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RATIONALIZATION OF PLANT

LIGHT DENSITY LINES

March 9, 1977

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LIGHT DENSITY LINE VIABILITY STUDY

The objective of this study is to analyze light density and branch lines of the railroad to determine which lines contribute and to what degree they contribute to overhead and profit. The study can serve a number of purposes:

- To provide a base for deciding which lines will provide a meaningful use in the railroad's future.
- To support future light density line maintenance and service policies.
- To document assets used to provide service on undesirable lines that can be reassigned to more productive use.
- To assist in deciding how the system diagram map required under regulations prescribed by the Interstate Commerce Commission in connection with Title VIII of the 4R Act should be drawn.

GENERAL

The general purpose of this study is to determine the viability of lines strictly from the viewpoint of managers responsible for the total welfare of the railroad. Given the data and findings from this study, it will be necessary to further determine how the viability from management's view coincides with viability as defined by regulatory bodies for those lines that the railroad feels should be abandoned and retired.

The United States Railway Association study of light density lines in the Northeast served as a pattern for the viability studies of light density and branch lines on the Milwaukee Road. In this method of analysis both "on-branch" and "off-branch" costs are developed and the sum of these costs matched against total revenues attributable to a line.

The Interstate Commerce Commission, in its latest regulations published in response to requirements under Title VIII of the 4R Act of 1976 governing abandonment of lines, has also adopted a form of costing that gives recognition to both on-branch and off-branch costs. Prior to this the Commission required carriers to report on-branch actual expenses only, charge the line with 50% of the total revenue, and assume that the off-branch costs were half of the off-branch revenue.

STUDY PERIOD

The analyses of revenues and expenses for all lines was made for the year period October 1, 1975 through September 30, 1976 - the latest data available at the time the study was started.

REVENUES

Freight revenues for the study period were obtained from the traffic historical data files. Data used to accrue revenues as reported by the Regional Accounting Office is the base for the traffic historical file. Past experience shows that, although revenues related to interline movements do not come from final interline revenue settlements, such revenues within the traffic files are on average less than 2% different than the settlements.

EXPENSES

Expenses, as previously indicated, were divided as between "on-branch" and "off-branch". In general, on-branch expense or costs were actual while off-branch costs were developed by using certain system average costs for gross ton mile, line haul, terminal, freight car, and other costs. Appendix A attached explains in some detail how both on-branch and off-branch costs were developed. Appendix A also includes for comparative purposes brief explanations of how U.S.R.A. developed their costs and what the I.C.C. requires in the way of costs to support petitions for abandonment.

A number of costing philosophies used in this study differed from costing as viewed by U.S.R.A. and by the ICC. They are listed below and explained in greater detail in Appendix A:

- On-Branch Maintenance of Way: Actual costs were used in a first test of a line. If contribution was positive with actual costs, a line was further evaluated using normalized maintenance costs for track and bridge accounts.

- Ownership Costs for Equipment: A fundamental philosophy in this study provides that the traffic on a line should be charged with a fair share of the cost of replacing freight cars, locomotives and cabooses used in serving that traffic at present day replacement costs. No distinction was made between system and foreign freight car ownership.

- Off-Branch Line Haul Costs: The railroad used costs based on capacity costs models. These models reflect the economic capacity of trains rather than historical actual trailing tons. Normalized operating expenses, including maintenance of way and structures are used rather than actual expenses.

There could be substantial differences in some areas of cost between expenses developed in this study and those acceptable to the I.C.C. in prescribed abandonment procedures. Freight car costs under commission regulations could be 60-70% of management costs. On the other hand, off-branch line haul costs under I.C.C. rules could be 15-35% higher than the line haul capacity costs used in this study. The total differences will vary from line to line - only a detailed study of each line using I.C.C. prescribed regulations will determine differences.

The total expense attributable to a line should not be misinterpreted to be so-called out-of-pocket or avoidable costs with service discontinuance. However, each type of expense used, both on and off branch, was used by U.S.R.A. and is recognized in some degree by the I.C.C.

VIABILITY

Viability of the lines evaluated is measured by contribution - the difference between total revenues attributable to a line and the total on and off branch expenses. The question is what is an acceptable contribution?

Although the costs used are not totally out-of-pocket they do represent the economic cost of handling the traffic involved. On-branch costs, except for equipment ownership and return on net salvage, are out-of-pocket. Off-branch costs along with on-branch equipment and return on salvage represent cost of assets that could be used for other and perhaps better purposes. Therefore, it can be concluded that:

- If the contribution of a line is practically zero or negative, the line is not viable. Immediate steps need to be taken to minimize all expenses and to move toward abandonment as quickly as possible.

Neither the on-branch or off-branch costs include anything for supervision or any other type of fixed costs. However, overhead expenses along with a reasonable return on total assets are part of the total costs of a going concern and, ideally, all traffic should contribute a fair share to these expenses. A general relationship of overhead costs to total expenses, taxes, and rents is shown in the following table:

EXPENSES, TAXES, RENTS
Actual 1975

Operations and Maintenance	(000)
Maintenance of Way (Exc. Sup. Depr. Ret.)	$ 45,424
" " Equip. (" ")	51,310
Transportation (" ")	164,972
Taxes (Except Ad Valorem)	28,570
Rents (Net)	55,007
Total	$345,283
Overhead	
Supervision (MOW-MOE-Transp.)	$ 16,496
M.O.W. - Depreciation, Retirements	7,073
Traffic	10,230
General office	22,645
Taxes - Ad Valorem	8,789
Miscellaneous	402
Total	$ 65,635
Total Expenses, Taxes Rents	$410,918

The overhead expense of $65,635,000 is equal to 19% of operations and maintenance costs. It is difficult to estimate total overhead expense using the I.C.C. chart of accounts, but it is safe to assume that those listed above are conservative. It

should be noted that the expenses listed have no elements of fixed interest charges, return to equity interests, or return on investment. In considering viability it can also be concluded that:

- If the contribution of a line is less than 20%, the line is not viable. Consideration should be given to reducing maintenance expenditures or eliminating them entirely, maintaining minimum service possible, reassigning equipment to better uses when possible, and moving toward abandonment.

As previously explained, lines with positive contribution were reevaluated using normalized on-branch maintenance of way costs. Any lines showing negative contribution with normalized maintenance do not have long run viability. Additionally any line with contribution less than 20% of total costs including normalized maintenance are not bearing their share of overhead expenses. In considering viability, it can further be concluded that:

- If contribution with normalized maintenance is less than 20%, the line does not have long run viability. It will be desirable to operate these lines as long as current service can be continued and current levels of traffic maintained with existing maintenance of way expenditures.

SUMMARY OF FINDINGS

As a measure of the scope of the study a total of 74 lines or segments covering nearly 3,700 operating miles were evaluated. A total of 117,000 carloads generating $60,600,000 annual revenues were analyzed. The study covered over 36% of the railroad's operating route miles, 13% of the system carloads and 14% of annual gross freight revenues.

In accordance with the discussian in the general section an viability, the 74 lines can be grouped into three categories i.e., no contribution with actual maintenance of way, no contribution with normalized maintenance, and contribution with normalized maintenance. The tabulation below summarizes the three groups:

	No Contribution		Contribution	
	Actual Mtce. of Way	Normalized Mtce. of Way	Normalized Mtce. of Way	Total
Lines	48	14	12	74
Miles	2,416	691	563	3,670
Carloads	56,902	30,165	29,722	116,789
Revenue	$25,888.2	$16,951.8	$17,776.8	$60,616.8
Expenses	$29,496.0	$17,214.8	$15,182.6	$61,893.4
Contribution	$ (3,607.8)	$ (263.0)	$ 2,594.2	$ (1,276.6)

Note: Dollar amounts in 000, ( ) indicates negative amounts.

In broad summary 3,107 miles or nearly 90% of the total studied had no contribution with either actual or normalized maintenance of way expenditures. A geographic summary of all lines evaluated is shown on Exhibit A - a map of the system colored to show each of the three categories.

The exhibits have been prepared to summarize revenues, expenditures, and contribution by lines as follows:

Exhibit B - Lines with no contribution using actual M.O.W. expenditures.
Exhibit C - Lines with no contribution using normalized M.O.W.
Exhibit D - Lines with contribution using normalized M.O.W.

Appendix B contains an individual page for each line listed on Exhibits B, C and D showing revenue, detailed expenses, and contribution. Each line has an identifying number shown both on the exhibits and on each page in the appendix. Some lines required several studies - one to evaluate an entire line and others to evaluate sections of a line. The original line studies carry an odd number while additional studies carry an even number. The pages in Appendix B are arranged in odd-number sequence with even-numbered studies immediately following the original study.

Comments on the exhibits follow:

Exhibit B

The lines listed on Exhibit B are not viable as they are currently operated and should be prime candidates for abandonment. These lines are also the ones that will have the highest probability of qualifying for abandonment under the I.C.C. regulations.

Some lines that are not self-supporting with local traffic may be required for operating economy or service. Listed below are a few such lines that may need special consideration:

Iowa Division: Cedar Rapids-Ottumwa

Minnesota Division: Austin-Mason City

Dakota Division: Elk Point-Mitchell
Sioux City-Canton
Canton-Mitchell
Mitchell-Aberdeen

An additional evaluation was made of the Janesville-Monroe part of the line between Janesville and Mineral Point on the Wisconsin Division. The evaluation can be summarized as follows:

		(000)		
	Miles	Revenue	Expense	Contribution
Janesville-Mineral Point	79	$676.4	$896.3	$(219.9)
Janesville-Monroe	33	515.2	518.0	(2.8)
Monroe-Mineral Point	46	161.2	378.3	(217.1)

The entire line should be abandoned. The line west of Monroe will probably be the easiest to justify before the Commission if a choice has to be made.

The Eau Claire and Stillwater lines on the Minnesota Division need further evaluation. Consideration is being given to serving both lines by operating out of St. Paul via the C. &N.W. When probable joint facility and operating costs can be determined both lines should be analyzed with alternate costs. An evaluation of serving the station of Durand out of Eau Claire indicated that the revenues would not support the expense of operation and maintenance (see study No. 432).

Exhibit B includes both the Farmington-Mankato line (428) and the Farmington-Cologne line (430) without the revenues from either Mankato or Shakopee. When the full lines were evaluated each line had desirable contribution with normalized maintenance. Consideration is now being given to serving both points out of St. Paul using C. &N.W. trackage which should permit retaining most of the revenue and eliminate the lines.

Exhibit C

Lines listed in Exhibit C cannot be considered viable because they produce no contribution with normalized maintenance. However, it will be difficult, if not impossible, to support abandonment proceedings under I.C.C. regulations.

The line from Bedford to Seymour needs special attention. Approximately 80% of the revenues attributable to the line come from traffic interchanged with the B&O and ConRail at Seymour. If the B&O interchange, the major connecting line, could be moved to Mitchell (on the L&N between Bedford and Louisville) the remaining 20% of the traffic would probably not support maintaining the 37 mile line. This study will be completed at a later date.

The Operating Department may require some lines for operating purposes. For example, consideration is being given to closing down Nahant and serving Moline and Rock Island via the east side of the river between Savanna and East Moline.

Exhibit D

The lines in this category are the most desirable of all the lines studied. Even they are not really viable in the long run as presently operated because, with few exceptions, they do not provide adequate contributions to overhead and profit.

TRAFFIC STUDIES

The Market Research section of each of the four Market Development and Pricing centers undertook general studies of present and potential traffic on each of the light density lines studied. The time available did not permit comprehensive marketing studies of all lines. Market Research personnel based their estimates of future traffic potential on previous study activities and on input provided by field sales personnel.

Three exhibits have been prepared to summarize present and potential traffic, along with an estimate of revenues that might be retained if a line were abandoned. The exhibits are organized in a manner similar to those developed to summarize revenues and expenses. Exhibit E summarizes traffic data on the same lines listed in Exhibit B; Exhibit F is comparable to C and Exhibit G comparable to D.

In all three exhibits, the data in the column labeled "Present Annual Revenue" is the revenue generated during the study period, October 1975 through September 1976. The column "Added Potential Revenue" is the estimated annual additional future traffic that may be available. The last column labeled "Retained" is the estimated revenue that might not be lost if service were discontinued and a line abandoned. Data in the exhibits can be summarized as follows:

			Annual Revenues (000)		
	Exhibit	Miles	Present	Added Potential	Retained
No contribution					
Actual MOW	E	2,416	$25,888.2	$ 9,073.4	$2,768.3
Normal MOW	F	691	16,951.8	3,867.5	2,421.7
Contribution					
Normal MOW	G	563	17,776.8	1,799.2	1,387.3
TOTAL		3,670	$60,616.8	$15,782.8	$6,672.6

Added potential revenue for lines in Exhibit E represents a 35% increase. However, $6,439,000 or more than two-thirds of the $9,073,000 total is attributable to the following five lines:

Line 343 Channing - Ontonagon — $1,591,000

Added revenues primarily from Hoerner-Waldorf as a result of expanded plant capacity and conversion from natural gas to coal. 850 carloads - $416,000 revenue

Possible formation of new barge line to handle Canadian pulp and paper cross-lake from Marathon or Thunder Bay to Ontonagon. 2,150 carloads - $1,175,000 revenue

Not included - revenues from new cement plant under consideration by Inter-mix Corporation at Ontonagon.

Line 415 Jackson - Madison, South Dakota $1,624,000

New grain facility for Bunge Co. at Miloma
Normal year 1,925 carloads - $1,624,000 revenue

Line 513 Mitchell - Murdo $ 627,000

Added revenues because 1976 grain shipments depressed by drought and Hubbard elevator fire at Murdo, and increases in carloads expected from rate reductions - $537,000

Increased cement movements Rapid City to Chamberlain - $90,000

Not included - unit coal trains in 1984-85 for possible new power plant by Missouri Basin Power Coop at Chamberlain - 10,000 carloads - $3,800,000 annual revenue.

Line 514 Murdo - Rapid City $1,110,000

Expansion of South Dakota Cement Company facilities at Rapid City in 1978, 500 carloads - $300,000.

Possible volume rates on wood chips, Rapid City to Mosinee, 1,000 carloads - $750,000 revenue

Line 709 Beverly - Hanford $1,487,000

Port of Benton industrial park. Added traffic primarily unit grain trains out of Montana for barging to Portland.

For Exhibit F, $1,865,000 or nearly half of the $3,867,000 added potential revenues is on two lines:

Line 521 Ortonville - Fargo $ 915,000

Diversion by Lehigh and Northwestern States of cement originating in Canada to production and shipment out of Mason City. 600 carloads - $420,000

Added revenues from grain over 1976 which was depressed by drought and low prices. 550 carloads - $344,000.

Increase in beer shipments resulting from recent rate adjustments. 140 carloads - $113,000

New 3M plant at Wahpeton and new Midland Fertilizer Plant at Dumont, 50 carloads - $38,000

Line 711 Port Townsend - Port Angeles $ 950,000

Additional lumber shipments from Allen Logging because of a new truck arbitrary. 275 carloads - $503,000

Installation of a new kiln at M&R Timber. 300 carloads - $447,000

The revenue-expense relationship of lines listed in Exhibits E and F indicated that, with present revenues, they were not viable and should have high priority for abandonment. The traffic estimate of potential added revenues does not change this evaluation except possibly for the lines discussed above. On the seven lines with significant potential increased revenues, consideration should be given to the

- probability that the projected additional traffic will develop and how long it can be expected to continue.

- contribution expected from added traffic and the effect on the total contribution from a line.

- possible need to increase maintenance or upgrade a line to generate or retain added revenues.

The right hand column in each of Exhibits E, F and G shows the estimated revenues that might be retained if service was discontinued and a line abandoned. Three general methods for retaining traffic involved either substituted service, retaining present TOFC traffic or connecting line traffic diverted to an alternate junction. Consideration should be given to the economic desirability of providing substituted service.

Appendix C contains an individual page for each line listed in Exhibits E, F and G. Each page contains three sections showing present, retained and potential traffic. The pages in Appendix C carry the line identification numbers and are arranged in odd number sequence similar to the sequence maintained for individual pages covering revenue and expenses in Appendix B.

GENERAL CONCLUSIONS

All lines studies are by definition, because of volume of traffic local to them, light density and should be expected to be marginal to some degree. The three categories of lines listed in Exhibits B, C and D are all marginal but in some differing degrees, and each require some different conclusions.

Some specific conclusions may be drawn for lines in Exhibit B:

- Immediate steps should be taken to prepare applications for filing with the Commission to abandon all lines, except any needed for operating convenience.

- All expenses should be reduced to the fullest extent possible. Maintenance of Way programs should be reviewed and revised to eliminate any capital investments and to eliminate or reduce running repairs to a level consistent with operating safety. Service should be reduced to fullest extent possible. Empty equipment for loading should have lowest priority consistent with supply.

- Consideration should be given to discontinuing all industrial development and sales solicitation except if any major opportunities are available for increases in traffic significant enough to change the long term viability of a line.

Lines listed in both Exhibit C and D, although not viable in the longer term, present different and more difficult problems. Generally the revenue-expense relationship is such that the probability of sustaining an abandonment petition before the Commission is low. Furthermore, because the lines under current operations are contributing something - inadequate as that may be - it is desirable to continue service until better asset opportunities become available or present short term viability deteriorates.

There are several general conclusions to draw from Exhibits C and D with priority on lines in Exhibit D:

- General strategy should be directed toward improving marginal contribution on all lines either through increased markets or reductions in expenses or both if possible.

- Industrial Development activities should be monitored to guard against long term commitments with little impact on long range viability.

- Capital and operating expenditures for maintenance activities should generally be considered on a short term need basis.

- Consideration should be given to opportunities to eliminate the need for a line by transferring revenues to other lines or modes. There may be opportunities to serve major points through joint facility operating arrangements or geographical market swaps with other carriers. Changes to other modes can be considered if the change improves the revenue-cost relationship.

- Viability of all lines in both exhibits should be monitored on a regular basis.

