act of 1933 filed in the Southern District of New York alleging misstatements in association with our debt offerings, and a shareholder derivative complaint in Virginia state court asserting claims for breach of fiduciary duties, waste of corporate assets, and unjust enrichment in connection with safety of the Company's operations (collectively, the Shareholder Matters). On February 2, 2024, defendants filed a motion to dismiss the amended complaint in the Securities Act lawsuit. No responsive pleadings have been filed yet with respect to the other Shareholder Matters.

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

## NOTES TO FINANCIAL STATEMENTS

With respect to the Incident-related litigation and regulatory matters, we record a liability for loss contingencies through a charge to earnings when we conclude that it is probable that a liability has been incurred and the amount of the liability can be reasonably estimated, and disclose such liability if we conclude it to be material. Any adjustments to the recorded liability will be reflected in earnings in the periods in which such adjustments become known. Because the final outcome of any of these legal proceedings cannot be predicted with certainty, developments related to the progress of such legal proceedings or other unfavorable or unexpected developments or outcomes could result in additional costs or new or additionally accrued amounts that could be material to our results of operations in a particular year or quarter. In addition, if it is reasonably possible that we will incur Incident-related losses in excess of the amounts currently recorded as a loss contingency, we disclose the potential range of loss, if reasonably estimable, or we disclose that we cannot reasonably estimate such an amount at this time. For Incident-related litigation and regulatory matters where a loss may be reasonably possible, but not probable, or probable but not reasonably estimable, no accrual is established but the matter, if potentially material, is disclosed.

Our estimates of probable losses and reasonably possible losses are based upon currently available information and involve significant judgement and a variety of assumptions, given that (1) these legal and regulatory proceedings are in early stages; (2) discovery may not be completed; (3) damages sought in these legal and regulatory proceedings can be unsubstantiated or indeterminate; (4) there are often significant facts in dispute; and/or (5) there is a wide range of possible outcomes. Accordingly, our estimated range of loss with respect to these matters may change from time to time, and actual losses may exceed current estimates. At this time, we are unable to estimate the possible loss or range of loss in excess of the amounts accrued with respect to the matters described above.

In addition to the costs associated with environmental matters and legal proceedings and claims, we incurred \$265 million in other expenses directly related to the Incident in 2023 pertaining to legal fees, community support, and other response-related activities. The amounts recorded by us in 2023 do not include any estimate of loss for the following additional items, for which we believe a loss is either not probable or not reasonably estimable for the reasons noted: (i) the overall cost to us for the healthcare fund being developed in conjunction with relevant stakeholders, including the Ohio AG, for affected residents (given the preliminary nature of such discussions), which amount will impact our loss contingency analysis with respect to the Incident Lawsuits described above, or (ii) any fines or penalties (in excess of the liabilities established for Clean Water Act-related civil penalties) that may be imposed as a result of the Incident Inquiries and Investigations, as more specifically set forth and defined below (the outcome of which are uncertain at this time). Additionally, with the exception of amounts recognized during 2023, potential recoveries under our insurance coverage, which may apply to various Incident-related expenses or liabilities as more specifically set forth further below, have not yet been recorded (given the preliminary nature of discussions with our insurers). No amounts have been recorded related to potential recoveries from other third parties, which may reduce amounts payable by our insurers under our applicable insurance coverage.

**Inquiries and Investigations**

As set forth above, we are subject to inquiries and investigations by numerous federal, state, and local government authorities and regulatory agencies regarding the Incident, including but not limited to, the DOJ and the U.S. EPA, the Ohio EPA, the NTSB, the FRA, the Occupational Safety and Health Administration, the Ohio AG, and the Pennsylvania AG. Further details regarding the NTSB and FRA investigations are set forth below. We are cooperating with all inquiries and investigations, including responding to civil and criminal subpoenas and other requests for information (the aforementioned inquiries and investigations, as well as the civil and criminal subpoenas are collectively referred to herein as the Incident Inquiries and Investigations). Aside from the FRA Safety Assessment (defined and described below), the outcome of any current or future Incident Inquiries and Investigations is uncertain at this time, including any related fines, penalties or settlements. Therefore, our expenses for 2023 do not include estimates of the total amount that we may incur for any such fines, penalties or settlements.

Subsequent to the Incident, investigators from the NTSB examined railroad equipment and track conditions; reviewed data from the signal system, wayside defect detectors, local surveillance cameras, and the lead locomotive's event recorder and forward-facing and inward-facing image recorders; and completed certain interviews (the NTSB Investigation). The NTSB issued a preliminary report indicating that one of the cars involved in the derailment appeared to have a wheel bearing in the final stage of overheat failure moments before the derailment. Their preliminary report also indicates that the rail crew was operating the train within our rules; the rail crew operated the train below the track speed limit, the wayside heat detectors were operating as designed; and once the rail crew was alerted by the wayside detector, they immediately began to stop the train. The NTSB conducted a subsequent investigative field hearing in East Palestine, Ohio on June 22 and 23, 2023. The NTSB's investigation remains ongoing. We expect the NTSB to issue a final report, with a probable cause determination and safety recommendations, in 2024.

Concurrent with the NTSB Investigation, the FRA is also investigating the Incident. Similar in scope to the NTSB Investigation, the FRA is examining railroad equipment, track conditions, hazardous materials train placement and routing, and emergency response (the FRA Incident Investigation). The FRA Incident Investigation may result in the assessment of civil penalties. In addition to the FRA Incident Investigation, the FRA completed a 60-day supplemental safety assessment (the FRA Safety Assessment). The FRA Safety Assessment included a review of findings from a previously completed 2022 system audit and an assessment of operational elements including, but not limited to: track, signal, and rolling stock maintenance, inspection and repair practices; protection of employees; communications between transportation departments and mechanical and engineering staff; operation control center procedures and dispatcher training. The overall scope of the FRA Safety Assessment was to examine our safety culture. The FRA issued a public report in early August and included its findings and recommended corrective actions. The FRA Incident Investigation remains ongoing.

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

## NOTES TO FINANCIAL STATEMENTS

**Other 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 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 one of our subsidiaries 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. On January 3, 2023, the court granted summary judgment to us on all of the compensatory claims but denied summary judgment for all equitable relief claims. On January 18, 2023, the court dismissed the federal equitable relief claims, leaving the state equitable relief claims as the sole remaining issue under consideration. On April 19, 2023, the court disposed of all remaining state equitable relief claims. The court's dismissals were appealed and the case is currently before the United States Court of Appeals for the Fourth Circuit. We will continue to vigorously defend the lawsuit and, although it is reasonably possible we could incur a loss in the case, we believe that we will prevail. However, given that litigation is inherently unpredictable and subject to uncertainties, there can be no assurances that the final outcome of the litigation (including the related appeal) will not be material. Until such appeal is final, we cannot reasonably estimate the potential loss or range of loss associated with this matter.

**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 the Federal Employers Liability Act (FELA), which is applicable only to railroads. The variability inherent in FELA's fault-based tort system could result in actual costs being different from the liability recorded. While the ultimate amount of claims incurred is dependent on future developments, in our opinion, the recorded liability is adequate to cover the future payments of claims and is supported by the most recent actuarial study. In all cases, we record a liability when the expected loss for the claim is both probable and reasonably estimable.

**Employee personal injury claims** – Other than Incident-related matters noted above, 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.

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

## NOTES TO FINANCIAL STATEMENTS

**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. Our 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.

In addition to environmental claims associated with the Incident, our Comparative Statement of Financial Position include liabilities for other environmental exposures of \$60 million at December 31, 2023, and \$66 million at December 31, 2022, of which \$15 million is classified as a current liability at the end of both periods. At December 31, 2023, the liability represents our estimates of the probable cleanup, investigation, and remediation costs based on available information at 81 known locations and projects compared with 85 locations and projects at December 31, 2022. At December 31, 2023, twenty-one sites accounted for \$48 million of the liability, and no individual site was considered to be material. We anticipate that most of this liability will be paid out over five years; however, some costs will be paid out over a longer period.

At eight locations, one or more of our subsidiaries in conjunction with a number of other parties have been identified as potentially responsible parties under CERCLA 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.

As set forth above, with respect to known environmental sites (whether identified by us or by the U.S. EPA 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****Labor Agreements**

Approximately 80% of our railroad employees are covered by collective bargaining agreements with various labor unions. Pursuant to the Railway Labor Act, these agreements remain in effect until new agreements are reached, or until the bargaining procedures mandated by the Railway Labor Act are completed. Moratorium provisions in the labor agreements govern when the railroads and unions may propose changes to the agreements. We largely bargain nationally in concert with other major railroads, represented by the National Carriers' Conference Committee.

The latest round of national bargaining concluded in December 2022, when agreements were either ratified or enacted through legislative action for all twelve of our unions. With the conclusion of national bargaining, neither party can compel mandatory bargaining around any new proposals until November 1, 2024.

In addition, we understand the imperative to continue improving quality of life for our craft employees and remain actively engaged with our unions in voluntary local discussions (none of which carry the risk of a work stoppage) on this important issue.

**Insurance**

We purchase insurance covering legal liabilities for bodily injury and property damage to third parties. Our current liability insurance provides limits for approximately 93% of covered losses above \$75 million and below \$734 million per occurrence and/or policy year. In addition, we purchase insurance for damage to property owned by us or in our care, custody, or control. Our current property insurance provides limits for approximately 82% of covered losses above \$75 million and below \$275 million per occurrence and/or policy year.

Insurance coverage with respect to the Incident is subject to certain conditions, including but not limited to our insurers' reservation of rights to further investigate and contest coverage, the express restrictions and sub-limits of coverage, and various policy exclusions, including those for some governmental fines or penalties. Some (re)insurers have disputed certain payments we have made, for example, as part of our effort to respond to, mitigate, and compensate for the impact to the community and affected residents and businesses. We are pursuing coverage with respect to the Incident, and we have recognized \$101 million in insurance recoveries in 2023, principally from excess liability (re)insurers.

**Purchase Commitments**

At December 31, 2023, we had outstanding purchase commitments totaling \$1.4 billion through 2053 for locomotive modernizations, long-term technology support and development contracts, track material, and vehicles.

**Asset Purchase and Sale Agreement**

In November 2022, we entered into an asset purchase and sale agreement with the Board of Trustees of the Cincinnati Southern Railway to purchase approximately 337 miles of railway line that extends from Cincinnati, Ohio to Chattanooga, Tennessee which we currently operate under a lease agreement. The agreement is conditioned upon the following, among other items: (i) approval by the voters of the City of Cincinnati (Cincinnati Voter Approval), which was obtained in November 2023, and (ii) the receipt of regulatory approval from the U.S. Surface Transportation Board (STB), which occurred in September 2023. In June 2023, we entered into an amended and restated asset purchase and sale agreement which increased the purchase price by \$500,000 and clarified the impact of Cincinnati Voter Approval on the closing timeline. Following the June 2023 amendment, the total purchase price for the line and other associated real and personal property included in the transaction is expected to be approximately \$1.7 billion. The transaction is scheduled to close on March 15, 2024.

**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.

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

NOTES TO FINANCIAL STATEMENTS

17. Freight Rates

In 2023, 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.

Cross-Checks

Schedule 210

Line 15, col b

Lines 47,48,49 col b

Line 50, col b

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.
		<b>ORDINARY ITEMS OPERATING INCOME</b>					
		<b>Railway Operating Income</b>					
1		(101) Freight	11,662,981	11,929,203	11,662,981		1
2		(102) Passenger					2
3		(103) Passenger-related					3
4		(104) Switching	60,091	64,557	60,091		4
5		(105) Water transfers					5
6		(106) Demurrage	361,861	673,912	361,861		6
7		(110) Incidental	71,201	76,942	71,201		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)	12,156,134	12,744,614	12,156,134		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		<b>TOTAL RAILWAY OPERATING REVENUES (lines 10-12)</b>	12,156,134	12,744,614	12,156,134		13
14	*	(531) Railway operating expenses	9,837,445	8,471,226	9,837,445		14
15	*	Net revenue from railway operations	2,318,689	4,273,388	2,318,689		15
		<b>OTHER INCOME</b>					
16		(506) Revenue from property used in other than carrier operations	9,898	10,127			16
17		(510) Miscellaneous rent income	133,117	90,318			17
18		(512) Separately operated properties - profit					18
19		(513) Dividend income (cost method)					19
20		(514) Interest income	1,558,709	650,787			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	29,683	72,478			24
25		Income from affiliated companies: 519 a. Dividends (equity method)					25
26		b. Equity in undistributed earnings (losses)	6	6			26
27		<b>TOTAL OTHER INCOME (lines 16-26)</b>	1,731,413	823,716			27
28		<b>TOTAL INCOME (lines 15, 27)</b>	4,050,102	5,097,104			28
		<b>MISCELLANEOUS DEDUCTIONS FROM INCOME</b>					
29		(534) Expenses of property used in other than carrier operations	21,011	19,751			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	(48,365)	(66,340)			34
35		(553) Uncollectible accounts					35
36		<b>TOTAL MISCELLANEOUS DEDUCTIONS</b>	(27,354)	(46,589)			36
37		Income available for fixed charges	4,077,456	5,143,693			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.
		<b>FIXED CHARGES</b>			
38		(546) Interest on funded debt:			
		(a) Fixed interest not in default	520,951	445,503	38
39		(b) Interest in default			39
40		(547) Interest on unfunded debt	12,353	(3,164)	40
41		(548) Amortization of discount on funded debt			41
42		TOTAL FIXED CHARGES (lines 38 through 41)	533,304	442,339	42
43		Income after fixed charges (line 37 minus line 42)	3,544,152	4,701,354	43
		<b>OTHER DEDUCTIONS</b>			
44		(546) Interest on funded debt:			
		(c) Contingent interest			44
		<b>UNUSUAL OR INFREQUENT ITEMS</b>			
45		(555) Unusual or infrequent items (debit) credit			45
46		Income (Loss) from continuing operations (before inc. taxes)	3,544,152	4,701,354	46
		<b>PROVISIONS FOR INCOME TAXES</b>			
47	*	(556) Income taxes on ordinary income:			
		(a) Federal income taxes	744,923	789,087	47
48	*	(b) State income taxes	103,663	131,388	48
49	*	(c) Other income taxes			49
50	*	(557) Provision for deferred taxes	(72,291)	54,779	50
51		TOTAL PROVISION FOR INCOME TAXES (lines 47 through 52)	776,295	975,254	51
52		Income from continuing operations (line 46 minus line 51)	2,767,857	3,726,100	52
		<b>DISCONTINUED OPERATIONS</b>			
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)	2,767,857	3,726,100	55
		<b>DISCONTINUED OPERATIONS</b>			
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)	2,767,857	3,726,100	61
62		Less: Net Income attributable to non-controlling interest			62
63		Net Income attributable to reporting railroad	2,767,857	3,726,100	63
64		Basic Earnings Per Share	166.05	223.53	64
65		Diluted Earnings Per Share	166.05	223.53	65
		<b>RECONCILIATION OF NET RAILWAY OPERATING INCOME (NROI)</b>			
66	*	Net revenues from railway operations	2,318,689	4,273,388	66
67	*	(556) Income taxes on ordinary income (-)	(848,586)	(920,475)	67
68	*	(557) Provision for deferred income taxes (-)	72,291	(54,779)	68
69		Income from lease of road and equipment (-)	(1,836)	(2,218)	69
70		Rent for leased roads and equipment (+)	26,739	25,751	70
71		Net railway operating income (loss)	1,567,297	3,321,667	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**

