

STB

FD-33388 (SUB69)

1-7-99

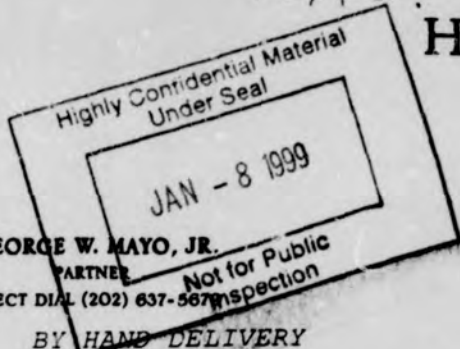
I

192942

172942

HOGAN & HARTSON L.L.P.

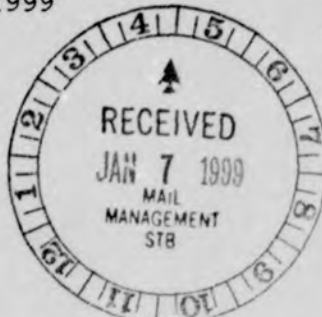
I



January 7, 1999

GEORGE W. MAYO, JR.
PARTNER
DIRECT DIAL (202) 637-5677

COLUMBIA SQUARE
555 THIRTEENTH STREET, NW
WASHINGTON, DC 20004-1109
TEL (202) 637-5600
FAX (202) 637-5910



BY HAND DELIVERY
The Honorable Vernon A. Williams
Secretary, Surface Transportation Board
Case Control Branch
ATTN: STB Finance Docket No. 33388
Surface Transportation Board
1925 K Street, N.W.
Washington, DC 20423-0001

Re: Finance Docket No. 33388, CSX Corporation and CSX Transportation, Inc., Norfolk Southern Corporation and Norfolk Southern Railway Company -- Control and Operating Leases/Agreements -- Conrail Inc. and Consolidated Rail Corporation

Finance Docket No. 33388 (Sub No. 69), Responsive Application -- State of New York, By and Through Its Department of Transportation, and The New York City Economic Development Corporation

Dear Secretary Williams:

Enclosed for filing in the above-referenced dockets are an original and twenty-five copies of Canadian Pacific Parties' Petition for Reconsideration and Clarification. Certain tables in the Gilmore and Plaistow Reconsideration Verified Statements being submitted herewith contain highly confidential information, and accordingly are being filed under seal in a separately marked envelope. Also enclosed is a 3.5-inch diskette, formatted for WordPerfect 7.0, containing the pleading.

Thank you for your assistance.

Sincerely,

George W. Mayo, Jr.
Attorney for Canadian Pacific Railway Company, Delaware and Hudson Railway Company, Inc., Soo Line Railroad Company, and St. Lawrence & Hudson Railway Company Limited

GWM:jms
Enclosures
cc: Counsel for Parties Required To Be Served



FILED UNDER SEAL PURSUANT TO PROTECTIVE ORDER IN
NS/CSX/CRC, STB FINANCE DOCKET NO. 33388

69

Highly Confidential Materials Extracted From
Reconsideration Verified Statement of Paul D.
Gilmore, filed as part of the Canadian Pacific
Parties' Petition for Reconsideration and
Clarification (CP-28)
(January 7, 1999)

HIGHLY CONFIDENTIAL

Exhibit 1
1 of 4

Draft Round Trip costs Montreal to NYC (Overhead News Print) :				CSXT Deal					
From	Montreal	Saratoga	New York	Total	Montreal	Selkirk	New York	Haulage	Total
To					Selkirk				
Train Costs:									
Labor		15.05	18.76	33.82	18.76		0.00		18.76
Fringe		20.32	25.33	45.65	25.33		0.00		25.33
Mechanical Costs		2.77	3.54	7.31	5.32		0.00		5.32
Misc Trans Costs		8.60	8.07	16.67	12.15		0.00		12.15
CSX Trackage charges		0.00	69.86	69.86	0.00		0.00		0.00
Amtrak Trackage charges		0.00	49.70	49.70	0.00		0.00		0.00
Metro Nth Trackage charges		0.00	40.48	40.48	0.00		0.00		0.00
Oak Point Trackage charges		0.00	3.02	3.02	0.00		0.00		0.00
DH Basic Track charge		49.71	5.23	54.94	67.08		0.00		67.08
Carhire		161.78	151.71	313.49	226.80		0.00		226.80
Locomotives		21.64	56.49	78.14	30.56		0.00		30.56
Fuel		35.85	46.24	82.09	46.24		0.00		46.24
CSXT Haulage		0.00	0.00	0.00	0.00		580.00		580.00
Total Train Costs		316.74	478.43	795.16	432.25		580.00		1,012.25
Terminal Charges:									
Origin Switch		20.00	0.00	20.00	20.00		0.00		20.00
Intermediate Switch		0.00	20.00	20.00	0.00		0.00		0.00
Destination		0.00	250.00	250.00	0.00		0.00		0.00
Terminal Charge		0.00	0.00	0.00	0.00		0.00		0.00
Total terminal Charges		20.00	270.00	290.00	20.00		0.00		20.00
Grand Total Costs		336.74	748.43	1,085.16	452.25		580.00		1,032.25

Notes:

- Page 1 of this chart compares a representative movement of a boxcar of newsprint between Montreal and New York City, where one routing uses trackage rights (assuming a \$0.71 per car mile charge) at a total cost of \$1,085.16 (Saratoga appears as the intermediate point because CP's crew change occurs there) and the other routing uses haulage rights (at the negotiated rate of \$580 per car) at a total cost of \$1,032.25 (Selkirk appears as the intermediate point because this is where CP and CSX would interchange the car). Page 2 of the chart sets forth the assumptions used in this analysis, most of which are self-explanatory. "CSX Miles" represents the CSX mileage over which CP would operate; "Amtrak Miles" represents the mileage CSX has leased to Amtrak and over which CP would operate; and the references to "Metro North Miles," "Oak Point Link Miles," and "CPRS Miles" are references to the mileages of each of those entities over which CP would operate. The analysis assumes a "Metro Nth Trackage Rate" and "Oak Point Trackage Rate" of \$0.29 per car mile; the "CPRS Trackage Rate" of \$0.13 per car mile is the below the wheel cost CP incurs in operating on its own line.
- Page 3 of this chart compares the same movement as that analyzed in pages 1-2, but where the trackage rights routing assumes a \$0.36 per car mile charge; it produces a total trackage rights cost of \$1,026.22, which is equivalent to the total haulage cost of \$1,032.25. Page 4 of the chart sets forth the assumption in this analysis; these assumptions are the same as those set forth on page 2, except for the difference in the assumed trackage rights charge CP pays to CSX.

HIGHLY CONFIDENTIAL

Exhibit 1
2 of 4

Round Trip Route costs:

Assumptions:

From	Montreal	Saratoga		Montreal	Selkirk	
To	Saratoga	New York	Total	Albany	New York	
Round Trip	2.00	2.00	2.00	2.00	2	2
Wages	489.25	609.76		609.76	609.76	
cars per train	65.00	65.00		65.00	65.00	
Fringe Rate	0.675	0.675		0.675	0.68	
CSX Miles	0.00	49.20	49.20	12.00	62.20	
Amtrak Miles	0.00	35.00	35.00	0.00	0.00	
Metro North Miles	0.00	69.80	69.80	0.00	69.80	
Oak Point Link Miles	0.00	5.20	5.20	0.000	5.20	
CPRS Miles	191.20	20.10	211.30	258.000	0.00	
Tot Miles	191.20	179.30	370.50	270.00	137.20	407
CSX Trackage Rate	0.710	0.710	0.710	0	0.13	
Amtrak Trackage Rate	0.710	0.710	0.710	0	0.00	
Metr Nth Trackage Rate	0.290	0.290	0.290	0	0.21	
Oak Point Trackage rate	0.290	0.290	0.290	0	0.00	
CPRS Trackage Rate	0.130	0.130	0.130	0.13	0.00	
Loco cost/mile	0.0566	0.0566	0.0566	0.06	0.06	
HP	9,000	9,000	9,000	9,000	9,000.00	
HPH Rate	0.0085	0.0085	0.0085	0.0085	0.00850	
Locomotive Hours	10.0000	24.0000	0.0085	10	24.00	
Time	10	10	10	10	10.00	
Car Hire / Mile	0.42	0.42	0.42	0.42	0.42	
Weight	52.50	52.50	52.50	67.50	52.50	
GTMiles	14,134.50	18,231.75	1,957.50	18,231.75	18,231.75	
Gal/GTM	0.00159	0.00159	0.00159	0.00159	0.00	
Gallons	22.53	29.06	3.12	29.06	29.06	
Mechanical cost per mile	0.0099	0.0099	0.0099	0.0099	0.01	
Misc Transportation Cost	0.0225	0.0225	0.0225	0.0225	0.02	
Fuel	0.80	0.80	0.80	0.80	0.80	
Cost Origin	20.00	0.00	0.00	20.00	0.00	
Cost Intermediate Switch	0.00	20.00	20.00	20.00	20.00	
Destination switch	0.00	250.00	250.00	0.00	200.00	
Terminal Charges	0.00	0.00	0.00	3.00	0.00	
CSX Haulage					580.00	