LINES WITH NO CONTRIBUTION
USING ACTUAL MAINTENANCE OF WAY EXPENSES

Line No.	Description	Miles	Carloads	Revenue (000)	Expenses (000)	Contribution (000)
ILLINOIS DIVISION						
105	Delmar-Joliet	37	1,191	$ 454.4	$ 469.8	$ (15.4)
101	Kirkland-DeKalb	14	467	182.8	246.6	(63.8)
	Total-Illinois Division	51	1,658	$ 637.2	$ 716.4	$ (79.2)
IOWA DIVISION						
201	Amana-Rutledge	60	592	$ 230.0	$ 380.8	(150.8)
211	Davenport-Eldridge	11	244	93.8	125.8	(32.0)
213	Delmar-Maquoketa	6	278	103.8	106.8	(3.0)
219	Paralta-Hopkington	33	585	215.9	277.0	(61.1)
221	Sac City-Storm Lake	20	437	167.6	237.3	(69.7)
	Total-Iowa Division	130	2,136	$ 811.1	$ 1,127.7	$ (316.6)
WISCONSIN DIVISION						
327	No. Milw.-Horicon	45	1,416	$ 739.2	$ 748.4	$ (9.2)
337	Granville-Merton	17	390	184.0	179.5	4.5
339	Iron Ridge-Fond du Lac	29	3,987	1,001.3	1,049.7	(48.4)
329	Horicon-Portage	43	1,974	793.2	809.3	(16.1)
331	Horicon-Oshkosh	51	3,362	1,208.7	1,393.6	(184.9)
333	Brandon-Markesan	11	1,330	522.2	368.3	153.9
335	Ripon-Berlin	12	166	73.5	71.6	1.9
	Lone Rock-Prarie du Chien	54	1,878	679.8	674.3	5.5
353	Waukesha-Milton Jct.	41	430	188.3	245.0	(56.7)
325	Sparta-Viroqua	34	822	322.8	369.2	(46.4)
351	Janesville-Mineral Pt.	79	1,908	676.3	896.3	(220.0)
343	Channing-Ontonagon	92	4,438	1,564.8	1,617.2	(52.4)
341	Channing-Republic	22	391	195.3	185.8	9.5
	Total-Wisconsin Division	530	22,492	$ 8,149.4	$ 8,608.2	$ (458.8)
MINNESOTA DIVISION						
409	Conover-Decorah	10	161	$ 54.8	$ 72.9	$ (18.1)
419	Spencer-Milford	14	143	61.7	116.7	(55.0)
405	Faribault-Zumbrota	35	466	307.0	356.1	(49.1)
411	LaCrescent-Ramsey	103	603	214.8	497.4	(282.6)

Line No.	Description	Miles	Carloads	Revenue (000)	Expenses (000)	Contribution (000)
MINNESOTA DIVISION (continued)						
401	Wells-Mankato	38	499	$ 265.4	$ 264.0	$ 1.4
415	Jackson-Madison	124	1,542	757.7	970.4	(212.7)
417	Madison-Bryant	48	391	207.5	217.9	(10.4)
428	Farmington-Kasota	56	265	141.6	277.7	(136.1)
430	Farmington-Prior Lake	37	168	82.8	162.0	(79.2)
407	Austin-Mason City	40	578	298.1	334.0	(35.9)
421	Trevino-Eau Claire	46	3,295	1,619.0	1,619.0	-
423	St. Croix-Stillwater	22	4,164	1,587.1	1,607.7	(20.6)
	Total-Minnesota Division	573	12,275	$ 5,597.5	$ 6,495.8	$ (898.3)
DAKOTA DIVISION						
501	Napa-Platte	83	750	$ 349.5	$ 514.3	$ (164.8)
511	Marion Jct.-Menno	22	185	87.3	116.1	(28.8)
517	Woonsocket-Wess. Springs	15	95	58.0	61.1	(3.1)
525	Bristol-Garden City	29	67	46.6	106.7	(60.1)
537	Trail City-Faith	106	165	227.7	273.0	(45.3)
513	Mitchell-Murdo	142	1,558	1,001.4	1,193.3	(191.9)
515	Murdo-Rapid City	146	3,890	2,483.3	2,208.1	275.2
503	Elk Point-Mitchell	116	911	449.2	1,121.0	(671.8)
505	Sioux City-Canton	50	2,820	403.0	734.6	(331.6)
507	Canton-Mitchell	80	722	383.5	710.9	(327.4)
509	Mitchell-Aberdeen	129	1,284	1,158.8	1,324.7	(165.9)
	Total Dakota Division	918	12,447	$ 6,648.3	$ 8,363.8	$(1,715.5)
MONTANA DIVISION						
601	Bonner Jct.-Bear Crk.	35	50	$ 77.5	$ 131.9	$ (54.4)
603	Three Forks-Bozeman	40	412	325.5	339.4	(13.9)
	Total Montana Division	75	462	$ 403.0	$ 471.3	$ (68.3)
WASHINGTON DIVISION						
707	Spokane-Met. Falls	61	2,999	$ 1,342.8	$ 1,390.8	$ (48.0)
709	Beverly Jct.-Hanford	21	17	37.7	45.3	(7.6)
713	Maytown-Hoquiam	57	2,476	2,261.2	2,276.7	(15.5)
	Total Washington Division	139	5,492	$ 3,641.7	$ 3,712.8	$ (71.1)
	TOTAL - ALL DIVISIONS	2,416	56,962	$25,888.2	$29,496.0	$(3,607.8)

LINES WITH NO SIGNIFICANT CONTRIBUTION
USING NORMALIZED MAINTENANCE OF WAY EXPENSE

Line No.	Description	Miles	Carloads	Revenue (000)	Actual MOW Expense	Contribution		Normalized MOW Expense		
					Expense (000)	Total (000)	% of Expense	Addl. MOW Expense (000)	Contribution Total (000)	% of Expense
ILLINOIS DIVISION										
103	Bedford-Seymour	37	1,514	$ 700.2	$ 534.0	$ 166.2	31.2	$ 147.4	$ 18.8	2.7
107	Savanna-E. Moline	35	1,774	935.8	801.0	134.8	16.8	146.2	(11.4)	-
109	Davis Jct.-Oglesby	79	9,415	3,208.4	3,015.2	193.2	6.4	183.1	10.1	0.3
	Total Illinois Division	151	12,703	$ 4,844.4	$ 4,350.2	$ 494.2	11.3	$ 476.7	$ 17.5	0.4
IOWA DIVISION										
215	Clive-Herndon	46	2,107	$ 1,012.0	$ 819.9	$ 192.1	23.5	$ 173.7	$ 18.4	1.8
	Rockwell-City-Sac City	20	558	287.9	229.9	58.0	25.2	75.9	(17.9)	-
	Total Iowa Division	66	2,665	$ 1,299.9	$ 1,049.8	$ 250.1	23.8	$ 249.6	0.5	-
WISCONSIN DIVISION										
345	Madison-Lone Rock	42	1,491	$ 850.7	$ 650.6	$ 200.1	30.7	$ 167.9	32.2	3.9
349	Mazomanie-Sauk City	9	402	172.6	135.4	37.2	27.5	38.6	(1.4)	-
347	L. Rock-Rich. Ctr.	16	1,091	421.6	326.5	95.1	29.1	70.0	25.1	6.3
	Total Wisconsin Div.	67	2,984	$ 1,444.9	$ 1,112.5	$ 332.4	29.9	$ 276.5	$ 55.9	4.4
DAKOTA DIVISION										
521	Ortonville-Fargo	117	4,029	$ 1,956.5	$ 1,654.0	$ 302.5	18.3	$ 440.7	$(138.2)	-
529	Aberdeen-Edgeley	63	1,001	681.8	460.9	220.9	47.9	286.2	(65.3)	-
531	Roscoe-Linton	75	851	880.2	557.8	322.4	57.8	327.6	(5.2)	-
535	Moreau Jct.-Isabel	56	227	287.4	207.1	80.3	38.8	259.7	(179.4)	-
	Total Dakota Division	311	6,108	$ 3,805.9	$ 2,879.8	$ 926.1	32.2	$1,314.2	$(388.1)	
MONTANA DIVISION										
605	Lewistown-Winnifred	45	229	$ 318.2	$ 223.8	$ 94.4	42.2	$ 208.4	$(114.0)	-
WASHINGTON DIVISION										
711	Pt. Town.-Pt. Angeles	51	5,476	$-	$ 5,000.8	$ 237.7	4.5	$ 72.5	$ 165.2	3.3
	TOTAL - ALL DIVISIONS	691	30,165	$16,951.8	$14,616.9	$2,334.9	16.0	$2,597.9	$(263.0)	-

Exhibit C

LINES WITH CONTRIBUTION
USING NORMALIZED MAINTENANCE OF WAY EXPENSE

Line No.	Description	Miles	Carloads	Revenue (000)	Actual MOW Expense	Contribution		Normalized MOW Expense	Contribution	
					Expense (000)	Total (000)	% of Expense	Addl. MOW Expense (000)	Total (000)	% of Expense
IOWA DIVISION										
217	Des Moines-Woodward	28	7,920	$ 3,408.7	$ 3,009.2	$ 399.5	13.3	$ 111.9	$ 287.6	9.2
	Beverly-Amana	22	3,123	1,246.7	1,080.8	165.9	15.3	62.0	103.9	9.1
	Total Iowa Division	50	11,043	$ 4,655.4	$ 4,090.0	$ 565.4	13.8	$ 173.9	$ 391.5	9.2
WISCONSIN DIVISION										
323	Watertown-Madison	30	3,362	$ 1,315.0	$ 984.6	$ 330.4	33.6	$ 97.7	$ 232.7	21.5
MINNESOTA DIVISION										
413	Ramsey-Jackson	106	6,359	$ 3,645.6	$ 2,946.5	$ 699.1	23.7	$ 334.6	$ 364.5	11.1
DAKOTA DIVISION										
523	Milbank-Sesseton	38	1,100	$ 576.2	$ 415.8	$ 160.4	38.6	$ 138.1	$ 22.3	4.0
527	Andover-Brampton	43	733	656.4	461.4	195.0	42.3	143.5	51.5	8.5
539	McLaughlin-N. Engld.	133	1,886	2,380.0	1,165.0	1,215.0	104.3	639.0	576.0	31.9
	Total Dakota Division	214	3,719	$ 3,612.6	$ 2,042.2	$1,570.4	76.8	$ 920.6	$ 649.8	21.9
MONTANA DIVISION										
607	Gt. Falls-Fairfield	34	935	$ 1,543.1	$ 834.3	$ 708.8	85.0	$ 84.2	$ 624.6	68.2
609	Fairfield-Agawam	31	472	571.3	382.4	188.9	49.4	122.5	66.4	13.2
	Total Montana Division	65	1,407	$ 2,114.4	$ 1,216.7	$ 897.7	73.7	$ 206.7	$ 691.0	48.5
WASHINGTON DIVISION										
703	Tiflis-Marcellus	40	2,326	$ 918.5	$ 683.2	$ 235.3	34.4	$ 180.9	$ 54.4	6.3
705	Royal City	5	486	355.1	257.5	97.6	37.9	25.6	72.0	25.4
715	Chehalis-Raymond	53	1,020	1,160.2	1,021.9	138.3	13.5	-	138.3	13.5
	Total Washington Div.	98	3,832	$ 2,433.8	$ 1,962.6	$ 471.2	24.0	$ 206.5	$ 264.7	12.2
	TOTAL - ALL DIVISIONS	563	29,722	$17,776.8	$13,242.6	$4,534.2	34.2	$1,940.0	$2,594.2	17.1

Exhibit D

TRAFFIC DATA FOR LINES WITH NO CONTRIBUTION
USING ACTUAL MAINTENANCE OF WAY EXPENSE

Line No.	Description	Miles	Annual Revenue (000) Present	Potential	Retained
ILLINOIS DIVISION					
105	Delmar-Joliet	37	$ 454.4	$ 60.7	$ 119.3
101	Kirkland-DeKalb	14	182.8	6.3	59.8
	Total-Illinois Division	51	$ 637.2	$ 67.0	$ 179.1
IOWA DIVISION					
201	Amana-Rutledge	60	$ 230.0	$ -	$ -
211	Davenport-Eldridge	11	93.8	235.1	2.0
213	Delmar-Maquoketa	6	103.8	-	2.4
219	Paralta-Hopkington	33	215.9	-	26.2
221	Sac City-Storm Lake	20	167.6	-	-
	Total-Iowa Division	130	$ 811.1	$ 235.1	$ 30.6
WISCONSIN DIVISION					
327	No. Milw.-Horicon	45	$ 739.2	$ 50.0	$ 248.6
337	Granville-Merton	17	184.0	12.0	5.0
339	Iron Ridge-Fond du Lac	29	1,001.3	14.0	156.5
329	Horicon-Portage	43	793.2	238.5	10.0
331	Horicon-Oshkosh	51	1,208.7	(6.1)	102.9
333	Brandon-Markesan	11	522.2	53.0	6.0
335	Ripon-Berlin	12	73.5	55.0	-
	Lone Rock-Prarie du Chien	54	679.8	78.3	276.7
353	Waukesha-Milton Jct.	41	188.3	23.9	48.8
325	Sparta-Viroqua	34	322.8	-	198.6
351	Janesville-Mineral Pt.	79	676.3	(90.6)	70.2
343	Channing-Ontonagon	92	1,564.8	1,591.0	32.0
341	Channing-Republic	22	195.3	-	-
	Total-Wisconsin Division	530	$8,149.4	$2,019.0	$1,155.3
MINNESOTA DIVISION					
409	Conover-Decorah	10	$ 54.8	-	-
419	Spencer-Milford	14	61.7	-	17.0
405	Faribault-Zumbrota	35	307.0	23.8	199.5
411	LaCrescent-Ramsey	103	214.8	9.7	83.4

Exhibit E
Page 1 of 2

Line No.	Description	Miles	Annual Revenue (000) Present	Potential	Retained
MINNESOTA DIVISION (continued)					
401	Wells-Mankato	38	$ 265.4	$ 259.9	$ 34.5
415	Jackson-Madison	124	757.7	1,623.7	185.0
417	Madison-Bryant	48	207.5	-	-
428	Farmington-Kasota	56	141.6	19.3	-
430	Farmington-Prior Lake	37	82.8	(42.7)	-
407	Austin-Mason City	40	298.1	-	26.7
421	Trevino-Eau Claire	46	1,619.0	144.8	315.9
423	St. Croix-Stillwater	22	1,587.1	-	-
	Total-Minnesota Division	573	$ 5,597.5	$2,038.5	$ 862.0
DAKOTA DIVISION					
501	Napa-Platte	83	$ 349.5	$ 90.0	-
511	Marion Jct.-Menno	22	87.3	-	29.1
517	Woonsocket-Wess. Springs	15	58.0	-	56.9
525	Bristol-Garden City	29	46.6	104.7	42.0
537	Trail City-Faith	106	227.7	-	-
513	Mitchell-Murdo	142	1,001.4	627.5	4.0
515	Murdo-Rapid City	146	2,483.3	1,110.0	-
503	Elk Point-Mitchell	116	449.2	-	89.9
505	Sioux City-Canton	50	403.0	26.7	-
507	Canton-Mitchell	80	383.5	65.0	-
509	Mitchell-Aberdeen	129	1,158.8	484.3	4.0
	Total Dakota Division	918	$ 6,648.3	$2,508.2	$ 225.9
MONTANA DIVISION					
601	Bonner Jct.-Bear Crk.	35	$ 77.5	-	$ 77.2
603	Three-Forks-Bozeman	40	325.5	63.7	11.8
	Total Montana Division	75	$ 403.0	63.7	89.0
WASHINGTON DIVISION					
707	Spokane-Met. Falls	61	$ 1,342.8	$ 385.0	$ 112.4
709	Beverly Jct.-Hanford	21	37.7	1,487.0	-
713	Maytown-Hoquiam	57	2,261.2	269.9	114.0
	Total Washington Division	139	$ 3,641.7	$2,141.9	$ 226.4
	TOTAL - ALL DIVISIONS	2,416	$25,888.2	$9,073.4	$2,768.3

TRAFFIC DATA FOR LINES WITH NO SIGNIFICANT CONTRIBUTION
USING NORMALIZED MAINTENANCE OF WAY EXPENSE

Line No.	Description	Miles	Annual Revenue (000) Present	Potential	Retained
ILLINOIS DIVISION					
103	Bedford-Seymour	37	$ 700.2	$ 217.6	$ 377.0
107	Savanna-E. Moline	35	935.8	209.1	32.0
109	Davis Jct.-Oglesby	79	3,208.4	(134.2)	854.3
	Total Illinois Division	151	$ 4,844.4	$ 292.5	$1,263.3
IOWA DIVISION					
215	Clive-Herndon	46	$ 1,012.0	$ 556.3	-
242	Rockwell City-Sac City	20	287.9	-	170.7
	Total Iowa Division	66	$ 1,299.9	$ 556.3	$ 170.7
WISCONSIN DIVISION					
345	Madison-Lone Rock	42	$ 850.7	$ 180.2	$ 727.8
349	Mazomanie-Sauk City	9	172.6	-	-
347	L. Rock-Rich. Ctr.	16	421.6	-	129.6
	Total Wisconsin Div.	67	$ 1,444.9	$ 180.2	$ 357.4
DAKOTA DIVISION					
521	Ortonville-Fargo	117	$ 1,956.5	$ 915.4	$ 282.0
529	Aberdeen-Edgeley	63	681.8	249.2	15.0
531	Roscoe-Linton	75	880.2	476.8	34.6
535	Moreau Jct.-Isabel	56	287.4	-	-
	Total Dakota Division	311	$ 3,805.9	$1,641.4	$ 331.6
MONTANA DIVISION					
605	Lewistown-Winnifred	45	$ 318.2	$ 247.1	$ 298.7
WASHINGTON DIVISION					
711	Pt. Town.-Pt. Angeles	51	$ 5,238.5	$ 950.0	-
	TOTAL- ALL DIVISIONS	691	$16,951.8	$3,867.5	$2,421.7

Exhibit F

TRAFFIC DATA FOR LINES WITH CONTRIBUTION
USING NORMALIZED MAINTENANCE OF WAY EXPENSE

Line No.	Description	Miles	Annual Revenue (000) Present	Potential	Retained
IOWA DIVISION					
217	Des Moines-Woodward	28	$ 3,408.7	$ 100.0	$ 213.3
	Beverly-Amana	22	1,246.7	(116.0)	74.7
	Total Iowa Division	50	$ 4,655.4	$ (16.0)	$ 288.0
WISCONSIN DIVISION					
323	Watertown-Madison	30	$ 1,315.0	-	$ 533.8
MINNESOTA DIVISION					
413	Ramsey-Jackson	106	$ 3,645.6	$ 699.8	$ 133.0
DAKOTA DIVISION					
523	Milbank-Sisseton	38	$ 576.2	$ 94.9	$ -
527	Andover-Brampton	43	656.4	207.6	83.4
539	McLaughlin-N. England	133	2,380.0	237.6	-
	Total Dakota Division	214	$ 3,612.6	$ 540.1	$ 83.4
MONTANA DIVISION					
607	Gt. Falls-Fairfield	34	$ 1,543.1	$ 175.7	-
609	Fairfield-Agawam	31	571.3	120.6	-
	Total Montana Division	65	$ 2,114.4	$ 296.3	$ -
WASHINGTON DIVISION					
703	Tiflis-Marcellus	40	$ 918.5	$ -	$ -
705	Royal City	5	355.1	54.0	349.1
715	Chehalis-Raymond	53	1,160.2	225.0	-
	Total Washington Division	98	$ 2,433.8	$ 279.0	$ 349.1
	TOTAL - ALL DIVISIONS	563	$17,776.8	$1,799.2	$1,387.3

Exhibit G

APPENDIX A

COSTING PROCEDURES

The U.S.R.A. study of light density lines in the Northeast served as a pattern for cost studies of traffic on the Milwaukee Road's light density lines. In this method of analysis both "on-branch" and "off-branch" costs are determined and applied to total revenues attributable to a line thus no allocation of revenues must be made. On-branch costs represent actual expenditures to a large degree while off-branch costs are determined by applying system average cost factors.

The Interstate Commerce Commission, in its latest regulations published in response to Title VIII of the 4R Act of 1976 governing abandonment of rail lines, has also adopted a form of costing that recognizes both on-branch and off-branch costs.

The material that follows explains in some detail the procedures used by the railroad in determining costs. A brief explanation of the general methods of costing used by U.S.R.A. and prescribed by the ICC are also included. As might be expected there are some differences between the railroad's philosophy of costing and that of U.S.R.A. and the Commission.

ON BRANCH COSTS

TRAIN AND ENGINE CREW COSTS

Actual train and engine crew costs, including straight time, overtime, and constructive allowances, were developed from payroll records reported in monthly train cost reports. Four man crews were in predominate use on most lines. If a line was served by a crew also assigned to perform work on adjacent or connecting system lines during its regular tour of duty, actual costs of that crew were allocated to the branch in proportion to the time generally spent on the branch.

The following payroll additives, representing a weighted average actual cost during the study period, were applied to crew wage costs:

Vacation	7.25%	
Holiday	3.50%	
Health and Welfare	6.25%	
Total	17.00%	Applied to direct wages
Payroll Taxes	14.9%	
Supplemental Pension	1.5%	
Total	16.4%	Applied to wages plus 17%

U.S.R.A. - Developed a system average cost per crew hour for local and way freights for each class of employee, i.e., engineer, fireman, conductor, brakeman. A fringe benefits and payroll tax factor was calculated from system benefit and tax expenses and applied to hourly costs. It was assumed that all lines were served by four-man crews.

The total annual crew hours to serve a line were multiplied by hourly cost to determine annual cost.

Interstate Commerce Commission - Regulations state, for ICC Account 392 - Train Enginemen and Account 401 - Trainmen, that "These costs shall be the actual branch costs assigned on a direct basis."

The Commission allows fringe benefits ond taxes to be assigned on a basis of a percentage of direct wages. The percentage is developed by relating annual system health and welfare and payroll taxes reported under these accounts to system annual direct labor costs.

STATION PAYROLL COSTS

Actual payroll costs for station employees were obtained from monthly budget and responsibility reports. The same payroll additives used in Train and Engine Crew expense were applied to station wages. Only the wages of station employees at open stations on a branch line were included. No such expense was included when agency work was performed at stations at branch line junctions or at locations off the branch line under evaluation.

U.S.R.A. - Study states "Because these station employees (at stations on branch lines) are not required for the operation of a branch line, this cost is not included in the results of the viability analysis".

I.C.C. - Under Account 373 - Station Employees, regulations state "The costs assigned under this account shall be actual branch costs assigned on a direct basis... only if...such costs would be avoided as a result of service discontinuance."