=

Schedule 210 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	2,767,857	3,726,100	1
2		Other Comprehensive Income, net of tax: Foreign currency translation adjustments			2
3		Unrealized gains on securities: Unrealized holding gains arising during period	(18)	13,539	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	47,491	21,274	6
7		Less: amortization of prior service cost included in net periodic pension cost	17,393	(15,873)	7
8		Other Comprehensive Income (Loss)			8
9		Comprehensive Income (Loss)	2,797,937	3,776,786	9
10		Less: comprehensive income attributable to noncontrolling interest			10
11		Comprehensive Income attributable to reporting railroad (Loss)	2,797,937	3,776,786	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	32,571,042		1
2		(601.5) Prior period adjustments to beginning retained earnings			2
		<b>CREDITS</b>			
3		(602) Credit balance transferred from income	2,767,857		3
4		(603) Appropriations released			4
5		(606) Other credits to retained earnings			5
6		TOTAL CREDITS	2,767,857		6
		<b>DEBITS</b>			
7		(612) Debit balance transferred from income			7
8		(616) Other debits to retained earnings	3,671		8
9		(620) Appropriations for sinking and other funds			9
10		(621) Appropriations for other purposes			10
11		(623) Dividends: Common stock	31		11
12		Preferred stock (1)			12
13		TOTAL DEBITS	3,702		13
14		Net increase (decrease) during year (Line 6 minus line 13)	2,764,155		14
15		Balances at close of year (lines 1, 2, and 14)	35,335,197		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	35,335,197		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 \$ 0 _____			21
22		Amount of assigned Federal income tax consequences			22
23		Account 606 \$ None _____			23
		Account 616 \$ None _____			

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 December 20, 2023.

\* 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		<b>NET CASH PROVIDED BY OPERATING ACTIVITIES (lines 1 through 8)</b>			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	2,767,857	3,726,100	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	(20,351)	(59,901)	11
12		Depreciation and amortization expenses	1,363,703	1,293,407	12
13		Net increase (decrease) in provision for Deferred Income Taxes	(72,291)	54,779	13
14		Net decrease (increase) in undistributed earnings (losses) of affiliates	(34,324)	(41,921)	14
15		Decrease (increase) in accounts receivable	(3,958)	(173,928)	15
16		Decrease (increase) in material and supplies and other current assets	(133,864)	(51,109)	16
17		Increase (decrease) in current liabilities other than debt	424,496	42,947	17
18		Increase (decrease) in other - net	333,421	(127,770)	18
19		<b>Net cash provided from continuing operations (lines 10 through 18)</b>	<b>4,624,689</b>	<b>4,662,604</b>	19
20		Add (Subtract) cash generated (paid) by reason of discontinued operations and extraordinary items			20
21		<b>NET CASH PROVIDED FROM OPERATING ACTIVITIES (lines 19 and 20)</b>	<b>4,624,689</b>	<b>4,662,604</b>	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	18,647	210,624	22
23		Capital expenditures	(2,344,680)	(1,948,481)	23
24		Net change in temporary cash investments not qualifying as cash equivalents			24
25		Proceeds from sale/repayment of investment and advances	2,110	5,446	25
26		Purchase price of long-term investment and advances	(18,902)	(11,862)	26
27		Net decrease (increase) in sinking and other special funds			27
28		Other - net			28
29		<b>NET CASH USED IN INVESTING ACTIVITIES (lines 22 through 28)</b>	<b>(2,342,825)</b>	<b>(1,744,273)</b>	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			30
31		Principal payments of long-term debt	(4,103)	(605,365)	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	(1,170,637)	(2,689,289)	35
36		NET CASH FROM FINANCING ACTIVITIES (lines 30 through 35)	(1,174,740)	(3,294,654)	36
		NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS (lines 21, 29, and 36)	1,107,124	(376,323)	37
38		Cash and cash equivalents at beginning of the year	431,272	807,595	38
39		CASH AND CASH EQUIVALENTS AT END OF THE YEAR (lines 37 & 38)	1,538,396	431,272	39
		Footnotes to Schedule Cash paid during the year for:			
40		Interest (net of amount capitalized) *	5,211	3,468	40
41		Income taxes (net) *	680,415	749,915	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.
<b>CURRENT OPERATING ASSETS</b>				
1	Interline and other balances (705)	Sched. 200, line 5, col. b	14,178	1
2	Customers (706)	Sched. 200, line 6, col. b	699,909	2
3	Other (707)	Note A	177,826	3
4	<b>TOTAL CURRENT OPERATING ASSETS</b>	Lines 1 + 2 + 3	<b>891,913</b>	4
<b>OPERATING REVENUE</b>				
5	Railway operating revenue	Sched. 210, line 13, col. b	12,156,134	5
6	Rent income	Note B	226,282	6
7	<b>TOTAL OPERATING REVENUES</b>	Lines 5 + 6	<b>12,382,416</b>	7
8	Average daily operating revenues	Line 7 ÷ 360 days	34,396	8
9	Days of operating revenue in current operating assets	Line 4 ÷ line 8	26	9
10	Revenue delay days plus buffer	Line 9 + 15 days	41	10
<b>CURRENT OPERATING LIABILITIES</b>				
11	Interline and other balances (752)	Sched. 200, line 30, col. b	380	11
12	Audited accounts and wages payable (753)	Note A	2,004	12
13	Accounts payable - other (754)	Note A	2,680	13
14	Other taxes accrued (761.5)	Note A	249,656	14
15	<b>TOTAL CURRENT OPERATING LIABILITIES</b>	Sum of lines 11 through 14	<b>254,720</b>	15
<b>OPERATING EXPENSES</b>				
16	Railway operating expenses	Sched. 210, line 14, col. b	9,837,445	16
17	Depreciation	Sched 410, lines 136, 137, 138, 213, 232, 317 col h	1,361,637	17
18	Cash related operating expenses	Line 16 + line 6 - line 17	8,702,090	18
19	Average daily expenditures	Line 18 ÷ 360 days	24,172	19
20	Days of operating expenses in current operating liabilities	Line 15 ÷ line 19	11	20
21	Days of working capital required	Line 10 - line 20 (Note C)	30	21
22	Cash working capital required	Line 21 x line 19	725,160	22
23	Cash and temporary cash balance	Sched. 200, line 1 + line 2, col. b	1,538,396	23
24	Cash working capital allowed	Lesser of line 22 or line 23	725,160	24
<b>MATERIALS AND SUPPLIES</b>				
25	Total materials and supplies (712)	Note A	263,789	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	263,789	27
28	<b>TOTAL WORKING CAPITAL</b>	Line 24 + line 27	<b>988,949</b>	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:
 

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

**310. INVESTMENTS AND ADVANCES AFFILIATED COMPANIES**

(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)	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)	19.78	12
13				Winston-Salem Southbound Rwy. Co. (13)	50.00	13
14				Woodstock and Blocton Rwy. Co. (14)	50.00	14
15						15
16				Total A-1		16
17						17
18						18
19						19
20						20
21		A-3	X	DrayNow, Inc. (15)	13.50	21
22				MeteorComm, LLC (16)	25.00	22
23				ModalView, LLC (17)	38.50	23
24				PTC 220, LLC (18)	14.29	24
25				RailPulse, LLC (19)	12.90	25
26				The Roanoke Valley Development Co. (20)	45.44	26
27						27
28				Total A-3		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) CSX Transp., Inc 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	309,508			309,508				7
8	35			35				8
9	52,294			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	364,315			364,315		20		16
17								17
18								18
19								19
20								20
21		5,000		5,000				21
22	123,650	9,000		132,650				22
23		3,000		3,000				23
24	23,552	1,902		25,454				24
25	350			350				25
26	200			200				26
27								27
28	147,752	18,902		166,654				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%
- (12) Controlled jointly - Other RRs own 80.22%
- (13) CSX Transp., Inc. owns 50%
- (14) CSX Transp., Inc. owns 50%
- (15) Controlled jointly - Others own 86.50%
- (16) Controlled jointly - Other RRs own 75%
- (17) Controlled jointly - Others own 61.50%
- (18) Controlled jointly - Other RRs own 85.71%
- (19) Controlled jointly - Others RRs own 87.10%
- (20) Controlled jointly - Others own 54.56%

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.	(21)	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		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	E-3	X VI	Norfolk Southern Corporation		12	
13			Southern Region Industrial Realty, Inc.		13	
14					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

(21) In 2020, NSR entered into an agreement with Pan Am Southern for a ten-year note with annual principal and interest payments.

**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	9,672		(1,382)	8,290				6
7	170			170				7
8	10			10				8
9								9
10								10
11	13,244		(1,382)	11,862				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	565,425	18,902	(1,382)	582,945		20		20
21								21
22				(20)	721.5 Total			22
23				—	Sch. 310A Total			23
24				582,925				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	34,168		2,853			37,021	3
4	Central Transfer Rwy. and Storage Co.	16					16	4
5	Meridian Speedway, LLC	(43,649)		(3,161)			(46,810)	5
6	Pan Am Southern, LLC	8,235		(1,010)			7,225	6
7	Peoria and Pekin Union Rwy. Co.	(908)		(82)			(990)	7
8	TTX Company	918,094		45,788			963,882	8
9	Winston-Salem Southbound Rwy. Co.	9,263		355			9,618	9
10	Woodstock and Blocton Rwy. Co.	2	(6)	6			2	10
11								11
12	Total Carriers	925,277	(6)	44,749			970,020	12
13								13
14	Noncarriers: (List specifics for each company)							14
15	Meteorcomm, LLC	(92,211)		(10,293)			(102,504)	15
16	PTC 220, LLC	(7,152)		(626)			(7,778)	16
17	RailPulse, LLC	(365)		(449)			(814)	17
18	The Roanoke Valley Development Co.	1,181					1,181	18
19								19
20	Total Noncarriers	(98,547)		(11,368)			(109,915)	20
21								21
22	Total Equity*	826,730	(6)	33,381			860,105	22
23								23
24								24
25								25

**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 \$33,393 and adjustments to Other Comprehensive Income equals \$(18).