HIGHLY CONFIDENTIAL

Exhibit 1
3 of 4

Draft Round Trip costs Montreal to NYC (Overhead News Print) :				CSXT Deal			
From	Montreal	Saratoga	New York	Montreal	Selkirk	New York	Haulage
To							Total
Train Costs:							
Labor		15.05	18.76	33.82	18.76	0.00	18.76
Fringe		20.32	25.33	45.65	25.33	0.00	25.33
Mechanical Costs		3.77	3.54	7.31	5.32	0.00	5.32
Misc Trans Costs		8.60	8.07	16.67	12.15	0.00	12.15
CSX Trackage charges		0.00	35.42	35.42	0.00	0.00	0.00
Amtrak Trackage charges		0.00	25.20	25.20	0.00	0.00	0.00
Metro Nth Trackage charges		0.00	40.48	40.48	0.00	0.00	0.00
Oak Point Trackage charges		0.00	3.02	3.02	0.00	0.00	0.00
DH Basic Track charge		49.71	5.23	54.94	67.08	0.00	67.08
Carhire	161.78		151.71	313.49	226.80	0.00	226.80
Locomotives	21.64		56.49	78.14	30.56	0.00	30.56
Fuel	35.85		46.24	82.09	46.24	0.00	46.24
CSXT Haulage		0.00	0.00	0.00	0.00	580.00	580.00
Total Train Costs		316.74	419.49	736.22	432.25	580.00	1,012.25
Terminal Charges:							
Origin Switch		20.00	0.00	20.00	20.00	0.00	20.00
Intermediate Switch		0.00	20.00	20.00	0.00	0.00	0.00
Destination		0.00	250.00	250.00	0.00	0.00	0.00
Terminal Charge		0.00	0.00	0.00	0.00	0.00	0.00
Total terminal Charges		20.00	270.00	290.00	20.00	0.00	20.00
Grand Total Costs		336.74	689.49	1,026.22	452.25	580.00	1,032.25

HIGHLY CONFIDENTIAL

Exhibit 1
4 of 4

Round Trip Route costs:

Assumptions:

From	Montreal	Saratoga		Montreal	Selkirk	
To	Saratoga	New York	Total	Albany	New York	
Round Trip	2.00	2.00	2.00	2.00	2	2
Wages	489.25	609.76		609.76	609.76	
cars per train	65.00	65.00		65.00	65.00	
Fringe Rate	0.675	0.675		0.675	0.68	
CSX Miles	0.00	49.20	49.20	12.00	62.20	
Amtrak Miles	0.00	35.00	35.00	0.00	0.00	
Metro North Miles	0.00	69.90	69.80	0.00	69.80	
Oak Point Link Miles	0.00	5.20	5.20	0.000	5.20	
CPRS Miles	191.20	20.10	211.30	258.000	0.00	
Tot Miles	191.20	173.30	370.50	270.00	137.20	407
CSX Trackage Rate	0.360	0.360	0.360	0	0.13	
Amtrak Trackage Rate	0.360	0.360	0.360	0	0.00	
Metr Nth Trackage Rate	0.290	0.290	0.290	0	0.21	
Oak Point Trackage rate	0.290	0.290	0.290	0	0.00	
CPRS Trackage Rate	0.130	0.30	0.130	0.13	0.00	
Loco cost/mile	0.0566	0.0566	0.0566	0.06	0.06	
HP	9,000	9,000	9,000	9,000	9,000.00	
HPH Rate	0.0085	0.0085	0.0085	0.0085	0.00850	
Locomotive Hours	10.0000	24.0000	0.0085	10	24.00	
Time	10	10	10	10	10.00	
Car Hire / Mile	0.42	0.42	0.42	0.42	0.42	
Weight	52.50	52.50	52.50	67.50	52.50	
GT/Miles	14,134.50	18,231.75	1,957.50	18,231.75	18,231.75	
Gal/GTM	0.00154	0.00159	0.00159	0.00159	0.00	
Gallons	22.73	29.06	3.12	29.06	29.06	
Mechanical cost per mile	0.0099	0.0099	0.0099	0.0099	0.01	
Misc Transportation Cost	0.0225	0.0225	0.0225	0.0225	0.02	
Fuel	0.80	0.80	0.80	0.80	0.80	
Cost Origin	20.00	0.00	0.00	20.00	0.00	
Cost Intermediate Switch	0.00	20.00	20.00	20.00	20.00	
Destination switch	0.00	250.00	250.00	0.00	200.00	
Terminal Charges	0.00	0.00	0.00	0.00	0.00	
CSX Haulage					580.00	

FILED UNDER SEAL PURSUANT TO PROTECTIVE ORDER IN
NS/CSX/CRC, STB FINANCE DOCKET NO. 33388

Highly Confidential Materials Extracted From
Reconsideration Verified Statement of Joseph J.
Plaistow, filed as part of the Canadian Pacific
Parties' Petition for Reconsideration and
Clarification (CP-28)
(January 7, 1999)

Development of Conrail Fair Market Value of Rail Property

Based on STB Decision No. 109 - FD 33388

Component (1)	Source (2)	Value (000) (3)
A. Fair Market Value of Conrail		
1. Total	Rebuttal Verified Statement of William W. Whitehurst, Jr. STB FD 33388, p. HC-662	16,243,000
B. Separation of Fair Market Value of Conrail Rail Component Between Fixed Properties and Equipment		
2. Adjusted Book Value of Rail Property	CSX/NS - 177. WWW-5	14,656,000
3. Road Property Portion of Total	Line 2 + Line 1	90.23%

