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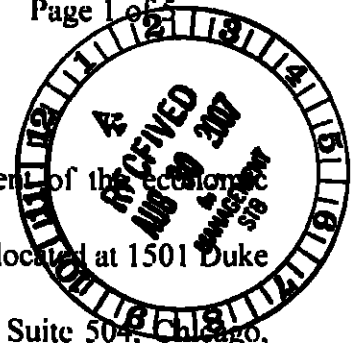
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Exhibit (TDC-1)

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**STATEMENT OF QUALIFICATIONS**

My name is Thomas D. Crowley. I am an economist and President of the economic consulting firm of L. E. Peabody & Associates, Inc. The firm's offices are located at 1501 Duke Street, Suite 200, Alexandria, Virginia 22314, 5901 N Cicero Avenue, Suite 504, Chicago, Illinois 60646 and 10445 N. Oracle Road, Suite 151, Tucson, Arizona 85737.



I am a graduate of the University of Maine from which I obtained a Bachelor of Science degree in Economics. I have also taken graduate courses in transportation at George Washington University in Washington, D.C. I spent three years in the United States Army and since February 1971 have been employed by L. E. Peabody & Associates, Inc.

I am a member of the American Economic Association, the Transportation Research Forum, and the American Railway Engineering and Maintenance-of-Way Association.

The firm of L. E. Peabody & Associates, Inc. specializes in solving economic, marketing and transportation problems. As an economic consultant, I have organized and directed economic studies and prepared reports for railroads, freight forwarders and other carriers, for shippers, for associations and for state governments and other public bodies dealing with transportation and related economic problems. Examples of studies I have participated in include organizing and directing traffic, operational and cost analyses in connection with multiple car movements, unit train operations for coal and other commodities, freight forwarder facilities, TOFC/COFC rail facilities, divisions of through rail rates, operating commuter passenger service, and other studies dealing with markets and the transportation by different modes of various commodities from both eastern and western origins to various destinations in the United States. The nature of these

**STATEMENT OF QUALIFICATIONS**

studies enabled me to become familiar with the operating practices and accounting procedures utilized by railroads in the normal course of business.

Additionally, I have inspected and studied both railroad terminal and line-haul facilities used in handling various commodities, and in particular unit train coal movements from the Powder River Basin to various utility destinations in the midwestern and western portions of the United States and from the Eastern Coal Fields to various destinations in the Mid-Atlantic, northeastern and southeastern portions of the United States. These operational reviews and studies were used as a basis for the determination of the traffic and operating characteristics for specific movements of coal and numerous other commodities handled by rail.

I have frequently been called upon to develop and coordinate economic and operational studies relative to the acquisition of coal and the rail transportation of coal on behalf of electric utility companies. My responsibilities in these undertakings included the analyses of rail routes, rail operations and an assessment of the relative efficiency and costs of railroad operations over those routes. I have also analyzed and made recommendations regarding the acquisition of railcars according to the specific needs of various coal shippers. The results of these analyses have been employed in order to assist shippers in the development and negotiation of rail transportation contracts which optimize operational efficiency and cost effectiveness.

Moreover, I have developed numerous variable cost calculations utilizing the various formulas employed by the Interstate Commerce Commission ("ICC") and the Surface Transportation Board ("STB") for the development of variable costs for common carriers, with particular emphasis on

### **STATEMENT OF QUALIFICATIONS**

the basis and use of Rail Form A and its replacement costing formula the Uniform Railroad Costing System ("URCS"). I have utilized Rail Form A/URCS costing principles since the beginning of my career with L. E. Peabody & Associates Inc. in 1971.

I have frequently presented both oral and written testimony before the ICC, STB, Federal Energy Regulatory Commission, Railroad Accounting Principles Board, Postal Rate Commission and numerous state regulatory commissions, federal courts and state courts. This testimony was generally related to the development of variable cost of service calculations, rail traffic and operating patterns, fuel supply economics, contract interpretations, economic principles concerning the maximum level of rates, implementation of maximum rate principles, and calculation of reparations or damages, including interest. I presented testimony before the Congress of the United States, Committee on Transportation and Infrastructure on the status of rail competition in the western United States. I have also presented testimony in a number of court and arbitration proceedings concerning the level of rates, rate adjustment procedures, rail operating procedures and other economic components of specific contracts.

Since the implementation of the Staggers Rail Act of 1980, which clarified that rail carriers could enter into transportation contracts with shippers, I have been actively involved in negotiating transportation contracts on behalf of coal shippers. Specifically, I have advised utilities concerning coal transportation rates based on market conditions and carrier competition, movement specific service commitments, specific cost-based rate adjustment provisions, contract reopeners that recognize changes in productivity and cost-based ancillary charges.

**STATEMENT OF QUALIFICATIONS**

I have been actively engaged in negotiating coal supply contracts for various users throughout the United States. In addition, I have analyzed the economic impact of buying out, brokering, and modifying existing coal supply agreements. My coal supply assignments have encompassed analyzing alternative coals to determine the impact on the delivered price of operating and maintenance costs, unloading costs, shrinkage factor and by-product savings.

I have developed different economic analyses for over sixty (60) electric utility companies located in all parts of the United States, and for major associations, including American Paper Institute, American Petroleum Institute, Chemical Manufacturers Association, Coal Exporters Association, Edison Electric Institute, Mail Order Association of America, National Coal Association, National Industrial Transportation League, North America Freight Car Association, the Fertilizer Institute and Western Coal Traffic League. In addition, I have assisted numerous government agencies, major industries and major railroad companies in solving various economic problems.