## 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))**

948,618	Schedule 410, Lines 136 - 138, Column (h)
5,920	Shop Machinery Schedule 335, Line 26, column(c)
17,522	Depreciation capitalized
<u>972,060</u>	Total
912,473	Schedule 335, Line 30, Column (c)
59,587	Schedule 342, Line 39, Column (c)
<u>972,060</u>	Total

**Equipment (Column (c))**

413,019	Schedule 410, Sum of lines 213,232,317, Column (h)
(5,920)	Shop Machinery
	Other
<u>407,099</u>	Total
407,099	Schedule 335, Line 40, Column (c)
	Schedule 342, Line 38, Column (c)
<u>407,099</u>	

**Schedule 342 (Column (c))**

59,587	Road
	Equipment
<u>59,587</u>	Schedule 342, Line 39, Column (c)

**Reconciliation of Accumulated Depreciation and Amortization to Schedule 200**

13,415,607	Schedule 335, Line 41, Column (g)
426,217	Schedule 342, Line 39, Column (g)
<u>13,841,824</u>	
<u>13,841,824</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	2,294,084			1
2		(3) Grading	3,241,085			2
3		(4) Other right-of-way expenditures	20,600			3
4		(5) Tunnels and subways	407,665			4
5		(6) Bridges, trestles and culverts	3,189,842			5
6		(7) Elevated structures	42,583			6
7		(8) Ties	5,935,587			7
8		(9) Rail and other track material	7,588,627			8
9		(11) Ballast	3,126,006			9
10		(13) Fences, snowsheds and signs	17,405			10
11		(16) Station and office buildings	757,192			11
12		(17) Roadway buildings	50,364			12
13		(18) Water stations				13
14		(19) Fuel stations	148,766			14
15		(20) Shops and enginehouses	613,849			15
16		(22) Storage warehouses	871			16
17		(23) Wharves and docks	5,957			17
18		(24) Coal and ore wharves	280,682			18
19		(25) TOFC/COFC terminals	1,054,389			19
20		(26) Communications systems	629,084			20
21		(27) Signals and interlockers	2,307,595			21
22		(29) Power plants	2,704			22
23		(31) Power transmission systems	47,928			23
24		(35) Miscellaneous structures	13,824			24
25		(37) Roadway machines	800,368			25
26		(39) Public improvements - construction	417,992			26
27		(44) Shop machinery	204,529			27
28		(45) Power plant machinery	14,973			28
29		Other lease/rentals				29
30		TOTAL EXPENDITURES FOR ROAD	33,214,551			30
31		(52) Locomotives	5,878,273			31
32		(53) Freight train cars	2,700,374			32
33		(54) Passenger train cars				33
34		(55) Highway revenue equipment	640,528			34
35		(56) Floating equipment				35
36		(57) Work equipment	256,086			36
37		(58) Miscellaneous equipment	248,656			37
38		(59) Computer systems & word processing equipment	925,670			38
39		TOTAL EXPENDITURES FOR EQUIPMENT	10,649,587			39
40		(76) Interest during construction				40
41		(80) Other elements of investment				41
42		(90) Construction work in progress	648,483			42
43		GRAND TOTAL	44,512,621			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		5,042	5,720	(678)	2,293,406	1
2		27,746	943	26,803	3,267,888	2
3		230	18	212	20,812	3
4					407,665	4
5		143,367	8,224	135,143	3,324,985	5
6					42,583	6
7		340,759	117,403	223,356	6,158,943	7
8		539,057	117,138	421,919	8,010,546	8
9		119,620	21,082	98,538	3,224,544	9
10		2,053	469	1,584	18,989	10
11		20,028	3,217	16,811	774,003	11
12		96	15	81	50,445	12
13						13
14		4,010	883	3,127	151,893	14
15		11,851	65	11,786	625,635	15
16					871	16
17			59	(59)	5,898	17
18		21,693	5,115	16,578	297,260	18
19		90,587	13,657	76,930	1,131,319	19
20		1,607	6,139	(4,532)	624,552	20
21		36,530	1,188	35,342	2,342,937	21
22					2,704	22
23		566	(1,188)	1,754	49,682	23
24		403	140	263	14,087	24
25		78,771	27,777	50,994	851,362	25
26		31,343	17,163	14,180	432,172	26
27		6,496	504	5,992	210,521	27
28					14,973	28
29						29
30		1,481,855	345,731	1,136,124	34,350,675	30
31		388,471	175,527	212,944	6,091,217	31
32		155,586	63,941	91,645	2,792,019	32
33						33
34		81,184	8,521	72,663	713,191	34
35						35
36		16,623	3,693	12,930	269,016	36
37		22,031	12,172	9,859	258,515	37
38		134,368	17,809	116,559	1,042,229	38
39		798,263	281,663	516,600	11,166,187	39
40						40
41						41
42		183,262	(7,485)	190,747	839,230	42
43		2,463,380	619,909	1,843,471	46,356,092	43

## 332. DEPRECIATION BASE AND RATES - ROAD AND EQUIPMENT OWNED AND LEASED FROM OTHERS

(Dollars in Thousands)

- 1 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.
- 2 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.
- 3 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.
- 4 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).
- 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.

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	3,197,436	3,223,552	1.67%				1
2	(4) Other right-of-way expenditures	20,480	20,691	1.00%				2
3	(5) Tunnels and subways	407,356	407,356	1.11%				3
4	(6) Bridges, trestles and culverts	3,152,960	3,254,943	1.56%				4
5	(7) Elevated structures	42,583	42,583	7.92%				5
6	(8) Ties	5,669,395	5,838,594	4.52%				6
7	(9) Rail and other track material	7,061,891	7,396,238	2.65%				7
8	(11) Ballast	2,955,371	3,036,191	2.66%				8
9	(13) Fences, snowsheds and signs	17,264	16,986	1.13%				9
10	(16) Station and office buildings	712,121	724,361	2.46%				10
11	(17) Roadway buildings	50,205	50,286	2.11%				11
12	(18) Water stations							12
13	(19) Fuel stations	148,397	151,166	3.10%				13
14	(20) Shops and enginehouses	609,123	620,878	1.92%	NOT APPLICABLE - 5 % RULE			14
15	(22) Storage warehouses	871	871	2.50%				15
16	(23) Wharves and docks	5,957	5,898	3.33%				16
17	(24) Coal and ore wharves	280,682	294,863	2.72%				17
18	(25) TOFC/COFC terminals	1,052,920	1,105,352	3.10%				18
19	(26) Communications systems	616,911	611,983	4.24%				19
20	(27) Signals and interlockers	2,214,477	2,241,859	4.06%				20
21	(29) Power plants	2,701	2,701	2.89%				21
22	(31) Power transmission systems	47,478	49,233	2.03%				22
23	(35) Miscellaneous structures	13,265	13,527	2.26%				23
24	(37) Roadway machines	800,368	832,811	5.31%				24
25	(39) Public improvements - construction	404,518	417,009	7.97%				25
26	(44) Shop machinery	204,529	208,588	3.29%				26
27	(45) Power plant machinery	14,973	14,973	2.11%				27
28	All other road accounts	1,577	1,768	4.37%				28
29	Amortization (other than def. projects)							29
30	TOTAL ROAD	29,705,809	30,585,261	3.05%				30
	EQUIPMENT							
31	(52) Locomotives	5,878,273	5,982,854	3.67%				31
32	(53) Freight train cars	2,700,270	2,756,362	2.51%				32
33	(54) Passenger train cars							33
34	(55) Highway revenue equipment	640,528	712,285	4.82%				34
35	(56) Floating equipment							35
36	(57) Work equipment	256,087	264,167	1.92%				36
37	(58) Miscellaneous equipment	248,656	258,406	7.75%				37
38	(59) Computer systems & WP equipment	925,670	1,027,797	9.59%				38
39	TOTAL EQUIPMENT	10,649,484	11,001,871	4.07%				39
40	GRAND TOTAL	40,355,293	41,587,132	3.33%			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)		
<b>ROAD</b>									
1		(3) Grading	1,151,136	43,216		1,823		1,192,529	1
2		(4) Other right-of-way expenditures	3,780	199				3,979	2
3		(5) Tunnels and subways	85,796	4,338				90,134	3
4		(6) Bridges, trestles and culverts	708,207	45,458		8,341		745,324	4
5		(7) Elevated structures	40,412	(160)				40,252	5
6		(8) Ties	2,216,487	246,824		151,074		2,312,237	6
7		(9) Rail and other track material	1,828,789	175,735		152,208		1,852,316	7
8		(11) Ballast	805,925	76,243		21,180		860,988	8
9		(13) Fences, snowsheds and signs	4,198	172		469		3,901	9
10		(16) Station and office buildings	199,887	19,004		2,872		216,019	10
11		(17) Roadway buildings	36,272	661		16		36,917	11
12		(18) Water stations							12
13		(19) Fuel stations	45,759	4,647		884		49,522	13
14		(20) Shops and enginehouses	177,662	11,427		77		189,012	14
15		(22) Storage warehouses	897	(24)				873	15
16		(23) Wharves and docks	2,385	128		58		2,455	16
17		(24) Coal and ore wharves	130,097	7,235		5,090		132,242	17
18		(25) TOFC/COFC terminals	292,830	33,613		9,048		317,395	18
19		(26) Communications systems	306,456	22,850		6,219		323,087	19
20		(27) Signals and interlockers	234,104	120,604		1,157		353,551	20
21		(29) Power plants	2,616	13				2,629	21
22		(31) Power transmission systems	22,357	791		(48)		23,196	22
23		(35) Miscellaneous structures	10,701	130		122		10,709	23
24		(37) Roadway machines	222,054	46,625		29,098		239,581	24
25		(39) Public improvements - const.	93,269	46,555		17,332		122,492	25
26		(44) Shop machinery	91,287	5,920		658		96,549	26
27		(45) Power plant machinery	12,141	193				12,334	27
28		All other road accounts	93	76		(2)		171	28
29		Amortization (adjustments)							29
30		<b>TOTAL ROAD</b>	<b>8,725,597</b>	<b>912,473</b>		<b>407,676</b>		<b>9,230,394</b>	<b>30</b>
<b>EQUIPMENT</b>									
31		(52) Locomotives	2,059,827	218,363		172,563		2,105,627	31
32		(53) Freight train cars	1,033,399	52,583		49,163		1,036,819	32
33		(54) Passenger train cars							33
34		(55) Highway revenue equipment	266,535	29,109		7,878		287,766	34
35		(56) Floating equipment							35
36		(57) Work equipment	94,574	3,369		(3,343)		101,286	36
37		(58) Miscellaneous equipment	102,267	19,935		10,098		112,104	37
38		(59) Computer systems & WP equip.	476,416	83,740		18,545		541,611	38
39		Amortization (adjustments)							39
40		<b>TOTAL EQUIPMENT</b>	<b>4,033,018</b>	<b>407,099</b>		<b>254,904</b>		<b>4,185,213</b>	<b>40</b>
41		<b>GRAND TOTAL</b>	<b>12,758,615</b>	<b>1,319,572</b>		<b>662,580</b>		<b>13,415,607</b>	<b>41</b>

**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)		
		<b>ROAD</b>							
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
				<b>NOT APPLICABLE - 5% RULE</b>					
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		<b>TOTAL ROAD</b>							29
		<b>EQUIPMENT</b>							
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		<b>TOTAL EQUIPMENT</b>							38
39		<b>GRAND TOTAL</b>	380,176	59,587		13,546		426,217	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:

9 (Rail and other track material) from 25 (TOFC/COFC terminals)	\$	2,764,951.92
25 (TOFC/COFC terminals) to 9 (Rail and other track material)	\$	(2,764,951.92)
37 (Roadway machines) from 57 (Work equipment)	\$	2,761,455.58
57 (Work equipment) to 37 (Roadway machines)	\$	(2,761,455.58)
9 (Rail and other track material) from 8 (Ties)	\$	2,130,742.03
8 (Ties) to 9 (Rail and other track material)	\$	(2,130,742.03)
57 (Work equipment) from 53 (Freight-train cars)	\$	1,367,330.54
53 (Freight-train cars) to 57 (Work equipment)	\$	(1,367,330.54)
57 (Work equipment) from 52 (Locomotives)	\$	1,335,247.76
52 (Locomotives) to 57 (Work equipment)	\$	(1,335,247.76)
31 (Power-transmissions systems) from 58 (Miscellaneous equipment)	\$	1,188,335.68
58 (Miscellaneous equipment) to 31 (Power-transmissions systems)	\$	(1,188,335.68)
3 (Grading) from 25 (TOFC/COFC terminals)	\$	825,306.81
25 (TOFC/COFC terminals) to 3 (Grading)	\$	(825,306.81)
59 (Computer systems and word processing equip) from Cloud Implementation to Software	\$	735,107.87
8 (Ties) from 25 (TOFC/COFC terminals)	\$	546,722.23
25 (TOFC/COFC terminals) to 8 (Ties)	\$	(546,722.23)
37 (Roadway machines) from 58 (Miscellaneous equipment)	\$	413,046.46
58 (Miscellaneous equipment) to 37 (Roadway machines)	\$	(413,046.46)
25 (TOFC/COFC terminals) from 16 (Station and office buildings)	\$	405,957.92
16 (Station and office buildings) to 25 (TOFC/COFC terminals)	\$	(405,957.92)
11 (Ballast) from 25 (TOFC/COFC terminals)	\$	374,928.41
25 (TOFC/COFC terminals) to 11 (Ballast)	\$	(374,928.41)
2 (Land - operating) from 2 (Land - non-operating)	\$	325,811.44
44 (Shop machinery) from 6 (Bridges, trestles, and culverts)	\$	234,616.90
6 (Bridges, trestles, and culverts) to 44 (Shop machinery)	\$	(234,616.90)
39 (Public improvements-Construction) from 25 (TOFC/COFC terminals)	\$	205,456.12
25 (TOFC/COFC terminals) to 39 (Public improvements-Construction)	\$	(205,456.12)
58 (Miscellaneous equipment) from 55 (Highway revenue equipment)	\$	190,513.03
55 (Highway revenue equipment) to 58 (Miscellaneous equipment)	\$	(190,513.03)
16 (Station and office buildings) from 44 (Shop machinery)	\$	146,648.90
44 (Shop machinery) to 16 (Station and office buildings)	\$	(146,648.90)
44 (Shop machinery) from 16 (Station and office buildings)	\$	126,651.04
16 (Station and office buildings) to 44 (Shop machinery)	\$	(126,651.04)

