



**BNSF Railway Company**  
Leased Lines and Wholly-Owned Subsidiaries

# **Class I Railroad Annual Report**

To the Surface Transportation Board  
For the Year Ending December 31, 2016

**ANNUAL REPORT**  
OF  
BNSF RAILWAY COMPANY

TO THE  
**SURFACE TRANSPORTATION BOARD**  
FOR THE  
YEAR ENDED DECEMBER 31, 2016

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

(Name) Jon I. Stevens

(Title) Vice President & Controller

(Telephone number) (817) 352-4975  
(Area Code) (Telephone Number)

(Office address) 2650 Lou Menk Drive, Fort Worth, Texas 76131  
(Street and number, City, State, and ZIP code)

## NOTICE

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

For Index, See Back of Form

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## SPECIAL NOTICE

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

The dark borders on the schedules represents 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

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 below the pages excluded, as well as the schedule number and title, in the space provided below.
3. If no schedules were omitted indicate "NONE."

Page	Schedule No.	Title
		NONE

### B. IDENTITY OF RESPONDENT

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

1. Give the exact name of the respondent in full. Use the words, "The" and "Company" only when they are parts of the corporate name. Be careful to distinguish between railroad and railway. The corporate name should be given uniformly throughout the report, notably on the cover, on the title page, and in the "Verification." If the report is made by receivers, trustees, a committee of bondholders, or individuals otherwise in possession of the property, state names and facts with precision. If the report is for a consolidated group, pursuant to Special Permission from the Board, indicate such fact on line 1 below and list the consolidated group on page 4.

2. If incorporated under a special charter, give date of passage of the act; if under a general law, give date of filing certificate of organization; if a reorganization has been effected, give date of reorganization. If a receivership or other trust, also give date when such receivership or other possession began. If a partnership, give date of formation and also names in full of present partners.

3. State the occasion for the reorganization, whether by reason of foreclosure of mortgage or otherwise, according to the fact. Give date of organization of original corporation and refer to laws under which organized.

1. Exact Name of common carrier making this report:

BNSF Railway Company

2. Date of incorporation:

January 13, 1961

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:

Organized under the provisions of the General Corporation Law of the State of Delaware.

4. If the respondent was reorganized during the year, involved in a consolidation or merger, or conducted its business under a different name, give full particulars:

### 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: \_\_\_\_\_  
(date)

No annual report to stockholders is prepared.

A copy of BNSF Railway Company SEC Form 10-K is attached.

C. VOTING POWERS AND ELECTIONS

1. State the par value of each share of stock: Common \$1.00 per share; first preferred, \$ N/A per share; second preferred, \$ N/A per share; debenture stock, \$ N/A per share.
2. State whether or not each share of stock has the right to one vote; if not, give full particulars in a footnote.  Yes  No
3. Are voting rights proportional to holdings?  Yes  No. If not, state in a footnote the relation 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 relation 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 not closed and not required to be closed.
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. 1,000 votes, as of December 31, 2016
8. State the total number of stockholders of record, as of the date shown in answer to Inquiry 7. One (1) stockholder.
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 1 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 and 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 as of 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)	Second Preferred (e)	First Preferred (f)	
1	Burlington Northern Santa Fe, LLC	2650 Lou Menk Drive	1,000	1,000			1
2		Fort Worth, TX 76131					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
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22							22
23							23
24							24
25							25
26							26
27							27
28							28
29							29
30							30



## C. VOTING POWERS AND ELECTIONS - Continued

10. State the total number of votes cast at the latest general meeting for the election of directors of the respondent: "Not Applicable"  
Refer to note shown under inquiry 9.
11. Give the date of such meeting: "Not Applicable" - Refer to note shown under inquiry 9.
12. Give the place of such meeting: "Not Applicable" - Refer to note shown under inquiry 9.

## NOTES AND REMARKS

## Consolidated Subsidiaries:

BNSF Railway Company  
Bayport Systems, Inc.  
BayRail, LLC  
BN Leasing Corporation  
BNSF Communications, Inc.  
BNSF Equipment Acquisition Company, LLC  
Burlington Northern Santa Fe Properties, LLC  
BNSF Railway International Services, Inc.  
BNSF Spectrum, Inc.  
Burlington Northern (Manitoba) Limited  
Burlington Northern Railroad Holdings, Inc.  
Los Angeles Junction Railway Company  
Midwest/Northwest Properties Inc.  
Pine Canyon Land Company  
San Jacinto Rail Limited  
Santa Fe Pacific Insurance Company  
Santa Fe Pacific Pipelines, Inc.  
Santa Fe Pacific Railroad Company  
SFP Pipeline Holdings, Inc.  
Slover Development Company LLC  
Star Lake Railroad Company  
The Burlington Northern and Santa Fe Railway Company de Mexico, S.A. de C.V.  
The Zia Company  
Western Fruit Express Company

## Inactive Subsidiaries:

Northern Radio Limited

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	570,348	564,856	1
2		702	Temporary cash investments			2
3		703	Special deposits			3
			Accounts receivable			
4		704	- Loan and notes			4
5		705	- Interline and other balances	90,639	66,772	5
6		706	- Customers	847,346	804,438	6
7		707	- Other	135,011	143,745	7
8		709, 708	- Accrued accounts receivables	196,041	167,076	8
9		708.5	- Receivables from affiliated companies	326,042	120,992	9
10		709.5	- Less: Allowance for uncollectible accounts	(87,053)	(73,097)	10
11		710, 711, 714	Working funds prepayments deferred income tax debits	212,965	326,136	11
12		712	Materials and supplies	825,018	829,358	12
13		713, 713.5, 713.6	Other current assets	64,562	174,687	13
14			<b>TOTAL CURRENT ASSETS</b>	<b>3,180,919</b>	<b>3,124,963</b>	<b>14</b>
Other Assets						
15		715, 716, 717	Special funds	64,579	79,102	15
16		721, 721.5	Investments and advances affiliated companies (Sch. 310 and 310A)	552,839	553,700	16
17		722, 723	Other investments and advances			17
18		737, 738	Property used in other than carrier operation (Less depreciation) \$	985,776	980,281	18
19		739, 741	Other assets	15,228,719	15,252,459	19
20		743	Other deferred debits	1,230,951	1,110,320	20
21		744	Accumulated deferred income tax debits			21
22			<b>TOTAL OTHER ASSETS</b>	<b>18,062,863</b>	<b>17,975,862</b>	<b>22</b>
Road and Equipment						
23		731, 732	Road (Sch. 330) L-30 Col h & b	53,834,268	51,506,762	23
24		731, 732	Equipment (Sch 330) L-39 Col h & b	12,033,951	11,285,383	24
25		731, 732	Unallocated items	964,906	1,031,035	25
26		733, 735	Accumulated depreciation and amortization (Sch. 335, 342)	(6,396,433)	(5,124,186)	26
27			Net Road and Equipment	60,436,693	58,698,994	27
28	*		Total Assets	81,680,475	79,799,819	28
NOTES AND REMARKS						

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION - LIABILITIES AND SHAREHOLDERS' EQUITY (Dollars in Thousands)						
Line No.	Cross Check	Account	Title (a)	Balance at close of year (b)	Balance at beginning of year (c)	Line No.
			Current Liabilities			
29		751	Loans and notes payable			29
30		752	Accounts payable: interline and other balances	120,090	12,464	30
31		753	Audited accounts and wages	235,507	251,199	31
32		754	Other accounts payable	326,612	292,024	32
33		755, 756	Interest and dividends payable	24,740	23,238	33
34		757	Payables to affiliated companies	50,945	15,440	34
35		759	Accrued accounts payable	1,623,890	1,741,482	35
36		760, 761, 761.5 762	Taxes accrued	950,919	467,649	36
37		763, 763.5, 763.6	Other current liabilities	159,321	151,968	37
38		764	Equipment obligations and other long-term debt due within one year	84,831	214,079	38
39			TOTAL CURRENT LIABILITIES	3,576,855	3,169,543	39
			Non-Current Liabilities			
40		765, 767	Funded debt unmatured	491,281	514,994	40
41		766	Equipment obligations	497,344	520,701	41
42		766.5	Capitalized lease obligations	480,942	536,041	42
43		768	Debt in default			43
44		769	Accounts payable: affiliated companies			44
45		770.1, 770.2	Unamortized debt premium			45
46		781	Interest in default			46
47		783	Deferred revenues - transfers from govt. authorities			47
48		786	Accumulated deferred income tax credits	19,963,817	19,181,491	48
49		771, 772, 774, 775, 782, 784	Other long-term liabilities and deferred credits	2,591,924	2,607,369	49
50			TOTAL NON-CURRENT LIABILITIES	24,025,308	23,360,596	50
			Shareholders' Equity			
51		791, 792	Total capital stock	1	1	51
52			Common stock	1	1	52
53			Preferred stock			53
54		793	Discount on capital stock			54
55		794, 795	Additional capital	42,919,547	42,919,547	55
			Retained earnings:			
56		797	Appropriated			56
57		798	Unappropriated	11,039,547	10,302,433	57
58		798.5	Less treasury stock			58
59		799	Accumulated Other Comprehensive Income or (loss)	119,217	47,699	59
60			Total stockholders equity	54,078,312	53,269,680	60
61			Noncontrolling interest			61
62			Total equity (Lines 60 + 61)	54,078,312	53,269,680	62
63			Total Liabilities & Shareholders' Equity	81,680,475	79,799,819	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 2 on page 9 - 15

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(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 2 on page 9 - 15

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(c) Is any part of the pension plan funded? Specify. Yes  No

If funding is by insurance, give name of insuring company None

If funding is by trust agreement, list trustee(s) Northern Trust Company

Date of trust agreement or latest amendment September 24, 2012

If respondent is affiliated in any way with the trustee(s), explain affiliation: Not Affiliated

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

See Note 2 on page 9 - 15

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(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?

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

Continued on following page

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

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 3 on pages 15A -15H

(a) Changes in valuation accounts.

8. Marketable equity securities.

See Note 4 on page 15H for the information required below

		Cost	Market	Dr. (Cr.) to Income	Dr. (Cr.) to Stockholder's Equity
(Current Yr.)	Current Portfolio				
as of / /	Noncurrent Portfolio				
(Previous Yr.)	Current Portfolio				
as of / /	Noncurrent Portfolio				

At 12/31/16, gross unrealized gains and losses pertaining to marketable equity securities were as follows:

	Gains	Losses
Current		
Noncurrent		

A net unrealized gain (loss) of \$ on the sale of marketable equity securities was included in net income for 2016. The cost of securities was based on the (method) cost of all the shares of each security held at time of sale.

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

NOTE: 12 / 31 / 16 Balance sheet date of reported year unless specified as previous year.

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

## NOTES TO FINANCIAL STATEMENTS

**Note 1****The Company**

BNSF Railway Company and its majority-owned subsidiaries, (collectively, BNSF Railway or Company) is a wholly-owned subsidiary of Burlington Northern Santa Fe, LLC (BNSF). BNSF Railway operates one of the largest railroad networks in North America. BNSF Railway operates approximately 32,500 route miles of track (excluding multiple main tracks, yard tracks and sidings) in 28 states and also operates in three Canadian provinces. Through one operating transportation services segment, BNSF Railway transports a wide range of products and commodities including the transportation of Consumer Products, Industrial Products, Agricultural Products, and Coal, derived from manufacturing, agricultural and natural resource industries, which constituted 34 percent, 26 percent, 22 percent, and 18 percent, respectively, of total freight revenues for the year ended December 31, 2016.

On February 12, 2010, Berkshire Hathaway Inc., a Delaware corporation (Berkshire), acquired 100% of the outstanding shares of Burlington Northern Santa Fe Corporation common stock that it did not already own. The acquisition was completed through the merger (Merger) of a Berkshire wholly-owned merger subsidiary and Burlington Northern Santa Fe Corporation with the surviving entity renamed Burlington Northern Santa Fe, LLC. Berkshire's cost of acquiring BNSF was pushed-down to establish a new accounting basis for BNSF beginning as of February 13, 2010.

The Merger was accounted for using the acquisition method under Accounting Standards Codification (ASC) Topic 805, *Business Combinations*. However, pursuant to Surface Transportation Board Docket No. FD 35506 effective August 23, 2013, this annual R-1 report reflects the phase-in of purchase accounting adjustments. As a result, certain beginning balances will not agree to the prior year's ending balances

**Note 2****Employment Benefit Plans**

BNSF provides a funded, noncontributory qualified pension plan, the BNSF Retirement Plan, which covers most non-union employees, and an unfunded non-tax-qualified pension plan, the BNSF Supplemental Retirement Plan, which covers certain officers and other employees. The benefits under these pension plans are based on years of credited service and the highest consecutive sixty months of compensation for the last ten years of salaried employment with the Company. BNSF Railway provides two funded, noncontributory qualified pension plans which cover certain union employees of the former The Atchison, Topeka and Santa Fe Railway Company. The benefits under these pension plans are based on elections made at the time the plans were implemented. BNSF's funding policy is to contribute annually not less than the regulatory minimum and not more than the maximum amount deductible for income tax purposes with respect to the funded plans.

Certain salaried employees of BNSF Railway who have met age and years of service requirements are eligible for medical benefits, including prescription drug coverage, during retirement. The postretirement medical and prescription drug benefit is contributory and provides benefits to retirees, and their covered dependents. Retiree contributions are adjusted annually. The plan also contains fixed deductibles, coinsurance and out-of-pocket limitations. In addition, a basic life insurance plan is noncontributory and covers retirees only. Optional life insurance coverage is available for some retirees; however, the retiree is responsible for the full cost. BNSF's policy is to fund the life insurance premiums and medical benefits as they come due. Generally, employees beginning salaried employment with BNSF Railway subsequent to September 22, 1995, are not eligible for medical benefits during retirement. These benefits are collectively referred to as retiree health and welfare benefits.

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

## NOTES TO FINANCIAL STATEMENTS

Components of the net (benefit) cost for certain employee benefit plans were as follows (in millions):

	<b>Pension Benefits</b>		
	<b>Year Ended December 31, 2016</b>	Year Ended December 31, 2015	Year Ended December 31, 2014
Service cost	\$ 46	\$ 48	\$ 38
Interest cost	95	90	95
Expected return on plan assets	(142)	(138)	(134)
Amortization of prior service credits	(1)	(1)	(1)
Amortization of net loss	1	14	25
Settlements	(1)	(1)	(1)
Net (benefit) cost recognized	\$ (2)	\$ 12	\$ 22

	<b>Retiree Health and Welfare Benefits</b>		
	<b>Year Ended December 31, 2016</b>	Year Ended December 31, 2015	Year Ended December 31, 2014
Service cost	\$ 1	\$ 1	\$ 1
Interest cost	10	10	11
Amortization of prior service credits	(2)	(2)	(2)
Amortization of net loss	1	2	1
Net cost recognized	\$ 10	\$ 11	\$ 11

The projected benefit obligation is the present value of benefits earned to date by plan participants, including the effect of assumed future salary increases and expected healthcare cost trend rate increases. The following table shows the change in projected benefit obligation (in millions):

<b>Change in Benefit Obligation</b>	<b>Pension Benefits</b>	
	<b>December 31, 2016</b>	December 31, 2015
Projected benefit obligation at beginning of period	\$ 2,320	\$ 2,452
Service cost	46	48
Interest cost	95	90
Actuarial gain	(55)	(111)
Benefits paid	(143)	(145)
Administrative expenses	-	(1)
Settlements	(16)	(13)
Projected benefit obligation at end of period	2,247	2,320
Component representing future salary increases	(102)	(146)
Accumulated benefit obligation at end of period	\$ 2,145	\$ 2,174

<b>Change in Benefit Obligation</b>	<b>Retiree Health and Welfare Benefits</b>	
	<b>December 31, 2016</b>	December 31, 2015
Projected benefit obligation at beginning of period	\$ 258	\$ 280
Service cost	1	1
Interest cost	10	10
Plan participants' contributions	5	5
Actuarial gain	(13)	(13)
Benefits paid	(24)	(25)
Projected benefit obligation at end of period	237	258

At December 31, 2016, BNSF's pension plans had plan assets in excess of accumulated and projected benefit obligations. At December 31, 2015, BNSF's pension plans had plan assets in excess of accumulated benefit obligations and projected benefit obligations in excess of plan assets.

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

## NOTES TO FINANCIAL STATEMENTS

The following table shows the change in plan assets of the plans (in millions):

Change in Plan Assets	Pension Benefits	
	December 31, 2016	December 31, 2015
Fair value of plan assets at beginning of period	\$ 2,289	\$ 2,342
Actual return on plan assets	193	95
Employer contributions <sup>a</sup>	10	11
Benefits paid	(143)	(145)
Administrative expenses	-	(1)
Settlements	(16)	(13)
Fair value of plan assets at measurement date	\$ 2,333	\$ 2,289

<sup>a</sup> Employer contributions were classified as Other, Net under Operating Activities in the Company's Consolidated Statements of Cash Flows.

Change in Plan Assets	Retiree Health and Welfare Benefits	
	December 31, 2016	December 31, 2015
Fair value of plan assets at beginning of period	\$ -	\$ -
Employer contributions <sup>a</sup>	19	20
Plan participants' contributions	5	5
Benefits paid	(24)	(25)
Fair value of plan assets at measurement date	\$ -	\$ -

<sup>a</sup> Employer contributions were classified as Other, Net under Operating Activities in the Company's Consolidated Statements of Cash Flows.

The following table shows the funded status, defined as plan assets less the projected benefit obligation (in millions):

	Pension Benefits		Retiree Health and Welfare Benefits	
	December 31, 2016	December 31, 2015	December 31, 2016	December 31, 2015
Funded status (plan assets less projected benefit obligations)	\$ 86	\$ (31)	\$ (237)	\$ (258)

Of the combined pension and retiree health and welfare benefits liability of \$151 million and \$289 million recognized as of December 31, 2016 and 2015, respectively, \$30 million was included in other current liabilities in both December 31, 2016 and 2015, and \$200 million and \$93 million were included in other assets at December 31, 2016 and 2015, respectively.

Actuarial gains and losses and prior service credits are recognized in the Consolidated Balance Sheets through an adjustment to accumulated other comprehensive income / (loss) (AOCI). The following table shows the pre-tax change in AOCI attributable to the components of the net cost and the change in benefit obligation (in millions):

Change in AOCI	Pension Benefits		
	Year Ended December 31, 2016	Year Ended December 31, 2015	Year Ended December 31, 2014
Beginning balance	\$ 102	\$ (136)	\$ 63
Amortization of net loss	1	14	25
Amortization of prior service credits	(1)	(1)	(1)
Actuarial gain (loss)	106	68	(392)
Settlements	(1)	(1)	(1)
Ending balance	\$ 207	\$ (56)	\$ (306)



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

## NOTES TO FINANCIAL STATEMENTS

	Retiree Health and Welfare Benefits		
	Year Ended December 31, 2016	Year Ended December 31, 2015	Year Ended December 31, 2014
<b>Change in AOCI</b>			
Beginning balance	\$ (21)	\$ (39)	\$ (31)
Amortization of net loss	1	2	1
Amortization of prior service credits	(2)	(2)	(2)
Actuarial gain (loss)	13	13	(13)
Ending balance	\$ (9)	\$ (26)	\$ (45)

Less than \$1 million, net of tax, of the actuarial losses and prior service credits from defined benefit pension plans in AOCI are required to be amortized into net periodic benefit cost over the next fiscal year. Approximately \$1 million, net of tax, of the prior service credits and less than \$1 million, net of tax, of the actuarial losses from retiree health and welfare benefit plans in AOCI are required to be amortized into net periodic benefit cost over the next fiscal year. Pre-tax amounts currently recognized in AOCI consist of the following (in millions):

	Pension Benefits		Retiree Health and Welfare Benefits	
	2016	2015	2016	2015
Net gain (loss)	\$ 206	\$ (59)	\$ (14)	\$ (34)
Prior service credits	4	5	5	8
Settlements	(3)	(2)	-	-
Pre-tax amount recognized in AOCI at December 31,	207	(56)	(9)	(26)
After-tax amount recognized in AOCI at December 31,	\$ 128	\$ (34)	\$ (6)	\$ (16)

The assumptions used in accounting for the BNSF plans were as follows:

Assumptions Used to Determine Net Cost	Pension Benefits		
	Year Ended December 31, 2016	Year Ended December 31, 2015	Year Ended December 31, 2014
Discount rate	4.2 %	3.8 %	4.5 %
Expected long-term rate of return on plan assets	6.6 %	6.6 %	6.8 %
Rate of compensation increase	3.8 %	3.8 %	3.8 %

Assumptions Used to Determine Net Cost	Retiree Health and Welfare Benefits		
	Year Ended December 31, 2016	Year Ended December 31, 2015	Year Ended December 31, 2014
Discount rate	4.1 %	3.7 %	4.5 %
Rate of compensation increase	3.8 %	3.8 %	3.8 %

Assumptions Used to Determine Benefit Obligations	Pension Benefits		Retiree Health and Welfare Benefits	
	December 31, 2016	December 31, 2015	December 31, 2016	December 31, 2015
Discount rate	4.1 %	4.2 %	3.9 %	4.1 %
Rate of compensation increase	3.3 %	3.8 %	3.3 %	3.8 %

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

## NOTES TO FINANCIAL STATEMENTS

BNSF determined the discount rate based on a yield curve that utilized year-end market yields of high-quality corporate bonds to develop spot rates that are matched against the plans' expected benefit payments. The discount rate used for the 2017 calculation of net benefit cost decreased to 4.1 percent for pension and 3.9 percent for retiree health and welfare benefits, which reflects market conditions at the December 31, 2016 measurement date.

Various other assumptions including retirement and withdrawal rates, compensation increases, payment form and benefit commencement age are based upon a five-year experience study. In 2016, BNSF obtained an updated study which had an immaterial impact on its pension and retiree health and welfare projected benefit obligations.

In 2015, BNSF utilized the Society of Actuaries (SOA) RP-2014 mortality tables with a modified improvement scale in the calculation of its year-end benefit obligations. In 2016, BNSF adopted actuary-produced mortality tables and an improvement scale derived from the updated tables in the calculation of its December 31, 2016 liabilities, as they represent a better estimate of mortality for plan participants. The change in mortality table assumption had an immaterial impact on the Company's pension and retiree health and welfare projected benefit obligations.

Pension plan assets are generally invested with the long-term objective of earning sufficient amounts to cover expected benefit obligations, while assuming a prudent level of risk. Allocations may change as a result of changing market conditions and investment opportunities. The expected rates of return on plan assets reflect subjective assessments of expected invested asset returns over a period of several years. Actual experience will differ from the assumed rates. The expected rate of return on plan assets was 6.6 percent for 2016 and will be 6.6 percent for 2017.

The following table is an estimate of the impact on future net benefit cost that could result from hypothetical changes to the most sensitive assumptions, the discount rate and rate of return on plan assets:

<b>Sensitivity Analysis</b>		
<b>Change in Net Benefit Cost</b>		
<b>Hypothetical Discount Rate Change</b>	<b>Pension</b>	<b>Retiree Health and Welfare</b>
50 basis point decrease	\$1 million increase	\$ —million decrease
50 basis point increase	\$7 million decrease	\$ —million increase
<b>Hypothetical Rate of Return on Plan Assets Change</b>	<b>Pension</b>	
50 basis point decrease	\$11 million increase	
50 basis point increase	\$11 million decrease	

The following table presents assumed health care cost trend rates:

	<b>Year Ended December 31, 2016</b>	<b>Year Ended December 31, 2015</b>	<b>Year Ended December 31, 2014</b>
Assumed health care cost trend rate for next year (participants over 65)	<b>3.0 %</b>	3.0 %	3.0 %
Assumed health care cost trend rate for next year (participants under 65)	<b>7.4 %</b>	7.7 %	7.9 %
Rate to which health care cost trend rate for participants under 65 is expected to decline and remain	<b>4.4 %</b>	4.5 %	4.5 %
Year that the rate reaches the ultimate trend rate	<b>2039</b>	2038	2028

Assumed health care cost trend rates have a significant effect on the amounts reported for the health care plans. A one percentage point change in assumed health care cost trend rates would have the following effects (in millions):

	<b>One Percentage- Point Increase</b>	<b>One Percentage- Point Decrease</b>
Effect on total service and interest cost	\$ 1	\$ (1)
Effect on postretirement benefit obligation	\$ 17	\$ (15)

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

## NOTES TO FINANCIAL STATEMENTS

Investments are stated at fair value. The various types of investments are valued as follows:

(i) Equity securities are valued at the last trade price at primary exchange close time on the last business day of the year (Level 1 input). If the last trade price is not available, values are based on bid, ask/offer quotes from contracted pricing vendors, brokers, or investment managers (Level 3 input or Level 2 if corroborated).

(ii) Other fixed maturity securities and government obligations are valued based on institutional bid evaluations from contracted vendors. Where available, vendors use observable market-based data to evaluate prices (Level 2 input). This also applies to U.S. Treasury securities included in cash and cash equivalents. If observable market-based data is not available, unobservable inputs such as extrapolated data, proprietary models, and indicative quotes are used to arrive at estimated prices representing the price a dealer would pay for the security (Level 3 input).

(iii) Investment funds are valued at the daily net asset value of shares held at year end. Net asset value is considered a Level 1 input if net asset value is computed daily and redemptions at this value are available to all shareholders without restriction. Net asset value is considered a Level 2 input if the fund may restrict share redemptions under limited circumstances or if net asset value is not computed daily. Net asset value is considered a Level 3 input if shares could not be redeemed on the reporting date and net asset value cannot be corroborated by trading activity.

The following table summarizes the investments of BNSF's funded pension plans as of December 31, 2016, based on the inputs used to value them (in millions):

Asset Category	Total as of December 31, 2016	Level 1 Inputs	Level 2 Inputs	Level 3 Inputs
Cash and equivalents	\$ 1	\$ 1	\$ -	\$ -
Equity securities <sup>a</sup>	2,139	2,139	-	-
Government obligations	164	-	164	-
Other fixed maturity securities	21	-	21	-
Investment funds and other	8	8	-	-
Total <sup>b</sup>	\$ 2,333	\$ 2,148	\$ 185	\$ -

<sup>a</sup> As of December 31, 2016, four equity securities each exceeded 10 percent of total plan assets. These investments represent approximately 56 percent of total plan assets.

<sup>b</sup> Excludes less than \$1 million accrued for dividend and interest receivable.

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

## NOTES TO FINANCIAL STATEMENTS

Comparative Prior Year Information

The following table summarizes the investments of BNSF's funded pension plans as of December 31, 2015, based on the inputs used to value them (in millions):

<b>Asset Category</b>	<b>Total as of December 31, 2015</b>	<b>Level 1 Inputs</b>	<b>Level 2 Inputs</b>	<b>Level 3 Inputs</b>
Cash and equivalents	\$ 167	\$ 3	\$ 164	\$ -
Equity securities <sup>a</sup>	2,060	2,060	-	-
Government obligations	12	-	12	-
Other fixed maturity securities	31	-	31	-
Investment funds and other	19	19	-	-
<b>Total <sup>b</sup></b>	<b>\$ 2,289</b>	<b>\$ 2,082</b>	<b>\$ 207</b>	<b>\$ -</b>

<sup>a</sup> As of December 31, 2015, three equity securities each exceeded 10 percent of total plan assets. These investments represented approximately 47 percent of total plan assets.

<sup>b</sup> Excludes less than \$1 million accrued for dividend and interest receivable.

The Company is not required to make contributions to its funded pension plans in 2017. The Company expects to make benefit payments in 2017 of \$11 million from its unfunded non-qualified pension plan.

The following table shows expected benefit payments from its defined benefit pension plans and expected claim payments for the retiree health and welfare plan for the next five fiscal years and the aggregate five years thereafter (in millions):

<b>Fiscal year</b>	<b>Expected Pension Plan Benefit Payments<sup>a</sup></b>	<b>Expected Retiree Health and Welfare Payments</b>
2017	\$ 166	\$ 19
2018	\$ 153	\$ 18
2019	\$ 152	\$ 18
2020	\$ 151	\$ 17
2021	\$ 145	\$ 16
2022-2026	\$ 661	\$ 73

<sup>a</sup> Primarily consists of the BNSF Retirement Plan payments, which are made from the plan trust and do not represent an immediate cash outflow to the Company.

Defined Contribution Plans

BNSF and BNSF Railway sponsor qualified 401(k) plans that cover substantially all employees and a non-qualified defined contribution plan that covers certain officers and other employees. The Company matched 75 percent of the first six percent of non-union employees' contributions and matched 25 percent on the first four percent of a limited number of union employees' contributions, which are subject to certain percentage limits of the employees' earnings, at each pay period. Employer contributions are subject to a five-year length of service vesting schedule. The Company's 401(k) matching expense was \$33 million during the years ended December 31, 2016 and 2015 and \$35 million during the year ended December 31, 2014.

Other

Under collective bargaining agreements, BNSF Railway participates in multi-employer benefit plans that provide certain postretirement health care and life insurance benefits for eligible union employees. Insurance premiums paid attributable to retirees, which are generally expensed as incurred, were \$61 million, \$58 million and \$65 million during the years ended December 31, 2016, 2015 and 2014, respectively. The average number of employees covered under these plans were 36 thousand during the year ended December 31, 2016, and 40 thousand during the years ended December 31, 2015 and 2014.

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

## NOTES TO FINANCIAL STATEMENTS

**Note 3****Commitments and Contingencies****Lease Commitments**

BNSF Railway has substantial lease commitments for locomotives, freight cars, office buildings, operating facilities and other property, and many of these leases provide the option to purchase the leased item at fair market value at the end of the lease. However, some provide fixed price purchase options. Future minimum lease payments as of December 31, 2016, are summarized as follows (in millions):

December 31,	<u>Capital Leases</u>	<u>Operating Leases<sup>a</sup></u>
2017	\$ 77	\$ 519
2018	74	475
2019	71	446
2020	69	449
2021	200	374
Thereafter	164	1,154
Total	655	\$ 3,417
Less amount representing interest	(143)	
Present value of minimum lease payments	\$ 512	

<sup>a</sup> Excludes leases having non-cancelable lease terms of less than one year and per diem leases.

Lease rental expense for all operating leases, excluding per diem leases, was \$595 million, \$623 million and \$626 million for the years ended December 31, 2016, 2015 and 2014, respectively. When rental payments are not made on a straight-line basis, the Company recognizes rental expense on a straight-line basis over the lease term. Contingent rentals and sublease rentals were not significant.

**Other Commitments**

In the normal course of business, the Company enters into long-term contractual requirements for future goods and services needed for the operations of the business. Such commitments are not in excess of expected requirements and are not reasonably likely to result in performance penalties or payments that would have a material adverse effect on the Company's liquidity.

**Guarantees**

As of December 31, 2016, BNSF Railway has not been called upon to perform under the guarantees specifically disclosed in this footnote and does not anticipate a significant performance risk in the foreseeable future.

Debt and other obligations of non-consolidated entities guaranteed by the Company as of December 31, 2016, were as follows (dollars in millions):

	<u>Guarantees</u>					<u>Capitalized Obligations</u>
	<u>BNSF Railway Ownership Percentage</u>	<u>Principal Amount Guaranteed</u>	<u>Maximum Future Payments</u>	<u>Maximum Recourse Amount<sup>a</sup></u>	<u>Remaining Term (in years)</u>	
Kinder Morgan Energy Partners, L.P.	0.5%	\$ 190	\$ 190	\$ -	Termination of Ownership	\$ 2 <sup>b</sup>
Chevron Phillips Chemical Company, LP	-	N/A <sup>d</sup>	N/A <sup>d</sup>	N/A <sup>d</sup>	11	\$ 22 <sup>c</sup>

<sup>a</sup> Reflects the maximum amount the Company could recover from a third party other than the counterparty.

<sup>b</sup> Reflects capitalized obligations that are recorded on the Company's Consolidated Balance Sheet.

<sup>c</sup> Reflects the asset and corresponding liability for the fair value of these guarantees required by authoritative accounting guidance related to guarantees.

<sup>d</sup> There is no cap to the liability that can be sought from BNSF Railway for BNSF Railway's negligence or the negligence of the indemnified party. However, BNSF Railway could receive reimbursement from certain insurance policies if the liability exceeds a certain amount.

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

## NOTES TO FINANCIAL STATEMENTS

**Kinder Morgan Energy Partners, L.P.**

Santa Fe Pacific Pipelines, Inc., an indirect, wholly-owned subsidiary of BNSF Railway, has a guarantee in connection with its remaining special limited partnership interest in Santa Fe Pacific Pipeline Partners, L.P. (SFPP), a subsidiary of Kinder Morgan Energy Partners, L.P., to be paid only upon default by the partnership. All obligations with respect to the guarantee will cease upon termination of ownership rights, which would occur upon a put notice issued by BNSF Railway or the exercise of the call rights by the general partners of SFPP.

**Chevron Phillips Chemical Company, LP**

BNSF Railway has an indemnity agreement with Chevron Phillips Chemical Company LP (Chevron Phillips), granting certain rights of indemnity from BNSF Railway, in order to facilitate access to a storage facility. Under certain circumstances, payment under this obligation may be required in the event Chevron Phillips were to incur certain liabilities or other incremental costs resulting from trackage access.

**Indemnities**

In the ordinary course of business, BNSF Railway enters into agreements with third parties that include indemnification clauses. The Company believes that these clauses are generally customary for the types of agreements in which they are included. At times, these clauses may involve indemnification for the acts of the Company, its employees and agents, indemnification for another party's acts, indemnification for future events, indemnification based upon a certain standard of performance, indemnification for liabilities arising out of the Company's use of leased equipment or other property, or other types of indemnification. Despite the uncertainty whether events which would trigger the indemnification obligations would ever occur, the Company does not believe that these indemnity agreements will have a material adverse effect on the Company's results of operations, financial position or liquidity. Additionally, the Company believes that, due to lack of historical payment experience, the fair value of indemnities cannot be estimated with any amount of certainty and that the fair value of any such amount would be immaterial to the Consolidated Financial Statements. Agreements that reflect unique circumstances, particularly agreements that contain guarantees that indemnify for another party's acts, are disclosed separately, if appropriate. Unless separately disclosed above, no fair value liability related to indemnities has been recorded in the Consolidated Financial Statements.

**Variable Interest Entities – Leases**

BNSF Railway has entered into various lease transactions in which the structure of the lease contains VIEs. These leases are primarily for equipment. These VIEs were created solely for the lease transactions and have no other activities, assets or liabilities outside of the lease transactions. In some of the arrangements, BNSF Railway has the option to purchase some or all of the leased assets at a fixed-price, thereby creating variable interests for BNSF Railway in the VIEs. The future minimum lease payments associated with the VIE leases were approximately \$2 billion as of December 31, 2016. The future minimum lease payments are included in future operating lease payments disclosed in Note 3.

In the event the leased asset is destroyed, BNSF Railway is obligated to either replace the asset or pay a fixed loss amount. The inclusion of the fixed loss amount is a standard clause within the lease arrangements. Historically, BNSF Railway has not incurred significant losses related to this clause. As such, it is not anticipated that the maximum exposure to loss would materially differ from the future minimum lease payments.

BNSF Railway does not provide financial support to the VIEs that it was not previously contractually obligated to provide.

BNSF Railway maintains and operates the leased assets based on contractual obligations within the lease arrangements, which set specific guidelines consistent within the industry. As such, BNSF Railway has no control over activities that could materially impact the fair value of the leased assets. BNSF Railway does not hold the power to direct the activities of the VIEs and therefore does not control the ongoing activities that have a significant impact on the economic performance of the VIEs. Additionally, BNSF Railway does not have the obligation to absorb losses of the VIEs or the right to receive benefits of the VIEs that could potentially be significant to the VIEs. Depending on market conditions, the fixed-price purchase options could potentially provide benefit to the Company; however, any benefits potentially received from a fixed-price purchase option are expected to be minimal. Based on these factors, BNSF Railway is not the primary beneficiary of the VIEs. As BNSF Railway is not the primary beneficiary and the majority of the VIE leases are operating leases, the assets and liabilities related to the VIEs recorded in the Company's Consolidated Balance Sheet are immaterial.

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

## NOTES TO FINANCIAL STATEMENTS

**Personal Injury and Environmental Costs**Personal Injury

Personal injury claims, including asbestos claims and employee work-related injuries and third-party injuries (collectively, other personal injury), are a significant expense for the railroad industry. Personal injury claims by BNSF Railway employees are subject to the provisions of the Federal Employers' Liability Act (FELA) rather than state workers' compensation laws. FELA's system of requiring the finding of fault, coupled with unscheduled awards and reliance on the jury system, contributed to increased expenses in past years. Other proceedings include claims by non-employees for punitive as well as compensatory damages. A few proceedings purport to be class actions. The variability present in settling these claims, including non-employee personal injury and matters in which punitive damages are alleged, could result in increased expenses in future years. BNSF Railway has implemented a number of safety programs designed to reduce the number of personal injuries as well as the associated claims and personal injury expense.

BNSF Railway records an undiscounted liability for personal injury claims when the expected loss is both probable and reasonably estimable. The liability and ultimate expense projections are estimated using standard actuarial methodologies. Liabilities recorded for unasserted personal injury claims are based on information currently available. Due to the inherent uncertainty involved in projecting future events such as the number of claims filed each year, developments in judicial and legislative standards and the average costs to settle projected claims, actual costs may differ from amounts recorded. BNSF Railway has obtained insurance coverage for certain claims, as discussed under the heading "BNSF Insurance Company." Expense accruals and any required adjustments are classified as materials and other in the Consolidated Statements of Income.

Asbestos

The Company is party to a number of personal injury claims by employees and non-employees who may have been exposed to asbestos. The heaviest exposure for certain BNSF Railway employees was due to work conducted in and around the use of steam locomotive engines that were phased out between the years of 1950 and 1967. However, other types of exposures, including exposure from locomotive component parts and building materials, continued after 1967 until they were substantially eliminated at BNSF Railway by 1985.

BNSF Railway assesses its unasserted asbestos liability exposure on an annual basis during the third quarter. BNSF Railway determines its asbestos liability by estimating its exposed population, the number of claims likely to be filed, the number of claims that will likely require payment and the estimated cost per claim. Estimated filing and dismissal rates and average cost per claim are determined utilizing recent claim data and trends.

Key elements of the assessment include:

- Because BNSF Railway did not have detailed employment records in order to compute the population of potentially exposed employees, it computed an estimate using Company employee data from 1970 forward and estimated the BNSF Railway employee base from 1938-1969 using railroad industry historical census data and estimating BNSF Railway's representation in the total railroad population.
- The projected incidence of disease was estimated based on epidemiological studies using employees' age, duration and intensity of exposure while employed.
- An estimate of the future anticipated claims filing rate by type of disease (non-malignant, cancer and mesothelioma) was computed using the Company's average historical claim filing rates observed in 2012-2015.
- An estimate of the future anticipated dismissal rate by type of claim was computed using the Company's historical average dismissal rates observed in 2011-2015.
- An estimate of the future anticipated settlement by type of disease was computed using the Company's historical average of dollars paid per claim for pending and future claims using the average settlement by type of incidence observed during 2011-2015.

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

## NOTES TO FINANCIAL STATEMENTS

From these assumptions, BNSF Railway projected the incidence of each type of disease to the estimated population to arrive at an estimate of the total number of employees that could potentially assert a claim. Historical claim filing rates were applied for each type of disease to the total number of employees that could potentially assert a claim to determine the total number of anticipated claim filings by disease type. Historical dismissal rates, which represent claims that are closed without payment, were then applied to calculate the number of future claims by disease type that would likely require payment by the Company. Finally, the number of such claims was multiplied by the average settlement value to estimate BNSF Railway's future liability for unasserted asbestos claims.

The most sensitive assumptions for this accrual are the estimated future filing rates and estimated average claim values. Asbestos claim filings are typically sporadic and may include large batches of claims solicited by law firms. To reflect these factors, BNSF Railway used a multi-year calibration period (i.e., average historical filing rates observed in 2012-2015) because it believed it would be most representative of its future claim experience. In addition, for non-malignant claims, the number of future claims to be filed against BNSF Railway declines at a rate consistent with both mortality and age as there is a decreasing propensity to file a claim as the population ages. BNSF Railway believes the average claim values by type of disease from the historical period 2011-2015 are most representative of future claim values. Non-malignant claims, which represent approximately 80 percent of the total number and 45 percent of the cost of estimated future asbestos claims, were priced by age of the projected claimants. Historically, the ultimate settlement value of these types of claims is most sensitive to the age of the claimant.

During the third quarters of 2016, 2015 and 2014, the Company analyzed recent filing and payment trends to ensure the assumptions used by BNSF Railway to estimate its future asbestos liability were reasonable. In 2016, management determined that the liability remained appropriate and no change was recorded. In 2015, management recorded an increase in expense of \$5 million. In 2014, management recorded a decrease in expense of \$2 million. The Company plans to update its study again in the third quarter of 2017.

Throughout the year, BNSF Railway monitors actual experience against the number of forecasted claims and expected claim payments and will record adjustments to the Company's estimates as necessary.

Based on BNSF Railway's estimate of the potentially exposed employees and related mortality assumptions, it is anticipated that unasserted asbestos claims will continue to be filed through the year 2050. The Company recorded an amount for the full estimated filing period through 2050 because it had a relatively finite exposed population (former and current employees hired prior to 1985), which it was able to identify and reasonably estimate and about which it had obtained reliable demographic data (including age, hire date and occupation) derived from industry or BNSF Railway specific data that was the basis for the study. BNSF Railway projects that approximately 65, 80 and 95 percent of the future unasserted asbestos claims will be filed within the next 10, 15 and 25 years, respectively.

Other Personal Injury

BNSF Railway estimates its other personal injury liability claims and expense quarterly based on the covered population, activity levels and trends in frequency and the costs of covered injuries. Estimates include unasserted claims except for certain repetitive stress and other occupational trauma claims that allegedly result from prolonged repeated events or exposure. Such claims are estimated on an as-reported basis because the Company cannot estimate the range of reasonably possible loss due to other non-work related contributing causes of such injuries and the fact that continued exposure is required for the potential injury to manifest itself as a claim. BNSF Railway has not experienced any significant adverse trends related to these types of claims in recent years.



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

NOTES TO FINANCIAL STATEMENTS

Key elements of the actuarial assessment include:

- Size and demographics (employee age and craft) of the workforce.
- Activity levels (manhours by employee craft and carloadings).
- Expected claim frequency rates by type of claim (employee FELA or third-party liability) based on historical claim frequency trends.
- Expected dismissal rates by type of claim based on historical dismissal rates.
- Expected average paid amounts by type of claim for open and incurred but not reported claims that eventually close with payment.

From these assumptions, BNSF Railway estimates the number of open claims by accident year that will likely require payment by the Company. The projected number of open claims by accident year that will require payment is multiplied by the expected average cost per claim by accident year and type to determine BNSF Railway's estimated liability for all asserted claims. Additionally, BNSF Railway estimates the number of its incurred but not reported claims that will likely result in payment based upon historical emergence patterns by type of claim. The estimated number of projected claims by accident year requiring payment is multiplied by the expected average cost per claim by accident year and type to determine BNSF Railway's estimated liability for incurred but not reported claims.

BNSF Railway monitors quarterly actual experience against the number of forecasted claims to be received, the forecasted number of claims closing with payment and expected claim payments. Adjustments to the Company's estimates are recorded quarterly as necessary or more frequently as new events or revised estimates develop.

The following table summarizes the activity in the Company's accrued obligations for asbestos and other personal injury matters (in millions):

	<b>Year Ended December 31, 2016</b>	Year Ended December 31, 2015	Year Ended December 31, 2014
Beginning balance	\$ 375	\$ 371	\$ 379
Accruals	80	81	62
Payments	(88)	(81)	(73)
Ending balance	<b>\$ 367</b>	\$ 371	\$ 368

At December 31, 2016 and 2015, \$85 million was included in current liabilities for both periods. Defense and processing costs, which are recorded on an as-reported basis, were not included in the recorded liability. The Company is primarily self-insured for personal injury claims.

Because of the uncertainty surrounding the ultimate outcome of personal injury claims, it is reasonably possible that future costs to settle personal injury claims may range from approximately \$325 million to \$435 million. However, BNSF Railway believes that the \$367 million recorded at December 31, 2016, is the best estimate of the Company's future obligation for the settlement of personal injury claims.

The amounts recorded by BNSF Railway for personal injury liabilities were based upon currently known facts. Future events, such as the number of new claims to be filed each year, the average cost of disposing of claims, as well as the numerous uncertainties surrounding personal injury litigation in the United States, could cause the actual costs to be higher or lower than projected.

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

## NOTES TO FINANCIAL STATEMENTS

Although the final outcome of personal injury matters cannot be predicted with certainty, considering among other things the meritorious legal defenses available and liabilities that have been recorded, it is the opinion of BNSF Railway that none of these items, when finally resolved, will have a material adverse effect on the Company's financial position or liquidity. However, the occurrence of a number of these items in the same period could have a material adverse effect on the results of operations in a particular quarter or fiscal year.

**BNSF Insurance Company**

Burlington Northern Santa Fe Insurance Company, Ltd. (BNSFIC), a wholly-owned subsidiary of BNSF, provides insurance coverage for certain risks, FELA claims, railroad protective and force account insurance claims and certain excess general liability and property coverage, and certain other claims which are subject to reinsurance. During the years ended December 31, 2016, 2015 and 2014, BNSFIC wrote insurance coverage with premiums totaling \$70 million, \$73 million and \$79 million, respectively, for BNSF Railway, net of reimbursements from third parties. During this same time, BNSF Railway recognized \$70 million, \$75 million and \$79 million, respectively, in expense related to those premiums, which is classified as purchased services in the Consolidated Statements of Income. At December 31, 2016 and 2015, unamortized premiums remaining on the Consolidated Balance Sheet were \$5 million for both periods. During the years ended December 31, 2016, 2015 and 2014, BNSFIC made claim payments totaling \$69 million, \$214 million and \$98 million, respectively, for settlement of covered claims. At December 31, 2016 and 2015, claims receivables from BNSFIC were \$3 million and \$15 million, respectively.

**Environmental**

The Company's operations, as well as those of its competitors, are subject to extensive federal, state and local environmental regulation. BNSF Railway's operating procedures include practices to protect the environment from the risks inherent in railroad operations, which frequently involve transporting chemicals and other hazardous materials. Additionally, many of BNSF Railway's land holdings are and have been used for industrial or transportation-related purposes or leased to commercial or industrial companies whose activities may have resulted in discharges onto the property. As a result, BNSF Railway is subject to environmental cleanup and enforcement actions. In particular, the federal Comprehensive Environmental Response, Compensation and Liability Act of 1980 (CERCLA), also known as the Superfund law, as well as similar state laws, generally impose joint and several liability for cleanup and enforcement costs on current and former owners and operators of a site without regard to fault or the legality of the original conduct. BNSF Railway has been notified that it is a potentially responsible party (PRP) for study and cleanup costs at Superfund sites for which investigation and remediation payments are or will be made or are yet to be determined (the Superfund sites) and, in many instances, is one of several PRPs. In addition, BNSF Railway may be considered a PRP under certain other laws. Accordingly, under CERCLA and other federal and state statutes, BNSF Railway may be held jointly and severally liable for all environmental costs associated with a particular site. If there are other PRPs, BNSF Railway generally participates in the cleanup of these sites through cost-sharing agreements with terms that vary from site to site. Costs are typically allocated based on such factors as relative volumetric contribution of material, the amount of time the site was owned or operated and/or the portion of the total site owned or operated by each PRP.

BNSF Railway is involved in a number of administrative and judicial proceedings and other mandatory cleanup efforts for 220 sites, including 18 Superfund sites, at which it is participating in the study or cleanup, or both, of alleged environmental contamination.

Liabilities for environmental cleanup costs are recorded when BNSF Railway's liability for environmental cleanup is probable and reasonably estimable. Subsequent adjustments to initial estimates are recorded as necessary based upon additional information developed in subsequent periods. Environmental costs include initial site surveys and environmental studies as well as costs for remediation of sites determined to be contaminated.

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

## NOTES TO FINANCIAL STATEMENTS

BNSF Railway estimates the ultimate cost of cleanup efforts at its known environmental sites on an annual basis during the third quarter. Ultimate cost estimates for environmental sites are based on current estimated percentage to closure ratios, possible remediation work plans and estimates of the costs and likelihood of each possible outcome, historical payment patterns, and benchmark patterns developed from data accumulated from industry and public sources, including the Environmental Protection Agency and other governmental agencies. These factors incorporate into the estimates experience gained from cleanup efforts at other similar sites. The most significant assumptions are the possible remediation work plans and estimates of the costs and likelihood of each possible outcome for the larger sites.

Annual studies do not include (i) contaminated sites of which the Company is not aware; (ii) additional amounts for third-party tort claims, which arise out of contaminants allegedly migrating from BNSF Railway property, due to a limited number of sites; or (iii) natural resource damage claims. BNSF Railway continues to estimate third-party tort claims on a site by site basis when the liability for such claims is probable and reasonably estimable. BNSF Railway's recorded liability for third-party tort claims as of December 31, 2016 and 2015 was \$12 million for both periods.

On a quarterly basis, BNSF Railway monitors actual experience against the forecasted remediation and related payments made on existing sites and conducts ongoing environmental contingency analyses, which consider a combination of factors including independent consulting reports, site visits, legal reviews and analysis of the likelihood of other PRPs' participation in, and their ability to pay for cleanup. Adjustments to the Company's estimates will continue to be recorded as necessary based on developments in subsequent periods. Additionally, environmental accruals, which are classified as materials and other in the Consolidated Statements of Income, include amounts for newly identified sites or contaminants, third-party claims and legal fees incurred for defense of third-party claims and recovery efforts.

The following table summarizes the activity in the Company's accrued obligations for environmental matters (in millions):

	<b>Year Ended December 31, 2016</b>	Year Ended December 31, 2015	Year Ended December 31, 2014
Beginning balance	\$ 369	\$ 404	\$ 435
Accruals	5	4	13
Payments	(32)	(39)	(44)
Ending balance	<b>\$ 342</b>	<b>\$ 369</b>	<b>\$ 404</b>

At December 31, 2016 and 2015, \$40 million and \$50 million were included in current liabilities, respectively.

During the third quarters of 2016, 2015 and 2014, the Company analyzed recent data and trends to ensure the assumptions used by BNSF Railway to estimate its future environmental liability were reasonable. As a result of this study, in the third quarters of 2016, 2015 and 2014, management recorded additional expense of \$8 million, \$7 million and \$5 million as of the respective June 30 measurement dates. The Company plans to update its study again in the third quarter of 2017.

BNSF Railway's environmental liabilities are not discounted. BNSF Railway anticipates that the majority of the accrued costs at December 31, 2016, will be paid over the next ten years, and no individual site is considered to be material.

Liabilities recorded for environmental costs represent BNSF Railway's best estimate of its probable future obligation for the remediation and settlement of these sites and include both asserted and unasserted claims. Although recorded liabilities include BNSF Railway's best estimate of all probable costs, without reduction for anticipated recoveries from third parties, BNSF Railway's total cleanup costs at these sites cannot be predicted with certainty due to various factors such as the extent of corrective actions that may be required, evolving environmental laws and regulations, advances in environmental technology, the extent of other parties' participation in cleanup efforts, developments in ongoing environmental analyses related to sites determined to be contaminated and developments in environmental surveys and studies of contaminated sites.

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

## NOTES TO FINANCIAL STATEMENTS

Because of the uncertainty surrounding these factors, it is reasonably possible that future costs for environmental liabilities may range from approximately \$275 million to \$480 million. However, BNSF Railway believes that the \$342 million recorded at December 31, 2016, is the best estimate of the Company's future obligation for environmental costs.

Although the final outcome of these environmental matters cannot be predicted with certainty, it is the opinion of BNSF Railway that none of these items, when finally resolved, will have a material adverse effect on the Company's financial position or liquidity. However, the occurrence of a number of these items in the same period could have a material adverse effect on the results of operations in a particular quarter or fiscal year.

**Other Claims and Litigation**

In addition to asbestos, other personal injury and environmental matters discussed above, BNSF Railway and its subsidiaries are also parties to a number of other legal actions and claims, governmental proceedings and private civil suits arising in the ordinary course of business, including those related to disputes and complaints involving certain transportation rates and charges. Some of the legal proceedings include claims for punitive as well as compensatory damages, and a few proceedings purport to be class actions. Although the final outcome of these matters cannot be predicted with certainty, considering among other things the meritorious legal defenses available and liabilities that have been recorded along with applicable insurance, BNSF Railway currently believes that none of these items, when finally resolved, will have a material adverse effect on the Company's financial position or liquidity. However, an unexpected adverse resolution of one or more of these items could have a material adverse effect on the results of operations in a particular quarter or fiscal year.

**Note 4****Investments**

BNSF Railway holds investments which are classified as trading securities and included in Other Assets on the balance sheet. The following table summarizes the fair value of investments held as of December 31, 2016 and December 31, 2015 (in millions):

	<u>December 31, 2016</u>	<u>December 31, 2015</u>
Debt securities	\$ 47	\$ 57
Equity securities	60	63
Total	<u>\$ 107</u>	<u>\$ 120</u>

The fair value measurements of BNSF Railway's debt securities are based on Level 2 inputs and equity securities are based on Level 1 inputs, using a market approach. The following table presents gains and losses recognized in earnings for the Company (in millions):

	<u>December 31, 2016</u>	<u>December 31, 2015</u>	<u>December 31, 2014</u>
Gains	\$ 12	\$ 6	\$ —
Losses	(6)	(11)	—
Net Gain (Loss)	<u>\$ 6</u>	<u>\$ (5)</u>	<u>\$ —</u>

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

## NOTES TO FINANCIAL STATEMENTS

## Note 5

## Goodwill and Other Intangible Assets and Liabilities

## Goodwill

During the years ended December 31, 2016, 2015 and 2014, no impairment losses related to goodwill were incurred. As of December 31, 2016 and 2015, there were no accumulated impairment losses related to goodwill. For both the years ended December 31, 2016 and 2015, the carrying values were \$14,803 million and no additional goodwill was recognized.

## Intangible Assets and Liabilities

Intangible assets and liabilities were as follows (in millions):

	As of December 31, 2016		As of December 31, 2015	
	Gross Carrying Amount	Accumulated Amortization	Gross Carrying Amount	Accumulated Amortization
<b>Intangible Assets</b>	\$ 637	\$ 214	\$ 513	\$ 154
<b>Intangible Liabilities</b>	\$ 1,403	\$ 836	\$ 1,053	\$ 552

As of December 31, 2016 and 2015, intangible assets primarily consisted of franchise and customer assets. Intangible liabilities primarily consisted of customer and shortline contracts which were in an unfavorable position at the date of Merger.

Amortizable intangible assets and liabilities are amortized based on the estimated pattern in which the economic benefits are expected to be consumed or on a straight-line basis over their estimated economic lives.

Amortization of intangible assets and liabilities was as follows (in millions):

	December 31, 2016	December 31, 2015	December 31, 2014
Amortization of intangible assets	\$ 31	\$ 24	\$ 17
Amortization of intangible liabilities	\$ 100	\$ 86	\$ 90

Amortization of intangible assets and liabilities for the next five years is expected to approximate the following (in millions):

	Amortization of intangible assets	Amortization of intangible liabilities
2017	\$ 31	\$ 96
2018	\$ 31	\$ 90
2019	\$ 31	\$ 27
2020	\$ 31	\$ 26
2021	\$ 31	\$ 24

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

## NOTES TO FINANCIAL STATEMENTS

**Note 6****Other Assets**

In July 2010, the Company entered into a low-income housing partnership (the Partnership) as the limited partner, holding a 99.9% interest in the Partnership. The Partnership is a VIE, with the purpose of developing and operating low-income housing rental properties. Recovery of the Company's investment is accomplished through the utilization of low-income housing tax credits and the tax benefits of Partnership losses. The general partner, who holds a 0.1% interest in the Partnership, is an unrelated third party and is responsible for controlling and managing the business and financial operation of the Partnership. As the Company does not have the power to direct the activities that most significantly impact the Partnership's economic performance, the Company is not the primary beneficiary and therefore, does not consolidate the Partnership. The Company does not provide financial support to the Partnership that it was not previously contractually obligated to provide.

The Company has accounted for its investment in the Partnership using the effective yield method. The risk of loss of the Company's investment in the Partnership is considered low as an affiliate of the general partner has provided certain guarantees of tax credits and minimum annual returns. For the years ended December 31, 2016, 2015, and 2014, the Company recognized a reduction to income tax expense of \$39 million, \$29 million, and \$35 million, respectively. The Company's maximum exposure to loss related to the Partnership is the unamortized investment balance. The following table provides information related to this Partnership (in millions):

	<b>Year Ended December 31, 2016</b>	<b>Year Ended December 31, 2015</b>
Unamortized investment balance classified as Other Assets	\$ 196	\$ 265
Maximum exposure to loss	\$ 196	\$ 265

Included within Other Assets are capitalized right to use fixed assets of \$895 million and \$838 million, and related accumulated amortization of \$265 million and \$245 million, for the years ended December 31, 2016 and 2015, respectively.

**210. RESULTS OF OPERATIONS**

(Dollars in Thousands)

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

Cross-Checks

Schedule 210

Schedule 210

Line 15, col b

= Line 66, col b

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

Lines 47,48,49 col b

= Line 67, col b

Line 50, col b

= Line 68, col b

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.

Line 14, col b

Schedule 410

= Line 620, col h

Line 14, col d

= Line 620, col f

4. All contra entries should be shown in parenthesis.

Line 14, col e

= Line 620, col g

Line No.	Cross Check	Item (a)	Amount for current year (b)	Amount for preceding year (c)	Freight-related revenue & expenses (d)	Passenger-related revenue & expenses (e)	Line No.
		ORDINARY ITEMS OPERATING INCOME Railway Operating Income					
1		(101) Freight	19,304,902	21,366,873	19,304,902		1
2		(102) Passenger					2
3		(103) Passenger-related					3
4		(104) Switching	46,796	50,083	46,796		4
5		(105) Water transfers					5
6		(106) Demurrage	192,739	196,526	192,739		6
7		(110) Incidental	109,323	144,041	109,323		7
8		(121) Joint facility - credit	8,003	8,056	8,003		8
9		(122) Joint facility - debit					9
10		(501) Railway operating revenues (Exclusive of transfers from government authorities-lines 1-9)	19,661,763	21,765,579	19,661,763		10
11		(502) Railway operating revenues - transfers from government authorities					11
12		(503) Railway operating revenues - amortization of deferred transfers from government authorities					12
13		TOTAL RAILWAY OPERATING REVENUES (lines 10-12)	19,661,763	21,765,579	19,661,763		13
14	*	(531) Railway operating expenses	13,061,812	14,112,377	13,061,812		14
15	*	Net revenue from railway operations	6,599,951	7,653,202	6,599,951		15
		OTHER INCOME					
16		(506) Revenue from property used in other than carrier operations					16
17		(510) Miscellaneous rent income					17
18		(512) Separately operated properties - profit					18
19		(513) Dividend income (cost method)	400	400			19
20		(514) Interest income	205,311	137,028			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	21,763	41,039			24
		Income from affiliated companies: 519					
25		a. Dividends (equity method)	5,683	14,000			25
26		b. Equity in undistributed earnings (losses)	10,154	2,151			26
27		TOTAL OTHER INCOME (lines 16-26)	243,311	194,618			27
28		TOTAL INCOME (lines 15, 27)	6,843,262	7,847,820			28
		MISCELLANEOUS DEDUCTIONS FROM INCOME					
29		(534) Expenses of property used in other than carrier operations					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	16,166	26,694			34
35		(553) Uncollectible accounts					35
36		TOTAL MISCELLANEOUS DEDUCTIONS	16,166	26,694			36
37		Income available for fixed charges	6,827,096	7,821,126			37

<b>210. RESULTS OF OPERATIONS - Continued</b>					
(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>					
		(546) Interest on funded debt:			
38		(a) Fixed interest not in default	39,891	37,407	38
39		(b) Interest in default			39
40		(547) Interest on unfunded debt	7,494	1,520	40
41		(548) Amortization of discount on funded debt	2,172	2,192	41
42		TOTAL FIXED CHARGES (lines 38 through 41)	49,557	41,119	42
43		Income after fixed charges (line 37 minus line 42)	6,777,539	7,780,007	43
<b>OTHER DEDUCTIONS</b>					
		(546) Interest on funded debt:			
44		(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)	6,777,539	7,780,007	46
<b>PROVISIONS FOR INCOME TAXES</b>					
		(556) Income taxes on ordinary income:			
47	*	(a) Federal income taxes	1,360,221	1,578,619	47
48	*	(b) State income taxes	171,921	210,215	48
49	*	(c) Other income taxes	567		49
50	*	(557) Provision for deferred taxes	985,717	1,115,003	50
51		TOTAL PROVISION FOR INCOME TAXES (lines 47 through 52)	2,518,426	2,903,837	51
52		Income from continuing operations (line 46 minus line 51)	4,259,113	4,876,170	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)	4,259,113	4,876,170	55
<b>EXTRAORDINARY ITEMS AND ACCOUNTING CHANGES</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)	4,259,113	4,876,170	61
62		Less: Net Income attributable to noncontrolling interest			62
63		Net Income attributable to reporting railroad			63
64		Basic Earnings per Share			64
65		Diluted Earnings per Share			65
<b>RECONCILIATION OF NET RAILWAY OPERATING INCOME (NROI)</b>					
66	*	Net revenues from railway operations	6,599,951	7,653,202	66
67	*	(556) Income taxes on ordinary income (-)	1,532,709	1,788,834	67
68	*	(557) Provision for deferred income taxes (-)	985,717	1,115,003	68
69		Income from lease of road and equipment (-)	12,848	12,848	69
70		Rent for leased roads and equipment (+)			70
71		Net railway operating income (loss)	4,068,677	4,736,517	71



**NOTES AND REMARKS FOR SCHEDULE 210 AND 220**

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**210 A. CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**

(Dollars in Thousands)

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

Cross-Checks  
Schedule 210 Schedule 210 A  
Line 61, col b = Line 1, col b

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

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	4,259,113	4,876,170	1
2		Other Comprehensive Income, net of tax Foreign currency translation adjustments			2
3		Unrealized gains on securities: Unrealized holding gains arising during period			3
4		Less: reclassification adjustment for gains included in net income			4
5		Defined benefit pension plans: Prior service cost arising during period			5
6		Net gain (loss) arising during period	73,660	51,588	6
7		Less: amortization of prior service cost included in net periodic pension cost	1,695	1,695	7
8		Other Comprehensive Income (Loss)	(446)	(200)	8
9		Comprehensive Income (Loss)	4,330,632	4,925,863	9
10		Less: comprehensive income attributable to noncontrolling interest			10
11		Comprehensive Income (Loss)	4,330,632	4,925,863	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	10,260,765	89,367	1
2	(601.5)	Prior period adjustments to beginning retained earnings			2
CREDITS					
3	(602)	Credit balance transferred from income	4,248,959	10,154	3
4	(603)	Appropriations released			4
5	(606)	Other credits to retained earnings	71,965		5
6		TOTAL CREDITS	4,320,924	10,154	6
DEBITS					
7	(612)	Debit balance transferred from income			7
8	(616)	Other debits to retained earnings	3,522,446		8
9	(620)	Appropriations for sinking and other funds			9
10	(621)	Appropriations for other purposes			10
11	(623)	Dividends: Common stock			11
12		Preferred stock (1)			12
13		TOTAL DEBITS	3,522,446		13
14		Net increase (decrease) during year (Line 6 minus line 13)	798,478	10,154	14
15		Balances at close of year (lines 1, 2, and 14)	11,059,243	99,521	15
16		Balances from line 15 (c)	99,521	N/A	16
17	(798)	Total unappropriated retained earnings and equity in undistributed earnings (losses) of affiliated companies at end of year	11,158,764		17
18	(797)	Total appropriated retained earnings:		N/A	18
19		Credits during year     \$ 0			19
20		Debits during year     \$ 0			20
21		Balance at close of year     \$ 0			21
22		Amount of assigned Federal income tax consequences			22
23		Account 606     \$ 0			23
		Account 616     \$ 0			23

**240. STATEMENT OF CASH FLOWS**  
**(Dollars in Thousands)**

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

**CASH FLOWS FROM OPERATING ACTIVITIES**

Line No.	Cross Check	Description (a)	Current Year (b)	Previous Year (c)	Line No.
1		Cash received from operating revenues			1
2		Dividends received from affiliates			2
3		Interest received			3
4		Other income			4
5		Cash paid for operating expenses			5
6		Interest paid (net of amounts capitalized)			6
7		Income taxes paid			7
8		Other - net			8
9		NET CASH PROVIDED BY OPERATING ACTIVITIES (lines 1 through 8)	0	0	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	4,259,113	4,876,170	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	(19,743)	(53,207)	11
12		Depreciation and amortization expenses	2,042,286	1,921,974	12
13		Net increase (decrease) in provision for Deferred Income Taxes	985,717	1,115,003	13
14		Net decrease (increase) in undistributed earnings (losses) of affiliates	(10,154)	(2,151)	14
15		Decrease (increase) in accounts receivable	(200,818)	120,696	15
16		Decrease (increase) in material and supplies and other current assets	(124,028)	(35,556)	16
17		Increase (decrease) in current liabilities other than debt	573,663	(89,179)	17
18		Increase (decrease) in other - net	52,699	20,249	18
19		Net cash provided from continuing operations (lines 10 through 18)	7,558,735	7,873,999	19
20		Add (Subtract) cash generated (paid) by reason of discontinued operations and extraordinary items			20
21		NET CASH PROVIDED FROM OPERATING ACTIVITIES (lines 19 and 20)	7,558,735	7,873,999	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	20,846	58,163	22
23		Capital expenditures	(3,758,199)	(5,512,473)	23
24		Net change in temporary cash investments not qualifying as cash equivalents			24
25		Proceeds from sale/repayment of investment and advances	26,744	26,568	25
26		Purchase price of long-term investment and advances	(7,830)	(150,504)	26
27		Net decrease (increase) in sinking and other special funds			27
28		Other - net	(195,672)	(58,599)	28
29		NET CASH USED IN INVESTING ACTIVITIES (lines 22 through 28)	(3,914,111)	(5,636,845)	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	0	500,207	30
31		Principal payments of long-term debt	(117,132)	(120,922)	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	(3,522,000)	(2,636,349)	35
36		NET CASH FROM FINANCING ACTIVITIES (lines 30 through 35)	(3,639,132)	(2,257,064)	36
37		NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS (lines 21, 29, and 36)	5,492	(19,910)	37
38		Cash and cash equivalents at beginning of the year	564,856	584,766	38
39		CASH AND CASH EQUIVALENTS AT END OF THE YEAR (lines 37 & 38)	570,348	564,856	39
		Footnotes to Schedule			
		Cash paid during the year for:			
40		Interest (net of amount capitalized) *	60,370	52,216	40
41		Income taxes (net) *	1,020,289	1,447,083	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	90,639	1
2	Customers (706)	Sched. 200, line 6, col. b	847,346	2
3	Other (707)	Note A	111,355	3
4	<b>TOTAL CURRENT OPERATING ASSETS</b>	Lines 1 + 2 + 3	1,049,340	4
<b>OPERATING REVENUE</b>				
5	Railway operating revenue	Sched. 210, line 13, col. b	19,661,763	5
6	Rent income	Note B	192,186	6
7	<b>TOTAL OPERATING REVENUES</b>	Lines 5 + 6	19,853,949	7
8	Average daily operating revenues	Line 7 ÷ 360 days	55,150	8
9	Days of operating revenue in current operating assets	Line 4 ÷ line 8	19	9
10	Revenue delay days plus buffer	Line 9 + 15 days	34	10
<b>CURRENT OPERATING LIABILITIES</b>				
11	Interline and other balances (752)	Sched. 200, line 30, col. b	120,090	11
12	Audited accounts and wages payable (753)	Note A	235,507	12
13	Accounts payable - other (754)	Note A	326,612	13
14	Other taxes accrued (761.5)	Note A	353,468	14
15	<b>TOTAL CURRENT OPERATING LIABILITIES</b>	Sum of lines 11 through 14	1,035,677	15
<b>OPERATING EXPENSES</b>				
16	Railway operating expenses	Sched. 210, line 14, col. b	13,061,812	16
17	Depreciation	Sched 410, lines 136, 137, 138, 213, 232, 317 col h	2,042,286	17
18	Cash related operating expenses	Line 16 + line 6 - line 17	11,211,712	18
19	Average daily expenditures	Line 18 ÷ 360 days	31,144	19
20	Days of operating expenses in current operating liabilities	Line 15 ÷ line 19	33	20
21	Days of working capital required	Line 10 - line 20 (Note C)	1	21
22	Cash working capital required	Line 21 x line 19	31,144	22
23	Cash and temporary cash balance	Sched. 200, line 1 + line 2, col. b	570,348	23
24	Cash working capital allowed	Lesser of line 22 or line 23	31,144	24
<b>MATERIALS AND SUPPLIES</b>				
25	Total materials and supplies (712)	Note A	825,018	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	825,018	27
28	<b>TOTAL WORKING CAPITAL</b>	Line 24 + line 27	856,162	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

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## GENERAL INSTRUCTIONS CONCERNING RETURNS IN SCHEDULES 310, 310A

1. Schedule 310 should give particulars of stocks, bonds, other secured obligations, unsecured notes, and investment advances of affiliated companies held by respondent at close of 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 investments 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 that 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 to be 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 service 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 purpose of these schedules, include telephone companies, telegraph companies, mining companies, manufacturing companies, hotel companies, etc. Purely "holding companies" are to be classed as noncarrier companies, even though the securities held by such companies are largely or entirely those 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 amount, 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	Alameda Belt Line	Common	50.00	1
2			VII	Belt Railway Company of Chicago, The	Common	16.67	2
3			VII	Central California Traction Company	Common	33.33	3
4			VII	Houston Belt & Terminal Railway Company	Common	50.00	4
5			VII	Kansas City Terminal Railway Company	Common	25.00	5
6			VII	Longview Switching Company	Common	50.00	6
7			VII	MT Properties Inc.	Common	43.30	7
8			VII	Oakland Terminal Railway	Common	50.00	8
9			VII	Paducah & Illinois Railroad Company	Common	33.34	9
10			VII	Portland Terminal Railroad Company	Common	40.00	10
11			VII	St. Joseph Terminal Railroad Company	Common	50.00	11
12			VII	Sunset Railway Company	Common	50.00	12
13			VII	Terminal Railroad Association of St. Louis	Common	14.29	13
14			VII	Texas City Terminal Railway Company	Common	33.30	14
15			VII	TTX Company	Common	17.30	15
16			VII	Wichita Union Terminal Railway Company	Common	66.67	16
17			VII	Central California Traction Company	Preferred	33.33	17
18							18
19				Total Class A-1			19
20							20
21	721	A-3	X	Kinder Morgan Energy Partners LP	LP	0.5	21
22			X	Meteorcomm, LLC	LLC	25.00	22
23			X	Montauk Synfuels LLC	LLC	50.00	23
24			X	PTC 220, LLC	LLC	14.29	24
25			X	Tongue River Holding Company, LLC	LLC	39.45	25
26			VII	Railmarketplace.com, Inc.	Preferred	18.85	26
27							27
28				Total Class A-3			28
29							29
30				Total Class A			30
31							31
32	721	E-1	VII	Port Terminal Railroad Association	Association	N/A	32
33			VII	Wichita Terminal Association	Association	N/A	33
34							34
35				Total Class E-1			35
36							36
37	721	E-3	VIII	Health Transformation Alliance	Cooperative	N/A	37
38							38
39				Total Class E-3			39
40							40
41				Total Class E			41
42							42
43				Total			43
44							44
45							45
46							46
47							47
48							48
49							49
50							50

**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 control.

7. If any advances reported are pledged, give particulars in a footnote.

8. Investments in companies in which neither the original cost or present equity in total assets are less than \$10,000 may be combined in one figure.

9. Also 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								1
2	14,900			14,900				2
3	(232)		(20)			252		3
4	21,020	2,879	(3,520)	20,379				4
5	4,668	438		5,106				5
6	359		(351)	8				6
7	1,800	76	(433)	1,443				7
8								8
9	5,101	596	(566)	5,131				9
10	1,517	93	(71)	1,539				10
11	150			150				11
12	4,251	22		4,273				12
13								13
14	44,702	8,120	(5,344)	47,478				14
15	391,368	23,268	(395)	414,241				15
16	79		(9)	70				16
17								17
18								18
19	489,683	35,492	(10,709)	514,718		252		19
20								20
21	6,893			6,893				21
22	27,671	6,501	(10,739)	23,433				22
23								23
24	6,569	864	(747)	6,686				24
25	21,781		(20)			(21,761)		25
26								26
27								27
28	62,914	7,365	(11,506)	37,012		(21,761)		28
29								29
30	552,597	42,857	(22,215)	551,730		(21,509)		30
31								31
32	1,100			1,100				32
33	4			4				33
34								34
35	1,104			1,104				35
36								36
37		5		5				37
38								38
39		5		5				39
40								40
41	1,104	5		1,109				41
42								42
43	553,701	42,862	(22,215)	552,839		(21,509)		43
44								44
45								45
46								46
47								47
48								48
49								49
50								50

Note: Column (h) includes equity method accounting for losses

## 310. NOTES AND REMARKS

	<u>% Ownership</u>
1 ALAMEDA BELT LINE	
BNSF Railway Company	50.00
Union Pacific Railroad Company	<u>50.00</u>
	<u>100.00</u>
2 BELT RAILWAY COMPANY OF CHICAGO, THE	
CSX Transportation, Inc.	25.00
Norfolk Southern Company	25.00
BNSF Railway Company	16.67
Grand Trunk Western Railroad Illinois Central Railroad Company	16.67
Soo Line Railroad Company	8.33
Union Pacific Railroad Company	<u>8.33</u>
	<u>100.00</u>
5,198 shares are held by U.S. Bank, N.A., Trustee, as collateral under the BNI Consolidated Mortgage.	
3 & 17 CENTRAL CALIFORNIA TRACTION COMPANY	
Union Pacific Railroad Company	66.67
BNSF Railway Company	<u>33.33</u>
	<u>100.00</u>
4 HOUSTON BELT & TERMINAL RAILWAY COMPANY	
BNSF Railway Company	50.00
Union Pacific Railroad Company	<u>50.00</u>
	<u>100.00</u>
121 shares are held by U.S. Bank, N.A., Trustee, as collateral under the BNI Consolidated Mortgage.	
5 KANSAS CITY TERMINAL RAILWAY COMPANY	
Union Pacific Railroad Company	41.67
BNSF Railway Company	25.00
Kansas City Southern Railway Company	16.67
Dakota, Minnesota and Eastern Railroad	8.33
Norfolk Southern Railway Company	<u>8.33</u>
	<u>100.00</u>
5,485 shares are held by UMB of Kansas City, Missouri, Trustee, under Stock Trust Agreement dated June 12, 1909, and 5 shares are held by U.S. Bank, N.A., Trustee, as collateral under the BNI Consolidated Mortgage.	
6 LONGVIEW SWITCHING COMPANY	
BNSF Railway Company	50.00
Union Pacific Railroad Company	<u>50.00</u>
	<u>100.00</u>
7 MT PROPERTIES INC.	
BNSF Railway Company	43.30
Union Pacific Railroad Company	42.09
Soo Line Railroad Company	<u>14.61</u>
	<u>100.00</u>
30,498 shares are subject to the liens of the BNI Consolidated Mortgage and the NP General Lien Mortgage and held as collateral by U.S. Bank, N.A., Trustee.	
8 OAKLAND TERMINAL RAILWAY	
BNSF Railway Company	50.00
Union Pacific Railroad Company	<u>50.00</u>
	<u>100.00</u>
9 PADUCAH & ILLINOIS RAILROAD COMPANY	
BNSF Railway Company	33.34
Paducah & Louisville Railroad Company	33.33
Canadian National Railroad Company	<u>33.33</u>
	<u>100.00</u>
33 1/3 shares are held by U.S. Bank, N.A., Trustee, as collateral under the BNI Consolidated Mortgage.	

## 310. NOTES AND REMARKS

	<u>% Ownership</u>
10	PORTLAND TERMINAL RAILROAD COMPANY
	Union Pacific Railroad Company 60.00
	BNSF Railway Company 40.00
	<u>100.00</u>
11	ST JOSEPH TERMINAL RAILROAD COMPANY
	BNSF Railway Company 50.00
	Union Pacific Railroad Company 50.00
	<u>100.00</u>
12	SUNSET RAILWAY COMPANY
	BNSF Railway Company 50.00
	Union Pacific Railroad Company 50.00
	<u>100.00</u>
13	TERMINAL RAILROAD ASSOCIATION OF ST. LOUIS
	Union Pacific Railroad Company 42.84
	CSX Transportation, Inc. 14.29
	Illinois Central Railroad Company 14.29
	BNSF Railway Company 14.29
	Norfolk Southern Railway Company 14.29
	<u>100.00</u>
	2,058 shares are held by U.S. Bank, N.A., Trustee, as collateral under the BNI Consolidated Mortgage.
14	TEXAS CITY TERMINAL RAILWAY COMPANY
	Union Pacific Railroad Company 66.60
	BNSF Railway Company 33.30
	Texas City Terminal Railway Company 0.10
	<u>100.00</u>
15	TTX COMPANY
	Union Pacific Railroad Company 36.79
	CSX Transportation, Inc. 19.65
	Norfolk Southern Railway Company 19.65
	BNSF Railway Company 17.30
	Canadian National Railway Company 3.15
	Canadian Pacific Limited 1.57
	Pan Am Railways 0.63
	Kansas City Southern Railway Company 0.63
	FXE Railroad 0.63
	<u>100.00</u>
	250 voting shares are held by TTX Company
16	WICHITA UNION TERMINAL RAILWAY COMPANY
	BNSF Railway Company 66.67
	Union Pacific Railroad Company 33.33
	<u>100.00</u>
21	KINDER MORGAN ENERGY PARTNERS L.P.
	BNSF Railway Company 0.50
	Various 99.50
	<u>100.00</u>
22	Meteorcomm, LLC
	BNSF Communications, Inc. (BNSF Railway Company) 25.00
	Ekanet, Inc. (Union Pacific Railroad Company) 25.00
	CSX Transportation, Inc. 25.00
	NS Spectrum Corporation (Norfolk Southern Company) 25.00
	<u>100.00</u>
23	MONTAUK SYNFUELS, LLC
	BNSF Railway Company 50.00
	Montauk Energy Capital, Inc. 50.00
	<u>100.00</u>

## 310. NOTES AND REMARKS

	<u>% Ownership</u>
24	PTC 220, LLC
	BNSF Spectrum, Inc. (BNSF Railway Company) 14.29
	Ekanet, Inc. (Union Pacific Railroad Company) 14.28
	CSX Intellectual Properties Corp. (CSX Transportation, Inc.) 14.29
	NS Spectrum Corporation (Norfolk Southern Company) 14.28
	GTC Spectrum(Canadian National Railway Company) 14.29
	Canadian Pacific Railway Company 14.28
	KSC Spectrum (Kansas City Southern Railway Company) 14.29
	100.00
25	TONGUE RIVER HOLDING COMPANY, LLC
	BNSF Railway Company 39.45
	Arch Coal, Inc. 38.17
	TRR Financing, LLC 22.38
	100.00
26	RAILMARKETPLACE.COM, INC.
	BNSF Railway Company 18.85
	Canadian National Railway Company 18.85
	Canadian Pacific Railway Company 18.85
	CSX Transportation, Inc. 18.85
	Union Pacific Railroad Company 18.85
	GE Information Services, Inc. 5.75
	100.00

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**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 undistributed earnings (losses) during year (d)	Amortization during year (e)	Adjustment for investments disposed of or written down during year (f)	Balance at close of year (g)	Line No.
1	Carriers: (List specifics for each company)	-						1
2	Alameda Belt Line	14,900					14,900	2
3	Belt Railway Company of Chicago, The	(232)		(20)		252	-	3
4	Central California Traction Company	21,020	2,879	(3,520)			20,379	4
5	Houston Belt & Terminal Railway Company	4,668	42	396			5,106	5
6	Kansas City Terminal Railway Company	359		(351)			8	6
7	Longview Switching Company	1,800		(357)			1,443	7
8	MT Properties Inc.	-					-	8
9	Oakland Terminal Railway	5,101	596	(566)			5,131	9
10	Paducah & Illinois Railroad Company	1,517	93	(71)			1,539	10
11	Portland Terminal Railroad Company	150					150	11
12	St. Joseph Terminal Railroad Company	4,251	2	20			4,273	12
13	Sunset Railway Company	-					-	13
14	Terminal Railroad Association of St. Louis	44,702	(94)	2,870			47,478	14
15	Texas City Terminal Railway Company	391,368	(395)	23,268			414,241	15
16	TTX Company	79		(9)			70	16
17	Wichita Union Terminal Railway Company	-					-	17
18	TOTAL CARRIERS	489,683	3,123	21,660		252	514,718	18
19								19
20								20
21	Kinder Morgan Energy Partners LP	6,893					6,893	21
22	Meteorcomm, LLC	27,671	6,501	(10,739)			23,433	22
23	Montauk Syntuels LLC	-					-	23
24	PTC 220, LLC	6,569	864	(747)			6,686	24
25	Tongue River Holding Company, LLC	21,781		(20)		(21,761)	-	25
26	Railmarketplace.com, Inc.	-					-	26
27								27
28	TOTAL NON-CARRIERS	62,914	7,365	(11,506)		(21,761)	37,012	28
29								29
30	TOTAL INVESTMENTS IN COMMON STOCK	552,597	10,488	10,154		(21,509)	551,730	30
31								31
32								32

Note: Column (d) Line No. 7 is net of approximately \$433k in dividends received.  
Column (d) Line No. 14 is net of approximately \$5,250k in dividends received.

**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**



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	(2) Land for transportation purposes	6,034,894			1
2	3	(3) Grading	11,159,918			2
3	4	(4) Other right-of-way expenditures	49,577			3
4	5	(5) Tunnels and subways	515,704			4
5	6	(6) Bridges, trestles and culverts	4,099,550			5
6	7	(7) Elevated structures				6
7	8	(8) Ties	5,608,194			7
8	9	(9) Rail and other track material	11,361,917			8
9	11	(11) Ballast	4,226,003			9
10	13	(13) Fences, snowsheds and signs	108,819			10
11	16	(16) Station and office buildings	509,705			11
12	17	(17) Roadway buildings	39,430			12
13	18	(18) Water stations	10,743			13
14	19	(19) Fuel stations	394,881			14
15	20	(20) Shops and enginehouses	585,304			15
16	22	(22) Storage warehouses				16
17	23	(23) Wharves and docks	16,737			17
18	24	(24) Coal and ore wharves	57,212			18
19	25	(25) TOFC/COFC terminals	1,446,027			19
20	26	(26) Communications systems	715,626			20
21	27	(27) Signals and interlockers	2,820,946			21
22	29	(29) Power plants	1,407			22
23	31	(31) Power transmission systems	55,437			23
24	35	(35) Miscellaneous structures	36,657			24
25	37	(37) Roadway machines	732,718			25
26	39	(39) Public improvements - construction	688,426			26
27	44	(44) Shop machinery	227,567			27
28	45	(45) Power plant machinery	3,363			28
29		Other lease/rentals				29
30		TOTAL EXPENDITURES FOR ROAD	51,506,762			30
31	52	(52) Locomotives	7,794,199			31
32	53	(53) Freight train cars	1,845,598			32
33	54	(54) Passenger train cars				33
34	55	(55) Highway revenue equipment	7,364			34
35	56	(56) Floating equipment				35
36	57	(57) Work equipment	464,431			36
37	58	(58) Miscellaneous equipment	311,844			37
38	59	(59) Computer systems & word processing equipmen	861,947			38
39		TOTAL EXPENDITURES FOR EQUIPMENT	11,285,383			39
40	76	(76) Interest during construction				40
41	80	(80) Other elements of investment				41
42	90	(90) Construction work in progress	1,031,035			42
43		GRAND TOTAL	63,823,180			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	2	34,632	9,038	25,594	6,060,488	1
2	3	145,357	3,693	141,664	11,301,582	2
3	4	1,852	333	1,519	51,096	3
4	5	4,022	(3)	4,025	519,729	4
5	6	160,457	1,884	158,573	4,258,123	5
6	7					6
7	8	434,483	133,292	301,191	5,909,385	7
8	9	673,188	155,104	518,084	11,880,001	8
9	11	539,584	272,563	267,021	4,493,024	9
10	13	4,817	350	4,467	113,286	10
11	16	44,391	6,297	38,094	547,799	11
12	17	8,760	2	8,758	48,188	12
13	18	7		7	10,750	13
14	19	15,023	1,143	13,880	408,761	14
15	20	30,499	705	29,794	615,098	15
16	22					16
17	23				16,737	17
18	24	14,197		14,197	71,409	18
19	25	135,853	11,538	124,315	1,570,342	19
20	26	63,455	8,589	54,866	770,492	20
21	27	381,603	(114,343)	495,946	3,316,892	21
22	29				1,407	22
23	31	5,382	(28)	5,410	60,847	23
24	35	3,167	(2)	3,169	39,826	24
25	37	70,948	6,099	64,849	797,567	25
26	39	44,256	4,307	39,949	728,375	26
27	44	13,876	1,742	12,134	239,701	27
28	45				3,363	28
29						29
30		2,829,809	502,303	2,327,506	53,834,268	30
31	52	747,703	203,728	543,975	8,338,174	31
32	53	37,774	30,706	7,068	1,852,666	32
33	54					33
34	55				7,364	34
35	56					35
36	57	45,865	156	45,709	510,140	36
37	58	67,072	(5,794)	72,866	384,710	37
38	59	150,947	71,997	78,950	940,897	38
39		1,049,361	300,793	748,568	12,033,951	39
40	76					40
41	80					41
42	90	(66,129)		(66,129)	964,906	42
43		3,813,041	803,096	3,009,945	66,833,125	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 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)	
		At beginning of year (b)	At close of year (c)		At beginning of year (e)	At close of year (f)		
<b>ROAD</b>								
1	(3) Grading	11,159,918	11,301,582	1.05%				1
2	(4) Other right-of-way expenditures	49,577	51,096	2.86%				2
3	(5) Tunnels and subways	515,704	519,729	1.05%				3
4	(6) Bridges, trestles and culverts	4,099,550	4,258,123	1.39%				4
5	(7) Elevated structures							5
6	(8) Ties	5,608,194	5,909,385	3.69%	TOTAL ROAD AND			6
7	(9) Rail and other track material	11,361,917	11,880,001	3.03%				7
8	(11) Ballast	4,226,003	4,493,024	3.86%	EQUIPMENT LEASED FROM			8
9	(13) Fences, snowsheds and signs	108,819	113,286	1.43%				9
10	(16) Station and office buildings	509,705	547,799	2.82%	OTHERS IS LESS THAN 5%			10
11	(17) Roadway buildings	39,430	48,188	4.17%				11
12	(18) Water stations	10,743	10,750	2.56%	OF TOTAL OWNED			12
13	(19) Fuel stations	394,881	408,761	3.45%				13
14	(20) Shops and enginehouses	585,304	615,098	2.17%				14
15	(22) Storage warehouses							15
16	(23) Wharves and docks	16,737	16,737	2.50%				16
17	(24) Coal and ore wharves	57,212	71,409	2.00%				17
18	(25) TOFC/COFC terminals	1,446,027	1,570,342	3.12%				18
19	(26) Communications systems	715,626	770,492	5.37%				19
20	(27) Signals and interlockers	2,820,946	3,316,892	3.86%				20
21	(29) Power plants	1,407	1,407	2.94%				21
22	(31) Power transmission systems	55,437	60,847	2.25%				22
23	(35) Miscellaneous structures	36,657	39,826	2.56%				23
24	(37) Roadway machines	732,718	797,567	5.82%				24
25	(39) Public improvements - construction	688,426	728,375	2.22%				25
26	(44) Shop machinery	227,567	239,701	3.20%				26
27	(45) Power plant machinery	3,363	3,363	4.76%				27
28	All other road accounts							28
29	Amortization (other than def. projects)							29
30	<b>TOTAL ROAD</b>	45,471,868	47,773,780	3.17%				30
<b>EQUIPMENT</b>								
31	(52) Locomotives	7,794,199	8,338,174	5.39%				31
32	(53) Freight train cars	1,845,598	1,852,666	3.26%				32
33	(54) Passenger train cars							33
34	(55) Highway revenue equipment	7,364	7,364	9.00%				34
35	(56) Floating equipment							35
36	(57) Work equipment	464,431	510,140	2.43%				36
37	(58) Miscellaneous equipment	311,844	384,710	7.87%				37
38	(59) Computer systems & WP equipment	861,947	940,897	11.66%				38
39	<b>TOTAL EQUIPMENT</b>	11,285,383	12,033,951	5.43%				39
40	<b>GRAND TOTAL</b>	56,757,251	59,807,731	N/A			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. (See Schedule 351 for accumulated depreciation to road and equipment owned and leased to others.)
2. If any data are included in columns (d) or (f), explain the entries in detail.
3. A debit balance in columns (b) or (g) for any primary account should be designated "Dr."
4. If there is any inconsistency between credits to reserves as shown in column (c) and charges to operating expenses, a full explanation should be given.
5. Include authorized amortization amounts in column (c) on the lines for the affected accounts.

**Notes and Remarks**

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	(3) Grading	608,306	119,042		3,384		723,964	1
2	4	(4) Other right-of-way expenditures	5,545	1,730		342		6,933	2
3	5	(5) Tunnels and subways	53,040	9,049		(3)		62,092	3
4	6	(6) Bridges, trestles and culverts	374,047	74,557		2,112		446,492	4
5	7	(7) Elevated structures							5
6	8	(8) Ties	42,985	273,254	1,771	172,321		145,689	6
7	9	(9) Rail and other track material	944,510	432,433	3,114	177,001		1,203,056	7
8	11	(11) Ballast	(243,663)	200,743	1,516	274,296		(315,700)	8
9	13	(13) Fences, snowsheds and signs	9,080	1,863	-	351		10,592	9
10	16	(16) Station and office buildings	91,634	13,809	3,627	6,309		102,761	10
11	17	(17) Roadway buildings	13,156	2,050	537	1		15,742	11
12	18	(18) Water stations	2,554	473	-	-		3,027	12
13	19	(19) Fuel stations	74,778	15,914	-	1,235		89,457	13
14	20	(20) Shops and enginehouses	87,315	15,416	1,256	705		103,282	14
15	22	(22) Storage warehouses							15
16	23	(23) Wharves and docks	2,707	432				3,139	16
17	24	(24) Coal and ore wharves	5,364	1,643				7,007	17
18	25	(25) TOFC/COFC terminals	266,836	51,687		11,435		307,088	18
19	26	(26) Communications systems	193,251	28,454	7,475	8,713		220,467	19
20	27	(27) Signals and interlockers	(224,574)	6,037		(113,933)		(104,604)	20
21	29	(29) Power plants	978	100				1,078	21
22	31	(31) Power transmission systems	7,012	1,695		(28)		8,735	22
23	35	(35) Miscellaneous structures	15,122	2,447		(4)		17,573	23
24	37	(37) Roadway machines	173,438	39,214	10,300	6,304		216,648	24
25	39	(39) Public improvements - const.	55,149	18,753	-	4,413		69,489	25
26	44	(44) Shop machinery	64,224	9,845	799	1,740		73,128	26
27	45	(45) Power plant machinery	1,059	160		7		1,212	27
28		All other road accounts							28
29		Amortization (adjustments)							29
30		<b>TOTAL ROAD</b>	<b>2,623,853</b>	<b>1,320,800</b>	<b>30,395</b>	<b>556,701</b>		<b>3,418,347</b>	<b>30</b>
<b>EQUIPMENT</b>									
31	52	(52) Locomotives	1,790,210	561,669	2,209	202,043		2,152,045	31
32	53	(53) Freight train cars	211,528	70,627		46,085		236,070	32
33	54	(54) Passenger train cars						-	33
34	55	(55) Highway revenue equipment	(3,131)	432				(2,699)	34
35	56	(56) Floating equipment						-	35
36	57	(57) Work equipment	55,769	9,265	4,829	(15,840)		85,703	36
37	58	(58) Miscellaneous equipment	(25,204)	16,458	8,579	(5,770)		5,603	37
38	59	(59) Computer systems & WP equip.	471,161	65,532	34,172	69,501		501,364	38
39		Amortization (adjustments)							39
40		<b>TOTAL EQUIPMENT</b>	<b>2,500,333</b>	<b>723,983</b>	<b>49,789</b>	<b>296,019</b>		<b>2,978,086</b>	<b>40</b>
41		<b>GRAND TOTAL</b>	<b>5,124,186</b>	<b>2,044,783</b>	<b>80,184</b>	<b>852,720</b>		<b>6,396,433</b>	<b>41</b>

NOTE: Credits in Column (d) represent transfers from depreciation expense to inventory and capital accounts to recognize allocated overhead costs.

**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 on 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.
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		DEBITS TO RESERVE		Balance at close of year (g)	Line No.	
				During the year		During the year				
				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	TOTAL IMPROVEMENTS TO ROAD LEASED FROM OTHERS IS LESS THAN 5%							3
4		(6) Bridges, trestles and culverts	OF TOTAL ROAD OWNED							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							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	TOTAL IMPROVEMENTS TO EQUIPMENT LEASED FROM OTHERS IS LESS THAN							31
32		(54) Passenger train cars	5% OF TOTAL EQUIPMENT OWNED							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>	20,030	7,420	(116)	17,932		9,402	39	

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

**NOTES AND REMARKS FOR SCHEDULE 342**

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

Line No.	Class (See Ins. 2) (a)	Name of company (b)	Miles of road used (See Ins. 4) (whole number) (c)	Investments in property (See Ins. 5) (d)	Depreciation & amortization of defense projects (See Ins. 6) (e)	Line No.
1	R	BNSF Railway Company	24,014	66,833,125	6,396,433	1
2						2
3		Add Leased from Others:				3
4	L	Norfolk Southern Railroad (NS)	26	***	****	4
5	L	Dayton, TX	**	***	****	5
6		Total Leased from Others	26	-	-	6
7						7
8		Deduct Leased to or Operated by Others:				8
9	O	Alabama & Gulf Coast Railway (AGR)*	27	1,275	384	9
10	O	Blue Mountain Railroad (BLMR)	4	405	41	10
11	O	Burlington Junction Railway (BJRY)	7	4,045	2,226	11
12	O		15	43,363	4,545	12
13	O	Central Washington Railroad *	40	17,247	1,563	13
14	O	Dakota Northern Railroad (DNR)	62	1,614	586	14
15	O	Industry (INDY)*	10	2,587	1,119	15
16	O	Kaw River Railroad (KAW)	16	4,265	242	16
17	O	Kettle Falls International Railway (KFR)	87	30,047	2,752	17
18	O	Minnesota Commercial Railway (MNNR)	13	27	683	18
19	O	Minnesota National Guard (MNG)	8	92	105	19
20	O	Mission Mountain Railroad (MMT)	16	603	556	20
21	O	Nebraska, Kansas & Colorado Railway (NKCR)	48	144	1,401	21
22	O	Northern Lines Railway (NLR)	18	2,355	700	22
23	O	Portland & Western Railroad (PNWR) *	77	13,730	3,264	23
24	O	R.J. Corman Railroad Group	**	6,728	418	24
25	O	Red River Valley & Western Railway (RRVW)	443	1,312	6,077	25
26	O	Richmond Pacific Railroad (RPRC)	**	988	161	26
27	O	San Joaquin Valley Railway (SJVR)	2	47		27
28	O	South Kansas & Oklahoma Railroad (SKOL)	6	776	15	28
29	O	Southwestern Railroad (SW) *	53	4,203	1,144	29
30	O	Stillwater Central Railroad (SLWC)	12	644	247	30
31	O	Tacoma Rail (TRMW) *	6	235	46	
32	O	Union Pacific Railroad (UPRR)	5	233	101	32
33		Total Leased to or Operated by Others	975	136,965	28,376	33
34		Net Deductions	(949)	(136,965)	(28,376)	34
35		TOTAL	23,065	66,696,160	6,368,057	35

\* Lease lines were consolidated to present one line per lessor.

\*\* Miles of road used not available to respondent.

\*\*\* Investment not available to respondent.

\*\*\*\* Depreciation not available to respondent.

**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	6,060,488			(65,512)	1
2		(3) Grading	11,301,582			(7,934)	2
3		(4) Other right-of-way expenditures	51,096			(92)	3
4		(5) Tunnels and subways	519,729			(294)	4
5		(6) Bridges, trestles and culverts	4,258,123			(7,929)	5
6		(7) Elevated structures					6
7		(8) Ties	5,909,385			(10,635)	7
8		(9) Rail and other track material	11,880,001			(26,964)	8
9		(11) Ballast	4,493,024			(8,231)	9
10		(13) Fences, snowsheds and signs	113,286			(183)	10
11		(16) Station and office buildings	547,799			(1,393)	11
12		(17) Roadway buildings	48,188			(39)	12
13		(18) Water stations	10,750				13
14		(19) Fuel stations	408,761			(166)	14
15		(20) Shops and enginehouses	615,098			(235)	15
16		(22) Storage warehouses					16
17		(23) Wharves and docks	16,737				17
18		(24) Coal and ore wharves	71,409				18
19		(25) TOFC/COFC terminals	1,570,342				19
20		(26) Communications systems	770,492			(783)	20
21		(27) Signals and interlockers	3,316,892			(3,637)	21
22		(29) Power plants	1,407			-	22
23		(31) Power transmission systems	60,847			(172)	23
24		(35) Miscellaneous structures	39,826			(6)	24
25		(37) Roadway machines	797,567				25
26		(39) Public improvements - construction	728,375			(2,702)	26
27		(44) Shop machinery	239,701			(58)	27
28		(45) Power plant machinery	3,363				28
29		Leased property (capitalized rentals)					29
30		Other (specify and explain)					30
31		TOTAL ROAD	53,834,268			(136,965)	31
32		(52) Locomotives	8,338,174				32
33		(53) Freight train cars	1,852,666				33
34		(54) Passenger train cars					34
35		(55) Highway revenue equipment	7,364				35
36		(56) Floating equipment					36
37		(57) Work equipment	510,140				37
38		(58) Miscellaneous equipment	384,710				38
39		(59) Computer systems & WP equipment	940,897				39
40		TOTAL EQUIPMENT	12,033,951			-	40
41		(76) Interest during construction					41
42		(80) Other elements of investment					42
43		(90) Construction work in progress	964,906				43
44		GRAND TOTAL	66,833,125			(136,965)	44

\* Includes property leased to and operated by others.



**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 through 135, column (f)	= Line 29, column (c)
Line 620, column (g)	= Line 14, column (e)		
	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)
	Schedule 417	Lines 311, 312, 315, 316, column (f)	= Lines 32, 35, 36, 37, 40, 41, column (f)
Line 507, column (f)	= Line 1, column (j)		And
Line 508, column (f)	= Line 2, column (j)		Schedule 414
Line 509, column (f)	= Line 3, column (j)		Minus line 24, columns (b) through (d)
Line 510, column (f)	= Line 4, column (j)		plus line 24, columns (e) through (g)
Line 511, column (f)	= Line 5, column (j)		Schedule 415
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, columns (c) and (d)
Line 515, column (f)	= Line 9, column (j)	Line 317, column (f)	
Line 516, column (f)	= Line 10, column (j)		
Line 517, column (f)	= Line 11, column (j)	Line 202, 203, 216, column (f), equal to or greater than, but variance cannot exceed line 216, column (f)	Lines 5, 38, column (b)
		Lines 221, 222, 235, column (f), equal to or greater than, but variance cannot exceed line 235, column (f)	Lines 24, 39, column (b)
		Lines 302 through 307 and 320, column (f) equal to or greater than, but variance cannot exceed line 320, column (f)	Lines 32, 35, 36, 37, 40, 41, column (b)

**410. RAILWAY OPERATING EXPENSES**  
(Dollars in Thousands)

State the railway operating expenses on respondents 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 ADMINISTRATION</b>								
1		Track	107,735	10,141	15,639	22,830	156,345		156,345	1
2		Bridge & building	26,492	2,495	3,847	5,613	38,447		38,447	2
3		Signal	24,727	2,327	3,591	5,240	35,885		35,885	3
4		Communication	7,065	665	1,025	1,500	10,255		10,255	4
5		Other	10,598	997	1,539	2,246	15,380		15,380	5
		<b>REPAIRS AND MAINTENANCE</b>								
6		Roadway - running	51,044	2,662	25,963	645	80,314		80,314	6
7		Roadway - switching	13,562	708	6,901	171	21,342		21,342	7
8		Tunnels & subways - running			92		92		92	8
9		Tunnels & subways - switching			24		24		24	9
10		Bridges & culverts - running	19,278	2,074	13,857	6,301	41,510		41,510	10
11		Bridges & culverts - switching	5,118	550	3,684	1,676	11,028		11,028	11
12		Ties - running	5,961	877	913	331	8,082		8,082	12
13		Ties - switching	1,580	232	238	88	2,138		2,138	13
14		Rail & other track material - running	113,689	24,102	63,060	11,322	212,173		212,173	14
15		Rail & other track material - switching	30,220	6,408	16,768	3,009	56,405		56,405	15
16		Ballast - running	5,106	518	11,498	971	18,093		18,093	16
17		Ballast - switching	1,363	137	3,056	258	4,814		4,814	17
18		Road property damaged - running								18
19		Road property damaged - switching								19
20		Road property damaged - other								20
21		Signals & interlockers - running	54,114	17,772	16,757	4,835	93,478		93,478	21
22		Signals & interlockers - switching	14,385	4,888	4,432	1,161	24,866		24,866	22
23		Communications systems	23,221	9,427	(3,569)	8	29,087		29,087	23
24		Power systems	75	41	675		791		791	24
25		Highway grade crossings - running	1,224	17	1,383		2,624		2,624	25
26		Highway grade crossings - switching	325	3	368		696		696	26
27		Station & office buildings	405	208	30,482	11	31,106		31,106	27
28		Shop buildings - locomotives	2,669	1,957	9,846		14,472		14,472	28
29		Shop buildings - freight cars	616	452	2,273		3,341		3,341	29
30		Shop buildings - other equipment	3,559	2,609	13,129		19,297		19,297	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	1,050	223	8,939		10,212		10,212	101
102		Miscellaneous buildings & structures	7,751	12	3,802		11,565		11,565	102
103		Coal terminals						N/A		103
104		Ore terminals	314	16	1,297		1,627	N/A	1,627	104
105		Other marine terminals	4,792	2,985			7,777	N/A	7,777	105
106		TOFC/COFC terminals		382	1,370		1,752	N/A	1,752	106
107		Motor vehicle loading & distribution facilities						N/A		107
108		Facilities for other specialized service operations						N/A		108
109		Roadway machines	5,843	33,479	8,453		47,775		47,775	109
110		Small tools & supplies		21,791	4,396	4,061	30,248		30,248	110
111		Snow removal	6,985	560	730	906	9,181		9,181	111
112		Fringe benefits - running	N/A	N/A	N/A	157,924	157,924		157,924	112
113		Fringe benefits - switching	N/A	N/A	N/A	42,260	42,260		42,260	113
114		Fringe benefits - other	N/A	N/A	N/A	22,243	22,243		22,243	114
115		Casualties & insurance - running	N/A	N/A	N/A	11,803	11,803		11,803	115
116		Casualties & insurance - switching	N/A	N/A	N/A	3,039	3,039		3,039	116
117		Casualties & insurance - other	N/A	N/A	N/A	3,039	3,039		3,039	117
118	*	Lease rentals - debit - running	N/A	N/A	1,511	N/A	1,511		1,511	118
119	*	Lease rentals - debit - switching	N/A	N/A	402	N/A	402		402	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	15,245	N/A	15,245		15,245	124
125		Joint facility rent - debit - switching	N/A	N/A	1,173	N/A	1,173		1,173	125
126		Joint facility rent - debit - other	N/A	N/A	335	N/A	335		335	126
127		Joint facility rent - (credit) - running	N/A	N/A	(22,509)	N/A	(22,509)		(22,509)	127
128		Joint facility rent - (credit) - switching	N/A	N/A	(2,070)	N/A	(2,070)		(2,070)	128
129		Joint facility rent - (credit) - other	N/A	N/A	(1,294)	N/A	(1,294)		(1,294)	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

**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.
134	*	REPAIRS AND MAINTENANCE - (Continued)								134
		Other rents - (credit) - switching	N/A	N/A		N/A				
135	*	Other rents - (credit) - other	N/A	N/A		N/A				135
136	*	Depreciation - running	N/A	N/A	N/A	716,069	716,069		716,069	136
137	*	Depreciation - switching	N/A	N/A	N/A	190,347	190,347		190,347	137
138	*	Depreciation - other	N/A	N/A	N/A	403,228	403,228		403,228	138
139		Joint facility - debit - running	N/A	N/A	120,632	N/A	120,632		120,632	139
140		Joint facility - debit - switching	N/A	N/A	46,134	N/A	46,134		46,134	140
141		Joint facility - debit - other	N/A	N/A		N/A				141
142		Joint facility - (credit) - running	N/A	N/A	(68,284)	N/A	(68,284)		(68,284)	142
143		Joint facility - (credit) - switching	N/A	N/A	(9,482)	N/A	(9,482)		(9,482)	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	124	270	7,333		8,491		8,491	148
149		Other - switching	39	72	1,963		2,278		2,278	149
150		Other - other	13	123	1,379		1,622		1,622	150
151		TOTAL WAY AND STRUCTURES	551,042	152,180	368,926	1,624,210	2,696,358		2,696,358	151
		EQUIPMENT								
		LOCOMOTIVES								
201		Administration	13,753	8,404	18,824	9,921	50,902		50,902	201
202	*	Repair & maintenance	219,853	166,605	270,734	1,752	658,944		658,944	202
203	*	Machinery repair	232	1,000	268		1,500		1,500	203
204		Equipment damaged	648	42			690		690	204
205		Fringe benefits	N/A	N/A	N/A	92,577	92,577		92,577	205
206		Other casualties & insurance	N/A	N/A	N/A	2,629	2,629		2,629	206
207	*	Lease rentals - debit	N/A	N/A	260,285	N/A	260,285		260,285	207
208	*	Lease rentals - (credit)	N/A	N/A	(242)	N/A	(242)		(242)	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	567,525	567,525		567,525	213
214		Joint facility - debit	N/A	N/A	5,067	N/A	5,067		5,067	214
215		Joint facility - (credit)	N/A	N/A		N/A				215
216	*	Repairs billed to others - (credit)	N/A	N/A	(23,518)	N/A	(23,518)		(23,518)	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)								217
218		Dismantling retired property		1,648	27	409	2,084		2,084	218
219		Other	234,486	177,699	531,445	674,813	1,618,443		1,618,443	219
		TOTAL LOCOMOTIVES								
		FREIGHT CARS								
220		Administration	9,824	5,332	13,321	7,086	35,563	N/A	35,563	220
221	*	Repair & maintenance	141,548	195,598	75,613	42,227	454,986	N/A	454,986	221
222	*	Machinery repair	166	714	192		1,072	N/A	1,072	222
223		Equipment damaged	80			22,311	22,391	N/A	22,391	223
224		Fringe benefits	N/A	N/A	N/A	61,194	61,194	N/A	61,194	224
225		Other casualties & insurance	N/A	N/A	N/A	1,702	1,702	N/A	1,702	225
226	*	Lease rentals - debit	N/A	N/A	258,255		258,255	N/A	258,255	226
227	*	Lease rentals - (credit)	N/A	N/A	(72,499)		(72,499)	N/A	(72,499)	227
228		Joint facility rent - debit	N/A	N/A				N/A		228
229		Joint facility rent - (credit)	N/A	N/A				N/A		229
230	*	Other rents - debit	N/A	N/A	406,629		406,629	N/A	406,629	230
231	*	Other rents - (credit)	N/A	N/A	(93,572)		(93,572)	N/A	(93,572)	231
232	*	Depreciation	N/A	N/A	N/A	73,300	73,300	N/A	73,300	232
233		Joint facility - debit	N/A	N/A				N/A		233
234		Joint facility - (credit)	N/A	N/A				N/A		234
235	*	Repairs billed to others - (credit)	N/A	N/A	(199,483)		(199,483)	N/A	(199,483)	235
236		Dismantling retired property						N/A		236
237		Other		1,177	20	292	1,489	N/A	1,489	237
238		TOTAL FREIGHT CARS	151,618	202,821	388,476	208,112	951,027	N/A	951,027	238
		OTHER EQUIPMENT								
301		Administration	982	534	1,333	708	3,557		3,557	301
		Repair & maintenance:								
302	*	Trucks, trailers, & containers - revenue service			5,799		5,799	N/A	5,799	302
303	*	Floating equipment - revenue service						N/A		303
304	*	Passenger & other revenue equipment	5,498	1,447			6,945		6,945	304
305	*	Computers and data processing equipment		1			1		1	305
306	*	Machinery	17	71	19		107		107	306
307	*	Work & other non-revenue equipment	23,154	2,218	11,186	33	36,591		36,591	307
308		Equipment damaged			14,410	6,917	21,327		21,327	308
309		Fringe benefits	N/A	N/A	N/A	19,522	19,522		19,522	309
310		Other casualties & insurance	N/A	N/A	N/A	545	545		545	310
311	*	Lease rentals - debit	N/A	N/A	1,364		1,364		1,364	311
312	*	Lease rentals - (credit)	N/A	N/A						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.
313		OTHER EQUIPMENT (Continued)								
		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	91,817	91,817		91,817	317
318		Joint facility - debit	N/A	N/A	77	N/A	77		77	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	118		2	29	149		149	322
323		TOTAL OTHER EQUIPMENT	29,651	4,389	34,190	119,571	187,801		187,801	323
324		TOTAL EQUIPMENT	415,755	384,909	954,111	1,002,496	2,757,271		2,757,271	324
		TRANSPORTATION								
401		TRAIN OPERATIONS								
		Administration	101,508	7,186	40,187	14,527	163,408		163,408	401
402		Engine crews	711,077		72,909		783,986		783,986	402
403		Train crews	620,689		77,283		697,972		697,972	403
404		Dispatching trains	57,003		(426)		56,577		56,577	404
405		Operating signals & interlockers			5,733		5,733		5,733	405
406		Operating drawbridges	4,510				4,510		4,510	406
407		Highway crossing protection			7,873		7,873		7,873	407
408		Train inspection & lubrication	68,204				68,204		68,204	408
409		Locomotive fuel		1,772,759			1,772,759		1,772,759	409
410		Electric power produced or purchased for motive power								410
411		Servicing locomotives	57,811	201	(6,746)		51,266		51,266	411
412		Freight lost or damaged - solely related	N/A	N/A	N/A					412
413		Clearing wrecks			45,091		45,091		45,091	413
414		Fringe benefits	N/A	N/A	N/A	607,067	607,067		607,067	414
415		Other casualties & insurance	N/A	N/A	N/A	62,064	62,064		62,064	415
416		Joint facility - debit	N/A	N/A	1,745	N/A	1,745		1,745	416
417		Joint facility - (credit)	N/A	N/A	(2,528)	N/A	(2,528)		(2,528)	417
418		Other	2,439	1,274	680,208	230	684,151		684,151	418
419		TOTAL TRAIN OPERATIONS	1,623,241	1,781,420	921,329	683,888	5,009,878		5,009,878	419
		YARD OPERATIONS								
420		Administration	20,302	1,393	7,898	2,947	32,540		32,540	420
421		Switch crews	307,957	59	41,219		349,235		349,235	421

410. RAILWAY OPERATING EXPENSES - (Continued)										
(Dollars in Thousands)										
Line No.	Cross Check	Name of railway operating expense account (a)	Salaries & Wages (b)	Material, tools, supplies, fuels, & lubricants (c)	Purchased services (d)	General (e)	Total freight expense (f)	Passenger (g)	Total (h)	Line No.
		YARD OPERATIONS (Continued)								
422		Controlling operations	43,958		633		44,591		44,591	422
423		Yard and terminal clerical	99	80	899		1,078		1,078	423
424		Operating switches, signals, retarders, & humps			324		324		324	424
425		Locomotive fuel		57,467			57,467		57,467	425
426		Electric power electric power produced or purchased for motive power								426
427		Servicing locomotives	9,728				9,728		9,728	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	146,044	146,044		146,044	430
431		Other casualties & insurance	N/A	N/A	N/A	14,592	14,592		14,592	431
432		Joint facility - debit	N/A	N/A	14,959	N/A	14,959		14,959	432
433		Joint facility - (credit)	N/A	N/A		N/A				433
434		Other		30	198		228		228	434
435		TOTAL YARD OPERATIONS	382,044	59,029	66,130	163,583	670,786		670,786	435
501		TRAIN & YARD OPERATIONS COMMON:								
502		Cleaning car interiors	2,513		3,448	N/A	5,961		5,961	501
503		Adjusting & transferring loads			2,553	N/A	2,553		2,553	502
504		Car loading devices & grain docks				N/A				503
504		Freight lost or damaged - all other	N/A	N/A	N/A	20,554	20,554		20,554	504
505		Fringe benefits	N/A	N/A	N/A	953	953		953	505
506		TOTAL TRAIN & YARD OPERATIONS COMMON:	2,513		6,001	21,507	30,021		30,021	506
507	*	SPECIALIZED SERVICE OPERATIONS								
507	*	Administration	7,614	509	2,962	1,095	12,180	N/A	12,180	507
508	*	Pickup & delivery and marine line haul			33,335	181	33,516	N/A	33,516	508
509	*	Loading & unloading and local marine		15,627	291,879	455	307,961	N/A	307,961	509
510	*	Protective services	339	4,720	36	267	5,362	N/A	5,362	510
511	*	Freight lost or damaged - solely related	N/A	N/A	N/A					511
512	*	Fringe benefits	N/A	N/A	N/A	2,491	2,491		2,491	512
513	*	Casualties & insurance	N/A	N/A	N/A	421	421		421	513
514	*	Joint facility - debit	N/A	N/A		N/A				514
515	*	Joint facility - (credit)	N/A	N/A		N/A				515
516	*	Other								516
517	*	TOTAL SPECIALIZED SERVICE OPERATIONS	7,953	20,856	328,212	4,910	361,931	N/A	361,931	517

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

Line No.	Cross Check	Name of railway operating expense account (a)	Salaries & Wages (b)	Material, tools, supplies, fuels, & lubricants (c)	Purchased services (d)	General (e)	Total freight expense (f)	Passenger (g)	Total (h)	Line No.
518		ADMINISTRATIVE support OPERATIONS:								
		Administration	124,349	8,310	48,373	22,219	203,251		203,251	518
519		Employees performing clerical & accounting functions	8,262	274	2,418	116	11,070		11,070	519
520		Communication systems operations	820	11	16,265		17,096		17,096	520
521		Loss & damage claims processing								521
522		Fringe benefits	N/A	N/A	N/A	41,690	41,690		41,690	522
523		Casualties & insurance	N/A	N/A	N/A	5,451	5,451		5,451	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		677			677		677	526
527		TOTAL ADMINISTRATIVE support OPERATIONS	133,431	9,272	67,056	69,476	279,235		279,235	527
528		TOTAL TRANSPORTATION	2,149,182	1,870,577	1,388,728	943,364	6,351,851		6,351,851	528
		GENERAL AND ADMINISTRATIVE								
601		Officers - general administration	18,064	4,203	71,231	37,476	130,974		130,974	601
602		Accounting, auditing, & finance	45,854	426	9,014	300	55,594		55,594	602
603		Management services & data processing	41,842	14,637	141,509	1,945	199,933		199,933	603
604		Marketing	34,170	345	8,656	7,798	50,969		50,969	604
605		Sales	34,170	345	8,451	7,798	50,764		50,764	605
606		Industrial development	2,806	13	2,251	868	5,938	N/A	5,938	606
607		Personnel & labor relations	22,721		1,355		24,076		24,076	607
608		Legal & secretarial	20,240	351	78,840	5,376	104,807		104,807	608
609		Public relations & advertising	2,394	1,993	2,155	10,701	17,243		17,243	609
610		Research & development								610
611		Fringe benefits	N/A	N/A	N/A	93,721	93,721		93,721	611
612		Casualties & insurance	N/A	N/A	N/A	1,265	1,265		1,265	612
613		Write-down of uncollectible accounts	N/A	N/A	N/A	35,849	35,849		35,849	613
614		Property taxes	N/A	N/A	N/A	349,379	349,379		349,379	614
615		Other taxes except on corporate income or payroll	N/A	N/A	N/A	28	28		28	615
616		Joint facility - debit	N/A	N/A	2,438	N/A	2,438		2,438	616
617		Joint facility - (credit)	N/A	N/A	(989)	N/A	(989)		(989)	617
618		Other	72,788	3,080	15,594	42,881	134,343		134,343	618
619		TOTAL GENERAL AND ADMINISTRATIVE	295,049	25,393	340,505	595,385	1,256,332		1,256,332	619
620	*	TOTAL CARRIER OPERATING EXPENSE	3,411,028	2,433,059	3,052,270	4,165,455	13,061,812		13,061,812	620



**412. WAY AND STRUCTURES**

(Dollars in Thousands)

1. Report freight expenses only.
2. The total depreciation expense reported in column (b), line 29, should balance to the sum of the depreciation expense reported in Schedule 410, column (f), lines 136, 137, and 138.
3. Report in column (c) the lease/rentals for the various property categories of way and structures. The total lease/rentals reported in column (c), line 29, should balance the net amount reported in Schedule 410, column (f), lines 118 through 123, plus lines 130 through 135. If an entire road or segment of track is leased and if the actual breakdown of lease/rentals by property category is not known, apportion the lease/rentals based on the percentage of the categories' depreciation bases for all categories of depreciable leased property. Use Schedule 352B of this report to obtain the depreciation bases of the categories of leased property.
4. Amortization adjustment of each road property type which is included in column (b) shall be repeated in column (d) as a debit or credit to the appropriate line item.
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				1
2		3	Grading	119,042		(109)	2
3		4	Other right-of-way expenditures	1,730		(99)	3
4		5	Tunnels and subways	9,049		(66)	4
5		6	Bridges, trestles and culverts	74,557		90	5
6		7	Elevated structures				6
7		8	Ties	272,951		(985)	7
8		9	Rail and other track material	431,765		11,591	8
9		11	Ballast	200,528		5,812	9
10		13	Fences, snowsheds and signs	1,863		(4)	10
11		16	Station and office buildings	13,791		(3,138)	11
12		17	Roadway buildings	2,047		(403)	12
13		18	Water stations	473		(64)	13
14		19	Fuel stations	15,914		(1,518)	14
15		20	Shops and enginehouses	15,401		(255)	15
16		22	Storage warehouses				16
17		23	Wharves and docks	432		23	17
18		24	Coal and ore wharves	1,643		(18)	18
19		25	TOFC/COFC terminals	51,687		(4,477)	19
20		26	Communications systems	28,417		(8,564)	20
21		27	Signals and interlockers	6,037		2,996	21
22		29	Power plants	100		(53)	22
23		31	Power transmission systems	1,695		(73)	23
24		35	Miscellaneous structures	2,447		(488)	24
25		37	Roadway machines	39,162		(4,900)	25
26		39	Public improvements; construction	18,753		426	26
27		45	Power plant machines	160		50	27
28			Other lease/rentals		1,913		28
29			TOTAL	1,309,644	1,913	(4,226)	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 (f). 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 Part 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	GROSS AMOUNTS RECEIVABLE			GROSS AMOUNTS PAYABLE				Line No.	
			Private Line Cars (b)	Mileage (c)	Time (d)	Private Line Cars (e)	Mileage (f)	Time (g)			
CAR TYPES											
1		Box - Plain 40 Foot									1
2		Box - Plain 50 Foot and Longer				2,608		513		1,936	2
3		Box - Equipped		301	7,378	15,209		5,159		18,750	3
4		Gondola - Plain		109	1,515	1,367		1,009		2,098	4
5		Gondola - Equipped		92	2,466			1,437		6,617	5
6		Hopper - Covered		2,695	23,898			5,043		7,824	6
7		Hopper - Open Top - General Service		31	1,847			70		351	7
8		Hopper - Open Top - Special Service		12	332			74		137	8
9		Refrigerator - Mechanical		185	3,681			3		134	9
10		Refrigerator - Nonmechanical			1			13		175	10
11		Flat - TOFC/COFC		2,864	35,770		169,665	3,512		13,663	11
12		Flat - Multi-Level		319	6,806		187	591		4,881	12
13		Flat - General Service		1	17						13
14		Flat - Other		110	2,272		28,116	5,029		12,717	14
15		Tank - Under 22,000 Gallons									15
16		Tank - 22,000 Gallons and Over		1	16			935		2	16
17		All Other Freight Cars									17
18		Auto Racks			873		92,563			4,117	18
19		TOTAL FREIGHT TRAIN CARS		6,720	86,852		309,755	23,401		73,473	19
OTHER FREIGHT CARRYING EQUIPMENT											
20		Refrigerated Trailers									20
21		Other Trailers									21
22		Refrigerated Containers									22
23		Other Containers									23
24		TOTAL TRAILERS AND CONTAINERS									24
25		GRAND TOTAL (Lines 19 and 24)		6,720	86,852		309,755	23,401		73,473	25

**NOTES AND REMARKS FOR SCHEDULE 414**

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**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 therefor are included in the rent for equipment and Account Nos. 31-21-00, 31-22-00, 31-23-00, 35-21-00, 35-22-00, and 35-23-00. It should include the cost of equipment owned and leased to others when the rents are included in the rent for Equipment Account Nos. 32-21-00, 32-22-00, 32-23-00, 36-21-00, 36-22-00, and 36-23-00.  
Property used but not owned should also be included when the rent is included in Account Nos. 31-12-00, 31-13-00, 31-21-00, 31-22-00, and 31-23-00, inclusive.  
The grand total of each equipment account in column (h) of Schedule 330 should equal the totals of line items constituting the equipment account totals of columns (g) and (h) of Schedule 415.
8. Accumulated depreciation for each class of equipment shall be reported in columns (i) and (j). The grand total of each equipment reserve account in column (g), Schedule 335, shall equal the combined aggregate total accumulated depreciation for line items constituting the corresponding equipment accounts reported in columns (i) and (j), on Schedule 415.

415. SUPPORTING SCHEDULE - EQUIPMENT							
(Dollars in Thousands)							
Line No.	Cross Check	Types of equipment (a)	Repairs (net expense) (b)	Depreciation		Amortization Adjustment net during year (e)	Line No.
				Owned (c)	Capitalized lease (d)		
		LOCOMOTIVES					
1		Diesel Locomotives - Yard					1
2		Diesel Locomotives - Road	635,426	527,994	34,018	(41,244)	2
3		Other Locomotives - Yard					3
4		Other Locomotives - Road					4
5	*	TOTAL LOCOMOTIVES	635,426	527,994	34,018	(41,244)	5
		FREIGHT TRAIN CARS					
6		Box - Plain 40 foot	2	(215)		(264)	6
7		Box - Plain 50 foot and longer	144	156		190	7
8		Box - Equipped	20,938	4,785		1,395	8
9		Gondola - Plain	36,708	2,546		(283)	9
10		Gondola - Equipped	13,382	1,989		(927)	10
11		Hopper - Covered	79,821	12,652	3,172	(237)	11
12		Hopper - Open Top - General Service	3,050	1,598		(673)	12
13		Hopper - Open Top - Special Service	15,183	2,400	207	(35)	13
14		Refrigerator - Mechanical	1,904				14
15		Refrigerator - Nonmechanical	1,693	3,051		1,192	15
16		Flat - TOFC/COFC	23,088	5,069	3,026	(47)	16
17		Flat - Multi-level	9,497	807	1,670	(327)	17
18		Flat - General Service	104	(35)		(88)	18
19		Flat - Other	13,426	1,542		926	19
20		All Other Freight Cars	35,637	839		(86)	20
21		Cabooses	96	(245)		(335)	21
22		Auto Racks		7,902		524	22
23		Miscellaneous Accessories	830	16,446		860	23
24	*	TOTAL FREIGHT TRAIN CARS	255,503	61,287	8,075	1,785	24
		OTHER EQUIPMENT - REVENUE FREIGHT HIGHWAY EQUIPMENT					
25		Refrigerated Trailers					25
26		Other Trailers	4,703				26
27		Refrigerated Containers					27
28		Other Containers	23				28
29		Bogies					29
30		Chassis	1,073	432		(232)	30
31		Other Highway Equipment (Freight)					31
32	*	TOTAL HIGHWAY EQUIPMENT	5,799	432	-	(232)	32
		FLOATING EQUIPMENT - REVENUE SERVICE					
33		Marine Line-Haul					33
34		Local Marine					34
35	*	TOTAL FLOATING EQUIPMENT					35
		OTHER EQUIPMENT					
36	*	Passenger & Other Revenue Equipment (Freight Portion)	6,945				36
37	*	Computer Systems & Word Processing Equip.	1	65,065	280	684	37
38	*	Machinery - Locomotives (1)	1,500	5,513		(1,064)	38
39	*	Machinery - Freight Cars (2)	1,072	3,938		(760)	39
40	*	Machinery - Other Equipment (3)	107	394		(76)	40
41	*	Work and Other Nonrevenue Equipment	36,591	24,955	691	(1,716)	41
42		TOTAL OTHER EQUIPMENT	46,216	99,865	971	(2,932)	42
43		TOTAL ALL EQUIPMENT (FREIGHT PORTION)	942,944	689,578	43,064	(42,623)	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), line 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							1
2		260,043	7,878,920	459,254	1,994,624	157,421	2
3							3
4							4
5	*	260,043	7,878,920	459,254	1,994,624	157,421	5
6			13		(11)		6
7							7
8		8,578	93,136		7,723		8
9			103,046		12,187		9
10		28,231	78,104		15,221		10
11		60,972	494,814	132,958	45,551	24,179	11
12			69,071		16,194		12
13		21,391	98,131	9,065	7,596	1,769	13
14							14
15		8,358	51,298		8,309		15
16		25,335	156,827	93,675	10,592	21,819	16
17			36,279	66,479	3,274	11,204	17
18			1,133		287		18
19		11,038	19,758		4,453		19
20		2,025	9,678		2,134		20
21			7,972		2,756		21
22		19,828	142,196		10,931		22
23			189,033		29,902		23
24	*	185,756	1,550,489	302,177	177,099	58,971	24
25							25
26							26
27							27
28							28
29							29
30		1,364	7,364		(2,699)		30
31							31
32	*	1,364	7,364		(2,699)		32
33							33
34							34
35	*						35
36	*						36
37	*		939,688	1,209	500,640	724	37
38	*		134,233		40,952		38
39	*		95,880		29,251		39
40	*		9,588		2,925		40
41	*		887,020	7,830	90,615	691	41
42			2,066,409	9,039	664,383	1,415	42
43		447,163	11,503,182	770,470	2,833,407	217,807	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.

**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	10,772			16		1,217	175		12,180	1
2	*	Pick up and delivery, marine line haul	33,335					181	N/A		33,516	2
3	*	Loading and unloading and local marine	273,554			467		33,940	N/A		307,961	3
4	*	Protective services - total debits and credits	42					575	4,745		5,362	4
5	*	Freight lost or damaged - solely related										5
6	*	Fringe benefits	2,169			292			30		2,491	6
7	*	Casualty and insurance	421								421	7
8	*	Joint facility - debit										8
9	*	Joint facility - credit										9
10	*	Other										10
11	*	TOTAL	320,293			775		35,913	4,950		361,931	11

**450. ANALYSIS OF TAXES**

(Dollars in Thousands)

<b>A. Railway Taxes</b>				
Line No.	Cross Check	Kind of Tax	Amount	Line No.
1		Other than U.S. Government Taxes	565,672	1
		U.S. Government Taxes		
		Income Taxes		
2		Normal Tax and Surtax	1,360,221	2
3		Excess Profits		3
4	*	Total - Income Taxes (Lines 2 and 3)	1,360,221	4
5		Railroad Retirement	666,599	5
6		Hospital Insurance	57,298	6
7		Supplemental Annuities		7
8		Unemployment Insurance	16,183	8
9		All Other United States Taxes		9
10		Total - U.S. Government Taxes	2,100,301	10
11		Total - Railway Taxes	2,665,973	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	Deferred debits:					1
2	Accrued liabilities not deductible until paid:					2
3	Casualty and Environmental Costs	(287,728)	50,256	-	(237,472)	3
4	Postretirement Benefits	(125,715)	(8,170)	44,710	(89,175)	4
5	Compensation and Benefits	(326,605)	(5,449)	-	(332,054)	5
6	Intangible Liabilities	(99,662)	27,376	-	(72,286)	6
7	Long-term debt fair value adjustment under acquisition accounting	(16,679)	9,142	-	(7,537)	7
8	Other	(219,862)	(70,752)	533	(290,081)	8
9	Subtotal	(1,076,251)	2,403	45,243	(1,028,605)	9
10	Deferred tax credits:					10
11	Depreciation and Amortization	19,646,247	981,269	(3,817)	20,623,699	11
12	Other	366,694	2,045	(16)	368,723	12
13	Subtotal	20,012,941	983,314	(3,833)	20,992,422	13
14						14
15						15
16						16
17						17
18						18
19	TOTALS	18,936,690	985,717	41,410	19,963,817	19



**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.	0
	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	0

Notes and Remarks:

Adjustment is to reflect income taxes on balance sheet adjustment which, in accordance with generally accepted accounting principles, are not reflected in Railway income tax expense.

Minimum pension liability	\$	58,091
Postretirement benefits		(13,381)
FIN 48		(3,284)
Other		(16)
Total	\$	<u>41,410</u>

**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	Terminal Railroad Association of St Louis				1
2	BNSF Railway Company	Sinking Fund and Interest	7,014	Joint (Note 1)	2
3	CSX Transportation, Inc.	on Refunding and Improvement			3
4	Canadian National Railway Company	Mortgage Bonds Series C			4
5	Norfolk and Southern Railway Company	due 7/1/2019			5
6	Union Pacific Railroad Company				6
7					7
8					8
9	Kinder Morgan Energy Partners, L.P.		190,000	Sole (Note 2)	9
10	BNSF Railway Company				10
11					11
12					12
13	Tate & Lyle Ingredients Americas, LLC	Bridge Funding	601	Sole (Note 3)	13
14					14
15					15
16	Chevron Phillips Chemical Company LP	Trackage Access Indemnity	N/A	Sole (Note 4)	16
17					17
18					18
19					19
20	Note 1: Terminal Railroad Association of St. Louis Mortgage Bonds are fully funded by TRRA through a sinking fund with a balance				20
21	of approximately \$22 million as of December 31, 2016. BNSF is jointly and severally liable with CSX, CN, NS, and UP for the Sinking Fund.				21
22	This fund covers future interest and principal payments through the remainder of the bonds' term.				22
23	Note 2: Santa Fe Pacific Pipelines, Inc (SFPP) , an indirect, wholly-owned subsidiary of BNSF Railway Company, has a guarantee in				23
24	connection with its remaining special limited partnership interest in SFPP, L.P. All obligations with respect to the guarantee will cease upon				24
25	termination of ownership rights which would occur upon a put notice issued by BNSF Railway Company or the exercise of the call rights by				25
26	the general partners of SFPP, L.P. The company has recorded a \$2 million liability for the fair value of the guarantee as of December 31,				26
27	2016				27
28	Note 3: This guarantee expires in 2023. It is secured by a letter of credit established in January 2014 and issued on behalf of Tate & Lyle				28
29	for \$700 thousand, the maximum amount of the loan.				29
30	Note 4: BNSF has an indemnity agreement with Chevron Phillips Chemical Company LP (Chevron Phillips), granting certain rights of				30
31	indemnity from BNSF, in order to facilitate access to a storage facility. Under certain circumstances, payment under this obligation may				31
32	be required in the event Chevron Phillips were to incur certain liabilities or other incremental costs resulting from trackage access.				32
33	The company has recorded a \$22 million asset and corresponding liability for the fair value of these guarantees as required by				33
34	authoritative accounting guidance related to guarantees.				34

2. If any corporation or other association was under obligation as guarantor or surety for the performance by the respondent of any agreement or obligation, show the particulars called for hereunder for each such contract of guaranty or suretyship in effect at the close of the year or entered into and expired during the year. This inquiry does not cover the case of ordinary commercial paper maturing on demand or not later than 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					1
2					2
3		None			3
4					4
5					5
6					6
7					7
8					8
9					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 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.

1. None
2. None
3. None
4. None
5. None
6. None

**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	84,831
3	765/767	Funded debt unmatured	Sch 200, Line 40	491,281
4	766	Equipment obligations	Sch 200, Line 41	497,344
5	766.5	Capitalized lease obligations	Sch 200, Line 42	480,942
6	768	Debt in default	Sch 200, Line 43	
7	769	Accounts payable - affiliated companies	Sch 200, Line 44	
8	770.1/770.2	Unamortized debt premium	Sch 200, Line 45	
9		Total debt	Sum of Lines 1 through 8	1,554,398
10		Debt directly related to road property	Note 1	281,055
11		Debt directly related to equipment	Note 1	1,047,957
12		Total debt related to road and equipment	Lines 10 and 11	1,329,012
13		Percent directly related to road	Line 10 /Line 12 Whole % + 2 decimals	21.15%
14		Percent directly related to equipment	Line 11 /Line 12 Whole % + 2 decimals	78.85%
15		Debt not directly related to road and equipment	Line 9 - Line 12	225,386
16		Road property debt (Note 2)	(Line 13 x Line 15) + Line 10	328,724
17		Equipment debt (Note 2)	(Line 14 x Line 15) + Line 11	1,225,674

**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	49,557
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	49,557
22		Interest directly related to road property debt	Note 4	14,672
23		Interest directly related to equipment debt	Note 4	41,143
24		Interest not directly related to road or equipment property debt	Line 21 - (Lines 22 + 23)	(6,258)
25		Interest on road property debt (Note 5)	Line 22 + (Line 24 x Line 13)	13,348
26		Interest on equipment debt (Note 5)	Line 23 + (Line 24 x Line 14)	36,209
27		Embedded rate of debt capital - road property	Line 25 / Line 16	4.06%
28		Embedded rate of debt capital - equipment	Line 26 / Line 17	2.95%

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, if applicable.

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.

Note 6: Line 24 includes capitalized interest.

### 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)	Line No.
1	Burlington Northern Santa Fe, LLC		Controlled	Services Rendered	9,018	308,419	1
2							2
3	Freightwise, Inc		Common		-	(639)	3
4							4
5	BNSF Insurance Co. Ltd	87%	Common	Insurance Premiums	69,892	2,680	5
6				Claims Paid	68,697	See above	6
7							7
8	BNSF Logistics, LLC		Common	Services Rendered	217	787	8
9							9
10	BNSF Logistics International, Inc		Common	Services Rendered	153	(795)	10
11							11
12	Berkshire Hathaway Inc.		Controlled	Stock Option Exercises	-	(38,962)	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

### 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%	22,559	4,819	311	2,171	4,827	4,327	39,014	1
2	1J	75%	0	0	0	0	0	1	1	2
3	1J	66.70%	0	0	0	0	2	15	17	3
4	1J	50%	474	106	102	23	106	42	853	4
5	1J	33.30%	0	0	0	0	1	4	5	5
6	1J	25%	6	10	35	2	12	0	65	6
7	1J	20%	0	0	0	0	0	0	0	7
8	1J	16.7%	0	0	0	0	0	0	0	8
9		Total 1J	480	116	137	25	121	62	941	9
10										10
11		Total 1 and 1J	23,039	4,935	448	2,196	4,948	4,389	39,955	11
12										12
13	2		4	0	0	0	5	0	9	13
14	3		26	0	0	3	2	111	142	14
15	4		32	0	0	0	2	0	34	15
16	5		9,274	415	77	76	2,880	253	12,975	16
17										17
57		Grand Total	32,375	5,350	525	2,275	7,837	4,753	53,115	57
58	Miles of electrified road or track included in the preceding grand total		NONE	NONE	NONE	NONE	NONE	NONE	NONE	58

**700. CANADIAN MILEAGE OPERATED AT THE CLOSE OF YEAR (INCLUDED IN SCHEDULE 700 ABOVE)**

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%	23	0	0	5	12	7	47	1
2	1J	50%	0	0	0	0	6	0	6	2
3		Total 1 and 1J	23	0	0	5	18	7	53	3
4	2		4	0	0	0	5	0	9	4
5	5		87	4	0	3	42	0	136	5
57	Grand Total Canadian Miles		114	4	0	8	65	7	198	57



**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)	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)	Line No.
1		Alabama	104				127	231	17		1
2		Arizona	659					659			2
3		Arkansas	190				840	1,030			3
4		British Columbia	23				23	46	16		4
5		California	912				1,256	2,168	1		5
6		Colorado	804				537	1,341	2		6
7		Idaho	106					106	33		7
8		Illinois	1,149			2	393	1,544	5		8
9		Iowa	587		26	4	35	662			9
10		Kansas	1,142				445	1,587			10
11		Kentucky				13	85	98			11
12		Louisiana	240				122	362			12
13		Manitoba		4			64	68			13
14		Minnesota	1,498				203	1,701	452		14
15		Mississippi	166				13	179			15
16		Missouri	1,432				182	1,614	38		16
17		Montana	2,605				43	2,648	107		17
18		Nebraska	1,478					1,478	72		18
19		Nevada					798	798			19
20		New Mexico	1,084				514	1,598	92		20
21		North Dakota	1,617				16	1,633	3		21
22		Oklahoma	957				330	1,287			22
23		Oregon	226				182	408	110		23
24		Saskatchewan									24
25		South Dakota	870			2	33	905	3		25
26		Tennessee	16				121	137			26
27		Texas	2,627			11	2,342	4,980	1		27
28		Utah					437	437			28
29		Washington	1,332				123	1,455	86		29
30		Wisconsin	245				5	250			30
31		Wyoming	960				5	965			31
32		Total Mileage (Single Track)	23,039	4	26	32	9,274	32,375	1,038		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 (i), 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.

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)							
		Locomotive Units												
1		Diesel-freight units	6,290	155			35	3	4,113	2,364	6,477	28,085,316		1
2		Diesel-passenger units												2
3		Diesel-multiple purpose units	1,807				(12)	11	1,784		1,784	4,690,599		3
4		Diesel-switching units												4
5	*	TOTAL (lines 1 to 4)	8,097	155			23	14	5,897	2,364	8,261	32,775,915		5
6	*	Electric locomotives												6
7	*	Other self-powered units												7
8	*	TOTAL (lines 5, 6, and 7)	8,097	155			23	14	5,897	2,364	8,261	32,775,915		8
9	*	Auxiliary units							35		35			9
10	*	TOTAL LOCOMOTIVE UNITS (lines 8 and 9)	8,132	155			23	14	5,932	2,364	8,296	32,775,915		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 Jan 1, 1995 (b)	During Calendar Year					TOTAL (l)	Line No.					
				Between Jan 1, 1995 and Dec 31, 1999 (c)	Between Jan 1, 2000 and Dec 31, 2004 (d)	Between Jan 1, 2005 and Dec 31, 2009 (e)	Between Jan 1, 2010 and Dec 31, 2014 (f)	2015 (g)			2016 (h)	2017 (i)	2018 (j)	2019 (k)	
11	*	Diesel	1,996	1,535	1,003	1,607	1,640	325	155					8,261	11
12	*	Electric													12
13	*	Other self-powered units													13
14	*	TOTAL (lines 11 to 13)	1,996	1,535	1,003	1,607	1,640	325	155					8,261	14
15	*	Auxiliary units	35											35	15
16	*	TOTAL LOCOMOTIVE UNITS (lines 14 and 15)	2,031	1,535	1,003	1,607	1,640	325	155					8,296	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)	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)	Line No.
				New units purchased or built (c)	New units leased from others (d)	Rebuilt units acquired and 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)												21
22		Nonpassenger carrying cars (All class B, CSB, M, PSA, IA)												22
23		TOTAL (Lines 17 to 22) Self-Propelled												23
24		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												30
31		Business cars (PV)	37								39	817		31
32		Board outfit cars (MWX)												32
33		Derrick & snow removal cars (MWU, MWV, MWV, MWK)	57								58	1,987		33
34		Dump and ballast cars (MWB, MVD)	1,803								2,105	216,485		34
35		Other maintenance and service equipment cars	3,793								4,910	433,243		35
		TOTAL (Lines 30 to 34)	5,690								7,112	652,532		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			All other units, including reclassification and second hand units purchased or leased from others  (g)	
					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)		
36		FREIGHT TRAIN CARS Plain box cars - 40' (B1_, B2_)	10						36
37		Plain box cars - 50' and longer (B3_0-7, B4_0-7, B5_, B6_ B7_, B8_)	4						37
38		Equipped box cars (All Code A, Except A_5_)	4,861						38
39		Plain gondola cars (All Codes G & J, J_1, J_2, J_3, J_4)	9,525						39
40		Equipped gondola cars (All Code E)	4,652						40
41		Covered hopper cars (C_1, C_2, C_3, C_4)	33,413		242			480	41
42		Open top hopper cars - general service (All Code H)	5,371						42
43		Open top hopper cars - special service (J_O), and All Code K)	5,487						43
44		Refrigerator cars - mechanical (R_5_, R_6_, R_7_, R_8_, R_9_)	976						44
45		Refrigerator cars - nonmechanical (R_0_, R_1_, R_2_)	1,822						45
46		Flat cars - TOFC/COFC (All Code P, Q, & S, Except Q8_)	6,504		93			94	46
47		Flat cars - multilevel (All Code V)	688						47
48		Flat cars - general service (F10_, F20_, F30_)	101						48
49		Flat cars - other (F_1_, F_2_, F_3_, F_4_, F_5_, F_6_, F_8_, F40_)	3,004						49
50		Tank cars - under 22,000 gal. (T_0, T_1, T_2, T_3, T_4, T_5)	101						50
51		Tank cars - 22,000 gal. and over (T_6, T_7, T_8, T_9)	227						51
52		All other freight cars (A_5_, F_7_, All Code L & Q8_)	57						52
53		TOTAL (Lines 36 to 52)	76,803		335			574	53
54		Caboose (All Code M-930)	N/A	209					54
55		TOTAL (Lines 53 and 54)	76,803	209	335			574	55

**710. INVENTORY OF EQUIPMENT - Continued**

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

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

Line No.	Cross Check	Changes during year (concluded) Units retired from service of respondent whether owned or leased including reclassification (h)	Units at close of year						Line No.	
			Owned and used (i)	Leased from others (j)	Total in service of respondent (col. (i) & (j))		Aggregate capacity of units reported in col (k) & (l) (see ins. 4) (m)	Leased to Others (n)		
					Time-mileage cars (k)	All Others (l)				
36		9	1			1		78		36
37		4								37
38		238	2,923	1,700		4,623		454,773		38
39		1,163	3,020	5,342		8,362		986,128		39
40		309	3,722	621		4,343		454,509		40
41		2,154	15,955	16,026		31,981		3,498,523		41
42		540	4,482	349		4,831		492,516		42
43		88	2,004	3,395		5,399		613,260		43
44				976		976		88,156		44
45		67	1,755			1,755		150,309		45
46		340	1,791	4,560		6,351		1,547,121		46
47		72	429	187		616		33,960		47
48		24	77			77		6,030		48
49		473	1,097	1,434		2,531		256,376		49
50		12	89			89		7,222		50
51		6	221			221		21,549		51
52		26	31			31		2,415		52
53		5,525	37,597	34,590		72,187		8,612,925		53
54		4	205			N/A	205	N/A		54
55		5,529	37,802	34,590		72,187	205	8,612,925		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.)							56
57		Non-self-propelled vessels (car floats, lighters, etc.)							57
58		TOTAL (Lines 56 and 57)							58
HIGHWAY REVENUE EQUIPMENT									
59		Chassis (Z1_, Z67_, Z68_, Z_69_)		384					59
60		Dry van (U2_, Z_, Z6_, I-6)							60
61		Flat bed (U3_, Z3_)							61
62		Open bed (U4_, Z4_)							62
63		Mechanical refrigerator (U5_, Z5_)							63
64		Bulk hopper (U0_, Z0_)							64
65		Insulated (U7_, Z7_)							65
66		Tank (Z0_, U6_) (See note)							66
67		Other trailer and container (Special equipped dry van U9_, Z8_, Z9_)							67
68		Tractor							68
69		Truck							69
70		TOTAL (Lines 59 to 69)		384					70

## NOTES AND REMARKS

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

**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									56
57									57
58									58
59			384			384	11,136		59
60									60
61									61
62									62
63									63
64									64
65									65
66									66
67									67
68									68
69									69
70			384			384	11,136		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 time of filing of 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), 2,500 HP. Cars should be identified as to special construction or service characteristics, such as aluminum-covered hopper car (LO), steel boxcars-special service (XAP), etc. For TOFC/COFC show type of equipment as enumerated in Schedule 710.

3. In column (c) show the total weight in tons of 2,000 pounds. The weight of the equipment acquired should be the weight empty.

4. The cost should be the complete cost as entered on the ledger, including foreign line freight charges and handling charges.

5. Data for this schedule should be confined to the units reported in Schedule 710, columns (c) and (e) for locomotive units, passenger-train cars and company service cars and columns (d) and (f) for freight train cars, floating equipment and highway revenue equipment. Disclose new units in the upper section of this schedule and in the lower section disclose rebuilt units acquired or rewritten into the respondent's accounts. 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 appropriately identified by footnote or sub-heading.

**NEW UNITS**

Line No.	Class of equipment (a)	Number of units (b)	Total weight (tons) (c)	Total cost (000) (d)	Method of acquisition (see instructions) (e)	Line No.
1	Diesel-Freight Locomotives	155	33,131	\$ 360,366	P	1
2	<b>Freight-Train Cars</b>					2
3	Covered Hoppers	242	7,538	19,380	P	3
4	Flat Cars - TOFC/COFC	93	6,064	18,073	P	4
5	<b>Work Equipment Cars</b>					5
6	Dump and Ballast Cars	10	396	2,250	P	6
7	Other MOW	11	387	1,846	P	7
8						8
9						9
10						10
11						11
12	TOTAL	511	47,516	\$ 401,915	N/A	12

**REBUILT UNITS**

13						13
14						14
15						15
16						16
17						17
18						18
19						19
20						20
21						21
22						22
23	TOTAL	-	-	\$ -	N/A	23
24	GRAND TOTAL (NEW AND REBUILT)	511	47,516	\$ 401,915	N/A	24

GENERAL INSTRUCTIONS CONCERNING RETURNS TO BE MADE IN SCHEDULE 720

1. For purposes of these schedules, the track categories are defined as follows:  
 Track category 1  
 A - Freight density of 20 million or more gross ton miles per track mile per year (include passing tracks, turnouts and crossovers)  
 B - Freight density of less than 20 million gross ton miles per track mile per year, but at least 5 million (include passing tracks, turnouts and crossovers)  
 C - Freight density of less than 5 million gross ton miles per track mile per year, but at least 1 million (include passing tracks, turnouts and crossovers)  
 D - Freight density of less than 1 million gross ton miles per track mile per year (include passing tracks, turnouts and crossovers)  
 E - Way and yard switching tracks (passing tracks, crossovers and turnouts shall be included in category A, B, C, D, F, and Potential abandonments, as appropriate).  
 F - Track over which any passenger service is provided (other than potential abandonments). Mileage should be included within track categories A through E unless there is dedicated entirely to passenger service F.  
 Potential abandonments - Route segments identified by railroads as potentially subject to abandonment as required by Section 10904 of the Interstate Commerce Act.
2. This schedule should include all class 1, 2, 3, or 4 track from schedule 700 that is maintained by the respondent (class 5 is assumed to be maintained by others).
3. If, for two consecutive years, a line segment classified in one track category maintains a traffic density which would place it in another, it shall be reclassified into that category as of the beginning of the second year.
4. Traffic density related to passenger service shall not be included in the determination of the track category of a line segment.

720. TRACK AND TRAFFIC CONDITIONS

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

Line No.	Track Category (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	18,334	60.08	58.84	510.2	1
2	B	8,086	12.43	47.92	956.5	2
3	C	2,539	2.57	37.11	261.8	3
4	D	1,724	0.38	33.67	546.1	4
5	E	9,457	n/a	n/a		5
6	TOTAL	40,140	39.41	52.75	2274.6	6
7	F	11,991	n/a	n/a		7
8	Potential abandonments					8

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

750. CONSUMPTION OF DIESEL FUEL (Dollars in Thousands)		
Line No.	LOCOMOTIVES	
	Kind of locomotive service (a)	Diesel oil (gallons) (b)
1	Freight	1,242,548,424
2	Passenger	
3	Yard Switching	40,279,454
4	TOTAL	1,282,827,878
5	COST OF FUEL \$(000)*	\$ 1,830,226
6	Work Train	817,831

\*Show cost of fuel charged to train and yard service (function 67-Loco. Fuels). The cost stated for diesel fuel should be the total charges in the accounts specified, including freight charges and handling expenses. Fuel consumed by mixed and special trains that are predominantly freight should be included in freight service, but where the service of mixed or special trains is predominantly passenger, the fuel should be included in passenger service.

**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 cars-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 non-payment or non-revenue car-miles.

(J) Report miles actually run by passenger-train cars in transportation service. Passenger-train car-miles include miles run by coaches and cars in which passengers are carried at regular tariff fares without extra charge for space occupied; miles run by combination passenger and baggage, passenger and mail, passenger and express; miles run by sleeping, parlor, and other cars for which an extra fare is charged; miles run by dining, cafe, and other cars devoted exclusively to the serving of meals and other refreshments and by club, lounge, and observation cars; and miles run by other passenger-train cars where services are combined, such as baggage, express, and mail.

(K) From conductor's or dispatcher's train reports or other appropriate sources, compute weight in tons (2,000 pounds). Item 6-01 includes weight of all locomotive units moved one mile in transportation trains. Ton-miles of motorcars should be excluded. Items 6-02 and 6-03 represent tons behind locomotive units (cars and contents, cabooses) moved one mile in transportation trains (excluding non-revenue gross ton-miles). Nonrevenue gross ton-miles in transportation trains include work equipment and cars carrying company freight and their contents. Use 150 pounds as the average weight per passenger and four tons as the average weight of contents of each head-end car.

(L) From conductor's train reports or other appropriate sources, compute ton-miles of freight. Ton-miles represent the number of tons of revenue and nonrevenue freight moved one mile in a transportation train. Include net ton-miles in motorcar trains. Exclude l.c.l. shipment of freight handled in mixed baggage express cars. Total ton-miles of revenue freight should correspond to the ton-miles reported on Form CBS.

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

(M) Road service represents elapse time of transportation trains (both ordinary and light) between the time of leaving the initial terminals and the time at final terminals, including trains switching at way stations and delays on road as shown by conductor's or dispatcher's train reports. Include time of motorcar service performed by train locomotives at terminals and way stations. Report in Item 9-02, train switching hours included in Item 9-01. Train switching is the time spent by the train while performing switching service at terminals and way stations where no regular yard service is maintained. A train hour is independent of the number of locomotives in the train.

(N) Yard switching hours are hours expended in switching service performed by yard crews in yards where regular switching service is maintained, including switching and transfer service in connection with the transportation of revenue and incidentally of company freight. Hours in yard switching are independent of the number of locomotives used.

(O) Work-train miles include the miles run by trains engaged in company service such as official inspection; inspection trains for railway commissioners for which no revenue is received; trains running special with fire apparatus to save carrier's property from destruction; trains run for transporting the carrier's employees to and from work when no transportation charge is made; wrecking trains run solely for the purpose of transporting company material; trains run for distributing material and supplies for use in connection with operations; and all other trains used in work-train services. Exclude miles run by locomotives while engaged incidentally in switching company materials in company shops or material yards in connection with regular yard switching service or in switching equipment for repairs between yards and shops.

(P) The number of loaded freight cars shall be obtained from the conductors' wheel report and shall be the sum of all loaded cars handled by each train. For example, if a car moves loaded (1) in a way train from the origination points, (2) in two through trains, and (3) in a way-train to the destination point, the total count of loaded cars would be four: two counts for the movements in the way trains and two counts for the movements in through trains. Therefore, each car originated or received from a connecting carrier receives an initial count, plus one count for each subsequent physical transfer between trains on respondent's lines. No additional count is given because of crew change or changes in track identification number unless there is a physical transfer of the car between trains. Each car moving under revenue billing shall be considered as a loaded car.

(Q) Report vehicles (TOFC trailers/containers, automobiles and trucks) loaded and unloaded to and from TOFC and multiple level freight cars when the work is performed at the railroad's expense.

(R) Report the number of loaded revenue trailers/containers picked up, plus revenue trailers/containers delivered in TOFC/COFC and in highway interchange service, when the work is performed at the railroad's expense. (Performed at railroad's expense means that railroad employees perform the service or that the railroad hires a subsidiary or outside contractor to perform the service.) Do not include those trailers/containers which are picked up or delivered by a shipper or motor carrier, etc. when a tariff provision requires that the shipper or motor carrier, etc., and not the railroad, perform that service. Note: The count should reflect the trailers/containers for which expenses are reported in Schedule 417, line 2, column (b).

(S) Report under Marine Terminals, Item 16, the tons loaded onto and unloaded from marine vessels at the expense of the reporting railroad.

(T) Report the total number of foreign railroad cars on line at the end of the year (except surplus cars, see below). Foreign railroad cars refers to freight cars owned by other railroads whose interline rental is settled on time (by hour) and actual line-haul mileage charges under the Code of Car Hire Rules.

Carriers will be governed by local conditions in determining whether a car at an interchange point should be considered "on-line." Unserviceable cars include cars on repair tracks undergoing or awaiting repairs. They include cars on repair tracks repaired and awaiting switching, cars on repair tracks undergoing or awaiting repairs switching, cars awaiting movement to repair tracks held in train yards (excluding cars which are to be repaired in the train yard without loss of time), cars moving empty in trains en route to shop, and cars stored awaiting disposition.

Surplus cars are cars which are in serviceable condition for loading on the last day of the year, but have not been placed for loading within 48 hours. This count can be an annual average based on weekly count of cars that have not been placed for loading within 48 hours.

(U) Flat-TOFC/COFC Car-miles reported in lines 25 (4-020), 41 (4-120), 57 (4-140), and 75 (4-160) will be computed using cars rather than constructed container platforms. For example, an articulated car consisting of five platforms moved one mile will be counted as one car-mile, not five car-miles.

(V) The intermodal Load Factor reported on Line 134 will be calculated for the average number of intermodal (TOFC/COFC) units loaded on the average intermodal car. Units are to be calculated in the same manner as Line 123 (13 TOFC/COFC - No. of Revenue Trailers & Containers Loaded and Unloaded (Q)). Intermodal cars will be calculated in accordance with instruction U for reporting Flat-TOFC/COFC Car-miles. Both intermodal (TOFC/COFC) units and intermodal cars are to be calculated using actual units and not constructed intermodal (TOFC/COFC) units or cars.

<b>755. RAILROAD OPERATING STATISTICS</b>					
2016					
Line No.	Cross Check	Item Description (a)	Freight Train (b)	Passenger Train (c)	Line No.
1		1 Miles of Road Operated (A)	32,375		1
2		2 Train Miles - Running (B)			
2		2-01 Unit Trains	55,080,900	XXXXXX	2
3		2-02 Way Trains	6,072,976	XXXXXX	3
4		2-03 Through Trains	94,695,473		4
5		2-04 TOTAL TRAIN MILES (Lines 2-4)	155,849,349		5
6		2-05 Motorcars (C)	0		6
7		2-07 TOTAL ALL TRAINS (Lines 5 and 6)	155,849,349		7
		3 Locomotive Unit Miles (D)			
		Road Service (E)			
8		3-01 Unit Trains	187,436,245	XXXXXX	8
9		3-02 Way Trains	13,564,656	XXXXXX	9
10		3-03 Through Trains	329,384,193		10
11		3-04 TOTAL (Lines 8-10)	530,385,094		11
12		3-11 Train Switching (F)	3,515,728	XXXXXX	12
13		3-21 Yard Switching (G)	13,677,664		13
14		3-31 TOTAL ALL SERVICES (Lines 11-13)	547,578,486		14
		4 Freight Car-Miles (thousands) (H)			
		4-01 RR Owned and Leased Cars - Loaded			
15		4-010 Box-Plain 40-Foot	0	XXXXXX	15
16		4-011 Box-Plain 50-Foot and Longer	8,929	XXXXXX	16
17		4-012 Box-Equipped	124,539	XXXXXX	17
18		4-013 Gondola-Plain	250,277	XXXXXX	18
19		4-014 Gondola-Equipped	42,696	XXXXXX	19
20		4-015 Hopper-Covered	783,889	XXXXXX	20
21		4-016 Hopper-Open Top-General Service	17,233	XXXXXX	21
22		4-017 Hopper-Open Top-Special Service	105,587	XXXXXX	22
23		4-018 Refrigerator-Mechanical	12,039	XXXXXX	23
24		4-019 Refrigerator-Non-Mechanical	27,415	XXXXXX	24
25		4-020 Flat-TOFC/COFC	619,184	XXXXXX	25
26		4-021 Flat-Multi-Level	49,477	XXXXXX	26
27		4-022 Flat-General Service	245	XXXXXX	27
28		4-023 Flat-All Other	85,101	XXXXXX	28
29		4-024 All Other Car Types-Total	260	XXXXXX	29
30		4-025 TOTAL (Lines 15-29)	2,126,871	XXXXXX	30

755. RAILROAD OPERATING STATISTICS - (Continued)					
Line No.	Cross Check	Item Description (a)	Freight Train (b)	Passenger Train (c)	Line No.
		4-11 RR Owned and Leased Cars - Empty			
31		4-110 Box-Plain 40-Foot	0	XXXXXX	31
32		4-111 Box-Plain 50-Foot and Longer	7,477	XXXXXX	32
33		4-112 Box-Equipped	101,161	XXXXXX	33
34		4-113 Gondola-Plain	243,393	XXXXXX	34
35		4-114 Gondola-Equipped	42,389	XXXXXX	35
36		4-115 Hopper-Covered	766,179	XXXXXX	36
37		4-116 Hopper-Open Top-General Service	23,709	XXXXXX	37
38		4-117 Hopper-Open Top-Special Service	106,956	XXXXXX	38
39		4-118 Refrigerator-Mechanical	6,943	XXXXXX	39
40		4-119 Refrigerator-Non-Mechanical	20,470	XXXXXX	40
41		4-120 Flat-TOFC/COFC	79,176	XXXXXX	41
42		4-121 Flat-Multi-Level	16,106	XXXXXX	42
43		4-122 Flat-General Service	601	XXXXXX	43
44		4-123 Flat-All Other	78,256	XXXXXX	44
45		4-124 All Other Car Types-Total	867	XXXXXX	45
46		4-125 TOTAL (Lines 31-45)	1,493,683	XXXXXX	46
		4-13 Private Line Cars - Loaded (H)			
47		4-130 Box-Plain 40-Foot	0	XXXXXX	47
48		4-131 Box-Plain 50-Foot and Longer	5,270	XXXXXX	48
49		4-132 Box-Equipped	36,317	XXXXXX	49
50		4-133 Gondola-Plain	806,221	XXXXXX	50
51		4-134 Gondola-Equipped	11,804	XXXXXX	51
52		4-135 Hopper-Covered	486,600	XXXXXX	52
53		4-136 Hopper-Open Top-General Service	58,472	XXXXXX	53
54		4-137 Hopper-Open Top-Special Service	593,688	XXXXXX	54
55		4-138 Refrigerator-Mechanical	5,128	XXXXXX	55
56		4-139 Refrigerator-Non-Mechanical	452	XXXXXX	56
57		4-140 Flat-TOFC/COFC	1,130,212	XXXXXX	57
58		4-141 Flat-Multi-Level	322,878	XXXXXX	58
59		4-142 Flat-General Service	400	XXXXXX	59
60		4-143 Flat-All Other	58,867	XXXXXX	60
61		4-144 Tank Under 22,000 Gallons	136,636	XXXXXX	61
62		4-145 Tank - 22,000 Gallons and Over	629,538	XXXXXX	62
63		4-146 All Other Car Types-Total	716	XXXXXX	63
64		4-147 TOTAL (Lines 47-63)	4,283,199	XXXXXX	64

**755. RAILROAD OPERATING STATISTICS - (Continued)**

Line No.	Cross Check	Item Description (a)	Freight Train (b)	Passenger Train (c)	Line No.
		4-15 Private Line Cars - Empty (H)			
65		4-150 Box-Plain 40-Foot	0	XXXXXX	65
66		4-151 Box-Plain 50-Foot and Longer	5,335	XXXXXX	66
67		4-152 Box-Equipped	18,793	XXXXXX	67
68		4-153 Gondola-Plain	825,504	XXXXXX	68
69		4-154 Gondola-Equipped	12,458	XXXXXX	69
70		4-155 Hopper-Covered	517,777	XXXXXX	70
71		4-156 Hopper-Open Top-General Service	58,552	XXXXXX	71
72		4-157 Hopper-Open Top-Special Service	600,349	XXXXXX	72
73		4-158 Refrigerator-Mechanical	5,526	XXXXXX	73
74		4-159 Refrigerator-Non-Mechanical	458	XXXXXX	74
75		4-160 Flat-TOFC/COFC	102,744	XXXXXX	75
76		4-161 Flat-Multi-Level	96,049	XXXXXX	76
77		4-162 Flat-General Service	948	XXXXXX	77
78		4-163 Flat-All Other	57,344	XXXXXX	78
79		4-164 Tank Under 22,000 Gallons	144,662	XXXXXX	79
80		4-165 Tank - 22,000 Gallons and Over	666,347	XXXXXX	80
81		4-166 All Other Car Types-Total	857	XXXXXX	81
82		4-167 TOTAL (Lines 65-81)	3,113,703	XXXXXX	82
83		4-17 Work Equipment and Company Freight Car-Miles	101,486	XXXXXX	83
84		4-18 No Payment Car-Miles (I) <1>	0	XXXXXX	84
		4-19 Total Car-Miles by Train Type (Note)			
85		4-191 Unit Trains	6,013,147	XXXXXX	85
86		4-192 Way Trains	158,684	XXXXXX	86
87		4-193 Through Trains	4,947,111	XXXXXX	87
88		4-194 TOTAL (Lines 85-87)	11,118,942	XXXXXX	88
89		4-20 Caboose Miles	69	XXXXXX	89

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 - (Concluded)

Line No.	Cross Check	Item Description (a)	Freight Train (b)	Passenger Train (c)	Line No.
98		6 Gross Ton-Miles (thousands) (K) 6-01 Road Locomotives	109,806,131		98
99		6-02 Freight Trains, Crs., Cnts, & Caboose	0	XXXXXX	99
100		6-020 Unit Trains	529,539,300	XXXXXX	100
101		6-021 Way Trains	12,304,067	XXXXXX	101
102		6-022 Through Trains	544,127,073	XXXXXX	102
103		6-03 Passenger Trains, Crs. & Cnts.	0		103
104		6-04 Non-Revenue	13,334,327	XXXXXX	104
		6-05 TOTAL (Lines 98 - 103)	1,209,110,898		
105		7 Tons of Freight (thousands)			
106		7-01 Revenue	556,717	XXXXXX	105
107		7-02 Non-Revenue	13,308	XXXXXX	106
		7-03 TOTAL (Lines 105 and 106)	570,025	XXXXXX	107
108		8 Ton-Miles of Freight (thousands) (L)			
109		8-01 Revenue - Road Service	629,392,423	XXXXXX	108
110		8-02 Revenue - Lake Transfer Service	0	XXXXXX	109
111		8-03 TOTAL (Lines 108 and 109)	629,392,423	XXXXXX	110
112		8-04 Non-Revenue - Road Service	6,582,002	XXXXXX	111
113		8-05 Non-Revenue - Lake Transfer Service	0	XXXXXX	112
114		8-06 TOTAL (Lines 111 and 112)	6,582,002	XXXXXX	113
		8-07 TOTAL - REVENUE & NON-REVENUE (Lines 110 and 113)	635,974,425	XXXXXX	114
115		9 Train Hours (M)			
116		9-01 Road Service	7,686,571	XXXXXX	115
117		9-0 Train Switching	212,225	XXXXXX	116
		10 TOTAL YARD-SWITCHING HOURS (N)	2,279,611	XXXXXX	117
118		11 Train-Miles Work Trains (O)			
119		11-01 Locomotives	2,209,304	XXXXXX	118
		11-02 Motorcars	0	XXXXXX	119
120		12 Number of Loaded Freight Cars (P)			
121		12-01 Unit Trains	3,604,664	XXXXXX	120
122		12-02 Way Trains	2,308,603	XXXXXX	121
123		12-03 Through Trains	5,076,066	XXXXXX	122
124		13 TOFC/COFC- No. of Revenue Trailers & Containers Loaded and Unloaded (Q)	7,667,348	XXXXXX	123
125		14 Multi-Level Cars - No. of Motor Vehicles Loaded & Unloaded (Q)	2,515,758	XXXXXX	124
		15 TOFC/COFC - No. of Revenue Trailers Picked Up & Delivered (R)	145,192	XXXXXX	125
126		16 Revenue-Tons Marine Terminal (S)			
127		16-01 Marine Terminals - Coal	0	XXXXXX	126
128		16-02 Marine Terminals - Ore	8,768,340	XXXXXX	127
129		16-03 Marine Terminals - Other	0	XXXXXX	128
		16-04 TOTAL (Lines 126 - 128)	8,768,340	XXXXXX	129
130		17 Number of Foreign Per-Diem Cars on Line (T)			
131		17-01 Serviceable	11,448	XXXXXX	130
132		17-02 Unserviceable	275	XXXXXX	131
133		17-03 Surplus	399	XXXXXX	132
134		17-04 TOTAL (Lines 130 - 132)	12,122	XXXXXX	133
		TOFC/COFC - Average No. of Units Loaded Per Car	5.20	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, 2016**

**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	(2) Land for transportation purposes	123			1
2	3	(3) Grading				2
3	4	(4) Other right-of-way expenditures				3
4	5	(5) Tunnels and subways				4
5	6	(6) Bridges, trestles and culverts				5
6	7	(7) Elevated structures				6
7	8	(8) Ties				7
8	9	(9) Rail and other track material	42,033			8
9	11	(11) Ballast				9
10	13	(13) Fences, snowsheds and signs				10
11	16	(16) Station and office buildings	2,811			11
12	17	(17) Roadway buildings				12
13	18	(18) Water stations				13
14	19	(19) Fuel stations				14
15	20	(20) Shops and enginehouses				15
16	22	(22) Storage warehouses				16
17	23	(23) Wharves and docks				17
18	24	(24) Coal and ore wharves				18
19	25	(25) TOFC/COFC terminals				19
20	26	(26) Communications systems	59,288			20
21	27	(27) Signals and interlockers	821,592			21
22	29	(29) Power plants				22
23	31	(31) Power transmission systems				23
24	35	(35) Miscellaneous structures				24
25	37	(37) Roadway machines				25
26	39	(39) Public improvements - construction				26
27	44	(44) Shop machinery				27
28	45	(45) Power plant machinery				28
29		Other lease/rentals				29
30		TOTAL EXPENDITURES FOR ROAD	925,847			30
31	52	(52) Locomotives	259,339			31
32	53	(53) Freight train cars				32
33	54	(54) Passenger train cars				33
34	55	(55) Highway revenue equipment				34
35	56	(56) Floating equipment				35
36	57	(57) Work equipment				36
37	58	(58) Miscellaneous equipment	4,732			37
38	59	(59) Computer systems & word processing equipment	22,292			38
39		TOTAL EXPENDITURES FOR EQUIPMENT	286,363			39
40	76	(76) Interest during construction				40
41	80	(80) Other elements of investment				41
42	90	(90) Construction work in progress	220,811			42
43		GRAND TOTAL	1,433,021			43

\* PTC-related expenditures from passenger-only service not otherwise captured in this schedule shall be stated in the aggregate here: None Noted.

\*\* Excludes investments in equity method of \$61,151 and \$4,365 for MCC and PTC 220 companies, respectively

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	2	(88)		(88)	35	1
2	3	-		-	-	2
3	4	-		-	-	3
4	5	-		-	-	4
5	6	-		-	-	5
6	7	-		-	-	6
7	8	-		-	-	7
8	9	(12,549)		(12,549)	29,484	8
9	11	-		-	-	9
10	13	-		-	-	10
11	16	-		-	2,811	11
12	17	-		-	-	12
13	18	-		-	-	13
14	19	-		-	-	14
15	20	-		-	-	15
16	22	-		-	-	16
17	23	-		-	-	17
18	24	-		-	-	18
19	25	-		-	-	19
20	26	8,799		8,799	68,087	20
21	27	168,304		168,304	989,896	21
22	29	-		-	-	22
23	31	-		-	-	23
24	35	-		-	-	24
25	37	-		-	-	25
26	39	-		-	-	26
27	44	-		-	-	27
28	45	-		-	-	28
29				-	-	29
30		164,466		164,466	1,090,313	30
31	52	34,363		34,363	293,702	31
32	53	-		-	-	32
33	54	-		-	-	33
34	55	-		-	-	34
35	56	-		-	-	35
36	57	-		-	-	36
37	58	-		-	4,732	37
38	59	36,759		36,759	59,051	38
39		71,122		71,122	357,485	39
40	76			-	-	40
41	80			-	-	41
42	90	(73,952)		(73,952)	146,859	42
43		161,636		161,636	1,594,657	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)	
		At beginning of year (b)	At close of year (c)		At beginning of year (e)	At close of year (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				TOTAL ROAD AND			6
7	(9) Rail and other track material	42,033	29,484	3.05%				7
8	(11) Ballast				EQUIPMENT LEASED FROM			8
9	(13) Fences, snowsheds and signs							9
10	(16) Station and office buildings	2,811	2,811	2.80%	OTHERS IS LESS THAN 5%			10
11	(17) Roadway buildings							11
12	(18) Water stations				OF TOTAL OWNED			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	59,288	68,087	7.43%				19
20	(27) Signals and interlockers	821,592	989,896	3.85%				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>	<b>925,724</b>	<b>1,090,278</b>	<b>4.05%</b>				<b>30</b>
<b>EQUIPMENT</b>								
31	(52) Locomotives	259,339	293,702	14.29%				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	4,732	4,732	9.21%				37
38	(59) Computer systems & WP equipment	22,292	59,051	11.28%				38
39	<b>TOTAL EQUIPMENT</b>	<b>286,363</b>	<b>357,485</b>	<b>13.72%</b>				<b>39</b>
40	<b>GRAND TOTAL</b>	<b>1,212,087</b>	<b>1,447,763</b>	<b>NA</b>			<b>NA</b>	<b>40</b>

\* The annual composite rates in column (d) are the prescribed rates for account 27 and 52. Accounts 9, 26, 58 and 59 contain multiple class component rates and were recomputed in line with the instructions. As such, the PTC composite rates will differ from Federal Schedule 332 rates.

\* PTC-related expenditures from passenger-only service not otherwise captured in this schedule shall be stated in the aggregate here: None Noted.

**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. (See Schedule 351 for accumulated depreciation to road and equipment owned and leased to others.)
2. If any data are included in columns (d) or (f), explain the entries in detail.
3. A debit balance in columns (b) or (g) for any primary account should be designated "Dr."
4. If there is any inconsistency between credits to reserves as shown in column (c) and charges to operating expenses, a full explanation should be given.
5. Include authorized amortization amounts in column (c) on the lines for the affected accounts.

**Notes and Remarks**

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	3,229	278				3,507	7
8		(11) Ballast							8
9		(13) Fences, snowsheds and signs							9
10		(16) Station and office buildings	53	78				131	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	9,401	4,873				14,274	19
20		(27) Signals and interlockers	77,276	35,060				112,336	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>89,959</b>	<b>40,289</b>				<b>130,248</b>	<b>30</b>
<b>EQUIPMENT</b>									
31		(52) Locomotives	47,022	40,563				87,585	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	2,140	427				2,567	37
38		(59) Computer systems & WP equip.	9,001	2,962				11,963	38
39		Amortization (adjustments)							39
40		<b>TOTAL EQUIPMENT</b>	<b>58,163</b>	<b>43,952</b>				<b>102,115</b>	<b>40</b>
41		<b>GRAND TOTAL</b>	<b>148,122</b>	<b>84,241</b>				<b>232,363</b>	<b>41</b>

\* PTC-related expenditures from passenger-only service not otherwise captured in this schedule shall be stated in the aggregate here: None Noted.

**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	35				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	29,484				8
9		(11) Ballast	-				9
10		(13) Fences, snowsheds and signs	-				10
11		(16) Station and office buildings	2,811				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	68,087				20
21		(27) Signals and interlockers	989,896				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	1,090,313				31
32		(52) Locomotives	293,702				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	4,732				38
39		(59) Computer systems & WP equipment	59,051				39
40		TOTAL EQUIPMENT	357,485				40
41		(76) Interest during construction	-				41
42		(80) Other elements of investment	-				42
43		(90) Construction work in progress	146,859				43
44		GRAND TOTAL	1,594,657				44

\* No PTC investment on leased lines through 12/31/2016

\*\* PTC-related expenditures from passenger-only service not otherwise captured in this schedule shall be stated in the aggregate here: None Noted.

**PTC 410. RAILWAY OPERATING EXPENSES**  
(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.
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.										
1		WAYS & STRUCTURES								1
2		ADMINISTRATION								2
3		Track								3
4		Bridge & building								4
5		Signal	459	107	152	68	786		786	5
6		Communication	240				240		240	6
7		Other								7
8		REPAIRS AND MAINTENANCE								8
9		Roadway - running	4			1	5		5	9
10		Roadway - switching								10
11		Tunnels & subways - running								11
12		Tunnels & subways - switching								12
13		Bridges & culverts - running								13
14		Bridges & culverts - switching								14
15		Ties - running								15
16		Ties - switching								16
17		Rail & other track material - running	30	1			31		31	17
18		Rail & other track material - switching								18
19		Ballast - running								19
20		Ballast - switching								20
21		Road property damaged - running								21
22		Road property damaged - switching								22
23		Road property damaged - other								23
24		Signals & interlockers - running	1,911	329	6,043	16	8,299		8,299	24
25		Signals & interlockers - switching								25
26		Communications systems	2,396	9	10		2,415		2,415	26
27		Power systems								27
28		Highway grade crossings - running								28
29		Highway grade crossings - switching								29
30		Station & office buildings			7		7		7	30
31		Shop buildings - locomotives								31
32		Shop buildings - freight cars								32
33		Shop buildings - other equipment								33
34										34
35										35
36										36
37										37
38										38
39										39
40										40
41										41
42										42
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87										87



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.
		REPAIRS AND MAINTENANCE - (Continued)								
101		Locomotive servicing facilities								101
102		Miscellaneous buildings & structures	4	1	9		14		14	102
103		Coal terminals						N/A		103
104		Ore terminals						N/A		104
105		Other marine terminals						N/A		105
106		TOFC/COFC terminals						N/A		106
107		Motor vehicle loading & distribution facilities						N/A		107
108		Facilities for other specialized service operations						N/A		108
109		Roadway machines		2	1		3		3	109
110		Small tools & supplies		35	1	12	48		48	110
111		Snow removal	26		3		29		29	111
112		Fringe benefits - running	N/A	N/A	N/A	1,982	1,982		1,982	112
113		Fringe benefits - switching	N/A	N/A	N/A					113
114		Fringe benefits - other	N/A	N/A	N/A	104	104		104	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	N/A				118
119	*	Lease rentals - debit - switching	N/A	N/A	N/A	N/A				119
120	*	Lease rentals - debit - other	N/A	N/A	N/A					120
121	*	Lease rentals - (credit) - running	N/A	N/A	N/A	N/A				121
122	*	Lease rentals - (credit) - switching	N/A	N/A	N/A	N/A				122
123	*	Lease rentals - (credit) - other	N/A	N/A	N/A	N/A				123
124		Joint facility rent - debit - running	N/A	N/A	N/A	N/A				124
125		Joint facility rent - debit - switching	N/A	N/A	N/A	N/A				125
126		Joint facility rent - debit - other	N/A	N/A	N/A	N/A				126
127		Joint facility rent - (credit) - running	N/A	N/A	N/A	N/A				127
128		Joint facility rent - (credit) - switching	N/A	N/A	N/A	N/A				128
129		Joint facility rent - (credit) - other	N/A	N/A	N/A	N/A				129
130	*	Other rents - debit - running	N/A	N/A	N/A	N/A				130
131	*	Other rents - debit - switching	N/A	N/A	N/A	N/A				131
132	*	Other rents - debit - other	N/A	N/A	N/A	N/A				132
133	*	Other rents - (credit) - running	N/A	N/A	N/A	N/A				133

**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.
134	*	REPAIRS AND MAINTENANCE - (Continued)								134
135	*	Other rents - (credit) - switching	N/A	N/A		N/A				135
136	*	Other rents - (credit) - other	N/A	N/A		N/A				136
137	*	Depreciation - running	N/A	N/A	N/A	278	278		278	137
138	*	Depreciation - switching	N/A	N/A	N/A					138
139	*	Depreciation - other	N/A	N/A	N/A	40,011	40,011		40,011	139
140		Joint facility - debit - running	N/A	N/A		N/A				140
141		Joint facility - debit - switching	N/A	N/A		N/A				141
142		Joint facility - debit - other	N/A	N/A		N/A				142
143		Joint facility - (credit) - running	N/A	N/A		N/A				143
144		Joint facility - (credit) - switching	N/A	N/A		N/A				144
145		Joint facility - (credit) - other	N/A	N/A		N/A				145
146		Dismantling retired road property - running								146
147		Dismantling retired road property - switching								147
148		Dismantling retired road property - other								148
149		Other - running								149
150		Other - switching								150
151		Other - other	5,070	484	6,226	42,472	54,252		54,252	151
201		TOTAL WAY AND STRUCTURES								
202	*	EQUIPMENT								
203	*	Administration								
204	*	Repair & maintenance	1,778	40	42		82		82	201
205		Machinery repair					1,778		1,778	202
206		Equipment damaged								203
207	*	Fringe benefits	N/A	N/A	N/A	785	785		785	204
208	*	Other casualties & insurance	N/A	N/A	N/A					205
209	*	Lease rentals - debit	N/A	N/A	N/A					206
210	*	Lease rentals - (credit)	N/A	N/A	N/A					207
211	*	Joint facility rent - debit	N/A	N/A	N/A					208
212	*	Joint facility rent - (credit)	N/A	N/A	N/A					209
213	*	Other rents - debit	N/A	N/A	N/A					210
214	*	Other rents - (credit)	N/A	N/A	N/A					211
215	*	Depreciation	N/A	N/A	N/A	40,563	40,563		40,563	212
216	*	Joint facility - debit	N/A	N/A	N/A					213
217	*	Joint facility - (credit)	N/A	N/A	N/A					214
218	*	Repairs billed to others - (credit)	N/A	N/A	N/A					215
219	*		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)								217
		Dismantling retired property								
218		Other								218
219		TOTAL LOCOMOTIVES	1,778	40	42	41,348	43,208		43,208	219
		FREIGHT CARS								
220		Administration						N/A		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		226
227	*	Lease rentals - (credit)	N/A	N/A		N/A		N/A		227
228		Joint facility rent - debit	N/A	N/A		N/A		N/A		228
229		Joint facility rent - (credit)	N/A	N/A		N/A		N/A		229
230	*	Other rents - debit	N/A	N/A		N/A		N/A		230
231	*	Other rents - (credit)	N/A	N/A		N/A		N/A		231
232	*	Depreciation	N/A	N/A	N/A			N/A		232
233		Joint facility - debit	N/A	N/A		N/A		N/A		233
234		Joint facility - (credit)	N/A	N/A		N/A		N/A		234
235	*	Repairs billed to others - (credit)	N/A	N/A		N/A		N/A		235
236		Dismantling retired property						N/A		236
237		Other						N/A		237
238		TOTAL FREIGHT CARS						N/A		238
		OTHER EQUIPMENT								
301		Administration								301
		Repair & maintenance:								
302	*	Trucks, trailers, & containers - revenue service						N/A		302
303	*	Floating equipment - revenue service						N/A		303
304	*	Passenger & other revenue equipment								304
305	*	Computers and data processing equipment								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		Other rents - debit	N/A	N/A		N/A				314
315		Other rents - (credit)	N/A	N/A		N/A				315
316		Depreciation	N/A	N/A	N/A	N/A	3,389		3,389	316
317		Joint facility - debit	N/A	N/A		N/A				317
318		Joint facility - (credit)	N/A	N/A		N/A				318
319		Repairs billed to others - (credit)	N/A	N/A		N/A				319
320		Dismantling retired property	N/A	N/A		N/A				320
321		Other								321
322										322
323		TOTAL OTHER EQUIPMENT	1,778	40	42	3,389	46,597		3,389	323
324		TOTAL OTHER EQUIPMENT				44,737	46,597		46,597	324
TRANSPORTATION										
TRAIN OPERATIONS										
401		Administration								401
402		Engine crews	5,194		4		5,198		5,198	402
403		Train crews	1,551		1		1,552		1,552	403
404		Dispatching trains								404
405		Operating signals & interlockers								405
406		Operating drawbridges								406
407		Highway crossing protection			6		6		6	407
408		Train inspection & lubrication								408
409		Locomotive fuel								409
410		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	2,694	2,694		2,694	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	6,745		11	2,694	9,450		9,450	419
YARD OPERATIONS										
420		Administration								420
421		Switch crews	117				117		117	421

<b>PTC 410. RAILWAY OPERATING EXPENSES - (Continued)</b> (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		1			1			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	9				9			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	50	50			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>	126	1		50	177		177	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						N/A		507
508	*	Pickup & delivery and marine line haul						N/A		508
509	*	Loading & unloading and local marine						N/A		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>						N/A		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.
		ADMINISTRATIVE support OPERATIONS:								
518		Administration								518
519		Employees performing clerical & accounting functions								519
520		Communication systems operations			702		702		702	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			702		702		702	527
528		TOTAL TRANSPORTATION	6,871	1	713	2,744	10,329		10,329	528
		GENERAL AND ADMINISTRATIVE								
601		Officers - general administration			50	49	108		108	601
602		Accounting, auditing, & finance								602
603		Management services & data processing			699		699		699	603
604		Marketing								604
605		Sales								605
606		Industrial development						N/A		606
607		Personnel & labor relations								607
608		Legal & secretarial								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								618
619		TOTAL GENERAL AND ADMINISTRATIVE	13,719	9	749	49	807		807	619
620	*	TOTAL CARRIER OPERATING EXPENSE		534	7,730	90,002	111,985		111,985	620

\* PTC-related expenditures from passenger-only service not otherwise captured in this schedule shall be stated in the aggregate here: None noted.

**PTC 700. MILEAGE OPERATED AT CLOSE OF YEAR**

Line No.	Class (a)	Proportion owned or leased by respondent (b)	Running tracks, passing tracks, cross-overs, etc.				Miles of way switching tracks (g)	Miles of yard switching tracks (h)	TOTAL (i)	Line No.
			Miles of road (c)	Miles of second main track (d)	Miles of all other main tracks (e)	Miles of passing tracks, cross-overs, and turnouts (f)				
1	1	100%	11,323	3,512	199	1,404		16,438	1	
2	1J	75%							2	
3	1J	66.70%							3	
4	1J	50%	192			23		215	4	
5	1J	33.30%							5	
6	1J	25%							6	
7	1J	20%							7	
8	1J	16.7%							8	
9		Total 1J	192			23		215	9	
10									10	
11		Total 1 and 1J	11,515	3,512	199	1,427		16,653	11	
12									12	
13	2								13	
14	3								14	
15	4								15	
16	5								16	
17									17	
57		Grand Total	11,515	3,512	199	1,427		16,653	57	
58	Miles of electrified road or track included in the preceding grand total		NONE	NONE	NONE	NONE	NONE	NONE	58	

**700. CANADIAN MILEAGE OPERATED AT THE CLOSE OF YEAR (INCLUDED IN SCHEDULE 700 ABOVE)**

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%							1	
2	1J	50%							2	
3		Total 1 and 1J							3	
4	2								4	
5	5								5	
57	Grand Total Canadian Miles								57	

**NOTES AND REMARKS FOR SCHEDULE PTC 700**

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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.	
				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)		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)
		Locomotive Units												
1		Diesel-freight units	4,092	150				2	2,643	1,597	4,240	(HIP) 18,594,000		1
2		Diesel-passenger units												2
3		Diesel-multiple purpose units	213						213		213	653,300		3
4		Diesel-switching units												4
5	*	TOTAL (lines 1 to 4) units	4,305	150				2	2,856	1,597	4,453	19,247,300		5
6	*	Electric locomotives												6
7	*	Other self-powered units												7
8	*	TOTAL (lines 5, 6, and 7)	4,305	150				2	2,856	1,597	4,453	19,247,300		8
9	*	Auxiliary units												9
10	*	TOTAL LOCOMOTIVE UNITS (lines 8 and 9)	4,305	150				2	2,856	1,597	4,453	19,247,300		10
Beginning balance will not tie to ending balance of prior year due to PTC installation on 436 existing locomotives.														
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 Jan 1, 1995 (b)	Between Jan 1, 1995 and Dec 31, 1999 (c)		Between Jan 1, 2000 and Dec 31, 2004 (d)		Between Jan 1, 2005 and Dec 31, 2009 (e)		Between Jan 1, 2010 and Dec 31, 2014 (f)		During Calendar Year		Line No.
				215	288	886	1,228	1,361	2015 (g)	2016 (h)	2017 (i)	2018 (j)	2019 (k)	
11	*	Diesel	215	288	886	1,228	1,361	325	150		4,453		11	
12	*	Electric											12	
13	*	Other self-powered units											13	
14	*	TOTAL (lines 11 to 13)	215	288	886	1,228	1,361	325	150		4,453		14	
15	*	Auxiliary units											15	
16	*	TOTAL LOCOMOTIVE UNITS (lines 14 and 15)	215	288	886	1,228	1,361	325	150		4,453		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.	
				New units purchased or built (c)	New units leased from others (d)	Rebuilt units acquired and rebuilt into property accounts (e)	All other units including reclassification and second hand units purchased or leased from others (f)		Owned and used (h)	Leased from others (i)	Total in service of respondent [col (h) & (i)] (j)	Aggregate capacity of units reported in col (j) (See Ins. 7) (k)		Leased to others (l)
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)												21
22		Nonpassenger carrying cars (All class B, CSB, M, PSA, IA)												22
23		TOTAL (Lines 17 to 22)	-	-	-	-	-	-	-	-	-	-	-	23
24		Self-Propelled Electric passenger cars (EP, ET)												24
25		Electric combined cars (EC)												25
26		Internal combustion rail motorcars (ED, EG)												26
27		Other self-propelled cars (Specify types)												27
28		TOTAL (Lines 24 to 27)	-	-	-	-	-	-	-	-	-	-	-	28
29		TOTAL (Lines 23 and 28)	-	-	-	-	-	-	-	-	-	-	-	29
30		Company Service Cars												30
31		Business cars (PV)												31
32		Board outfit cars (MWX)												32
33		Derrick & snow removal cars (MWU, MWV, MWV, MWK)												33
34		Dump and ballast cars (MWB, MWD)												34
35		Other maintenance and service equipment cars TOTAL (Lines 30 to 34)	-	-	-	-	-	-	-	-	-	-	-	35

**PTC 710. INVENTORY OF EQUIPMENT - Continued**

Instructions for reporting freight-train car data.

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

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

Line No.	Cross Check	Class of equipment and car designations  (a)	Units in service of respondent at beginning of year		Changes during the year				Line No.
			Time-mileage cars  (b)	All Others  (c)	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)	
		<b>FREIGHT TRAIN CARS</b>							
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, J_1, J_2, J_3, J_4)							39
40		Equipped gondola cars (All Code E)							40
41		Covered hopper cars (C_1, C_2, C_3, C_4)							41
42		Open top hopper cars - general service (All Code H)							42
43		Open top hopper cars - special service (J_O), and All Code K)							43
44		Refrigerator cars - mechanical (R_5_, R_6_, R_7_, R_8_, R_9_)							44
45		Refrigerator cars - nonmechanical (R_0_, R_1_, R_2_)							45
46		Flat cars - TOFC/COFC (All Code P, Q, & S, Except Q8_)							46
47		Flat cars - multilevel (All Code V)							47
48		Flat cars - general service (F10_, F20_, F30_)							48
49		Flat cars - other (F_1_, F_2_, F_3_, F_4_, F_5_, F_6_, F_8_, F40_)							49
50		Tank cars - under 22,000 gal. (T_0, T_1, T_2, T_3, T_4, T_5)							50
51		Tank cars - 22,000 gal. and over (T_6, T_7, T_8, T_9)							51
52		All other freight cars (A_5_, F_7_, All Code L & Q8_)							52
53		TOTAL (Lines 36 to 52)	-		-	-	-	-	53
54		Caboose (All Code M-930)	N/A						54
55		TOTAL (Lines 53 and 54)	-	-	-	-	-	-	55

**PTC 710. INVENTORY OF EQUIPMENT - Continued**

4. Column (m) should show aggregate capacity for all units reported in Columns (k) and (l), as follows. For freight-train cars, report the nominal capacity (in tons of 2,000 lbs) as provided for in Rule 86 of the AAR Code of Rules Governing Cars in Interchange. Convert the capacity of tank cars to capacity in tons of the commodity which the car is intended to customarily carry.

5. Time-mileage cars refers to freight cars, other than cabooses, owned or held under lease arrangement, whose interline rental is settled on a per diem and line haul mileage basis under "Code of Car Hire Rules" or would be so settled if used by another railroad.

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

Line No.	Cross Check	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		-			-				37
38		-			-				38
39		-			-				39
40		-			-				40
41		-			-				41
42		-			-				42
43		-			-				43
44		-			-				44
45		-			-				45
46		-			-				46
47		-			-				47
48		-			-				48
49		-			-				49
50		-			-				50
51		-			-				51
52		-			-				52
53		-	-	-	-		-	-	53
54		-			N/A		N/A		54
55		-	-	-	-	-	-	-	55

PTC 710. INVENTORY OF EQUIPMENT - Continued									
UNITS OWNED, INCLUDED IN INVESTMENT ACCOUNT, AND LEASED FROM OTHERS									
Line No.	Cross Check	Class of equipment and car designations  (a)	Units in service of respondent at beginning of year		Changes during the year				Line No.
			Per diem  (b)	All Others  (c)	Units installed				
					New units purchased or built  (d)	New units leased from others  (e)	Rebuilt units acquired and rebuilt units rewritten into property accounts  (f)	All other units, including reclassification and second hand units purchased or leased from others  (g)	
		FLOATING EQUIPMENT							
56		Self-propelled vessels (tugboats, car ferries, etc.)							
57		Non-self-propelled vessels (car floats, lighters, etc.)							
58		TOTAL (Lines 56 and 57)							
		HIGHWAY REVENUE EQUIPMENT							
59		Chassis (Z1_, Z67_, Z68_, Z_69_)							59
60		Dry van (U2_, Z_, Z6_, I-6)							60
61		Flat bed (U3_, Z3_)							61
62		Open bed (U4_, Z4_)							62
63		Mechanical refrigerator (U5_, Z5_)							63
64		Bulk hopper (U0_, Z0_)							64
65		Insulated (U7_, Z7_)							65
66		Tank (Z0_, U6_) (See note)							66
67		Other trailer and container (Special equipped dry van U9_, Z8_, Z9_)							67
68		Tractor							68
69		Truck							69
70		TOTAL (Lines 59 to 69)		-		-	-	-	70

NOTES AND REMARKS

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

PTC 710. INVENTORY OF EQUIPMENT - Concluded									
UNITS OWNED, INCLUDED IN INVESTMENT ACCOUNT, AND LEASED FROM OTHERS									
Line No.	Cross Check	Changes during year	Units at close of year						
		(concluded)	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)	Line No.
		Units retired from service of respondent whether owned or leased including reclassification (h)			Per diem (k)	All Others (l)			
									56
									57
									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-related expenditures from passenger-only service not otherwise captured in this schedule shall be stated in the aggregate here: None noted.

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**PTC 710S. UNIT COST OF EQUIPMENT INSTALLED DURING THE YEAR**

(Dollars in Thousands)

1. Give particulars as requested, separately, for the various classes of new units and rebuilt units of equipment installed by respondent during the year. If information regarding the cost of any units installed is not complete at time of filing of 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), 2,500 HP. Cars should be identified as to special construction or service characteristics, such as aluminum-covered hopper car (LO), steel boxcars-special service (XAP), etc. For TOFC/COFC show type of equipment as enumerated in Schedule 710.

3. In column (c) show the total weight in tons of 2,000 pounds. The weight of the equipment acquired should be the weight empty.

4. The cost should be the complete cost as entered on the ledger, including foreign line freight charges and handling charges.

5. Data for this schedule should be confined to the units reported in Schedule 710, columns (c) and (e) for locomotive units, passenger-train cars and company service cars and columns (d) and (f) for freight train cars, floating equipment and highway revenue equipment. Disclose new units in the upper section of this schedule and in the lower section disclose rebuilt units acquired or rewritten into the respondent's accounts. 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 appropriately identified by footnote or sub-heading.

**NEW UNITS**

Line No.	Class of equipment (a)	Number of units (b)	Total weight (tons) (c)	Total cost (000) (d)	Method of acquisition (see instructions) (e)	Line No.
1	Diesel-Freight Locomotives	150	32,063	\$ 11,711	P	1
2						2
3						3
4						4
5						5
6						6
7						7
8						8
9						9
10						10
11						11
12	TOTAL	150	32,063	\$ 11,711	N/A	12
13						13
14						14
15						15
16						16
17						17
18						18
19						19
20						20
21						21
22						22
23	TOTAL	-	-	\$ -	N/A	23
24	GRAND TOTAL (NEW AND REBUILT)	150	32,063	\$ 11,711	N/A	24

\* PTC-related expenditures from passenger-only service not otherwise captured in this schedule shall be stated in the aggregate here: None noted.



GENERAL INSTRUCTIONS CONCERNING RETURNS TO BE MADE IN SCHEDULE 720

1. For purposes of these schedules, the track categories are defined as follows:  
 Track category 1  
 A - Freight density of 20 million or more gross ton miles per track mile per year (include passing tracks, turnouts and crossovers)  
 B - Freight density of less than 20 million gross ton miles per track mile per year, but at least 5 million (include passing tracks, turnouts and crossovers)  
 C - Freight density of less than 5 million gross ton miles per track mile per year, but at least 1 million (include passing tracks, turnouts and crossovers)  
 D - Freight density of less than 1 million gross ton miles per track mile per year (include passing tracks, turnouts and crossovers)  
 E - Way and yard switching tracks (passing tracks, crossovers and turnouts shall be included in category A, B, C, D, F, and Potential abandonments, as appropriate).  
 F - Track over which any passenger service is provided (other than potential abandonments). Mileage should be included within track categories A through E unless there is dedicated entirely to passenger service F.  
 Potential abandonments - Route segments identified by railroads as potentially subject to abandonment as required by Section 10904 of the Interstate Commerce Act.
2. This schedule should include all class 1, 2, 3, or 4 track from schedule 700 that is maintained by the respondent (class 5 is assumed to be maintained by others).
3. If, for two consecutive years, a line segment classified in one track category maintains a traffic density which would place it in another, it shall be reclassified into that category as of the beginning of the second year.
4. Traffic density related to passenger service shall not be included in the determination of the track category of a line segment.

PTC 720. TRACK AND TRAFFIC CONDITIONS

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

Line No.	Track Category	Mileage of tracks at end of period (whole numbers)	Average annual traffic density in millions of gross ton-miles per track-mile* (use two decimal places)	Average running speed limit (use two decimal places)	Track miles under slow orders at end of period	Line No.
	(a)	(b)	(c)	(d)	(e)	
1	A	12,812	61.63	60.55	255.4	1
2	B	2,963	10.04	52.69	85.3	2
3	C	636	2.51	53.56	76.9	3
4	D	242	0.30	47.33	62.4	4
5	E		n/a	n/a		5
6	TOTAL	16,653	49.30	58.70	480.0	6
7	F	9,279	n/a	n/a		7

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

\*\*PTC-related expenditures from passenger-only service not otherwise captured in this schedule shall be stated in the aggregate here: Note noted.

**Footnote: PTC Grants**

In addition to separating capital expenses and operating expenses incurred by the railroad for PTC, the respondent entity should include by footnote disclosure here the value of funds received from 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 for PTC and would provide for full disclosure of PTC costs on an annual basis. This disclosure would identify the nature and location of the project by FRA identification, if applicable.

Line No.	Entity Receiving Funds (a)	Name of Program Providing Funding (b)	Location(s) of the Project Funded (c)	Amount of Funding Received (d)	Line No.
1	BNSF Railway	Metra	Chicago	1,035,675	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

BNSF received the following amounts of PTC Grant Funding in years prior to 2016:

2010	65,571
2011	2,487,728
2012	8,399,391
2013	10,413,863
2014	7,468,471
2015	5,787,652
	<u>34,622,676</u>

Meteorcomm LLC, of which BNSF has 25% ownership and accounts for as an equity method investment, received PTC grant funding in prior years. BNSF's portion is as follows:

2011	4,012,022
2012	1,250,478
	<u>5,262,500</u>

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 Texas  
County of Tarrant

Mark Bracker makes oath and states that he is General Director of Accounting of BNSF Railway Company; 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, 2016 to and including December 31, 2016.

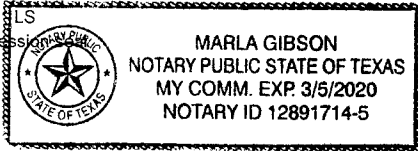
*Mark Bracker*

(Signature of affiant)

Subscribed and sworn to before me, a Notary Public in and for the State and county above named, this 27th day of March, 2017.

My commission expires 3-5-20

Use an  
LS  
impression



*Marla Gibson*  
(Signature of officer authorized to administer oaths)

SUPPLEMENTAL OATH

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

State of Texas  
County of Tarrant

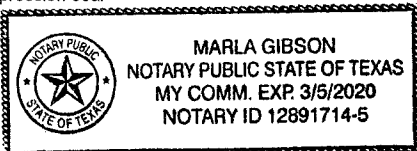
Jon I. Stevens makes oath and states that he is Vice President and Controller of BNSF Railway Company; that he has carefully examined the foregoing report; that he believes that all statements of fact contained in the said report are true; and that the said report is a correct and complete statement 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, 2016 to and including December 31, 2016.

*Jon I. Stevens*  
(Signature of affiant)

Subscribed and sworn to before me, a Notary Public in and for the State and county above named, this 27th day of March, 2017.

My commission expires 3-5-20

Use an  
LS  
impression seal



*Marla Gibson*  
(Signature of officer authorized to administer oaths)



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