Development of Trackage Rights Segment Earnings

OFSAC	TFSAC	Switch Type	Total Distance	Carloads	Tons	Adjusted Revenue	Adjusted Variable Cost	Full Cost 1/	IRCS Switch Cost 2/	Adj Cost Excl ROI & Switching 3/	Adjusted Total Earnings	Trackage Rights Miles	Earnings On OVH TR Excl Switching	Switching @ \$250/Car	Adjusted Earnings for OVH Traffic
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)	(p)
119	10025	T	562	40	400	\$ 41,111	\$ 47,876	58729	1,024.80	45816	\$ (4,705)	34.6	(290)	3000	(3,290)
75144	10025	T	426	40	3,720	\$ 73,016	\$ 71,941	60259	1,024.80	47031	\$ 25,985	34.6	2,111	3000	(889)
75144	10025	T	426	40	4,400	\$ 73,016	\$ 47,135	57664	1,024.80	44970	\$ 28,046	34.6	2,279	3000	(721)
75144	10025	T	426	40	2,200	\$ 62,765	\$ 38,197	54881	1,024.80	42761	\$ 21,004	72.1	3,557	3000	557
75144	10025	T	426	40	3,960	\$ 70,173	\$ 42,787	61475	1,024.80	47996	\$ 22,177	34.6	1,802	3000	(1,198)
75144	10025	T	426	40	4,080	\$ 70,173	\$ 39,006	56043	1,024.80	43683	\$ 26,490	34.6	2,153	3000	(847)
75144	10025	T	426	40	4,360	\$ 70,173	\$ 39,993	57461	1,024.80	44809	\$ 25,364	34.6	2,061	3000	(939)
75144	10025	T	426	40	3,760	\$ 70,173	\$ 42,082	60462	1,024.80	47192	\$ 22,971	34.6	1,867	3000	(1,133)
75144	10025	T	426	40	4,000	\$ 70,173	\$ 41,513	59644	1,024.80	46542	\$ 23,631	72.1	4,001	3000	1,001
75144	10025	T	426	40	3,600	\$ 87,953	\$ 41,517	59650	1,024.80	46547	\$ 41,403	34.6	3,365	3000	365
75144	10025	T	426	40	3,880	\$ 70,173	\$ 42,506	61070	1,024.80	47675	\$ 22,498	34.6	1,928	3000	(1,172)
7452	10025	T	946	40	3,840	\$ 82,538	\$ 84,180	120946	1,024.80	95215	\$ (12,677)	34.6	(464)	3000	(3,464)
7452	10025	T	946	40	3,880	\$ 152,440	\$ 84,486	121386	1,024.80	95564	\$ 56,876	72.1	4,336	3000	1,364
452	10025	T	946	40	3,840	\$ 82,538	\$ 84,180	120946	1,024.80	95215	\$ (12,677)	34.6	(464)	3000	(3,464)
7452	10025	T	946	40	3,880	\$ 82,538	\$ 84,486	121386	1,024.80	95564	\$ (13,026)	34.6	(477)	3000	(3,477)
7452	10025	T	946	40	2,000	\$ 55,236	\$ 54,915	78899	1,024.80	61830	\$ (5,594)	34.6	(241)	3000	(3,241)
78987	10025	T	1,132	40	3,800	\$ 90,660	\$ 94,126	135237	1,024.80	106562	\$ (15,902)	34.6	(486)	3000	(3,486)
78987	10025	T	1,132	40	3,800	\$ 90,660	\$ 94,126	135237	1,024.80	106562	\$ (15,902)	34.6	(486)	3000	(3,486)
78987	10025	T	1,132	40	3,800	\$ 90,660	\$ 94,126	135237	1,024.80	106562	\$ (15,902)	72.1	(1,012)	3000	(4,012)
55539	10025	T	1,741	40	2,560	\$ 216,837	\$ 151,415	217547	1,024.80	171914	\$ 44,922	34.6	893	3000	(2,107)
57378	20025	T	1,402	40	2,880	\$ 98,878	\$ 101,249	145470	1,024.80	114686	\$ (15,858)	36.7	(415)	3000	(3,415)
9230	20025	T	2,195	40	2,640	\$ 148,107	\$ 141,030	202626	1,024.80	160067	\$ (11,960)	36.7	(200)	3000	(3,200)
9230	20025	T	2,195	40	2,840	\$ 148,107	\$ 139,553	200505	1,024.80	158383	\$ (10,276)	36.7	(172)	3000	(3,172)
9230	20025	T	2,195	40	2,600	\$ 148,107	\$ 140,425	201757	1,024.80	159377	\$ (11,270)	36.7	(188)	3000	(3,188)
9230	20025	T	2,195	40	2,640	\$ 148,107	\$ 141,030	202626	1,024.80	160067	\$ (11,960)	36.7	(200)	3000	(3,200)
9230	20025	T	2,195	40	2,080	\$ 148,107	\$ 132,551	190443	1,024.80	150354	\$ (2,287)	74.2	(77)	3000	(3,077)
9230	20025	T	2,237	40	2,640	\$ 148,107	\$ 143,828	205646	1,024.80	163259	\$ (15,152)	36.7	(249)	3000	(3,249)
9230	20025	T	2,237	40	2,640	\$ 148,107	\$ 143,828	205646	1,024.80	163259	\$ (15,152)	36.7	(249)	3000	(3,249)
9230	20025	T	2,195	40	2,640	\$ 148,107	\$ 141,030	202626	1,024.80	160067	\$ (11,960)	36.7	(200)	3000	(3,200)
9230	20025	T	2,195	40	2,840	\$ 148,107	\$ 148,343	213134	1,024.80	168410	\$ (20,303)	36.7	(340)	3000	(3,340)
9230	20025	T	2,195	40	2,640	\$ 148,107	\$ 141,030	202626	1,024.80	160067	\$ (11,960)	74.2	(404)	3000	(3,404)
9230	20025	T	2,195	40	2,640	\$ 148,107	\$ 141,030	202626	1,024.80	160067	\$ (11,960)	36.7	(200)	3000	(3,200)
9230	20025	T	2,195	40	2,840	\$ 148,107	\$ 139,553	200505	1,024.80	158383	\$ (10,276)	36.7	(172)	3000	(3,172)
9230	20025	T	2,195	40	2,640	\$ 148,107	\$ 141,030	202626	1,024.80	160067	\$ (11,960)	36.7	(200)	3000	(3,200)
9230	20025	T	2,195	40	2,840	\$ 148,107	\$ 148,343	213134	1,024.80	168410	\$ (20,303)	36.7	(340)	3000	(3,340)
9230	20025	T	2,195	40	2,640	\$ 148,107	\$ 141,030	202626	1,024.80	160067	\$ (11,960)	74.2	(404)	3000	(3,404)
20	20025	T	3,338	40	3,240	\$ 246,439	\$ 231,189	332163	1,024.80	262917	\$ (16,478)	36.7	(181)	3000	(3,181)
20	20025	T	3,338	40	3,200	\$ 246,439	\$ 230,052	330529	1,024.80	261619	\$ (15,180)	36.7	(167)	3000	(3,167)
20	20025	T	3,338	40	3,240	\$ 246,439	\$ 231,189	332163	1,024.80	262917	\$ (16,478)	36.7	(181)	3000	(3,181)
20	20025	T	3,338	40	3,200	\$ 246,439	\$ 230,052	330529	1,024.80	261619	\$ (15,180)	74.2	(337)	3000	(3,337)
20	20025	T	3,338	40	3,240	\$ 246,439	\$ 231,189	332163	1,024.80	262917	\$ (16,478)	36.7	(181)	3000	(3,181)
20	20025	T	3,338	40	3,200	\$ 246,439	\$ 230,052	330529	1,024.80	261619	\$ (15,180)	36.7	(167)	3000	(3,167)
14875	20025	T	3,389	40	2,680	\$ 191,520	\$ 248,867	357562	1,024.80	283083	\$ (91,563)	36.7	(992)	3000	(3,992)
11402	20025	T	1,364	40	2,840	\$ 172,431	\$ 98,166	141040	1,024.80	111169	\$ 61,262	36.7	1,649	3000	(1,351)
22542	20025	T	800	40	2,880	\$ 154,606	\$ 66,891	96902	1,024.80	75481	\$ 79,125	74.2	7,339	3000	4,339
22542	20025	T	800	40	2,920	\$ 155,192	\$ 67,140	96465	1,024.80	75778	\$ 79,414	36.7	3,643	3000	643
22840	20025	T	955	40	3,000	\$ 199,868	\$ 76,536	109964	1,024.80	86495	\$ 113,373	74.2	8,849	3000	5,849
22840	20025	T	955	40	2,880	\$ 191,790	\$ 75,611	108635	1,024.80	85440	\$ 106,350	36.7	4,087	3000	1,087
22840	20025	T	955	40	3,960	\$ 196,800	\$ 76,220	109510	1,024.80	86135	\$ 110,665	36.7	4,253	3000	1,253
22840	20025	T	955	40	3,000	\$ 199,868	\$ 76,523	109946	1,024.80	86481	\$ 113,387	36.7	4,357	3000	1,357
22840	20025	T	955	40	2,960	\$ 198,244	\$ 76,220	109510	1,024.80	86135	\$ 112,109	36.7	4,308	3000	1,308
22840	20025	T	955	40	2,960	\$ 197,928	\$ 76,220	109510	1,024.80	86135	\$ 111,793	74.2	8,686	3000	5,686
22542	20025	T	800	40	3,240	\$ 173,333	\$ 69,214	99444	1,024.80	78143	\$ 95,190	36.7	4,367	3000	1,367
22320	20025	T	667	40	2,720	\$ 130,372	\$ 58,453	83983	1,024.80	65867	\$ 64,505	36.7	3,552	3000	552
16432	20025	T	1,134	40	2,960	\$ 155,553	\$ 86,348	124062	1,024.80	97689	\$ 57,864	74.2	3,787	3000	787
22320	20025	T	667	40	2,720	\$ 130,372	\$ 58,453	83983	1,024.80	65867	\$ 64,505	36.7	3,552	3000	552
22840	20025	T	955	40	3,080	\$ 199,778	\$ 77,133	110821	1,024.80	87176	\$ 112,602	36.7	4,327	3000	1,327
22840	20025	T	955	40	3,040	\$ 199,056	\$ 76,829	110385	1,024.80	86830	\$ 112,226	36.7	4,313	3000	1,313