**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 therefore 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	15,925	46,356,092	13,841,824	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		<b>Less Lines Leased to or Operated by Others</b>				8
10	R	Aiken Railway Company	19	3,265	1,498	9
11	R	Ann Arbor Railroad Inc.	4	3,857	1,462	10
12	R	Autauga Northern Railway	44	17,850	7,412	11
13	R	B&H Rail Corp.	17	8,896	4,578	12
14	R	Buckingham Branch	4	1,126	507	13
15	R	Buffalo & Pittsburgh Railroad	36	6,204	3,361	14
16	R	Carolina Coastal Railway	157	30,137	18,607	15
17	R	CaterParrott Railnet	51	10,501	8,219	16
18	R	Central Railroad Company of Indianapolis	16	5,428	2,262	17
19	R	Cincinnati East Terminal Railway	16	7,315	3,443	18
20	R	Cleveland Commercial Railroad	19	22,938	4,986	19
21	R	Columbus & Ohio River Railroad	1	799	170	20
22	R	Columbus & Chattahoochee Railroad	26	9,787	4,483	21
23	R	Delmarva Central Railroad	162	84,391	25,504	22
24	R	Dover & Delaware River Railroad	28	46,785	8,885	23
25	R	East Chattanooga Belt Railway	4	2,526	812	24
26	R	East Penn Railroad LLC	5	5,338	2,319	25
27	R	Elkhart & Western Railroad	23	7,348	3,210	26
28	R	Georgia Southern Railway	57	17,385	10,208	27
29	R	Grand Elk Railroad LLC	123	61,801	23,091	28
30	R	Hilton & Albany Railroad	55	18,392	8,464	29
31	R	Iowa Interstate	13	14,368	10,851	30
32	R	Ithaca Central Railroad	49	35,272	10,789	31
33	R	Jackson & Lansing Railroad	44	18,582	8,622	32
34	R	KNWA	309	239,298	78,668	33
35	R	Lehigh Railway	56	63,055	22,402	34
36	R	Middletown & New Jersey Railroad LLC	38	22,655	6,946	35
37	R	New Castle Southern Railroad	21	7,286	2,877	36
38	R	North Carolina & Virginia Railroad	77	12,416	9,511	37
39	R	Raleigh and Fayetteville Railroad	20	7,242	3,546	38
40	R	RSL Railroad LLC	1	1,666	468	39
41	R	R J Corman Co.	16	4,594	2,040	40
42	R	Yadkin Valley Railroad	102	25,047	14,293	41
43		SUB-TOTAL	1,613	823,550	314,494	42
44						43
45						44
46		TOTAL	14,649	45,585,631	13,527,330	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	2,208,429	5,493			1
2		(3) Grading	3,185,213	21,826			2
3		(4) Other right-of-way expenditures	20,805	137			3
4		(5) Tunnels and subways	401,277	5,574			4
5		(6) Bridges, trestles and culverts	3,190,176	10,687			5
6		(7) Elevated structures	42,583				6
7		(8) Ties	5,963,758	1,174			7
8		(9) Rail and other track material	7,816,993	5,884			8
9		(11) Ballast	3,131,087	2,156			9
10		(13) Fences, snowsheds and signs	18,977	181			10
11		(16) Station and office buildings	773,111	1,288			11
12		(17) Roadway buildings	50,409	71			12
13		(18) Water stations		24			13
14		(19) Fuel stations	151,893	70			14
15		(20) Shops and enginehouses	625,624	47			15
16		(22) Storage warehouses	871				16
17		(23) Wharves and docks	5,898				17
18		(24) Coal and ore wharves	297,260				18
19		(25) TOFC/COFC terminals	1,131,319				19
20		(26) Communications systems	622,062	204			20
21		(27) Signals and interlockers	2,335,311	666			21
22		(29) Power plants	2,704				22
23		(31) Power transmission systems	49,639				23
24		(35) Miscellaneous structures	14,087	6			24
25		(37) Roadway machines	851,362				25
26		(39) Public improvements - construction	410,825	1,445			26
27		(44) Shop machinery	210,479	19			27
28		(45) Power plant machinery	14,973	8			28
29		Leased property (capitalized rentals)					29
30		Other (specify and explain)		3,658			30
31		TOTAL ROAD	33,527,125	60,618			31
32		(52) Locomotives	6,091,217				32
33		(53) Freight train cars	2,792,019				33
34		(54) Passenger train cars					34
35		(55) Highway revenue equipment	713,191				35
36		(56) Floating equipment					36
37		(57) Work equipment	269,016				37
38		(58) Miscellaneous equipment	258,515				38
39		(59) Computer systems & WP equipment	1,042,229				39
40		TOTAL EQUIPMENT	11,166,187				40
41		(76) Interest during construction		2,580			41
42		(80) Other elements of investment		(10,109)			42
43		(90) Construction work in progress	839,230				43
44		GRAND TOTAL	45,532,542	53,089			44

**INSTRUCTIONS CONCERNING RETURNS TO BE MADE IN SCHEDULE 410**

Cross Checks

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



**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.
		<b>WAYS &amp; STRUCTURES</b>								
		<b>ADMINISTRATION</b>								
1		Track	636	(114)	13,242	1,886	15,650		15,650	1
2		Bridge & building	11	108	7,386	251	7,756		7,756	2
3		Signal	5	132	5,952	340	6,429		6,429	3
4		Communication		5	952	16	973		973	4
5		Other	1,451				1,451		1,451	5
		<b>REPAIRS AND MAINTENANCE</b>								
6		Roadway - running	12,694	429	9,784		22,907		22,907	6
7		Roadway - switching	990	4	562		1,556		1,556	7
8		Tunnels & subways - running			130		130		130	8
9		Tunnels & subways - switching			9		9		9	9
10		Bridges & culverts - running	16,425	1,289	19,238	3,564	40,516		40,516	10
11		Bridges & culverts - switching	588	102	1,471	95	2,256		2,256	11
12		Ties - running	19,795	2,201	2,340	1,232	25,568		25,568	12
13		Ties - switching	96	141			237		237	13
14		Rail & other track material - running	63,457	3,969	47,780	14,662	129,868		129,868	14
15		Rail & other track material - switching	2,880	794	1,851	316	5,841		5,841	15
16		Ballast - running	3,653	1,090	521	20	5,284		5,284	16
17		Ballast - switching	218	69	32	2	321		321	17
18		Road property damaged - running	3,986	2,792	4,603	2	11,383		11,383	18
19		Road property damaged - switching								19
20		Road property damaged - other	3	3	3		9		9	20
21		Signals & interlockers - running	37,000	13,988	9,123	1,957	62,068		62,068	21
22		Signals & interlockers - switching	5,688	79	134	9	5,910		5,910	22
23		Communications systems	1,136	1,922	3,529	9	6,596		6,596	23
24		Power systems	714	122			836		836	24
25		Highway grade crossings - running	660	2,510	5,646	3,687	12,503		12,503	25
26		Highway grade crossings - switching		110	148		258		258	26
27		Station & office buildings	760	492	17,619	19	18,890		18,890	27
28		Shop buildings - locomotives	1,714	1,227	3,126	6	6,073		6,073	28
29		Shop buildings - freight cars	60	(498)	2,968		2,530	N/A	2,530	29
30		Shop buildings - other equipment	23	(37)			(14)		(14)	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	6				6		6	101
102		Miscellaneous buildings & structures	752	688	3,911		5,351		5,351	102
103		Coal terminals	3,660	2,255	3,749	9	9,673	N/A	9,673	103
104		Ore terminals						N/A		104
105		Other marine terminals						N/A		105
106		TOFC/COFC terminals	92	16,162	26,515	66	42,835	N/A	42,835	106
107		Motor vehicle loading & distribution facilities			424		424	N/A	424	107
108		Facilities for other specialized service operations		1,311	1,086	39	2,436	N/A	2,436	108
109		Roadway machines	10,399	21,783	1,661	1,263	35,106		35,106	109
110		Small tools & supplies		14,913	2,061		16,974		16,974	110
111		Snow removal	3,151	85	5,817		9,053		9,053	111
112		Fringe benefits - running				66,750	66,750		66,750	112
113		Fringe benefits - switching				4,210	4,210		4,210	113
114		Fringe benefits - other				9,264	9,264		9,264	114
115		Casualties & insurance - running				85,271	85,271		85,271	115
116		Casualties & insurance - switching				9,435	9,435		9,435	116
117		Casualties & insurance - other				764,519	764,519		764,519	117
118	*	Lease rentals - debit -running			48,883		48,883		48,883	118
119	*	Lease rentals - debit -switching			158,813		158,813		158,813	119
120	*	Lease rentals - debit -other			41,646		41,646		41,646	120
121	*	Lease rentals - (credit) - running			(1,836)		(1,836)		(1,836)	121
122	*	Lease rentals - (credit) - switching								122
123	*	Lease rentals - (credit) - other								123
124		Joint facility rent - debit - running			51		51		51	124
125		Joint facility rent - debit - switching			8		8		8	125
126		Joint facility rent - debit - other			1		1		1	126
127		Joint facility rent - (credit) - running			(149)		(149)		(149)	127
128		Joint facility rent - (credit) - switching			(18)		(18)		(18)	128
129		Joint facility rent - (credit) - other			(1)		(1)		(1)	129
130	*	Other rents - debit - running			3,657		3,657		3,657	130
131	*	Other rents - debit - switching								131
132	*	Other rents - debit - other			1,846		1,846		1,846	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			(3,002)		(3,002)		(3,002)	135
136	*	Depreciation - running				502,538	502,538		502,538	136
137	*	Depreciation - switching				43,855	43,855		43,855	137
138	*	Depreciation - other				402,225	402,225		402,225	138
139		Joint facility - debit - running			52,973		52,973		52,973	139
140		Joint facility - debit - switching			8,012		8,012		8,012	140
141		Joint facility - debit - other			13,515		13,515		13,515	141
142		Joint facility - (credit) - running			(50,316)		(50,316)		(50,316)	142
143		Joint facility - (credit) - switching			(1,928)		(1,928)		(1,928)	143
144		Joint facility - (credit) - other			(3,579)		(3,579)		(3,579)	144
145		Dismantling retired road property - running								145
146		Dismantling retired road property - switching								146
147		Dismantling retired road property - other								147
148		Other - running	3,302		(9)	3,057	6,350		6,350	148
149		Other - switching			13		13		13	149
150		Other - other								150
151		TOTAL WAY AND STRUCTURES	196,005	90,126	471,953	1,920,574	2,678,658		2,678,658	151
		EQUIPMENT								
		LOCOMOTIVES								
201		Administration	4,548	756	3,202	580	9,086		9,086	201
202	*	Repair & maintenance	76,586	176,757	20,358	84	273,785		273,785	202
203	*	Machinery repair	2,493	1,368	1,812		5,673		5,673	203
204		Equipment damaged	49	50			99		99	204
205		Fringe benefits				32,446	32,446		32,446	205
206		Other casualties & insurance				22,915	22,915		22,915	206
207	*	Lease rentals - debit			6,067		6,067		6,067	207
208	*	Lease rentals - (credit)			(13,365)		(13,365)		(13,365)	208
209		Joint facility rent - debit								209
210		Joint facility rent - (credit)								210
211	*	Other rents - debit			203		203		203	211
212	*	Other rents - (credit)								212
213	*	Depreciation				220,020	220,020		220,020	213
214		Joint facility - debit								214
215		Joint facility - (credit)								215
216	*	Repairs billed to others - (credit)			(364)		(364)		(364)	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.
217		LOCOMOTIVES - (Continued) Dismantling retired property								217
218		Other	5,470	29		1	5,500		5,500	218
219		TOTAL LOCOMOTIVES	89,146	178,960	17,913	276,046	562,065		562,065	219
220		FREIGHT CARS Administration	2,524	113	9,066	729	12,432	N/A	12,432	220
221	*	Repair & maintenance	23,934	49,804	77,335	52	151,125	N/A	151,125	221
222	*	Machinery repair	336	(14)	8,080		8,402	N/A	8,402	222
223		Equipment damaged	2,098	3,587			5,685	N/A	5,685	223
224		Fringe benefits				15,085	15,085	N/A	15,085	224
225		Other casualties & insurance				27,121	27,121	N/A	27,121	225
226	*	Lease rentals - debit			48,909		48,909	N/A	48,909	226
227	*	Lease rentals - (credit)			(990)		(990)	N/A	(990)	227
228		Joint facility rent - debit						N/A		228
229		Joint facility rent - (credit)						N/A		229
230	*	Other rents - debit			513,553		513,553	N/A	513,553	230
231	*	Other rents - (credit)			(168,235)		(168,235)	N/A	(168,235)	231
232	*	Depreciation				56,428	56,428	N/A	56,428	232
233		Joint facility - debit						N/A		233
234		Joint facility - (credit)						N/A		234
235	*	Repairs billed to others - (credit)			(58,152)		(58,152)	N/A	(58,152)	235
236		Dismantling retired property						N/A		236
237		Other	5,191	38,686		33	43,910	N/A	43,910	237
238		TOTAL FREIGHT CARS	34,083	92,176	429,566	99,448	655,273	N/A	655,273	238
301		OTHER EQUIPMENT Administration		(20)		280	260		260	301
302	*	Repair & maintenance: Trucks, trailers, & containers - revenue service		1,264	72,680	200	74,144	N/A	74,144	302
303	*	Floating equipment - revenue service						N/A		303
304	*	Passenger & other revenue equipment								304
305	*	Computers and data processing equipment		1,424	173,828	127	175,379		175,379	305
306	*	Machinery	111	(92)	96		115		115	306
307	*	Work & other non-revenue equipment	1,197	556	29,935	5	31,693		31,693	307
308		Equipment damaged								308
309		Fringe benefits				1,332	1,332		1,332	309
310		Other casualties & insurance				18,821	18,821		18,821	310
311	*	Lease rentals - debit			4,185		4,185		4,185	311
312	*	Lease rentals - (credit)								312