OTHER STATION EXPENSE

Actual station costs, as reported in monthly budget and responsibility reports, were included for utilities, telephones, supplies and other expenses. Costs were limited to open stations on the branch line.

U.S.R.A. - Not clear. Explained method of calculating a cost per hour for "transportation clerical support" to include stationery and printing, injuries, and insurance. How this was applied considering that U.S.R.A. did not include station payroll costs as per note above is not clear.

I.C.C. - Account 373 - Station Supplies and Expenses - costs assigned shall be actual branch costs assigned on a direct basis.

FREIGHT CAR COSTS

A fundamental philosophy of costing in this viability study assumed that each revenue load should bear an equitable share of freight car ownership expense with ownership related to current replacement costs. System and Foreign cars were treated alike and ownership costs per load were the product of a daily ownership cost and total car days, loaded and empty, chargeable to the particular revenue movements.

Daily ownership costs were based on present replacement costs for various types of equipment, an average life of 25 years, 10% financing costs and 5% salvage value. The following illustration demonstrates how daily costs were developed:

50' 70 ton equipped box car - current cost $33,000

$$\text{Daily Ownership Cost} = \frac{\$33,000 \times .95 \times .1050}{341} = \$9.65$$

The constant .1050 represents the annual capital recovery factor for 25 years at 10% cost of money. Annual costs are divided by an estimated average of 341 annual serviceable car days. A small amount of repair costs such as painting, tests, etc., are more time than mileage related and are included in daily ownership costs. Table A-1 lists the daily costs for the general types of freight cars.

TABLE A-1
DAILY OWNERSHIP COSTS

DESCRIPTION	CURRENT PRICE	COST PER CAR DAY: OWNERSHIP	COST PER CAR DAY: TIME REPAIRS	COST PER CAR MILES
50' 70 Ton Box Equipped	$33,000	$ 9.65	$.69	4.38¢
50' 70 Ton Box Wide Door	27,000	7.90	.69	3.5
50' 70 Ton Box Insulated	38,000	11.12	.69	4.38
60' Box Equipped	52,400	15.33	.69	4.38
60' Box Wide Door	32,000	9.36	.69	4.38
100 Ton Open Top Gondola	28,000	8.19	.69	3.36
100 Ton Covered Gondola	30,800	9.01	.69	3.65
60' Wood Chip Gondola	34,000	9.95	.69	3.65
100 Ton Covered Hopper	29,000	8.48	.69	2.78
100 Ton Open Hopper	29,000	8.48	.69	2.92
56' Bulkhead Flat	35,500	10.38	.69	2.92
63' Machinery Flat	36,000	10.53	.69	2.92

Some of the traffic evaluated in the study moved in freight cars that would not be replaced in kind i.e. 40' box cars, small capacity hoppers and gondolas, short flat cars. In order to use proper daily costs, carloads in obsolete equipment types were converted to their equivalent replacement units. The conversions recognized both the current types of equipment in demand for various commodities and the increased capacity of newer equipment. In general gondolas and hoppers, both open top and covered, were considered to be 100 ton capacity. 50' box cars, equipped or non-equipped and wide or narrow door, were substituted for comparable 40' cars.

Car days on-branch were considered to be a function of service frequency on the line under study. Table A-2 below shows the relationship used in the study.

TABLE A-2

ON-BRANCH CAR DAYS

	Service Frequency-Days Per Week				
	1	2	3	4	5
Originating Loads					
Empty at Junction	1	1	1	1	1
Empty in Transit	1	1	1	1	1
Loading	6	2.5	2	2	2
Load in Transit	1	1	1	1	1
Load at Junction	.5	.5	.5	.5	.5
Total	9.5	6.0	5.5	5.5	5.5
Terminating Loads					
Load at Junction	3	1.3	.7	.6	.4
Load in Transit	1	1	1	1	1
Unloading	6	4	3.7	3	3
Empty in Transit	1	1	1	1	1
Empty at Junction	1	1	1	1	1
Total	12	8.3	7.4	6.6	6.4

For the small number of carloads intermediate to a particular line 2.5 days plus an average empty return ratio was allowed for on-branch car days.

Some of the general assumptions used to develop the car days shown in Table A-2 include the following:

- No reuse of empties on a line was considered. All originating loads required a source of empties external to the line. All empties released from terminating loads moved off the line.

- Empties needed for loads originating on branch lines would spend a minimum time at a station serving as a junction to a line regardless of branch line service frequency.

- Loads for branch line terminations would arrive at junctions at a uniform rate seven days per week.

- Branch line shippers and consignees would use the maximum free time allowed after placement day - two days unloading and one day loading.

Because of the volume of data to be analyzed, computer programs were developed to summarize traffic volumes for each line studied. Traffic was aggregated by car type and by source of traffic - originated, terminated, and overhead (to the study line). Total car loads, on-branch car miles, and average net weight of lading were produced. On-branch ownership costs were the product of daily ownership costs by car type and the total car days as determined by factors in Table A-2.

Freight car costs also include repairs related to usage as measured by car miles. Mileage repair costs were calculated on a basis of the car departments best estimate of normalized level of annual repairs and system average annual car miles by car type. These costs, also shown in right hand column in Table A-1, were applied to on-branch miles.

Freight car costs for cars of private ownership were based on current average mileage rates for each type of private cars involved. Total on-branch costs were the product of average rates and aggregated on-branch car miles.

U.S.R.A. - A similar approach was used to determine on-branch freight car costs. On-branch car days were a function of service frequency and a comparison of U.S.R.A. and Milwaukee shown the following:

Frequency Trips/Week	U.S.R.A.	Milwaukee Originated*	Milwaukee Terminated
1	11.0	9.5	12.0
2	8.29	6.0	8.3
3	6.38	5.5	7.4
4	5.82	5.5	6.6
5	5.63	5.5	6.4

*Free time for originating loads was reduced to 1 day after U.S.R.A. study was made.

Costs per car day differed. U.S.R.A. used a weighted average cost per car type based on AAR car hire master list time related (per diem) charges. Costs per car mile were also average costs as developed from AAR mileage charges.

I.C.C. - The Commission does not state how on-branch car days or car miles will be determined. It states "costs.....shall be applied to the total car days and total car miles accumulated on the branch for all traffic....."

In determining car day and car mile costs, the Commission requires that expenses as reported on the railroad's latest annual report be used as follows for time-mileage cars:

(a) Daily costs - 50% of Repair Costs (Acct. 311), plus
60% of Depreciation Costs (Freight Cars), plus
100% of Per Diem Payable on time-mileage cars, plus
50% of Lease Payments, Railrood, Other, and Auto Racks
100% of ROI on net investment in freight cars.
Less 100% of Per Diem Receivable

(b) Mileage Costs = Balance of repair, depreciation, lease costs, plus
100% of Mileage payable on time-mileage cars
Less 100% of Mileage Receivable

Costs per car day are determined by dividing costs under (a) above by total system car days. Total system car days are equal to average annual freight car ownership x 346 (active car days) less system car days off-line, plus foreign car days on line.

Costs per car mile are determined by dividing costs under (b) above by total system car miles. Total system car miles are the sum of loaded and empty car miles as reported in the annual report form R-1.

On-branch costs for freight cars on straight mileage basis are the product of the system average cost per car mile for such cars and the total branch line car miles.

LOCOMOTIVE COSTS

On-branch locomotive costs are comprised of fuel and ownership, including repairs. Costs for servicing locomotive units were not included because actual unit costs are not available nor would they be significant. Because servicing would usually be performed off-branch, it would probably not be a relievable expense.

Annual on-branch fuel consumption was calculated for three separate operating functions using the following unit consumption factors:

Transit consumption - .064 gal. per horsepower hour
Switching consumption - 20 gal. per unit hour
Idling consumption - 5 gal. per unit hour

Because no actual data was available, consumption constants shown above for transit and idling are Electro-Motive Division calculations. The constant for switching was based on some actual studies of switch engine fuel consumption by the railroad. Transit horsepower hours gave consideration to the track grade, normal tonnage, and current speed over each line segment. Unit hours for switching and idling fuel consumption were based on total time allotted to a segment less time in transit. Fuel cost of 32¢ per gallon were applied to total gallons used.

Locomotive maintenance or repair costs were based on E.M.D.'s estimated annaul repair costs over the life of a low horsepower type unit. E.M.D.'s costs were adjusted to Milwaukee labor rates and additives and include costs for all inspections, replacement

of units at regular intervals, and scheduled overhauls including one engine changeout. Repair costs charged to a branch line are the product of the annual repair cost and the ratio of tatal branch line time to total available time.

As in the case of freight cars - fundamental philosophy in this study requires that on-branch costs include replacing locomotive units required to provide necessary service at current replacement costs. Annual ownership costs are based on current cost of a unit equivalent to a GP38, a 20 year life, 10% cost of money, and 5% salvage value. Annual costs charged to a line are equal to the product of the annual ownership cost and the percent of time charegeable to a particular line. No locomotive ownership costs were charged if the units were in service on a line less than 25% of the total available time.

Caboose ownership costs including repairs were also included. Ownership costs were determined similar to locomotive using a $45,000 replacement cost and a 30 year life with no charge if the caboose was in service less than 25% of total time. Repair costs are based on the Car Department's best estimate of average annual repairs.

U.S.R.A. - U.S.R.A. developed system average costs per locomotive hours from actual charges to ICC accounts as reported in ICC Reports R-1. Two types of costs - direct and indirect - were included.

Direct costs included costs associated with repairs (Account 311), retirement and depreciation (Accts. 330-331, Locomotive only), fuel (Accts. 382-394), and related payroll taxes. Direct costs also included return on investment in locomotives equal to 7.2% of net investment (Gross investment less accrued depreciation and amortization reserve).

Indirect (allocated) costs, i.e., superintendence, machinery, injuries, health and welfare, etc., were added to direct costs as a percentage of total direct costs.

System average locomotive costs per hour were calculated by:

$$\frac{\text{Direct expense} + \text{R.O.I.} - \text{Indirect Expenses}}{\text{Total System Unit Hours}} = \text{Cost per Unit hour}$$

Total system unit hours includes both road and yard switching hours calculated as follows:

$$\frac{\text{Annual Train Miles}}{\text{Annual Train Hours}} = \text{Train Speed (M.P.H.)}$$

$$\text{Road Hours} - \frac{\text{Road Unit Miles}}{\text{Train Speed}}; \quad \text{Switching Hours} = \frac{\text{Swg. Miles (Road \& Yard)}}{6}$$

I.C.C. - The Commission will allow locomotive repairs, depreciation, and return on investment - locomotives determined as outlined below. Costs related to all other M.O.E. accounts will be allowed only if they are directly attributable to the branch line under study.

Locomotive Repair Costs - Road (Account 311) are apportioned to branch lines on the basis of the ratio of branch locomotive gross ton miles to system locomotive gross ton miles. Any costs for yard locomotives are apportioned on basis of ratio of branch yard locomotive unit hours to total system hours.

Depreciation charges (Account 311) for both yard and road units are assigned on locomotive unit-hour ratios of branch to system hours.

Return on Investment is the product of net investment in locomotives and current cost of capital where cost of capital is the latest interest rate on equipment trusts, C.S.A.'s or lease agreements covering new locomotives.

MAINTENANCE OF WAY COSTS

The initial evaluation of all light density lines was made using actual Maintenance of Way expenses or total expenses actually charged to a line or subdivision through the Budget and Responsibility Reporting system during the study period selected. Total expenses included charges from Track, Bridge and Building, and Signal and Communications sub-departments. If a line segment under study constituted only a portion of a subdivision, expenses were generally prorated by miles.

If the total revenue - expense relationship of a line produced a positive contribution using actual Maintenance of Way costs a second evaluation was made substituting normalized maintenance for track only. These costs were developed for the track labor and material accounts by Thomas K. Dyer in a study for the FRA and are based on 1975 traffic density for lines involved.

If a line provided a contribution with normalized maintenance of way costs consideration was given to the current condition of the line. Field inspections were made of all lines under study and these inspection reports were reviewed to determine if some rehabilitation of a line would be required to maintain the necessary service. If rehabilitation was needed, costs and work schedules were developed and the viability of line further evaluated giving consideration to the timing of rehabilitation expenses and their effect on subsequent annual maintenance costs.

U.S.R.A. - Three types of maintenance of way on-branch costs were developed by U.S.R.A. for their light density line studies - direct, regular indirect, and other indirect maintenance costs.

Direct Maintenance costs were normalized costs of roadway and track for ICC Accounts 202 and 212 through 221 derived from a Wyer-Dick Study conducted for the Penn Central Trustees. The Wyer-Dick Study considered ICC Account charges, engineering estimates, and field studies and developed annual maintenance costs per mile based on traffic density expressed in gross ton miles.

It was assumed that all light density lines were at least at FRA Class I standard (10 MPH). No rehabilitation or upgrading costs were included.

Regular Indirect Maintenance costs include expenses charged to ICC Accounts 265 through 281, plus payroll taxes. These are miscellaneous maintenance expense for machinery, supplies, snow, highway crossings, health and welfare, etc. Such costs were added to direct costs in proportion to the ratio of actual costs charged these accounts to actual charges to track accounts covered in normalized maintenance. It was assumed that maintenance of way payroll taxes would be at the same ratio to total taxes as maintenance of way health and welfare costs were to total health and welfare costs.

Other Indirect Maintenance costs include expenses charged to ICC Accounts 206, 208, 227, 229, 241-249, covering tunnels, bridges, buildings, signals and communications. U.S.R.A. did not charge light density lines any costs for buildings or signals on the assumption that such lines would seldom have these facilities. Costs for these accounts were based on the ratio of actual charges to these accounts to charges to track accounts.

I.C.C. - For abandonment procedings the Commission will allow only "actual costs assigned on a direct basis" for all maintenance expenses except those charged to Accounts 269 - 271 - Roadway Machinery and Small Tools and Supplies. Charges for these accounts are prorated based on charges to track accounts.

No rehabilitation charges are allowed except any needed to meet FRA Class I safety standards.

ON BRANCH OVERHEAD COSTS

No overhead costs were charged to any individual line segment. When the viability studies for all segments have been completed, the general organization structure should be reviewed to determine if probable service discontinuances and reductions in maintenance activities would justify reductions in supervisory, clerical support, or other types of overhead.

U.S.R.A. - Four types of overhead expenses were built into U.S.R.A. studies:

- Maintenance of way supervision
- Maintenance of way clerical support, accidents' cost factor
- Transportation supervision
- Transportation clerical support, accidents

Maintenance of Way supervision costs were limited to first and second line supervisors (Penn Central track supervisor and track engineer). Interviews developed that 30% of the track supervisor and 10% of the track engineer should be and were charged, including 25% for fringe benefits and payroll taxes.

Maintenance of Way clerical and accident costs represented by ICC Accounts 274, 275 and 276 were based on the ratio of actual charge to these accounts and the track accounts (202, 212 through 221) and applied to normalized maintenance costs.

Transportation supervision costs included portions of salaries of Division Superintendents, Trainmasters and Assistant Trainmasters based on estimated time supervising Train and Engine crews. Costs were apportioned based on ratio of local and way freight engineer service hours to total system engineer hours under the assumption that local and way freight operated only on light density lines.

Transportation clerical support and accidents costs were developed in terms of costs per man-hour by dividing the costs charged to Accounts 410-Stationery, 414-Insurance and 420-Injuries by total transportation haurs reported in annual wage statistics and applied to transportation hours on branch lines.

I.C.C. - Regulations permit only actual overhead costs assigned on a direct basis.

JOINT FACILITY COSTS

The net cost, or credit, resulting from any contractual arrangements for joint facility operations on a line segment were included in on-branch costs. The joint facility section of the Accounting Department provided the amounts of actual expenditures or credits charged during the study period.

U.S.R.A. - It is not clear as to how joint facility costs were treated. It appears that joint facility maintenance might have been included in "other indirect maintenance" costs hich were apportioned based on a ratio of charges to these accounts (278,279) and the track accounts. If this is correct, each line would have been charged a portion of joint facility costs regardless of whether or not joint facility agreements actually existed.

I.C.C. - Joint facility costs represented by charges to accounts 278 or 279 shall be actual costs assigned on a direct basis.

RETURN ON BRANCH LINE SALVAGE VALUE

Net salvage value of a branch line represents cash available for investment opportunities and the return on investment of this value in alternative uses is a proper cost of keeping a branch line in service.

The light density lines under study grouped themselves into two general classes for purposes of determining net salvage value. One class included lines of light rail construction with track material - generally under 90# - having no future need in the remaining plant. All lines in this class would be sold to outside contractors and, based on recent sale prices, it was estimated net salvage value of fixed property would be $8,000 per mile.

The second class of lines had usuable track materials - generally 90# and heavier - that the railroad would want to recover and return to inventory. All usuable metal material was valued at 50% of current new prices, and all scrap at current scrap prices. Usable ties were valued at $3.50 each. Net salvage value of fixed property was the difference between the gross value of second hand and scrap material and the estimated cost to recover the material with company forces.

The Real Estate Economic Resource and Development Department estimated the current value of the right-of-way lands owned by the railroad for each line. Total net salvage value of a line was the sum of net fixed property salvage and land value.

Several measures of rate of return could be used - minimum acceptable return on capital investments - current cost of capital before or after taxes - current financing costs for equipment. There would be arguments for each. To be conservative and consistent 10% or the same rate used in determining ownership costs for cars and locamotives was used for return on branch line salvage.

U.S.R.A. - Determined on average gross scrap value per mile using 100# rail and fastenings at scrap price of $125 per ton, ties at $5 each, land at $500 an acre. Cost of recovery was a standard $9,000 per mile. A rate of return, of 8.6% was used made of 8.3% equal to the estimated Treasury note rate plus .3% for administrative expense.

I.C.C. - The Commission permits a reasonable return on the following basis:

- Working capital equal to 15 days on-branch available costs
- Current income tax benefits from abandonment of line
- Net liquidation value of properties for best use in other than transportation purposes

A carrier applying for abandonment of a line can apply its cost of capital to the above base to determine reasonable return. The carrier must furnish and substantiate to the Commission its cost of capital after taxes.

OTHER COSTS

A number of cost areas were considered but not included for a several reasons. Costs related to property taxes, and the Minnesota Gross earnings tax were not included because it is difficult to predict the effect, if any, on these types of expenses in the first place and secondly, they would be minimal and have little influence on an evaluation. Loss and Damage costs were not included because such costs are related to commodities and the method of costing used in the evaluation were related to car type only. Again, these costs would be relatively small.

OFF-BRANCH COSTS

On-branch costs, to a large degree, can be quite clearly related to the specific traffic involved. Because off-branch costs cannot be so defined, it is necessary to use certain averages to develop these costs. Generally there will be four elements of cost off-branch, i.e., line haul, terminal, freight car and other costs.

Because of the large volume of movements to be analyzed, data for lines studied was summarized to streamline costing procedures. The computer programs mentioned under on-branch costs on page developed average off-branch miles and average gross tons by selected car types for each line under study.

LINE HAUL

Line haul costs are a function of gross ton miles and include locomotive maintenance and servicing, fuel, train and engine crew, and maintenance of way expenses. The Economics and Cost Analysis Department utilizes "capacity" cost models for internal profitability studies. In this method, unit costs are based on the economic capacity of a train rather than historical training tonnages. Additionally, maintenance of way and locomotive maintenance costs are based on normalized rather than actual expenses.

TERMINAL

Terminal costs include road train to industry switching or vice versa, interchange, and inter-intra train activities. Costs are related to types of traffic, i.e., local, interline forwarded, interline received or overhead, and are based on system averages. Station clerical costs related to originating or terminating traffic are also included in this category.

FREIGHT CAR COSTS

Off-branch car costs were developed in a manner similar to on-branch costs. Off-branch car days were determined and the same daily ownership and maintenance costs used in on-branch calculations were applied. Total off-branch car days are a function of type of traffic, miles of movement, and empty return ratios related to car types. Three days were allowed for off-branch loading, four for unloading, and one-half day for an interchange with another carrier and for inter-intra train switching. Days in transit are a function of miles with approximately 600 miles per transit day.

Empty car days off-branch were determined from ratios of actual system loaded to empty car miles applied to total loaded car days calculated as explained above. It was also assumed that on average empties moved half as fast as loads. No distinction was made between system and foreign ownership.