Development of Trackage Rights Segment Earnings

OFSAC (a)	IFSAC (b)	Switch Type (c)	Total Distance (d)	Carloads (e)	Tons (f)	Adjusted Revenue (g)	Adjusted Variable Cost (h)	Full Cost 1/ (i)	URCS Switch Cost 2/ (j)	Adj Cost Excl ROI & Switching 3/ (k)	Adjusted Total Earnings (l)	Trackage Rights Rate (m)	Earnings On OVH TR Excl Switching (n)	Switching @ \$250/Car (o)	Adjusted Earnings for OVH Traffic (p)
22840	20025	T	955	40	3,040	\$ 198,198	\$ 76,829	110385	1,024.80	86830	\$ 111,368	36.7	4,280	3000	1,280
22894	20025	T	969	40	2,560	\$ 148,965	\$ 73,877	106144	1,024.80	83462	\$ 65,503	36.7	2,482	3000	(518)
22840	20025	T	955	40	2,960	\$ 191,700	\$ 76,220	109510	1,024.80	86135	\$ 105,565	36.7	4,057	3000	1,557
22840	20025	T	955	40	3,000	\$ 195,581	\$ 76,523	109946	1,024.80	86481	\$ 109,100	74.2	8,477	3000	5,477
22840	20025	T	955	40	3,040	\$ 197,161	\$ 76,829	110385	1,024.80	86830	\$ 110,331	36.7	4,240	3000	1,240
22542	20025	T	800	40	2,900	\$ 158,963	\$ 67,401	96839	1,024.80	76074	\$ 82,909	36.7	3,803	3000	803
22542	20025	T	800	40	3,000	\$ 159,299	\$ 67,659	97209	1,024.80	76368	\$ 82,931	36.7	3,804	3000	804
22542	20025	T	800	40	2,960	\$ 158,351	\$ 67,401	96839	1,024.80	76074	\$ 82,277	74.2	7,631	3000	4,631
22840	20025	T	955	40	2,760	\$ 179,922	\$ 74,698	107323	1,024.80	84399	\$ 95,523	36.7	3,671	3000	671
16432	20025	T	1,134	40	2,960	\$ 155,373	\$ 86,348	124062	1,024.80	97689	\$ 57,684	36.7	1,867	3000	(1,133)
16432	20025	T	1,134	40	2,880	\$ 151,086	\$ 85,635	123037	1,024.80	96875	\$ 54,211	36.7	1,755	3000	(1,245)
22840	20025	T	955	40	3,080	\$ 200,049	\$ 77,133	110821	1,024.80	87176	\$ 112,873	36.7	4,338	3000	1,338
22542	20025	T	800	40	2,960	\$ 159,028	\$ 67,401	96839	1,024.80	76074	\$ 82,904	36.7	3,806	3000	606
22840	20025	T	955	40	3,080	\$ 199,778	\$ 77,144	110838	1,024.80	87189	\$ 112,589	36.7	4,347	3000	1,347
22542	20025	T	800	40	3,000	\$ 159,434	\$ 67,659	97209	1,024.80	76368	\$ 83,066	36.7	3,811	3000	811
22840	20025	T	955	40	2,960	\$ 194,092	\$ 76,220	109510	1,024.80	86135	\$ 107,957	74.2	8,388	3000	5,388
22840	20025	T	955	40	2,960	\$ 192,828	\$ 76,220	109510	1,024.80	86135	\$ 106,693	36.7	4,100	3000	1,100
22840	20025	T	955	40	2,960	\$ 192,061	\$ 76,220	109510	1,024.80	86135	\$ 105,926	36.7	4,071	3000	1,071
22840	20025	T	955	40	2,960	\$ 193,821	\$ 76,220	109510	1,024.80	86135	\$ 107,686	36.7	4,138	3000	1,138
22840	20025	T	955	40	2,920	\$ 190,166	\$ 75,915	109072	1,024.80	85787	\$ 104,379	36.7	4,011	3000	1,011
22542	20025	T	800	40	2,840	\$ 152,565	\$ 66,622	95720	1,024.80	75186	\$ 77,479	36.7	3,554	3000	554
22840	20025	T	955	40	2,960	\$ 193,325	\$ 76,220	109510	1,024.80	86135	\$ 107,190	74.2	8,328	3000	5,328
22840	20025	T	955	40	3,000	\$ 195,897	\$ 76,523	109946	1,024.80	86481	\$ 109,416	36.7	4,205	3000	1,205
22542	20025	T	800	40	3,000	\$ 159,434	\$ 67,659	97209	1,024.80	76368	\$ 83,066	36.7	3,811	3000	811
22840	20025	T	955	40	3,080	\$ 201,583	\$ 77,133	110821	1,024.80	87176	\$ 114,407	36.7	4,397	3000	1,397
22840	20025	T	955	40	3,040	\$ 198,695	\$ 76,829	110385	1,024.80	86830	\$ 111,865	36.7	4,299	3000	1,299
16432	20025	T	1,134	40	3,080	\$ 165,887	\$ 87,416	125596	1,024.80	98907	\$ 66,980	36.7	2,168	3000	(832)
22840	20025	T	955	40	3,000	\$ 195,310	\$ 76,523	109946	1,024.80	86481	\$ 108,829	36.7	4,182	3000	1,182
22840	20025	T	955	40	2,840	\$ 191,159	\$ 75,307	108199	1,024.80	85094	\$ 106,065	74.2	8,241	3000	5,241
22840	20025	T	955	40	3,000	\$ 198,966	\$ 76,523	109946	1,024.80	86481	\$ 112,485	36.7	4,323	3000	1,323
22840	20025	T	951	40	3,080	\$ 199,597	\$ 77,144	110838	1,024.80	87189	\$ 112,408	36.7	4,340	3000	1,340
22840	20025	T	955	40	3,040	\$ 198,063	\$ 76,829	110385	1,024.80	86830	\$ 111,233	36.7	4,275	3000	1,275
22840	20025	T	955	40	2,720	\$ 177,305	\$ 74,394	106886	1,024.80	84052	\$ 93,253	36.7	3,584	3000	584
22542	20025	T	800	40	2,920	\$ 155,869	\$ 67,140	96465	1,024.80	75778	\$ 80,091	74.2	7,428	3000	4,428
22840	20025	T	955	40	2,800	\$ 183,848	\$ 75,002	107759	1,024.80	87445	\$ 99,103	74.2	7,700	3000	4,700
22542	20025	T	800	40	3,200	\$ 172,070	\$ 68,955	99071	1,024.80	77847	\$ 94,223	36.7	3,322	3000	1,322
22840	20025	T	955	40	2,960	\$ 193,866	\$ 76,220	109510	1,024.80	86135	\$ 107,731	36.7	4,140	3000	1,140
22542	20025	T	800	40	2,920	\$ 156,772	\$ 67,140	96465	1,024.80	75778	\$ 80,994	36.7	3,716	3000	716
22542	20025	T	800	40	2,920	\$ 155,057	\$ 67,140	96465	1,024.80	75778	\$ 79,279	36.7	3,637	3000	637
22542	20025	T	800	40	2,920	\$ 155,824	\$ 67,140	96465	1,024.80	75778	\$ 80,046	36.7	3,672	3000	672
745	20025	T	1,086	40	2,800	\$ 180,193	\$ 87,402	125576	1,024.80	98891	\$ 81,302	74.2	5,555	3000	2,555
745	20025	T	1,086	40	2,920	\$ 186,150	\$ 88,390	126996	1,024.80	100019	\$ 86,131	36.7	2,911	3000	(89)
745	20025	T	1,086	40	2,800	\$ 190,193	\$ 87,402	125576	1,024.80	98891	\$ 81,302	36.7	2,748	3000	(252)
745	20025	T	1,086	40	2,920	\$ 187,233	\$ 88,390	126996	1,024.80	100019	\$ 87,214	36.7	2,948	3000	(52)
48158	20025	T	461	40	2,920	\$ 90,751	\$ 47,826	68714	1,024.80	53744	\$ 37,007	36.7	2,947	3000	(53)
48158	20025	T	461	40	3,080	\$ 94,857	\$ 48,465	69633	1,024.80	54473	\$ 40,384	36.7	3,216	3000	216
2142	70034	T	427	80	7,520	\$ 38,087	\$ 84,723	121726	2,049.60	95021	\$ (56,934)	40.5	(5,406)	5000	(11,406)
7452	70034	T	959	40	3,720	\$ 120,444	\$ 84,629	121591	1,024.80	95727	\$ 24,717	40.5	1,044	3000	(1,956)
44660	70034	T	534	40	3,080	\$ 57,402	\$ 52,389	75270	1,024.80	58949	\$ (1,547)	40.5	(117)	3000	(3,117)
600	70034	T	3,958	40	3,000	\$ 274,057	\$ 262,814	377600	1,024.80	298993	\$ (24,936)	40.5	(2,555)	3000	(3,255)
20025	10603	O	441	40	3,000	\$ 90,254	\$ 42,992	61769	1,024.80	48230	\$ 42,024	36.8	3,507	3000	507
20025	5528	O	1,492	40	3,600	\$ 188,361	\$ 130,679	187754	1,024.80	148259	\$ 40,102	36.8	989	3000	(2,011)
20025	85124	O	694	40	3,600	\$ 132,223	\$ 64,295	92376	1,024.80	72531	\$ 59,692	74.3	6,392	3000	3,392
20025	85124	O	694	40	3,600	\$ 116,563	\$ 57,785	83024	1,024.80	65106	\$ 51,457	36.8	2,729	3000	(271)
20025	85124	O	694	40	3,600	\$ 132,223	\$ 64,295	92376	1,024.80	72531	\$ 59,692	36.8	3,166	3000	166
20025	85124	O	694	40	3,600	\$ 116,563	\$ 58,939	84681	1,024.80	66421	\$ 50,142	36.8	2,659	3000	(341)
20025	85124	O	694	40	3,600	\$ 127,078	\$ 64,295	92376	1,024.80	72531	\$ 51,547	36.8	2,893	3000	(107)
20025	85124	O	694	40	3,600	\$ 127,078	\$ 64,295	92376	1,024.80	72531	\$ 54,547	74.3	5,841	3000	2,841
20025	85124	O	694	40	3,600	\$ 114,442	\$ 60,058	86289	1,024.80	67698	\$ 46,744	36.8	2,479	3000	(521)