In the two Western rail mergers that resulted in the creation of BNSF Railway Company and Union Pacific Railroad Company and in the acquisition of Conrail by Norfolk Southern Railroad Company and CSXT, I reviewed the railroads' applications including their supporting traffic, cost and operating data and provided detailed evidence supporting requests for conditions designed to maintain the competitive rail environment that existed before the proposed mergers and acquisition. In these proceedings, I represented shipper interests, including plastic, chemical, coal, paper and steel shippers.

**STATEMENT OF QUALIFICATIONS**

I have participated in various proceedings involved with the division of through rail rates. For example, I participated in ICC Docket No. 35585, Akron, Canton & Youngstown Railroad Company, et al v. Aberdeen and Rockfish Railroad Company, et al which was a complaint filed by the northern and midwestern rail lines to change the primary north-south divisions. I was personally involved in all traffic, operating and cost aspects of this proceeding on behalf of the northern and midwestern rail lines. I was the lead witness on behalf of the Long Island Rail Road in ICC Docket No. 36874, Notice of Intent to File Division Complaint by the Long Island Rail Road Company.

As a result of my extensive economic consulting practice since 1971 and my participating in maximum-rate, rail merger, and rule-making proceedings before various government and private governing bodies, I have become thoroughly familiar with the operations, practices and costs of the rail carriers that move coal over the major coal routes in the United States.

**ESTIMATED SAC BUDGET FOR DUPONT'S NON-HAZARDOUS COMMODITY MOVEMENTS ON CSXT**

| Task<br>(1)                                                         | Amphill, VA -<br>Wyandotte, MI |             | Heyden, NJ -<br>Duart, NC |             | Heyden, NJ -<br>Washington, WV |             | Total        |             |
|---------------------------------------------------------------------|--------------------------------|-------------|---------------------------|-------------|--------------------------------|-------------|--------------|-------------|
|                                                                     | Estimated                      |             | Estimated                 |             | Estimated                      |             | Estimated    |             |
|                                                                     | Hours<br>(2)                   | Cost<br>(3) | Hours<br>(4)              | Cost<br>(5) | Hours<br>(6)                   | Cost<br>(7) | Hours<br>(8) | Cost<br>(9) |
| <b>I. DISCOVERY</b>                                                 |                                |             |                           |             |                                |             |              |             |
| <b>A. Opening</b>                                                   |                                |             |                           |             |                                |             |              |             |
| 1 Develop requests for production to be served on CSXT              | 92                             |             | 37                        |             | 28                             |             | 157          |             |
| 2 Review discovery responses from CSXT and distribute               | 125                            |             | 50                        |             | 38                             |             | 213          |             |
| 3 Monitor status of production                                      | 192                            |             | 77                        |             | 58                             |             | 327          |             |
| 4 Motions to compel                                                 | 48                             |             | 19                        |             | 14                             |             | 81           |             |
| 5 Meetings / discovery conferences                                  | 48                             |             | 19                        |             | 14                             |             | 81           |             |
| 6 Field trips to get discovery data                                 | 115                            |             | 46                        |             | 40                             |             | 201          |             |
| 7 Field trip to review SAC RR route                                 | <u>94</u>                      |             | <u>61</u>                 |             | <u>33</u>                      |             | <u>188</u>   |             |
| 8 Subtotal - Opening                                                | 714                            |             | 309                       |             | 225                            |             | 1,248        |             |
| <b>II. TRAFFIC &amp; REVENUES</b>                                   |                                |             |                           |             |                                |             |              |             |
| <b>A. Opening</b>                                                   |                                |             |                           |             |                                |             |              |             |
| 9 Analysis of traffic tapes for volumes and base year revenue       | 819                            |             | 819                       |             | 819                            |             | 2,457        |             |
| 10 Development of ATC divisions for cross-over traffic              | 775                            |             | 775                       |             | 775                            |             | 2,325        |             |
| 11 Analysis of transportation contracts                             | 261                            |             | 170                       |             | 170                            |             | 601          |             |
| 12 Traffic and revenue forecasts                                    | 395                            |             | 257                       |             | 257                            |             | 909          |             |
| 13 Development of peak operating period and traffic                 | <u>421</u>                     |             | <u>421</u>                |             | <u>421</u>                     |             | <u>1,263</u> |             |
| 14 Subtotal - Opening                                               | 2,671                          |             | 2,442                     |             | 2,442                          |             | 7,555        |             |
| <b>B. Rebuttal (incl. review and critique of CSXT Reply filing)</b> |                                |             |                           |             |                                |             |              |             |
| 15 Base year volumes and revenues                                   | 680                            |             | 680                       |             | 680                            |             | 2,040        |             |
| 16 ATC divisions for cross-over traffic                             | 582                            |             | 378                       |             | 378                            |             | 1,338        |             |
| 17 Analysis of transportation contracts                             | 237                            |             | 154                       |             | 154                            |             | 545          |             |
| 18 Traffic and revenue forecasts                                    | 278                            |             | 181                       |             | 181                            |             | 640          |             |
| 19 Peak operating period and traffic                                | <u>376</u>                     |             | <u>376</u>                |             | <u>376</u>                     |             | <u>1,128</u> |             |
| 20 Subtotal - Rebuttal                                              | 2,153                          |             | 1,769                     |             | 1,769                          |             | 5,691        |             |

