

234506

PUBLIC
BEFORE THE
SURFACE TRANSPORTATION BOARD

INTERMOUNTAIN POWER AGENCY	)	
	)	
	)	
Complainant,	)	
	)	
v.	)	Docket No. 42136
	)	
UNION PACIFIC RAILROAD COMPANY	)	
	)	
Defendant.	)	
	)	

REBUTTAL EVIDENCE OF COMPLAINANT
INTERMOUNTAIN POWER AGENCY

EXHIBITS

ENTERED
Office of Proceedings

JUL 03 2013

Part of
Public Record

INTERMOUNTAIN POWER AGENCY

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Dated: July 3, 2013

Attorneys for Complainant

LIST OF EXHIBITS

EXHIBIT

TITLE

EXHIBIT

III-B

1 IRR Track Diagrams

EXHIBIT

III-C

1 IRR Open and Rebuttal Peak Period Transit Time Comparison

EXHIBIT

III-H

1 Discounted Cash Flow Analysis

1 (Alternative 1) Discounted Cash Flow Analysis

2 MMM Revenue to Variable Cost Ratios

2 (Alternative 1) MMM Revenue to Variable Cost Ratios

III-B Stand-Alone Railroad System

WELDS, DERAILS, WHEELSTOPS AND MP SIGNS PER SUBDIVISION

DESCRIPTION	COUNT
WELDS	24
DERAILS	6
WHEEL STOPS	1
MP SIGN 1	0
MP SIGN 2	0
MP SIGN 3	85

TURNOUTS, FED & AEI COUNTS PER SUBDIVISION

DESCRIPTION	COUNT
#10 TURNOUTS	20
#15 TURNOUTS	19
#20 TURNOUTS	0
FED	3
AEI	2
CROSSOVER	1

LOCOTRACTION

DESCRIPTION	COUNT
#10 LOCOTRACTIONS	20
#15 LOCOTRACTIONS	19
#20 LOCOTRACTIONS	0
FED	3
AEI	2
CROSSOVER	1

<u>DESCRIPTION</u>	<u>COUNT</u>
WELDS	24
DERAILS	6
WHEEL STOPS	1
MP SIGN 1	0
MP SIGN 2	0
MP SIGN 3	85

<u>DESCRIPTION</u>	<u>COUNT</u>
#10 TURNOUTS	20
#15 TURNOUTS	19
#20 TURNOUTS	0
FED	3
AEI	2
CROSSOVER	1

EXHIBIT:
III-B-1

LEGEND:

100 0000 0000 0000 0000 - 136# STANDARD CWR
00000000000000000000 - 115# CWR CLASS 1 RELAY

20 = TURNOUT TYPE*

(FED)	1	FAILED EQUIPMENT DETECTOR WITH NUMBER OF TRACKS COVERED	20 - # 20 ELECTRIC 15E- # 15 ELECTRIC 15- # 15 HAND-THROWN 10S- # 10 SPRING 10E- # 10 ELECTRIC	* TURNOUT TYPES
(AEI)	1	AUTOMATIC EQUIPMENT IDENTIFICATION SCANNER WITH NUMBER OF TRACKS COVERED		

SUBDIVISION: SHARP

DATE: 6/28/13

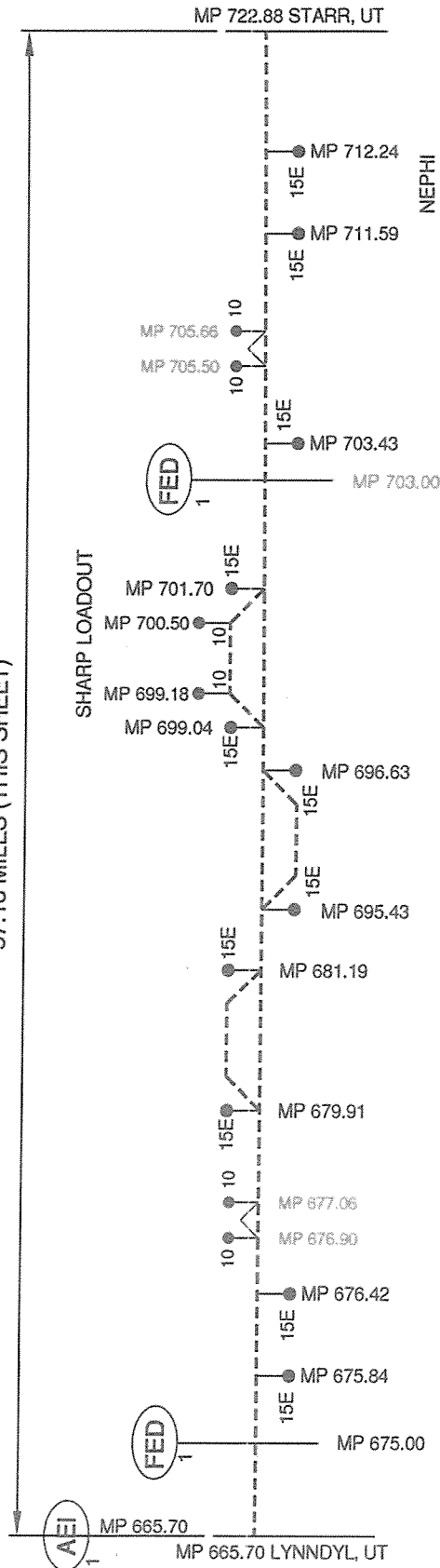
MP: 722.88

NOT TO SCALE

FROM: STARR

TO: IRONTON

85.77 IRR ROUTE MILES (CONTINUES ON SHEET 1 OF 4)
57.18 MILES (THIS SHEET)



TURNOUTS, FED & AEI COUNTS PER SUBDIVISION	
DESCRIPTION	COUNT
#10 TURNOUTS	20
#15 TURNOUTS	19
#20 TURNOUTS	0
FED	3
AEI	2
CROSSOVER	1

PAGE 2 OF 4

WELDS, DERAILS, WHEELSTOPS AND MP SIGNS PER SUBDIVISION	
DESCRIPTION	COUNT
WELDS	24
DERAILS	6
WHEEL STOPS	1
MP SIGN 1	0
MP SIGN 2	0
MP SIGN 3	85

EXHIBIT:
III-B-1

LEGEND:

--- 136# STANDARD CVR
--- 115# CVR CLASS 1 RELAY

* TURNOUT TYPES
20 - #20 ELECTRIC
15E - #15 ELECTRIC
15 - #15 HAND-THROWN
10S - #10 SPRING
10 - #10 HAND-THROWN
10E - #10 ELECTRIC

FAILED EQUIPMENT DETECTOR WITH
NUMBER OF TRACKS COVERED
HB = HOT BEARING DETECTOR
DE OR DED = DRAGGING EQUIPMENT DETECTOR
HW = HOT WHEEL DETECTOR
AUTOMATIC EQUIPMENT IDENTIFICATION
SCANNER WITH NUMBER OF TRACKS COVERED

(FED) 1
(AEI) 1

SUBDIVISION: **SHARP**

DATE: 6/28/13

FROM: **LYNDYL**

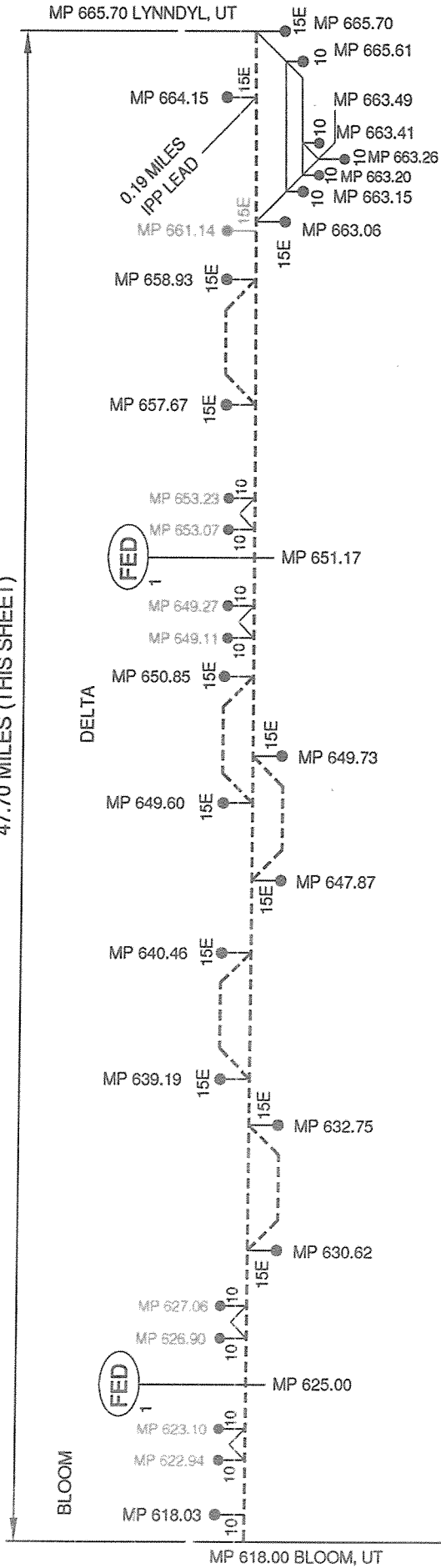
TO: **STARR**

NOT TO SCALE

MP: 665.70

MP: 722.88

89.0 IRR ROUTE MILES (CONTINUES ON SHEET 4 OF 4)
47.70 MILES (THIS SHEET)



WELDS, DERAILS, WHEELSTOPS AND MP SIGNS PER SUBDIVISION	
DESCRIPTION	COUNT
WELDS	40
DERAILS	14
WHEELSTOPS	1
MP SIGN 1	0
MP SIGN 2	0
MP SIGN 3	89

TURNOUTS, FED & AEI COUNTS PER SUBDIVISION	
DESCRIPTION	COUNT
#10 TURNOUTS	25
#15 TURNOUTS	27
#20 TURNOUTS	0
FED	4
AEI	1

PAGE 3 OF 4

LEGEND:

--- 136# STANDARD CWR
--- 115# CWR CLASS 1 RELAY

20 = TURNOUT TYPE*

DATE: 6/28/13

SUBDIVISION: LYNN DYL

FROM: BLOOM

TO: LYNN DYL

MP: 618.00
MP: 665.70

NOT TO SCALE

EXHIBIT:
III-B-1

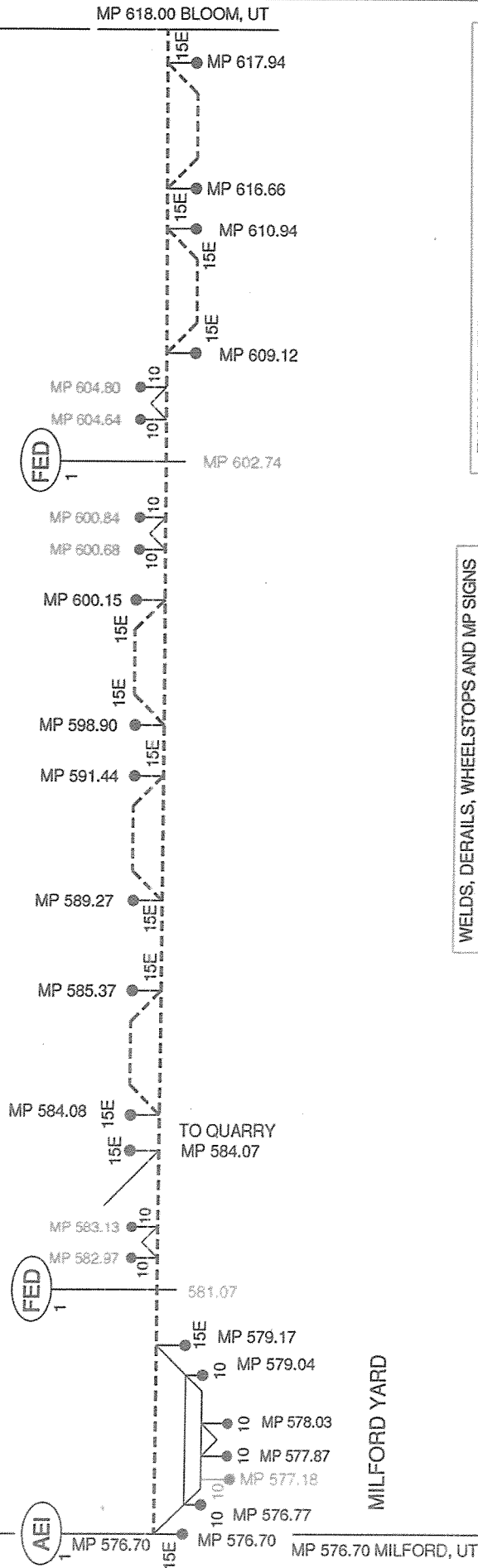
* TURNOUT TYPES
20 - #20 ELECTRIC
15E - #15 ELECTRIC
15- #15 HAND-THROWN
10S - #10 SPRING
10E - #10 HAND-THROWN
10E - #10 ELECTRIC

FAILED EQUIPMENT DETECTOR WITH
NUMBER OF TRACKS COVERED
HB = HOT BEARING DETECTOR
DE OR DED = DRAGGING EQUIPMENT DETECTOR
HW = HOT WHEEL DETECTOR
AUTOMATIC EQUIPMENT IDENTIFICATION
SCANNER WITH NUMBER OF TRACKS COVERED

(FED) 1

(AEI) 1

89.0 IRR ROUTE MILES (CONTINUES ON SHEET 3 OF 4)
41.30 MILES (THIS SHEET)



WELDS, DERAILS, WHEELSTOPS AND MP SIGNS PER SUBDIVISION	
DESCRIPTION	COUNT
WELDS	40
DERAILS	14
WHEEL STOPS	1
MP SIGN 1	0
MP SIGN 2	0
MP SIGN 3	89

TURNOUTS, FED & AEI COUNTS PER SUBDIVISION	
DESCRIPTION	COUNT
#10 TURNOUTS	25
#15 TURNOUTS	27
#20 TURNOUTS	0
FED	4
AEI	1

PAGE 4 OF 4

LEGEND:

--- 136# STANDARD CWR
--- 115# CWR CLASS 1 RELAY

(FED) 1

FAILED EQUIPMENT DETECTOR WITH
NUMBER OF TRACKS COVERED
HB = HOT BEARING DETECTOR
DE OR DED = DRAGGING EQUIPMENT DETECTOR
HW = HOT WHEEL DETECTOR
AUTOMATIC EQUIPMENT IDENTIFICATION
SCANNER WITH NUMBER OF TRACKS COVERED

(AEI) 1

20 = TURNOUT TYPE*

* TURNOUT TYPES
20 - #20 ELECTRIC
15E - #15 ELECTRIC
15 - #15 HAND-THROWN
10S - #10 SPRING
10 - #10 HAND-THROWN
10E - #10 ELECTRIC

EXHIBIT:
III-B-1

SUBDIVISION: **LYNN DYL**

DATE: 6/28/13

MP: 576.70

MP: 618.00

FROM: **MILFORD**

TO: **BLOOM**

NOT TO SCALE

III-C Operating Plan

REBUTTAL EXHIBIT III-C-1 IS CONFIDENTIAL
AND HAS BEEN REDACTED

III-H Results of SAC Analysis

TABLE A: IRR ANNUAL COST OF CAPITAL

Year (1)	Industry			IRR's			Debt as a		Preferred		Equity as a		Composite Cost of Capital (12)	1 + Cost of Capital (13)	STB Prescribed Debt as a % of Capital 4/ (14)
	Industry Cost of Capital (2)	Industry Cost of Debt 1/ (3)	Industry Cost of Preferred Equity 2/ (4)	IRR 's Cost of Debt (6)	IRR's Cost of Preferred Equity (7)	IRR's Cost of Equity (8)	Percent of Total Investment (9)	Percent of Total Investment (10)	Percent of Total Investment (11)						
2010	11.03%	4.61%	0.00%	12.99%	4.61%	0.00%	12.99%	23.38%	0.00%	76.62%	11.03%	1.1103	23.38%		
2011	11.57%	3.97%	0.00%	13.57%	3.97%	0.00%	13.57%	20.83%	0.00%	79.17%	11.57%	1.1157	20.83%		
2012	11.06%	3.29%	0.00%	13.33%	3.29%	0.00%	13.33%	22.62%	0.00%	77.38%	11.06%	1.1106	22.62%		
2013					3.77%	0.00%	13.30%	21.63%	0.00%	78.37%	11.24%	1.1124			
2014					3.77%	0.00%	13.30%	21.63%	0.00%	78.37%	11.24%	1.1124			
2015					3.77%	0.00%	13.30%	21.63%	0.00%	78.37%	11.24%	1.1124			
2016					3.77%	0.00%	13.30%	21.63%	0.00%	78.37%	11.24%	1.1124			
2017					3.77%	0.00%	13.30%	21.63%	0.00%	78.37%	11.24%	1.1124			
2018					3.77%	0.00%	13.30%	21.63%	0.00%	78.37%	11.24%	1.1124			
2019					3.77%	0.00%	13.30%	21.63%	0.00%	78.37%	11.24%	1.1124			
2020					3.77%	0.00%	13.30%	21.63%	0.00%	78.37%	11.24%	1.1124			
2021					3.77%	0.00%	13.30%	21.63%	0.00%	78.37%	11.24%	1.1124			
2022					3.77%	0.00%	13.30%	21.63%	0.00%	78.37%	11.24%	1.1124			

1/ Cost of railroad industry debt from the STB Decision in Ex Parte No. 558 (Sub-No. 14), Railroad Cost of Capital - 2010, decided September 30, 2011, STB Decision in Ex Parte No. 558 (Sub-No. 15), Railroad Cost of Capital - 2010, decided September 11, 2012 and the AAR Opening worksheets in Ex Parte No. 558 (Sub No. 16), Railroad Cost of Capital - 2010, decided September 11, 2012 and the AAR Opening worksheets in Ex Parte No. 558 (Sub No. 16), Railroad Cost of Capital - 2012, submitted April 19, 2013.

2/ No preferred equity was issued in 2010 - 2012.

3/ Cost of railroad industry common equity from the STB Decision in Ex Parte No. 558 (Sub-No. 14), Railroad Cost of Capital - 2010, decided September 30, 2011, STB Decision in Ex Parte No. 558 (Sub-No. 15), Railroad Cost of Capital - 2010, decided September 11, 2012 and the AAR Opening worksheets in Ex Parte No. 558 (Sub No. 16), Railroad Cost of Capital - 2012, submitted April 19, 2013.

4/ Railroad industry capital structure from the STB Decision in Ex Parte No. 558 (Sub-No. 14), Railroad Cost of Capital - 2010, decided September 30, 2011, STB Decision in Ex Parte No. 558 (Sub-No. 15), Railroad Cost of Capital - 2010, decided September 11, 2012 and the AAR Opening worksheets in Ex Parte No. 558 (Sub No. 16), Railroad Cost of Capital - 2012, submitted April 19, 2013.

TABLE B: IRR INFLATION INDEXES

<u>Period</u> (1)	<u>Land 1/</u> (2)	<u>Hybrid RCAF 2/</u> (3)	<u>MWS Excluding Fuel 3/</u> (4)	<u>Materials & Supplies 4/</u> (5)	<u>Wages & Supplements 5/</u> (6)
2Q 2010	100.0		466.7	349.1	489.7
3Q 2010	100.1		465.6	355.8	486.9
4Q 2010	100.3		467.2	364.6	486.9
1Q 2011	100.1		460.8	364.0	479.2
2Q 2011	100.0		463.5	377.4	479.6
3Q 2011	99.9		467.2	380.0	483.5
4Q 2011	99.7		476.8	398.1	491.1
1Q 2012	99.7		487.5	397.6	504.3
2Q 2012	99.7		498.3	404.9	515.8
3Q 2012	99.7		502.0	405.3	520.1
4Q 2012	99.7	100.0	496.7	389.7	517.1
1Q 2013	100.9	99.7	486.3	388.1	504.8
2Q 2013	102.1	100.5	480.7	384.6	498.7
3Q 2013	103.3	99.6	487.5	388.5	506.2
4Q 2013	104.5	100.3	494.5	392.7	513.8
1Q 2014	105.7	100.5	500.4	397.0	520.0
2Q 2014	107.0	100.9	500.9	399.4	520.0
3Q 2014	108.2	100.8	506.6	403.0	526.2
4Q 2014	109.5	101.6	512.7	407.9	532.5
1Q 2015	110.8	101.5	519.2	410.3	540.0
2Q 2015	112.1	102.0	523.1	411.9	544.3
3Q 2015	113.4	102.1	526.4	411.1	548.7
4Q 2015	114.7	103.7	530.3	412.8	553.1
1Q 2016	116.1	104.6	534.6	415.8	557.6
2Q 2016	117.4	105.4	538.9	418.9	562.1
3Q 2016	118.8	106.3	543.2	422.0	566.7
4Q 2016	120.2	107.1	547.5	425.2	571.3
1Q 2017	121.6	108.0	551.9	427.2	576.2
2Q 2017	123.1	108.8	556.4	429.2	581.2
3Q 2017	124.5	109.7	560.8	431.2	586.2
4Q 2017	126.0	110.6	565.3	433.2	591.3
1Q 2018	127.5	111.5	570.0	434.7	596.7
2Q 2018	128.9	112.4	574.7	436.3	602.1
3Q 2018	130.5	113.3	579.4	437.8	607.6
4Q 2018	132.0	114.2	584.2	439.3	613.2
1Q 2019	133.5	115.1	588.9	440.6	618.8
2Q 2019	135.1	116.0	593.7	441.9	624.4
3Q 2019	136.7	117.0	598.6	443.2	630.1
4Q 2019	138.3	117.9	603.4	444.6	635.9
1Q 2020	139.9	118.8	608.2	445.9	641.5
2Q 2020	141.6	119.7	613.1	447.2	647.2
3Q 2020	143.2	120.6	617.9	448.6	653.0
4Q 2020	144.9	121.5	622.8	449.9	658.8
1Q 2021	146.6	122.3	627.6	451.1	664.5
2Q 2021	148.4	123.2	632.5	452.4	670.2
3Q 2021	150.1	124.0	637.3	453.6	676.0
4Q 2021	151.9	124.9	642.3	454.8	681.8
1Q 2022	153.6	125.7	647.2	456.1	687.7
2Q 2022	155.5	126.5	652.2	457.3	693.6
3Q 2022	157.3	127.4	657.2	458.6	699.6
4Q 2022	159.1	128.2	662.3	459.9	705.7
Annual Inflation Rate 6/	4.66%		2.74%	1.24%	3.02%

1/ Used to index Road Property Account 2. Based on historic change in rural land prices as reported by the USDA and urban land prices as reported by the National Council of Real Estate Investment Fiduciaries.