Development of Trackage Rights Segment Earnings

OFSAC	TFSAC	Switch Type	Total Distance	Carloads	Tons	Adjusted Revenue	Adjusted Variable Cost	Full Cost 1/	URCS Switch Cost 2/	Adj Cost Excl ROI & Switching 3/	Adjusted Total Earnings	Trackage Rights Miles	Earnings On OVH TR Excl Switching	Switching @ \$250/Car	Adjusted Earnings for OVH Traffic
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)	(p)
20025	85124	O	694	40	3,600	\$ 114,442	\$ 63,481	91207	1,024.80	71603	\$ 42,839	36.8	2,272	3000	(728)
20025	85124	O	694	40	3,600	\$ 127,078	\$ 64,295	92376	1,024.80	72531	\$ 54,547	36.8	2,893	3000	(107)
20025	85124	O	694	40	3,600	\$ 127,078	\$ 64,295	92376	1,024.80	72531	\$ 54,547	36.8	2,893	3000	(107)
20025	85124	O	694	40	3,600	\$ 132,223	\$ 64,295	92376	1,024.80	72531	\$ 59,692	74.3	6,392	3000	3,392
20025	85124	O	694	40	3,600	\$ 132,223	\$ 64,295	92376	1,024.80	72531	\$ 59,692	36.8	3,166	3000	166
20025	85124	O	694	40	3,600	\$ 116,563	\$ 60,058	86289	1,024.80	67698	\$ 48,865	36.8	2,592	3000	(408)
20025	85124	O	694	40	3,600	\$ 116,563	\$ 60,058	86289	1,024.80	67698	\$ 48,865	36.8	2,592	3000	(408)
20025	85124	O	694	40	3,600	\$ 132,223	\$ 64,295	92376	1,024.80	72531	\$ 59,692	36.8	3,166	3000	166
20025	74048	O	802	40	3,600	\$ 156,952	\$ 75,067	109289	1,024.80	85960	\$ 70,992	74.3	6,575	3000	3,575
20025	58175	O	1,851	40	3,613	\$ 168,959	\$ 144,672	207860	1,028.39	164220	\$ 4,739	36.8	94	3010.5	(2,916)
20023	10236	O	436	40	2,360	\$ 43,322	\$ 40,414	58065	1,024.80	45289	\$ (1,967)	39.1	(177)	3000	(3,177)
70034	85040	O	704	40	2,480	\$ 49,640	\$ 55,516	79764	1,024.80	62517	\$ (12,877)	39.1	(715)	3000	(3,715)
70034	85039	O	711	40	2,000	\$ 22,564	\$ 52,626	75611	1,024.80	59220	\$ (36,656)	39.1	(2,017)	3000	(5,017)
70034	85039	O	711	40	1,600	\$ 73,963	\$ 49,919	71721	1,024.80	56131	\$ 17,832	39.1	981	3000	(2,019)
3962	9033	NYA-T	234	83	5412	\$ 123,521	\$ 103,946	149345	-	118577	\$ 4,944	40.5	856	0	856
8820	9033	NYA-T	1,238	168	12617	\$ 663,858	\$ 257,647	370177	-	293913	\$ 369,945	40.5	12,099	0	12,099
8820	9033	NYA-T	1,238	126	9587	\$ 502,673	\$ 258,674	371653	-	295085	\$ 207,588	40.5	6,789	0	6,789
8820	9033	NYA-T	1,238	126	9587	\$ 502,246	\$ 258,674	371653	-	295085	\$ 207,161	78	13,049	0	13,049
3726	9229	NYA-T	1,263	126	12237	\$ 791,582	\$ 273,507	392964	-	312005	\$ 479,577	40.5	15,375	0	15,375
218	9245	NYA-T	655	83	5995	\$ 163,912	\$ 162,460	233416	-	185327	\$ (21,415)	78	(2,549)	0	(2,549)
15	9033	NYA-T	3,350	95	6915	\$ 659,082	\$ 563,801	810047	-	643160	\$ 15,922	40.5	192	0	192
15	9033	NYA-T	3,350	126	8200	\$ 877,686	\$ 541,403	777866	-	617609	\$ 260,077	78	6,055	0	6,055
53	9282	NYA-T	1,731	95	6726	\$ 360,908	\$ 326,084	468505	-	371983	\$ (11,075)	40.5	(259)	0	(259)
53	9316	NYA-T	1,731	83	5828	\$ 314,485	\$ 337,314	484640	-	384794	\$ (70,309)	40.5	(1,645)	0	(1,645)
87015	9200	NYA-T	2,605	95	6063	\$ 295,823	\$ 389,083	559019	-	443849	\$ (148,026)	40.5	(2,301)	0	(2,301)
32473	9229	NYA-T	2,427	168	16990	\$ 1,191,453	\$ 421,271	605260	-	480569	\$ 710,884	40.5	11,865	0	11,865
32468	9241	NYA-T	2,447	168	16486	\$ 1,155,394	\$ 419,693	602999	-	478769	\$ 676,625	40.5	11,197	0	11,197
40070	9229	NYA-T	1,136	168	16149	\$ 784,939	\$ 434,049	623624	-	495144	\$ 289,795	40.5	5,495	0	5,495
68454	9245	NYA-T	3,303	168	11775	\$ 613,376	\$ 512,212	735925	-	584309	\$ 29,067	40.5	356	0	356
31300	9200	NYA-T	2,782	83	7743	\$ 279,448	\$ 491,306	705889	-	560461	\$ (281,013)	40.5	(4,076)	0	(4,076)
14790	9233	NYA-T	1,242	95	5779	\$ 282,143	\$ 229,435	329643	-	261730	\$ 20,413	40.5	666	0	666
14790	9233	NYA-T	1,242	95	5779	\$ 280,113	\$ 229,435	329643	-	261730	\$ 18,383	40.5	600	0	600
27250	9125	NYA-T	615	168	9589	\$ 442,762	\$ 145,547	209117	-	166035	\$ 276,727	78	35,120	0	35,120
11402	9233	NYA-T	1,397	168	11103	\$ 676,194	\$ 255,472	367052	-	291432	\$ 384,762	40.5	11,156	0	11,156
14790	9233	NYA-T	1,242	126	7947	\$ 384,546	\$ 231,392	332455	-	263962	\$ 120,586	40.5	3,933	0	3,933
91752	9319	NYA-T	3,603	168	15140	\$ 1,153,496	\$ 570,664	819908	-	650990	\$ 502,506	40.5	5,648	0	5,648
81808	9299	NYA-T	2,847	83	7993	\$ 816,271	\$ 629,810	904885	-	718460	\$ 97,811	40.5	1,392	0	1,392
2534	9233	NYA-T	552	95	6252	\$ 357,274	\$ 139,471	200387	-	159103	\$ 198,171	40.5	14,529	0	14,529
2534	9233	NYA-T	552	95	5684	\$ 327,029	\$ 146,031	209812	-	166586	\$ 160,443	40.5	11,763	0	11,763
1498	9245	NYA-T	1,024	83	5828	\$ 180,162	\$ 209,870	301533	-	239411	\$ (59,249)	40.5	(2,344)	0	(2,344)
1200	9233	NYA-T	898	83	5079	\$ 249,108	\$ 179,116	257346	-	204327	\$ 44,781	40.5	2,019	0	2,019
7452	9363	NYA-T	991	95	7389	\$ 295,823	\$ 196,062	281738	-	223694	\$ 72,129	78	5,678	0	5,678
85124	9299	NYA-T	706	95	7199	\$ 181,683	\$ 153,373	220360	-	174961	\$ 6,722	40.5	386	0	386
76010	9245	NYA-T	999	83	5745	\$ 257,280	\$ 200,484	288047	-	228703	\$ 29,577	40.5	1,158	0	1,158
5816	9033	NYA-T	708	250	6245	\$ 305,186	\$ 376,789	541356	-	429825	\$ (124,639)	40.5	(7,126)	0	(7,126)
1328	9243	NYA-T	573	83	7493	\$ 159,685	\$ 150,507	216242	-	171692	\$ (12,007)	40.5	(849)	0	(849)
5531	9279	NYA-T	705	83	6411	\$ 134,793	\$ 153,738	220885	-	175378	\$ (40,585)	78	(4,493)	0	(4,493)
77596	9316	NYA-T	916	83	4829	\$ 196,130	\$ 182,188	261761	-	207633	\$ (11,703)	40.5	(517)	0	(517)
10659	9316	NYA-T	472	126	7821	\$ 182,881	\$ 116,036	166716	-	132369	\$ 50,512	40.5	4,630	0	4,630
11361	9273	NYA-T	915	95	6726	\$ 311,640	\$ 199,312	286363	-	227366	\$ 84,274	78	7,186	0	7,186
12022	9231	NYA-T	1,043	95	5589	\$ 317,090	\$ 208,681	299824	-	238054	\$ 79,036	40.5	3,068	0	3,068
62293	9231	NYA-T	1,073	83	5662	\$ 312,231	\$ 220,320	316547	-	251332	\$ 60,899	40.5	2,300	0	2,300
71645	9229	NYA-T	871	83	7910	\$ 385,496	\$ 188,800	271261	-	215376	\$ 170,122	40.5	7,909	0	7,909
11361	9273	NYA-T	915	83	5662	\$ 266,016	\$ 206,366	296499	-	235414	\$ 30,602	40.5	1,355	0	1,355
15851	9245	NYA-T	1,570	126	9966	\$ 633,608	\$ 305,657	439156	-	348681	\$ 284,927	40.5	7,350	0	7,350
688	9231	NYA-T	1,974	83	4996	\$ 320,121	\$ 312,266	448651	-	356220	\$ (36,099)	78	(1,426)	0	(1,426)
1769	9233	NYA-T	1,692	83	6078	\$ 330,923	\$ 292,694	420531	-	333993	\$ (2,970)	78	(137)	0	(137)
6900	9231	NYA-T	1,642	83	5079	\$ 291,378	\$ 290,193	416937	-	331039	\$ (39,661)	40.5	(978)	0	(978)
6940	9237	NYA-T	1,697	95	5021	\$ 353,854	\$ 294,136	422603	-	335530	\$ 18,316	40.5	437	0	437