**ESTIMATED SAC BUDGET FOR DUPONT'S NON-HAZARDOUS COMMODITY MOVEMENTS ON CSXT**

| Task<br>(1)                                                         | Amphill, VA -<br>Wyandotte, MI |             | Heyden, NJ -<br>Duart, NC |             | Heyden, NJ -<br>Washington, WV |             | Total        |             |
|---------------------------------------------------------------------|--------------------------------|-------------|---------------------------|-------------|--------------------------------|-------------|--------------|-------------|
|                                                                     | Estimated                      |             | Estimated                 |             | Estimated                      |             | Estimated    |             |
|                                                                     | Hours<br>(2)                   | Cost<br>(3) | Hours<br>(4)              | Cost<br>(5) | Hours<br>(6)                   | Cost<br>(7) | Hours<br>(8) | Cost<br>(9) |
| <b>III. SACRR DESIGN AND OPERATING PLAN</b>                         |                                |             |                           |             |                                |             |              |             |
| <b>A. Opening</b>                                                   |                                |             |                           |             |                                |             |              |             |
| 21 Design SARR based on traffic and revenue analysis                | 62                             |             | 62                        |             | 62                             |             | 186          |             |
| 22 Develop operating plan (interchanges, yards, personnel, etc      | 73                             |             | 47                        |             | 47                             |             | 167          |             |
| 23 Develop stick diagrams (track charts)                            | 135                            |             | 88                        |             | 88                             |             | 311          |             |
| 24 Develop route miles                                              | 94                             |             | 61                        |             | 47                             |             | 202          |             |
| 25 Develop track miles                                              | 42                             |             | 27                        |             | 21                             |             | 90           |             |
| 26 Develop equipment specifications                                 | 21                             |             | 14                        |             | 11                             |             | 46           |             |
| 27 RTC Model (outside consultant)                                   | 1,300                          |             | 845                       |             | 650                            |             | 2,795        |             |
| 28 Subtotal - Opening                                               | 1,727                          |             | 1,144                     |             | 926                            |             | 3,797        |             |
| <b>B. Rebuttal (incl. review and critique of CSXT Reply filing)</b> |                                |             |                           |             |                                |             |              |             |
| 29 Operating plan                                                   | 52                             |             | 34                        |             | 34                             |             | 120          |             |
| 30 Stick diagrams (track charts)                                    | 83                             |             | 54                        |             | 54                             |             | 191          |             |
| 31 Route miles                                                      | 52                             |             | 34                        |             | 26                             |             | 112          |             |
| 32 Track miles                                                      | 31                             |             | 20                        |             | 16                             |             | 67           |             |
| 33 RTC Model (outside consultant)                                   | 975                            |             | 634                       |             | 488                            |             | 2,097        |             |
| 34 Subtotal - Rebuttal                                              | 1,193                          |             | 776                       |             | 618                            |             | 2,587        |             |
| <b>IV. OPERATING EXPENSES</b>                                       |                                |             |                           |             |                                |             |              |             |
| <b>A. Opening</b>                                                   |                                |             |                           |             |                                |             |              |             |
| 35 Develop operating expenses                                       | 626                            |             | 376                       |             | 219                            |             | 1,221        |             |
| 36 Information technology (outside consultant)                      | 144                            |             | 86                        |             | 50                             |             | 280          |             |
| 37 General & Administrative (outside consultant)                    | 69                             |             | 41                        |             | 24                             |             | 134          |             |
| 38 Maintenance of Way (outside consultant)                          | 488                            |             | 390                       |             | 244                            |             | 1,122        |             |
| 39 Subtotal - Opening                                               | 1,327                          |             | 893                       |             | 537                            |             | 2,757        |             |