**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.
		OTHER EQUIPMENT (Continued)								
313		Joint facility rent - debit								313
314		Joint facility rent - (credit)								314
315		Other rents - debit			37,285		37,285		37,285	315
316		Other rents - (credit)			(38,686)		(38,686)		(38,686)	316
317		Depreciation				136,571	136,571		136,571	317
318		Joint facility - debit								318
319		Joint facility - (credit)								319
320		Repairs billed to others - (credit)			(16,225)		(16,225)		(16,225)	320
321		Dismantling retired property								321
322		Other								322
323		TOTAL OTHER EQUIPMENT	1,308	3,132	263,098	157,336	424,874		424,874	323
324		TOTAL EQUIPMENT	124,537	274,268	710,577	532,830	1,642,212		1,642,212	324
		TRANSPORTATION								
		TRAIN OPERATIONS								
401		Administration	8,323	6,195	4,296	3,231	22,045		22,045	401
402		Engine crews	427,947	321	29,376	31,489	489,133		489,133	402
403		Train crews	324,268	1,345	23,796	26,710	376,119		376,119	403
404		Dispatching trains	40,214	22	3	48	40,287		40,287	404
405		Operating signals & interlockers	44,129	48	30	138	44,345		44,345	405
406		Operating drawbridges	1,820				1,820		1,820	406
407		Highway crossing protection	86	88	(1,948)	1,108	(666)		(666)	407
408		Train inspection & lubrication	29,484	24			29,508		29,508	408
409		Locomotive fuel		1,024,445	2		1,024,447		1,024,447	409
410		Electric power purchased or produced for motive power								410
411		Servicing locomotives	19,292	4,399	21,068	11	44,770		44,770	411
412		Freight lost or damaged - solely related								412
413		Clearing wrecks	130	7	41,674		41,811		41,811	413
414		Fringe benefits				382,802	382,802		382,802	414
415		Other casualties & insurance				117,454	117,454		117,454	415
416		Joint facility - debit			1		1		1	416
417		Joint facility - (credit)								417
418		Other	3,655	3	57,995	22,315	83,968		83,968	418
419		TOTAL TRAIN OPERATIONS	899,348	1,036,897	176,293	585,306	2,697,844		2,697,844	419
		YARD OPERATIONS								
420		Administration	2,438	428	1,580	426	4,872		4,872	420
421		Switch crews	196,464	766	33,213	807	231,250		231,250	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.
		<b>YARD OPERATIONS (Continued)</b>								
422		Controlling operations	32,991	19	151	36	33,197		33,197	422
423		Yard and terminal clerical	1,622	3,738	2,725	560	8,645		8,645	423
424		Operating switches, signals, retarders, & humps		693	17		710		710	424
425		Locomotive fuel		68,681			68,681		68,681	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	73				73		73	429
430		Fringe benefits				102,341	102,341		102,341	430
431		Other casualties & insurance				17,562	17,562		17,562	431
432		Joint facility - debit			13		13		13	432
433		Joint facility - (credit)								433
434		Other			8		8		8	434
435		<b>TOTAL YARD OPERATIONS</b>	<b>233,588</b>	<b>74,325</b>	<b>37,707</b>	<b>121,732</b>	<b>467,352</b>		<b>467,352</b>	<b>435</b>
		<b>TRAIN &amp; YARD OPERATIONS COMMON:</b>								
501		Cleaning car interiors	327	1	3,093		3,421		3,421	501
502		Adjusting & transferring loads	40	1	3,411		3,452	N/A	3,452	502
503		Car loading devices & grain docks	1				1	N/A	1	503
504		Freight lost or damaged - all other				46,855	46,855		46,855	504
505		Fringe benefits				146	146		146	505
506		<b>TOTAL TRAIN &amp; YARD OPERATIONS COMMON:</b>	<b>368</b>	<b>2</b>	<b>6,504</b>	<b>47,001</b>	<b>53,875</b>		<b>53,875</b>	<b>506</b>
		<b>SPECIALIZED SERVICE OPERATIONS</b>								
507	*	Administration	7,696	2,705	19,929	290	30,620	N/A	30,620	507
508	*	Pickup & delivery and marine line haul	519	17,999	105,701	281	124,500	N/A	124,500	508
509	*	Loading & unloading and local marine	7,404	20,432	350,714	97	378,647	N/A	378,647	509
510	*	Protective services		985	(926)		59	N/A	59	510
511	*	Freight lost or damaged - solely related						N/A		511
512	*	Fringe benefits				6,480	6,480	N/A	6,480	512
513	*	Casualties & insurance				22,037	22,037	N/A	22,037	513
514	*	Joint facility - debit			1		1	N/A	1	514
515	*	Joint facility - (credit)						N/A		515
516	*	Other						N/A		516
517	*	<b>TOTAL SPECIALIZED SERVICE OPERATIONS</b>	<b>15,619</b>	<b>42,121</b>	<b>475,419</b>	<b>29,185</b>	<b>562,344</b>	<b>N/A</b>	<b>562,344</b>	<b>517</b>

**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.
518		ADMINISTRATIVE SUPPORT OPERATIONS: Administration		163	1,219	827	2,209		2,209	518
519		Employees performing clerical & accounting functions	7,665	299	2,085	508	10,557		10,557	519
520		Communication systems operations	672			7	679		679	520
521		Loss & damage claims processing		10	11,844	4	11,858		11,858	521
522		Fringe benefits				4,711	4,711		4,711	522
523		Casualties & insurance				1,226	1,226		1,226	523
524		Joint facility - debit								524
525		Joint facility - (credit)								525
526		Other								526
527		TOTAL ADMINISTRATIVE SUPPORT OPERATIONS	8,337	472	15,148	7,283	31,240		31,240	527
528		TOTAL TRANSPORTATION	1,157,260	1,153,817	711,071	790,507	3,812,655		3,812,655	528
601		GENERAL AND ADMINISTRATIVE Officers - general administration	370	1,723	1,318	8,713	12,124		12,124	601
602		Accounting, auditing, & finance	3,591	285	13,533	1,011	18,420		18,420	602
603		Management services & data processing	10,700	357	154,264	1,410	166,731		166,731	603
604		Marketing	51	47	11,244	3,745	15,087		15,087	604
605		Sales		4	117	185	306		306	605
606		Industrial development	79	29	196	310	614	N/A	614	606
607		Personnel & labor relations	275	2,908	22,519	7,696	33,398		33,398	607
608		Legal & secretarial		253	197,359	2,675	200,287		200,287	608
609		Public relations & advertising		420	15,321	1,396	17,137		17,137	609
610		Research & development								610
611		Fringe benefits				8,516	8,516		8,516	611
612		Casualties & insurance				24,643	24,643		24,643	612
613		Writedown of uncollectible accounts				2,358	2,358		2,358	613
614		Property taxes				171,023	171,023		171,023	614
615		Other taxes except on corporate income or payroll				28,636	28,636		28,636	615
616		Joint facility - debit								616
617		Joint facility - (credit)								617
618		Other	9,119	6,408	777,538	211,575	1,004,640		1,004,640	618
619		TOTAL GENERAL AND ADMINISTRATIVE	24,185	12,434	1,193,409	473,892	1,703,920		1,703,920	619
620	*	TOTAL CARRIER OPERATING EXPENSE	1,501,987	1,530,645	3,087,010	3,717,803	9,837,445		9,837,445	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 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 column (c), 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	76	20		1
2		3	Grading	44,215	11,653	(10,297)	2
3		4	Other right-of-way expenditures	201	53	(7)	3
4		5	Tunnels and subways	4,346	1,145	(190)	4
5		6	Bridges, trestles and culverts	47,098	12,413	(4,592)	5
6		7	Elevated structures	(160)	(42)	(351)	6
7		8	Ties	267,262	70,437	(13,391)	7
8		9	Rail and other track material	193,402	50,971	5,266	8
9		11	Ballast	85,986	22,661	(3,019)	9
10		13	Fences, snowsheds and signs	172	45	(24)	10
11		16	Station and office buildings	20,668	5,447	1,646	11
12		17	Roadway buildings	663	175	(398)	12
13		18	Water stations				13
14		19	Fuel stations	4,660	1,228	(2)	14
15		20	Shops and enginehouses	11,488	3,028	(234)	15
16		22	Storage warehouses	(24)	(6)	(24)	16
17		23	Wharves and docks	128	34	(69)	17
18		24	Coal and ore wharves	7,235	1,907	(606)	18
19		25	TOFC/COFC terminals	33,629	8,863	489	19
20		26	Communications systems	23,483	6,189	(123)	20
21		27	Signals and interlockers	125,868	33,172	30,246	21
22		29	Power plants	13	3	(63)	22
23		31	Power transmission systems	796	210	(196)	23
24		35	Miscellaneous structures	149	39	(151)	24
25		37	Roadway machines	29,103	7,670	2,864	25
26		39	Public improvements - construction	47,968	12,642	14,208	26
27		45	Power plant machinery	193	50	(123)	27
28			Other lease/rentals				28
29			TOTAL	948,618	250,007	20,859	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)	
<b>CAR TYPES</b>									
1		Box - Plain 40 Foot						1	
2		Box - Plain 50 Foot and Longer			1	51,081	1,428	5,497	
3		Box - Equipped		1,431	4,997	97	9,052	38,406	
4		Gondola - Plain		859	3,776	1,423	1,099	3,517	
5		Gondola - Equipped		2,857	8,853	13	1,651	5,092	
6		Hopper - Covered		550	3,644	5,367	2,186	6,588	
7		Hopper - Open Top - General Service		172	746	1	103	282	
8		Hopper - Open Top - Special Service		98	453	1	86	383	
9		Refrigerator - Mechanical				6	482	2,256	
10		Refrigerator - Nonmechanical				1	238	420	
11		Flat - TOFC/COFC			21,193	110,740	10,722	39,413	
12		Flat - Multi-Level		70	43,224	78,843	2,560	36,255	
13		Flat - General Service				141	14	55	
14		Flat - Other		247	1,024	15,997	1,669	6,208	
15		Tank - Under 22,000 Gallons				2,426			
16		Tank - 22,000 Gallons and Over				4,321			
17		All Other Freight Cars			9,022		18	56	
18		Auto Racks			65,018			67,359	
19		<b>TOTAL FREIGHT TRAIN CARS</b>		<b>6,284</b>	<b>161,951</b>	<b>270,458</b>	<b>31,308</b>	<b>211,787</b>	
<b>OTHER FREIGHT CARRYING EQUIPMENT</b>									
20		Refrigerated Trailers						20	
21		Other Trailers						21	
22		Refrigerated Containers						22	
23		Other Containers			38,686	3,379		33,794	
24	*	<b>TOTAL TRAILERS AND CONTAINERS</b>			<b>38,686</b>	<b>3,379</b>		<b>33,794</b>	
25		<b>GRAND TOTAL (Lines 19 and 24)</b>		<b>6,284</b>	<b>200,637</b>	<b>273,837</b>	<b>31,308</b>	<b>245,581</b>	

NOTES AND REMARKS FOR SCHEDULE 414

Empty space 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)		
1		LOCOMOTIVES					
		Diesel Locomotives - Yard	16,588	4,979		273	1
2		Diesel Locomotives - Road	256,833	213,384		171	2
3		Other Locomotives - Yard					3
4		Other Locomotives - Road					4
5	*	TOTAL LOCOMOTIVES	273,421	218,363		444	5
6		FREIGHT TRAIN CARS					
		Box - Plain 40 foot					6
7		Box - Plain 50 foot and longer	555	4		(6)	7
8		Box - Equipped	9,871	1,270		(918)	8
9		Gondola - Plain	13,812	13,590		(1,613)	9
10		Gondola - Equipped	11,835	6,743		(1,317)	10
11		Hopper - Covered	20,152	4,647		(981)	11
12		Hopper - Open Top - General Service	4,375	9,480		7	12
13		Hopper - Open Top - Special Service	2,021	2,543		(913)	13
14		Refrigerator - Mechanical	393				14
15		Refrigerator - Nonmechanical	48				15
16		Flat - TOFC/COFC	4,589	(48)		(48)	16
17		Flat - Multi-level	5,028	479		(402)	17
18		Flat - General Service	9	5		4	18
19		Flat - Other	3,805	291		(405)	19
20		All Other Freight Cars	11,613	(719)		(154)	20
21		Cabooses	11	32		(114)	21
22		Auto Racks	4,856	12,594		(7,562)	22
23		Miscellaneous Accessories		1,672		493	23
24	*	TOTAL FREIGHT TRAIN CARS	92,973	52,583		(13,929)	24
25		OTHER EQUIPMENT - REVENUE FREIGHT HIGHWAY EQUIPMENT					
		Refrigerated Trailers					25
26		Other Trailers	151	248		145	26
27		Refrigerated Containers					27
28		Other Containers	7,778	8,694		(952)	28
29		Bogies					29
30		Chassis	49,990	20,167		(1,012)	30
31		Other Highway Equipment (Freight)					31
32	*	TOTAL HIGHWAY EQUIPMENT	57,919	29,109		(1,819)	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.	175,379	82,013	1,727	(8,406)	37
38	*	Machinery - Locomotives (1)	5,673	1,657		(245)	38
39	*	Machinery - Freight Cars (2)	8,402	3,845		(570)	39
40	*	Machinery - Other Equipment (3)	115	418		(62)	40
41	*	Work and Other Nonrevenue Equipment	31,693	23,304		(763)	41
42		TOTAL OTHER EQUIPMENT	221,262	111,237	1,727	(10,046)	42
43		TOTAL ALL EQUIPMENT (FREIGHT PORTION)	645,575	411,292	1,727	(25,350)	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			89,465		38,700		1
2		(7,298)	6,001,752		2,066,927		2
3							3
4							4
5	*	(7,298)	6,091,217		2,105,627		5
6							6
7			77		38		7
8		4,373	121,349		61,013		8
9		15,469	717,675		199,029		9
10		13,945	534,536		142,077		10
11		288	305,782		109,693		11
12		432	381,982		112,040		12
13			146,687		76,616		13
14							14
15							15
16		(376)	268		275		16
17		2,280	24,994		17,153		17
18		(9)	24		7		18
19			35,813		22,086		19
20		901	12,933		9,456		20
21			4,233		3,532		21
22		10,616	496,341		279,744		22
23			9,325		4,060		23
24	*	47,919	2,792,019		1,036,819		24
25							25
26			35,747		23,421		26
27							27
28		4,185	191,920		101,127		28
29							29
30			485,524		163,218		30
31							31
32	*	4,185	713,191		287,766		32
33							33
34							34
35	*						35
36	*						36
37	*		1,042,120	109	541,594	17	37
38	*	203	58,925		27,024		38
39	*		136,732		62,708		39
40	*		14,864		6,817		40
41	*	112	501,396	26,135	201,078	12,312	41
42		315	1,754,037	26,244	839,221	12,329	42
43		45,121	11,350,464	26,244	4,269,433	12,329	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 (i) 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 (j). This calculation should equal the amount shown in column (i), Schedule 335.