The daily car costs shown in Table A-1 were applied to total off-branch car days. For car repair costs related to movement the mileage factors by car type for this expense were applied to total off-branch miles. Private cars were costed in the same manner as on-branch i.e. applying average mileage rates by type of car to loaded miles.

OTHER COSTS

Items of expense such as train supplies, car inspection and other miscellaneous expenses are a function of miles. These costs were determined by using system average costs applied to off-branch miles.

U.S.R.A. - Line haul costs were developed by applying system average unit costs as generated by Rail Form A to off-branch gross ton miles. Switching costs were also system average costs derived from Rail Form A and applied to terminal and in-route switches.

Freight car costs were based on an estimate of off-branch car days per load including allowances of one-half day for in-route or interchange switches, four days for terminal switching, and allowances for in transit days based on length of moves. Costs per car day and per car week were based on weighted average costs per car type using AAR car hire master list time-related and mileage-related charges.

U.S.R.A. also included Loss and Damage and Station Clerical expenses in off-branch costs. System L&D costs per ton by commodities were applied to tons generated on lines studied. Station Clerical costs were developed using Rail Form A system cost factors.

I.C.C. - The Commission permits the development, of off-branch costs using Rail Form A cost factors for terminal, car-mile, and ton-mile costs.

LIGHT DENSITY LINE
REVENUE - EXPENSE EVALUATION

LINE Kirkland-DeKalb (101) STUDY PERIOD 10/1/75 - 9/30/76

	On Branch	Off Branch	Total
1. TOTAL REVENUE			$182,818
2. EXPENSES			
(a) Station	27,787		
(b) Train & Engine	51,165		
(c) Other Operating	-0-		
(d) Locomotive Investment	-0-		
(e) Locomotive Repairs & Fuel	19,822		
(f) Caboose Investment	-0-		
(g) Caboose Repairs	140		
Total Operating			98,914
(h) Maintenance of Way(Actual)	21,617		21,617
(i) Freight Cars	27,490	25,584	53,074
(j) Off Branch Line Haul Costs		53,339	53,339
(k) Joint Facility Expenses(Net)	(52)		(52)
(l) Other			
(m) Other			
(n) Return on Net Salvage	19,700		19,700
TOTAL EXPENSES			$246,592
3. CONTRIBUTION (Actual MOW)			$(63,774)
4. Normalized MOW Expense			
(a)Less Actual MOW Expense(h)			
5. CONTRIBUTION (Normalized MOW L3-L4 (a))			

COMMENTS:

LIGHT DENSITY LINE
REVENUE - EXPENSE EVALUATION

LINE Bedford - Seymour (103) STUDY PERIOD 10/1/75 - 9/30/76

	On Branch	Off Branch	Total
1. TOTAL REVENUE			$700,171
2. EXPENSES			
(a) Station	-0-		
(b) Train & Engine	65,178		
(c) Other Operating	-0-		
(d) Locomotive Investment	13,712		
(e) Locomotive Repairs & Fuel	26,523		
(f) Caboose Investment	1,340		
(g) Caboose Repairs	310		
Total Operating			107,063
(h) Maintenance of Way(Actual)	44,595		44,595
(i) Freight Cars	81,182	80,791	161,973
(j) Off Branch Line Haul Costs		183,574	183,574
(k) Joint Facility Expenses(Net)	738		738
(l) Other	-0-	-0-	-0-
(m) Other			
(n) Return on Net Salvage	36,100		36,100
TOTAL EXPENSES			$534,043
3. CONTRIBUTION (Actual MOW)			$166,128
4. Normalized MOW Expense $192,067			
(a)Less Actual MOW Expense(h) $44,595			$147,472
5. CONTRIBUTION (Normalized MOW L3-L4 (a))			$18,656

COMMENTS:

LIGHT DENSITY LINE
REVENUE - EXPENSE EVALUATION

LINE Delmar - Joliet (105) STUDY PERIOD 10/1/75 - 9/30/76

	On Branch	Off Branch	Total
1. TOTAL REVENUE			$454,455
2. EXPENSES			
(a) Station	-0-		
(b) Train & Engine	22,477		
(c) Other Operating	-0-		
(d) Locomotive Investment	16,808		
(e) Locomotive Repairs & Fuel	19,804		
(f) Caboose Investment	1,642		
(g) Caboose Repairs	380		
Total Operating			61,111
(h) Maintenance of Way(Actual)	38,444		38,444
(i) Freight Cars	70,258	61,114	131,372
(j) Off Branch Line Haul Costs		147,255	147,255
(k) Joint Facility Expenses(Net)	29,562		29,562
(l) Other			-0-
(m) Other			-0-
(n) Return on Net Salvage			62,100
TOTAL EXPENSES			$469,844
3. CONTRIBUTION (Actual MOW)			$(15,389)
4. Normalized MOW Expense			
(a)Less Actual MOW Expense(h)			
5. CONTRIBUTION (Normalized MOW L3-L4 (a))			

COMMENTS:

LIGHT DENSITY LINE
REVENUE - EXPENSE EVALUATION

LINE Thompson - East Moline (107) STUDY PERIOD 10/1/75 - 9/30/76

	On Branch	Off Branch	Total
1. TOTAL REVENUE			$935,844
2. EXPENSES			
(a) Station	57,407		
(b) Train & Engine	89,093		
(c) Other Operating	-0-		
(d) Locomotive Investment	15,481		
(e) Locomotive Repairs & Fuel	36,386		
(f) Caboose Investment	1,513		
(g) Caboose Repairs	350		
Total Operating			200,230
(h) Maintenance of Way(Actual)	36,788		36,788
(i) Freight Cars	36,620	98,779	135,399
(j) Off Branch Line Haul Costs		291,050	291,050
(k) Joint Facility Expenses(Net)	-0-		-0-
(l) Other Use of BN Tracks Savanna-Ebner	14,992	-0-	14,992
(m) Other	-0-	-0-	-0-
(n) Return on Net Salvage	122,500		122,500
TOTAL EXPENSES			$800,959
3. CONTRIBUTION (Actual MOW)			$134,885
4. Normalized MOW Expense $183,120			
(a)Less Actual MOW Expense(h) $36,788			$146,332
5. CONTRIBUTION (Normalized MOW L3-L4 (a))			$(11,447)

COMMENTS:

LIGHT DENSITY LINE
REVENUE - EXPENSE EVALUATION

LINE Davis Jct. - Oglesby (109) STUDY PERIOD 10/1/75 - 9/30/76

	On Branch	Off Branch	Total
1. TOTAL REVENUE			$3,208,401
2. EXPENSES			
(a) Station	29,592		
(b) Train & Engine	373,655		
(c) Other Operating	-0-		
(d) Locomotive Investment	132,696		
(e) Locomotive Repairs & Fuel	163,339		
(f) Caboose Investment	8,644		
(g) Caboose Repairs	2,000		
Total Operating			709,926
(h) Maintenance of Way(Actual)	70,750		70,750
(i) Freight Cars	580,082	474,238	1,054,310
(j) Off Branch Line Haul Costs		1,036,208	1,036,208
(k) Joint Facility Expenses(Net)	65,608		65,608
(l) Other	-0-	-0-	-0-
(m) Other			
(n) Return on Net Salvage	78,350		78,350
TOTAL EXPENSES			$3,015,162
3. CONTRIBUTION (Actual MOW)			$ 193,239
4. Normalized MOW Expense $253,823			
(a)Less Actual MOW Expense(h) $70,750			$ 183,073
5. CONTRIBUTION (Normalized MOW L3-L4 (a))			$ 10,166

COMMENTS:

LIGHT DENSITY LINE
REVENUE - EXPENSE EVALUATION

LINE Beverly - Rutledge (201) STUDY PERIOD 10/1/75 - 9/30/76

	On Branch	Off Branch	Total
1. TOTAL REVENUE			$1,566,050
2. EXPENSES			
(a) Station	48,719		
(b) Train & Engine	287,127		
(c) Other Operating	-0-		
(d) Locomotive Investment	88,464		
(e) Locomotive Repairs & Fuel	176,603		
(f) Caboose Investment	8,644		
(g) Caboose Repairs	1,000		
Total Operating			610,557
(h) Maintenance of Way(Actual)	215,600		215,600
(i) Freight Cars	194,881	251,773	446,654
(j) Off Branch Line Haul Costs		417,338	417,338
(k) Joint Facility Expenses(Net)	-0-		-0-
(l) Other	-0-	-0-	-0-
(m) Other			
(n) Return on Net Salvage	187,600		187,600
TOTAL EXPENSES			$1,877,749
3. CONTRIBUTION (Actual MOW)			$(311,699)
4. Normalized MOW Expense			
(a)Less Actual MOW Expense(h)			
5. CONTRIBUTION (Normalized MOW L3-L4 (a))			

COMMENTS:

LIGHT DENSITY LINE
REVENUE - EXPENSE EVALUATION

LINE Beverly - Amana STUDY PERIOD 10/1/75 - 9/30/76

	On Branch	Off Branch	Total
1. TOTAL REVENUE			$1,246,700
2. EXPENSES			
(a) Station	24,400		
(b) Train & Engine	186,000		
(c) Other Operating	-0-		
(d) Locomotive Investment	22,100		
(e) Locomotive Repairs & Fuel	44,000		
(f) Caboose Investment	4,300		
(g) Caboose Repairs	500		
Total Operating			281,300
(h) Maintenance of Way(Actual)	58,000		58,000
(i) Freight Cars	156,000	201,000	357,000*
(j) Off Branch Line Haul Costs		334,000	334,000*
(k) Joint Facility Expenses(Net)	-0-		-0-
(l) Other	-0-	-0-	-0-
(m) Other			
(n) Return on Net Salvage	50,500		50,000
TOTAL EXPENSES			$1,080,800
3. CONTRIBUTION (Actual MOW)			$ 165,900
4. Normalized MOW Expense $120,000			
(a)Less Actual MOW Expense(h) $58,000			$ 62,000
5. CONTRIBUTION (Normalized MOW L3-L4 (a))			$ 103,900

COMMENTS:

*80% of expense between Beverly - Rutledge
(same as ratio of carloads)

LIGHT DENSITY LINE
REVENUE - EXPENSE EVALUATION

LINE Highland - Sigourney (240) STUDY PERIOD 10/1/75-9/30/76

	On Branch	Off Branch	Total
1. TOTAL REVENUE			$230,000
2. EXPENSES			
(a) Station	24,360		
(b) Train & Engine	66,569		
(c) Other Operating	-0-		
(d) Locomotive Investment	-0-		
(e) Locomotive Repairs & Fuel	6,253		
(f) Caboose Investment	-0-		
(g) Caboose Repairs	70		
Total Operating			97,252
(h) Maintenance of Way(Actual)	64,000		64,000
(i) Freight Cars	44,273	35,306	79,579
(j) Off Branch Line Haul Costs		83,286	83,286
(k) Joint Facility Expenses(Net)	-0-		-0-
(l) Other	-0-	-0-	-0-
(m) Other	-0-	-0-	-0-
(n) Return on Net Salvage	56,700		56,700
TOTAL EXPENSES			$380,817
3. CONTRIBUTION (Actual MOW)			$(150,817)
4. Normalized MOW Expense			
(a)Less Actual MOW Expense(h)			
5. CONTRIBUTION (Normalized MOW L3-L4 (a))			

COMMENTS:

LIGHT DENSITY LINE
REVENUE - EXPENSE EVALUATION

LINE Davenport - Eldridge (211) STUDY PERIOD 10/1/75 - 9/30/76

	On Branch	Off Branch	Total
1. TOTAL REVENUE			$ 93,757
2. EXPENSES			
(a) Station	-0-		
(b) Train & Engine	20,263		
(c) Other Operating	-0-		
(d) Locomotive Investment	-0-		
(e) Locomotive Repairs & Fuel	3,091		
(f) Caboose Investment	-0-		
(g) Caboose Repairs	40		
Total Operating			23,394
(h) Maintenance of Way(Actual)	29,480		29,480
(i) Freight Cars	17,573	11,262	28,835
(j) Off Branch Line Haul Costs		30,297	30,297
(k) Joint Facility Expenses(Net)	-0-		-0-
(l) Other			
(m) Other			
(n) Return on Net Salvage	13,800		13,800
TOTAL EXPENSES			$ 125,806
3. CONTRIBUTION (Actual MOW)			$ (32,049)
4. Normalized MOW Expense			
(a)Less Actual MOW Expense(h)			
5. CONTRIBUTION (Normalized MOW L3-L4 (a))			

COMMENTS:

LIGHT DENSITY LINE
REVENUE - EXPENSE EVALUATION

LINE Delmar - Maquoketa (213) STUDY PERIOD 10/1/75 - 9/30/76

	On Branch	Off Branch	Total
1. TOTAL REVENUE			$103,805
2. EXPENSES			
(a) Station	1,478		
(b) Train & Engine	2,348		
(c) Other Operating	-0-		
(d) Locomotive Investment	-0-		
(e) Locomotive Repairs & Fuel	1,783		
(f) Caboose Investment	-0-		
(g) Caboose Repairs	20		
Total Operating			5,629
(h) Maintenance of Way(Actual)	26,060		26,060
(i) Freight Cars	18,133	15,697	33,830
(j) Off Branch Line Haul Costs		33,482	33,482
(k) Joint Facility Expenses(Net)	-0-		-0-
(l) Other	-0-	-0-	-0-
(m) Other	-0-	-0-	-0-
(n) Return on Net Salvage	7,800		7,800
TOTAL EXPENSES			$106,801
3. CONTRIBUTION (Actual MOW)			$ (2,996)
4. Normalized MOW Expense			
(a)Less Actual MOW Expense(h)			
5. CONTRIBUTION (Normalized MOW L3-L4 (a))			

COMMENTS:

LIGHT DENSITY LINE
REVENUE - EXPENSE EVALUATION

LINE Clive - Herndon (215) STUDY PERIOD 10/1/75 - 9/30/76

	On Branch	Off Branch	Total
1. TOTAL REVENUE			$1,011,999
2. EXPENSES			
(a) Station	45,864		
(b) Train & Engine	60,150		
(c) Other Operating	-0-		
(d) Locomotive Investment	-0-		
(e) Locomotive Repairs & Fuel	16,082		
(f) Caboose Investment	-0-		
(g) Caboose Repairs	170		
Total Operating			122,266
(h) Maintenance of Way(Actual)	82,139		82,139
(i) Freight Cars	77,988	129,587	207,575
(j) Off Branch Line Haul Costs		322,330	322,330
(k) Joint Facility Expenses(Net)	-0-		-0-
(l) Other	-0-	-0-	-0-
(m) Other	-0-	-0-	-0-
(n) Return on Net Salvage			85,600
TOTAL EXPENSES			$ 819,910
3. CONTRIBUTION (Actual MOW)			$ 192,089
4. Normalized MOW Expense $255,868			
(a)Less Actual MOW Expense(h) $82,139			$ 173,729
5. CONTRIBUTION (Normalized MOW L3-L4 (a))			$ 18,360

COMMENTS:

LIGHT DENSITY LINE
REVENUE - EXPENSE EVALUATION

LINE Des Moines - Woodward (217) STUDY PERIOD 10/1/75 - 9/30/76

	On Branch	Off Branch	Total
1. TOTAL REVENUE			$3,408,735
2. EXPENSES			
(a) Station	27,199		
(b) Train & Engine	223,490		
(c) Other Operating	-0-		
(d) Locomotive Investment	37,711		
(e) Locomotive Repairs & Fuel	48,298		
(f) Caboose Investment	1,513		
(g) Caboose Repairs	350		
Total Operating			338,561
(h) Maintenance of Way(Actual)	34,479		34,479
(i) Freight Cars	370,285	608,460	978,745
(j) Off Branch Line Haul Costs		1,244,056	1,244,056
(k) Joint Facility Expenses(Net)	358,260		358,260
(l) Other	-0-	-0-	-0-
(m) Other			
(n) Return on Net Salvage	55,100		55,100
TOTAL EXPENSES			$3,009,201
3. CONTRIBUTION (Actual MOW)			$ 399,534
4. Normalized MOW Expense $146,450			
(a)Less Actual MOW Expense(h) $34,479			$111,971
5. CONTRIBUTION (Normalized MOW L3-L4 (a))			$287,563

COMMENTS:

LIGHT DENSITY LINE
REVENUE - EXPENSE EVALUATION

LINE Paralta - Hopkinton (219) STUDY PERIOD 10/1/75 - 9/30/76

	On Branch	Off Branch	Total
1. TOTAL REVENUE			$215,947
2. EXPENSES			
(a) Station	26,051		
(b) Train & Engine	30,103		
(c) Other Operating	-0-		
(d) Locomotive Investment	-0-		
(e) Locomotive Repairs & Fuel	10,339		
(f) Caboose Investment	-0-		
(g) Caboose Repairs	100		
Total Operating			66,593
(h) Maintenance of Way(Actual)	45,300		45,300
(i) Freight Cars	32,685	27,570	60,255
(j) Off Branch Line Haul Costs		66,493	66,493
(k) Joint Facility Expenses(Net)			-0-
(l) Other			-0-
(m) Other			-0-
(n) Return on Net Salvage			38,400
TOTAL EXPENSES			$277,041
3. CONTRIBUTION (Actual MOW)			$(61,094)
4. Normalized MOW Expense			
(a)Less Actual MOW Expense(h)			
5. CONTRIBUTION (Normalized MOW L3-L4 (a))			

COMMENTS:

LIGHT DENSITY LINE
REVENUE - EXPENSE EVALUATION

LINE Rockwell City - Storm Lake (221) STUDY PERIOD 10/1/75 - 9/30/76

	On Branch	Off Branch	Total
1. TOTAL REVENUE			$455,468
2. EXPENSES			
(a) Station	26,628		
(b) Train & Engine	36,777		
(c) Other Operating	-0-		
(d) Locomotive Investment	-0-		
(e) Locomotive Repairs & Fuel	8,179		
(f) Caboose Investment	-0-		
(g) Caboose Repairs	90		
Total Operating			71,674
(h) Maintenance of Way(Actual)	42,666		42,666
(i) Freight Cars	59,517	71,227	130,744
(j) Off Branch Line Haul Costs		157,941	157,941
(k) Joint Facility Expenses(Net)	-0-		-0-
(l) Other	-0-	-0-	-0-
(m) Other	-0-	-0-	-0-
(n) Return on Net Salvage	64,200		64,200
TOTAL EXPENSES			$467,225
3. CONTRIBUTION (Actual MOW)			$(11,757)
4. Normalized MOW Expense			
(a)Less Actual MOW Expense(h)			
5. CONTRIBUTION (Normalized MOW L3-L4 (a))			

COMMENTS:

LIGHT DENSITY LINE
REVENUE - EXPENSE EVALUATION

LINE Rockwell City - Sac City (242) STUDY PERIOD 10/1/75 - 9/30/76

	On Branch	Off Branch	Total
1. TOTAL REVENUE			$287,900
2. EXPENSES			
(a) Station	-0-		
(b) Train & Engine	16,180		
(c) Other Operating	-0-		
(d) Locomotive Investment	-0-		
(e) Locomotive Repairs & Fuel	2,220		
(f) Caboose Investment	-0-		
(g) Caboose Repairs	30		
Total Operating			18,430
(h) Maintenance of Way(Actual)	21,000		21,000
(i) Freight Cars	43,281	38,805	82,086
(j) Off Branch Line Haul Costs		85,695	85,695
(k) Joint Facility Expenses(Net)	-0-		-0-
(l) Other	-0-	-0-	-0-
(m) Other			
(n) Return on Net Salvage	22,700		22,700
TOTAL EXPENSES			$229,911
3. CONTRIBUTION (Actual MOW)			$57,989
4. Normalized MOW Expense $96,919			
(a)Less Actual MOW Expense(h) $21,000			$75,919
5. CONTRIBUTION (Normalized MOW L3-L4 (a))			$(17,930)

COMMENTS:

LIGHT DENSITY LINE
REVENUE - EXPENSE EVALUATION

LINE Watertown - Madison (323) STUDY PERIOD 10/1/75 - 9/30/76

	On Branch	Off Branch	Total
1. TOTAL REVENUE			$1,314,958
2. EXPENSES			
(a) Station	26,024		
(b) Train & Engine	78,605		
(c) Other Operating	-0-		
(d) Locomotive Investment	-0-		
(e) Locomotive Repairs & Fuel	25,252		
(f) Caboose Investment	-0-		
(g) Caboose Repairs	250		
Total Operating			130,131
(h) Maintenance of Way(Actual)	55,965		55,965
(i) Freight Cars	174,706	152,821	327,527
(j) Off Branch Line Haul Costs		347,155	347,155
(k) Joint Facility Expenses(Net)	-0-		-0-
(l) Other	-0-	-0-	-0-
(m) Other			
(n) Return on Net Salvage	123,800		123,800
TOTAL EXPENSES			$ 984,578
3. CONTRIBUTION (Actual MOW)			$ 330,380
4. Normalized MOW Expense $153,630			
(a)Less Actual MOW Expense(h) $55,965			$ 97,665
5. CONTRIBUTION (Normalized MOW L3-L4 (a))			$ 232,715

COMMENTS:

LIGHT DENSITY LINE
REVENUE - EXPENSE EVALUATION

LINE Sparta-Viroqua (325) STUDY PERIOD 10/1/75-9/30/76

	On Branch	Off Branch	Total
1. TOTAL REVENUE			$322,814
2. EXPENSES			
(a) Station	26,059		
(b) Train & Engine	32,676		
(c) Other Operating	-0-		
(d) Locomotive Investment	-0-		
(e) Locomotive Repairs & Fuel	15,529		
(f) Caboose Investment	-0-		
(g) Caboose Repairs	130		
Total Operating			74,394
(h) Maintenance of Way(Actual)	59,515		59,515
(i) Freight Cars	46,899	41,652	88,551
(j) Off Branch Line Haul Costs		109,790	109,790
(k) Joint Facility Expenses(Net)	-0-		-0-
(l) Other			
(m) Other			
(n) Return on Net Salvage	36,700		36,700
TOTAL EXPENSES			$368,950
3. CONTRIBUTION (Actual MOW)			$(46,136)
4. Normalized MOW Expense			
(a)Less Actual MOW Expense(h)			
5. CONTRIBUTION (Normalized MOW L3-L4 (a))			

COMMENTS:

LIGHT DENSITY LINE
REVENUE - EXPENSE EVALUATION

LINE No.Milw. - Horicon (327) STUDY PERIOD 10/1/75 - 9/30/76

	On Branch	Off Branch	Total
1. TOTAL REVENUE			$739,208
2. EXPENSES			
(a) Station	82,506		
(b) Train & Engine	134,707		
(c) Other Operating	-0-		
(d) Locomotive Investment	36,634		
(e) Locomotive Repairs & Fuel	75,078		
(f) Caboose Investment	1,469		
(g) Caboose Repairs	340		
Total Operating			330,734
(h) Maintenance of Way(Actual)	117,000*		117,000
(i) Freight Cars	73,052	70,183	143,235
(j) Off Branch Line Haul Costs		189,498	189,498
(k) Joint Facility Expenses(Net)	(151,464)		(151,464)
(l) Other	-0-	-0-	-0-
(m) Other			
(n) Return on Net Salvage	119,400		119,400
TOTAL EXPENSES			$748,403
3. CONTRIBUTION (Actual MOW)			$(9,195)
4. Normalized MOW Expense			
(a)Less Actual MOW Expense(h)			
5. CONTRIBUTION (Normalized MOW L3-L4 (a))			

COMMENTS:

LIGHT DENSITY LINE
REVENUE - EXPENSE EVALUATION

LINE Horicon - Portage (329) STUDY PERIOD 10/1/75 - 9/30/76

	On Branch	Off Branch	Total
1. TOTAL REVENUE			$793,208
2. EXPENSES			
(a) Station	22,099		
(b) Train & Engine	125,429		
(c) Other Operating	-0-		
(d) Locomotive Investment	18,135		
(e) Locomotive Repairs & Fuel	18,308		
(f) Caboose Investment	1,772		
(g) Caboose Repairs	410		
Total Operating			186,153
(h) Maintenance of Way(Actual)	61,817		61,817
(i) Freight Cars	122,196	125,657	247,853
(j) Off Branch Line Haul Costs		261,591	261,591
(k) Joint Facility Expenses(Net)	-0-		-0-
(l) Other			
(m) Other			
(n) Return on Net Salvage	51,900		51,900
TOTAL EXPENSES			$809,314
3. CONTRIBUTION (Actual MOW)			$(16,106)
4. Normalized MOW Expense			
(a)Less Actual MOW Expense(h)			
5. CONTRIBUTION (Normalized MOW L3-L4 (a))			

COMMENTS:

LIGHT DENSITY LINE
REVENUE - EXPENSE EVALUATION

LINE Horicon - Cambridge (356) STUDY PERIOD 10/1/75 - 9/30/76

	On Branch	Off Branch	Total
1. TOTAL REVENUE			$762,400
2. EXPENSES			
(a) Station	22,099		
(b) Train & Engine	125,429		
(c) Other Operating	-0-		
(d) Locomotive Investment	18,135		
(e) Locomotive Repairs & Fuel	18,308		
(f) Caboose Investment	1,772		
(g) Caboose Repairs	410		
Total Operating			186,153
(h) Maintenance of Way(Actual)	38,000		38,000
(i) Freight Cars	111,118	124,234	235,352
(j) Off Branch Line Haul Costs		254,017	254,017
(k) Joint Facility Expenses(Net)	-0-		-0-
(l) Other	-0-	-0-	-0-
(m) Other			
(n) Return on Net Salvage	30,800		30,800
TOTAL EXPENSES			$744,322
3. CONTRIBUTION (Actual MOW)			$18,078
4. Normalized MOW Expense $132,600			
(a)Less Actual MOW Expense(h) $38,000			$ 94,600
5. CONTRIBUTION (Normalized MOW L3-L4 (a))			$(76,522)

COMMENTS:

LIGHT DENSITY LINE
REVENUE - EXPENSE EVALUATION

LINE Horicon - Oshkosh (331) STUDY PERIOD 10/1/75 - 9/30/76

	On Branch	Off Branch	Total
1. TOTAL REVENUE			$1,208,697
2. EXPENSES			
(a) Station	40,408		
(b) Train & Engine	225,589		
(c) Other Operating	-0-		
(d) Locomotive Investment	45,253		
(e) Locomotive Repairs & Fuel	67,587		
(f) Caboose Investment	3,630		
(g) Caboose Repairs	840		
Total Operating			383,307
(h) Maintenance of Way(Actual)	105,400		105,400
(i) Freight Cars	165,092	224,131	389,223
(j) Off Branch Line Haul Costs		375,723	375,723
(k) Joint Facility Expenses(Net)	38,248		38,248
(l) Other	-0-	-0-	-0-
(m) Other			
(n) Return on Net Salvage	101,700		101,700
TOTAL EXPENSES			$1,393,601
3. CONTRIBUTION (Actual MOW)			$(184,904)
4. Normalized MOW Expense			
(a)Less Actual MOW Expense(h)			
5. CONTRIBUTION (Normalized MOW L3-L4 (a))			

COMMENTS:

LIGHT DENSITY LINE
REVENUE - EXPENSE EVALUATION

LINE Brandon - Markeson (333) STUDY PERIOD 10/1/75 - 9/30/76

	On Branch	Off Branch	Total
1. TOTAL REVENUE			$522,212
2. EXPENSES			
(a) Station	23,576		
(b) Train & Engine	5,012		
(c) Other Operating	-0-		
(d) Locomotive Investment	-0-		
(e) Locomotive Repairs & Fuel	13,176		
(f) Caboose Investment	-0-		
(g) Caboose Repairs	200		
Total Operating			41,964
(h) Maintenance of Way(Actual)	27,958		27,958
(i) Freight Cars	68,396	68,396	136,572
(j) Off Branch Line Haul Costs		150,606	150,606
(k) Joint Facility Expenses(Net)	-0-		-0-
(l) Other	-0-	-0-	-0-
(m) Other			
(n) Return on Net Salvage	11,240		11,240
TOTAL EXPENSES			$368,340
3. CONTRIBUTION (Actual MOW)			$153,872
4. Normalized MOW Expense $60,605			
(a)Less Actual MOW Expense(h) $27,958			$ 32,647
5. CONTRIBUTION (Normalized MOW L3-L4 (a))			$121,225

COMMENTS:

LIGHT DENSITY LINE
REVENUE - EXPENSE EVALUATION

LINE Ripon - Berlin (335) STUDY PERIOD 10/1/75 - 9/30/76

	On Branch	Off Branch	Total
1. TOTAL REVENUE			$73,466
2. EXPENSES			
(a) Station	-0-		
(b) Train & Engine	13,400		
(c) Other Operating	-0-		
(d) Locomotive Investment	-0-		
(e) Locomotive Repairs & Fuel	2,314		
(f) Caboose Investment	-0-		
(g) Caboose Repairs	30		
Total Operating			15,744
(h) Maintenance of Way(Actual)	8,034		8,034
(i) Freight Cars	11,849	7,387	19,236
(j) Off Branch Line Haul Costs		17,465	17,465
(k) Joint Facility Expenses(Net)	-0-		-0-
(l) Other			
(m) Other			
(n) Return on Net Salvage	11,100		11,100
TOTAL EXPENSES			$71,579
3. CONTRIBUTION (Actual MOW)			$ 1,887
4. Normalized MOW Expense $60,900			
(a)Less Actual MOW Expense(h) $8,034			$52,866
5. CONTRIBUTION (Normalized MOW L3-L4 (a))			$(50,979)

COMMENTS:

LIGHT DENSITY LINE
REVENUE - EXPENSE EVALUATION

LINE Granville - Merton (337) STUDY PERIOD 10/1/75 - 9/30/76

	On Branch	Off Branch	Total
1. TOTAL REVENUE			$183,972
2. EXPENSES			
(a) Station	-0-		
(b) Train & Engine	22,576		
(c) Other Operating	-0-		
(d) Locomotive Investment	15,481		
(e) Locomotive Repairs & Fuel	16,991		
(f) Caboose Investment	1,513		
(g) Caboose Repairs	350		
Total Operating			73,811
(h) Maintenance of Way(Actual)	10,060		10,060
(i) Freight Cars	24,112	15,878	39,990
(j) Off Branch Line Haul Costs		33,054	33,054
(k) Joint Facility Expenses(Net)	-0-		-0-
(l) Other			
(m) Other			
(n) Return on Net Salvage	22,600		22,600
TOTAL EXPENSES			$179,515
3. CONTRIBUTION (Actual MOW)			$ 4,457
4. Normalized MOW Expense $83,655			
(a)Less Actual MOW Expense(h)$10,060			$ 73,595
5. CONTRIBUTION (Normalized MOW L3-L4 (a))			$ (69,138)

COMMENTS:

LIGHT DENSITY LINE
REVENUE - EXPENSE EVALUATION

LINE Iron Ridge - Fond du Lac (339) STUDY PERIOD 10/1/75 - 9/30/76

	On Branch	Off Branch	Total
1. TOTAL REVENUE			$1,001,309
2. EXPENSES			
(a) Station	49,999		
(b) Train & Engine	130,807		
(c) Other Operating	-0-		
(d) Locomotive Investment	44,232		
(e) Locomotive Repairs & Fuel	72,024		
(f) Caboose Investment	4,322		
(g) Caboose Repairs	1,000		
Total Operating			302,384
(h) Maintenance of Way(Actual)	50,425		50,425
(i) Freight Cars	199,602	143,320	342,922
(j) Off Branch Line Haul Costs		322,021	322,021
(k) Joint Facility Expenses(Net)	2,276		2,276
(l) Other	-0-	-0-	-0-
(m) Other			
(n) Return on Net Salvage	29,700		29,700
TOTAL EXPENSES			$1,049,728
3. CONTRIBUTION (Actual MOW)			$ (48,419)
4. Normalized MOW Expense			
(a)Less Actual MOW Expense(h)			
5. CONTRIBUTION (Normalized MOW L3-L4 (a))			

COMMENTS:

LIGHT DENSITY LINE
REVENUE - EXPENSE EVALUATION

LINE Channing - Republic (341) STUDY PERIOD 10/1/75 - 9/30/76

	On Branch	Off Branch	Total
1. TOTAL REVENUE			$195,257
2. EXPENSES			
(a) Station	-0-		
(b) Train & Engine	23,600		
(c) Other Operating	-0-		
(d) Locomotive Investment	11,943		
(e) Locomotive Repairs & Fuel	24,426		
(f) Caboose Investment	1,167		
(g) Caboose Repairs	270		
Total Operating			61,406
(h) Maintenance of Way(Actual)	23,427		23,427
(i) Freight Cars	14,569	20,778	35,347
(j) Off Branch Line Haul Costs		44,274	44,274
(k) Joint Facility Expenses(Net)	-0-		-0-
(l) Other			
(m) Other			
(n) Return on Net Salvage	21,300		21,300
TOTAL EXPENSES			$185,754
3. CONTRIBUTION (Actual MOW)			$ 9,503
4. Normalized MOW Expense $111,540			
(a)Less Actual MOW Expense(h) $23,427			$88,113
5. CONTRIBUTION (Normalized MOW L3-L4 (a))			$(78,610)

COMMENTS:

LIGHT DENSITY LINE
REVENUE - EXPENSE EVALUATION

LINE Channing - Ontonagon (343) STUDY PERIOD 10/1/75 - 9/30/76

	On Branch	Off Branch	Total
1. TOTAL REVENUE			$1,564,817
2. EXPENSES			
(a) Station	26,995		
(b) Train & Engine	150,666		
(c) Other Operating	-0-		
(d) Locomotive Investment	40,693		
(e) Locomotive Repairs & Fuel	45,170		
(f) Caboose Investment	1,988		
(g) Caboose Repairs	460		
Total Operating			265,972
(h) Maintenance of Way(Actual)	161,021		161,021
(i) Freight Cars	238,903	285,826	524,729
(j) Off Branch Line Haul Costs		579,954	585,626
(k) Joint Facility Expenses(Net)	(1,200)		(1,200)
(l) Other	-0-	-0-	-0-
(m) Other	-0-	-0-	-0-
(n) Return on Net Salvage	81,100		81,100
TOTAL EXPENSES			$1,617,248
3. CONTRIBUTION (Actual MOW)			$ (52,431)
4. Normalized MOW Expense			
(a)Less Actual MOW Expense(h)			
5. CONTRIBUTION (Normalized MOW L3-L4 (a))			

COMMENTS:

LIGHT DENSITY LINE
REVENUE - EXPENSE EVALUATION

LINE Madison - Prairie DuChien (345) STUDY PERIOD 10/1/75 - 9/30/76

	On Branch	Off Branch	Total
1. TOTAL REVENUE			$1,530,504
2. EXPENSES			
(a) Station	41,923		
(b) Train & Engine	128,108		
(c) Other Operating	-0-		
(d) Locomotive Investment	28,014		
(e) Locomotive Repairs & Fuel	43,142		
(f) Caboose Investment	2,247		
(g) Caboose Repairs	520		
Total Operating			243,954
(h) Maintenance of Way(Actual)	130,996		130,996
(i) Freight Cars	163,839	192,555	356,394
(j) Off Branch Line Haul Costs		431,723	431,723
(k) Joint Facility Expenses(Net)	-0-		-0-
(l) Other	-0-	-0-	-0-
(m) Other			
(n) Return on Net Salvage	161,800		161,800
TOTAL EXPENSES			$1,324,867
3. CONTRIBUTION (Actual MOW)			$ 205,637
4. Normalized MOW Expense $505,271			
(a)Less Actual MOW Expense(h) $130,996			$ 374,275
5. CONTRIBUTION (Normalized MOW L3-L4 (a))			$(168,438)

COMMENTS:

LIGHT DENSITY LINE
REVENUE - EXPENSE EVALUATION

LINE Lone Rock - Richland Ctr. (347) STUDY PERIOD 10/1/75 - 9/30/76

	On Branch	Off Branch	Total
1. TOTAL REVENUE			$421,541
2. EXPENSES			
(a) Station	24,101		
(b) Train & Engine	23,711		
(c) Other Operating	-0-		
(d) Locomotive Investment	-0-		
(e) Locomotive Repairs & Fuel	6,928		
(f) Caboose Investment	-0-		
(g) Caboose Repairs	80		
Total Operating			54,820
(h) Maintenance of Way(Actual)	11,787		11,787
(i) Freight Cars	60,830	60,889	121,719
(j) Off Branch Line Haul Costs		119,355	119,355
(k) Joint Facility Expenses(Net)	-0-		-0-
(l) Other	-0-	-0-	-0-
(m) Other	-0-	-0-	-0-
(n) Return on Net Salvage	18,800		18,800
TOTAL EXPENSES			$326,481
3. CONTRIBUTION (Actual MOW)			$ 95,060
4. Normalized MOW Expense $81,776			
(a)Less Actual MOW Expense(h) $11,787			$ 69,989
5. CONTRIBUTION (Normalized MOW L3-L4 (a))			$ 25,071

COMMENTS:

LIGHT DENSITY LINE
REVENUE - EXPENSE EVALUATION

LINE Mazomanie - Sauk City (349) STUDY PERIOD 10/1/75 - 9/30/76

	On Branch	Off Branch	Total
1. TOTAL REVENUE			$172,602
2. EXPENSES			
(a) Station	-0-		
(b) Train & Engine	14,215		
(c) Other Operating	-0-		
(d) Locomotive Investment	-0-		
(e) Locomotive Repairs & Fuel	5,103		
(f) Caboose Investment	-0-		
(g) Caboose Repairs	60		
Total Operating			19,378
(h) Maintenance of Way(Actual)	7,168		7,168
(i) Freight Cars	17,363	26,610	43,973
(j) Off Branch Line Haul Costs		54,149	54,149
(k) Joint Facility Expenses(Net)	-0-		-0-
(l) Other			
(m) Other			
(n) Return on Net Salvage	10,700		10,700
TOTAL EXPENSES			$135,368
3. CONTRIBUTION (Actual MOW)			$ 37,234
4. Normalized MOW Expense $45,729			
(a)Less Actual MOW Expense(h) $ 7,168			$ 38,561
5. CONTRIBUTION (Normalized MOW L3-L4 (a))			$ (1,327)

COMMENTS:

LIGHT DENSITY LINE
REVENUE - EXPENSE EVALUATION

LINE Madison - Richland Center (362) STUDY PERIOD 10/1/75 - 9/30/76
Incl. Mazomanie - Sauk City

	On Branch	Off Branch	Total
1. TOTAL REVENUE			$1,444,900
2. EXPENSES			
(a) Station	20,961		
(b) Train & Engine	91,112		
(c) Other Operating	-0-		
(d) Locomotive Investment	-0-		
(e) Locomotive Repairs & Fuel	28,187		
(f) Caboose Investment	-0-		
(g) Caboose Repairs	230		
Total Operating			140,490
(h) Maintenance of Way(Actual)	77,000		77,000
(i) Freight Cars	178,855	190,004	368,859
(j) Off Branch Line Haul Costs		418,593	418,593
(k) Joint Facility Expenses(Net)	-0-		-0-
(l) Other	-0-	-0-	-0-
(m) Other			
(n) Return on Net Salvage	107,600		107,600
TOTAL EXPENSES			$1,112,542
3. CONTRIBUTION (Actual MOW)			$ 332,358
4. Normalized MOW Expense $353,466			
(a)Less Actual MOW Expense(h) $77,000			$ 276,466
5. CONTRIBUTION (Normalized MOW L3-L4 (a))			$ 55,892

COMMENTS:

LIGHT DENSITY LINE
REVENUE - EXPENSE EVALUATION

LINE Madison - Sauk City (360) STUDY PERIOD 10/1/75 - 9/30/76

	On Branch	Off Branch	Total
1. TOTAL REVENUE			$908,500
2. EXPENSES			
(a) Station	-0-		
(b) Train & Engine	24,251		
(c) Other Operating	-0-		
(d) Locomotive Investment	-0-		
(e) Locomotive Repairs & Fuel	3,979		
(f) Caboose Investment	-0-		
(g) Caboose Repairs	50		
Total Operating			28,280
(h) Maintenance of Way(Actual)	37,200		37,200
(i) Freight Cars	113,283	131,912	245,195
(j) Off Branch Line Haul Costs		312,228	312,228
(k) Joint Facility Expenses(Net)	-0-		-0-
(l) Other	-0-		-0-
(m) Other			
(n) Return on Net Salvage	54,000		54,000
TOTAL EXPENSES			$676,903
3. CONTRIBUTION (Actual MOW)			$231,597
4. Normalized MOW Expense $162,860			
(a)Less Actual MOW Expense(h) $37,200			$125,660
5. CONTRIBUTION (Normalized MOW L3-L4 (a))			$105,937