2/ Used to index expenses in Table K. Based on the RCAF-U and RCAF-A through 1Q2013 then Global Insight forecast for remaining periods.

3/ Used to index Road Property Accounts 3, 5, 6, 13, 17, 19, 20, 26, 27, 37, and 39. Based on RCR indices - West Region through 1Q2013 then Global Insight forecast.

4/ Used to index Road Property Accounts 8, 9, and 11. Based on RCR indexes - West Region through 1Q2013 then Global Insight forecast for remaining periods.

5/ Used to index Road Property Accounts 1 and 12. Based on RCR indexes - West Region through 1Q2013 then Global Insight forecast for remaining periods.

6/ $3Q\ 2012 \div 4Q\ 2022^{(1/10.25)} - 1$. The Annual Rate is used to develop asset replacement values at the end of asset lives.

TABLE C: IRR PROPERTY INVESTMENT VALUES

Construction of the IRR occurs between June 2, 2010 and November 2, 2012.
Investments are assumed to be in November 2, 2012 dollars.

Property Account (1)	Property Component (2)	Service Life In Years 1/ (3)	Investment In 3Q2010 Dollars 2/ (4)	Investment In 3Q2011 Dollars 3/ (5)	Investment In 4Q2012 Dollars 4/ (6)	2010 Investment Value 5/ (7)	2011 Investment Value 6/ (8)	2012 Investment Value 7/ (9)	Total Property Investment 4Q 2012 8/ (10)
1	Engineering	NA	\$31,675,336	\$31,454,149	\$33,640,001	\$17,055,950	\$14,517,299	\$0	\$31,573,250
2	Land	NA	\$15,822,296	\$15,778,528	\$15,756,689	\$9,041,312	\$6,762,226	\$0	\$15,803,538
3	Grading	86	\$81,316,895	\$81,596,335	\$86,748,501	\$0	\$81,596,335	\$0	\$81,596,335
5	Tunnels	118	\$0	\$0	\$0	\$0	\$0	\$0	\$0
6	Bridges & Culverts	71	\$10,672,366	\$10,709,041	\$11,385,233	\$0	\$10,709,041	\$0	\$10,709,041
8	Ties	21	\$31,399,600	\$33,535,267	\$34,391,298	\$0	\$15,477,815	\$18,518,391	\$33,996,207
9	Rails and OTM	26	\$65,066,835	\$69,492,404	\$71,266,289	\$0	\$32,073,417	\$38,374,156	\$70,447,573
11	Ballast	34	\$28,677,978	\$30,628,532	\$31,410,366	\$0	\$14,136,246	\$16,913,274	\$31,049,520
12	Labor	26	\$56,900,393	\$56,503,060	\$60,429,643	\$0	\$26,078,335	\$32,539,038	\$58,617,374
13	Fences and Roadway Signs	59	\$2,591,549	\$2,600,454	\$2,764,652	\$0	\$1,200,210	\$1,488,659	\$2,688,869
16	Stations and Office Buildings	31	\$1,958,291	\$1,965,021	\$2,089,096	\$0	\$982,510	\$1,044,548	\$2,027,059
17	Roadway Buildings	32	\$346,269	\$347,459	\$369,398	\$0	\$173,729	\$184,699	\$358,428
19	Fuel Stations	31	\$0	\$0	\$0	\$0	\$0	\$0	\$0
20	Shops and Enginehouses	47	\$5,583,576	\$5,602,763	\$5,956,534	\$0	\$2,801,382	\$2,978,267	\$5,779,649
26	Communications Systems	30	\$7,189,306	\$7,214,012	\$7,669,520	\$0	\$3,607,006	\$3,834,760	\$7,441,766
27	Signals and Interlockers	35	\$22,203,378	\$22,279,678	\$23,686,464	\$0	\$11,139,839	\$11,843,232	\$22,983,071
39	Public Improvements	47	\$6,379,797	\$6,401,721	\$6,805,939	\$0	\$0	\$6,805,939	\$6,805,939
	Total		\$367,783,866	\$376,108,423	\$394,369,623	\$26,097,262	\$221,255,391	\$134,524,964	\$381,877,617

1/ $1 \div$ Depreciation Rate shown in Schedule 332 of UP's 2011 Annual Report R-1

2/ November 2, 2012, indexed to 2010 dollars; Investment Exhibit - 4Q2012 x Inflation Index from Table B, 3Q2010 $\div$ 4Q2012.

3/ November 2, 2012, indexed to 2011 dollars; Investment Exhibit - 4Q2012 x Inflation Index from Table B, 3Q2011 $\div$ 4Q2012.

4/ November 2, 2012, indexed to 2012 dollars; Investment Exhibit - 4Q2012 x Inflation Index from Table B, 3Q2012 $\div$ 4Q2012.

5/ Column (4) x Percent constructed in 2010.

6/ Column (5) x Percent constructed in 2011.

7/ Column (6) x Percent constructed in 2012.

8/ Sum of Columns (7) through (9).

TABLE D: INTEREST DURING CONSTRUCTION

Month of Installation (1)	Cost of Funds 1/ (2)	Timing of Account 1 Investment 2/ (3)	Timing of Account 2 Investment 2/ (4)	Timing of Accounts 3, 5 and 6 Investment 2/ (5)	Timing of Accounts 8 Through 39 Investment 2/ (6)	Total Investment by Month 3/ (7)	Interest During Construction 4/ (8)	Cost of Debt 5/ Construction 6/ (9)	Deductible Interest During Construction (10)
Jun-10	0.88%	\$2,436,564	\$0	\$0	\$0	\$2,436,564	\$0	0.38%	\$0
Jul-10	0.88%	\$2,436,564	\$0	\$0	\$0	\$2,436,564	\$21,339	0.38%	\$2,144
Aug-10	0.88%	\$2,436,564	\$0	\$0	\$0	\$2,436,564	\$42,865	0.38%	\$4,306
Sep-10	0.88%	\$2,436,564	\$2,260,328	\$0	\$0	\$4,696,892	\$64,580	0.38%	\$6,487
Oct-10	0.88%	\$2,436,564	\$2,260,328	\$0	\$0	\$4,696,892	\$106,280	0.38%	\$10,676
Nov-10	0.88%	\$2,436,564	\$2,260,328	\$0	\$0	\$4,696,892	\$148,346	0.38%	\$14,902
Dec-10	0.88%	\$2,436,564	\$2,260,328	\$0	\$0	\$4,696,892	\$190,780	0.38%	\$19,164
Jan-11	0.92%	\$2,419,550	\$2,254,075	\$0	\$0	\$4,673,625	\$244,457	0.32%	\$18,054
Feb-11	0.92%	\$2,419,550	\$2,254,075	\$15,129,252	\$0	\$19,802,877	\$289,534	0.32%	\$21,383
Mar-11	0.92%	\$2,419,550	\$2,254,075	\$15,129,252	\$0	\$19,802,877	\$473,690	0.32%	\$34,983
Apr-11	0.92%	\$2,419,550	\$0	\$15,129,252	\$0	\$17,548,802	\$659,535	0.32%	\$48,708
May-11	0.92%	\$2,419,550	\$0	\$15,129,252	\$0	\$17,548,802	\$826,423	0.32%	\$61,034
Jun-11	0.92%	\$2,419,550	\$0	\$15,129,252	\$0	\$17,548,802	\$994,841	0.32%	\$73,472
Jul-11	0.92%	\$0	\$0	\$15,129,252	\$14,827,671	\$29,956,923	\$1,164,803	0.32%	\$86,024
Aug-11	0.92%	\$0	\$0	\$1,529,863	\$15,619,195	\$17,149,058	\$1,450,048	0.32%	\$107,090
Sep-11	0.92%	\$0	\$0	\$0	\$15,619,195	\$15,619,195	\$1,620,518	0.32%	\$119,680
Oct-11	0.92%	\$0	\$0	\$0	\$15,619,195	\$15,619,195	\$1,778,529	0.32%	\$131,349
Nov-11	0.92%	\$0	\$0	\$0	\$15,619,195	\$15,619,195	\$1,937,987	0.32%	\$143,126
Dec-11	0.92%	\$0	\$0	\$0	\$30,366,040	\$30,366,040	\$2,098,907	0.32%	\$155,010
Jan-12	0.88%	\$0	\$0	\$0	\$31,924,283	\$31,924,283	\$2,295,471	0.27%	\$159,757
Feb-12	0.88%	\$0	\$0	\$0	\$16,246,291	\$16,246,291	\$2,595,894	0.27%	\$180,666
Mar-12	0.88%	\$0	\$0	\$0	\$17,607,479	\$17,607,479	\$2,761,313	0.27%	\$192,178
Apr-12	0.88%	\$0	\$0	\$0	\$17,607,479	\$17,607,479	\$2,940,136	0.27%	\$204,624
May-12	0.88%	\$0	\$0	\$0	\$17,607,479	\$17,607,479	\$3,120,528	0.27%	\$217,178
Jun-12	0.88%	\$0	\$0	\$0	\$16,765,976	\$16,765,976	\$3,302,504	0.27%	\$229,843
Jul-12	0.88%	\$0	\$0	\$0	\$16,765,976	\$16,765,976	\$3,478,690	0.27%	\$242,105
Aug-12	0.88%	\$0	\$0	\$0	\$0	\$0	\$3,656,422	0.27%	\$254,475
Sep-12	0.88%	\$0	\$0	\$0	\$0	\$0	\$3,688,523	0.27%	\$256,709
Oct-12	0.88%	\$0	\$0	\$0	\$0	\$0	\$3,720,905	0.27%	\$258,963
Nov-12	0.88%	\$0	\$0	\$0	\$0	\$0	\$3,753,572	0.27%	\$261,236
Total		\$31,573,250	\$15,803,538	\$92,305,376	\$242,195,453	\$381,877,617	\$49,427,419		\$3,515,325

1/ ((1 + Cost of Capital from Table A for the applicable year)^{(1/12) - 1}) x 100.

2/ Applicable account value from Table C for the applicable investment period.

3/ Sum of Columns (3) through (6).

4/ June 10 equals Column (2) x prior Column (7), all other periods equal Column (2) x ((Sum of Column (7) for all prior periods) + (Sum of Column (8) for all prior periods))

5/ ((1 + Cost of Debt from Table A for the applicable year)^{(1/12) - 1}) x 100.

6/ June 10 equals prior Column (7) x Column (9) x Table A, Column (9) for 2010, all other periods equal Column (9) x ((Sum of Column (7) for all prior periods) + (Sum of Column (8) for all prior periods)) x Table A, Column (9) for the applicable year

TABLE E: IRR INTEREST PAYMENTS FOR ASSETS PURCHASED WITH DEBT CAPITAL

INTEREST SCHEDULE FOR THE IRR 2010 ROAD PROPERTY INVESTMENT FOR THE 4Q2012 START-UP		INTEREST SCHEDULE FOR THE IRR 2011 ROAD PROPERTY INVESTMENT FOR THE 4Q2012 START-UP		INTEREST SCHEDULE FOR THE IRR 2012 ROAD PROPERTY INVESTMENT FOR THE 4Q2012 START-UP	
1. Total Investment	\$26,097,262 1/	1. Total Investment	\$221,255,391 1/	1. Total Investment	\$134,524,964 1/
2. IDC	\$574,190 2/	2. IDC	\$13,539,273 2/	2. IDC	\$35,313,956 2/
3. Principal	\$6,235,786 3/	3. Principal	\$48,907,729 3/	3. Principal	\$38,417,564 3/
4. Interest	4.61% 4/	4. Interest	3.97% 4/	4. Interest	3.29% 4/
5. Term (Quarters)	80 5/	5. Term (Quarters)	80 5/	5. Term (Quarters)	80 5/
6. Quarterly Coupon	\$70,657 6/	6. Quarterly Coupon	\$478,346 6/	6. Quarterly Coupon	\$312,159 6/
Quarter (1)	Interest 7/ (2)	Quarter (3)	Interest 7/ (4)	Quarter (5)	Interest 7/ (6)
1	\$70,657	1	\$478,346	1	\$312,159
2	\$70,657	2	\$478,346	2	\$312,159
3	\$70,657	3	\$478,346	3	\$312,159
4	\$70,657	4	\$478,346	4	\$312,159
5	\$70,657	5	\$478,346	5	\$312,159
6	\$70,657	6	\$478,346	6	\$312,159
7	\$70,657	7	\$478,346	7	\$312,159
8	\$70,657	8	\$478,346	8	\$312,159
9	\$70,657	9	\$478,346	9	\$312,159
10	\$70,657	10	\$478,346	10	\$312,159
11	\$70,657	11	\$478,346	11	\$312,159
12	\$70,657	12	\$478,346	12	\$312,159
13	\$70,657	13	\$478,346	13	\$312,159
14	\$70,657	14	\$478,346	14	\$312,159
15	\$70,657	15	\$478,346	15	\$312,159
16	\$70,657	16	\$478,346	16	\$312,159
17	\$70,657	17	\$478,346	17	\$312,159
18	\$70,657	18	\$478,346	18	\$312,159
19	\$70,657	19	\$478,346	19	\$312,159
20	\$70,657	20	\$478,346	20	\$312,159
21	\$70,657	21	\$478,346	21	\$312,159
22	\$70,657	22	\$478,346	22	\$312,159
23	\$70,657	23	\$478,346	23	\$312,159
24	\$70,657	24	\$478,346	24	\$312,159
25	\$70,657	25	\$478,346	25	\$312,159
26	\$70,657	26	\$478,346	26	\$312,159
27	\$70,657	27	\$478,346	27	\$312,159
28	\$70,657	28	\$478,346	28	\$312,159
29	\$70,657	29	\$478,346	29	\$312,159
30	\$70,657	30	\$478,346	30	\$312,159
31	\$70,657	31	\$478,346	31	\$312,159
32	\$70,657	32	\$478,346	32	\$312,159
33	\$70,657	33	\$478,346	33	\$312,159
34	\$70,657	34	\$478,346	34	\$312,159
35	\$70,657	35	\$478,346	35	\$312,159
36	\$70,657	36	\$478,346	36	\$312,159
37	\$70,657	37	\$478,346	37	\$312,159
38	\$70,657	38	\$478,346	38	\$312,159
39	\$70,657	39	\$478,346	39	\$312,159
40	\$70,657	40	\$478,346	40	\$312,159
41	\$70,657	41	\$478,346	41	\$312,159
42	\$70,657	42	\$478,346	42	\$312,159
43	\$70,657	43	\$478,346	43	\$312,159
44	\$70,657	44	\$478,346	44	\$312,159
45	\$70,657	45	\$478,346	45	\$312,159
46	\$70,657	46	\$478,346	46	\$312,159
47	\$70,657	47	\$478,346	47	\$312,159
48	\$70,657	48	\$478,346	48	\$312,159
49	\$70,657	49	\$478,346	49	\$312,159
50	\$70,657	50	\$478,346	50	\$312,159
51	\$70,657	51	\$478,346	51	\$312,159
52	\$70,657	52	\$478,346	52	\$312,159
53	\$70,657	53	\$478,346	53	\$312,159
54	\$70,657	54	\$478,346	54	\$312,159
55	\$70,657	55	\$478,346	55	\$312,159

TABLE E: IRR INTEREST PAYMENTS FOR ASSETS PURCHASED WITH DEBT CAPITAL

INTEREST SCHEDULE FOR THE IRR 2010 ROAD PROPERTY INVESTMENT FOR THE 4Q2012 START-UP		INTEREST SCHEDULE FOR THE IRR 2011 ROAD PROPERTY INVESTMENT FOR THE 4Q2012 START-UP		INTEREST SCHEDULE FOR THE IRR 2012 ROAD PROPERTY INVESTMENT FOR THE 4Q2012 START-UP	
1. Total Investment	\$26,097,262 1/	1. Total Investment	\$221,255,391 1/	1. Total Investment	\$134,524,964 1/
2. IDC	\$574,190 2/	2. IDC	\$13,539,273 2/	2. IDC	\$35,313,956 2/
3. Principal	\$6,235,786 3/	3. Principal	\$48,907,729 3/	3. Principal	\$38,417,564 3/
4. Interest	4.61% 4/	4. Interest	3.97% 4/	4. Interest	3.29% 4/
5. Term (Quarters)	80 5/	5. Term (Quarters)	80 5/	5. Term (Quarters)	80 5/
6. Quarterly Coupon	\$70,657 6/	6. Quarterly Coupon	\$478,346 6/	6. Quarterly Coupon	\$312,159 6/
Quarter (1)	Interest 7/ (2)	Quarter (3)	Interest 7/ (4)	Quarter (5)	Interest 7/ (6)
56	\$70,657	56	\$478,346	56	\$312,159
57	\$70,657	57	\$478,346	57	\$312,159
58	\$70,657	58	\$478,346	58	\$312,159
59	\$70,657	59	\$478,346	59	\$312,159
60	\$70,657	60	\$478,346	60	\$312,159
61	\$70,657	61	\$478,346	61	\$312,159
62	\$70,657	62	\$478,346	62	\$312,159
63	\$70,657	63	\$478,346	63	\$312,159
64	\$70,657	64	\$478,346	64	\$312,159
65	\$70,657	65	\$478,346	65	\$312,159
66	\$70,657	66	\$478,346	66	\$312,159
67	\$70,657	67	\$478,346	67	\$312,159
68	\$70,657	68	\$478,346	68	\$312,159
69	\$70,657	69	\$478,346	69	\$312,159
70	\$70,657	70	\$478,346	70	\$312,159
71	\$70,657	71	\$478,346	71	\$312,159
72	\$70,657	72	\$478,346	72	\$312,159
73	\$70,657	73	\$478,346	73	\$312,159
74	\$70,657	74	\$478,346	74	\$312,159
75	\$70,657	75	\$478,346	75	\$312,159
76	\$70,657	76	\$478,346	76	\$312,159
77	\$70,657	77	\$478,346	77	\$312,159
78	\$70,657	78	\$478,346	78	\$312,159
79	\$70,657	79	\$478,346	79	\$312,159
80	\$70,657	80	\$478,346	80	\$312,159

- 1/ From Table D, Column (7) for the applicable year investment.
2/ From Table D, Column (8) for the applicable year investment.
3/ (Total Investment + IDC) x (Proportion of Debt from Table A, Column (9)).
4/ From Table A, Column (6) for the applicable year investment.
5/ Based on Ex Parte No. 657 20-year payment period x 4.
6/ Quarterly coupon payments on Line 3 principal and Line 4 interest rates.
7/ Line 6 coupon payment.

TABLE F: IRR PRESENT VALUE OF REPLACEMENT COST

Property Account (1)	Property Component (2)	Service Life In Years 1/ (3)	Investment 2/ (4)	Salvage 3/ (5)	Replacement Year Asset Net Cost 4/ (6)	Replacement Cost Adjusted To Reflect An Infinite Life 5/ (7)	Present Value Of Replacement Cost Adjusted To Reflect An Infinite Life 6/ (2012 Dollars) 5/ (8)
3	Grading	86	\$1,004,720,733	\$0	\$858,576,093	\$859,434,775	\$89,728
5	Tunnels	118	0	0	0	0	0
6	Bridges & Culverts	71	87,234,273	0	72,937,323	73,186,226	38,819
8	Ties	21	53,042,836	0	42,545,613	51,828,753	5,290,794
9	Rails and OTM	26	115,635,952	8,918,192	85,124,411	97,707,571	6,438,418
11	Ballast	34	56,551,471	0	45,359,886	48,538,695	1,303,888
12	Labor	26	154,342,364	0	123,797,877	140,649,630	8,421,389
13	Fences and Roadway Signs	59	15,942,695	0	13,329,824	13,447,096	24,883
16	Stations and Office Buildings	31	5,549,040	0	4,639,600	5,077,411	196,481
17	Roadway Buildings	32	1,029,597	0	860,854	930,408	29,791
19	Fuel Stations	31	0	0	0	0	0
20	Shops and Enginehouses	47	24,337,228	0	20,348,565	20,850,096	148,274
26	Communications Systems	30	20,070,534	0	16,098,558	17,693,061	725,986
27	Signals and Interlockers	35	70,831,396	2,345,097	54,864,129	58,408,494	1,418,040
39	Public Improvements	47	28,999,114	0	24,246,408	24,822,966	168,516
Total			\$1,638,287,233	\$11,263,289	\$1,362,729,140	\$1,412,575,183	\$24,295,006

1/ From Table C, Column (3).

2/ (Table C, Column (10) after allocation of Engineering) x (Table B, 1.0 + Annual Inflation Index)^(Column (3)).

3/ [(Column (4) x Salvage %) - (Table C, Column (10) after allocation of Engineering x Salvage %)] x (1 - Current Federal Tax Rate) + (Table C, Column (10) after allocation of Engineering x Salvage %).

4/ Column (4) - (Present Value of the remaining tax deductions for depreciation, interest expense and the Present Value of any salvage).

5/ Column (6) + [(Column (6) / ((1 + Real Cost of Capital)^(Column (3) - 1))].

6/ Column (7) / ((1 + Average Nominal Cost of Capital from Table A Column (2))^(Column (3))).