**ESTIMATED SAC BUDGET FOR DUPONT'S NON-HAZARDOUS COMMODITY MOVEMENTS ON CSXT**

| Task<br>(1)                                                         | Amphill, VA -<br>Wyandotte, MI |             |  | Heyden, NJ -<br>Duart, NC |             |  | Heyden, NJ -<br>Washington, WV |             |  | Total        |             |
|---------------------------------------------------------------------|--------------------------------|-------------|--|---------------------------|-------------|--|--------------------------------|-------------|--|--------------|-------------|
|                                                                     | Estimated                      |             |  | Estimated                 |             |  | Estimated                      |             |  | Estimated    |             |
|                                                                     | Hours<br>(2)                   | Cost<br>(3) |  | Hours<br>(4)              | Cost<br>(5) |  | Hours<br>(6)                   | Cost<br>(7) |  | Hours<br>(8) | Cost<br>(9) |
| <b>B. Rebuttal (incl. review and critique of CSXT Reply filing)</b> |                                |             |  |                           |             |  |                                |             |  |              |             |
| 40 Operating expenses                                               | 805                            |             |  | 483                       |             |  | 282                            |             |  | 1,570        |             |
| 41 Information technology (outside consultant)                      | 86                             |             |  | 52                        |             |  | 30                             |             |  | 168          |             |
| 42 General & Administrative (outside consultant)                    | 46                             |             |  | 28                        |             |  | 16                             |             |  | 90           |             |
| 43 Maintenance of Way (outside consultant)                          | 325                            |             |  | 260                       |             |  | 163                            |             |  | 748          |             |
| 44 Subtotal - Rebuttal                                              | 1,262                          |             |  | 823                       |             |  | 491                            |             |  | 2,576        |             |
| <b>V. ROAD PROPERTY INVESTMENT</b>                                  |                                |             |  |                           |             |  |                                |             |  |              |             |
| <b>A. Opening</b>                                                   |                                |             |  |                           |             |  |                                |             |  |              |             |
| 45 Land (incl real estate consultant)                               | 585                            |             |  | 468                       |             |  | 293                            |             |  | 1,346        |             |
| 46 Roadbed preparation                                              | 468                            |             |  | 304                       |             |  | 187                            |             |  | 959          |             |
| 47 Bridges (incl outside consultant)                                | 364                            |             |  | 237                       |             |  | 146                            |             |  | 747          |             |
| 48 Signals and communications (outside consultant)                  | 195                            |             |  | 127                       |             |  | 78                             |             |  | 400          |             |
| 49 Buildings and facilities (outside consultant)                    | 195                            |             |  | 127                       |             |  | 78                             |             |  | 400          |             |
| 50 Other construction                                               | 338                            |             |  | 220                       |             |  | 135                            |             |  | 693          |             |
| 51 Subtotal - Opening                                               | 2,145                          |             |  | 1,483                     |             |  | 917                            |             |  | 4,545        |             |
| <b>B. Rebuttal (incl. review and critique of CSXT Reply filing)</b> |                                |             |  |                           |             |  |                                |             |  |              |             |
| 52 Land (incl real estate consultant)                               | 221                            |             |  | 177                       |             |  | 111                            |             |  | 509          |             |
| 53 Roadbed preparation                                              | 624                            |             |  | 406                       |             |  | 250                            |             |  | 1,280        |             |
| 54 Bridges (incl outside consultant)                                | 246                            |             |  | 160                       |             |  | 98                             |             |  | 504          |             |
| 55 Signals and communications (outside consultant)                  | 130                            |             |  | 85                        |             |  | 52                             |             |  | 267          |             |
| 56 Buildings and facilities (outside consultant)                    | 130                            |             |  | 85                        |             |  | 52                             |             |  | 267          |             |
| 57 Other construction                                               | 273                            |             |  | 177                       |             |  | 109                            |             |  | 559          |             |
| 58 Subtotal - Rebuttal                                              | 1,624                          |             |  | 1,090                     |             |  | 672                            |             |  | 3,386        |             |

**ESTIMATED SAC BUDGET FOR DUPONT'S NON-HAZARDOUS COMMODITY MOVEMENTS ON CSXT**

| Task<br>(1)                                                                | Amphill, VA -<br>Wyandotte, MI |             | Heyden, NJ -<br>Duart, NC |             | Heyden, NJ -<br>Washington, WV |             | Total        |             |
|----------------------------------------------------------------------------|--------------------------------|-------------|---------------------------|-------------|--------------------------------|-------------|--------------|-------------|
|                                                                            | Estimated                      |             | Estimated                 |             | Estimated                      |             | Estimated    |             |
|                                                                            | Hours<br>(2)                   | Cost<br>(3) | Hours<br>(4)              | Cost<br>(5) | Hours<br>(6)                   | Cost<br>(7) | Hours<br>(8) | Cost<br>(9) |
| <b><u>VI. DISCOUNTED CASH FLOW ANALYSIS</u></b>                            |                                |             |                           |             |                                |             |              |             |
| <b><u>A. Opening</u></b>                                                   |                                |             |                           |             |                                |             |              |             |
| 59 Design DCF Model (incl supporting data)                                 | 48                             |             | 12                        |             | 12                             |             | 72           |             |
| 60 DCF Model sensitivities                                                 | 78                             |             | 78                        |             | 78                             |             | 234          |             |
| 61 Finalize DCF Model for filing (all methodologies)                       | 68                             |             | 68                        |             | 68                             |             | 204          |             |
| 62 Cross subsidy analyses                                                  | 57                             |             | 57                        |             | 57                             |             | 171          |             |
| 63 Subtotal - Opening                                                      | 251                            |             | 215                       |             | 215                            |             | 681          |             |
| <b><u>B. Rebuttal (incl. review and critique of CSXT Reply filing)</u></b> |                                |             |                           |             |                                |             |              |             |
| 64 Review and critique CSXT DCF Model                                      | 56                             |             | 14                        |             | 14                             |             | 84           |             |
| 65 DCF Model                                                               | 45                             |             | 11                        |             | 11                             |             | 67           |             |
| 66 DCF Model sensitivities                                                 | 49                             |             | 49                        |             | 49                             |             | 147          |             |
| 67 Cross subsidy analyses                                                  | 57                             |             | 57                        |             | 57                             |             | 171          |             |
| 68 Subtotal - Rebuttal                                                     | 207                            |             | 131                       |             | 131                            |             | 469          |             |
| <b><u>VII. RESULTS OF SAC ANALYSIS / REPARATIONS</u></b>                   |                                |             |                           |             |                                |             |              |             |
| <b><u>A. Opening</u></b>                                                   |                                |             |                           |             |                                |             |              |             |
| 69 Create reparations data base and calculate reparations                  | 16                             |             | 16                        |             | 16                             |             | 48           |             |
| 70 Develop rate reductions using SIB's MMM Model                           | 42                             |             | 42                        |             | 42                             |             | 126          |             |
| 71 Subtotal - Opening                                                      | 58                             |             | 58                        |             | 58                             |             | 174          |             |
| <b><u>B. Rebuttal (incl. review and critique of CSXT Reply filing)</u></b> |                                |             |                           |             |                                |             |              |             |
| 72 Update reparations data base and calculate reparations                  | 16                             |             | 16                        |             | 16                             |             | 48           |             |
| 73 Develop rate reductions using STB's MMM Model                           | 42                             |             | 42                        |             | 42                             |             | 126          |             |
| 74 Subtotal - Rebuttal                                                     | 58                             |             | 58                        |             | 58                             |             | 174          |             |