COMMENTS:

LIGHT DENSITY LINE
REVENUE - EXPENSE EVALUATION

LINE Janesville - Mineral Point (351) STUDY PERIOD 10/1/75 - 9/30/76

	On Branch	Off Branch	Total
1. TOTAL REVENUE			$676,340
2. EXPENSES			
(a) Station	32,279		
(b) Train & Engine	95,631		
(c) Other Operating	-0-		
(d) Locomotive Investment	28,014		
(e) Locomotive Repairs & Fuel	38,010		
(f) Caboose Investment	2,247		
(g) Caboose Repairs	520		
Total Operating			196,701
(h) Maintenance of Way(Actual)	192,558		192,558
(i) Freight Cars	120,601	83,819	204,420
(j) Off Branch Line Haul Costs		178,734	178,734
(k) Joint Facility Expenses(Net)	818		818
(l) Other	-0-		-0-
(m) Other			
(n) Return on Net Salvage	123,000		123,000
TOTAL EXPENSES			$896,261
3. CONTRIBUTION (Actual MOW)			$(219,921)
4. Normalized MOW Expense			
(a)Less Actual MOW Expense(h)			
5. CONTRIBUTION (Normalized MOW L3-L4 (a))			

COMMENTS:

LIGHT DENSITY LINE
REVENUE - EXPENSE EVALUATION

LINE Janesville - Monroe (358) STUDY PERIOD 10/1/75 - 9/30/76

	On Branch	Off Branch	Total
1. TOTAL REVENUE			$515,200
2. EXPENSES			
(a) Station	32,279		
(b) Train & Engine	53,788		
(c) Other Operating	-0-		
(d) Locomotive Investment	-0-		
(e) Locomotive Repairs & Fuel	12,576		
(f) Caboose Investment	-0-		
(g) Caboose Repairs	180		
Total Operating			98,823
(h) Maintenance of Way(Actual)	78,500		78,500
(i) Freight Cars	81,568	67,650	149,218
(j) Off Branch Line Haul Costs		136,014	136,014
(k) Joint Facility Expenses(Net)	-0-		-0-
(l) Other	-0-	-0-	-0-
(m) Other	-0-	-0-	-0-
(n) Return on Net Salvage	55,400		55,400
TOTAL EXPENSES			$517,955
3. CONTRIBUTION (Actual MOW)			$(2,755)
4. Normalized MOW Expense			
(a)Less Actual MOW Expense(h)			
5. CONTRIBUTION (Normalized MOW L3-L4 (a))			

COMMENTS:

LIGHT DENSITY LINE
REVENUE - EXPENSE EVALUATION

LINE Waukesha - Milton Jct. (353) STUDY PERIOD 10/1/75 - 9/30/76

	On Branch	Off Branch	Total
1. TOTAL REVENUE			$188,279
2. EXPENSES			
(a) Station	-0-		
(b) Train & Engine	20,598		
(c) Other Operating	-0-		
(d) Locomotive Investment	-0-		
(e) Locomotive Repairs & Fuel	4,902		
(f) Caboose Investment	-0-		
(g) Caboose Repairs	60		
Total Operating			25,560
(h) Maintenance of Way(Actual)	45,000*		45,000
(i) Freight Cars	21,172	21,553	42,725
(j) Off Branch Line Haul Costs		58,916	58,916
(k) Joint Facility Expenses(Net)	-0-		-0-
(l) Other	-0-	-0-	-0-
(m) Other			
(n) Return on Net Salvage	72,800		72,800
TOTAL EXPENSES			$245,001
3. CONTRIBUTION (Actual MOW)			$(56,722)
4. Normalized MOW Expense			
(a)Less Actual MOW Expense(h)			
5. CONTRIBUTION (Normalized MOW L3-L4 (a))			

COMMENTS:

*Prorated

LIGHT DENSITY LINE
REVENUE - EXPENSE EVALUATION

LINE Wells - Mankato (401) STUDY PERIOD 10/1/75 - 9/30-76

	On Branch	Off Branch	Total
1. TOTAL REVENUE			$265,403
2. EXPENSES			
(a) Station	-0-		
(b) Train & Engine	20,060		
(c) Other Operating	-0-		
(d) Locomotive Investment	-0-		
(e) Locomotive Repairs & Fuel	6,541		
(f) Caboose Investment	-0-		
(g) Caboose Repairs	60		
Total Operating			26,661
(h) Maintenance of Way(Actual)	25,202		25,202
(i) Freight Cars	32,144	36,597	68,741
(j) Off Branch Line Haul Costs		89,500	89,500
(k) Joint Facility Expenses(Net)	-0-		-0-
(l) Other			
(m) Other			
(n) Return on Net Salvage	53,900		53,900
TOTAL EXPENSES			$264,004
3. CONTRIBUTION (Actual MOW)			$ 1,399
4. Normalized MOW Expense $194,218			
(a)Less Actual MOW Expense(h) $25,202			$169,016
5. CONTRIBUTION (Normalized MOW L3-L4 (a))			$(167,617)

COMMENTS:

LIGHT DENSITY LINE
REVENUE - EXPENSE EVALUATION

LINE Farmington - Mankato (403) STUDY PERIOD 10/1/75 - 9/30/76

	On Branch	Off Branch	Total
1. TOTAL REVENUE			$1,474,650
2. EXPENSES			
(a) Station	23,111		
(b) Train & Engine	95,442		
(c) Other Operating	-0-		
(d) Locomotive Investment	27,424		
(e) Locomotive Repairs & Fuel	43,588		
(f) Caboose Investment	2,680		
(g) Caboose Repairs	620		
Total Operating			192,865
(h) Maintenance of Way(Actual)	79,583		79,583
(i) Freight Cars	84,950	174,185	259,135
(j) Off Branch Line Haul Costs		512,865	512,865
(k) Joint Facility Expenses(Net)	(69,366)		(69,366)
(l) Other	-0-	-0-	-0-
(m) Other			
(n) Return on Net Salvage	79,200		79,200
TOTAL EXPENSES			$1,054,282
3. CONTRIBUTION (Actual MOW)			$ 420,368
4. Normalized MOW Expense $302,729			
(a)Less Actual MOW Expense(h) $79,583			$ 223,146
5. CONTRIBUTION (Normalized MOW L3-L4 (a))			$ 197,222

COMMENTS:

LIGHT DENSITY LINE
REVENUE - EXPENSE EVALUATION

LINE Farmington-Kasota (428) STUDY PERIOD 10/1/75 - 9/30/76

	On Branch	Off Branch	Total
1. TOTAL REVENUE			$141,600
2. EXPENSES			
(a) Station	23,111		
(b) Train & Engine	18,324		
(c) Other Operating	-0-		
(d) Locomotive Investment	-0-		
(e) Locomotive Repairs & Fuel	7,443		
(f) Caboose Investment	-0-		
(g) Caboose Repairs	50		
Total Operating			48,928
(h) Maintenance of Way(Actual)	71,500		71,500
(i) Freight Cars	20,593	15,974	36,567
(j) Off Branch Line Haul Costs		41,530	41,530
(k) Joint Facility Expenses(Net)	-0-		-0-
(l) Other	-0-	-0-	-0-
(m) Other			
(n) Return on Net Salvage	79,200		79,200
TOTAL EXPENSES			$277,725
3. CONTRIBUTION (Actual MOW)			$(136,125)
4. Normalized MOW Expense			
(a)Less Actual MOW Expense(h)			
5. CONTRIBUTION (Normalized MOW L3-L4 (a))			

COMMENTS:

LIGHT DENSITY LINE
REVENUE - EXPENSE EVALUATION

LINE Faribault Zumbrota (405) STUDY PERIOD 10/1/75 - 9/30/76

	On Branch	Off Branch	Total
1. TOTAL REVENUE			$307,057
2. EXPENSES			
(a) Station	21,497		
(b) Train & Engine	19,112		
(c) Other Operating	-0-		
(d) Locomotive Investment	-0-		
(e) Locomotive Repairs & Fuel	11,217		
(f) Caboose Investment	-0-		
(g) Caboose Repairs	200		
Total Operating			52,026
(h) Maintenance of Way(Actual)	42,030		42,030
(i) Freight Cars	40,709	40,595	81,304
(j) Off Branch Line Haul Costs		116,260	116,260
(k) Joint Facility Expenses(Net)	-0-		-0-
(l) Other	-0-	-0-	-0-
(m) Other			
(n) Return on Net Salvage	64,500		64,500
TOTAL EXPENSES			$356,120
3. CONTRIBUTION (Actual MOW)			$(49,063)
4. Normalized MOW Expense			
(a)Less Actual MOW Expense(h)			
5. CONTRIBUTION (Normalized MOW L3-L4 (a))			

COMMENTS:

LIGHT DENSITY LINE
REVENUE - EXPENSE EVALUATION

LINE Austin - Mason City (407) STUDY PERIOD 10/1/75 - 9/30/76

	On Branch	Off Branch	Total
1. TOTAL REVENUE			$298,131
2. EXPENSES			
(a) Station	-0-		
(b) Train & Engine	45,497		
(c) Other Operating	-0-		
(d) Locomotive Investment	-0-		
(e) Locomotive Repairs & Fuel	20,116		
(f) Caboose Investment	-0-		
(g) Caboose Repairs	150		
Total Operating			65,763
(h) Maintenance of Way(Actual)	68,714		68,714
(i) Freight Cars	28,984	29,248	58,232
(j) Off Branch Line Haul Costs		73,336	73,336
(k) Joint Facility Expenses(Net)	-0-		-0-
(l) Other			
(m) Other			
(n) Return on Net Salvage	68,000		68,000
TOTAL EXPENSES			$334,045
3. CONTRIBUTION (Actual MOW)			$(35,914)
4. Normalized MOW Expense			
(a)Less Actual MOW Expense(h)			
5. CONTRIBUTION (Normalized MOW L3-L4 (a))			

COMMENTS:

LIGHT DENSITY LINE
REVENUE - EXPENSE EVALUATION

LINE Conover - Decorah (409) STUDY PERIOD 10/1/75 - 9/30/76

	On Branch	Off Branch	Total
1. TOTAL REVENUE			$54,838
2. EXPENSES			
(a) Station	-0-		
(b) Train & Engine	3,778		
(c) Other Operating	-0-		
(d) Locomotive Investment	-0-		
(e) Locomotive Repairs & Fuel	1,479		
(f) Caboose Investment	-0-		
(g) Caboose Repairs	20		
Total Operating			5,277
(h) Maintenance of Way(Actual)	9,323		9,323
(i) Freight Cars	15,230	10,320	25,550
(j) Off Branch Line Haul Costs		22,983	22,983
(k) Joint Facility Expenses(Net)	-0-		-0-
(l) Other	-0-	-0-	-0-
(m) Other	-0-	-0-	-0-
(n) Return on Net Salvage	9,800		9,800
TOTAL EXPENSES			$72,933
3. CONTRIBUTION (Actual MOW)			$(18,095)
4. Normalized MOW Expense			
(a)Less Actual MOW Expense(h)			
5. CONTRIBUTION (Normalized MOW L3-L4 (a))			

COMMENTS:

LIGHT DENSITY LINE
REVENUE - EXPENSE EVALUATION

LINE LaCrescent - Ramsey (411) STUDY PERIOD 10/1/75 - 9/30/76

	On Branch	Off Branch	Total
1. TOTAL REVENUE			$214,811
2. EXPENSES			
(a) Station	23,441		
(b) Train & Engine	51,701		
(c) Other Operating	-0-		
(d) Locomotive Investment	30,078		
(e) Locomotive Repairs & Fuel	31,691		
(f) Caboose Investment	1,469		
(g) Caboose Repairs	340		
Total Operating			138,720
(h) Maintenance of Way(Actual)	99,480		99,480
(i) Freight Cars	49,630	28,505	78,135
(j) Off Branch Line Haul Costs		66,855	66,855
(k) Joint Facility Expenses(Net)	-0-		-0-
(l) Other			
(m) Other			
(n) Return on Net Salvage	114,200		114,200
TOTAL EXPENSES			$497,390
3. CONTRIBUTION (Actual MOW)			$(282,579)
4. Normalized MOW Expense			
(a)Less Actual MOW Expense(h)			
5. CONTRIBUTION (Normalized MOW L3-L4 (a))			

COMMENTS:

LIGHT DENSITY LINE
REVENUE - EXPENSE EVALUATION

LINE Ramsey - Jackson (413) STUDY PERIOD 10/1/75 - 9/30/76

	On Branch	Off Branch	Total
1. TOTAL REVENUE			$3,645,556
2. EXPENSES			
(a) Station	131,706		
(b) Train & Engine	214,415		
(c) Other Operating	-0-		
(d) Locomotive Investment	107,746		
(e) Locomotive Repairs & Fuel	90,129		
(f) Caboose Investment	4,322		
(g) Caboose Repairs	1,000		
Total Operating			549,318
(h) Maintenance of Way(Actual)	232,884		232,884
(i) Freight Cars	301,481	449,713	751,194
(j) Off Branch Line Haul Costs		1,232,503	1,232,503
(k) Joint Facility Expenses(Net)	2,668		2,668
(l) Other	-0-	-0-	-0-
(m) Other	-0-	-0-	-0-
(n) Return on Net Salvage	177,900		177,900
TOTAL EXPENSES			$2,946,467
3. CONTRIBUTION (Actual MOW)			$ 699,089
4. Normalized MOW Expense $567,448			
(a)Less Actual MOW Expense(h) $232,884			$ 334,564
5. CONTRIBUTION (Normalized MOW L3-L4 (a))			$ 364,525

COMMENTS:

LIGHT DENSITY LINE
REVENUE - EXPENSE EVALUATION

LINE Jackson - Madison (415) STUDY PERIOD 10/1/75 - 9/30/76

	On Branch	Off Branch	Total
1. TOTAL REVENUE			$757,682
2. EXPENSES			
(a) Station	71,806		
(b) Train & Engine	68,890		
(c) Other Operating	-0-		
(d) Locomotive Investment	47,408		
(e) Locomotive Repairs & Fuel	39,715		
(f) Caboose Investment	3,812		
(g) Caboose Repairs	880		
Total Operating			232,511
(h) Maintenance of Way(Actual)	132,959		132,959
(i) Freight Cars	89,987	101,825	191,812
(j) Off Branch Line Haul Costs		253,477	253,679
(k) Joint Facility Expenses(Net)	(3,776)		(3,776)
(l) Other			
(m) Other			
(n) Return on Net Salvage	163,200		163,200
TOTAL EXPENSES			$970,385
3. CONTRIBUTION (Actual MOW)			$(212,703)
4. Normalized MOW Expense			
(a)Less Actual MOW Expense(h)			
5. CONTRIBUTION (Normalized MOW L3-L4 (a))			

COMMENTS:

LIGHT DENSITY LINE
REVENUE - EXPENSE EVALUATION

LINE Madison - Bryant (417) STUDY PERIOD 10/1/75 - 9/30/76

	On Branch	Off Branch	Total
1. TOTAL REVENUE			$207,487
2. EXPENSES			
(a) Station	-0-		
(b) Train & Engine	17,376		
(c) Other Operating	-0-		
(d) Locomotive Investment	-0-		
(e) Locomotive Repairs & Fuel	6,107		
(f) Caboose Investment	-0-		
(g) Caboose Repairs	120		
Total Operating			23,603
(h) Maintenance of Way(Actual)	35,763		35,763
(i) Freight Cars	25,037	24,623	49,660
(j) Off Branch Line Haul Costs		57,010	57,010
(k) Joint Facility Expenses(Net)	-0-		-0-
(l) Other			
(m) Other			
(n) Return on Net Salvage	51,900		51,900
TOTAL EXPENSES			$217,936
3. CONTRIBUTION (Actual MOW)			$(10,449)
4. Normalized MOW Expense			
(a)Less Actual MOW Expense(h)			
5. CONTRIBUTION (Normalized MOW L3-L4 (a))			

COMMENTS:

LIGHT DENSITY LINE
REVENUE - EXPENSE EVALUATION

LINE Spencer - Milford (419) STUDY PERIOD 10/1/75 - 9/30/76

	On Branch	Off Branch	Total
1. TOTAL REVENUE			$61,733
2. EXPENSES			
(a) Station	-0-		
(b) Train & Engine	6,823		
(c) Other Operating	-0-		
(d) Locomotive Investment	-0-		
(e) Locomotive Repairs & Fuel	2,717		
(f) Caboose Investment	-0-		
(g) Caboose Repairs	40		
Total Operating			9,580
(h) Maintenance of Way(Actual)	16,600		16,600
(i) Freight Cars	8,354	9,437	17,791
(j) Off Branch Line Haul Costs		22,346	22,346
(k) Joint Facility Expenses(Net)	-0-		-0-
(l) Other	-0-		-0-
(m) Other			
(n) Return on Net Salvage	50,400		50,400
TOTAL EXPENSES			$116,717
3. CONTRIBUTION (Actual MOW)			$(54,984)
4. Normalized MOW Expense			
(a)Less Actual MOW Expense(h)			
5. CONTRIBUTION (Normalized MOW L3-L4 (a))			

COMMENTS:

LIGHT DENSITY LINE
REVENUE - EXPENSE EVALUATION

LINE Trevino - Chippewa Falls (421) STUDY PERIOD 10/1/75 - 9/30/76

	On Branch	Off Branch	Total
1. TOTAL REVENUE			$1,618,976
2. EXPENSES			
(a) Station	76,992		
(b) Train & Engine	202,096		
(c) Other Operating	-0-		
(d) Locomotive Investment	-0-		
(e) Locomotive Repairs & Fuel	41,225		
(f) Caboose Investment	-0-		
(g) Caboose Repairs	210		
Total Operating			320,523
(h) Maintenance of Way(Actual)	88,486		88,486
(i) Freight Cars	166,898	269,168	436,066
(j) Off Branch Line Haul Costs		608,624	608,624
(k) Joint Facility Expenses(Net) Use of BN Tracks	23,571		23,571
(l) Other Winona - Trevino	-0-	55,349	55,349
(m) Other	-0-	-0-	-0-
(n) Return on Net Salvage	86,400		86,400
TOTAL EXPENSES			$1,619,019
3. CONTRIBUTION (Actual MOW)			$ (43)
4. Normalized MOW Expense $239,194			
(a)Less Actual MOW Expense(h) $88,486			$ 150,708
5. CONTRIBUTION (Normalized MOW L3-L4 (a))			$ (150,751)

COMMENTS:

LIGHT DENSITY LINE
REVENUE - EXPENSE EVALUATION

LINE Eau Claire - Durand (432) STUDY PERIOD 10/1/75 - 9/30/76

	On Branch	Off Branch	Total
1. TOTAL REVENUE			$351,600
2. EXPENSES			
(a) Station	26,869		
(b) Train & Engine	32,756		
(c) Other Operating	-0-		
(d) Locomotive Investment	-0-		
(e) Locomotive Repairs & Fuel	7,906		
(f) Caboose Investment	-0-		
(g) Caboose Repairs	50		
Total Operating			67,581
(h) Maintenance of Way(Actual)	46,000		46,000
(i) Freight Cars	50,988	78,345	129,333
(j) Off Branch Line Haul Costs		161,230	161,230
(k) Joint Facility Expenses(Net)	-0-		-0-
(l) Other	-0-	-0-	-0-
(m) Other			
(n) Return on Net Salvage	39,000		39,000
TOTAL EXPENSES			$443,144
3. CONTRIBUTION (Actual MOW)			$(91,544)
4. Normalized MOW Expense			
(a)Less Actual MOW Expense(h)			
5. CONTRIBUTION (Normalized MOW L3-L4 (a))			

COMMENTS:

LIGHT DENSITY LINE
REVENUE - EXPENSE EVALUATION

LINE Hastings - Stillwater (423) STUDY PERIOD 10/1/75 - 9/30/76

	On Branch	Off Branch	Total
1. TOTAL REVENUE			$1,587,020
2. EXPENSES			
(a) Station	42,724		
(b) Train & Engine	68,447		
(c) Other Operating	-0-		
(d) Locomotive Investment	53,873		
(e) Locomotive Repairs & Fuel	42,814		
(f) Caboose Investment	4,322		
(g) Caboose Repairs	1,000		
Total Operating			213,180
(h) Maintenance of Way(Actual)	83,738		83,738
(i) Freight Cars	204,012	338,969	542,981
(j) Off Branch Line Haul Costs		726,745	726,745
(k) Joint Facility Expenses(Net)	4,522		4,522
(l) Other	-0-	-0-	-0-
(m) Other			
(n) Return on Net Salvage	36,500		36,500
TOTAL EXPENSES			$1,607,666
3. CONTRIBUTION (Actual MOW)			$ (20,646)
4. Normalized MOW Expense			
(a)Less Actual MOW Expense(h)			
5. CONTRIBUTION (Normalized MOW L3-L4 (a))			

