



**ANNUAL REPORT OF CLASS II AND III RAILROADS**  
**NORTH DAKOTA PUBLIC SERVICE COMMISSION**  
 SFN 14356 (03-03)

File No.

Business Name <b>Dakota Northern Railroad Inc.</b>	For Year Ended <b>12/31/2011</b>
Business Address <b>PO Box 705 Crookston MN</b>	Business Telephone Number <b>218-281-1750</b>

Instructions: Complete this form in duplicate and return the original to the ND Public Service Commission, 300 E. Boyle and Ave., Dept. 408, Bismarck ND 58505-0480. Return it no later than the 15<sup>th</sup> day of the fourth month following the close of the year for which this report is filed.

**RECEIVED**

APR 02 2012

General Information

**PUBLIC SERVICE COMMISSION**

1. Provide the names and addresses of owners, partners, or top five corporate officers.

Name	Address
Norman C. Bierwerth, President	PO Box 549 Atwater MN 56209
Frank W. Nesbit, Vice President	2157 High Dune LN Laughlin NV 89209

2. Provide the names and addresses of owners, partners, or stockholders with 20% or more ownership of the company.

Name	Address
KBN Inc. - 100%	117 S Broadway Crookston MN 56716

I certify that to the best of my knowledge and believe that this is a true and correct report.

Name <b>George LaPray</b>	Signature 
Title <b>Administration Consultant</b>	Date <b>27 March 2012</b>

File No. 

--

## Company Statements

## 3. Condensed Balance Sheet (system)

Asset Side	Balance at End of Year	Liability and Equity Side	Balance at End of Year
Current Assets	877166.15	Current Liabilities	18,329.84
Other Assets/Deferred Charges	0	Non-Current Liabilities	0
Transportation Property – Net	25000.00	Stockholders' Equity	428,544.96
<b>Total Assets</b>	<b>902,166.45</b>	<b>Total Liabilities and Equity</b>	<b>446,874.80</b>

## 4. Condensed Operating Statement (system)

	Balance at End of Year
Railway Operating Revenues (from revenue schedule below)	1576789.53
Less: Railway Operating Expenses (from schedule A – attached)	1238148.35
Net Income from Railway Operations	338641.18
Less: Net Rentals	79178.71
Railway Income Tax Accruals	0
<b>Net Railway Operating Income</b>	<b>259462.37</b>

## Additional Data and Statistics

## 5. Railway Operating Revenues

	North Dakota Intrastate	System Wide
Freight	1544784.53	1544784.53
Switching	0	0
Demurrage	32005.00	32005.00
Incidental		
<b>Total</b>	<b>1576789.53</b>	<b>1576789.53</b>

	North Dakota Intrastate	System Wide
6. Miles of road owned and operated at year end	50	50
7. Miles of road operated under trackage rights	0	0
8. Miles of road discontinued during the year	0	0
9. Expenditures for maintenance of way during the year	247570.88	247570.88

## 10. Operating Statistics

	System Wide
Gross Ton Miles	Not Tracked
Train Miles	28450
Car Miles	Not Tracked
Car Days	Not Tracked
Road Locomotive Hours	Not Tracked
Yard Locomotive Switching Hours	Not Tracked
Trailer/Container Days	Not Applicable

## 11. Equipment Inventory

	Owned	Leased
Road Locomotive Units	0	3
Yard Locomotive Units	0	0
Freight Cars	0	0
Covered Hopper		
Open Hopper		
Other		
Trailers/Containers	0	0

File No.