## 415. SUPPORTING SCHEDULE -- IMPROVEMENTS TO EQUIPMENT LEASED FROM OTHERS

(Dollars in Thousands)

\*\*SUPPLEMENT\*\*

Line No.	Cross Check	Types of equipment (a)	Repairs (net expense) (b)	Depreciation		Amortization Adjustment net during year (e)	Line No.
				Owned** (c)	Capitalized lease (d)		
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							22
23							23
24							24
25							25
26							26
27							27
28							28
29							29
30							30
31							31
32							32
33							33
34							34
35							35
36							36
37							37
38							38
39							39
40							40
41							41
42							42
43							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	23,313		1,662			1,334		4,311	30,620	1
2	*	Pick up and delivery, marine line haul	80,088		6,249			3,607	N/A	34,556	124,500	2
3	*	Loading and unloading and local marine	314,566		6,745			55,840	N/A	1,496	378,647	3
4	*	Protective services - total debits and credits							59		59	4
5	*	Freight lost or damaged - solely related										5
6	*	Fringe benefits	5,505		975						6,480	6
7	*	Casualty and insurance	22,037								22,037	7
8	*	Joint facility - debit	1								1	8
9	*	Joint facility - credit	( )	( )	( )	( )	( )	( )	( )	( )	( )	9
10	*	Other										10
11	*	TOTAL	445,510		15,631			60,781	59	40,363	562,344	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	311,001	1
		U.S. Government Taxes		
		Income Taxes		
2		Normal Tax and Surtax	744,923	2
3		Excess Profits		3
4	*	Total - Income Taxes (Lines 2 and 3)	744,923	4
5		Railroad Retirement	386,239	5
6		Hospital Insurance	30,944	6
7		Supplemental Annuities		7
8		Unemployment Insurance	46,061	8
9		All Other United States Taxes		9
10		Total - U.S. Government Taxes	1,208,167	10
11		Total - Railway Taxes	1,519,168	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	6,873,959	158,832		7,032,791	6
7	Tax Benefit Transfer Leases	3,205	(1,724)		1,481	7
8	Reserves, Including Casualty & Other Claims	(114,459)	(250,118)		(364,577)	8
9	Compensation Benefits	36,401	21,994	9,369	67,764	9
10	Miscellaneous	153,189	(1,275)		151,914	10
11						11
12						12
13						13
14						14
15						15
16						16
17						17
18						18
19	TOTALS	6,952,295	(72,291)	9,369	6,889,373	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					
32					
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, 2023.

In May 2023, we renewed our accounts receivable securitization program with a maximum borrowing capacity of \$400 million. Amounts under our accounts receivable securitization program are borrowed and repaid from time to time in the ordinary course for general corporate and cash management purposes. The term of our accounts receivable securitization program expires in May 2024. Amounts received under this facility are accounted for as borrowings. We had no amounts outstanding at December 31, 2023 and \$100 million (at an average variable interest rate of 5.05%) outstanding under this program at December 31, 2022, which is included within "Loans and notes payable". Our available borrowing capacity was \$400 million and \$300 million at December 31, 2023 and December 31, 2022, respectively. Our accounts receivable securitization program was supported by \$903 million and \$883 million in receivables at December 31, 2023 and December 31, 2022, respectively, which are included in "Accounts receivable".

**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	404,569
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	11,938
6	768	Debt in default	Sch 200, Line 43	
7	769	Accounts payable - affiliated companies	Sch 200, Line 44	14,550,105
8	770.1/770.2	Unamortized debt premium	Sch 200, Line 45	23,304
9		Total debt	Sum of Lines 1 through 8	15,128,001
10		Debt directly related to road property	Note 1	16,612
11		Debt directly related to equipment	Note 1	
12		Total debt related to road and equipment	Lines 10 and 11	16,612
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	15,111,389
16		Road property debt (Note 2)	(Line 13 x Line 15) + Line 10	15,128,001
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	533,304*
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	533,304
22		Interest directly related to road property debt	Note 4	76
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)	533,228
25		Interest on road property debt (Note 5)	Line 22 + (Line 24 x Line 13)	533,304
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	3.53 %
28		Embedded rate of debt capital - equipment	Line 26 / Line 17	

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 \$21,151.

### 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 12 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 (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%	14,302	2,577	91	1,942	2,389	5,668	26,969	1
2	1	50%	7	5		5	15	13	45	2
3	1	33%	3	3		5		5	16	3
4	1J	75%						7	7	4
5	1J	67%						4	4	5
6	1J	50%				1	12	24	37	6
7	1J	33%					3	2	5	7
8										8
9		Total Class 1	14,312	2,585	91	1,953	2,419	5,723	27,083	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	79	675	15
16	3BJ	50%				1		5	6	16
17										17
18		Total Class 3	360	186		37	51	86	720	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%	4,459	1,152	551	369	138	532	7,201	28
29										29
30		Total Class 5	4,459	1,152	551	369	138	532	7,201	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		19,137	3,923	642	2,359	2,609	6,374	35,044	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	94		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			266	1,440	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	116					373	489	157		14
15		Mississippi	209					2	211			15
16		Missouri	344					65	409			16
17		New Jersey	86					807	893	28		17
18		New York	546					294	840	227		18
19		North Carolina	757					364	1,121	333		19
20		Ohio	1,506		10			389	1,905	361		20
21		Pennsylvania	1,764				5	641	2,410	193		21
22		South Carolina	658					104	762	37		22
23		Tennessee	536		136			46	718	144		23
24		Virginia	1,855					135	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)	14,312		360		6	4,459	19,137	2,609		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 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	2,224			135	118	321	2,156		2,156	(HP) 9,440,400		1
2		Diesel-passenger units												2
3		Diesel-multiple purpose units	782			10	187	14	965		965	2,814,400	41	3
4		Diesel-switching units	4						4		4	4,400		4
5	*	TOTAL (lines 1 to 4) units	3,010			145	305	335	3,125		3,125	12,259,200	41	5
6	*	Electric locomotives												6
7	*	Other self-powered units												7
8	*	TOTAL (lines 5, 6, and 7)	3,010			145	305	335	3,125		3,125	12,259,200	41	8
9	*	Auxiliary units	140						140		140	N/A		9
10	*	TOTAL LOCOMOTIVE UNITS (lines 8 and 9)	3,150			145	305	335	3,265		3,265	12,259,200	41	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					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)	2020 (g)			2021 (h)	2022 (i)	2023 (j)	2024 (k)	
11	*	Diesel	1,748	616	286	317	148	10						3,125	11
12	*	Electric													12
13	*	Other self-powered units													13
14	*	TOTAL (lines 11 to 13)	1,748	616	286	317	148	10						3,125	14
15	*	Auxiliary units	101			8	30		1					140	15
16	*	TOTAL LOCOMOTIVE UNITS (lines 14 and 15)	1,849	616	286	325	178	10	1			N/A		3,265	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)	30					1	29		29	N/A		30
31		Board outfit cars (MWX)	299				3		302		302	N/A		31
32		Derrick & snow removal cars (MWU, MWV, MWW, MWK)	144					2	142		142	N/A		32
33		Dump and ballast cars (MWB, MWD)	537				60	20	337	240	577	N/A		33
34		Other maintenance and service equipment cars	4,535			110	42	186	4,501		4,501	N/A		34
35		TOTAL (Lines 30 to 34)	5,545			110	105	209	5,311	240	5,551	N/A		35

## 710. INVENTORY OF EQUIPMENT - Continued

Instructions for reporting freight-train car data.

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

UNITS OWNED, INCLUDED IN INVESTMENT ACCOUNT, AND LEASED FROM OTHERS									
Line No.	Cross Check	Class of equipment and car designations  (a)	Units in service of respondent at beginning of year		Changes during the year				Line No.
			Time-mileage cars  (b)	All Others  (c)	Units installed				
					New units purchased or built  (d)	New or rebuilt units leased from others  (e)	Rebuilt units acquired and rebuilt units rewritten into property accounts  (f)	All other units, including reclassification and second hand units purchased or leased from others  (g)	
36		FREIGHT TRAIN CARS Plain box cars - 40' (B1__, B2__)							36
37		Plain box cars - 50' and longer (B3_0-7, B4_0-7, B5__, B6__ B7__, B8__)	3						37
38		Equipped box cars (All Code A, Except A_5_)	3,230						38
39		Plain gondola cars (All Codes G & J, J_1_, J_2_, J_3_, J_4_)	10,580		359	600			39
40		Equipped gondola cars (All Code E)	9,647		384	315		570	40
41		Covered hopper cars (C_1_, C_2_, C_3_, C_4_)	5,571						41
42		Open top hopper cars - general service (All Code H)	5,355						42
43		Open top hopper cars - special service (J__O), and All Code K)	2,463						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_)	13						46
47		Flat cars - multilevel (All Code V)	1,032					1	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_)	1,020						49
50		Tank cars - under 22,000 gal. (T__0, T__1, T__2, T__3, T__4, T__5)							50
51		Tank cars - 22,000 gal. and over (T__6, T__7, T__8, T__9)							51
52		All other freight cars (A_5_, F_7_, All Code L & Q8_)	1,421						52
53		TOTAL (Lines 36 to 52)	40,336		743	915		571	53
54		Caboose (All Code M-930)	N/A	134					54
55		TOTAL (Lines 53 and 54)	40,336	134	743	915		571	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 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 Others (l)			
36									36
37		1	2			2		153	37
38		433	2,187	610		2,797		257,541	38
39		25	9,642	1,872		11,514		1,341,712	39
40		678	8,369	1,869		10,238		1,101,912	40
41		187	5,384			5,384		598,451	41
42		100	5,255			5,255		600,956	42
43		46	2,417			2,417		275,477	43
44									44
45									45
46			13			13		764	46
47		10	347	676		1,023		48,752	47
48			1			1		79	48
49		168	852			852		85,511	49
50									50
51									51
52		466	955			955		46,815	52
53		2,114	35,424	5,027		40,451		4,358,123	53
54		3	131			N/A	131	N/A	54
55		2,117	35,555	5,027		40,451	131	4,358,123	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_)		36,453	3,441			13	59
60		Dry van (U2_, Z_, Z6_, I-6)		19,087				5	60
61		Flat bed (U3_, Z3_)		120	20				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)		55,660	3,461			18	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 at close of year						Line No.
		Units retired from service of respondent whether owned or leased including reclassification (h)	Owned and used (i)	Leased from others (j)	Total in service of respondent (col. (i) & (j))		Aggregate capacity of units reported in col (k) & (l) (see ins. 4) (m)	Leased to Others (n)	
					Per diem (k)	All Others (l)			
56						N/A			56
57						N/A			57
58						N/A			58
59		447	38,397	1,063		39,460	N/A		59
60		459	18,633			18,633	524,381		60
61		1	139			139	1,942		61
62									62
63									63
64									64
65									65
66									66
67									67
68									68
69									69
70		907	57,169	1,063		58,232	526,323		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	High Strength Steel 2,791 CU FT Plain Gondolas (GB)	359	9,828	50,061	P	1
2	Standard Steel 1,400 CU FT Equipped Gondolas (GBSR)	384	10,587	53,652	P	2
3	53' Steel Domestic Chassis (Z)	3,441	12,313	80,279	P	3
4	53' Domestic Flatbed (U)	20	90	900	P	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	<b>TOTAL</b>	4,204	32,818	184,892	N/A	25