TABLE G PART 1: TAX DEPRECIATION SCHEDULES

Depreciation of Start-up investment for tax purposes using
accounting lives from Modified Accelerated Cost Recovery System (MACRS) 1/

<u>Road Property Account</u>	<u>Road Property Component</u>	<u>Asset Lives Per MACRS 2/</u>	<u>Total 4Q 2012 Investment</u>	<u>Depreciable Base</u>
(1)	(2)	(3)	(4)	(5)
1	Engineering	5	\$31,573,250	\$31,573,250
2	Land	N/A	\$15,803,538	\$0
3	Grading	50	\$81,596,335	\$81,596,335
5	Tunnels	50	\$0	\$0
6	Bridges & Culverts	15	\$10,709,041	\$10,709,041
8	Ties	7	\$33,996,207	\$33,996,207
9	Rails and OTM	7	\$70,447,573	\$70,447,573
11	Ballast	7	\$31,049,520	\$31,049,520
12	Labor	7	\$58,617,374	\$58,617,374
13	Fences and Roadway Signs	15	\$2,688,869	\$2,688,869
16	Stations and Office Buildings	15	\$2,027,059	\$2,027,059
17	Roadway Buildings	15	\$358,428	\$358,428
19	Fuel Stations	15	\$0	\$0
20	Shops and Enginehouses	15	\$5,779,649	\$5,779,649
26	Communications Systems	7	\$7,441,766	\$7,441,766
27	Signals and Interlockers	7	\$22,983,071	\$22,983,071
39	Public Improvements	15	<u>\$6,805,939</u>	<u>\$6,805,939</u>
Total			\$381,877,617	\$366,074,079

1/ Applicable Depreciation Method: 200 or 150 percent
Declining Balance Switching to Straight Line
Applicable Recovery Periods: 7, 15 and 50 a/ years
Applicable Convention: Mid-quarter(property placed in service in fourth quarter)

The Depreciation Rates are as follows for the corresponding
Recovery Period and Recovery year:

<u>Year</u>	<u>5-Year</u>	<u>7-Year</u>	<u>15-Year</u>	<u>50-Year a/</u>
1	20.00%	3.57%	1.25%	2.00%
2	20.00%	27.55%	9.88%	2.00%
3	20.00%	19.68%	8.89%	2.00%
4	20.00%	14.06%	8.00%	2.00%
5	20.00%	10.04%	7.20%	2.00%
6		8.73%	6.48%	2.00%
7		8.73%	5.90%	2.00%
8		7.64%	5.90%	2.00%
9			5.90%	2.00%
10			5.91%	2.00%
11			5.90%	2.00%
12			5.91%	2.00%
13			5.90%	2.00%
14			5.91%	2.00%
15			5.90%	2.00%
16			5.17%	2.00%
17				2.00%
18				2.00%
19-50				2.00%

a/ 50 year property uses the Straight Line Method for all time periods

2/ Bonus Depreciation Per the Economic Stimulus Act of 2008, the American Recovery & Reinvestment Act, and
The Tax Relief, Unemployment Insurance Reauthorization and Job Creation Act of 2010 for the following
depreciable assets:

<u>MARCS Lives</u>	<u>Bonus Depreciation - 50%</u>	<u>Bonus Depreciation - 100%</u>
7	\$61,011,426	\$102,512,659
15	\$6,251,056	\$15,866,872

TABLE G PART 2: TAX DEPRECIATION SCHEDULES

Year (1)	Amortization - 5 Years			Road Property			Depreciation - MACRS 15 Years			Depreciation - MACRS 50 Years			Total	
	Unamortized			Undepreciated			Investment 6/			Unamortized			Annual	
	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
	Unamortized	Rate 2/	Annual	Investment 4/	Rate 2/	Annual	Undepreciated	Rate 2/	Annual	Rate 2/	Rate 2/	Annual	Annual	Depreciation 10/
	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
1	\$31,573,250	20.00%	\$6,314,650	\$61,011,426	3.57%	\$2,178,108	\$6,251,056	1.25%	\$78,138	\$81,596,335	2%	\$1,631,927	\$195,844,835	
2	\$25,258,600	20.00%	\$6,314,650	\$58,833,318	27.55%	\$16,808,648	\$6,172,918	9.88%	\$617,604	\$79,964,408	2%	\$1,631,927	\$25,372,829	
3	\$18,943,950	20.00%	\$6,314,650	\$42,024,670	19.68%	\$12,007,049	\$5,555,314	8.89%	\$555,719	\$78,332,481	2%	\$1,631,927	\$20,509,344	
4	\$12,629,300	20.00%	\$6,314,650	\$30,017,621	14.06%	\$8,578,206	\$4,999,595	8.00%	\$500,084	\$76,700,555	2%	\$1,631,927	\$17,024,868	
5	\$6,314,650	20.00%	\$6,314,650	\$21,439,415	10.04%	\$6,125,547	\$4,499,510	7.20%	\$450,076	\$75,068,628	2%	\$1,631,927	\$14,522,200	
6				\$15,313,868	8.73%	\$5,326,297	\$4,049,434	6.48%	\$405,068	\$73,436,701	2%	\$1,631,927	\$7,363,293	
7				\$9,987,570	8.73%	\$5,326,297	\$3,644,366	5.90%	\$368,812	\$71,804,775	2%	\$1,631,927	\$7,327,036	
8				\$4,661,273	7.64%	\$4,661,273	\$3,275,553	5.90%	\$368,812	\$70,172,848	2%	\$1,631,927	\$6,662,012	
9							\$2,906,741	5.90%	\$368,812	\$68,540,921	2%	\$1,631,927	\$2,000,739	
10							\$2,537,929	5.91%	\$369,437	\$66,908,995	2%	\$1,631,927	\$2,001,364	
11							\$2,168,491	5.90%	\$368,812	\$65,277,068	2%	\$1,631,927	\$2,000,739	
12							\$1,799,679	5.91%	\$369,437	\$63,645,141	2%	\$1,631,927	\$2,001,364	
13							\$1,430,242	5.90%	\$368,812	\$62,013,214	2%	\$1,631,927	\$2,000,739	
14							\$1,061,429	5.91%	\$369,437	\$60,381,288	2%	\$1,631,927	\$2,001,364	
15							\$691,992	5.90%	\$368,812	\$58,749,361	2%	\$1,631,927	\$2,000,739	
16							\$323,180	5.17%	\$323,180	\$57,117,434	2%	\$1,631,927	\$1,955,106	
17										\$55,485,508	2%	\$1,631,927	\$1,631,927	
18								100%		\$53,853,581	2%	\$1,631,927	\$1,631,927	
19										\$52,221,654	2%	\$1,631,927	\$1,631,927	
20										\$50,589,728	2%	\$1,631,927	\$1,631,927	
21										\$48,957,801	2%	\$1,631,927	\$1,631,927	
22										\$47,325,874	2%	\$1,631,927	\$1,631,927	
23										\$45,693,947	2%	\$1,631,927	\$1,631,927	
24										\$44,062,021	2%	\$1,631,927	\$1,631,927	
25										\$42,430,094	2%	\$1,631,927	\$1,631,927	
26										\$40,798,167	2%	\$1,631,927	\$1,631,927	
27										\$39,166,241	2%	\$1,631,927	\$1,631,927	
28										\$37,534,314	2%	\$1,631,927	\$1,631,927	
29										\$35,902,387	2%	\$1,631,927	\$1,631,927	
30										\$34,270,461	2%	\$1,631,927	\$1,631,927	
31										\$32,638,534	2%	\$1,631,927	\$1,631,927	
32										\$31,006,607	2%	\$1,631,927	\$1,631,927	
33										\$29,374,681	2%	\$1,631,927	\$1,631,927	
34										\$27,742,754	2%	\$1,631,927	\$1,631,927	
35										\$26,110,827	2%	\$1,631,927	\$1,631,927	
36										\$24,478,900	2%	\$1,631,927	\$1,631,927	
37										\$22,846,974	2%	\$1,631,927	\$1,631,927	
38										\$21,215,047	2%	\$1,631,927	\$1,631,927	
39										\$19,583,120	2%	\$1,631,927	\$1,631,927	
40										\$17,951,194	2%	\$1,631,927	\$1,631,927	
41										\$16,319,267	2%	\$1,631,927	\$1,631,927	

TABLE G PART 2: TAX DEPRECIATION SCHEDULES

Year (1)	Amortization - 5 Years			Road Property			Depreciation - MACRS 15 Years			Depreciation - MACRS 50 Years			Total Annual Depreciation 10/ (14)
	Unamortized Investment 1/ (2)	Rate 2/ (3)	Annual Amort. 3/ (4)	Unamortized Investment 4/ (5)	Rate 2/ (6)	Annual Amount 5/ (7)	Unamortized Investment 6/ (8)	Rate 2/ (9)	Annual Amount 7/ (10)	Unamortized Investment 8/ (11)	Rate 2/ (12)	Annual Amount 9/ (13)	
42										\$14,687,340	2%	\$1,631,927	\$1,631,927
43										\$13,055,414	2%	\$1,631,927	\$1,631,927
44										\$11,423,487	2%	\$1,631,927	\$1,631,927
45										\$9,791,560	2%	\$1,631,927	\$1,631,927
46										\$8,159,633	2%	\$1,631,927	\$1,631,927
47										\$6,527,707	2%	\$1,631,927	\$1,631,927
48										\$4,895,780	2%	\$1,631,927	\$1,631,927
49										\$3,263,853	2%	\$1,631,927	\$1,631,927
50										\$1,631,927	2%	\$1,631,927	\$1,631,927
51										\$0	2%	\$1,631,927	\$1,631,927
											102%		

1/ From Table G Part 1, Column (5), Road Property Accounts 1 minus Table G Part 1, 5-Year Bonus Depreciation.

2/ From Table G, Footnote 1/, Page 8.

3/ Column (2), Year 1 x Column (3).

4/ From Table G Part 1, Column (5), Road Property Accounts 8, 9, 11, 12, 26 and 27 minus Table G Part 1, 7-Year Bonus Depreciation.

5/ Column (5), Year 1 x Column (6).

6/ From Table G Part 1, Column (5), Road Property Accounts 6, 13, 16, 17, 19, 20 and 39 minus Table G Part 1, 15-Year Bonus Depreciation.

7/ Column (8), Year 1 x Column (9).

8/ From Table G, Page 8, Column (5), Road Property Accounts 3 and 5.

9/ Column (11), Year 1 x Column (12).

10/ Column (4) + Column (7) + Column (10) + Column (13) plus Page 8, 5, 7 & 15 Year Bonus Depreciation.

TABLE H: IRR AVERAGE ANNUAL INFLATION IN ASSET PRICES

Development of average annual inflation factors for all capital assets

1. 4Q 2012 Land value	\$15,803,538 1/
2. 4Q 2012 Property asset value accounts 3, 5, 6, 13, 17, 26, 27, 39 and 52	\$140,390,156 1/
3. 4Q 2012 Road Property asset value accounts 8, 9, and 11	\$135,493,299 1/
4. 4Q 2012 Road Property asset value accounts 1 and 12	\$90,190,623 1/

<u>Period</u>	<u>Quarter</u>	<u>Inflation Index For Land 2/</u>	<u>Inflation Index For Line 2 Property Assets 3/</u>	<u>Inflation Index For Line 3 Road Property Assets 4/</u>	<u>Inflation Index For Line 4 Road Property Assets 5/</u>	<u>Land Value 6/</u>	<u>Road Property Value 7/</u>	<u>4Q 2012 Inflation Index 8/</u>
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
0		1.000	1.000	1.000	1.000	\$15,803,538	\$366,074,079	1.000
1	Nov 2 - Dec 31, 2012	1.000	0.989	0.962	0.994	\$15,803,538	\$358,856,504	0.981
2	1Q 2013	1.012	0.969	0.958	0.971	\$15,989,252	\$353,280,191	0.967
3	2Q 2013	1.024	0.958	0.949	0.959	\$16,177,148	\$349,494,737	0.958
4	3Q 2013	1.036	0.971	0.958	0.973	\$16,367,251	\$353,987,725	0.970
5	4Q 2013	1.048	0.985	0.969	0.988	\$16,559,589	\$358,691,641	0.983
6	1Q 2014	1.060	0.997	0.980	1.000	\$16,754,187	\$362,842,726	0.994
7	2Q 2014	1.073	0.998	0.986	1.000	\$16,951,072	\$363,772,234	0.997
8	3Q 2014	1.085	1.009	0.994	1.012	\$17,150,270	\$367,670,294	1.008
9	4Q 2014	1.098	1.021	1.006	1.024	\$17,351,810	\$372,082,338	1.020
10	1Q 2015	1.111	1.034	1.012	1.038	\$17,555,717	\$376,018,855	1.031
11	2Q 2015	1.124	1.042	1.016	1.047	\$17,762,021	\$378,386,259	1.037
12	3Q 2015	1.137	1.049	1.014	1.055	\$17,970,749	\$379,804,298	1.042
13	4Q 2015	1.150	1.056	1.018	1.063	\$18,181,930	\$382,199,618	1.048
14	1Q 2016	1.164	1.065	1.026	1.072	\$18,395,593	\$385,196,139	1.057
15	2Q 2016	1.178	1.073	1.034	1.081	\$18,611,767	\$388,216,193	1.065
16	3Q 2016	1.192	1.082	1.041	1.090	\$18,830,481	\$391,259,964	1.074
17	4Q 2016	1.206	1.091	1.049	1.098	\$19,051,765	\$394,327,640	1.082
18	1Q 2017	1.220	1.099	1.054	1.108	\$19,275,649	\$397,081,166	1.090
19	2Q 2017	1.234	1.108	1.059	1.118	\$19,502,165	\$399,855,083	1.098
20	3Q 2017	1.249	1.117	1.064	1.127	\$19,731,342	\$402,649,550	1.106
21	4Q 2017	1.263	1.126	1.069	1.137	\$19,963,212	\$405,464,725	1.114
22	1Q 2018	1.278	1.135	1.073	1.147	\$20,197,808	\$408,205,697	1.122
23	2Q 2018	1.293	1.145	1.076	1.158	\$20,435,160	\$410,967,669	1.130
24	3Q 2018	1.308	1.154	1.080	1.168	\$20,675,301	\$413,750,814	1.138
25	4Q 2018	1.324	1.164	1.084	1.179	\$20,918,264	\$416,555,304	1.146
26	1Q 2019	1.339	1.173	1.087	1.190	\$21,164,083	\$419,295,771	1.153
27	2Q 2019	1.355	1.183	1.090	1.201	\$21,412,790	\$422,057,255	1.161
28	3Q 2019	1.371	1.192	1.094	1.212	\$21,664,420	\$424,839,929	1.169
29	4Q 2019	1.387	1.202	1.097	1.223	\$21,919,006	\$427,643,969	1.177
30	1Q 2020	1.403	1.212	1.100	1.233	\$22,176,585	\$430,408,155	1.185
31	2Q 2020	1.420	1.221	1.103	1.244	\$22,437,190	\$433,193,020	1.193
32	3Q 2020	1.436	1.231	1.107	1.255	\$22,700,858	\$435,998,730	1.201
33	4Q 2020	1.453	1.241	1.110	1.267	\$22,967,625	\$438,825,453	1.209
34	1Q 2021	1.470	1.250	1.113	1.278	\$23,237,526	\$441,565,714	1.217
35	2Q 2021	1.488	1.260	1.116	1.289	\$23,510,599	\$444,325,960	1.225
36	3Q 2021	1.505	1.270	1.119	1.300	\$23,786,881	\$447,106,347	1.233
37	4Q 2021	1.523	1.279	1.122	1.311	\$24,066,409	\$449,907,032	1.241
38	1Q 2022	1.541	1.289	1.125	1.322	\$24,349,223	\$452,728,174	1.249
39	2Q 2022	1.559	1.299	1.128	1.334	\$24,635,360	\$455,569,933	1.257
40	3Q 2022	1.577	1.309	1.132	1.345	\$24,924,859	\$458,432,471	1.266
41	Oct 1 - Nov 1, 2022	1.596	1.319	1.135	1.357	\$25,217,761	\$461,315,951	1.274

Annual Average 9/

2.65%

1/ Table C, Page 3, Column (10).

2/ Previous Column (3) x (1 + Quarterly Inflation Rate Change from Table B).

3/ Previous Column (4) x (1 + Quarterly Inflation Rate Change from Table B).

4/ Previous Column (5) x (1 + Quarterly Inflation Rate Change from Table B).

5/ Previous Column (6) x (1 + Quarterly Inflation Rate Change from Table B).

6/ Line 1 x Column (3) for applicable quarter.

7/ (Line 2 x Column (4) for applicable quarter) + (Line 3 x Column (5) for applicable quarter) + (Line 4 x Column (6) for applicable quarter).

8/ (Column (7) + Column (8)) ÷ (Period 0; (Column (7) + Column (8))).

9/ Annual weighted inflation using the last two quarters, used to calculate real cost of capital.

TABLE I: IRR DISCOUNTED CASH FLOW

Discounted Cash Flow

Present Value of the Cash Flow Discounted at the Cost of Capital in Table A
Inflation In Asset Values From Table H

1. 4Q 2012 Road Property Investment	\$382,008,845 1/	Federal Tax Rate	35.0%
2. Interest During Construction (4Q 2012 Invest.)	\$49,427,419 2/		
3. Total 4Q 2012 Investment	\$431,436,264 3/	Route Mile Weighted	
4. Present Value Of Replacement Cost for the IRR	\$24,295,006 4/	Average State Tax Rate	5.00% 6/
5. Total Cost Recovered From Quarterly Revenue Flow	\$455,731,270 5/		

Period	Quarter	Quarterly Levelized Capital Carrying Charge Requirement 7/	Interest on Investment Financed With Debt 8/	Tax Depreciation 9/	Actual Federal Tax Payments 10/	Actual State Tax Payments 11/	Cash Flow 12/	Present Value Cash Flow 13/	Cumulative Present Value 14/
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1	Nov 2 - Dec 31, 2012	\$7,744,015	\$561,628	\$195,844,835	\$0	\$0	\$7,744,015	\$7,641,617	\$7,641,617
2	1Q 2013	\$11,703,311	\$861,162	\$6,343,207	\$0	\$0	\$11,703,311	\$11,245,170	\$18,886,787
3	2Q 2013	\$11,589,293	\$861,162	\$6,343,207	\$0	\$0	\$11,589,293	\$10,843,073	\$29,729,860
4	3Q 2013	\$11,737,715	\$861,162	\$6,343,207	\$0	\$0	\$11,737,715	\$10,693,434	\$40,423,294
5	4Q 2013	\$11,892,893	\$861,162	\$6,343,207	\$0	\$0	\$11,892,893	\$10,550,166	\$50,973,460
6	1Q 2014	\$12,030,621	\$861,162	\$5,127,336	\$0	\$0	\$12,030,621	\$10,391,973	\$61,365,433
7	2Q 2014	\$12,066,320	\$861,162	\$5,127,336	\$0	\$0	\$12,066,320	\$10,148,994	\$71,514,427
8	3Q 2014	\$12,196,175	\$861,162	\$5,127,336	\$0	\$0	\$12,196,175	\$9,988,723	\$81,503,150
9	4Q 2014	\$12,342,394	\$861,162	\$5,127,336	\$0	\$0	\$12,342,394	\$9,842,919	\$91,346,069
10	1Q 2015	\$12,473,617	\$861,162	\$4,256,217	\$0	\$0	\$12,473,617	\$9,686,237	\$101,032,306
11	2Q 2015	\$12,555,186	\$861,162	\$4,256,217	\$0	\$0	\$12,555,186	\$9,493,449	\$110,525,754
12	3Q 2015	\$12,606,744	\$861,162	\$4,256,217	\$0	\$0	\$12,606,744	\$9,282,008	\$119,807,762
13	4Q 2015	\$12,689,352	\$861,162	\$4,256,217	\$0	\$0	\$12,689,352	\$9,097,386	\$128,905,149
14	1Q 2016	\$12,791,093	\$861,162	\$3,630,550	\$0	\$0	\$12,791,093	\$8,929,415	\$137,834,564
15	2Q 2016	\$12,893,659	\$861,162	\$3,630,550	\$0	\$0	\$12,893,659	\$8,764,552	\$146,599,116
16	3Q 2016	\$12,997,057	\$861,162	\$3,630,550	\$0	\$0	\$12,997,057	\$8,602,739	\$155,201,855
17	4Q 2016	\$13,101,295	\$861,162	\$3,630,550	\$0	\$0	\$13,101,295	\$8,443,920	\$163,645,775
18	1Q 2017	\$13,195,658	\$861,162	\$1,840,823	\$0	\$0	\$13,195,658	\$8,281,312	\$171,927,087
19	2Q 2017	\$13,290,751	\$861,162	\$1,840,823	\$0	\$0	\$13,290,751	\$8,121,865	\$180,048,953
20	3Q 2017	\$13,386,580	\$861,162	\$1,840,823	\$0	\$0	\$13,386,580	\$7,965,519	\$188,014,471
21	4Q 2017	\$13,483,151	\$861,162	\$1,840,823	\$0	\$0	\$13,483,151	\$7,812,212	\$195,826,683
22	1Q 2018	\$13,577,456	\$861,162	\$1,831,759	\$0	\$0	\$13,577,456	\$7,660,184	\$203,486,867
23	2Q 2018	\$13,672,514	\$861,162	\$1,831,759	\$0	\$0	\$13,672,514	\$7,511,165	\$210,998,032
24	3Q 2018	\$13,768,331	\$861,162	\$1,831,759	\$0	\$0	\$13,768,331	\$7,365,096	\$218,363,128
25	4Q 2018	\$13,864,915	\$861,162	\$1,831,759	\$312,832	\$47,042	\$13,505,041	\$7,034,467	\$225,397,596
26	1Q 2019	\$13,959,559	\$861,162	\$1,665,503	\$3,801,437	\$571,645	\$9,586,477	\$4,862,197	\$230,259,792
27	2Q 2019	\$14,054,962	\$861,162	\$1,665,503	\$3,833,159	\$576,415	\$9,645,388	\$4,763,557	\$235,023,349
28	3Q 2019	\$14,151,129	\$861,162	\$1,665,503	\$3,865,134	\$581,223	\$9,704,771	\$4,666,971	\$239,690,321
29	4Q 2019	\$14,248,066	\$861,162	\$1,665,503	\$3,897,366	\$586,070	\$9,764,630	\$4,572,396	\$244,262,717
30	1Q 2020	\$14,343,835	\$861,162	\$500,185	\$4,316,677	\$649,124	\$9,378,033	\$4,276,003	\$248,538,719
31	2Q 2020	\$14,440,356	\$861,162	\$500,185	\$4,348,770	\$653,950	\$9,437,635	\$4,190,130	\$252,728,850
32	3Q 2020	\$14,537,634	\$861,162	\$500,185	\$4,381,115	\$658,814	\$9,497,704	\$4,106,021	\$256,834,871
33	4Q 2020	\$14,635,676	\$861,162	\$500,185	\$4,413,715	\$663,716	\$9,558,245	\$4,023,638	\$260,858,509
34	1Q 2021	\$14,731,078	\$861,162	\$500,341	\$4,445,384	\$668,479	\$9,617,216	\$3,942,106	\$264,800,614
35	2Q 2021	\$14,827,213	\$861,162	\$500,341	\$4,477,349	\$673,286	\$9,676,579	\$3,862,237	\$268,662,851
36	3Q 2021	\$14,924,089	\$861,162	\$500,341	\$4,509,560	\$678,129	\$9,736,400	\$3,784,022	\$272,446,873
37	4Q 2021	\$15,021,711	\$861,162	\$500,341	\$4,542,019	\$683,010	\$9,796,681	\$3,707,425	\$276,154,298
38	1Q 2022	\$15,120,085	\$861,162	\$500,185	\$4,574,780	\$687,937	\$9,857,367	\$3,632,391	\$279,786,689
39	2Q 2022	\$15,219,218	\$861,162	\$500,185	\$4,607,742	\$692,894	\$9,918,582	\$3,558,929	\$283,345,618
40	3Q 2022	\$15,319,116	\$861,162	\$500,185	\$4,640,958	\$697,888	\$9,980,269	\$3,486,986	\$286,832,604
41	Oct 1 - Nov 1, 2022	\$5,363,403	\$299,535	\$173,977	\$1,625,889	\$244,495	\$3,493,020	\$1,188,358	\$288,020,962
	Future	\$761,957,014	\$42,553,677	\$16,148,965	\$233,832,079	\$35,162,719	\$492,962,217	\$167,710,308	\$455,731,270

1/ From Table C, Column (10) + Rail Grinding Capital Costs from [MOW Costs - Final.xls].

