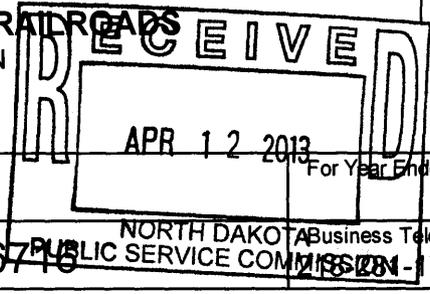




ANNUAL REPORT OF CLASS II AND III RAILROADS
 NORTH DAKOTA PUBLIC SERVICE COMMISSION
 SFN 14356 (03-03)

File No. _____



Business Name	Dakota Northern Railroad		For Year Ended	12/31/2012
Business Address	PO Box 705 Crookston MN 56716	NORTH DAKOTA PUBLIC SERVICE COMMISSION	Business Telephone Number	750

Instructions: Complete this form in duplicate and return the original to the ND Public Service Commission, 600 E Boulevard Ave., Dept. 408, Bismarck ND 58505-0480. Return it no later than the 15th day of the fourth month following the close of the year for which this report is filed.

General Information

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	George LaPray	Signature	
Title	General Manager	Date	9 April 2013

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	330,276	Current Liabilities	484,523
Other Assets/Deferred Charges	123,990	Non-Current Liabilities	0
Transportation Property – Net	126,677	Stockholders' Equity	96,420
Total Assets	580,943	Total Liabilities and Equity	580,943

4. Condensed Operating Statement (system)

	Balance at End of Year
Railway Operating Revenues (from revenue schedule below)	1,648,967
Less: Railway Operating Expenses (from schedule A – attached)	1,740,147
Net Income from Railway Operations	-91,180
Less: Net Rentals	75,600
Railway Income Tax Accruals	0
	0
Net Railway Operating Income	-166,780

Additional Data and Statistics

5. Railway Operating Revenues

	North Dakota Intrastate	System Wide
Freight	1,543,131	1,543,131
Switching	0	0
Demurrage	69,216	69,216
Incidental	36,620	36,620
Total	1,648,967	1,648,967

	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	195,988	195,988

10. Operating Statistics

	System Wide
Gross Ton Miles	Not Tracked
Train Miles	23870
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		
Freight Cars	0	0
Covered Hopper		
Open Hopper		
Other		
Trailers/Containers	0	0

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Schedule A Railway System Operating Expenses

Maintenance of Way & Structures	→	→	→	→	→	→	→	→	→	195,988
Maintenance of Equipment:										
Locomotives	→	→	→	→	→	→	→	→	→	79,704
Freight Cars	→	→	→	→	→	→	→	→	→	62,553
Trailers & Containers	→	→	→	→	→	→	→	→	→	0
Other	→	→	→	→	→	→	→	→	→	110,295
Total Maintenance of Equipment	→	→	→	→	→	→	→	→	→	252,552
Transportation:										
Train & Engine Crews	→	→	→	→	→	→	→	→	→	553,738
Yard Crews	→	→	→	→	→	→	→	→	→	0
Locomotive Fuel:										
Train Operations	→	→	→	→	→	→	→	→	→	138,513
Yard Operations	→	→	→	→	→	→	→	→	→	0
Total Locomotive Fuel	→	→	→	→	→	→	→	→	→	138,513
Other Transportation:										
Train Operations	→	→	→	→	→	→	→	→	→	416,856
Yard Operations	→	→	→	→	→	→	→	→	→	0
Total Other Transportation	→	→	→	→	→	→	→	→	→	416,856
Total Transportation	→	→	→	→	→	→	→	→	→	1,109,107
General Administration & Overhead:										
Central Office Personnel	→	→	→	→	→	→	→	→	→	140,000
Property Taxes	→	→	→	→	→	→	→	→	→	14,990
Fringe Benefits	→	→	→	→	→	→	→	→	→	521
Other	→	→	→	→	→	→	→	→	→	26,989
Total Other General Administration & Overhead	→	→	→	→	→	→	→	→	→	182,500
Total System Expenses	→	→	→	→	→	→	→	→	→	1,815,747

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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*						
Totals						

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

100% of DN Traffic originates or terminates in North Dakota

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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)	2,118	250,114	82	8,446		
Durum						
Barley						
Sunflowers						
Corn	536	63,248	88	9,064		
Flax						
Oats						
Rye						
Soybeans	1,396	168,228	174	17,922		
Other Grain and Oilseeds						
Wheat Flour						
Malt						
Dairy Products						
Fertilizer			520	63,940		
Cement						
Coal						
Petroleum & Petroleum Products						
Chemicals						
Lumber						
Machinery						
Livestock						
Miscellaneous*	1,004	103,412				
Totals	5,054	585,002	864	99,372		

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

100% of DN Traffic originates or terminates in North Dakota
Ethanol
Potatoes
Edible Beans