**ESTIMATED SAC BUDGET FOR DUPONT'S NON-HAZARDOUS COMMODITY MOVEMENTS ON CSXT**

| Task<br>(1)                                               | Amphill, VA -<br>Wyandotte, MI |                          | Heyden, NJ -<br>Duart, NC |                          | Heyden, NJ -<br>Washington, WV |                          | Total        |                          |
|-----------------------------------------------------------|--------------------------------|--------------------------|---------------------------|--------------------------|--------------------------------|--------------------------|--------------|--------------------------|
|                                                           | Hours<br>(2)                   | Estimated<br>Cost<br>(3) | Hours<br>(4)              | Estimated<br>Cost<br>(5) | Hours<br>(6)                   | Estimated<br>Cost<br>(7) | Hours<br>(8) | Estimated<br>Cost<br>(9) |
| <b><u>VIII. NARRATIVE AND WORKPAPERS</u></b>              |                                |                          |                           |                          |                                |                          |              |                          |
| <b><u>A. Opening</u></b>                                  |                                |                          |                           |                          |                                |                          |              |                          |
| 75 Draft / review narrative                               | 557                            |                          | 279                       |                          | 139                            |                          | 975          |                          |
| 76 Prepare hard-copy and electronic workpapers for filing | 108                            |                          | 70                        |                          | 54                             |                          | 232          |                          |
| 77 Respond to CSXT workpaper requests re opening evidence | 99                             |                          | 64                        |                          | 50                             |                          | 213          |                          |
| 78 Subtotal - Opening                                     | 764                            |                          | 413                       |                          | 243                            |                          | 1,420        |                          |
| <b><u>B. Rebuttal</u></b>                                 |                                |                          |                           |                          |                                |                          |              |                          |
| 79 Draft / review narrative                               | 706                            |                          | 353                       |                          | 177                            |                          | 1,236        |                          |
| 80 Prepare hard-copy and electronic workpapers for filing | 108                            |                          | 70                        |                          | 54                             |                          | 232          |                          |
| 81 Develop workpaper requests re CSXT Reply filing        | 37                             |                          | 24                        |                          | 19                             |                          | 80           |                          |
| 82 Subtotal - Rebuttal                                    | 851                            |                          | 447                       |                          | 250                            |                          | 1,548        |                          |
| <b><u>IX. ESTIMATED TOTAL</u></b>                         |                                |                          |                           |                          |                                |                          |              |                          |
| 83 Opening 1/                                             | 9,657                          | \$1,689,975              | 6,957                     | \$1,217,475              | 5,563                          | \$973,525                | 22,177       | \$3,880,975              |
| 84 Rebuttal 1/                                            | 7,348                          | \$1,285,900              | 5,094                     | \$891,450                | 3,989                          | \$698,075                | 16,431       | \$2,875,425              |
| 85 Estimated Total Consulting Fees (L83 + L84)            | 17,005                         | \$2,975,875              | 12,051                    | \$2,108,925              | 9,552                          | \$1,671,600              | 38,608       | \$6,756,400              |
| 86 Assumed Legal Fees Additive                            |                                | 175                      |                           | 175                      |                                | 175                      |              | 175                      |
| 87 Estimated Grand Total (L85 x L86)                      |                                | \$5,207,781              |                           | \$3,690,619              |                                | \$2,925,300              |              | \$11,823,700             |

1/ For purposes of this estimate, I have assumed an average rate of \$175 per hour

**ESTIMATED VARIABLE COST BUDGET FOR DI PONT'S NON HAZARDOUS MOVEMENTS ON CSXT**

| Task<br>(1) | Amphill, VA -<br>Wyandottic, MI |             |           | Heyden, NJ -<br>Duart, NC |             |           | Heyden, NJ -<br>Washington, WV |             |           | Total        |             |
|-------------|---------------------------------|-------------|-----------|---------------------------|-------------|-----------|--------------------------------|-------------|-----------|--------------|-------------|
|             | LEP&A                           |             | Estimated | LEP&A                     |             | Estimated | LEP&A                          |             | Estimated | I.P.P&A      |             |
|             | Hours<br>(2)                    | Cost<br>(3) |           | Hours<br>(4)              | Cost<br>(5) |           | Hours<br>(6)                   | Cost<br>(7) |           | Hours<br>(8) | Cost<br>(9) |

**I. DISCOVERY**

**A. Opening**

- 1 Develop requests for production to be served on CSXT
- 2 Review discovery responses from CSXT
- 3 Monitor status of production
- 4 Motions to compel
- 5 Meetings / discovery conferences
- 6 Subtotal - Opening

|    |    |    |
|----|----|----|
| 6  | 6  | 28 |
| 6  | 6  | 26 |
| 4  | 4  | 18 |
| 2  | 2  | 10 |
| 2  | 2  | 10 |
| 20 | 20 | 92 |

**II. ISSUE MOVEMENT TRAFFIC, REVENUES & CHARACTERISTICS**

**A. Opening**

- 7 Analysis of traffic tapes for volumes, revenues and movement characteristics
- 8 Subtotal - Opening

|    |    |     |
|----|----|-----|
| 36 | 36 | 108 |
| 36 | 36 | 108 |

**B. Reply**

- 9 Review and critique of CSX I Opening filing
- 10 Subtotal - Reply

|    |    |    |
|----|----|----|
| 15 | 15 | 60 |
| 15 | 15 | 60 |

**C. Rebuttal**

- 11 Respond to CSXT Reply criticisms
- 12 Modify opening evidence as necessary
- 13 Subtotal - Rebuttal

|    |    |    |
|----|----|----|
| 9  | 9  | 36 |
| 9  | 9  | 36 |
| 18 | 18 | 72 |

**ESTIMATED VARIABLE COST BUDGET FOR DUPONT'S NON HAZARDOUS MOVEMENTS ON CSXT**

| Task<br>(1) | Amphill, VA -<br>Wyandotte, MI |                          | Heyden, NJ -<br>Duart, NC |                          | Heyden, NJ -<br>Washington, WV |                          | Total                 |                          |
|-------------|--------------------------------|--------------------------|---------------------------|--------------------------|--------------------------------|--------------------------|-----------------------|--------------------------|
|             | LEP&A<br>Hours<br>(2)          | Estimated<br>Cost<br>(3) | LEP&A<br>Hours<br>(4)     | Estimated<br>Cost<br>(5) | LEP&A<br>Hours<br>(6)          | Estimated<br>Cost<br>(7) | LEP&A<br>Hours<br>(8) | Estimated<br>Cost<br>(9) |

**III. ISSUE MOVEMENT VARIABLE COST & JURISDICTIONAL THRESHOLD**

**A. Opening**

|                        |   |  |   |  |   |  |    |  |
|------------------------|---|--|---|--|---|--|----|--|
| 14 URCS Phase III runs | 4 |  | 4 |  | 4 |  | 12 |  |
| 15 Indexing            | 2 |  | 0 |  | 0 |  | 2  |  |
| 16 Fuel surcharge      | 2 |  | 0 |  | 0 |  | 2  |  |
| 17 Subtotal - Opening  | 8 |  | 4 |  | 4 |  | 16 |  |

**B. Reply**

|                                               |    |  |   |  |   |  |    |  |
|-----------------------------------------------|----|--|---|--|---|--|----|--|
| 18 Review and critique of CSXT Opening filing | 14 |  | 7 |  | 7 |  | 28 |  |
| 19 Subtotal - Reply                           | 14 |  | 7 |  | 7 |  | 28 |  |

**C. Rebuttal**

|                                         |    |  |    |  |    |  |    |  |
|-----------------------------------------|----|--|----|--|----|--|----|--|
| 20 Respond to CSXT Reply criticisms     | 12 |  | 6  |  | 6  |  | 24 |  |
| 21 Modify opening evidence as necessary | 4  |  | 4  |  | 4  |  | 12 |  |
| 22 Subtotal - Rebuttal                  | 16 |  | 10 |  | 10 |  | 36 |  |

**IV. MARKET DOMINANCE**

**A. Opening**

|                                |    |  |    |  |    |  |    |  |
|--------------------------------|----|--|----|--|----|--|----|--|
| 23 Develop intramodal evidence | 8  |  | 8  |  | 8  |  | 24 |  |
| 24 Develop intermodal evidence | 12 |  | 12 |  | 12 |  | 36 |  |
| 25 Subtotal - Opening          | 20 |  | 20 |  | 20 |  | 60 |  |

**B. Rebuttal**

|                                     |    |  |   |  |   |  |    |  |
|-------------------------------------|----|--|---|--|---|--|----|--|
| 26 Review and respond to CSXT reply | 16 |  | 8 |  | 8 |  | 32 |  |
| 27 Subtotal - Rebuttal              | 16 |  | 8 |  | 8 |  | 32 |  |

**ESTIMATED VARIABLE COST BUDGET FOR DUPONT'S NON HAZARDOUS MOVEMENTS ON CSXT**

| Task<br>(1)                                                | Amphill, VA -<br>Wyandotte, MI |                          |  | Heyden, NJ -<br>Duart, NC |                          |  | Heyden, NJ -<br>Washington, WV |                          |  | Total                 |                          |
|------------------------------------------------------------|--------------------------------|--------------------------|--|---------------------------|--------------------------|--|--------------------------------|--------------------------|--|-----------------------|--------------------------|
|                                                            | LEP&A<br>Hours<br>(2)          | Estimated<br>Cost<br>(3) |  | LEP&A<br>Hours<br>(4)     | Estimated<br>Cost<br>(5) |  | LEP&A<br>Hours<br>(6)          | Estimated<br>Cost<br>(7) |  | LEP&A<br>Hours<br>(8) | Estimated<br>Cost<br>(9) |
| <b><u>V. NARRATIVE AND WORKPAPERS</u></b>                  |                                |                          |  |                           |                          |  |                                |                          |  |                       |                          |
| <b><u>A. Opening</u></b>                                   |                                |                          |  |                           |                          |  |                                |                          |  |                       |                          |
| 28 Draft / review narrative                                | 48                             |                          |  | 24                        |                          |  | 24                             |                          |  | 96                    |                          |
| 29 Prepare hard-copy and electronic workpapers for filing  | 10                             |                          |  | 8                         |                          |  | 8                              |                          |  | 26                    |                          |
| 30 Respond to CSXI workpaper requests re. opening evidence | 12                             |                          |  | 6                         |                          |  | 6                              |                          |  | 24                    |                          |
| 31 Subtotal - Opening                                      | 70                             |                          |  | 38                        |                          |  | 38                             |                          |  | 146                   |                          |
| <b><u>B. Reply</u></b>                                     |                                |                          |  |                           |                          |  |                                |                          |  |                       |                          |
| 32 Draft / review narrative                                | 32                             |                          |  | 16                        |                          |  | 16                             |                          |  | 64                    |                          |
| 33 Prepare hard-copy and electronic workpapers for filing  | 4                              |                          |  | 3                         |                          |  | 3                              |                          |  | 10                    |                          |
| 34 Develop workpaper requests re CSXT Opening filing       | 12                             |                          |  | 6                         |                          |  | 6                              |                          |  | 24                    |                          |
| 35 Subtotal - Reply                                        | 48                             |                          |  | 25                        |                          |  | 25                             |                          |  | 98                    |                          |
| <b><u>C. Rebuttal</u></b>                                  |                                |                          |  |                           |                          |  |                                |                          |  |                       |                          |
| 36 Draft / review narrative                                | 48                             |                          |  | 24                        |                          |  | 24                             |                          |  | 96                    |                          |
| 37 Prepare hard-copy and electronic workpapers for filing  | 10                             |                          |  | 8                         |                          |  | 8                              |                          |  | 26                    |                          |
| 38 Develop workpaper requests re CSXT Reply filing         | 12                             |                          |  | 6                         |                          |  | 6                              |                          |  | 24                    |                          |
| 39 Subtotal - Rebuttal                                     | 70                             |                          |  | 38                        |                          |  | 38                             |                          |  | 146                   |                          |
| <b><u>VI. ESTIMATED TOTAL</u></b>                          |                                |                          |  |                           |                          |  |                                |                          |  |                       |                          |
| 40 Opening 1/                                              | 186                            | \$32,550                 |  | 118                       | \$20,650                 |  | 118                            | \$20,650                 |  | 422                   | \$73,850                 |
| 41 Reply 1/                                                | 92                             | \$16,100                 |  | 47                        | \$8,225                  |  | 47                             | \$8,225                  |  | 186                   | \$32,550                 |
| 42 Rebuttal 1/                                             | 138                            | \$24,150                 |  | 74                        | \$12,950                 |  | 74                             | \$12,950                 |  | 286                   | \$50,050                 |
| 43 Estimated Total Consulting Fees (L39 + L40 + L41)       | 416                            | \$72,800                 |  | 239                       | \$41,825                 |  | 239                            | \$41,825                 |  | 894                   | \$156,450                |
| 44 Assumed Legal Fees Additive                             |                                | 175                      |  |                           | 175                      |  |                                | 175                      |  |                       | 175                      |
| 45 Estimated Grand Total (L42 x 1.43)                      |                                | \$127,400                |  |                           | \$73,194                 |  |                                | \$73,194                 |  |                       | \$273,788                |

1/ For purposes of this estimate, I have assumed an average rate of \$175 per hour

**3Q07 Variable Costs for DuPont's Non-Hazardous Movements on CSXT**

Railroad CSXT  
Origin/Destination Amthill, Va  
Destination Wyandotte, MI  
Loaded Miles 772.1  
Shipment Type OI  
  
Car Type Covered Hopper  
Car Owner Private  
Commodity 281 - Industrial Chemicals  
Shipment tons 80  
Movement Type Single Car

| <u>Cost Item</u><br>(1)     | <u>2005 Phase III</u> |                   |                   |                     | <u>Make-Whole</u><br>(6) | <u>Total incl make-whole</u><br>(7) | <u>Indexed to 3Q07 1/</u><br>(8) |
|-----------------------------|-----------------------|-------------------|-------------------|---------------------|--------------------------|-------------------------------------|----------------------------------|
|                             | <u>OPR</u><br>(2)     | <u>DRL</u><br>(3) | <u>ROI</u><br>(4) | <u>Total</u><br>(5) |                          |                                     |                                  |
| Gross ton-mile              | \$268.68              | \$72.68           | \$220.40          | \$561.76            |                          | \$561.76                            | \$586.14                         |
| Locomotive unit-mile        | \$234.22              | \$28.51           | \$42.81           | \$305.55            |                          | \$305.55                            | \$318.81                         |
| Carload Clerical            | \$25.56               |                   |                   | \$25.56             | \$9.25                   | \$34.81                             | \$36.32                          |
| Crew Wage                   | \$202.98              |                   |                   | \$202.98            |                          | \$202.98                            | \$211.79                         |
| Train-mile other            | \$19.10               | \$0.21            | \$0.34            | \$19.64             |                          | \$19.64                             | \$20.49                          |
| SEM - O&T, Interchange, I&I | \$171.67              | \$14.15           | \$53.18           | \$239.00            | \$230.34                 | \$469.34                            | \$489.71                         |
| Private Car Rental          | \$47.37               |                   |                   | \$47.37             |                          | \$47.37                             | \$49.43                          |
| Loss & Damage               | \$12.36               |                   |                   | \$12.36             |                          | \$12.36                             | \$12.90                          |
| <b>Total</b>                |                       |                   |                   | <b>\$1,414.21</b>   | <b>\$239.59</b>          | <b>\$1,653.81</b>                   | <b>\$1,725.59</b>                |

1/ CSXT index from annual 2005 to 3Q07 - 1.04340

**3Q07 Variable Costs for DuPont's Non-Hazardous Movements on CSXT**

Railroad CSXT  
Origin Heyden, NJ  
Destination Duart, NC  
Loaded Miles 591.5  
Shipment Type OT  
  
Car Type Tank > 22,000 gallons  
Car Owner Private  
Commodity 281 - Industrial Chemicals  
Shipment Tons 90  
Movement Type Single Car

| <u>Cost Item</u><br>(1)      | <u>2005 Phase III</u> |                   |                   |                     | <u>Make-Whole</u><br>(6) | <u>Total incl. make-whole</u><br>(7) | <u>Indexed to 3Q07 1/</u><br>(8) |
|------------------------------|-----------------------|-------------------|-------------------|---------------------|--------------------------|--------------------------------------|----------------------------------|
|                              | <u>OPR</u><br>(2)     | <u>DRL</u><br>(3) | <u>ROI</u><br>(4) | <u>Total</u><br>(5) |                          |                                      |                                  |
| Gross Ton-mile               | \$243.28              | \$65.81           | \$199.56          | \$508.64            |                          | \$508.64                             | \$530.72                         |
| Locomotive unit-mile         | \$213.52              | \$25.99           | \$39.03           | \$278.54            |                          | \$278.54                             | \$290.63                         |
| Carload Clerical             | \$25.56               |                   |                   | \$25.56             | \$9.25                   | \$34.81                              | \$36.32                          |
| Crew Wage                    | \$187.52              |                   |                   | \$187.52            |                          | \$187.52                             | \$195.66                         |
| Train-mile other             | \$17.64               | \$0.19            | \$0.31            | \$18.15             |                          | \$18.15                              | \$18.93                          |
| St.M - O&T, Interchange, I&I | \$159.77              | \$13.17           | \$49.49           | \$222.43            | \$221.54                 | \$443.97                             | \$463.23                         |
| Private Car Rental           | \$59.37               |                   |                   | \$59.37             |                          | \$59.37                              | \$61.95                          |
| Loss & Damage                | \$0.96                |                   |                   | \$0.96              |                          | \$0.96                               | \$1.00                           |
| <b>Total</b>                 |                       |                   |                   | <b>\$1,301.16</b>   | <b>\$230.79</b>          | <b>\$1,531.95</b>                    | <b>\$1,598.44</b>                |

1/ CSXT index from annual 2005 to 3Q07 - 1.04340

**3Q07 Variable Costs for DuPont's Non-Hazardous Movements on CSXT**

Railroad CSXT  
Origin Heyden, NJ  
Destination Washington, WV  
Loaded Miles 589.9  
Shipment Type OI  
  
Car Type Tank > 22,000 gallons  
Car Owner Private  
Commodity 281 - Industrial Chemicals  
Shipment Tons 90  
Movement Type Single Car

| <u>Cost Item</u><br>(1)     | <u>2005 Phase III</u> |                   |                   |                     | <u>Make-Whole</u><br>(6) | <u>Total incl make-whole</u><br>(7) | <u>Indexed to 3Q07 1/</u><br>(8) |
|-----------------------------|-----------------------|-------------------|-------------------|---------------------|--------------------------|-------------------------------------|----------------------------------|
|                             | <u>OPR</u><br>(2)     | <u>DRL</u><br>(3) | <u>ROI</u><br>(4) | <u>Total</u><br>(5) |                          |                                     |                                  |
| Gross Ton-mile              | \$242.46              | \$65.59           | \$198.88          | \$506.93            |                          | \$506.93                            | \$528.93                         |
| Locomotive unit-mile        | \$212.82              | \$25.90           | \$38.90           | \$277.62            |                          | \$277.62                            | \$289.67                         |
| Carload Clerical            | \$25.56               |                   |                   | \$25.56             | \$9.25                   | \$34.81                             | \$36.32                          |
| Crew Wage                   | \$186.94              |                   |                   | \$186.94            |                          | \$186.94                            | \$195.05                         |
| Train-mile other            | \$17.59               | \$0.19            | \$0.31            | \$18.09             |                          | \$18.09                             | \$18.88                          |
| SLM - O&I, Interchange, I&I | \$159.61              | \$13.16           | \$49.44           | \$222.21            | \$221.42                 | \$443.62                            | \$462.87                         |
| Private Car Rental          | \$59.17               |                   |                   | \$59.17             |                          | \$59.17                             | \$61.74                          |
| Loss & Damage               | \$0.96                |                   |                   | \$0.96              |                          | \$0.96                              | \$1.00                           |
| Total                       |                       |                   |                   | \$1,297.47          | \$230.67                 | \$1,528.13                          | \$1,594.46                       |

1/ CSXT index from annual 2005 to 3Q07 - 1.04340