2/ From Table D, Column (8).

3/ Line 1 + Line 2.

4/ Table F Column (8).

5/ Line 3 + Line 4.

6/ Utah corporate income tax rates weighted on IRR route miles.

7/ Quarterly carrying costs needed to recover the total investment over 40 quarters after consideration of the applicable interest payments, tax depreciation and tax liability. The Future value is an estimate of a perpetual income stream for the IRR and is calculated by taking the Period 40, Column (3) value and dividing it by the IRR's estimated quarterly Real Cost of Capital.

8/ Value from Table E.

9/ Value from Table G - Part 2, Column (14) divided by 4 quarters.

10/ Table J: Part 1.

11/ Table J: Part 2.

12/ (Column (3) - Column (6) - Column (7)).

13/ Column (8) discounted by the fourth root of the annual Cost of Capital adjusted to Midquarter dollars from Table A.

14/ Cumulative total of Column (9).

TABLE J - PART 1: COMPUTATION OF FEDERAL TAX LIABILITY - TAXABLE INCOME
(Road Property)

Time Period (1)	Taxable Income B/4 IRR 1/ (2)	Net Operating Losses Generated 2/ (3)	NOL's Generated Plus Carryforward 3/ (4)	Carryforward Utilized 4/ (5)	Carryforward Remaining 5/ (6)	Carryback Available 6/ (7)	Carryback Utilized 7/ (8)	Carryback Remaining 8/ (9)	Annual Taxable Income 9/ (10)	Annual Tax Liability 10/ (11)
2010	(\$57,678)	(\$57,678)	(\$57,678)	\$0	(\$57,678)	(\$57,678)	\$0	(\$57,678)	\$0	\$0
2011	(\$999,911)	(\$999,911)	(\$1,057,590)	\$0	(\$1,057,590)	(\$1,057,590)	\$0	(\$1,057,590)	\$0	\$0
Jan 1 - Nov 1, 2012	(\$2,457,735)	(\$2,457,735)	(\$3,515,325)	\$0	(\$3,515,325)	(\$3,515,325)	\$0	(\$3,515,325)	\$0	\$0
Nov 2 - Dec 31, 2012	(\$188,662,448)	(\$188,662,448)	(\$192,177,773)	\$0	(\$192,177,773)	(\$192,177,773)	\$0	(\$192,177,773)	\$0	\$0
1Q 2013	\$4,498,942	\$0	(\$192,177,773)	\$4,498,942	(\$187,678,831)	(\$187,678,831)	\$0	(\$187,678,831)	\$0	\$0
2Q 2013	\$4,384,924	\$0	(\$187,678,831)	\$4,384,924	(\$183,293,907)	(\$183,293,907)	\$0	(\$183,293,907)	\$0	\$0
3Q 2013	\$4,533,346	\$0	(\$183,293,907)	\$4,533,346	(\$178,760,561)	(\$178,760,561)	\$0	(\$178,760,561)	\$0	\$0
4Q 2013	\$4,688,523	\$0	(\$178,760,561)	\$4,688,523	(\$174,072,038)	(\$174,072,038)	\$0	(\$174,072,038)	\$0	\$0
1Q 2014	\$6,042,123	\$0	(\$174,072,038)	\$6,042,123	(\$168,029,915)	(\$168,029,915)	\$0	(\$168,029,915)	\$0	\$0
2Q 2014	\$6,077,822	\$0	(\$168,029,915)	\$6,077,822	(\$161,952,093)	(\$161,952,093)	\$0	(\$161,952,093)	\$0	\$0
3Q 2014	\$6,207,677	\$0	(\$161,952,093)	\$6,207,677	(\$155,744,416)	(\$155,744,416)	\$0	(\$155,744,416)	\$0	\$0
4Q 2014	\$6,353,896	\$0	(\$155,744,416)	\$6,353,896	(\$149,390,520)	(\$149,390,520)	\$0	(\$149,390,520)	\$0	\$0
1Q 2015	\$7,356,238	\$0	(\$149,390,520)	\$7,356,238	(\$142,034,282)	(\$142,034,282)	\$0	(\$142,034,282)	\$0	\$0
2Q 2015	\$7,437,807	\$0	(\$142,034,282)	\$7,437,807	(\$134,596,475)	(\$134,596,475)	\$0	(\$134,596,475)	\$0	\$0
3Q 2015	\$7,489,364	\$0	(\$134,596,475)	\$7,489,364	(\$127,107,110)	(\$127,107,110)	\$0	(\$127,107,110)	\$0	\$0
4Q 2015	\$7,571,973	\$0	(\$127,107,110)	\$7,571,973	(\$119,535,138)	(\$119,535,138)	\$0	(\$119,535,138)	\$0	\$0
1Q 2016	\$8,299,380	\$0	(\$119,535,138)	\$8,299,380	(\$111,235,757)	(\$111,235,757)	\$0	(\$111,235,757)	\$0	\$0
2Q 2016	\$8,401,947	\$0	(\$111,235,757)	\$8,401,947	(\$102,833,810)	(\$102,833,810)	\$0	(\$102,833,810)	\$0	\$0
3Q 2016	\$8,505,345	\$0	(\$102,833,810)	\$8,505,345	(\$94,328,465)	(\$94,328,465)	\$0	(\$94,328,465)	\$0	\$0
4Q 2016	\$8,609,583	\$0	(\$94,328,465)	\$8,609,583	(\$85,718,883)	(\$85,718,883)	\$0	(\$85,718,883)	\$0	\$0
1Q 2017	\$10,493,673	\$0	(\$85,718,883)	\$10,493,673	(\$75,225,210)	(\$75,225,210)	\$0	(\$75,225,210)	\$0	\$0
2Q 2017	\$10,588,766	\$0	(\$75,225,210)	\$10,588,766	(\$64,636,444)	(\$64,636,444)	\$0	(\$64,636,444)	\$0	\$0
3Q 2017	\$10,684,595	\$0	(\$64,636,444)	\$10,684,595	(\$53,951,849)	(\$53,951,849)	\$0	(\$53,951,849)	\$0	\$0
4Q 2017	\$10,781,165	\$0	(\$53,951,849)	\$10,781,165	(\$43,170,683)	(\$43,170,683)	\$0	(\$43,170,683)	\$0	\$0
1Q 2018	\$10,884,534	\$0	(\$43,170,683)	\$10,884,534	(\$32,286,149)	(\$32,286,149)	\$0	(\$32,286,149)	\$0	\$0
2Q 2018	\$10,979,593	\$0	(\$32,286,149)	\$10,979,593	(\$21,306,556)	(\$21,306,556)	\$0	(\$21,306,556)	\$0	\$0
3Q 2018	\$11,075,410	\$0	(\$21,306,556)	\$11,075,410	(\$10,231,146)	(\$10,231,146)	\$0	(\$10,231,146)	\$0	\$0
4Q 2018	\$11,124,951	\$0	(\$10,231,146)	\$10,231,146	\$0	\$0	\$0	\$0	\$893,805	\$312,832
1Q 2019	\$10,861,250	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$10,861,250	\$3,801,437
2Q 2019	\$10,951,882	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$10,951,882	\$3,833,159
3Q 2019	\$11,043,240	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$11,043,240	\$3,865,134
4Q 2019	\$11,135,331	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$11,135,331	\$3,897,366
1Q 2020	\$12,333,364	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$12,333,364	\$4,316,677
2Q 2020	\$12,425,058	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$12,425,058	\$4,348,770
3Q 2020	\$12,517,473	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$12,517,473	\$4,381,115
4Q 2020	\$12,610,613	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$12,610,613	\$4,413,715
1Q 2021	\$12,701,096	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$12,701,096	\$4,445,384
2Q 2021	\$12,792,425	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$12,792,425	\$4,477,349

TABLE J - PART I: COMPUTATION OF FEDERAL TAX LIABILITY - TAXABLE INCOME
(Road Property)

Time Period (1)	Taxable Income B/4 NOL's IRR 1/ (2)	Net Operating Losses Generated 2/ (3)	NOL's Generated Plus Carryforward 3/ (4)	Carryforward Utilized 4/ (5)	Carryforward Remaining 5/ (6)	Carryback Available 6/ (7)	Carryback Utilized 7/ (8)	Carryback Remaining 8/ (9)	Annual Taxable Income 9/ (10)	Annual Tax Liability 10/ (11)
3Q 2021	\$12,884,456	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$12,884,456	\$4,509,560
4Q 2021	\$12,977,197	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$12,977,197	\$4,542,019
1Q 2022	\$13,070,801	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$13,070,801	\$4,574,780
2Q 2022	\$13,164,977	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$13,164,977	\$4,607,742
3Q 2022	\$13,259,880	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$13,259,880	\$4,640,958
Oct 1 - Nov 1, 2022	\$4,645,397	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$4,645,397	\$1,625,889
Future	\$668,091,653	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$668,091,653	\$233,832,079

1/ Table I Column (3) - Table E Columns (2),(4) & (6) - Table G, Column (14) / 4 - Table J - Part 2, Column (11), Values for 2010 from Table D, Sum of Column (10).

2/ Column (2) if less than zero, otherwise zero.

3/ Cumulative total of Column (2).

4/ If Column (2) is greater than zero, and (Column (2) + Column (4) is less than zero, then Column (2), otherwise Column (4).

5/ Column (4) + Column (5) + Column (8).

6/ Previous period Column (9) + current period Column (3) - current period Column (5).

7/ If previous Column (10) is greater than zero, and previous Column (10) is less than current Column (7), then previous Column (10), otherwise zero.

8/ Column (7) + Column (8).

9/ If Column (2) is greater than zero, then Column (2) - Column (5) - Column (8), otherwise zero.

10/ Column (10) times applicable Federal Statutory Tax Rate.

TABLE J - PART 2: COMPUTATION OF STATE TAX LIABILITY - TAXABLE INCOME
(Road Property)

Time Period (1)	Taxable Income B/4 NOL's IRR I/ (2)	Net Operating Losses Generated 2/ (3)	NOL's Generated Plus Carryforward 3/ (4)	Carryforward Utilized 4/ (5)	Carryforward Remaining 5/ (6)	Carryback Available 6/ (7)	Carryback Utilized 7/ (8)	Carryback Remaining 8/ (9)	Annual Taxable Income 9/ (10)	Annual Tax Liability 10/ (11)
2010	(\$57,678)	(\$57,678)	(\$57,678)	\$0	(\$57,678)	(\$57,678)	\$0	(\$57,678)	\$0	\$0
2011	(\$999,911)	(\$999,911)	(\$1,057,590)	\$0	(\$1,057,590)	(\$1,057,590)	\$0	(\$1,057,590)	\$0	\$0
Jan 1 - Nov 1, 2012	(\$2,457,735)	(\$2,457,735)	(\$3,515,325)	\$0	(\$3,515,325)	(\$3,515,325)	\$0	(\$3,515,325)	\$0	\$0
Nov 2 - Dec 31, 2012	(\$188,662,448)	(\$188,662,448)	(\$192,177,773)	\$0	(\$192,177,773)	(\$192,177,773)	\$0	(\$192,177,773)	\$0	\$0
1Q 2013	\$4,498,942	\$0	(\$192,177,773)	\$4,498,942	(\$187,678,831)	(\$187,678,831)	\$0	(\$187,678,831)	\$0	\$0
2Q 2013	\$4,384,924	\$0	(\$187,678,831)	\$4,384,924	(\$183,293,907)	(\$183,293,907)	\$0	(\$183,293,907)	\$0	\$0
3Q 2013	\$4,533,346	\$0	(\$183,293,907)	\$4,533,346	(\$178,760,561)	(\$178,760,561)	\$0	(\$178,760,561)	\$0	\$0
4Q 2013	\$4,688,523	\$0	(\$178,760,561)	\$4,688,523	(\$174,072,038)	(\$174,072,038)	\$0	(\$174,072,038)	\$0	\$0
1Q 2014	\$6,042,123	\$0	(\$174,072,038)	\$6,042,123	(\$168,029,915)	(\$168,029,915)	\$0	(\$168,029,915)	\$0	\$0
2Q 2014	\$6,077,822	\$0	(\$168,029,915)	\$6,077,822	(\$161,952,093)	(\$161,952,093)	\$0	(\$161,952,093)	\$0	\$0
3Q 2014	\$6,207,677	\$0	(\$161,952,093)	\$6,207,677	(\$155,744,416)	(\$155,744,416)	\$0	(\$155,744,416)	\$0	\$0
4Q 2014	\$6,353,896	\$0	(\$155,744,416)	\$6,353,896	(\$149,390,520)	(\$149,390,520)	\$0	(\$149,390,520)	\$0	\$0
1Q 2015	\$7,356,238	\$0	(\$149,390,520)	\$7,356,238	(\$142,034,282)	(\$142,034,282)	\$0	(\$142,034,282)	\$0	\$0
2Q 2015	\$7,437,807	\$0	(\$142,034,282)	\$7,437,807	(\$134,596,475)	(\$134,596,475)	\$0	(\$134,596,475)	\$0	\$0
3Q 2015	\$7,489,364	\$0	(\$134,596,475)	\$7,489,364	(\$127,107,110)	(\$127,107,110)	\$0	(\$127,107,110)	\$0	\$0
4Q 2015	\$7,571,973	\$0	(\$127,107,110)	\$7,571,973	(\$119,535,138)	(\$119,535,138)	\$0	(\$119,535,138)	\$0	\$0
1Q 2016	\$8,299,380	\$0	(\$119,535,138)	\$8,299,380	(\$111,235,757)	(\$111,235,757)	\$0	(\$111,235,757)	\$0	\$0
2Q 2016	\$8,401,947	\$0	(\$111,235,757)	\$8,401,947	(\$102,833,810)	(\$102,833,810)	\$0	(\$102,833,810)	\$0	\$0
3Q 2016	\$8,505,345	\$0	(\$102,833,810)	\$8,505,345	(\$94,328,465)	(\$94,328,465)	\$0	(\$94,328,465)	\$0	\$0
4Q 2016	\$8,609,583	\$0	(\$94,328,465)	\$8,609,583	(\$85,718,883)	(\$85,718,883)	\$0	(\$85,718,883)	\$0	\$0
1Q 2017	\$10,493,673	\$0	(\$85,718,883)	\$10,493,673	(\$75,225,210)	(\$75,225,210)	\$0	(\$75,225,210)	\$0	\$0
2Q 2017	\$10,588,766	\$0	(\$75,225,210)	\$10,588,766	(\$64,636,444)	(\$64,636,444)	\$0	(\$64,636,444)	\$0	\$0
3Q 2017	\$10,684,595	\$0	(\$64,636,444)	\$10,684,595	(\$53,951,849)	(\$53,951,849)	\$0	(\$53,951,849)	\$0	\$0
4Q 2017	\$10,781,165	\$0	(\$53,951,849)	\$10,781,165	(\$43,170,683)	(\$43,170,683)	\$0	(\$43,170,683)	\$0	\$0
1Q 2018	\$10,884,534	\$0	(\$43,170,683)	\$10,884,534	(\$32,286,149)	(\$32,286,149)	\$0	(\$32,286,149)	\$0	\$0
2Q 2018	\$10,979,593	\$0	(\$32,286,149)	\$10,979,593	(\$21,306,556)	(\$21,306,556)	\$0	(\$21,306,556)	\$0	\$0
3Q 2018	\$11,075,410	\$0	(\$21,306,556)	\$11,075,410	(\$10,231,146)	(\$10,231,146)	\$0	(\$10,231,146)	\$0	\$0
4Q 2018	\$11,171,993	\$0	(\$10,231,146)	\$10,231,146	\$0	\$0	\$0	\$0	\$940,847	\$47,042
1Q 2019	\$11,432,894	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$11,432,894	\$571,645
2Q 2019	\$11,528,297	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$11,528,297	\$576,415
3Q 2019	\$11,624,463	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$11,624,463	\$581,223
4Q 2019	\$11,721,401	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$11,721,401	\$586,070
1Q 2020	\$12,982,488	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$12,982,488	\$649,124
2Q 2020	\$13,079,009	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$13,079,009	\$653,950
3Q 2020	\$13,176,287	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$13,176,287	\$658,814
4Q 2020	\$13,274,330	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$13,274,330	\$663,716
1Q 2021	\$13,369,575	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$13,369,575	\$668,479
2Q 2021	\$13,465,710	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$13,465,710	\$673,286

TABLE J - PART 2: COMPUTATION OF STATE TAX LIABILITY - TAXABLE INCOME
(Road Property)

Time Period (1)	Taxable Income B/4 NOL's IRR 1/ (2)	Net Operating Losses Generated 2/ (3)	NOL's Generated Plus Carryforward 3/ (4)	Carryforward Utilized 4/ (5)	Carryforward Remaining 5/ (6)	Carryback Available 6/ (7)	Carryback Utilized 7/ (8)	Carryback Remaining 8/ (9)	Annual Taxable Income 9/ (10)	Annual Tax Liability 10/ (11)
3Q 2021	\$13,562,586	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$13,562,586	\$678,129
4Q 2021	\$13,660,207	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$13,660,207	\$683,010
1Q 2022	\$13,758,738	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$13,758,738	\$687,937
2Q 2022	\$13,857,871	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$13,857,871	\$692,894
3Q 2022	\$13,957,769	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$13,957,769	\$697,888
Oct 1 - Nov 1, 2022	\$4,889,892	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$4,889,892	\$244,495
Future	\$703,254,372	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$703,254,372	\$35,162,719

1/ Table I Column (3) - Table E Columns (2),(4) & (6) - Table G, Column (14) ÷ 4 - Table J - Part 2, Column (11). Values for 2010 from Table D, Sum of Column (10).

2/ Column (2) if less than zero, otherwise zero.

3/ Cumulative total of Column (2).

4/ If Column (2) is greater than zero, and (Column (2) + Column (4) is less than zero, then Column (2), otherwise Column (4).

5/ Column (4) + Column (5) + Column (8).

6/ Previous period Column (9) + current period Column (3) - current period Column (5).

7/ If previous Column (10) is greater than zero, and previous Column (10) is less than current Column (7), then previous Column (10), otherwise zero.

8/ Column (7) + Column (8).

9/ If Column (2) is greater than zero, then Column (2) - Column (5) - Column (8), otherwise zero.

10/ Column (10) times applicable route mile weighted State Statutory Tax Rates.

TABLE K - PART 1: IRR OPERATING EXPENSES

Item (1)	2012 (2)	2013 (3)	2014 (4)	2015 (5)	2016 (6)	2017 (7)	2018 (8)	2019 (9)	2020 (10)	2021 (11)	2022 (12)
1. Train & Engine Personnel	\$3,631,857	\$3,771,174	\$3,810,192	\$3,868,866	\$3,854,707	\$4,026,830	\$4,119,702	\$4,149,364	\$4,207,569	\$4,254,827	\$4,322,213
2. Locomotive Lease Expense	\$2,013,583	\$2,090,824	\$2,112,457	\$2,144,987	\$2,137,136	\$2,232,566	\$2,284,056	\$2,300,501	\$2,332,771	\$2,358,972	\$2,396,332
3. Locomotive Maintenance Expense	\$1,197,137	\$1,243,059	\$1,255,920	\$1,275,260	\$1,270,593	\$1,327,329	\$1,357,941	\$1,367,719	\$1,386,904	\$1,402,481	\$1,424,693
4. Locomotive Operating Expense	\$15,900,415	\$16,510,352	\$16,681,176	\$16,938,052	\$16,876,060	\$17,629,626	\$18,036,222	\$18,166,085	\$18,420,904	\$18,627,803	\$18,922,820
5. Railcar Lease Expense	\$5,484,846	\$5,695,244	\$5,754,169	\$5,842,779	\$5,821,395	\$6,081,337	\$6,221,592	\$6,266,389	\$6,354,289	\$6,425,658	\$6,527,425
6. Material & Supply Operating	\$262,697	\$262,697	\$262,697	\$262,697	\$262,697	\$262,697	\$262,697	\$262,697	\$262,697	\$262,697	\$262,697
7. Ad Valorem Tax	\$1,203,252	\$1,203,252	\$1,203,252	\$1,203,252	\$1,203,252	\$1,203,252	\$1,203,252	\$1,203,252	\$1,203,252	\$1,203,252	\$1,203,252
8. Operating Managers	\$3,428,605	\$3,428,605	\$3,428,605	\$3,428,605	\$3,428,605	\$3,428,605	\$3,428,605	\$3,428,605	\$3,428,605	\$3,428,605	\$3,428,605
9. General & Administration	\$7,365,500	\$7,423,416	\$7,423,416	\$7,423,416	\$7,423,416	\$7,423,416	\$7,423,416	\$7,423,416	\$7,423,416	\$7,423,416	\$7,423,416
10. Loss and Damage	\$57,893	\$60,114	\$60,736	\$61,671	\$61,445	\$64,189	\$65,669	\$66,142	\$67,070	\$67,823	\$68,897
11. Trackage Rights	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
12. Intermodal Lift Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
13. Switching Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
14. Insurance 3.89%	\$1,807,622	\$1,852,063	\$1,863,879	\$1,881,647	\$1,877,359	\$1,929,483	\$1,957,607	\$1,966,589	\$1,984,215	\$1,998,526	\$2,018,932
15. Maintenance of Way	\$5,943,494	\$5,943,494	\$5,943,494	\$5,943,494	\$5,943,494	\$5,943,494	\$5,943,494	\$5,943,494	\$5,943,494	\$5,943,494	\$5,943,494
16. Total Operating Expenses	\$48,296,902	\$49,484,294	\$49,799,994	\$50,274,726	\$50,160,160	\$51,552,824	\$52,304,254	\$52,544,254	\$53,015,186	\$53,397,555	\$53,942,777
17. Expense Per Quarter	\$12,074,225	\$12,371,074	\$12,449,999	\$12,568,682	\$12,540,040	\$12,888,206	\$13,076,064	\$13,136,063	\$13,253,796	\$13,349,389	\$13,485,694

TABLE K - PART 2: IRR OPERATING EXPENSES INDEXED

<u>Period</u> (1)	<u>Quarter</u> (2)	<u>Hybrid Index 1/ (3)</u>	<u>Operating Expense Indexed For Inflation 2/ (4)</u>
1	Nov 2 - Dec 31, 2012	100.000	\$8,196,253
2	1Q 2013	99.710	\$12,817,835
3	2Q 2013	100.548	\$12,921,451
4	3Q 2013	99.557	\$12,798,929
5	4Q 2013	100.274	\$12,565,847
6	1Q 2014	100.475	\$12,509,078
7	2Q 2014	100.947	\$12,567,870
8	3Q 2014	100.846	\$12,555,302
9	4Q 2014	101.552	\$12,643,189
10	1Q 2015	101.460	\$12,752,227
11	2Q 2015	101.998	\$12,819,814
12	3Q 2015	102.075	\$12,829,428
13	4Q 2015	103.743	\$13,039,190
14	1Q 2016	104.579	\$13,114,222
15	2Q 2016	105.421	\$13,219,811
16	3Q 2016	106.270	\$13,326,251
17	4Q 2016	107.125	\$13,433,548
18	1Q 2017	107.979	\$13,916,504
19	2Q 2017	108.839	\$14,027,362
20	3Q 2017	109.706	\$14,139,104
21	4Q 2017	110.580	\$14,251,736
22	1Q 2018	111.478	\$14,576,944
23	2Q 2018	112.384	\$14,695,374
24	3Q 2018	113.297	\$14,814,767
25	4Q 2018	114.217	\$14,935,130
26	1Q 2019	115.127	\$15,123,184
27	2Q 2019	116.044	\$15,243,659
28	3Q 2019	116.969	\$15,365,095
29	4Q 2019	117.901	\$15,487,497
30	1Q 2020	118.781	\$15,742,969
31	2Q 2020	119.668	\$15,860,505
32	3Q 2020	120.561	\$15,978,917
33	4Q 2020	121.461	\$16,098,214
34	1Q 2021	122.306	\$16,327,045
35	2Q 2021	123.156	\$16,440,552
36	3Q 2021	124.012	\$16,554,848
37	4Q 2021	124.874	\$16,669,938
38	1Q 2022	125.709	\$16,952,687
39	2Q 2022	126.549	\$17,065,976
40	3Q 2022	127.394	\$17,180,024
41	Oct 1 - Nov 1, 2022	128.246	\$6,015,594

1/ 4Q12 equals 100.0, all other quarters equal Quarterly Inflation Indexes for the Hybrid Index from Table B.