Development of Trackage Rights Segment Earnings

OFSAC	TFSAC	Switch Type	Total Distance	Carloads	Tons	Adjusted Revenue	Adjusted Variable Cost	Full Cost 1/	URCS Switch Cost 2/	Adj Cost Excl ROI & Switching 3/	Adjusted Total Earnings	Trackage Rights Miles	Earnings On OVH TR Excl Switching	Switching @ \$250/Car	Adjusted Earnings for OVH Traffic
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)	(p)
6940	9237	NYA-T	1,697	95	5305	\$ 362,404	\$ 297,853	427944	-	339779	\$ 22,625	78	1,040	0	1,040
6940	9237	NYA-T	1,697	83	4663	\$ 319,182	\$ 297,853	427944	-	339779	\$ (20,597)	40.5	(492)	0	(492)
9456	9299	NYA-T	2,006	126	10975	\$ 497,123	\$ 333,368	478970	-	380292	\$ 116,831	40.5	2,359	0	2,359
6940	9237	NYA-T	1,697	126	6938	\$ 480,614	\$ 296,614	426164	-	338365	\$ 142,249	40.5	3,395	0	3,395
6940	9237	NYA-T	1,697	126	7054	\$ 484,172	\$ 297,853	427944	-	339779	\$ 144,393	40.5	3,447	0	3,447
57161	9194	NYA-T	1,295	83	7910	\$ 505,825	\$ 278,948	46,781	-	318212	\$ 187,613	40.5	5,867	0	5,867
59303	9233	NYA-T	1,354	83	4996	\$ 320,497	\$ 243,763	350258	-	278098	\$ 42,399	40.5	1,268	0	1,268
59112	9273	NYA-T	1,371	83	5662	\$ 317,397	\$ 250,534	359957	-	285798	\$ 31,599	40.5	933	0	933
4840	9118	NYA-T	863	125	6434	\$ 307,838	\$ 165,484	237761	-	188777	\$ 119,061	40.5	5,591	0	5,591
59847	9229	NYA-T	640	126	6686	\$ 303,995	\$ 148,866	213885	-	169820	\$ 134,175	40.5	8,492	0	8,492
1570	9254	NYA-T	3,749	95	9284	\$ 345,412	\$ 579,924	833212	-	661553	\$ (316,141)	40.5	(3,415)	0	(3,415)
5516	9033	NYA-T	4,177	95	6726	\$ 726,839	\$ 661,312	950147	-	754397	\$ (27,558)	78	(515)	0	(515)
37400	9033	NYA-T	2,079	126	10597	\$ 1,013,032	\$ 427,415	614093	-	487577	\$ 525,455	40.5	10,238	0	10,238
5233	9245	NYA-T	2,804	83	5828	\$ 257,280	\$ 454,601	653153	-	518590	\$ (261,310)	78	(7,269)	0	(7,269)
72	9033	NYA-T	3,343	168	15140	\$ 579,595	\$ 446,160	641025	-	508960	\$ 70,635	40.5	856	0	856
9231	70090	NYA-O	303	40	2,160	\$ 50,768	\$ 37,216	53470	-	42454	\$ 8,314	40.5	1,110	0	1,110
9279	70265	NYA-O	281	40	2,480	\$ 32,853	\$ 37,272	53551	-	42518	\$ (9,665)	40.5	(1,393)	0	(1,393)
9243	6362	NYA-O	702	40	3,000	\$ 94,767	\$ 45,912	65964	-	52374	\$ 42,393	40.5	2,445	0	2,445
9299	73975	NYA-O	200	80	4,720	\$ 60,019	\$ 45,790	65789	-	52235	\$ 7,784	40.5	1,574	0	1,574
9299	73975	NYA-O	200	40	4,040	\$ 78,296	\$ 27,420	39396	-	31280	\$ 47,016	40.5	9,506	0	9,506
9299	73975	NYA-O	200	40	2,000	\$ 49,820	\$ 21,924	31500	-	25010	\$ 24,810	40.5	5,017	0	5,017
9299	73975	NYA-O	200	40	2,000	\$ 49,820	\$ 21,924	31500	-	25010	\$ 24,810	40.5	5,017	0	5,017
9299	73975	NYA-O	200	40	2,000	\$ 49,820	\$ 21,924	31500	-	25010	\$ 24,810	78	9,662	0	9,662
9279	80581	NYA-O	853	40	2,160	\$ 37,907	\$ 73,631	105790	-	83995	\$ (46,088)	78	(4,213)	0	(4,213)
9189	11361	NYA-O	931	40	2,560	\$ 41,788	\$ 81,266	116759	-	92704	\$ (50,916)	40.5	(2,216)	0	(2,216)
9189	11361	NYA-O	931	40	2,480	\$ 41,788	\$ 80,587	115785	-	91931	\$ (50,143)	40.5	(2,182)	0	(2,182)
9189	11361	NYA-O	931	40	2,560	\$ 44,405	\$ 84,928	122021	-	96882	\$ (52,477)	78	(4,399)	0	(4,399)
9189	11361	NYA-O	931	40	2,520	\$ 44,405	\$ 84,590	121535	-	96496	\$ (52,091)	40.5	(2,267)	0	(2,267)
9189	11361	NYA-O	931	40	2,400	\$ 44,405	\$ 83,575	120077	-	95339	\$ (50,934)	40.5	(2,217)	0	(2,217)
9279	51140	NYA-O	1,352	40	2,159	\$ 63,794	\$ 106,083	152416	-	121015	\$ (57,221)	40.5	(1,714)	0	(1,714)
9279	51140	NYA-O	1,352	40	2,479	\$ 63,794	\$ 109,779	157726	-	125231	\$ (61,437)	40.5	(1,840)	0	(1,840)
9279	51140	NYA-O	1,352	40	2,519	\$ 63,794	\$ 110,241	158390	-	125759	\$ (61,964)	40.5	(1,856)	0	(1,856)
9275	51140	NYA-O	1,352	40	2,400	\$ 64,757	\$ 100,297	144103	-	114415	\$ (49,658)	40.5	(1,450)	0	(1,450)
9189	59112	NYA-O	1,387	40	2,400	\$ 64,757	\$ 105,692	151854	-	120569	\$ (55,812)	40.5	(1,630)	0	(1,630)
9189	59112	NYA-O	1,387	40	2,240	\$ 64,757	\$ 97,561	140171	-	111293	\$ (46,536)	78	(2,643)	0	(2,643)
9279	59112	NYA-O	1,373	40	2,800	\$ 58,801	\$ 101,282	145519	-	115539	\$ (56,738)	40.5	(1,732)	0	(1,732)
9279	59303	NYA-O	1,327	40	2,441	\$ 61,479	\$ 106,369	152827	-	121341	\$ (59,862)	78	(3,320)	0	(3,320)
9189	14855	NYA-O	1,407	40	2,441	\$ 61,479	\$ 106,369	152827	-	121341	\$ (59,862)	40.5	(1,724)	0	(1,724)
9189	14855	NYA-O	1,407	40	2,441	\$ 61,479	\$ 106,369	152827	-	121341	\$ (56,493)	40.5	(1,627)	0	(1,627)
9189	14855	NYA-O	1,407	40	2,440	\$ 64,848	\$ 106,369	152827	-	121341	\$ (56,493)	40.5	(1,627)	0	(1,627)
9189	14855	NYA-O	1,407	40	2,440	\$ 61,463	\$ 112,801	162067	-	128678	\$ (67,215)	40.5	(1,935)	0	(1,935)
9189	14855	NYA-O	1,407	40	2,439	\$ 61,448	\$ 112,801	162067	-	128678	\$ (67,230)	40.5	(1,936)	0	(1,936)
9189	14855	NYA-O	1,407	40	2,439	\$ 61,448	\$ 112,801	162067	-	128678	\$ (67,230)	78	(3,728)	0	(3,728)
9189	14855	NYA-O	1,407	40	2,439	\$ 61,448	\$ 112,801	162067	-	128678	\$ (67,230)	40.5	(1,936)	0	(1,936)
9189	14855	NYA-O	1,407	40	2,440	\$ 64,848	\$ 106,369	152827	-	121341	\$ (56,493)	40.5	(1,627)	0	(1,627)
9189	14855	NYA-O	1,407	40	2,440	\$ 64,848	\$ 106,369	152827	-	121341	\$ (56,493)	40.5	(1,627)	0	(1,627)
9189	14855	NYA-O	1,407	40	2,440	\$ 64,848	\$ 106,369	152827	-	121341	\$ (56,493)	40.5	(1,627)	0	(1,627)
9189	14855	NYA-O	1,407	40	2,440	\$ 64,848	\$ 112,801	162067	-	128678	\$ (63,830)	40.5	(1,838)	0	(1,838)
9189	14855	NYA-O	1,407	40	2,440	\$ 64,848	\$ 112,801	162067	-	128,78	\$ (63,830)	40.5	(1,838)	0	(1,838)
9189	14855	NYA-O	1,407	40	2,440	\$ 64,848	\$ 124,145	178366	-	141619	\$ (76,771)	78	(4,257)	0	(4,257)
9189	14855	NYA-O	1,407	40	3,920	\$ 44,766	\$ 130,577	187608	-	148957	\$ (104,191)	40.5	(3,000)	0	(3,000)
9189	14855	NYA-O	1,407	40	3,920	\$ 44,766	\$ 130,577	187608	-	148957	\$ (104,191)	40.5	(3,000)	0	(3,000)
9279	59652	NYA-O	1,522	40	2,760	\$ 66,833	\$ 113,193	162631	-	129126	\$ (62,293)	40.5	(1,658)	0	(1,658)
9279	59664	NYA-O	1,525	40	2,400	\$ 66,833	\$ 107,486	154431	-	122615	\$ (55,782)	40.5	(1,482)	0	(1,482)
9299	5526	NYA-O	698	80	5,360	\$ 77,167	\$ 90,867	130554	-	103657	\$ (26,490)	40.5	(1,537)	0	(1,537)
9299	5526	NYA-O	698	40	2,000	\$ 77,167	\$ 38,370	55129	-	43771	\$ 33,396	40.5	1,938	0	1,938
9279	9230	NYA-O	2,248	40	2,800	\$ 137,638	\$ 149,586	214920	-	170642	\$ (33,004)	40.5	(595)	0	(595)
9279	9230	NYA-O	2,248	40	2,842	\$ 188,863	\$ 150,245	215871	-	171397	\$ 17,466	78	606	0	606
9279	9230	NYA-O	2,248	40	2,842	\$ 188,863	\$ 150,245	215871	-	171397	\$ 17,466	40.5	26,552	0	26,552
9279	1	NYA-O	2,432	600	35,400	\$ 2,064,567	\$ 412,187	592214	-	470206	\$ 1,594,361	40.5	26,552	0	26,552
Total		xxx	xxx	14,217	1,025,879	50,913,300		48,497,551	136,302	38,397,819	12,515,481	xxx	562,019	399,011	\$ 163,008

Development of Trackage Rights Segment Earnings

QFSAC (a)	TFSAC (b)	Switch Type (c)	Total Distance (d)	Carloads (e)	Tons (f)	Adjusted Revenue (g)	Adjusted Variable Cost (h)	Full Cost 1/ (l)	URCS Switch Cost 2/ (j)	Adj Cost Excl ROI & Switching 3/ (k)	Adjusted Total Earnings (i)	Trackage Rights Miles (m)	Earnings On OVH TR Excl Switching (n)	Switching @ \$250/Car (o)	Adjusted Earnings for OVH Traffic (p)
--------------	--------------	-----------------------	--------------------------	-----------------	-------------	----------------------------	-------------------------------------	---------------------	----------------------------------	---	--------------------------------------	------------------------------------	--	---------------------------------	--

Column Sources:

waybill	waybill	Based on Origin/Term Data	waybill	waybill	waybill	waybill x 8% estimated traffic growth x 4.461% inflation	waybill x 8% estimated traffic growth	Total Adjusted Var Cost x CR Markup	CR Switch Cost x cars x OT x 30% CP Usage	(Full Cost - Switch Cost) x ROI %	Revenue - Adj Cost	Calculation of Miles over Trackage Rights	Total Adj Earnings x TR Miles + Total Miles	\$250 x OT x cars x 30% CP Usage	Earnings on TR - Switching
---------	---------	---------------------------------	---------	---------	---------	---	---	---	---	---	--------------------	--	---	--	-------------------------------

Footnotes:

¹ Variable Cost in Column (h) x CR 1995 URCS Constant Cost Markup Ratio (DBL617C01) = 1.43676

² CR 1995 URCS SSW Compensation Type Switching Cost per car excluding ROI and Car Cost

Item/Cost Element	Source	Service Units	Full Cost
a) Switch Mins - Industry	E2L101C25	5,91605	
b) Ratio Spot to Pull (T/L)	100% Empty	2.0	
c) Total Switch Mins	Line a x Line b	11,8321	
d) SEM Oper Exp	E11111C01		
e) SEM D and L	E1L111C02		
f) CL Clerical Oper Exp	E1L109C01	1.0	
g) CL O/T Clerical Oper Exp	E1105C01	1.0	
h) Constant Cost Markup	DBL617CL1		1.43676
i) Total SEM Cost Per Min	(Line d + Line e) x Line h		\$5,1323
j) Total SEM Full Cost Per Car	Line i x Line c		\$60.73
k) Total Clerical Oper Expense	(Line f + Line g) x Line h		\$24.67
l) Total Full Cost Per Car	Line j + Line k		\$85.40

³ CR 1995 URCS ROI portion of total

Item	Value
a) DBL603C01	11,029
b) DBL606C01	518,402
c) DBL614C01	2,569,793
d) (Line a + Line b) + Line c	0,206
e) Adjustment Factor (1.0 - Line d)	0,794

STB

FD-33388 (SUB69)

1-28-99

D 193161V3

4 OF 4

customers located adjacent to the tracks involved in this Amendment Agreement regardless of whether the tracks are maintained by Amtrak or Conrail and regardless of whether the tracks are owned or leased by Amtrak.

17. The parties agree that all other provisions of the Off Corridor Operating Agreement will remain in effect for operations between Poughkeepsie and Hoffmans as if all provisions of the agreement were specifically included herein.

18. That portion of the Memorandum of Understanding between Amtrak and Conrail dated March 25 and April 1, 1977 pertaining to the division of maintenance costs is hereby revoked and rendered invalid.

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals this 30th day of October, 1980.

ATTEST:

T. P. D. Kordic
ASSISTANT SECRETARY

CONSOLIDATED RAIL CORPORATION

By:

Frank M. Reed
PRESIDENT

ATTEST:

Edye Warner

NATIONAL RAILROAD
PASSENGER CORPORATION

By:

Alan S. Boyd

Potter R.V.S.

BEFORE THE
SURFACE TRANSPORTATION BOARD

FINANCE DOCKET NO. 33388
(Sub-No. 69)

CSX CORPORATION AND CSX TRANSPORTATION, INC.
NORFOLK SOUTHERN CORPORATION AND
NORFOLK SOUTHERN RAILWAY CORPORATION
--CONTROL AND OPERATING LEASES/AGREEMENTS--
CONRAIL INC. AND CONSOLIDATED RAIL CORPORATION

REPLY VERIFIED STATEMENT OF
STEVEN A. POTTER

My name is Steven A. Potter. I am Assistant Vice President – Intercarrier Agreements for CSX Transportation, Inc. in Jacksonville, Florida. I have held this position for five years. In my 17-year career with CSXT and predecessor companies I have held a variety of positions in the Marketing, Finance and Strategic Planning Departments including heading the fertilizer marketing group and a district sales office. In addition to my intercarrier agreements duties, I am also responsible for planning for the Shared Assets Areas created by the Conrail Transaction.

The Intercarrier Agreements group, which I head, is responsible for joint facility contracts and their administration, interline switching arrangements and administration, and audit and field financial control functions. Included within joint facility contracts are trackage rights agreements, haulage agreements and terminal operating agreements.

I am familiar with the various types of trackage rights arrangements which CSXT enters into with other railroads and with the typical joint facilities arrangements customarily entered into between railroads sharing terminal facilities.

I was one of the members of the team responsible for negotiations with Canadian Pacific Railway Company and affiliates ("CP") over issues raised by that company in the CSX-NS-Conrail proceeding, which resulted in two settlement agreements I will describe below. I was involved in formulating CSX's position throughout, and participated in many of the face-to-face-negotiations. I have given Verified Statements earlier in the present subdocket concerning the "East of the Hudson" rights granted by the Board in Decision No. 109, in CSX-167 and CSX-169, prior to the rendition of the Board's Decision No. 109.

My attention has been called to the Verified Statement of Paul D. Gilmore, a Vice President of Canadian Pacific Railroad Company (with its affiliates, "CP") in CP's Petition for Reconsideration of the Board's Decision No. 109, designated as CP-28. In that Verified Statement, Gilmore compares the amounts that were to be allowed to CSX as to "minimum revenue requirements" in connection with the independent ratemaking authority granted to CP in the "Rate-making Agreement" of October 20, 1997, for movements to or from "New York City points in the Bronx or Queens or for points on Long Island that are interchanged to the New York & Atlantic at Fresh Pond Junction." See that Agreement, Exhibit 3 to my Verified Statement in CSX-176, § 5.A(ii). As noted above, I participated in the negotiations that led to that Agreement (the "October 1997 Settlement Agreement").

That Agreement was indeed a settlement agreement and in fact it required CP to support, on the date for filing comments in the overall proceeding, the acquisition of Conrail by NS and CSX pursuant to their Application, and not to seek conditions. October 1997 Settlement Agreement, § 2 at 2. In exchange for that undertaking, independent ratemaking authority was granted CP over various interchange points to and from a number of points served or to be served by CSX upon the acquisition of the Conrail routes. One of these was the quoted access to the Bronx and Queens and to other Long Island points via NY&A interchange.

Independent ratemaking authority permits the carrier having it to quote a joint line rate to a shipper without the particularized consent for the movement by the other carrier participating in the movement so long as the division gives the non-quoting carrier its "revenue requirement." The revenue requirement to be paid to CSX for its portion of those movements East of the Hudson was a concessionary rate, granted by CSX in order to buy peace in a major case in which a major railroad was an adversary seeking conditions. We anticipated, in developing the revenue requirements under the independent ratemaking authority, that the moves to and from the New York City and Long Island points would be performed, to a large part, simply by adding CP cars to CSX trains that would be moving in any event. Thus, the marginal costs to CSX would be relatively low, and CSX could grant the concessionary rate without substantial out-of-pocket loss and indeed at a modest profit, measured on a marginal basis.

Obviously, in planning an entirely new service for CSX, I would never confuse the full cost of running that new service with the cost, either to be exacted by CSX or which I would expect to pay to another carrier, for adding cars to another carrier's trains. Of course, I would generally not expect another carrier to carry CSX's cars on a competitive route unless there was some overriding benefit to that carrier, but in any circumstances in which that might be the case, I would realize that the marginal cost to the carrier of the operational move would be substantially less than its full cost, and in negotiating with that carrier, I would keep that in mind.

Gilmore's Verified Statement, as I see the matter, does not offer a proper competitive comparison, which would be a comparison of single carrier moves between Montreal on the one hand and the Bronx, Queens and the Fresh Pond interchange on the other. CSX's mileage on the Conrail line it is being allocated from Montreal to the Bronx is approximately 530 miles; Gilmore's mileage on CP's route over Saratoga from Montreal to the Bronx is 370.5. (I have not seen Gilmore's Exhibit 1, since it is highly confidential, but have inferred his methodology from his Verified Statement and from a redacted version of his Exhibit which deleted all the CP costs and all the totals including those costs.) His approach is truly "comparing apples to oranges" to compare the cost of an operation conducted by CP, on its own schedules using its own equipment and as to its own master plan, with a full-cost allocation, to a service provided by CSX as part of a settlement on the basis of CP adding cars to be pulled in CSX's own trains on CSX's schedules, at CSX's

marginal costs. While the CSX East-of-the-Hudson service will be a new service for CSX, the October 1997 Settlement Agreement was entered into at a time that CSX had contracted to acquire the route in question and to replace Conrail's service over it. Thus, the cars it might obtain from CP would be additional cars for an existing service, that is, one that it had already committed itself to supply.

I understand that Gilmore's methodology in his Exhibit assumes that there will be a 100-percent empty back haul on all movements. Thus, it is assumed that in the case of use of the trackage rights, cars will be taken back all the way to Montreal empty by CP and CP will, of course, have to pay a trackage rights fee for the CSX segments on the back haul, since trackage rights fees are paid for every haul, revenue-bearing or not. On the other hand, under the independent ratemaking arrangements, CSX would have the duty to return the car that it took in interchange from the Albany area to New York City to the point of interchange, and if no revenue back haul was available, CSX would be required to do so without additional charge to CP or its customers. On the other hand, if there was a revenue back haul involving the independent ratemaking authority (that authority is granted in either direction, "to or from," see October 1997 Settlement Agreement, § 5.A(ii), at 3), CSX would be entitled to its specified division of the revenues on the back haul. And, obviously, if on the trackage rights movements CP had a revenue-paying back haul from New York to Montreal, most of its revenue would fall to the bottom line since I understand that Gilmore's methodology in his comparison includes counting the cost of the loaded one-way

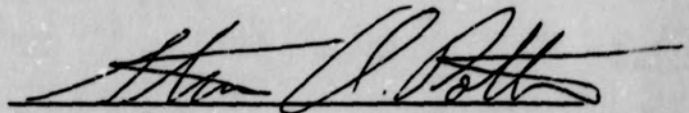
movement between Montreal and New York City twice. Thus, to the extent that revenue back hauls might exist, the claimed cost advantages of the independent rate-making authority over the use of the trackage rights would be negated.