**REBUILT UNITS**

26	Diesel - Freight Units 6 - Axle 4400 HP	120	25,920	283,815	C	26
27	Diesel - Freight Units 6 - Axle 4400 HP	15	3,196	35,685	S	27
28	Diesel - Multipurpose Units 6 - Axle 3000 HP	10	1,997	13,268	S	28
29	Dump and Ballast Car	98	2,832	6,430	S	29
30	Other Maintenance and Service Car	10	368	269	S	30
31	Maintenance of Way Push Car	2	367	417	C	31
32						32
33						33
34						34
35						35
36						36
37						37
38	<b>TOTAL</b>	255	34,680	339,884	N/A	38
39	<b>GRAND TOTAL</b>	4,459	67,498	524,776	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	8,398	38.68	53.6	15	1
2	B	5,540	11.76	45.99	11	2
3	C	2,492	2.76	31.32	21	3
4	D	3,100	0.22	17.74	7	4
5	E	8,313	XXXXXXXXXX	XXXXXXXXXX	N/A	5
6	TOTAL	27,843	20.36	42.91	54	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	353,151,651	1
2	Passenger		2
3	Yard Switching	23,676,001	3
4	TOTAL	376,827,652	4
5	COST OF FUEL \$(000)	\$ 1,093,128	5
6	Work Train	2,002,937	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)	19,137		1
2		2 Train Miles - Running (B)			
		2-01 Unit Trains	7,191,823	XXXXXX	2
		2-02 Way Trains	11,596,079	XXXXXX	3
		2-03 Through Trains	40,004,098		4
		2-04 TOTAL TRAIN MILES (Lines 2-4)	58,792,000		5
		2-05 Motorcars (C)			6
		2-07 TOTAL ALL TRAINS (Lines 5 and 6)	58,792,000		7
		3 Locomotive Unit Miles (D)			
		Road Service (E)			
8		3-01 Unit Trains	16,944,695	XXXXXX	8
9		3-02 Way Trains	17,540,681	XXXXXX	9
10		3-03 Through Trains	91,405,811		10
11		3-04 TOTAL (Lines 8-10)	125,891,187		11
12		3-11 Train Switching (F)	4,626,170	XXXXXX	12
13		3-21 Yard Switching (G)	8,130,700		13
14		3-31 TOTAL ALL SERVICES (Lines 11-13)	138,648,057		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	9,725	XXXXXX	16
17		4-012 Box-Equipped	48,120	XXXXXX	17
18		4-013 Gondola-Plain	154,686	XXXXXX	18
19		4-014 Gondola-Equipped	61,668	XXXXXX	19
20		4-015 Hopper-Covered	78,605	XXXXXX	20
21		4-016 Hopper-Open Top-General Service	47,416	XXXXXX	21
22		4-017 Hopper-Open Top-Special Service	6,015	XXXXXX	22
23		4-018 Refrigerator-Mechanical	2,767	XXXXXX	23
24		4-019 Refrigerator-Non-Mechanical	2,529	XXXXXX	24
25		4-020 Flat-TOFC/COFC	165,678	XXXXXX	25
26		4-021 Flat-Multi-Level	34,426	XXXXXX	26
27		4-022 Flat-General Service	148	XXXXXX	27
28		4-023 Flat-All Other	23,201	XXXXXX	28
29		4-024 All Other Car Types-Total	40,469	XXXXXX	29
30		4-025 TOTAL (Lines 15-29)	675,453	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	8,918	XXXXXX	32
33		4-112 Box-Equipped	49,030	XXXXXX	33
34		4-113 Gondola-Plain	150,530	XXXXXX	34
35		4-114 Gondola-Equipped	55,780	XXXXXX	35
36		4-115 Hopper-Covered	80,516	XXXXXX	36
37		4-116 Hopper-Open Top-General Service	46,330	XXXXXX	37
38		4-117 Hopper-Open Top-Special Service	6,889	XXXXXX	38
39		4-118 Refrigerator-Mechanical	2,734	XXXXXX	39
40		4-119 Refrigerator-Non-Mechanical	2,233	XXXXXX	40
41		4-120 Flat-TOFC/COFC	18,139	XXXXXX	41
42		4-121 Flat-Multi-Level	24,833	XXXXXX	42
43		4-122 Flat-General Service	149	XXXXXX	43
44		4-123 Flat-All Other	24,411	XXXXXX	44
45		4-124 All Other Car Types-Total	249	XXXXXX	45
46		4-125 TOTAL (Lines 31-45)	470,741	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	6,136	XXXXXX	48
49		4-132 Box-Equipped	60,423	XXXXXX	49
50		4-133 Gondola-Plain	47,960	XXXXXX	50
51		4-134 Gondola-Equipped	20,657	XXXXXX	51
52		4-135 Hopper-Covered	329,447	XXXXXX	52
53		4-136 Hopper-Open Top-General Service	17,516	XXXXXX	53
54		4-137 Hopper-Open Top-Special Service	56,016	XXXXXX	54
55		4-138 Refrigerator-Mechanical	3,034	XXXXXX	55
56		4-139 Refrigerator-Non-Mechanical	95	XXXXXX	56
57		4-140 Flat-TOFC/COFC	443,558	XXXXXX	57
58		4-141 Flat-Multi-Level	173,734	XXXXXX	58
59		4-142 Flat-General Service	286	XXXXXX	59
60		4-143 Flat-All Other	27,947	XXXXXX	60
61		4-144 Tank Under 22,000 Gallons	76,017	XXXXXX	61
62		4-145 Tank - 22,000 Gallons and Over	243,238	XXXXXX	62
63		4-146 All Other Car Types-Total	14,966	XXXXXX	63
64		4-147 TOTAL (Lines 47-63)	1,521,030	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	5,971	XXXXXX	66
67		4-152 Box-Equipped	42,320	XXXXXX	67
68		4-153 Gondola-Plain	47,032	XXXXXX	68
69		4-154 Gondola-Equipped	19,562	XXXXXX	69
70		4-155 Hopper-Covered	332,531	XXXXXX	70
71		4-156 Hopper-Open Top-General Service	18,228	XXXXXX	71
72		4-157 Hopper-Open Top-Special Service	57,427	XXXXXX	72
73		4-158 Refrigerator-Mechanical	3,026	XXXXXX	73
74		4-159 Refrigerator-Non-Mechanical	111	XXXXXX	74
75		4-160 Flat-TOFC/COFC	51,450	XXXXXX	75
76		4-161 Flat-Multi-Level	116,938	XXXXXX	76
77		4-162 Flat-General Service	294	XXXXXX	77
78		4-163 Flat-All Other	30,620	XXXXXX	78
79		4-164 Tank Under 22,000 Gallons	83,098	XXXXXX	79
80		4-165 Tank - 22,000 Gallons and Over	253,678	XXXXXX	80
81		4-166 All Other Car Types-Total	15,792	XXXXXX	81
82		4-167 TOTAL (Lines 65-81)	1,078,078	XXXXXX	82
83		4-17 Work Equipment and Company Freight Car-Miles	33,696	XXXXXX	83
84		4-18 No Payment Car-Miles (I) <1>		XXXXXX	84
		4-19 Total Car-Miles by Train Type (Note)			
85		4-191 Unit Trains	772,092	XXXXXX	85
86		4-192 Way Trains	239,932	XXXXXX	86
87		4-193 Through Trains	2,766,974	XXXXXX	87
88		4-194 TOTAL (Lines 85-87)	3,778,998	XXXXXX	88
89		4-20 Caboose Miles	1,873	XXXXXX	89

<1> Total number of loaded miles 40,216 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	24,522,591		98
		6-02 Freight Trains, Crs., Cnts, & Caboose			
99		6-020 Unit Trains	64,975,745	XXXXXX	99
100		6-021 Way Trains	19,325,713	XXXXXX	100
101		6-022 Through Trains	249,616,901	XXXXXX	101
102		6-03 Passenger Trains, Crs, & Cnts.			102
103		6-04 Non-Revenue	2,155,254	XXXXXX	103
104		6-05 TOTAL (Lines 98 - 103)	360,596,204		104
		7 Tons of Freight (thousands)			
105		7-01 Revenue	311,562	XXXXXX	105
106		7-02 Non-Revenue	889	XXXXXX	106
107		7-03 TOTAL (Lines 105 and 106)	312,451	XXXXXX	107
		8 Ton-Miles of Freight (thousands) (L)			
108		8-01 Revenue - Road Service	176,045,662	XXXXXX	108
109		8-02 Revenue - Lake Transfer Service		XXXXXX	109
110		8-03 TOTAL (Lines 108 and 109)	176,045,662	XXXXXX	110
111		8-04 Non-Revenue - Road Service	294,921	XXXXXX	111
112		8-05 Non-Revenue - Lake Transfer Service		XXXXXX	112
113		8-06 TOTAL (Lines 111 and 112)	294,921	XXXXXX	113
114		8-07 TOTAL - REVENUE & NON-REVENUE (Lines 110 and 113)	176,340,583	XXXXXX	114
		9 Train Hours (M)			
115		9-01 Road Service	3,285,320	XXXXXX	115
116		9-02 Train Switching	531,444	XXXXXX	116
117		10 TOTAL YARD-SWITCHING HOURS (N)	1,355,117		117
		11 Train-Miles Work Trains (O)			
118		11-01 Locomotives	374,734	XXXXXX	118
119		11-02 Motorcars		XXXXXX	119
		12 Number of Loaded Freight Cars (P)			
120		12-01 Unit Trains	1,129,953	XXXXXX	120
121		12-02 Way Trains	4,192,885	XXXXXX	121
122		12-03 Through Trains	5,618,872	XXXXXX	122
123		13 TOFC/COFC- No. of Revenue Trailers & Containers Loaded and Unloaded (Q)	6,684,345	XXXXXX	123
124		14 Multi-Level Cars - No. of Motor Vehicles Loaded & Unloaded (Q)	2,746,603	XXXXXX	124
125		15 TOFC/COFC - No. of Revenue Trailers Picked Up & Delivered (R)	527,610	XXXXXX	125
		16 Revenue-Tons Marine Terminal (S)			
126		16-01 Marine Terminals - Coal	18,556,654	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)	18,556,654	XXXXXX	129
		17 Number of Foreign Per-Diem Cars on Line (T)			
130		17-01 Serviceable	27,346	XXXXXX	130
131		17-02 Unserviceable	337	XXXXXX	131
132		17-03 Surplus		XXXXXX	132
133		17-04 TOTAL (Lines 130 - 132)	27,683	XXXXXX	133
134		TOFC/COFC - Average No. of Units Loaded Per Car	4.73	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, 2023

**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	172,534			20
21		(27) Signals and interlockers	1,259,703			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		<b>TOTAL EXPENDITURES FOR ROAD</b>	<b>1,432,253</b>			30
31		(52) Locomotives	269,367			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	2,455			37
38		(59) Computer systems & word processing equipment	119,969			38
39		<b>TOTAL EXPENDITURES FOR EQUIPMENT</b>	<b>391,791</b>			39
40		(76) Interest during construction				40
41		(80) Other elements of investment				41
42		(90) Construction work in progress	1,615			42
43		<b>GRAND TOTAL</b>	<b>1,825,659</b>			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	\$ 123,650	\$ 9,000	\$ 132,650
PTC-220 LLC	\$ 23,552	\$ 1,902	\$ 25,454

In addition, Conrail, Inc. has invested a total of \$14,712 for the purpose of implementing PTC through December 31, 2023.

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					172,534	20
21		98	13	85	1,259,788	21
22						22
23						23
24						24
25						25
26						26
27						27
28						28
29						29
30		98	13	85	1,432,338	30
31		(280)	7,196	(7,476)	261,891	31
32						32
33						33
34						34
35						35
36						36
37			108	(108)	2,347	37
38		12,853		12,853	132,822	38
39		12,573	7,304	5,269	397,060	39
40						40
41						41
42		540		540	2,155	42
43		13,211	7,317	5,894	1,831,553	43

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

- 1 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.
- 2 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.
- 3 Show in columns (e), (f), and (g) data applicable to lessor property, when the rent therefor is included in accounts nos. 31-11-00, 31-12-00, 31-13-00, 31-21-00, 31-22-00, and 31-23-00, inclusive.
- 4 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).
- 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.

Line No.	Account (a)	OWNED AND USED			LEASED FROM OTHERS			Line No.
		Depreciation Base		Annual composite rate % (d)	Depreciation Base		Annual composite rate % (g)	
		1/1 At beginning of year (b)	12/1 At close of year (c)		At beginning of year (e)	At close of year (f)		
1	(3) Grading							1
2	(4) Other right-of-way expenditures							2
3	(5) Tunnels and subways							3
4	(6) Bridges, trestles and culverts							4
5	(7) Elevated structures							5
6	(8) Ties							6
7	(9) Rail and other track material							7
8	(11) Ballast							8
9	(13) Fences, snowsheds and signs							9
10	(16) Station and office buildings							10
11	(17) Roadway buildings							11
12	(18) Water stations							12
13	(19) Fuel stations							13
14	(20) Shops and enginehouses				NOT APPLICABLE - 5% RULE			14
15	(22) Storage warehouses							15
16	(23) Wharves and docks							16
17	(24) Coal and ore wharves							17
18	(25) TOFC/COFC terminals							18
19	(26) Communications systems	172,534	172,534	5.03%				19
20	(27) Signals and interlockers	1,259,703	1,259,789	5.04%				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	<b>TOTAL ROAD</b>	1,432,237	1,432,323	5.04%				30
	<b>EQUIPMENT</b>							
31	(52) Locomotives	269,367	262,204	5.39%				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	2,455	2,347	8.41%				37
38	(59) Computer systems & WP equipment	119,969	132,822	8.39%				38
39	<b>TOTAL EQUIPMENT</b>	391,791	397,373	6.41%				39
40	<b>GRAND TOTAL</b>	1,824,028	1,829,696	5.33%			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)		
<b>ROAD</b>									
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	59,863	9,077	12,451			81,391	19
20		(27) Signals and interlockers	392,674	69,844	47,123	13		509,628	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		<b>TOTAL ROAD</b>	<b>452,537</b>	<b>78,921</b>	<b>59,574</b>	<b>13</b>		<b>591,019</b>	<b>30</b>
<b>EQUIPMENT</b>									
31		(52) Locomotives	49,072	14,411		7,081		56,402	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	1,134	199		107		1,226	37
38		(59) Computer systems & WP equip.	38,078	9,993		101		47,970	38
39		Amortization (adjustments)							39
40		<b>TOTAL EQUIPMENT</b>	<b>88,284</b>	<b>24,603</b>		<b>7,289</b>		<b>105,598</b>	<b>40</b>
41		<b>GRAND TOTAL</b>	<b>540,821</b>	<b>103,524</b>	<b>59,574</b>	<b>7,302</b>		<b>696,617</b>	<b>41</b>

**NOTES AND REMARKS**

Accounts (26) and (27) other credits (d) : transfer between subaccounts to reflect results of latest depreciation study.  
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	1,259,788				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	1,432,338				31
32		(52) Locomotives	261,891				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	2,347				38
39		(59) Computer systems & WP equipment	132,822				39
40		TOTAL EQUIPMENT	397,060				40
41		(76) Interest during construction					41
42		(80) Other elements of investment					42
43		(90) Construction work in progress	2,155				43
44		GRAND TOTAL	1,831,553				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.
		<b>WAYS &amp; STRUCTURES</b>								
		<b>ADMINISTRATION</b>								
1		Track								1
2		Bridge & building								2
3		Signal		3		27	30		30	3
4		Communication								4
5		Other								5
		<b>REPAIRS AND MAINTENANCE</b>								
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								23
24		Power systems								24
25		Highway grade crossings - running								25
26		Highway grade crossings - switching								26
27		Station & office buildings			59		59		59	27
28		Shop buildings - locomotives			12		12		12	28
29		Shop buildings - freight cars			13		13	N/A	13	29
30		Shop buildings - other equipment								30

**PTC 410. RAILWAY OPERATING EXPENSES - (Continued)**

(Dollars in Thousands)

Line No.	Cross Check	Name of railway operating expense account (a)	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								102
103		Coal terminals			18		18	N/A	18	103
104		Ore terminals			6		6	N/A	6	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		1			1		1	109
110		Small tools & supplies								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	257	N/A	257		257	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)

PTC Supplement to Railroad Annual Report R-1

Road Initials: NS Rail Year: 2023

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	78,921	78,921		78,921	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		4	374	78,948	79,326		79,326	151
		EQUIPMENT								
		LOCOMOTIVES								
201		Administration								201
202	*	Repair & maintenance		4,620	751		5,371		5,371	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	14,411	14,411		14,411	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		<b>TOTAL LOCOMOTIVES</b>		4,620	751	14,411	19,782		19,782	219
220		<b>FREIGHT CARS</b> Administration			34		34	N/A	34	220
221	*	Repair & maintenance						N/A		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		<b>TOTAL FREIGHT CARS</b>			34		34	N/A	34	238
301		<b>OTHER EQUIPMENT</b> Administration								301
302	*	Repair & maintenance: Trucks, trailers, & containers - revenue service			29		29	N/A	29	302
303	*	Floating equipment - revenue service						N/A		303
304	*	Passenger & other revenue equipment								304
305	*	Computers and data processing equipment			12,900		12,900		12,900	305
306	*	Machinery								306
307	*	Work & other non-revenue equipment								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)

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	10,192	10,192		10,192	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			12,929	10,192	23,121		23,121	323
324		TOTAL EQUIPMENT		4,620	13,714	24,603	42,937		42,937	324
		TRANSPORTATION								
		TRAIN OPERATIONS								
401		Administration			42		42		42	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			42		42		42	419
		YARD OPERATIONS								
420		Administration			1		1		1	420
421		Switch crews								421

PTC Supplement to Railroad Annual Report R-1

Road Initials: NS Rail Year: 2023

**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.
		<b>YARD OPERATIONS (Continued)</b>								
422		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		<b>TOTAL YARD OPERATIONS</b>			1		1		1	435
		<b>TRAIN &amp; YARD OPERATIONS COMMON:</b>								
501		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		<b>TOTAL TRAIN &amp; YARD OPERATIONS COMMON:</b>								506
		<b>SPECIALIZED SERVICE OPERATIONS</b>								
507	*	Administration			395		395	N/A	395	507
508	*	Pickup & delivery and marine line haul						N/A		508
509	*	Loading & unloading and local marine			16		16	N/A	16	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	*	<b>TOTAL SPECIALIZED SERVICE OPERATIONS</b>			411		411	N/A	411	517

**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.
518		ADMINISTRATIVE SUPPORT OPERATIONS: 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			454		454		454	528
601		GENERAL AND ADMINISTRATIVE Officers - general administration								601
602		Accounting, auditing, & finance								602
603		Management services & data processing		2	1,493	56	1,551		1,551	603
604		Marketing			75	57	132		132	604
605		Sales								605
606		Industrial development			161		161	N/A	161	606
607		Personnel & labor relations			24		24		24	607
608		Legal & secretarial			31		31		31	608
609		Public relations & advertising								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			14,920	707	15,627		15,627	618
619		TOTAL GENERAL AND ADMINISTRATIVE		2	16,704	820	17,526		17,526	619
620	*	TOTAL CARRIER OPERATING EXPENSE		4,626	31,246	104,371	140,243		140,243	620

**PTC 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%	7,330	2,318	96	929		17	10,690	1
2										2
3										3
4										4
5										5
6										6
7										7
8										8
9										9
10	Total Class 1		7,330	2,318	96	929		17	10,690	10
11										11
12										12
13										13
14										14
15	3	100%	9	8		1			18	15
16	3B	100%	336	188		26		1	551	16
17										17
18										18
19	Total Class 3		345	196		27		1	569	19
20										20
21										21
22										22
23										23
24										24
25										25
26										26
27										27
28										28
29	5	100%	276	93		51			420	29
30										30
31	Total Class 5		276	93		51			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		7,951	2,607	96	1,007		18	11,679	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 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)							
<b>Locomotive Units</b>														
1		Diesel-freight units	2,222				3	186	2,039		2,039	(HP) 8,930,100		1
2		Diesel-passenger units												2
3		Diesel-multiple purpose units	552				184	2	734		734	2,217,400	27	3
4		Diesel-switching units												4
5	*	TOTAL (lines 1 to 4) units	2,774				187	188	2,773		2,773	11,147,500	27	5
6	*	Electric locomotives												6
7	*	Other self-powered units												7
8	*	TOTAL (lines 5, 6, and 7)	2,774				187	188	2,773		2,773	11,147,500	27	8
9	*	Auxiliary units	43						43		43	-		9
10	*	TOTAL LOCOMOTIVE UNITS (lines 8 and 9)	2,817				187	188	2,816		2,816	11,147,500	27	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)		TOTAL (l)
11	*	Diesel					2,582	191					2,773	11
12	*	Electric												12
13	*	Other self-powered units												13
14	*	TOTAL (lines 11 to 13)					2,582	191					2,773	14
15	*	Auxiliary units						43					43	15
16	*	TOTAL LOCOMOTIVE UNITS (lines 14 and 15)					2,582	234					2,816	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 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)										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)	
<b>FLOATING EQUIPMENT</b>									
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
<b>HIGHWAY REVENUE EQUIPMENT</b>									
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 (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 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						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	<b>TOTAL</b>				N/A	25
<b>REBUILT UNITS</b>						
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	<b>TOTAL</b>	N/A	N/A	N/A	N/A	38
39	<b>GRAND TOTAL</b>				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	7,412	39.18	54.1	15	1
2	B	2,512	13.11	49.56	10	2
3	C	300	3.64	39.87		3
4	D	61	0.46	30.87		4
5	E	974	XXXXXXXXXX	XXXXXXXXXX	N/A	5
6	TOTAL	11,259	31.55	52.44	25	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 Georgia
County of Fulton

Claiborne L. Moore makes oath and states that he is Vice President and Controller of Norfolk Southern Combined Railroad Subsidiaries (see page 4 of STB Annual Report R-1); that it is his duty to have supervision over the books of accounts of the respondent and to control the manner in which such books are kept; that he knows that such books have been kept in good faith during the period covered by this report; that he knows that the entries contained in this report 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 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, 2023, to and including December 31, 2023.

[Handwritten signature of Claiborne L. Moore]

(Signature of affiant)

Subscribed and sworn to before me, a Notary Public in and for the State and county above named, this 25 day of March, 2024. My commission expires April 19, 2026

SHANNON EPPERS
NOTARY PUBLIC

STATE OF GEORGIA - FULTON COUNTY
MY COMMISSION EXPIRES APRIL 19, 2026

Use an LS impression seal

[Handwritten signature of Shannon Eppers]

(Signature of officer authorized to administer oaths)

SUPPLEMENTAL OATH

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

State of Georgia
County of Fulton

Alan H. Shaw makes oath and states that he is Chief Executive Officer of Norfolk Southern Combined Railroad Subsidiaries (see page 4 of STB Annual Report R-1); that he has carefully examined the foregoing report; that he believes that all statements of fact contained in the said report are true; and that the said report is a correct and complete statement of the business and affairs of the above-named respondent and the operations of its property during the period of time from and including January 1, 2023, to and including December 31, 2023.

[Handwritten signature of Alan H. Shaw]

(Signature of affiant)

Subscribed and sworn to before me, a Notary Public in and for the State and county above named, this 25 day of March, 2024. My commission expires April 19, 2026

SHANNON EPPERS
NOTARY PUBLIC

STATE OF GEORGIA - FULTON COUNTY
MY COMMISSION EXPIRES APRIL 19, 2026

Use an LS impression seal

[Handwritten signature of Shannon Eppers]

(Signature of officer authorized to administer oaths)

MEMORANDA  
(FOR USE OF BOARD ONLY)  
CORRESPONDENCE

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

CORRECTIONS

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

EXPLANATORY REMARKS

## INDEX

	Page No.
Accumulated depreciation	
Road and equipment leased	
From others	36
Improvements to	36
Owned and used	35
Accumulated Other Comprehensive Income	6
Accruals - railway tax	55
Analysis of taxes	55
Application of funds - source	21
Balance sheet	5-6
Car, locomotive, and floating equipment - classification	67-71
Statement of Cash Flows	21-22
Company service equipment	67
Compensating balances and short-term borrowing arrangements	58
Consumption of fuel by motive power units	74
Contingent assets and liabilities	7
Crossties (see Ties)	
Debt holdings	59
Depreciation base and rates	
Road and equipment leased	
From others	34
Improvements to	32-33
Owned and used	34
Electric locomotive equipment at close of year	66
Equipment - classified	66-71
Company service	67
Floating	70
Freight-train cars	68-69
Highway revenue equipment	70
Passenger-train cars	67
Inventory	66-71
Owned-Not in service of respondent	67
Equipment leased, depreciation base and rate	
From others	34
Reserve	36
Equipment owned, depreciation base rates	34
Reserve	35
Expenses - railway operating	41-47
Extraordinary items	17
Federal income taxes	55
Financial position - changes in	21-22
Floating equipment	70
Freight cars loaded	80
Freight-train cars	68-69
Freight car-miles	79
Fuel consumed - diesel	74
Cost	74
Funded debt (see Debt holdings)	
Guaranties and suretyships	57
Identity of respondent	2
Investments in common stock of affiliated companies	30
Investments and advances of affiliated companies	26-29
Railway property used in transportation service	38-39
Road and equipment	32-33
Changes during year	32-33
Leased property - improvements made during the year	32-33
Locomotive equipment	66
Electric and other	66
Consumption of diesel fuel	66
Locomotive unit miles	77

## INDEX (Continued)

	Page No.
Mileage - Average of road operated	73
Motorcar car miles	77
Motor rail cars owned or leased	67
Net income	17
Oath	105
Operating expenses (see Expenses)	
Revenues (see Revenues)	
Statistics (see Statistics)	
Ordinary income	17
Other Comprehensive Income	19
Private line cars loaded	78
Private line cars empty	79
Rails	
Charges to operating expenses	41
Railway - Operating expenses	41-47
Railway - Operating revenues	16
Results of Operations	16-17
Retained income unappropriated	20
Miscellaneous items in accounts for year	20
Revenues	
Freight	16
Passenger	16
Road and Equipment - Investment in	32-33
Improvements to leased property	32-33
Reserve	36
Owned - Depreciated base and rates	34
Reserve	35
Used - Depreciated base and rates	34
Reserve	35
Road - Mileage operated at close of year	63
By states and territories	64
Securities (see Investments)	
Short-term borrowings arrangements - compensating balances and	58
Sinking funds	7
Sources and application of working capital	21-22
Specialized service subschedule	54
Statement of changes in financial position	21-22
Stock	
Number of security holders	3
Total voting power	3-4
Value per share	3
Voting rights	3
Suretyships - Guaranties and	57
Tracks operated at close of year	63
Miles of, at close of year	64
Track and traffic conditions	73
Train hours, yard switching	80
Train miles	80
Tons of freight	80
Ton-miles of freight	80
TOFC/COFC number of revenue trailers and containers - loaded & unloaded	80
Voting powers and elections	3