2/ Quarterly expense from Table K, Page 18, for the applicable time period x Column (3) ÷ 4Q12. Start-up costs have been distributed over the first 12 months in periods 1 - 5.

TABLE L: IRR STAND-ALONE COSTS AND REVENUES

Revenue Requirements to Cover Total Stand-Alone Costs

<u>Period</u> (1)	<u>Quarter</u> (2)	<u>Quarterly Capital Requirement Road Property</u> (3)	<u>Quarterly Operating Expense</u> (4)	<u>Annual Stand-Alone Requirement</u> (5)	<u>Annual Stand-Alone Revenues</u> (6)	<u>Overpayments Or Shortfalls In Revenues</u> (7)	<u>PV Difference</u> (8)	<u>Cumulative PV Difference</u> (9)
1	Nov 2 - Dec 31, 2012	\$7,744,015	\$8,196,253	\$15,940,268	\$17,022,195	\$1,081,927	\$1,110,673	\$1,110,673
2	1Q 2013	\$11,703,311	\$12,817,835					
3	2Q 2013	\$11,589,293	\$12,921,451					
4	3Q 2013	\$11,737,715	\$12,798,929					
5	4Q 2013	\$11,892,893	\$12,565,847	\$98,027,274	\$103,904,678	\$5,877,403	\$5,426,253	\$6,536,926
6	1Q 2014	\$12,030,621	\$12,509,078					
7	2Q 2014	\$12,066,320	\$12,567,870					
8	3Q 2014	\$12,196,175	\$12,555,302					
9	4Q 2014	\$12,342,394	\$12,643,189	\$98,910,950	\$107,125,732	\$8,214,782	\$6,818,099	\$13,355,024
10	1Q 2015	\$12,473,617	\$12,752,227					
11	2Q 2015	\$12,555,186	\$12,819,814					
12	3Q 2015	\$12,606,744	\$12,829,428					
13	4Q 2015	\$12,689,352	\$13,039,190	\$101,765,557	\$111,162,631	\$9,397,073	\$7,011,526	\$20,366,550
14	1Q 2016	\$12,791,093	\$13,114,222					
15	2Q 2016	\$12,893,659	\$13,219,811					
16	3Q 2016	\$12,997,057	\$13,326,251					
17	4Q 2016	\$13,101,295	\$13,433,548	\$104,876,935	\$113,551,223	\$8,674,288	\$5,818,439	\$26,184,989
18	1Q 2017	\$13,195,658	\$13,916,504					
19	2Q 2017	\$13,290,751	\$14,027,362					
20	3Q 2017	\$13,386,580	\$14,139,104					
21	4Q 2017	\$13,483,151	\$14,251,736	\$109,690,846	\$120,599,674	\$10,908,829	\$6,578,145	\$32,763,134
22	1Q 2018	\$13,577,456	\$14,576,944					
23	2Q 2018	\$13,672,514	\$14,695,374					
24	3Q 2018	\$13,768,331	\$14,814,767					
25	4Q 2018	\$13,864,915	\$14,935,130	\$113,905,431	\$126,260,488	\$12,355,057	\$6,697,655	\$39,460,789
26	1Q 2019	\$13,959,559	\$15,123,184					
27	2Q 2019	\$14,054,962	\$15,243,659					
28	3Q 2019	\$14,151,129	\$15,365,095					
29	4Q 2019	\$14,248,066	\$15,487,497	\$117,633,151	\$130,709,096	\$13,075,946	\$6,372,412	\$45,833,202
30	1Q 2020	\$14,343,835	\$15,742,969					
31	2Q 2020	\$14,440,356	\$15,860,505					
32	3Q 2020	\$14,537,634	\$15,978,917					
33	4Q 2020	\$14,635,676	\$16,098,214	\$121,638,107	\$136,009,993	\$14,371,885	\$6,296,471	\$52,129,672
34	1Q 2021	\$14,731,078	\$16,327,045					
35	2Q 2021	\$14,827,213	\$16,440,552					
36	3Q 2021	\$14,924,089	\$16,554,848					
37	4Q 2021	\$15,021,711	\$16,669,938	\$125,496,473	\$141,437,098	\$15,940,625	\$6,278,292	\$58,407,964
38	1Q 2022	\$15,120,085	\$16,952,687					
39	2Q 2022	\$15,219,218	\$17,065,976					
40	3Q 2022	\$15,319,116	\$17,180,024					
41	Oct 1 - Nov 1, 2022	\$5,363,403	\$6,015,594	\$108,236,102	\$122,712,422	\$14,476,321	\$5,125,628	\$63,533,592

TABLE A: IRR ANNUAL COST OF CAPITAL

Year	Industry			IRR's			Debt as a		Preferred		Equity as a		Composite	1 + Cost of Capital	STB Prescribed Debt as a % of Capital 4/ (14)
	Cost of Capital	Industry Cost of Debt 1/ (3)	Cost of Preferred Equity 2/ Equity 3/ (4)	IRR's Cost of Debt (5)	Cost of Preferred Equity (6)	IRR's Cost of Equity (7)	IRR's Cost of Equity (8)	Percent of Total Investment (9)	Percent of Total Investment (10)	Percent of Total Investment (11)					
2010	11.03%	4.61%	0.00%	12.99%	4.61%	0.00%	12.99%	23.38%	0.00%	76.62%	11.03%	1.1103	23.38%		
2011	11.57%	3.97%	0.00%	13.57%	3.97%	0.00%	13.57%	20.83%	0.00%	79.17%	11.57%	1.1157	20.83%		
2012	11.06%	3.29%	0.00%	13.33%	3.29%	0.00%	13.33%	22.62%	0.00%	77.38%	11.06%	1.1106	22.62%		
2013					3.77%	0.00%	13.30%	21.63%	0.00%	78.37%	11.24%	1.1124			
2014					3.77%	0.00%	13.30%	21.63%	0.00%	78.37%	11.24%	1.1124			
2015					3.77%	0.00%	13.30%	21.63%	0.00%	78.37%	11.24%	1.1124			
2016					3.77%	0.00%	13.30%	21.63%	0.00%	78.37%	11.24%	1.1124			
2017					3.77%	0.00%	13.30%	21.63%	0.00%	78.37%	11.24%	1.1124			
2018					3.77%	0.00%	13.30%	21.63%	0.00%	78.37%	11.24%	1.1124			
2019					3.77%	0.00%	13.30%	21.63%	0.00%	78.37%	11.24%	1.1124			
2020					3.77%	0.00%	13.30%	21.63%	0.00%	78.37%	11.24%	1.1124			
2021					3.77%	0.00%	13.30%	21.63%	0.00%	78.37%	11.24%	1.1124			
2022					3.77%	0.00%	13.30%	21.63%	0.00%	78.37%	11.24%	1.1124			

1/ Cost of railroad industry debt from the STB Decision in Ex Parte No. 558 (Sub-No. 14), Railroad Cost of Capital - 2010, decided September 30, 2011, STB Decision in Ex Parte No. 558 (Sub-No. 15), Railroad Cost of Capital - 2010, decided September 11, 2012 and the AAR Opening workpapers in Ex Parte No. 558 (Sub No. 16), Railroad Cost of Capital - 2010, submitted April 19, 2013.

2/ No preferred equity was issued in 2010 - 2012.

3/ Cost of railroad industry common equity from the STB Decision in Ex Parte No. 558 (Sub-No. 14), Railroad Cost of Capital - 2010, decided September 30, 2011, STB Decision in Ex Parte No. 558 (Sub-No. 15), Railroad Cost of Capital - 2010, decided September 11, 2012 and the AAR Opening workpapers in Ex Parte No. 558 (Sub No. 16), Railroad Cost of Capital - 2012, submitted April 19, 2013.

4/ Railroad industry capital structure from the STB Decision in Ex Parte No. 558 (Sub-No. 14), Railroad Cost of Capital - 2010, decided September 30, 2011, STB Decision in Ex Parte No. 558 (Sub-No. 15), Railroad Cost of Capital - 2010, decided September 11, 2012 and the AAR Opening workpapers in Ex Parte No. 558 (Sub No. 16), Railroad Cost of Capital - 2012, submitted April 19, 2013.

TABLE B: IRR INFLATION INDEXES

<u>Period</u> (1)	<u>Land 1/</u> (2)	<u>Hybrid RCAF 2/</u> (3)	<u>MWS Excluding Fuel 3/</u> (4)	<u>Materials & Supplies 4/</u> (5)	<u>Wages & Supplements 5/</u> (6)
2Q 2010	100.0		466.7	349.1	489.7
3Q 2010	100.1		465.6	355.8	486.9
4Q 2010	100.3		467.2	364.6	486.9
1Q 2011	100.1		460.8	364.0	479.2
2Q 2011	100.0		463.5	377.4	479.6
3Q 2011	99.9		467.2	380.0	483.5
4Q 2011	99.7		476.8	398.1	491.1
1Q 2012	99.7		487.5	397.6	504.3
2Q 2012	99.7		498.3	404.9	515.8
3Q 2012	99.7		502.0	405.3	520.1
4Q 2012	99.7	100.0	496.7	389.7	517.1
1Q 2013	100.9	99.7	486.3	388.1	504.8
2Q 2013	102.1	100.5	480.7	384.6	498.7
3Q 2013	103.3	99.6	487.5	388.5	506.2
4Q 2013	104.5	100.3	494.5	392.7	513.8
1Q 2014	105.7	100.5	500.4	397.0	520.0
2Q 2014	107.0	100.9	500.9	399.4	520.0
3Q 2014	108.2	100.8	506.6	403.0	526.2
4Q 2014	109.5	101.6	512.7	407.9	532.5
1Q 2015	110.8	101.5	519.2	410.3	540.0
2Q 2015	112.1	102.0	523.1	411.9	544.3
3Q 2015	113.4	102.1	526.4	411.1	548.7
4Q 2015	114.7	103.7	530.3	412.8	553.1
1Q 2016	116.1	104.6	534.6	415.8	557.6
2Q 2016	117.4	105.4	538.9	418.9	562.1
3Q 2016	118.8	106.3	543.2	422.0	566.7
4Q 2016	120.2	107.1	547.5	425.2	571.3
1Q 2017	121.6	108.0	551.9	427.2	576.2
2Q 2017	123.1	108.8	556.4	429.2	581.2
3Q 2017	124.5	109.7	560.8	431.2	586.2
4Q 2017	126.0	110.6	565.3	433.2	591.3
1Q 2018	127.5	111.5	570.0	434.7	596.7
2Q 2018	128.9	112.4	574.7	436.3	602.1
3Q 2018	130.5	113.3	579.4	437.8	607.6
4Q 2018	132.0	114.2	584.2	439.3	613.2
1Q 2019	133.5	115.1	588.9	440.6	618.8
2Q 2019	135.1	116.0	593.7	441.9	624.4
3Q 2019	136.7	117.0	598.6	443.2	630.1
4Q 2019	138.3	117.9	603.4	444.6	635.9
1Q 2020	139.9	118.8	608.2	445.9	641.5
2Q 2020	141.6	119.7	613.1	447.2	647.2
3Q 2020	143.2	120.6	617.9	448.6	653.0
4Q 2020	144.9	121.5	622.8	449.9	658.8
1Q 2021	146.6	122.3	627.6	451.1	664.5
2Q 2021	148.4	123.2	632.5	452.4	670.2
3Q 2021	150.1	124.0	637.3	453.6	676.0
4Q 2021	151.9	124.9	642.3	454.8	681.8
1Q 2022	153.6	125.7	647.2	456.1	687.7
2Q 2022	155.5	126.5	652.2	457.3	693.6
3Q 2022	157.3	127.4	657.2	458.6	699.6
4Q 2022	159.1	128.2	662.3	459.9	705.7
Annual Inflation Rate ^{6/}	4.66%		2.74%	1.24%	3.02%

1/ Used to index Road Property Account 2. Based on historic change in rural land prices as reported by the USDA and urban land prices as reported by the National Council of Real Estate Investment Fiduciaries.

2/ Used to index expenses in Table K. Based on the RCAF-U and RCAF-A through 1Q2013 then Global Insight forecast for remaining periods.

3/ Used to index Road Property Accounts 3, 5, 6, 13, 17, 19, 20, 26, 27, 37, and 39. Based on RCR indices - West Region through 1Q2013 then Global Insight forecast.

4/ Used to index Road Property Accounts 8, 9, and 11. Based on RCR indexes - West Region through 1Q2013 then Global Insight forecast for remaining periods.

5/ Used to index Road Property Accounts 1 and 12. Based on RCR indexes - West Region through 1Q2013 then Global Insight forecast for remaining periods.

6/ $3Q\ 2012 \div 4Q\ 2022^{(1/10.25)} - 1$. The Annual Rate is used to develop asset replacement values at the end of asset lives.

TABLE C: IRR PROPERTY INVESTMENT VALUES

Construction of the IRR occurs between June 2, 2010 and November 2, 2012.
Investments are assumed to be in November 2, 2012 dollars.

Property Account (1)	Property Component (2)	Service Life In Years 1/ (3)	Investment In 3Q2010 Dollars 2/ (4)	Investment In 3Q2011 Dollars 3/ (5)	Investment In 4Q2012 Dollars 4/ (6)	2010 Investment Value 5/ (7)	2011 Investment Value 6/ (8)	2012 Investment Value 7/ (9)	Total Property Investment 4Q 2012 8/ (10)
1	Engineering	NA	\$31,675,336	\$31,454,149	\$33,640,001	\$17,055,950	\$14,517,299	\$0	\$31,573,250
2	Land	NA	\$15,822,296	\$15,778,528	\$15,756,689	\$9,041,312	\$6,762,226	\$0	\$15,803,538
3	Grading	86	\$81,316,895	\$81,596,335	\$86,748,501	\$0	\$81,596,335	\$0	\$81,596,335
5	Tunnels	118	\$0	\$0	\$0	\$0	\$0	\$0	\$0
6	Bridges & Culverts	71	\$10,672,366	\$10,709,041	\$11,385,233	\$0	\$10,709,041	\$0	\$10,709,041
8	Ties	21	\$31,399,600	\$33,535,267	\$34,391,298	\$0	\$15,477,815	\$18,518,391	\$33,996,207
9	Rails and OTM	26	\$65,066,835	\$69,492,404	\$71,266,289	\$0	\$32,073,417	\$38,374,156	\$70,447,573
11	Ballast	34	\$28,677,978	\$30,628,532	\$31,410,366	\$0	\$14,136,246	\$16,913,274	\$31,049,520
12	Labor	26	\$56,900,393	\$56,503,060	\$60,429,643	\$0	\$26,078,335	\$32,539,038	\$58,617,374
13	Fences and Roadway Signs	59	\$2,591,549	\$2,600,454	\$2,764,652	\$0	\$1,200,210	\$1,488,659	\$2,688,869
16	Stations and Office Buildings	31	\$1,958,291	\$1,965,021	\$2,089,096	\$0	\$982,510	\$1,044,548	\$2,027,059
17	Roadway Buildings	32	\$346,269	\$347,459	\$369,398	\$0	\$173,729	\$184,699	\$358,428
19	Fuel Stations	31	\$0	\$0	\$0	\$0	\$0	\$0	\$0
20	Shops and Enginehouses	47	\$5,583,576	\$5,602,763	\$5,956,534	\$0	\$2,801,382	\$2,978,267	\$5,779,649
26	Communications Systems	30	\$7,189,306	\$7,214,012	\$7,669,520	\$0	\$3,607,006	\$3,834,760	\$7,441,766
27	Signals and Interlockers	35	\$22,203,378	\$22,279,678	\$23,686,464	\$0	\$11,139,839	\$11,843,232	\$22,983,071
39	Public Improvements	47	\$6,379,797	\$6,401,721	\$6,805,939	\$0	\$0	\$6,805,939	\$6,805,939
	Total		\$367,783,866	\$376,108,423	\$394,369,623	\$26,097,262	\$221,255,391	\$134,524,964	\$381,877,617

1/ 1 ÷ Depreciation Rate shown in Schedule 332 of UP's 2011 Annual Report R-1

2/ November 2, 2012, indexed to 2010 dollars; Investment Exhibit - 4Q2012 x Inflation Index from Table B, 3Q2010 ÷ 4Q2012.

3/ November 2, 2012, indexed to 2011 dollars; Investment Exhibit - 4Q2012 x Inflation Index from Table B, 3Q2011 ÷ 4Q2012.

4/ November 2, 2012, indexed to 2012 dollars; Investment Exhibit - 4Q2012 x Inflation Index from Table B, 3Q2012 ÷ 4Q2012.

5/ Column (4) x Percent constructed in 2010.

6/ Column (5) x Percent constructed in 2011.

7/ Column (6) x Percent constructed in 2012.

8/ Sum of Columns (7) through (9).

TABLE D: INTEREST DURING CONSTRUCTION

Month of Installation (1)	Cost of Funds 1/ (2)	Timing of Account 1 (3)	Timing of Account 2 (4)	Timing of Accounts 3, 5 and 6 (5)	Timing of Accounts 8 Through 39 (6)	Total Investment by Month 3/ (7)	Interest During Construction 4/ (8)	Cost of Debt 5/ (9)	Deductible Interest During Construction 6/ (10)
Jun-10	0.88%	\$2,436,564	\$0	\$0	\$0	\$2,436,564	\$0	0.38%	\$0
Jul-10	0.88%	\$2,436,564	\$0	\$0	\$0	\$2,436,564	\$21,339	0.38%	\$2,144
Aug-10	0.88%	\$2,436,564	\$0	\$0	\$0	\$2,436,564	\$42,865	0.38%	\$4,306
Sep-10	0.88%	\$2,436,564	\$2,260,328	\$0	\$0	\$4,696,892	\$64,580	0.38%	\$6,487
Oct-10	0.88%	\$2,436,564	\$2,260,328	\$0	\$0	\$4,696,892	\$106,280	0.38%	\$10,676
Nov-10	0.88%	\$2,436,564	\$2,260,328	\$0	\$0	\$4,696,892	\$148,346	0.38%	\$14,902
Dec-10	0.88%	\$2,436,564	\$2,260,328	\$0	\$0	\$4,696,892	\$190,780	0.38%	\$19,164
Jan-11	0.92%	\$2,419,550	\$2,254,075	\$0	\$0	\$4,673,625	\$244,457	0.32%	\$18,054
Feb-11	0.92%	\$2,419,550	\$2,254,075	\$15,129,252	\$0	\$19,802,877	\$289,534	0.32%	\$21,383
Mar-11	0.92%	\$2,419,550	\$2,254,075	\$15,129,252	\$0	\$19,802,877	\$473,690	0.32%	\$34,983
Apr-11	0.92%	\$2,419,550	\$0	\$15,129,252	\$0	\$17,548,802	\$659,535	0.32%	\$48,708
May-11	0.92%	\$2,419,550	\$0	\$15,129,252	\$0	\$17,548,802	\$826,423	0.32%	\$61,034
Jun-11	0.92%	\$2,419,550	\$0	\$15,129,252	\$0	\$17,548,802	\$994,841	0.32%	\$73,472
Jul-11	0.92%	\$0	\$0	\$15,129,252	\$14,827,671	\$29,956,923	\$1,164,803	0.32%	\$86,024
Aug-11	0.92%	\$0	\$0	\$1,529,863	\$15,619,195	\$17,149,058	\$1,450,048	0.32%	\$107,090
Sep-11	0.92%	\$0	\$0	\$0	\$15,619,195	\$15,619,195	\$1,620,518	0.32%	\$119,680
Oct-11	0.92%	\$0	\$0	\$0	\$15,619,195	\$15,619,195	\$1,778,529	0.32%	\$131,349
Nov-11	0.92%	\$0	\$0	\$0	\$15,619,195	\$15,619,195	\$1,937,987	0.32%	\$143,126
Dec-11	0.92%	\$0	\$0	\$0	\$30,366,040	\$30,366,040	\$2,098,907	0.32%	\$155,010
Jan-12	0.88%	\$0	\$0	\$0	\$31,924,283	\$31,924,283	\$2,295,471	0.27%	\$159,757
Feb-12	0.88%	\$0	\$0	\$0	\$16,246,291	\$16,246,291	\$2,595,894	0.27%	\$180,666
Mar-12	0.88%	\$0	\$0	\$0	\$17,607,479	\$17,607,479	\$2,761,313	0.27%	\$192,178
Apr-12	0.88%	\$0	\$0	\$0	\$17,607,479	\$17,607,479	\$2,940,136	0.27%	\$204,624
May-12	0.88%	\$0	\$0	\$0	\$17,607,479	\$17,607,479	\$3,120,528	0.27%	\$217,178
Jun-12	0.88%	\$0	\$0	\$0	\$16,765,976	\$16,765,976	\$3,302,504	0.27%	\$229,843
Jul-12	0.88%	\$0	\$0	\$0	\$16,765,976	\$16,765,976	\$3,478,690	0.27%	\$242,105
Aug-12	0.88%	\$0	\$0	\$0	\$0	\$0	\$3,656,422	0.27%	\$254,475
Sep-12	0.88%	\$0	\$0	\$0	\$0	\$0	\$3,688,523	0.27%	\$256,709
Oct-12	0.88%	\$0	\$0	\$0	\$0	\$0	\$3,720,905	0.27%	\$258,963
Nov-12	0.88%	\$0	\$0	\$0	\$0	\$0	\$3,753,572	0.27%	\$261,236
Total		\$31,573,250	\$15,803,538	\$92,305,376	\$242,195,453	\$381,877,617	\$49,427,419		\$3,515,325

1/ $((1 + \text{Cost of Capital from Table A for the applicable year})^{(1/12)} - 1) \times 100$.