COMMENTS:

LIGHT DENSITY LINE
REVENUE - EXPENSE EVALUATION

LINE Farmington - Cologne (425) STUDY PERIOD 10/1/75 - 9/30/76

	On Branch	Off Branch	Total
1. TOTAL REVENUE			$2,292,107
2. EXPENSES			
(a) Station	28,475		
(b) Train & Engine	81,139		
(c) Other Operating	-0-		
(d) Locomotive Investment	30,520		
(e) Locomotive Repairs & Fuel	51,330		
(f) Caboose Investment	2,982		
(g) Caboose Repairs	690		
Total Operating			195,136
(h) Maintenance of Way(Actual)	109,777		109,777
(i) Freight Cars	232,134	315,394	547,528
(j) Off Branch Line Haul Costs		851,356	851,356
(k) Joint Facility Expenses(Net)	(3,845)		(3,845)
(l) Other	-0-	-0-	-0-
(m) Other			
(n) Return on Net Salvage	40,560		40,560
TOTAL EXPENSES			$1,740,512
3. CONTRIBUTION (Actual MOW)			$ 551,595
4. Normalized MOW Expense $136,032			
(a)Less Actual MOW Expense(h) $109,777			$ 26,255
5. CONTRIBUTION (Normalized MOW L3-L4 (a))			$ 525,340

COMMENTS:

LIGHT DENSITY LINE
REVENUE - EXPENSE EVALUATION

LINE Farmington - Prior Lake (430) STUDY PERIOD 10/1/75 - 9/30/76

	On Branch	Off Branch	Total
1. TOTAL REVENUE			$82,800
2. EXPENSES			
(a) Station	-0-		
(b) Train & Engine	2,833		
(c) Other Operating	-0-		
(d) Locomotive Investment	-0-		
(e) Locomotive Repairs & Fuel	1,578		
(f) Caboose Investment	-0-		
(g) Caboose Repairs	10		
Total Operating			4,421
(h) Maintenance of Way(Actual)	68,800		68,800
(i) Freight Cars	15,573	13,245	28,818
(j) Off Branch Line Haul Costs		34,659	34,659
(k) Joint Facility Expenses(Net)	(1,647)		(1,647)
(l) Other	-0-	-0-	-0-
(m) Other	-0-	-0-	-0-
(n) Return on Net Salvage	26,900		26,900
TOTAL EXPENSES			$161,951
3. CONTRIBUTION (Actual MOW)			$(79,151)
4. Normalized MOW Expense			
(a)Less Actual MOW Expense(h)			
5. CONTRIBUTION (Normalized MOW L3-L4 (a))			

COMMENTS:

LIGHT DENSITY LINE
REVENUE - EXPENSE EVALUATION

LINE Napa - Platte (501) STUDY PERIOD 10/1/75 - 9/30/76

	On Branch	Off Branch	Total
1. TOTAL REVENUE			$349,460
2. EXPENSES			
(a) Station	25,533		
(b) Train & Engine	50,816		
(c) Other Operating	-0-		
(d) Locomotive Investment	16,162		
(e) Locomotive Repairs & Fuel	18,650		
(f) Caboose Investment	1,297		
(g) Caboose Repairs	300		
Total Operating			112,758
(h) Maintenance of Way(Actual)	63,906		63,906
(i) Freight Cars	55,245	45,467	100,712
(j) Off Branch Line Haul Costs		110,547	110,547
(k) Joint Facility Expenses(Net)	-0-		-0-
(l) Other	-0-		-0-
(m) Other			
(n) Return on Net Salvage	126,400		126,400
TOTAL EXPENSES			$514,323
3. CONTRIBUTION (Actual MOW)			$(164,863)
4. Normalized MOW Expense			
(a)Less Actual MOW Expense(h)			
5. CONTRIBUTION (Normalized MOW L3-L4 (a))			

COMMENTS:

LIGHT DENSITY LINE
REVENUE - EXPENSE EVALUATION

LINE Elk Point - Mitchell (503) STUDY PERIOD 10/1/75 - 9/30/76

	On Branch	Off Branch	Total
1. TOTAL REVENUE			$449,165
2. EXPENSES			
(a) Station	66,452		
(b) Train & Engine	134,747		
(c) Other Operating	-0-		
(d) Locomotive Investment	69,887		
(e) Locomotive Repairs & Fuel	104,338		
(f) Caboose Investment	3,414		
(g) Caboose Repairs	790		
Total Operating			379,628
(h) Maintenance of Way(Actual)	211,621		211,621
(i) Freight Cars	43,001	59,635	102,636
(j) Off Branch Line Haul Costs		158,426	158,426
(k) Joint Facility Expenses(Net)	-0-		-0-
(l) Other	-0-	-0-	-0-
(m) Other	-0-	-0-	-0-
(n) Return on Net Salvage	268,700		268,700
TOTAL EXPENSES			$1,121,011
3. CONTRIBUTION (Actual MOW)			$(671,846)
4. Normalized MOW Expense			
(a)Less Actual MOW Expense(h)			
5. CONTRIBUTION (Normalized MOW L3-L4 (a))			

COMMENTS:

LIGHT DENSITY LINE
REVENUE - EXPENSE EVALUATION

LINE Elk Point - Canton (505) STUDY PERIOD 10/1/75 - 9/30/76

	On Branch	Off Branch	Total
1. TOTAL REVENUE			$402,980
2. EXPENSES			
(a) Station	42,949		
(b) Train & Engine	145,571		
(c) Other Operating	-0-		
(d) Locomotive Investment	-0-		
(e) Locomotive Repairs & Fuel	62,024		
(f) Caboose Investment	-0-		
(g) Caboose Repairs	200		
Total Operating			250,744
(h) Maintenance of Way(Actual)	100,000		100,000
(i) Freight Cars	15,938	17,350	33,288
(j) Off Branch Line Haul Costs		206,803	206,803
(k) Joint Facility Expenses(Net)	-0-		-0-
(l) Other	-0-	-0-	-0-
(m) Other	-0-	-0-	-0-
(n) Return on Net Salvage	143,800		143,800
TOTAL EXPENSES			$734,635
3. CONTRIBUTION (Actual MOW)			$(331,655)
4. Normalized MOW Expense			
(a)Less Actual MOW Expense(h)			
5. CONTRIBUTION (Normalized MOW L3-L4 (a))			

COMMENTS:

LIGHT DENSITY LINE
REVENUE - EXPENSE EVALUATION

LINE Canton - Mitchell (507) STUDY PERIOD 10/1/75 - 9/30/76

	On Branch	Off Branch	Total
1. TOTAL REVENUE			$383,544
2. EXPENSES			
(a) Station	47,881		
(b) Train & Engine	51,139		
(c) Other Operating	-0-		
(d) Locomotive Investment	-0-		
(e) Locomotive Repairs & Fuel	45,773		
(f) Caboose Investment	-0-		
(g) Caboose Repairs	100		
Total Operating			144,893
(h) Maintenance of Way(Actual)	152,722		152,722
(i) Freight Cars	35,986	58,548	94,534
(j) Off Branch Line Haul Costs		137,445	137,445
(k) Joint Facility Expenses(Net)	-0-		-0-
(l) Other	-0-	-0-	-0-
(m) Other			
(n) Return on Net Salvage	181,300		181,300
TOTAL EXPENSES			$710,894
3. CONTRIBUTION (Actual MOW)			$(327,350)
4. Normalized MOW Expense			
(a)Less Actual MOW Expense(h)			
5. CONTRIBUTION (Normalized MOW L3-L4 (a))			

COMMENTS:

LIGHT DENSITY LINE
REVENUE - EXPENSE EVALUATION

LINE Aberdeen - Mitchell (509) STUDY PERIOD 10/1/75 - 9/30/76

	On Branch	Off Branch	Total
1. TOTAL REVENUE			$1,158,774
2. EXPENSES			
(a) Station	120,872		
(b) Train & Engine	126,025		
(c) Other Operating	-0-		
(d) Locomotive Investment	57,502		
(e) Locomotive Repairs & Fuel	91,330		
(f) Caboose Investment	2,809		
(g) Caboose Repairs	650		
Total Operating			399,188
(h) Maintenance of Way(Actual)	136,050		136,050
(i) Freight Cars	64,196	123,802	187,998
(j) Off Branch Line Haul Costs		316,925	316,925
(k) Joint Facility Expenses(Net)	-0-		-0-
(l) Other	-0-	-0-	-0-
(m) Other			
(n) Return on Net Salvage	284,500		284,500
TOTAL EXPENSES			$1,324,651
3. CONTRIBUTION (Actual MOW)			$(165,877)
4. Normalized MOW Expense			
(a)Less Actual MOW Expense(h)			
5. CONTRIBUTION (Normalized MOW L3-L4 (a))			

COMMENTS:

LIGHT DENSITY LINE
REVENUE - EXPENSE EVALUATION

LINE Marion Jct. - Menno (511) STUDY PERIOD 10/1/75 - 9/30/76

	On Branch	Off Branch	Total
1. TOTAL REVENUE			$ 87,268
2. EXPENSES			
(a) Station	-0-		
(b) Train & Engine	5,360		
(c) Other Operating	-0-		
(d) Locomotive Investment	-0-		
(e) Locomotive Repairs & Fuel	2,054		
(f) Caboose Investment	-0-		
(g) Caboose Repairs	30		
Total Operating			7,444
(h) Maintenance of Way(Actual)	11,766		11,766
(i) Freight Cars	15,860	15,692	31,552
(j) Off Branch Line Haul Costs		37,710	37,710
(k) Joint Facility Expenses(Net)	-0-		-0-
(l) Other	-0-	-0-	-0-
(m) Other	-0-	-0-	-0-
(n) Return on Net Salvage	27,600		27,600
TOTAL EXPENSES			$116,072
3. CONTRIBUTION (Actual MOW)			$(28,804)
4. Normalized MOW Expense			
(a)Less Actual MOW Expense(h)			
5. CONTRIBUTION (Normalized MOW L3-L4 (a))			

COMMENTS:

LIGHT DENSITY LINE
REVENUE - EXPENSE EVALUATION

LINE Mitchell - Murdo (513) STUDY PERIOD 10/1/75 - 9/30/76

	On Branch	Off Branch	Total
1. TOTAL REVENUE			$1,001,403
2. EXPENSES			
(a) Station	70,791		
(b) Train & Engine	131,096		
(c) Other Operating	-0-		
(d) Locomotive Investment	67,880		
(e) Locomotive Repairs & Fuel	98,514		
(f) Caboose Investment	2,723		
(g) Caboose Repairs	630		
Total Operating			371,634
(h) Maintenance of Way(Actual)	183,616		183,616
(i) Freight Cars	76,539	113,147	189,686
(j) Off Branch Line Haul Costs		272,806	272,806
(k) Joint Facility Expenses(Net)	-0-		-0-
(l) Other	-0-	-0-	-0-
(m) Other	-0-	-0-	-0-
(n) Return on Net Salvage	175,600		175,600
TOTAL EXPENSES			$1,193,342
3. CONTRIBUTION (Actual MOW)			($191,939)
4. Normalized MOW Expense			
(a)Less Actual MOW Expense(h)			
5. CONTRIBUTION (Normalized MOW L3-L4 (a))			

COMMENTS:

LIGHT DENSITY LINE
REVENUE - EXPENSE EVALUATION

LINE Murdo - Rapid City (515) STUDY PERIOD 10/1/75 - 9/30/76

	On Branch	Off Branch	Total
1. TOTAL REVENUE			$2,483,344
2. EXPENSES			
(a) Station	89,052		
(b) Train & Engine	160,531		
(c) Other Operating	-0-		
(d) Locomotive Investment	107,746		
(e) Locomotive Repairs & Fuel	135,009		
(f) Caboose Investment	4,322		
(g) Caboose Repairs	1,000		
Total Operating			497,660
(h) Maintenance of Way(Actual)	185,077		185,077
(i) Freight Cars	224,905	365,981	590,886
(j) Off Branch Line Haul Costs		777,206	777,206
(k) Joint Facility Expenses(Net)	484		484
(l) Other	-0-	-0-	-0-
(m) Other	-0-	-0-	-0-
(n) Return on Net Salvage	156,800		156,800
TOTAL EXPENSES			$2,208,113
3. CONTRIBUTION (Actual MOW)			$ 275,231
4. Normalized MOW Expense $775,698			
(a)Less Actual MOW Expense(h) $185,077			$ 590,621
5. CONTRIBUTION (Normalized MOW L3-L4 (a))			$ (315,390)

COMMENTS:

LIGHT DENSITY LINE
REVENUE - EXPENSE EVALUATION

LINE Woonsocket - Wessington Springs (517) STUDY PERIOD 10/1/75 - 9/30/76

	On Branch	Off Branch	Total
1. TOTAL REVENUE			$57,953
2. EXPENSES			
(a) Station	-0-		
(b) Train & Engine	4,083		
(c) Other Operating	-0-		
(d) Locomotive Investment	-0-		
(e) Locomotive Repairs & Fuel	330		
(f) Caboose Investment	-0-		
(g) Caboose Repairs	4		
Total Operating			4,417
(h) Maintenance of Way(Actual)	9,304		9,304
(i) Freight Cars	6,976	6,206	13,182
(j) Off Branch Line Haul Costs		16,236	16,236
(k) Joint Facility Expenses(Net)	-0-		-0-
(l) Other	-0-	-0-	-0-
(m) Other	-0-	-0-	-0-
(n) Return on Net Salvage	18,000		18,000
TOTAL EXPENSES			$61,139
3. CONTRIBUTION (Actual MOW)			$(3,186)
4. Normalized MOW Expense			
(a)Less Actual MOW Expense(h)			
5. CONTRIBUTION (Normalized MOW L3-L4 (a))			

COMMENTS:

LIGHT DENSITY LINE
REVENUE - EXPENSE EVALUATION

LINE Ortonville - Fargo (521) STUDY PERIOD 10/1/75 - 9/30/76

	On Branch	Off Branch	Total
1. TOTAL REVENUE			$1,956,472
2. EXPENSES			
(a) Station	61,420		
(b) Train & Engine	94,665		
(c) Other Operating	-0-		
(d) Locomotive Investment	75,422		
(e) Locomotive Repairs & Fuel	103,910		
(f) Caboose Investment	3,025		
(g) Caboose Repairs	700		
Total Operating			339,142
(h) Maintenance of Way(Actual)	171,981		171,981
(i) Freight Cars	204,487	251,270	455,757
(j) Off Branch Line Haul Costs		507,600	507,600
(k) Joint Facility Expenses(Net)	915		915
(l) Other	-0-	-0-	-0-
(m) Other			
(n) Return on Net Salvage	178,600		178,600
TOTAL EXPENSES			$1,653,995
3. CONTRIBUTION (Actual MOW)			$ 302,477
4. Normalized MOW Expense $612,729			
(a)Less Actual MOW Expense(h) $171,981			440,748
5. CONTRIBUTION (Normalized MOW L3-L4 (a))			$(138,271)

COMMENTS:

LIGHT DENSITY LINE
REVENUE - EXPENSE EVALUATION

LINE Milbank - Sisseton (523) STUDY PERIOD 10/1/75 - 9/30/76

	On Branch	Off Branch	Total
1. TOTAL REVENUE			$576,249
2. EXPENSES			
(a) Station	-0-		
(b) Train & Engine	16,454		
(c) Other Operating	-0-		
(d) Locomotive Investment	-0-		
(e) Locomotive Repairs & Fuel	9,716		
(f) Caboose Investment	-0-		
(g) Caboose Repairs	90		
Total Operating			26,260
(h) Maintenance of Way(Actual)	52,164		52,164
(i) Freight Cars	69,160	57,123	126,283
(j) Off Branch Line Haul Costs		125,700	125,700
(k) Joint Facility Expenses(Net)	-0-		-0-
(l) Other	-0-	-0-	-0-
(m) Other	-0-	-0-	-0-
(n) Return on Net Salvage	85,400		85,400
TOTAL EXPENSES			$415,807
3. CONTRIBUTION (Actual MOW)			$160,442
4. Normalized MOW Expense $194,218			
(a)Less Actual MOW Expense(h) $56,164			138,054
5. CONTRIBUTION (Normalized MOW L3-L4 (a))			$22,388

COMMENTS:

LIGHT DENSITY LINE
REVENUE - EXPENSE EVALUATION

LINE Bristol - Garden City (525) STUDY PERIOD 10/1/75 - 9/30/76

	On Branch	Off Branch	Total
1. TOTAL REVENUE			$46,621
2. EXPENSES			
(a) Station	-0-		
(b) Train & Engine	10,365		
(c) Other Operating	-0-		
(d) Locomotive Investment	-0-		
(e) Locomotive Repairs & Fuel	604		
(f) Caboose Investment	-0-		
(g) Caboose Repairs	6		
Total Operating			10,975
(h) Maintenance of Way(Actual)	45,344		45,344
(i) Freight Cars	3,803	3,838	7,641
(j) Off Branch Line Haul Costs		9,590	9,590
(k) Joint Facility Expenses(Net)	-0-		-0-
(l) Other	-0-	-0-	-0-
(m) Other	-0-	-0-	-0-
(n) Return on Net Salvage	33,200		33,200
TOTAL EXPENSES			$106,750
3. CONTRIBUTION (Actual MOW)			$(60,129)
4. Normalized MOW Expense			
(a)Less Actual MOW Expense(h)			
5. CONTRIBUTION (Normalized MOW L3-L4 (a))			

COMMENTS:

LIGHT DENSITY LINE
REVENUE - EXPENSE EVALUATION

LINE Aberdeen - Edgeley (529) STUDY PERIOD 10/1/75 - 9/30/76

	On Branch	Off Branch	Total
1. TOTAL REVENUE			$681,764
2. EXPENSES			
(a) Station	-0-		
(b) Train & Engine	20,564		
(c) Other Operating	-0-		
(d) Locomotive Investment	-0-		
(e) Locomotive Repairs & Fuel	10,488		
(f) Caboose Investment	-0-		
(g) Caboose Repairs	120		
Total Operating			31,172
(h) Maintenance of Way(Actual)	35,779		35,779
(i) Freight Cars	70,682	67,043	137,725
(j) Off Branch Line Haul Costs		170,823	170,823
(k) Joint Facility Expenses(Net)	-0-		-0-
(l) Other	-0-	-0-	-0-
(m) Other	-0-	-0-	-0-
(n) Return on Net Salvage	85,400		85,400
TOTAL EXPENSES			$460,899
3. CONTRIBUTION (Actual MOW)			$220,865
4. Normalized MOW Expense $321,993			
(a)Less Actual MOW Expense(h) $35,779			$286,214
5. CONTRIBUTION (Normalized MOW L3-L4 (a))			$(65,349)

COMMENTS:

LIGHT DENSITY LINE
REVENUE - EXPENSE EVALUATION

LINE Andover - Brampton (527) STUDY PERIOD 10/1/75 - 9/30/76

	On Branch	Off Branch	Total
1. TOTAL REVENUE			$656,425
2. EXPENSES			
(a) Station	21,290		
(b) Train & Engine	13,982		
(c) Other Operating	-0-		
(d) Locomotive Investment	-0-		
(e) Locomotive Repairs & Fuel	2,487		
(f) Caboose Investment	-0-		
(g) Caboose Repairs	30		
Total Operating			37,789
(h) Maintenance of Way(Actual)	75,581		75,581
(i) Freight Cars	42,574	60,691	103,265
(j) Off Branch Line Haul Costs		177,376	177,376
(k) Joint Facility Expenses(Net)	-0-		-0-
(l) Other	-0-	-0-	-0-
(m) Other	-0-	-0-	-0-
(n) Return on Net Salvage	67,400		67,400
TOTAL EXPENSES			$461,411
3. CONTRIBUTION (Actual MOW)			$195,014
4. Normalized MOW Expense $219,085			
(a)Less Actual MOW Expense(h) $75,581			$143,504
5. CONTRIBUTION (Normalized MOW L3-L4 (a))			$51,510