### Schedule A Railway System Operating Expenses

Maintenance of Way & Structures	→	→	→	→	→	→	→	→	→	<span style="border: 1px solid black; padding: 2px;">247570.88</span>
Maintenance of Equipment:										
Locomotives	→	→	→	→	→	→	→	→	→	<span style="border: 1px solid black; padding: 2px;">19295.77</span>
Freight Cars	→	→	→	→	→	→	→	→	→	<span style="border: 1px solid black; padding: 2px;">273.50</span>
Trailers & Containers	→	→	→	→	→	→	→	→	→	<span style="border: 1px solid black; padding: 2px;">0</span>
Other	→	→	→	→	→	→	→	→	→	<span style="border: 1px solid black; padding: 2px;">5813.37</span>
Total Maintenance of Equipment	→	→	→	→	→	→	→	→	→	<span style="border: 1px solid black; padding: 2px;">25382.64</span>
Transportation:										
Train & Engine Crews	→	→	→	→	→	→	→	→	→	<span style="border: 1px solid black; padding: 2px;">498570.56</span>
Yard Crews	→	→	→	→	→	→	→	→	→	<span style="border: 1px solid black; padding: 2px;">0</span>
Locomotive Fuel:										
Train Operations	→	→	→	→	→	→	→	→	→	<span style="border: 1px solid black; padding: 2px;">169624.34</span>
Yard Operations	→	→	→	→	→	→	→	→	→	<span style="border: 1px solid black; padding: 2px;">0</span>
Total Locomotive Fuel	→	→	→	→	→	→	→	→	→	<span style="border: 1px solid black; padding: 2px;">169624.34</span>
Other Transportation:										
Train Operations	→	→	→	→	→	→	→	→	→	<span style="border: 1px solid black; padding: 2px;">110412.50</span>
Yard Operations	→	→	→	→	→	→	→	→	→	<span style="border: 1px solid black; padding: 2px;">62512.00</span>
Total Other Transportation	→	→	→	→	→	→	→	→	→	<span style="border: 1px solid black; padding: 2px;">172924.50</span>
Total Transportation	→	→	→	→	→	→	→	→	→	<span style="border: 1px solid black; padding: 2px;">685489.40</span>
General Administration & Overhead:										
Central Office Personnel	→	→	→	→	→	→	→	→	→	<span style="border: 1px solid black; padding: 2px;">258819.00</span>
Property Taxes	→	→	→	→	→	→	→	→	→	<span style="border: 1px solid black; padding: 2px;">15773.47</span>
Fringe Benefits	→	→	→	→	→	→	→	→	→	<span style="border: 1px solid black; padding: 2px;"></span>
Other	→	→	→	→	→	→	→	→	→	<span style="border: 1px solid black; padding: 2px;">5112.96</span>
Total Other General Administration & Overhead	→	→	→	→	→	→	→	→	→	<span style="border: 1px solid black; padding: 2px;">279705.43</span>
<b>Total System Expenses</b>	→	→	→	→	→	→	→	→	→	<span style="border: 1px solid black; padding: 2px;"><b>1238148.35</b></span>

File No.

**Schedule B**  
**System Revenue Freight Handled During the Year**

Description	Originating		Terminating		Bridge and Overhead Traffic	
	Carloads	Tons	Carloads	Tons	Carloads	Tons
Wheat (except durum)						
Durum						
Barley						
Sunflowers						
Corn						
Flax						
Oats						
Rye						
Soybeans						
Other Grain and Oilseeds						
Wheat Flour						
Malt						
Dairy Products						
Fertilizer						
Cement						
Coal						
Petroleum & Petroleum Products						
Chemicals						
Lumber						
Machinery						
Livestock						
Miscellaneous*						
<b>Totals</b>						

\*List below any commodity that accounts for more than 1% of total carloads or tons:

See schedule "C" 100% of Dakota Northern Traffic
originates or terminates in North Dakota

File No.

**Schedule C**  
**ND Revenue Freight Handled During the Year**

Description	Originating		Terminating		Bridge and Overhead Traffic	
	Carloads	Tons	Carloads	Tons	Carloads	Tons
Wheat (except durum)	1634	163,400	99	9900	0	0
Durum					0	0
Barley	27	2700			0	0
Sunflowers					0	0
Corn	35	3500	23	2300	0	0
Flax					0	0
Oats					0	0
Rye					0	0
Soybeans	608	60,800	56	5600	0	0
Other Grain and Oilseeds	542	54,200	4	400	0	0
Wheat Flour					0	0
Malt					0	0
Dairy Products					0	0
Fertilizer			741	74,100	0	0
Cement					0	0
Coal					0	0
Petroleum & Petroleum Products					0	0
Chemicals					0	0
Lumber					0	0
Machinery					0	0
Livestock					0	0
Miscellaneous*	1186	117620	1101	110,100	0	0
<b>Totals</b>	<b>4032</b>	<b>402,200</b>	<b>2024</b>	<b>202,400</b>	<b>0</b>	<b>0</b>

\*List below any commodity that accounts for more than 1% of total carloads or tons:

Alcohols 1060 C/L originating 106,000 tons
Potatoes 112 C/L originating 11,200 tons
Transportation equipment 14 c/l 420 tons