2/ Applicable account value from Table C for the applicable investment period.

3/ Sum of Columns (3) through (6).

4/ June 10 equals Column (2) x prior Column (7), all other periods equal Column (2) x ((Sum of Column (7) for all prior periods) + (Sum of Column (8) for all prior periods))

5/ $((1 + \text{Cost of Debt from Table A for the applicable year})^{(1/12)} - 1) \times 100$.

6/ June 10 equals prior Column (7) x Column (9) x Table A, Column (9) for 2010, all other periods equal Column (9) x ((Sum of Column (7) for all prior periods) + (Sum of Column (8) for all prior periods)) x Table A, Column (9) for the applicable year

TABLE E: IRR INTEREST PAYMENTS FOR ASSETS PURCHASED WITH DEBT CAPITAL

INTEREST SCHEDULE FOR THE IRR 2010 ROAD PROPERTY INVESTMENT FOR THE 4Q2012 START-UP		INTEREST SCHEDULE FOR THE IRR 2011 ROAD PROPERTY INVESTMENT FOR THE 4Q2012 START-UP		INTEREST SCHEDULE FOR THE IRR 2012 ROAD PROPERTY INVESTMENT FOR THE 4Q2012 START-UP	
1. Total Investment	\$26,097,262 1/	1. Total Investment	\$221,255,391 1/	1. Total Investment	\$134,524,964 1/
2. IDC	\$574,190 2/	2. IDC	\$13,539,273 2/	2. IDC	\$35,313,956 2/
3. Principal	\$6,235,786 3/	3. Principal	\$48,907,729 3/	3. Principal	\$38,417,564 3/
4. Interest	4.61% 4/	4. Interest	3.97% 4/	4. Interest	3.29% 4/
5. Term (Quarters)	80 5/	5. Term (Quarters)	80 5/	5. Term (Quarters)	80 5/
6. Quarterly Coupon	\$70,657 6/	6. Quarterly Coupon	\$478,346 6/	6. Quarterly Coupon	\$312,159 6/
Quarter (1)	Interest 7/ (2)	Quarter (3)	Interest 7/ (4)	Quarter (5)	Interest 7/ (6)
1	\$70,657	1	\$478,346	1	\$312,159
2	\$70,657	2	\$478,346	2	\$312,159
3	\$70,657	3	\$478,346	3	\$312,159
4	\$70,657	4	\$478,346	4	\$312,159
5	\$70,657	5	\$478,346	5	\$312,159
6	\$70,657	6	\$478,346	6	\$312,159
7	\$70,657	7	\$478,346	7	\$312,159
8	\$70,657	8	\$478,346	8	\$312,159
9	\$70,657	9	\$478,346	9	\$312,159
10	\$70,657	10	\$478,346	10	\$312,159
11	\$70,657	11	\$478,346	11	\$312,159
12	\$70,657	12	\$478,346	12	\$312,159
13	\$70,657	13	\$478,346	13	\$312,159
14	\$70,657	14	\$478,346	14	\$312,159
15	\$70,657	15	\$478,346	15	\$312,159
16	\$70,657	16	\$478,346	16	\$312,159
17	\$70,657	17	\$478,346	17	\$312,159
18	\$70,657	18	\$478,346	18	\$312,159
19	\$70,657	19	\$478,346	19	\$312,159
20	\$70,657	20	\$478,346	20	\$312,159
21	\$70,657	21	\$478,346	21	\$312,159
22	\$70,657	22	\$478,346	22	\$312,159
23	\$70,657	23	\$478,346	23	\$312,159
24	\$70,657	24	\$478,346	24	\$312,159
25	\$70,657	25	\$478,346	25	\$312,159
26	\$70,657	26	\$478,346	26	\$312,159
27	\$70,657	27	\$478,346	27	\$312,159
28	\$70,657	28	\$478,346	28	\$312,159
29	\$70,657	29	\$478,346	29	\$312,159
30	\$70,657	30	\$478,346	30	\$312,159
31	\$70,657	31	\$478,346	31	\$312,159
32	\$70,657	32	\$478,346	32	\$312,159
33	\$70,657	33	\$478,346	33	\$312,159
34	\$70,657	34	\$478,346	34	\$312,159
35	\$70,657	35	\$478,346	35	\$312,159
36	\$70,657	36	\$478,346	36	\$312,159
37	\$70,657	37	\$478,346	37	\$312,159
38	\$70,657	38	\$478,346	38	\$312,159
39	\$70,657	39	\$478,346	39	\$312,159
40	\$70,657	40	\$478,346	40	\$312,159
41	\$70,657	41	\$478,346	41	\$312,159
42	\$70,657	42	\$478,346	42	\$312,159
43	\$70,657	43	\$478,346	43	\$312,159
44	\$70,657	44	\$478,346	44	\$312,159
45	\$70,657	45	\$478,346	45	\$312,159
46	\$70,657	46	\$478,346	46	\$312,159
47	\$70,657	47	\$478,346	47	\$312,159
48	\$70,657	48	\$478,346	48	\$312,159
49	\$70,657	49	\$478,346	49	\$312,159
50	\$70,657	50	\$478,346	50	\$312,159
51	\$70,657	51	\$478,346	51	\$312,159
52	\$70,657	52	\$478,346	52	\$312,159
53	\$70,657	53	\$478,346	53	\$312,159
54	\$70,657	54	\$478,346	54	\$312,159
55	\$70,657	55	\$478,346	55	\$312,159

TABLE E: IRR INTEREST PAYMENTS FOR ASSETS PURCHASED WITH DEBT CAPITAL

INTEREST SCHEDULE FOR THE IRR 2010 ROAD PROPERTY INVESTMENT FOR THE 4Q2012 START-UP		INTEREST SCHEDULE FOR THE IRR 2011 ROAD PROPERTY INVESTMENT FOR THE 4Q2012 START-UP		INTEREST SCHEDULE FOR THE IRR 2012 ROAD PROPERTY INVESTMENT FOR THE 4Q2012 START-UP	
1. Total Investment	\$26,097,262 1/	1. Total Investment	\$221,255,391 1/	1. Total Investment	\$134,524,964 1/
2. IDC	\$574,190 2/	2. IDC	\$13,539,273 2/	2. IDC	\$35,313,956 2/
3. Principal	\$6,235,786 3/	3. Principal	\$48,907,729 3/	3. Principal	\$38,417,564 3/
4. Interest	4.61% 4/	4. Interest	3.97% 4/	4. Interest	3.29% 4/
5. Term (Quarters)	80 5/	5. Term (Quarters)	80 5/	5. Term (Quarters)	80 5/
6. Quarterly Coupon	\$70,657 6/	6. Quarterly Coupon	\$478,346 6/	6. Quarterly Coupon	\$312,159 6/
Quarter (1)	Interest 7/ (2)	Quarter (3)	Interest 7/ (4)	Quarter (5)	Interest 7/ (6)
56	\$70,657	56	\$478,346	56	\$312,159
57	\$70,657	57	\$478,346	57	\$312,159
58	\$70,657	58	\$478,346	58	\$312,159
59	\$70,657	59	\$478,346	59	\$312,159
60	\$70,657	60	\$478,346	60	\$312,159
61	\$70,657	61	\$478,346	61	\$312,159
62	\$70,657	62	\$478,346	62	\$312,159
63	\$70,657	63	\$478,346	63	\$312,159
64	\$70,657	64	\$478,346	64	\$312,159
65	\$70,657	65	\$478,346	65	\$312,159
66	\$70,657	66	\$478,346	66	\$312,159
67	\$70,657	67	\$478,346	67	\$312,159
68	\$70,657	68	\$478,346	68	\$312,159
69	\$70,657	69	\$478,346	69	\$312,159
70	\$70,657	70	\$478,346	70	\$312,159
71	\$70,657	71	\$478,346	71	\$312,159
72	\$70,657	72	\$478,346	72	\$312,159
73	\$70,657	73	\$478,346	73	\$312,159
74	\$70,657	74	\$478,346	74	\$312,159
75	\$70,657	75	\$478,346	75	\$312,159
76	\$70,657	76	\$478,346	76	\$312,159
77	\$70,657	77	\$478,346	77	\$312,159
78	\$70,657	78	\$478,346	78	\$312,159
79	\$70,657	79	\$478,346	79	\$312,159
80	\$70,657	80	\$478,346	80	\$312,159

- 1/ From Table D, Column (7) for the applicable year investment.
2/ From Table D, Column (8) for the applicable year investment.
3/ $(\text{Total Investment} + \text{IDC}) \times (\text{Proportion of Debt from Table A, Column (9)})$.
4/ From Table A, Column (6) for the applicable year investment.
5/ Based on Ex Parte No. 657 20-year payment period $\times$ 4.
6/ Quarterly coupon payments on Line 3 principal and Line 4 interest rates.
7/ Line 6 coupon payment.

TABLE F: IRR PRESENT VALUE OF REPLACEMENT COST

Property Account (1)	Property Component (2)	Service Life In Years (3)	Investment (4)	Salvage (5)	Replacement Year Asset Net Cost (6)	Replacement Cost Adjusted To Reflect An Infinite Life (7)	Present Value Of Replacement Cost Adjusted To Reflect An Infinite Life (2012 Dollars) (8)
3	Grading	86	\$1,004,720,733	\$0	\$858,576,093	\$859,434,775	\$89,728
5	Tunnels	118	0	0	0	0	0
6	Bridges & Culverts	71	87,234,273	0	72,937,323	73,186,226	38,819
8	Ties	21	53,042,836	0	42,545,613	51,828,753	5,290,794
9	Rails and OTM	26	115,635,952	8,918,192	85,124,411	97,707,571	6,438,418
11	Ballast	34	56,551,471	0	45,359,886	48,538,695	1,303,888
12	Labor	26	154,342,364	0	123,797,877	140,649,630	8,421,389
13	Fences and Roadway Signs	59	15,942,695	0	13,329,824	13,447,096	24,883
16	Stations and Office Buildings	31	5,549,040	0	4,639,600	5,077,411	196,481
17	Roadway Buildings	32	1,029,597	0	860,854	930,408	29,791
19	Fuel Stations	31	0	0	0	0	0
20	Shops and Enginehouses	47	24,337,228	0	20,348,565	20,850,096	148,274
26	Communications Systems	30	20,070,534	0	16,098,558	17,693,061	725,986
27	Signals and Interlockers	35	70,831,396	2,345,097	54,864,129	58,408,494	1,418,040
39	Public Improvements	47	28,999,114	0	24,246,408	24,822,966	168,516
Total			\$1,638,287,233	\$11,263,289	\$1,362,729,140	\$1,412,575,183	\$24,295,006

1/ From Table C, Column (3).

2/ (Table C, Column (10) after allocation of Engineering) x (Table B, 1.0 + Annual Inflation Index)^(Column (3)).

3/ [(Column (4) x Salvage %) - (Table C, Column (10) after allocation of Engineering x Salvage %)] x (1 - Current Federal Tax Rate) + (Table C, Column (10) after allocation of Engineering x Salvage %).

4/ Column (4) - (Present Value of the remaining tax deductions for depreciation, interest expense and the Present Value of any salvage).

5/ Column (6) + [(Column (6)) / ((1 + Real Cost of Capital)^(Column (3) - 1))].

6/ Column (7) / ((1 + Average Nominal Cost of Capital from Table A Column (2))^(Column (3))).

TABLE G PART 1: TAX DEPRECIATION SCHEDULES

Depreciation of Start-up investment for tax purposes using
accounting lives from Modified Accelerated Cost Recovery System (MACRS) 1/

Road Property Account	Road Property Component	Asset Lives Per MACRS 2/	Total 4Q 2012 Investment	Depreciable Base
(1)	(2)	(3)	(4)	(5)
1	Engineering	5	\$31,573,250	\$31,573,250
2	Land	N/A	\$15,803,538	\$0
3	Grading	50	\$81,596,335	\$81,596,335
5	Tunnels	50	\$0	\$0
6	Bridges & Culverts	15	\$10,709,041	\$10,709,041
8	Ties	7	\$33,996,207	\$33,996,207
9	Rails and OTM	7	\$70,447,573	\$70,447,573
11	Ballast	7	\$31,049,520	\$31,049,520
12	Labor	7	\$58,617,374	\$58,617,374
13	Fences and Roadway Signs	15	\$2,688,869	\$2,688,869
16	Stations and Office Buildings	15	\$2,027,059	\$2,027,059
17	Roadway Buildings	15	\$358,428	\$358,428
19	Fuel Stations	15	\$0	\$0
20	Shops and Enginehouses	15	\$5,779,649	\$5,779,649
26	Communications Systems	7	\$7,441,766	\$7,441,766
27	Signals and Interlockers	7	\$22,983,071	\$22,983,071
39	Public Improvements	15	\$6,805,939	\$6,805,939
Total			\$381,877,617	\$366,074,079

1/ Applicable Depreciation Method: 200 or 150 percent
Declining Balance Switching to Straight Line
Applicable Recovery Periods: 7, 15 and 50 a/ years
Applicable Convention: Mid-quarter(property placed in service in fourth quarter)

The Depreciation Rates are as follows for the corresponding
Recovery Period and Recovery year:

Year	5-Year	7-Year	15-Year	50-Year a/
1	20.00%	3.57%	1.25%	2.00%
2	20.00%	27.55%	9.88%	2.00%
3	20.00%	19.68%	8.89%	2.00%
4	20.00%	14.06%	8.00%	2.00%
5	20.00%	10.04%	7.20%	2.00%
6		8.73%	6.48%	2.00%
7		8.73%	5.90%	2.00%
8		7.64%	5.90%	2.00%
9			5.90%	2.00%
10			5.91%	2.00%
11			5.90%	2.00%
12			5.91%	2.00%
13			5.90%	2.00%
14			5.91%	2.00%
15			5.90%	2.00%
16			5.17%	2.00%
17				2.00%
18				2.00%
19-50				2.00%

a/ 50 year property uses the Straight Line Method for all time periods

2/ Bonus Depreciation Per the Economic Stimulus Act of 2008, the American Recovery & Reinvestment Act, and
The Tax Relief, Unemployment Insurance Reauthorization and Job Creation Act of 2010 for the following
depreciable assets:

MARCS Lives	Bonus Depreciation - 50%	Bonus Depreciation - 100%
7	\$61,011,426	\$102,512,659
15	\$6,251,056	\$15,866,872

TABLE G PART 2: TAX DEPRECIATION SCHEDULES

Road Property													
Year (1)	Amortization - 5 Years			Depreciation - MACRS 7 Years			Depreciation - MACRS 15 Years			Depreciation - MACRS 50 Years			Total Annual Depreciation 10/ (14)
	Unamortized Investment 1/ (2)	Rate 2/ (3)	Annual Amort. 3/ (4)	Undepreciated Investment 4/ (5)	Rate 2/ (6)	Annual Amount 5/ (7)	Undepreciated Investment 6/ (8)	Rate 2/ (9)	Annual Amount 7/ (10)	Unamortized Investment 8/ (11)	Rate 2/ (12)	Annual Amount 9/ (13)	
1	\$31,573,250	20.00%	\$6,314,650	\$61,011,426	3.57%	\$2,178,108	\$6,251,056	1.25%	\$78,138	\$81,596,335	2%	\$1,631,927	\$195,844,835
2	\$25,258,600	20.00%	\$6,314,650	\$58,833,318	27.55%	\$16,808,648	\$6,172,918	9.88%	\$617,604	\$79,964,408	2%	\$1,631,927	\$25,372,829
3	\$18,943,950	20.00%	\$6,314,650	\$42,024,670	19.68%	\$12,007,049	\$5,555,314	8.89%	\$555,719	\$78,332,481	2%	\$1,631,927	\$20,509,344
4	\$12,629,300	20.00%	\$6,314,650	\$30,017,621	14.06%	\$8,578,206	\$4,999,595	8.00%	\$500,084	\$76,700,555	2%	\$1,631,927	\$17,024,868
5	\$6,314,650	20.00%	\$6,314,650	\$21,439,415	10.04%	\$6,125,547	\$4,499,510	7.20%	\$450,076	\$75,068,628	2%	\$1,631,927	\$14,522,200
6				\$15,313,868	8.73%	\$5,326,297	\$4,049,434	6.48%	\$405,068	\$73,436,701	2%	\$1,631,927	\$7,363,293
7				\$9,987,570	8.73%	\$5,326,297	\$3,644,366	5.90%	\$368,812	\$71,804,775	2%	\$1,631,927	\$7,327,036
8				\$4,661,273	7.64%	\$4,661,273	\$3,275,553	5.90%	\$368,812	\$70,172,848	2%	\$1,631,927	\$6,662,012
9							\$2,906,741	5.90%	\$368,812	\$68,540,921	2%	\$1,631,927	\$2,000,739
10					100%		\$2,537,929	5.91%	\$369,437	\$66,908,995	2%	\$1,631,927	\$2,001,364
11							\$2,168,491	5.90%	\$368,812	\$65,277,068	2%	\$1,631,927	\$2,000,739
12							\$1,799,679	5.91%	\$369,437	\$63,645,141	2%	\$1,631,927	\$2,001,364
13							\$1,430,242	5.90%	\$368,812	\$62,013,214	2%	\$1,631,927	\$2,000,739
14							\$1,061,429	5.91%	\$369,437	\$60,381,288	2%	\$1,631,927	\$2,001,364
15							\$691,992	5.90%	\$368,812	\$58,749,361	2%	\$1,631,927	\$2,000,739
16							\$323,180	5.17%	\$323,180	\$57,117,434	2%	\$1,631,927	\$1,955,106
17								100%		\$55,485,508	2%	\$1,631,927	\$1,631,927
18										\$53,853,581	2%	\$1,631,927	\$1,631,927
19										\$52,221,654	2%	\$1,631,927	\$1,631,927
20										\$50,589,728	2%	\$1,631,927	\$1,631,927
21										\$48,957,801	2%	\$1,631,927	\$1,631,927
22										\$47,325,874	2%	\$1,631,927	\$1,631,927
23										\$45,693,947	2%	\$1,631,927	\$1,631,927
24										\$44,062,021	2%	\$1,631,927	\$1,631,927
25										\$42,430,094	2%	\$1,631,927	\$1,631,927
26										\$40,798,167	2%	\$1,631,927	\$1,631,927
27										\$39,166,241	2%	\$1,631,927	\$1,631,927
28										\$37,534,314	2%	\$1,631,927	\$1,631,927
29										\$35,902,387	2%	\$1,631,927	\$1,631,927
30										\$34,270,461	2%	\$1,631,927	\$1,631,927
31										\$32,638,534	2%	\$1,631,927	\$1,631,927
32										\$31,006,607	2%	\$1,631,927	\$1,631,927
33										\$29,374,681	2%	\$1,631,927	\$1,631,927
34										\$27,742,754	2%	\$1,631,927	\$1,631,927
35										\$26,110,827	2%	\$1,631,927	\$1,631,927
36										\$24,478,900	2%	\$1,631,927	\$1,631,927
37										\$22,846,974	2%	\$1,631,927	\$1,631,927
38										\$21,215,047	2%	\$1,631,927	\$1,631,927
39										\$19,583,120	2%	\$1,631,927	\$1,631,927
40										\$17,951,194	2%	\$1,631,927	\$1,631,927
41										\$16,319,267	2%	\$1,631,927	\$1,631,927

TABLE G PART 2: TAX DEPRECIATION SCHEDULES

Road Property									
Year (1)	Amortization - 5 Years			Depreciation - MACRS 7 Years			Depreciation - MACRS 15 Years		
	Unamortized Investment 1/ (2)	Rate 2/ (3)	Annual Amort. 3/ (4)	Undepreciated Investment 4/ (5)	Rate 2/ (6)	Annual Amount 5/ (7)	Undepreciated Investment 6/ (8)	Rate 2/ (9)	Annual Amount 7/ (10)
				Depreciation - MACRS 50 Years		Total Annual Depreciation 10/ (14)			
				Unamortized Investment 8/ (11)	Rate 2/ (12)	Annual Amount 9/ (13)			
42				\$14,687,340	2%	\$1,631,927			\$1,631,927
43				\$13,055,414	2%	\$1,631,927			\$1,631,927
44				\$11,423,487	2%	\$1,631,927			\$1,631,927
45				\$9,791,560	2%	\$1,631,927			\$1,631,927
46				\$8,159,633	2%	\$1,631,927			\$1,631,927
47				\$6,527,707	2%	\$1,631,927			\$1,631,927
48				\$4,895,780	2%	\$1,631,927			\$1,631,927
49				\$3,263,853	2%	\$1,631,927			\$1,631,927
50				\$1,631,927	2%	\$1,631,927			\$1,631,927
51				\$0	2%	\$1,631,927			\$1,631,927
					102%				

1/ From Table G Part 1, Column (5), Road Property Accounts 1 minus Table G Part 1, 5-Year Bonus Depreciation.

2/ From Table G, Footnote 1/, Page 8.

3/ Column (2), Year 1 x Column (3).

4/ From Table G Part 1, Column (5), Road Property Accounts 8, 9, 11, 12, 26 and 27 minus Table G Part 1, 7-Year Bonus Depreciation.

5/ Column (5), Year 1 x Column (6).

6/ From Table G Part 1, Column (5), Road Property Accounts 6, 13, 16, 17, 19, 20 and 39 minus Table G Part 1, 15-Year Bonus Depreciation.

7/ Column (8), Year 1 x Column (9).

8/ From Table G, Page 8, Column (5), Road Property Accounts 3 and 5.

9/ Column (11), Year 1 x Column (12).

10/ Column (4) + Column (7) + Column (10) + Column (13) plus Page 8, 5, 7 & 15 Year Bonus Depreciation.

TABLE H: IRR AVERAGE ANNUAL INFLATION IN ASSET PRICES

Development of average annual inflation factors for all capital assets

1. 4Q 2012 Land value	\$15,803,538 1/
2. 4Q 2012 Property asset value accounts 3, 5, 6, 13, 17, 26, 27, 39 and 52	\$140,390,156 1/
3. 4Q 2012 Road Property asset value accounts 8, 9, and 11	\$135,493,299 1/
4. 4Q 2012 Road Property asset value accounts 1 and 12	\$90,190,623 1/

<u>Period</u> (1)	<u>Quarter</u> (2)	<u>Inflation Index For Land 2/ (3)</u>	<u>Inflation Index For Line 2 Property Assets 3/ (4)</u>	<u>Inflation Index For Line 3 Road Property Assets 4/ (5)</u>	<u>Inflation Index For Line 4 Road Property Assets 5/ (6)</u>	<u>Land Value 6/ (7)</u>	<u>Road Property Value 7/ (8)</u>	<u>4Q 2012 Inflation Index 8/ (9)</u>
0		1.000	1.000	1.000	1.000	\$15,803,538	\$366,074,079	1.000
1	Nov 2 - Dec 31, 2012	1.000	0.989	0.962	0.994	\$15,803,538	\$358,856,504	0.981
2	1Q 2013	1.012	0.969	0.958	0.971	\$15,989,252	\$353,280,191	0.967
3	2Q 2013	1.024	0.958	0.949	0.959	\$16,177,148	\$349,494,737	0.958
4	3Q 2013	1.036	0.971	0.958	0.973	\$16,367,251	\$353,987,725	0.970
5	4Q 2013	1.048	0.985	0.969	0.988	\$16,559,589	\$358,691,641	0.983
6	1Q 2014	1.060	0.997	0.980	1.000	\$16,754,187	\$362,842,726	0.994
7	2Q 2014	1.073	0.998	0.986	1.000	\$16,951,072	\$363,772,234	0.997
8	3Q 2014	1.085	1.009	0.994	1.012	\$17,150,270	\$367,670,294	1.008
9	4Q 2014	1.098	1.021	1.006	1.024	\$17,351,810	\$372,082,338	1.020
10	1Q 2015	1.111	1.034	1.012	1.038	\$17,555,717	\$376,018,855	1.031
11	2Q 2015	1.124	1.042	1.016	1.047	\$17,762,021	\$378,386,259	1.037
12	3Q 2015	1.137	1.049	1.014	1.055	\$17,970,749	\$379,804,298	1.042
13	4Q 2015	1.150	1.056	1.018	1.063	\$18,181,930	\$382,199,618	1.048
14	1Q 2016	1.164	1.065	1.026	1.072	\$18,395,593	\$385,196,139	1.057
15	2Q 2016	1.178	1.073	1.034	1.081	\$18,611,767	\$388,216,193	1.065
16	3Q 2016	1.192	1.082	1.041	1.090	\$18,830,481	\$391,259,964	1.074
17	4Q 2016	1.206	1.091	1.049	1.098	\$19,051,765	\$394,327,640	1.082
18	1Q 2017	1.220	1.099	1.054	1.108	\$19,275,649	\$397,081,166	1.090
19	2Q 2017	1.234	1.108	1.059	1.118	\$19,502,165	\$399,855,083	1.098
20	3Q 2017	1.249	1.117	1.064	1.127	\$19,731,342	\$402,649,550	1.106
21	4Q 2017	1.263	1.126	1.069	1.137	\$19,963,212	\$405,464,725	1.114
22	1Q 2018	1.278	1.135	1.073	1.147	\$20,197,808	\$408,205,697	1.122
23	2Q 2018	1.293	1.145	1.076	1.158	\$20,435,160	\$410,967,669	1.130
24	3Q 2018	1.308	1.154	1.080	1.168	\$20,675,301	\$413,750,814	1.138
25	4Q 2018	1.324	1.164	1.084	1.179	\$20,918,264	\$416,555,304	1.146
26	1Q 2019	1.339	1.173	1.087	1.190	\$21,164,083	\$419,295,771	1.153
27	2Q 2019	1.355	1.183	1.090	1.201	\$21,412,790	\$422,057,255	1.161
28	3Q 2019	1.371	1.192	1.094	1.212	\$21,664,420	\$424,839,929	1.169
29	4Q 2019	1.387	1.202	1.097	1.223	\$21,919,006	\$427,643,969	1.177
30	1Q 2020	1.403	1.212	1.100	1.233	\$22,176,585	\$430,408,155	1.185
31	2Q 2020	1.420	1.221	1.103	1.244	\$22,437,190	\$433,193,020	1.193
32	3Q 2020	1.436	1.231	1.107	1.255	\$22,700,858	\$435,998,730	1.201
33	4Q 2020	1.453	1.241	1.110	1.267	\$22,967,625	\$438,825,453	1.209
34	1Q 2021	1.470	1.250	1.113	1.278	\$23,237,526	\$441,565,714	1.217
35	2Q 2021	1.488	1.260	1.116	1.289	\$23,510,599	\$444,325,960	1.225
36	3Q 2021	1.505	1.270	1.119	1.300	\$23,786,881	\$447,106,347	1.233
37	4Q 2021	1.523	1.279	1.122	1.311	\$24,066,409	\$449,907,032	1.241
38	1Q 2022	1.541	1.289	1.125	1.322	\$24,349,223	\$452,728,174	1.249
39	2Q 2022	1.559	1.299	1.128	1.334	\$24,635,360	\$455,569,933	1.257
40	3Q 2022	1.577	1.309	1.132	1.345	\$24,924,859	\$458,432,471	1.266
41	Oct 1 - Nov 1, 2022	1.596	1.319	1.135	1.357	\$25,217,761	\$461,315,951	1.274

Annual Average 9/

2.65%

1/ Table C, Page 3, Column (10).

2/ Previous Column (3) x (1 + Quarterly Inflation Rate Change from Table B).

3/ Previous Column (4) x (1 + Quarterly Inflation Rate Change from Table B).

4/ Previous Column (5) x (1 + Quarterly Inflation Rate Change from Table B).

5/ Previous Column (6) x (1 + Quarterly Inflation Rate Change from Table B).

6/ Line 1 x Column (3) for applicable quarter.

7/ (Line 2 x Column (4) for applicable quarter) + (Line 3 x Column (5) for applicable quarter) + (Line 4 x Column (6) for applicable quarter).

8/ (Column (7) + Column (8)) ÷ (Period 0; (Column (7) + Column (8))).

9/ Annual weighted inflation using the last two quarters, used to calculate real cost of capital.

TABLE I: IRR DISCOUNTED CASH FLOW

Discounted Cash Flow

Present Value of the Cash Flow Discounted at the Cost of Capital in Table A
Inflation In Asset Values From Table H

1. 4Q 2012 Road Property Investment	\$382,008,845 1/	Federal Tax Rate	35.0%
2. Interest During Construction (4Q 2012 Invest.)	\$49,427,419 2/		
3. Total 4Q 2012 Investment	\$431,436,264 3/	Route Mile Weighted	
4. Present Value Of Replacement Cost for the IRR	\$24,295,006 4/	Average State Tax Rate	5.00% 6/
5. Total Cost Recovered From Quarterly Revenue Flow	\$455,731,270 5/		

Period	Quarter	Quarterly Levelized Capital Carrying Charge Requirement 7/	Interest on Investment Financed With Debt 8/	Tax Depreciation 9/	Actual Federal Tax Payments 10/	Actual State Tax Payments 11/	Cash Flow 12/	Present Value Cash Flow 13/	Cumulative Present Value 14/
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1	Nov 2 - Dec 31, 2012	\$7,744,015	\$561,628	\$195,844,835	\$0	\$0	\$7,744,015	\$7,641,617	\$7,641,617
2	1Q 2013	\$11,703,311	\$861,162	\$6,343,207	\$0	\$0	\$11,703,311	\$11,245,170	\$18,886,787
3	2Q 2013	\$11,589,293	\$861,162	\$6,343,207	\$0	\$0	\$11,589,293	\$10,843,073	\$29,729,860
4	3Q 2013	\$11,737,715	\$861,162	\$6,343,207	\$0	\$0	\$11,737,715	\$10,693,434	\$40,423,294
5	4Q 2013	\$11,892,893	\$861,162	\$6,343,207	\$0	\$0	\$11,892,893	\$10,550,166	\$50,973,460
6	1Q 2014	\$12,030,621	\$861,162	\$5,127,336	\$0	\$0	\$12,030,621	\$10,391,973	\$61,365,433
7	2Q 2014	\$12,066,320	\$861,162	\$5,127,336	\$0	\$0	\$12,066,320	\$10,148,994	\$71,514,427
8	3Q 2014	\$12,196,175	\$861,162	\$5,127,336	\$0	\$0	\$12,196,175	\$9,988,723	\$81,503,150
9	4Q 2014	\$12,342,394	\$861,162	\$5,127,336	\$0	\$0	\$12,342,394	\$9,842,919	\$91,346,069
10	1Q 2015	\$12,473,617	\$861,162	\$4,256,217	\$0	\$0	\$12,473,617	\$9,686,237	\$101,032,306
11	2Q 2015	\$12,555,186	\$861,162	\$4,256,217	\$0	\$0	\$12,555,186	\$9,493,449	\$110,525,754
12	3Q 2015	\$12,606,744	\$861,162	\$4,256,217	\$0	\$0	\$12,606,744	\$9,282,008	\$119,807,762
13	4Q 2015	\$12,689,352	\$861,162	\$4,256,217	\$0	\$0	\$12,689,352	\$9,097,386	\$128,905,149
14	1Q 2016	\$12,791,093	\$861,162	\$3,630,550	\$0	\$0	\$12,791,093	\$8,929,415	\$137,834,564
15	2Q 2016	\$12,893,659	\$861,162	\$3,630,550	\$0	\$0	\$12,893,659	\$8,764,552	\$146,599,116
16	3Q 2016	\$12,997,057	\$861,162	\$3,630,550	\$0	\$0	\$12,997,057	\$8,602,739	\$155,201,855
17	4Q 2016	\$13,101,295	\$861,162	\$3,630,550	\$0	\$0	\$13,101,295	\$8,443,920	\$163,645,775
18	1Q 2017	\$13,195,658	\$861,162	\$1,840,823	\$0	\$0	\$13,195,658	\$8,281,312	\$171,927,087
19	2Q 2017	\$13,290,751	\$861,162	\$1,840,823	\$0	\$0	\$13,290,751	\$8,121,865	\$180,048,953
20	3Q 2017	\$13,386,580	\$861,162	\$1,840,823	\$0	\$0	\$13,386,580	\$7,965,519	\$188,014,471
21	4Q 2017	\$13,483,151	\$861,162	\$1,840,823	\$0	\$0	\$13,483,151	\$7,812,212	\$195,826,683
22	1Q 2018	\$13,577,456	\$861,162	\$1,831,759	\$0	\$0	\$13,577,456	\$7,660,184	\$203,486,867
23	2Q 2018	\$13,672,514	\$861,162	\$1,831,759	\$0	\$0	\$13,672,514	\$7,511,165	\$210,998,032
24	3Q 2018	\$13,768,331	\$861,162	\$1,831,759	\$0	\$0	\$13,768,331	\$7,365,096	\$218,363,128
25	4Q 2018	\$13,864,915	\$861,162	\$1,831,759	\$312,832	\$47,042	\$13,505,041	\$7,034,467	\$225,397,596
26	1Q 2019	\$13,959,559	\$861,162	\$1,665,503	\$3,801,437	\$571,645	\$9,586,477	\$4,862,197	\$230,259,792
27	2Q 2019	\$14,054,962	\$861,162	\$1,665,503	\$3,833,159	\$576,415	\$9,645,388	\$4,763,557	\$235,023,349
28	3Q 2019	\$14,151,129	\$861,162	\$1,665,503	\$3,865,134	\$581,223	\$9,704,771	\$4,666,971	\$239,690,321
29	4Q 2019	\$14,248,066	\$861,162	\$1,665,503	\$3,897,366	\$586,070	\$9,764,630	\$4,572,396	\$244,262,717
30	1Q 2020	\$14,343,835	\$861,162	\$500,185	\$4,316,677	\$649,124	\$9,378,033	\$4,276,003	\$248,538,719
31	2Q 2020	\$14,440,356	\$861,162	\$500,185	\$4,348,770	\$653,950	\$9,437,635	\$4,190,130	\$252,728,850
32	3Q 2020	\$14,537,634	\$861,162	\$500,185	\$4,381,115	\$658,814	\$9,497,704	\$4,106,021	\$256,834,871
33	4Q 2020	\$14,635,676	\$861,162	\$500,185	\$4,413,715	\$663,716	\$9,558,245	\$4,023,638	\$260,858,509
34	1Q 2021	\$14,731,078	\$861,162	\$500,341	\$4,445,384	\$668,479	\$9,617,216	\$3,942,106	\$264,800,614
35	2Q 2021	\$14,827,213	\$861,162	\$500,341	\$4,477,349	\$673,286	\$9,676,579	\$3,862,237	\$268,662,851
36	3Q 2021	\$14,924,089	\$861,162	\$500,341	\$4,509,560	\$678,129	\$9,736,400	\$3,784,022	\$272,446,873
37	4Q 2021	\$15,021,711	\$861,162	\$500,341	\$4,542,019	\$683,010	\$9,796,681	\$3,707,425	\$276,154,298
38	1Q 2022	\$15,120,085	\$861,162	\$500,185	\$4,574,780	\$687,937	\$9,857,367	\$3,632,391	\$279,786,689
39	2Q 2022	\$15,219,218	\$861,162	\$500,185	\$4,607,742	\$692,894	\$9,918,582	\$3,558,929	\$283,345,618
40	3Q 2022	\$15,319,116	\$861,162	\$500,185	\$4,640,958	\$697,888	\$9,980,269	\$3,486,986	\$286,832,604
41	Oct 1 - Nov 1, 2022	\$5,363,403	\$299,535	\$173,977	\$1,625,889	\$244,495	\$3,493,020	\$1,188,358	\$288,020,962
Future		\$761,957,014	\$42,553,677	\$16,148,965	\$233,832,079	\$35,162,719	\$492,962,217	\$167,710,308	\$455,731,270

1/ From Table C, Column (10) + Rail Grinding Capital Costs from [MOW Costs - Final.xls].

2/ From Table D, Column (8).

3/ Line 1 + Line 2.

4/ Table F Column (8).

5/ Line 3 + Line 4.

6/ Utah corporate income tax rates weighted on IRR route miles.

7/ Quarterly carrying costs needed to recover the total investment over 40 quarters after consideration of the applicable interest payments, tax depreciation and tax liability. The Future value is an estimate of a perpetual income stream for the IRR and is calculated by taking the Period 40, Column (3) value and dividing it by the IRR's estimated quarterly Real Cost of Capital.

8/ Value from Table E.

9/ Value from Table G - Part 2, Column (14) divided by 4 quarters.

10/ Table J: Part 1.

11/ Table J: Part 2.

12/ (Column (3) - Column (6) - Column (7)).

13/ Column (8) discounted by the fourth root of the annual Cost of Capital adjusted to Midquarter dollars from Table A.

14/ Cumulative total of Column (9).

TABLE J - PART 1: COMPUTATION OF FEDERAL TAX LIABILITY - TAXABLE INCOME
(Road Property)

Time Period (1)	Taxable Income B/4 NOL's IRR 1/ (2)	Net Operating Losses Generated 2/ (3)	NOL's Generated Plus Carryforward 3/ (4)	Carryforward Utilized 4/ (5)	Carryforward Remaining 5/ (6)	Carryback Available 6/ (7)	Carryback Utilized 7/ (8)	Carryback Remaining 8/ (9)	Annual Taxable Income 9/ (10)	Annual Tax Liability 10/ (11)
2010	(\$57,678)	(\$57,678)	(\$57,678)	\$0	(\$57,678)	(\$57,678)	\$0	(\$57,678)	\$0	\$0
2011	(\$999,911)	(\$999,911)	(\$1,057,590)	\$0	(\$1,057,590)	(\$1,057,590)	\$0	(\$1,057,590)	\$0	\$0
Jan 1 - Nov 1, 2012	(\$2,457,735)	(\$2,457,735)	(\$3,515,325)	\$0	(\$3,515,325)	(\$3,515,325)	\$0	(\$3,515,325)	\$0	\$0
Nov 2 - Dec 31, 2012	(\$188,662,448)	(\$188,662,448)	(\$192,177,773)	\$0	(\$192,177,773)	(\$192,177,773)	\$0	(\$192,177,773)	\$0	\$0
1Q 2013	\$4,498,942	\$0	(\$192,177,773)	\$4,498,942	(\$187,678,831)	(\$187,678,831)	\$0	(\$187,678,831)	\$0	\$0
2Q 2013	\$4,384,924	\$0	(\$187,678,831)	\$4,384,924	(\$183,293,907)	(\$183,293,907)	\$0	(\$183,293,907)	\$0	\$0
3Q 2013	\$4,533,346	\$0	(\$183,293,907)	\$4,533,346	(\$178,760,561)	(\$178,760,561)	\$0	(\$178,760,561)	\$0	\$0
4Q 2013	\$4,688,523	\$0	(\$178,760,561)	\$4,688,523	(\$174,072,038)	(\$174,072,038)	\$0	(\$174,072,038)	\$0	\$0
1Q 2014	\$6,042,123	\$0	(\$174,072,038)	\$6,042,123	(\$168,029,915)	(\$168,029,915)	\$0	(\$168,029,915)	\$0	\$0
2Q 2014	\$6,077,822	\$0	(\$168,029,915)	\$6,077,822	(\$161,952,093)	(\$161,952,093)	\$0	(\$161,952,093)	\$0	\$0
3Q 2014	\$6,207,677	\$0	(\$161,952,093)	\$6,207,677	(\$155,744,416)	(\$155,744,416)	\$0	(\$155,744,416)	\$0	\$0
4Q 2014	\$6,353,896	\$0	(\$155,744,416)	\$6,353,896	(\$149,390,520)	(\$149,390,520)	\$0	(\$149,390,520)	\$0	\$0
1Q 2015	\$7,356,238	\$0	(\$149,390,520)	\$7,356,238	(\$142,034,282)	(\$142,034,282)	\$0	(\$142,034,282)	\$0	\$0
2Q 2015	\$7,437,807	\$0	(\$142,034,282)	\$7,437,807	(\$134,596,475)	(\$134,596,475)	\$0	(\$134,596,475)	\$0	\$0
3Q 2015	\$7,489,364	\$0	(\$134,596,475)	\$7,489,364	(\$127,107,110)	(\$127,107,110)	\$0	(\$127,107,110)	\$0	\$0
4Q 2015	\$7,571,973	\$0	(\$127,107,110)	\$7,571,973	(\$119,535,138)	(\$119,535,138)	\$0	(\$119,535,138)	\$0	\$0
1Q 2016	\$8,299,380	\$0	(\$119,535,138)	\$8,299,380	(\$111,235,757)	(\$111,235,757)	\$0	(\$111,235,757)	\$0	\$0
2Q 2016	\$8,401,947	\$0	(\$111,235,757)	\$8,401,947	(\$102,833,810)	(\$102,833,810)	\$0	(\$102,833,810)	\$0	\$0
3Q 2016	\$8,505,345	\$0	(\$102,833,810)	\$8,505,345	(\$94,328,465)	(\$94,328,465)	\$0	(\$94,328,465)	\$0	\$0
4Q 2016	\$8,609,583	\$0	(\$94,328,465)	\$8,609,583	(\$85,718,883)	(\$85,718,883)	\$0	(\$85,718,883)	\$0	\$0
1Q 2017	\$10,493,673	\$0	(\$85,718,883)	\$10,493,673	(\$75,225,210)	(\$75,225,210)	\$0	(\$75,225,210)	\$0	\$0
2Q 2017	\$10,588,766	\$0	(\$75,225,210)	\$10,588,766	(\$64,636,444)	(\$64,636,444)	\$0	(\$64,636,444)	\$0	\$0
3Q 2017	\$10,684,595	\$0	(\$64,636,444)	\$10,684,595	(\$53,951,849)	(\$53,951,849)	\$0	(\$53,951,849)	\$0	\$0
4Q 2017	\$10,781,165	\$0	(\$53,951,849)	\$10,781,165	(\$43,170,683)	(\$43,170,683)	\$0	(\$43,170,683)	\$0	\$0
1Q 2018	\$10,884,534	\$0	(\$43,170,683)	\$10,884,534	(\$32,286,149)	(\$32,286,149)	\$0	(\$32,286,149)	\$0	\$0
2Q 2018	\$10,979,593	\$0	(\$32,286,149)	\$10,979,593	(\$21,306,556)	(\$21,306,556)	\$0	(\$21,306,556)	\$0	\$0
3Q 2018	\$11,075,410	\$0	(\$21,306,556)	\$11,075,410	(\$10,231,146)	(\$10,231,146)	\$0	(\$10,231,146)	\$0	\$0
4Q 2018	\$11,124,951	\$0	(\$10,231,146)	\$10,231,146	\$0	\$0	\$0	\$0	\$893,805	\$312,832
1Q 2019	\$10,861,250	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$10,861,250	\$3,801,437
2Q 2019	\$10,951,882	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$10,951,882	\$3,833,159
3Q 2019	\$11,043,240	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$11,043,240	\$3,865,134
4Q 2019	\$11,135,331	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$11,135,331	\$3,897,366
1Q 2020	\$12,333,364	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$12,333,364	\$4,316,677
2Q 2020	\$12,425,058	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$12,425,058	\$4,348,770
3Q 2020	\$12,517,473	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$12,517,473	\$4,381,115
4Q 2020	\$12,610,613	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$12,610,613	\$4,413,715
1Q 2021	\$12,701,096	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$12,701,096	\$4,445,384
2Q 2021	\$12,792,425	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$12,792,425	\$4,477,349

TABLE J - PART 1: COMPUTATION OF FEDERAL TAX LIABILITY - TAXABLE INCOME

(Road Property)										
Time Period (1)	Taxable Income B/4 IRR 1/ (2)	Net Operating Losses Generated 2/ (3)	NOL's Generated Plus Carryforward 3/ (4)	Carryforward Utilized 4/ (5)	Carryforward Remaining 5/ (6)	Carryback Available 6/ (7)	Carryback Utilized 7/ (8)	Carryback Remaining 8/ (9)	Annual Taxable Income 9/ (10)	Annual Tax Liability 10/ (11)
3Q 2021	\$12,884,456	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$12,884,456	\$4,509,560
4Q 2021	\$12,977,197	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$12,977,197	\$4,542,019
1Q 2022	\$13,070,801	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$13,070,801	\$4,574,780
2Q 2022	\$13,164,977	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$13,164,977	\$4,607,742
3Q 2022	\$13,259,880	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$13,259,880	\$4,640,958
Oct 1 - Nov 1, 2022	\$4,645,397	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$4,645,397	\$1,625,889
Future	\$668,091,653	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$668,091,653	\$233,832,079

1/ Table 1 Column (3) - Table E Columns (2),(4) & (6) - Table G, Column (14) / 4 - Table J - Part 2, Column (11), Values for 2010 from Table D, Sum of Column (10).

2/ Column (2) if less than zero, otherwise zero.

3/ Cumulative total of Column (2).

4/ If Column (2) is greater than zero, and (Column (2) + Column (4) is less than zero, then Column (2), otherwise Column (4).

5/ Column (4) + Column (5) + Column (8).

6/ Previous period Column (9) + current period Column (3) - current period Column (5).

7/ If previous Column (10) is greater than zero, and previous Column (10) is less than current Column (7), then previous Column (7), otherwise zero.

8/ Column (7) + Column (8).

9/ If Column (2) is greater than zero, then Column (2) - Column (5) - Column (8), otherwise zero.

10/ Column (10) times applicable Federal Statutory Tax Rate.

TABLE J - PART 2: COMPUTATION OF STATE TAX LIABILITY - TAXABLE INCOME
(Road Property)

Time Period (1)	Taxable Income B/4 NOL's IRR 1/ (2)	Net Operating Losses Generated 2/ (3)	NOL's Generated Plus Carryforward 3/ (4)	Carryforward Utilized 4/ (5)	Carryforward Remaining 5/ (6)	Carryback Available 6/ (7)	Carryback Utilized 7/ (8)	Carryback Remaining 8/ (9)	Annual Taxable Income 9/ (10)	Annual Tax Liability 10/ (11)
2010	(\$57,678)	(\$57,678)	(\$57,678)	\$0	(\$57,678)	(\$57,678)	\$0	(\$57,678)	\$0	\$0
2011	(\$999,911)	(\$999,911)	(\$1,057,590)	\$0	(\$1,057,590)	(\$1,057,590)	\$0	(\$1,057,590)	\$0	\$0
Jan 1 - Nov 1, 2012	(\$2,457,735)	(\$2,457,735)	(\$3,515,325)	\$0	(\$3,515,325)	(\$3,515,325)	\$0	(\$3,515,325)	\$0	\$0
Nov 2 - Dec 31, 2012	(\$188,662,448)	(\$188,662,448)	(\$192,177,773)	\$0	(\$192,177,773)	(\$192,177,773)	\$0	(\$192,177,773)	\$0	\$0
1Q 2013	\$4,498,942	\$0	(\$192,177,773)	\$4,498,942	(\$187,678,831)	(\$187,678,831)	\$0	(\$187,678,831)	\$0	\$0
2Q 2013	\$4,384,924	\$0	(\$187,678,831)	\$4,384,924	(\$183,293,907)	(\$183,293,907)	\$0	(\$183,293,907)	\$0	\$0
3Q 2013	\$4,533,346	\$0	(\$183,293,907)	\$4,533,346	(\$178,760,561)	(\$178,760,561)	\$0	(\$178,760,561)	\$0	\$0
4Q 2013	\$4,688,523	\$0	(\$178,760,561)	\$4,688,523	(\$174,072,038)	(\$174,072,038)	\$0	(\$174,072,038)	\$0	\$0
1Q 2014	\$6,042,123	\$0	(\$174,072,038)	\$6,042,123	(\$168,029,915)	(\$168,029,915)	\$0	(\$168,029,915)	\$0	\$0
2Q 2014	\$6,077,822	\$0	(\$168,029,915)	\$6,077,822	(\$161,952,093)	(\$161,952,093)	\$0	(\$161,952,093)	\$0	\$0
3Q 2014	\$6,207,677	\$0	(\$161,952,093)	\$6,207,677	(\$155,744,416)	(\$155,744,416)	\$0	(\$155,744,416)	\$0	\$0
4Q 2014	\$6,353,896	\$0	(\$155,744,416)	\$6,353,896	(\$149,390,520)	(\$149,390,520)	\$0	(\$149,390,520)	\$0	\$0
1Q 2015	\$7,356,238	\$0	(\$149,390,520)	\$7,356,238	(\$142,034,282)	(\$142,034,282)	\$0	(\$142,034,282)	\$0	\$0
2Q 2015	\$7,437,807	\$0	(\$142,034,282)	\$7,437,807	(\$134,596,475)	(\$134,596,475)	\$0	(\$134,596,475)	\$0	\$0
3Q 2015	\$7,489,364	\$0	(\$134,596,475)	\$7,489,364	(\$127,107,110)	(\$127,107,110)	\$0	(\$127,107,110)	\$0	\$0
4Q 2015	\$7,571,973	\$0	(\$127,107,110)	\$7,571,973	(\$119,535,138)	(\$119,535,138)	\$0	(\$119,535,138)	\$0	\$0
1Q 2016	\$8,299,380	\$0	(\$119,535,138)	\$8,299,380	(\$111,235,757)	(\$111,235,757)	\$0	(\$111,235,757)	\$0	\$0
2Q 2016	\$8,401,947	\$0	(\$111,235,757)	\$8,401,947	(\$102,833,810)	(\$102,833,810)	\$0	(\$102,833,810)	\$0	\$0
3Q 2016	\$8,505,345	\$0	(\$102,833,810)	\$8,505,345	(\$94,328,465)	(\$94,328,465)	\$0	(\$94,328,465)	\$0	\$0
4Q 2016	\$8,609,583	\$0	(\$94,328,465)	\$8,609,583	(\$85,718,883)	(\$85,718,883)	\$0	(\$85,718,883)	\$0	\$0
1Q 2017	\$10,493,673	\$0	(\$85,718,883)	\$10,493,673	(\$75,225,210)	(\$75,225,210)	\$0	(\$75,225,210)	\$0	\$0
2Q 2017	\$10,588,766	\$0	(\$75,225,210)	\$10,588,766	(\$64,636,444)	(\$64,636,444)	\$0	(\$64,636,444)	\$0	\$0
3Q 2017	\$10,684,595	\$0	(\$64,636,444)	\$10,684,595	(\$53,951,849)	(\$53,951,849)	\$0	(\$53,951,849)	\$0	\$0
4Q 2017	\$10,781,165	\$0	(\$53,951,849)	\$10,781,165	(\$43,170,683)	(\$43,170,683)	\$0	(\$43,170,683)	\$0	\$0
1Q 2018	\$10,884,534	\$0	(\$43,170,683)	\$10,884,534	(\$32,286,149)	(\$32,286,149)	\$0	(\$32,286,149)	\$0	\$0
2Q 2018	\$10,979,593	\$0	(\$32,286,149)	\$10,979,593	(\$21,306,556)	(\$21,306,556)	\$0	(\$21,306,556)	\$0	\$0
3Q 2018	\$11,075,410	\$0	(\$21,306,556)	\$11,075,410	(\$10,231,146)	(\$10,231,146)	\$0	(\$10,231,146)	\$0	\$0
4Q 2018	\$11,171,993	\$0	(\$10,231,146)	\$10,231,146	\$0	\$0	\$0	\$0	\$940,847	\$47,042
1Q 2019	\$11,432,894	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$11,432,894	\$571,645
2Q 2019	\$11,528,297	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$11,528,297	\$576,415
3Q 2019	\$11,624,463	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$11,624,463	\$581,223
4Q 2019	\$11,721,401	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$11,721,401	\$586,070
1Q 2020	\$12,982,488	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$12,982,488	\$649,124
2Q 2020	\$13,079,009	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$13,079,009	\$653,950
3Q 2020	\$13,176,287	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$13,176,287	\$658,814
4Q 2020	\$13,274,330	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$13,274,330	\$663,716
1Q 2021	\$13,369,575	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$13,369,575	\$668,479
2Q 2021	\$13,465,710	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$13,465,710	\$673,286

TABLE J - PART 2: COMPUTATION OF STATE TAX LIABILITY - TAXABLE INCOME

(Road Property)										
Time Period (1)	Taxable Income B/4 NOL's IRR 1/ (2)	Net Operating Losses Generated 2/ (3)	NOL's Generated Plus Carryforward 3/ (4)	Carryforward Utilized 4/ (5)	Carryforward Remaining 5/ (6)	Carryback Available 6/ (7)	Carryback Utilized 7/ (8)	Carryback Remaining 8/ (9)	Annual Taxable Income 9/ (10)	Annual Tax Liability 10/ (11)
3Q 2021	\$13,562,586	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$13,562,586	\$678,129
4Q 2021	\$13,660,207	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$13,660,207	\$683,010
1Q 2022	\$13,758,738	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$13,758,738	\$687,937
2Q 2022	\$13,857,871	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$13,857,871	\$692,894
3Q 2022	\$13,957,769	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$13,957,769	\$697,888
Oct 1 - Nov 1, 2022	\$4,889,892	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$4,889,892	\$244,495
Future	\$703,254,372	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$703,254,372	\$35,162,719

1/ Table 1 Column (3) - Table E Columns (2),(4) & (6) - Table G, Column (14) ÷ 4 - Table J - Part 2, Column (11). Values for 2010 from Table D, Sum of Column (10).

2/ Column (2) if less than zero, otherwise zero.

3/ Cumulative total of Column (2).

4/ If Column (2) is greater than zero, and (Column (2) + Column (4) is less than zero, then Column (2), otherwise Column (4).

5/ Column (4) + Column (5) + Column (8).

6/ Previous period Column (9) + current period Column (3) - current period Column (5).

7/ If previous Column (10) is greater than zero, and previous Column (10) is less than current Column (7), then previous Column (10), otherwise zero.

8/ Column (7) + Column (8).

9/ If Column (2) is greater than zero, then Column (2) - Column (5) - Column (8), otherwise zero.

10/ Column (10) times applicable route mile weighted State Statutory Tax Rates.

TABLE K - PART 1: IRR OPERATING EXPENSES

Item (1)	2012 (2)	2013 (3)	2014 (4)	2015 (5)	2016 (6)	2017 (7)	2018 (8)	2019 (9)	2020 (10)	2021 (11)	2022 (12)
1. Train & Engine Personnel	\$3,631,857	\$3,771,174	\$3,810,192	\$3,868,866	\$3,854,707	\$4,026,830	\$4,119,702	\$4,149,364	\$4,207,569	\$4,254,827	\$4,322,213
2. Locomotive Lease Expense	\$2,013,583	\$2,090,824	\$2,112,457	\$2,144,987	\$2,137,136	\$2,232,566	\$2,284,056	\$2,300,501	\$2,332,771	\$2,358,972	\$2,396,332
3. Locomotive Maintenance Expense	\$1,197,137	\$1,243,059	\$1,255,920	\$1,275,260	\$1,270,593	\$1,327,329	\$1,357,941	\$1,367,719	\$1,386,904	\$1,402,481	\$1,424,693
4. Locomotive Operating Expense	\$15,900,415	\$16,510,352	\$16,681,176	\$16,938,052	\$16,876,060	\$17,629,626	\$18,036,222	\$18,166,085	\$18,420,904	\$18,627,803	\$18,922,820
5. Railroad Lease Expense	\$5,484,846	\$5,695,244	\$5,754,169	\$5,842,779	\$5,821,395	\$6,081,337	\$6,221,592	\$6,266,389	\$6,354,289	\$6,425,658	\$6,527,425
6. Material & Supply Operating	\$262,697	\$262,697	\$262,697	\$262,697	\$262,697	\$262,697	\$262,697	\$262,697	\$262,697	\$262,697	\$262,697
7. Ad Valorem Tax	\$1,203,252	\$1,203,252	\$1,203,252	\$1,203,252	\$1,203,252	\$1,203,252	\$1,203,252	\$1,203,252	\$1,203,252	\$1,203,252	\$1,203,252
8. Operating Managers	\$3,428,605	\$3,428,605	\$3,428,605	\$3,428,605	\$3,428,605	\$3,428,605	\$3,428,605	\$3,428,605	\$3,428,605	\$3,428,605	\$3,428,605
9. General & Administration	\$7,365,500	\$7,423,416	\$7,423,416	\$7,423,416	\$7,423,416	\$7,423,416	\$7,423,416	\$7,423,416	\$7,423,416	\$7,423,416	\$7,423,416
10. Loss and Damage	\$57,893	\$60,114	\$60,736	\$61,671	\$61,445	\$64,189	\$65,669	\$66,142	\$67,070	\$67,823	\$68,897
11. Truckage Rights	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
12. Intermodal Lift Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
13. Switching Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
14. Insurance 3.89%	\$1,807,622	\$1,852,063	\$1,863,879	\$1,881,647	\$1,877,359	\$1,929,483	\$1,957,607	\$1,966,589	\$1,984,215	\$1,998,526	\$2,018,932
15. Maintenance of Way	<u>\$5,943,494</u>	<u>\$5,943,494</u>	<u>\$5,943,494</u>	<u>\$5,943,494</u>	<u>\$5,943,494</u>	<u>\$5,943,494</u>	<u>\$5,943,494</u>	<u>\$5,943,494</u>	<u>\$5,943,494</u>	<u>\$5,943,494</u>	<u>\$5,943,494</u>
16. Total Operating Expenses	\$48,296,902	\$49,484,294	\$49,799,994	\$50,274,726	\$50,160,160	\$51,552,824	\$52,304,254	\$52,544,254	\$53,015,186	\$53,397,555	\$53,942,777
17. Expense Per Quarter	\$12,074,225	\$12,371,074	\$12,449,999	\$12,568,682	\$12,540,040	\$12,888,206	\$13,076,064	\$13,136,063	\$13,253,796	\$13,349,389	\$13,485,694

TABLE K - PART 2: IRR OPERATING EXPENSES INDEXED

<u>Period</u> (1)	<u>Quarter</u> (2)	<u>Hybrid Index 1/ (3)</u>	<u>Operating Expense Indexed For Inflation 2/ (4)</u>
1	Nov 2 - Dec 31, 2012	100.000	\$8,196,253
2	1Q 2013	99.710	\$12,817,835
3	2Q 2013	100.548	\$12,921,451
4	3Q 2013	99.557	\$12,798,929
5	4Q 2013	100.274	\$12,565,847
6	1Q 2014	100.475	\$12,509,078
7	2Q 2014	100.947	\$12,567,870
8	3Q 2014	100.846	\$12,555,302
9	4Q 2014	101.552	\$12,643,189
10	1Q 2015	101.460	\$12,752,227
11	2Q 2015	101.998	\$12,819,814
12	3Q 2015	102.075	\$12,829,428
13	4Q 2015	103.743	\$13,039,190
14	1Q 2016	104.579	\$13,114,222
15	2Q 2016	105.421	\$13,219,811
16	3Q 2016	106.270	\$13,326,251
17	4Q 2016	107.125	\$13,433,548
18	1Q 2017	107.979	\$13,916,504
19	2Q 2017	108.839	\$14,027,362
20	3Q 2017	109.706	\$14,139,104
21	4Q 2017	110.580	\$14,251,736
22	1Q 2018	111.478	\$14,576,944
23	2Q 2018	112.384	\$14,695,374
24	3Q 2018	113.297	\$14,814,767
25	4Q 2018	114.217	\$14,935,130
26	1Q 2019	115.127	\$15,123,184
27	2Q 2019	116.044	\$15,243,659
28	3Q 2019	116.969	\$15,365,095
29	4Q 2019	117.901	\$15,487,497
30	1Q 2020	118.781	\$15,742,969
31	2Q 2020	119.668	\$15,860,505
32	3Q 2020	120.561	\$15,978,917
33	4Q 2020	121.461	\$16,098,214
34	1Q 2021	122.306	\$16,327,045
35	2Q 2021	123.156	\$16,440,552
36	3Q 2021	124.012	\$16,554,848
37	4Q 2021	124.874	\$16,669,938
38	1Q 2022	125.709	\$16,952,687
39	2Q 2022	126.549	\$17,065,976
40	3Q 2022	127.394	\$17,180,024
41	Oct 1 - Nov 1, 2022	128.246	\$6,015,594

1/ 4Q12 equals 100.0, all other quarters equal Quarterly Inflation Indexes for the Hybrid Index from Table B.

2/ Quarterly expense from Table K, Page 18, for the applicable time period x Column (3) ÷ 4Q12. Start-up costs have been distributed over the first 12 months in periods 1 - 5.

TABLE L: IRR STAND-ALONE COSTS AND REVENUES

Revenue Requirements to Cover Total Stand-Alone Costs

<u>Period</u> <u>(1)</u>	<u>Quarter</u> <u>(2)</u>	<u>Quarterly Capital Requirement Road Property</u> <u>(3)</u>	<u>Quarterly Operating Expense</u> <u>(4)</u>	<u>Annual Stand-Alone Requirement</u> <u>(5)</u>	<u>Annual Stand-Alone Revenues</u> <u>(6)</u>	<u>Overpayments Or Shortfalls In Revenues</u> <u>(7)</u>	<u>PV Difference</u> <u>(8)</u>	<u>Cumulative PV Difference</u> <u>(9)</u>
1	Nov 2 - Dec 31, 2012	\$7,744,015	\$8,196,253	\$15,940,268	\$16,916,590	\$976,322	\$1,002,262	\$1,002,262
2	1Q 2013	\$11,703,311	\$12,817,835					
3	2Q 2013	\$11,589,293	\$12,921,451					
4	3Q 2013	\$11,737,715	\$12,798,929					
5	4Q 2013	\$11,892,893	\$12,565,847	\$98,027,274	\$103,401,440	\$5,374,165	\$4,961,643	\$5,963,906
6	1Q 2014	\$12,030,621	\$12,509,078					
7	2Q 2014	\$12,066,320	\$12,567,870					
8	3Q 2014	\$12,196,175	\$12,555,302					
9	4Q 2014	\$12,342,394	\$12,643,189	\$98,910,950	\$106,702,870	\$7,791,919	\$6,467,131	\$12,431,037
10	1Q 2015	\$12,473,617	\$12,752,227					
11	2Q 2015	\$12,555,186	\$12,819,814					
12	3Q 2015	\$12,606,744	\$12,829,428					
13	4Q 2015	\$12,689,352	\$13,039,190	\$101,765,557	\$110,751,829	\$8,986,272	\$6,705,011	\$19,136,048
14	1Q 2016	\$12,791,093	\$13,114,222					
15	2Q 2016	\$12,893,659	\$13,219,811					
16	3Q 2016	\$12,997,057	\$13,326,251					
17	4Q 2016	\$13,101,295	\$13,433,548	\$104,876,935	\$113,170,932	\$8,293,997	\$5,563,352	\$24,699,399
18	1Q 2017	\$13,195,658	\$13,916,504					
19	2Q 2017	\$13,290,751	\$14,027,362					
20	3Q 2017	\$13,386,580	\$14,139,104					
21	4Q 2017	\$13,483,151	\$14,251,736	\$109,690,846	\$120,163,970	\$10,473,124	\$6,315,411	\$31,014,810
22	1Q 2018	\$13,577,456	\$14,576,944					
23	2Q 2018	\$13,672,514	\$14,695,374					
24	3Q 2018	\$13,768,331	\$14,814,767					
25	4Q 2018	\$13,864,915	\$14,935,130	\$113,905,431	\$125,814,378	\$11,908,947	\$6,455,820	\$37,470,630
26	1Q 2019	\$13,959,559	\$15,123,184					
27	2Q 2019	\$14,054,962	\$15,243,659					
28	3Q 2019	\$14,151,129	\$15,365,095					
29	4Q 2019	\$14,248,066	\$15,487,497	\$117,633,151	\$130,299,707	\$12,666,556	\$6,172,901	\$43,643,530
30	1Q 2020	\$14,343,835	\$15,742,969					
31	2Q 2020	\$14,440,356	\$15,860,505					
32	3Q 2020	\$14,537,634	\$15,978,917					
33	4Q 2020	\$14,635,676	\$16,098,214	\$121,638,107	\$135,607,513	\$13,969,406	\$6,120,140	\$49,763,671
34	1Q 2021	\$14,731,078	\$16,327,045					
35	2Q 2021	\$14,827,213	\$16,440,552					
36	3Q 2021	\$14,924,089	\$16,554,848					
37	4Q 2021	\$15,021,711	\$16,669,938	\$125,496,473	\$141,060,482	\$15,564,009	\$6,129,960	\$55,893,631
38	1Q 2022	\$15,120,085	\$16,952,687					
39	2Q 2022	\$15,219,218	\$17,065,976					
40	3Q 2022	\$15,319,116	\$17,180,024					
41	Oct 1 - Nov 1, 2022	\$5,363,403	\$6,015,594	\$108,236,102	\$122,414,775	\$14,178,674	\$5,020,240	\$60,913,871

MMM Revenue to Variable Cost Ratios

	<u>Year</u>	<u>MMM R/VC Ratio</u>
	(1)	(2)
1.	2012	303.3%
2.	2013	306.5%
3.	2014	282.4%
4.	2015	274.7%
5.	2016	277.2%
6.	2017	260.7%
7.	2018	252.0%
8.	2019	248.0%
9.	2020	242.3%
10.	2021	236.3%
11.	2022	231.9%

Source: "MMM Model Rebuttal.xlsm."

MMM Revenue to Variable Cost Ratios

	<u>Year</u>	<u>MMM R/VC Ratio</u>
	(1)	(2)
1.	2012	311.5%
2.	2013	314.5%
3.	2014	286.4%
4.	2015	278.5%
5.	2016	280.8%
6.	2017	263.5%
7.	2018	254.0%
8.	2019	249.7%
9.	2020	244.1%
10.	2021	238.4%
11.	2022	234.1%

Source: "MMM Model Rebuttal (Alt. 1).xlsm."