I note that Gilmore believes that for trackage rights compensation purposes, articulated equipment used for intermodal traffic is defined as one "car" for every four axles. Gilmore V.S. at 5 n.6. At CSX, each "platform" or "well" constitutes a "car." That is also the standard used by NS and Conrail in their agreements with us and each other. A typical clause reads as follows:

With respect to articulated units, the number of cars shall be determined by the AAR Car Type Code as defined in the UMLER Specification Manual. The second numeric in the Car Type Code field covering codes "Q" and "S" will be the factor in determining the car count for an articulated unit. For example, AAR Car Type Code "S566" would equate to a five (5) car count as these type cars have five wells capable of handling 40' to 48' containers in each well.

VERIFICATION

I, Steven A Potter, declare under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this statement. Executed on January 25, 1999.


Steven A. Potter

STB

FD-33388 (SUB69)

1-28-99

D 193161V3

4 OF 4

customers located adjacent to the tracks involved in this Amendment Agreement regardless of whether the tracks are maintained by Amtrak or Conrail and regardless of whether the tracks are owned or leased by Amtrak.

17. The parties agree that all other provisions of the Off Corridor Operating Agreement will remain in effect for operations between Poughkeepsie and Hoffmans as if all provisions of the agreement were specifically included herein.

18. That portion of the Memorandum of Understanding between Amtrak and Conrail dated March 25 and April 1, 1977 pertaining to the division of maintenance costs is hereby revoked and rendered invalid.

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals this 30th day of October, 1980.

ATTEST:

T. P. McEwen
ASSISTANT SECRETARY

CONSOLIDATED RAIL CORPORATION

By: Stan M. Reed
PRESIDENT

ATTEST:

Edipe Warner

NATIONAL RAILROAD PASSENGER CORPORATION

By: Alan S. Boyd

Potter R.V.S.

BEFORE THE
SURFACE TRANSPORTATION BOARD

FINANCE DOCKET NO. 33388
(Sub-No. 69)

CSX CORPORATION AND CSX TRANSPORTATION, INC.
NORFOLK SOUTHERN CORPORATION AND
NORFOLK SOUTHERN RAILWAY CORPORATION
--CONTROL AND OPERATING LEASES/AGREEMENTS--
CONRAIL INC. AND CONSOLIDATED RAIL CORPORATION

REPLY VERIFIED STATEMENT OF
STEVEN A. POTTER

My name is Steven A. Potter. I am Assistant Vice President – Intercarrier Agreements for CSX Transportation, Inc. in Jacksonville, Florida. I have held this position for five years. In my 17-year career with CSXT and predecessor companies I have held a variety of positions in the Marketing, Finance and Strategic Planning Departments including heading the fertilizer marketing group and a district sales office. In addition to my intercarrier agreements duties, I am also responsible for planning for the Shared Assets Areas created by the Conrail Transaction.

The Intercarrier Agreements group, which I head, is responsible for joint facility contracts and their administration, interline switching arrangements and administration, and audit and field financial control functions. Included within joint facility contracts are trackage rights agreements, haulage agreements and terminal operating agreements.

I am familiar with the various types of trackage rights arrangements which CSXT enters into with other railroads and with the typical joint facilities arrangements customarily entered into between railroads sharing terminal facilities.

I was one of the members of the team responsible for negotiations with Canadian Pacific Railway Company and affiliates ("CP") over issues raised by that company in the CSX-NS-Conrail proceeding, which resulted in two settlement agreements I will describe below. I was involved in formulating CSX's position throughout, and participated in many of the face-to-face-negotiations. I have given Verified Statements earlier in the present subdocket concerning the "East of the Hudson" rights granted by the Board in Decision No. 109, in CSX-167 and CSX-169, prior to the rendition of the Board's Decision No. 109.

My attention has been called to the Verified Statement of Paul D. Gilmore, a Vice President of Canadian Pacific Railroad Company (with its affiliates, "CP") in CP's Petition for Reconsideration of the Board's Decision No. 109, designated as CP-28. In that Verified Statement, Gilmore compares the amounts that were to be allowed to CSX as to "minimum revenue requirements" in connection with the independent ratemaking authority granted to CP in the "Ratemaking Agreement" of October 20, 1997, for movements to or from "New York City points in the Bronx or Queens or for points on Long Island that are interchanged to the New York & Atlantic at Fresh Pond Junction." See that Agreement, Exhibit 3 to my Verified Statement in CSX-176, § 5.A(ii). As noted above, I participated in the negotiations that led to that Agreement (the "October 1997 Settlement Agreement").

That Agreement was indeed a settlement agreement and in fact it required CP to support, on the date for filing comments in the overall proceeding, the acquisition of Conrail by NS and CSX pursuant to their Application, and not to seek conditions. October 1997 Settlement Agreement, § 2 at 2. In exchange for that undertaking, independent ratemaking authority was granted CP over various interchange points to and from a number of points served or to be served by CSX upon the acquisition of the Conrail routes. One of these was the quoted access to the Bronx and Queens and to other Long Island points via NY&A interchange.

Independent ratemaking authority permits the carrier having it to quote a joint line rate to a shipper without the particularized consent for the movement by the other carrier participating in the movement so long as the division gives the non-quoting carrier its "revenue requirement." The revenue requirement to be paid to CSX for its portion of those movements East of the Hudson was a concessionary rate, granted by CSX in order to buy peace in a major case in which a major railroad was an adversary seeking conditions. We anticipated, in developing the revenue requirements under the independent ratemaking authority, that the moves to and from the New York City and Long Island points would be performed, to a large part, simply by adding CP cars to CSX trains that would be moving in any event. Thus, the marginal costs to CSX would be relatively low, and CSX could grant the concessionary rate without substantial out-of-pocket loss and indeed at a modest profit, measured on a marginal basis.

Obviously, in planning an entirely new service for CSX, I would never confuse the full cost of running that new service with the cost, either to be exacted by CSX or which I would expect to pay to another carrier, for adding cars to another carrier's trains. Of course, I would generally not expect another carrier to carry CSX's cars on a competitive route unless there was some overriding benefit to that carrier, but in any circumstances in which that might be the case, I would realize that the marginal cost to the carrier of the operational move would be substantially less than its full cost, and in negotiating with that carrier, I would keep that in mind.

Gilmore's Verified Statement, as I see the matter, does not offer a proper competitive comparison, which would be a comparison of single carrier moves between Montreal on the one hand and the Bronx, Queens and the Fresh Pond interchange on the other. CSX's mileage on the Conrail line it is being allocated from Montreal to the Bronx is approximately 530 miles; Gilmore's mileage on CP's route over Saratoga from Montreal to the Bronx is 370.5. (I have not seen Gilmore's Exhibit 1, since it is highly confidential, but have inferred his methodology from his Verified Statement and from a redacted version of his Exhibit which deleted all the CP costs and all the totals including those costs.) His approach is truly "comparing apples to oranges" to compare the cost of an operation conducted by CP, on its own schedules using its own equipment and as to its own master plan, with a full-cost allocation, to a service provided by CSX as part of a settlement on the basis of CP adding cars to be pulled in CSX's own trains on CSX's schedules, at CSX's

marginal costs. While the CSX East-of-the-Hudson service will be a new service for CSX, the October 1997 Settlement Agreement was entered into at a time that CSX had contracted to acquire the route in question and to replace Conrail's service over it. Thus, the cars it might obtain from CP would be additional cars for an existing service, that is, one that it had already committed itself to supply.

I understand that Gilmore's methodology in his Exhibit assumes that there will be a 100-percent empty back haul on all movements. Thus, it is assumed that in the case of use of the trackage rights, cars will be taken back all the way to Montreal empty by CP and CP will, of course, have to pay a trackage rights fee for the CSX segments on the back haul, since trackage rights fees are paid for every haul, revenue-bearing or not. On the other hand, under the independent ratemaking arrangements, CSX would have the duty to return the car that it took in interchange from the Albany area to New York City to the point of interchange, and if no revenue back haul was available, CSX would be required to do so without additional charge to CP or its customers. On the other hand, if there was a revenue back haul involving the independent ratemaking authority (that authority is granted in either direction, "to or from," see October 1997 Settlement Agreement, § 5.A(ii), at 3), CSX would be entitled to its specified division of the revenues on the back haul. And, obviously, if on the trackage rights movements CP had a revenue-paying back haul from New York to Montreal, most of its revenue would fall to the bottom line since I understand that Gilmore's methodology in his comparison includes counting the cost of the loaded one-way

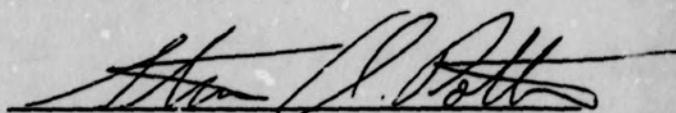
movement between Montreal and New York City twice. Thus, to the extent that revenue back hauls might exist, the claimed cost advantages of the independent rate-making authority over the use of the trackage rights would be negated.

I note that Gilmore believes that for trackage rights compensation purposes, articulated equipment used for intermodal traffic is defined as one "car" for every four axles. Gilmore V.S. at 5 n.6. At CSX, each "platform" or "well" constitutes a "car." That is also the standard used by NS and Conrail in their agreements with us and each other. A typical clause reads as follows:

With respect to articulated units, the number of cars shall be determined by the AAR Car Type Code as defined in the UMLER Specification Manual. The second numeric in the Car Type Code field covering codes "Q" and "S" will be the factor in determining the car count for an articulated unit. For example, AAR Car Type Code "S566" would equate to a five (5) car count as these type cars have five wells capable of handling 40' to 48' containers in each well.

VERIFICATION

I, Steven A Potter, declare under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this statement. Executed on January 25, 1999.



Steven A. Potter