COMMENTS:

LIGHT DENSITY LINE
REVENUE - EXPENSE EVALUATION

LINE Roscoe-Linton (531) STUDY PERIOD 10/1/75 - 9/30/76

	On Branch	Off Branch	Total
1. TOTAL REVENUE			$880,171
2. EXPENSES			
(a) Station	19,846		
(b) Train & Engine	25,650		
(c) Other Operating	-0-		
(d) Locomotive Investment	19,933		
(e) Locomotive Repairs & Fuel	30,321		
(f) Caboose Investment	1,599		
(g) Caboose Repairs	370		
Total Operating			97,719
(h) Maintenance of Way(Actual)	54,201		54,201
(i) Freight Cars	36,135	70,356	106,491
(j) Off Branch Line Haul Costs		207,799	207,799
(k) Joint Facility Expenses(Net)	(4,124)		(4,124)
(l) Other	-0-	-0-	-0-
(m) Other			
(n) Return on Net Salvage	95,700		95,700
TOTAL EXPENSES			$557,786
3. CONTRIBUTION (Actual MOW)			$322,385
4. Normalized MOW Expense $381,825			
(a)Less Actual MOW Expense(h) $54,201			$327,624
5. CONTRIBUTION (Normalized MOW L3-L4 (a))			$(5,239)

COMMENTS:

LIGHT DENSITY LINE
REVENUE - EXPENSE EVALUATION

LINE Moreau Jct. - Isabel (535) STUDY PERIOD 10/1/75 - 9/30/76

	On Branch	Off Branch	Total
1. TOTAL REVENUE			$287,381
2. EXPENSES			
(a) Station	-0-		
(b) Train & Engine	8,739		
(c) Other Operating	-0-		
(d) Locomotive Investment	-0-		
(e) Locomotive Repairs & Fuel	6,039		
(f) Caboose Investment	-0-		
(g) Caboose Repairs	40		
Total Operating			14,818
(h) Maintenance of Way(Actual)	23,620		23,620
(i) Freight Cars	13,450	19,953	33,403
(j) Off Branch Line Haul Costs		70,455	70,455
(k) Joint Facility Expenses(Net)	-0-		-0-
(l) Other			
(m) Other			
(n) Return on Net Salvage	64,800		64,800
TOTAL EXPENSES			$207,096
3. CONTRIBUTION (Actual MOW)			$ 80,285
4. Normalized MOW Expense $283,360			
(a)Less Actual MOW Expense(h) $23,620			$259,740
5. CONTRIBUTION (Normalized MOW L3-L4 (a))			$(179,455)

COMMENTS:

LIGHT DENSITY LINE
REVENUE - EXPENSE EVALUATION

LINE Trail City - Faith (537) STUDY PERIOD 10/1/75 - 9/30/76

	On Branch	Off Branch	Total
1. TOTAL REVENUE			$227,675
2. EXPENSES			
(a) Station	-0-		
(b) Train & Engine	20,730		
(c) Other Operating	-0-		
(d) Locomotive Investment	-0-		
(e) Locomotive Repairs & Fuel	19,187		
(f) Caboose Investment	-0-		
(g) Caboose Repairs	190		
Total Operating			40,107
(h) Maintenance of Way(Actual)	30,389		30,389
(i) Freight Cars	10,240	15,872	26,112
(j) Off Branch Line Haul Costs		60,117	60,117
(k) Joint Facility Expenses(Net)	-0-		-0-
(l) Other	-0-	-0-	-0-
(m) Other			
(n) Return on Net Salvage	116,300		116,300
TOTAL EXPENSES			$273,025
3. CONTRIBUTION (Actual MOW)			$(45,350)
4. Normalized MOW Expense			
(a)Less Actual MOW Expense(h)			
5. CONTRIBUTION (Normalized MOW L3-L4 (a))			

COMMENTS:

LIGHT DENSITY LINE
REVENUE - EXPENSE EVALUATION

LINE McLaughlin - New England (539) STUDY PERIOD 10/1/75 - 9/30/76

	On Branch	Off Branch	Total
1. TOTAL REVENUE			$2,379,958
2. EXPENSES			
(a) Station	24,283		
(b) Train & Engine	41,755		
(c) Other Operating	-0-		
(d) Locomotive Investment	33,401		
(e) Locomotive Repairs & Fuel	58,526		
(f) Caboose Investment	1,340		
(g) Caboose Repairs	310		
Total Operating			159,615
(h) Maintenance of Way(Actual)	53,157		53,157
(i) Freight Cars	80,858	161,421	242,279
(j) Off Branch Line Haul Costs		563,304	563,304
(k) Joint Facility Expenses(Net)	-0-		-0-
(l) Other	-0-	-0-	-0-
(m) Other			
(n) Return on Net Salvage	146,600		146,600
TOTAL EXPENSES			$1,164,955
3. CONTRIBUTION (Actual MOW)			$1,215,003
4. Normalized MOW Expense $692,137			
(a)Less Actual MOW Expense(h) $53,157			$ 638,980
5. CONTRIBUTION (Normalized MOW L3-L4 (a))			$ 576,023

COMMENTS:

LIGHT DENSITY LINE
REVENUE - EXPENSE EVALUATION

LINE Bonner - Bear Creek (601) STUDY PERIOD 10/1/75 - 9/30/76

	On Branch	Off Branch	Total
1. TOTAL REVENUE			$77,519
2. EXPENSES			
(a) Station	-0-		
(b) Train & Engine	17,515		
(c) Other Operating	-0-		
(d) Locomotive Investment	-0-		
(e) Locomotive Repairs & Fuel	1,740		
(f) Caboose Investment	-0-		
(g) Caboose Repairs	20		
Total Operating			19,275
(h) Maintenance of Way(Actual)	34,324		34,324
(i) Freight Cars	2,413	9,191	11,604
(j) Off Branch Line Haul Costs		24,671	24,671
(k) Joint Facility Expenses(Net)	-0-		-0-
(l) Other	-0-	-0-	-0-
(m) Other			
(n) Return on Net Salvage	42,000		42,000
TOTAL EXPENSES			$131,874
3. CONTRIBUTION (Actual MOW)			$(54,355)
4. Normalized MOW Expense			
(a)Less Actual MOW Expense(h)			
5. CONTRIBUTION (Normalized MOW L3-L4 (a))			

COMMENTS:

LIGHT DENSITY LINE
REVENUE - EXPENSE EVALUATION

LINE Three Forks - Bozeman (603) STUDY PERIOD 10/1/75 - 9/30/76
~~Gallatin Gateway~~

	On Branch	Off Branch	Total
1. TOTAL REVENUE			$325,500
2. EXPENSES			
(a) Station	-0-		
(b) Train & Engine	47,611		
(c) Other Operating	-0-		
(d) Locomotive Investment	-0-		
(e) Locomotive Repairs & Fuel	9,200		
(f) Caboose Investment	-0-		
(g) Caboose Repairs	170		
Total Operating			56,981
(h) Maintenance of Way(Actual)	44,915		44,915
(i) Freight Cars	31,943	42,479	74,422
(j) Off Branch Line Haul Costs		112,032	112,032
(k) Joint Facility Expenses(Net)	-0-		-0-
(l) Other	-0-	-0-	-0-
(m) Other			
(n) Return on Net Salvage	51,000		51,000
TOTAL EXPENSES			$339,350
3. CONTRIBUTION (Actual MOW)			$(13,850)
4. Normalized MOW Expense			
(a)Less Actual MOW Expense(h)			
5. CONTRIBUTION (Normalized MOW L3-L4 (a))			

COMMENTS:

LIGHT DENSITY LINE
REVENUE - EXPENSE EVALUATION

LINE Lewistown - Winifred (605) STUDY PERIOD 10/1/75 - 9/30/76

	On Branch	Off Branch	Total
1. TOTAL REVENUE			$318,196
2. EXPENSES			
(a) Station	-0-		
(b) Train & Engine	13,606		
(c) Other Operating	-0-		
(d) Locomotive Investment	-0-		
(e) Locomotive Repairs & Fuel	3,537		
(f) Caboose Investment	-0-		
(g) Caboose Repairs	30		
Total Operating			17,173
(h) Maintenance of Way(Actual)	19,505		19,505
(i) Freight Cars	17,467	28,983	46,450
(j) Off Branch Line Haul Costs		97,648	97,648
(k) Joint Facility Expenses(Net)	-0-		-0-
(l) Other			
(m) Other			
(n) Return on Net Salvage	43,000		43,000
TOTAL EXPENSES			$223,776
3. CONTRIBUTION (Actual MOW)			$94,420
4. Normalized MOW Expense $227,925			
(a)Less Actual MOW Expense(h)$19,505			$208,420
5. CONTRIBUTION (Normalized MOW L3-L4 (a))			$(114,000)

COMMENTS:

LIGHT DENSITY LINE
REVENUE - EXPENSE EVALUATION

LINE Great Falls - Fairfield (607) STUDY PERIOD 10/1/75 - 9/30/76

	On Branch	Off Branch	Total
1. TOTAL REVENUE			$1,543,114
2. EXPENSES			
(a) Station	21,290		
(b) Train & Engine	35,265		
(c) Other Operating	-0-		
(d) Locomotive Investment	-0-		
(e) Locomotive Repairs & Fuel	12,229		
(f) Caboose Investment	-0-		
(g) Caboose Repairs	70		
Total Operating			68,854
(h) Maintenance of Way(Actual)	23,400		23,400
(i) Freight Cars	48,871	139,824	188,695
(j) Off Branch Line Haul Costs		520,154	520,154
(k) Joint Facility Expenses(Net)	-0-		-0-
(l) Other	-0-	-0-	-0-
(m) Other			
(n) Return on Net Salvage	33,200		33,200
TOTAL EXPENSES			$834,303
3. CONTRIBUTION (Actual MOW)			$708,811
4. Normalized MOW Expense $107,646			
(a)Less Actual MOW Expense(h) $23,400			$ 84,246
5. CONTRIBUTION (Normalized MOW L3-L4 (a))			$ 624,565

COMMENTS:

LIGHT DENSITY LINE
REVENUE - EXPENSE EVALUATION

LINE Fairfield - Agawan (609) STUDY PERIOD 10/1/75 - 9/30/76

	On Branch	Off Branch	Total
1. TOTAL REVENUE			$571,316
2. EXPENSES			
(a) Station	-0-		
(b) Train & Engine	15,701		
(c) Other Operating	-0-		
(d) Locomotive Investment	-0-		
(e) Locomotive Repairs & Fuel	5,759		
(f) Caboose Investment	-0-		
(g) Caboose Repairs	20		
Total Operating			21,480
(h) Maintenance of Way(Actual)	36,400		36,400
(i) Freight Cars	37,028	54,949	91,977
(j) Off Branch Line Haul Costs		193,784	193,784
(k) Joint Facility Expenses(Net)	-0-		-0-
(l) Other	-0-	-0-	-0-
(m) Other			
(n) Return on Net Salvage	38,800		38,800
TOTAL EXPENSES			$382,441
3. CONTRIBUTION (Actual MOW)			$188,875
4. Normalized MOW Expense $158,906			
(a)Less Actual MOW Expense(h) $36,400			$122,506
5. CONTRIBUTION (Normalized MOW L3-L4 (a))			$ 66,369

COMMENTS:

LIGHT DENSITY LINE
REVENUE - EXPENSE EVALUATION

LINE Tiflis - Marcellus (703) STUDY PERIOD 10/1/75 - 9/30/76

	On Branch	Off Branch	Total
1. TOTAL REVENUE			$918,517
2. EXPENSES			
(a) Station	-0-		
(b) Train & Engine	25,316		
(c) Other Operating	-0-		
(d) Locomotive Investment	-0-		
(e) Locomotive Repairs & Fuel	11,747		
(f) Caboose Investment	-0-		
(g) Caboose Repairs	40		
Total Operating			37,103
(h) Maintenance of Way(Actual)	24,389		24,389
(i) Freight Cars	120,819	123,141	243,960
(j) Off Branch Line Haul Costs		333,240	333,240
(k) Joint Facility Expenses(Net)	-0-		-0-
(l) Other			
(m) Other			
(n) Return on Net Salvage	44,500		44,500
TOTAL EXPENSES			$683,192
3. CONTRIBUTION (Actual MOW)			$235,325
4. Normalized MOW Expense $205,240			
(a)Less Actual MOW Expense(h) $24,389			$180,851
5. CONTRIBUTION (Normalized MOW L3-L4 (a))			$54,474

COMMENTS:

LIGHT DENSITY LINE
REVENUE - EXPENSE EVALUATION

LINE Royal City (705) STUDY PERIOD 10/1/75 - 9/30/76

	On Branch	Off Branch	Total
1. TOTAL REVENUE			$355,079
2. EXPENSES			
(a) Station	-0-		
(b) Train & Engine	12,652		
(c) Other Operating	-0-		
(d) Locomotive Investment	-0-		
(e) Locomotive Repairs & Fuel	2,324		
(f) Caboose Investment	-0-		
(g) Caboose Repairs	30		
Total Operating			15,006
(h) Maintenance of Way(Actual)	1,087		1,087
(i) Freight Cars	28,606	53,886	82,492
(j) Off Branch Line Haul Costs		141,293	141,293
(k) Joint Facility Expenses(Net)	-0-		-0-
(l) Other	-0-	-0-	-0-
(m) Other			
(n) Return on Net Salvage	17,600		17,600
TOTAL EXPENSES			$257,478
3. CONTRIBUTION (Actual MOW)			$ 97,601
4. Normalized MOW Expense $26,728			
(a)Less Actual MOW Expense(h) $1,087			$ 25,641
5. CONTRIBUTION (Normalized MOW L3-L4 (a))			$ 71,960

COMMENTS:

LIGHT DENSITY LINE
REVENUE - EXPENSE EVALUATION

LINE McGuires - Metaline Falls (707) STUDY PERIOD 10/1/75 - 9/30/76

	On Branch	Off Branch	Total
1. TOTAL REVENUE			$1,342,829
2. EXPENSES			
(a) Station	-0-		
(b) Train & Engine	158,714		
(c) Other Operating	-0-		
(d) Locomotive Investment	85,120		
(e) Locomotive Repairs & Fuel	78,857		
(f) Caboose Investment	3,414		
(g) Caboose Repairs	790		
Total Operating			326,895
(h) Maintenance of Way(Actual)	89,216		89,216
(i) Freight Cars	180,757	217,835	398,592
(j) Off Branch Line Haul Costs		490,896	490,896
(k) Joint Facility Expenses(Net)	-0-		-0-
(l) Other	-0-	-0-	-0-
(m) Other			
(n) Return on Net Salvage	85,220		85,220
TOTAL EXPENSES			$1,390,819
3. CONTRIBUTION (Actual MOW)			$ (47,990)
4. Normalized MOW Expense			
(a)Less Actual MOW Expense(h)			
5. CONTRIBUTION (Normalized MOW L3-L4 (a))			

COMMENTS:

LIGHT DENSITY LINE
REVENUE - EXPENSE EVALUATION

LINE Beverly Jct.-Hanford (709) STUDY PERIOD 10/1/75 - 9/30/76

	On Branch	Off Branch	Total
1. TOTAL REVENUE			$37,711
2. EXPENSES			
(a) Station	-0-		
(b) Train & Engine	8,185		
(c) Other Operating	-0-		
(d) Locomotive Investment	-0-		
(e) Locomotive Repairs & Fuel	679		
(f) Caboose Investment	-0-		
(g) Caboose Repairs	5		
Total Operating			8,869
(h) Maintenance of Way(Actual)	1,981		1,981
(i) Freight Cars	1,153	4,437	5,590
(j) Off Branch Line Haul Costs		8,038	8,038
(k) Joint Facility Expenses(Net)	-0-		-0-
(l) Other	-0-	-0-	-0-
(m) Other	-0-	-0-	-0-
(n) Return on Net Salvage	20,800		20,800
TOTAL EXPENSES			$45,278
3. CONTRIBUTION (Actual MOW)			$(7,567)
4. Normalized MOW Expense			
(a)Less Actual MOW Expense(h)			
5. CONTRIBUTION (Normalized MOW L3-L4 (a))			

COMMENTS:

LIGHT DENSITY LINE
REVENUE - EXPENSE EVALUATION

LINE Port Townsend - Port Angeles (711) STUDY PERIOD 10/1/75 - 9/30/76

	On Branch	Off Branch	Total
1. TOTAL REVENUE			$5,238,493
2. EXPENSES			
(a) Station	61,553		
(b) Train & Engine	264,484		
(c) Other Operating	-0-		
(d) Locomotive Investment	149,170		
(e) Locomotive Repairs & Fuel	122,780		
(f) Caboose Investment	4,322		
(g) Caboose Repairs	1,000		
Total Operating			603,309
(h) Maintenance of Way(Actual)	207,540		207,540
(i) Freight Cars	250,727	770,229	1,020,956
(j) Off Branch Line Haul Costs		2,502,593	2,502,593
(k) Joint Facility Expenses(Net)	-0-		-0-
(l) Other Barge Investment	-0-	(a) 162,034	162,034
(m) Other Barge Operation & Repair	-0-	(a) 399,884	399,884
(n) Return on Net Salvage	104,480		104,480
TOTAL EXPENSES			$5,000,796
3. CONTRIBUTION (Actual MOW)			$ 237,697
4. Normalized MOW Expense $280,070			
(a)Less Actual MOW Expense(h) $207,540			$ 72,530
5. CONTRIBUTION (Normalized MOW L3-L4 (a))			$ 165,167

COMMENTS:

NOTE - (a) - Barge investment cost based on replacement at $1,750.00, 40 year life, 5% salvage, 10% cost of money. Actual barge operating and repair costs were reduced $250,000 the estimated annual savings from new barges.

LIGHT DENSITY LINE
REVENUE - EXPENSE EVALUATION

LINE Maytown - Hoquiam (713) STUDY PERIOD 10/1/75 - 9/30/76

	On Branch	Off Branch	Total
1. TOTAL REVENUE			$2,261,243
2. EXPENSES			
(a) Station	7,729		
(b) Train & Engine	172,078		
(c) Other Operating	-0-		
(d) Locomotive Investment	53,873		
(e) Locomotive Repairs & Fuel	42,155		
(f) Caboose Investment	4,322		
(g) Caboose Repairs	1,000		
Total Operating			281,157
(h) Maintenance of Way(Actual)	19,350		19,350
(i) Freight Cars	91,992	309,368	401,360
(j) Off Branch Line Haul Costs		1,038,838	1,038,838
(k) Joint Facility Expenses(Net)	524,445		524,445
(l) Other	-0-	-0-	-0-
(m) Other			
(n) Return on Net Salvage	11,600		11,600
TOTAL EXPENSES			$2,276,750
3. CONTRIBUTION (Actual MOW)			$ (15,507)
4. Normalized MOW Expense			
(a)Less Actual MOW Expense(h)			
5. CONTRIBUTION (Normalized MOW L3-L4 (a))			

COMMENTS:

LIGHT DENSITY LINE
REVENUE - EXPENSE EVALUATION

LINE Raymond - Chehalis (715) STUDY PERIOD 10/1/75 - 9/30/76

	On Branch	Off Branch	Total
1. TOTAL REVENUE			$1,160,216
2. EXPENSES			
(a) Station	-0-		
(b) Train & Engine	127,020		
(c) Other Operating	-0-		
(d) Locomotive Investment	18,317		
(e) Locomotive Repairs & Fuel	18,616		
(f) Caboose Investment	1,469		
(g) Caboose Repairs	340		
Total Operating			165,762
(h) Maintenance of Way(Actual)	-0-		-0-
(i) Freight Cars	43,393	183,763	227,156
(j) Off Branch Line Haul Costs		587,245	587,245
(k) Joint Facility Expenses(Net)	41,704		41,704
(l) Other	-0-	-0-	-0-
(m) Other			
(n) Return on Net Salvage	-0-		-0-
TOTAL EXPENSES			$1,021,867
3. CONTRIBUTION (Actual MOW)			$ 138,349
4. Normalized MOW Expense $ -0-			
(a)Less Actual MOW Expense(h) $ -0-			$ -0-
5. CONTRIBUTION (Normalized MOW L3-L4 (a))			$ 138,349

COMMENTS: