

Freight Railroads in ARIZONA

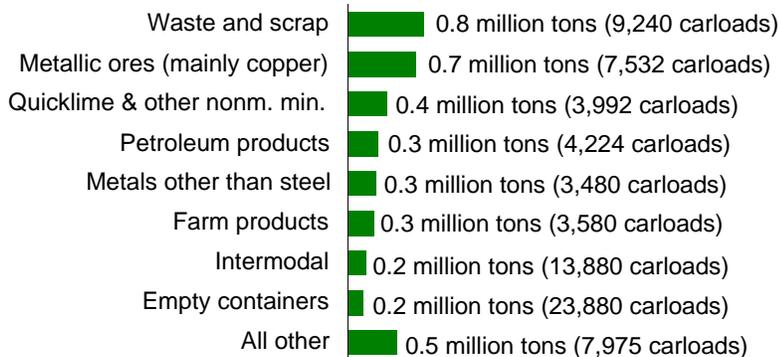
2008

RAIL FAST FACTS

| | | |
|---------------------------------|--|-----------------|
| Facilities | Number of freight railroads | 9 |
| | Freight railroad mileage | 1,679 |
| Employment and Earnings | Number of freight rail employees | 2,994 |
| | Average wages & benefits per freight rail employee | \$102,500 |
| Railroad Retirement | Number of railroad retirement beneficiaries | 9,353 |
| | Railroad retirement benefits paid | \$156.9 million |
| Economic Impact | Nationwide, each freight rail job supports 4.5 jobs elsewhere in the economy. Each \$1 billion in new rail investment creates 20,000 jobs. | |
| Fuel Efficiency | In 2008, America's railroads moved a ton of freight an average of 457 miles on one gallon of fuel. That's like going from Phoenix well beyond Los Angeles. On average, railroads are four times more fuel efficient than trucks. Moving freight by rail instead of truck reduces greenhouse gas emissions by 75 percent. | |
| Cutting Highway Gridlock | One train can carry the load of 280 or more trucks. In 2008, 135.5 million tons of freight originated, terminated, or passed through Arizona by rail. It would have taken approximately 7.5 million trucks to handle this freight. | |

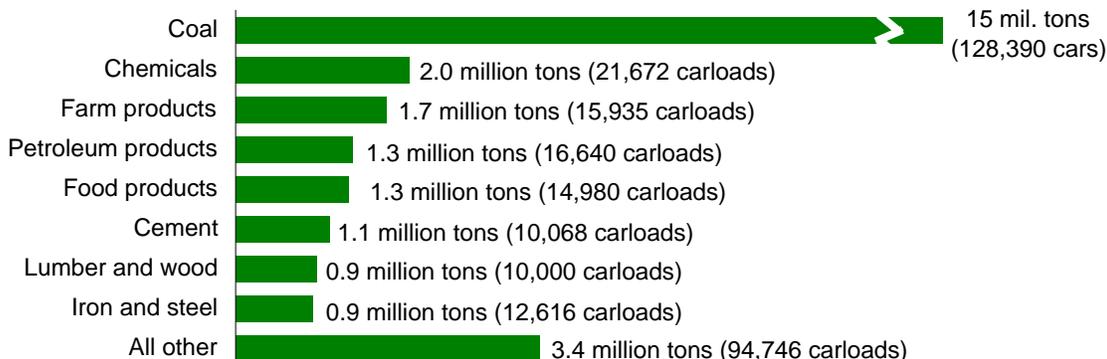
Rail Traffic Originated

Total Tons: 3.7 million Total Carloads: 77,783



Rail Traffic Terminated

Total Tons: 27.5 million Total Carloads: 325,047



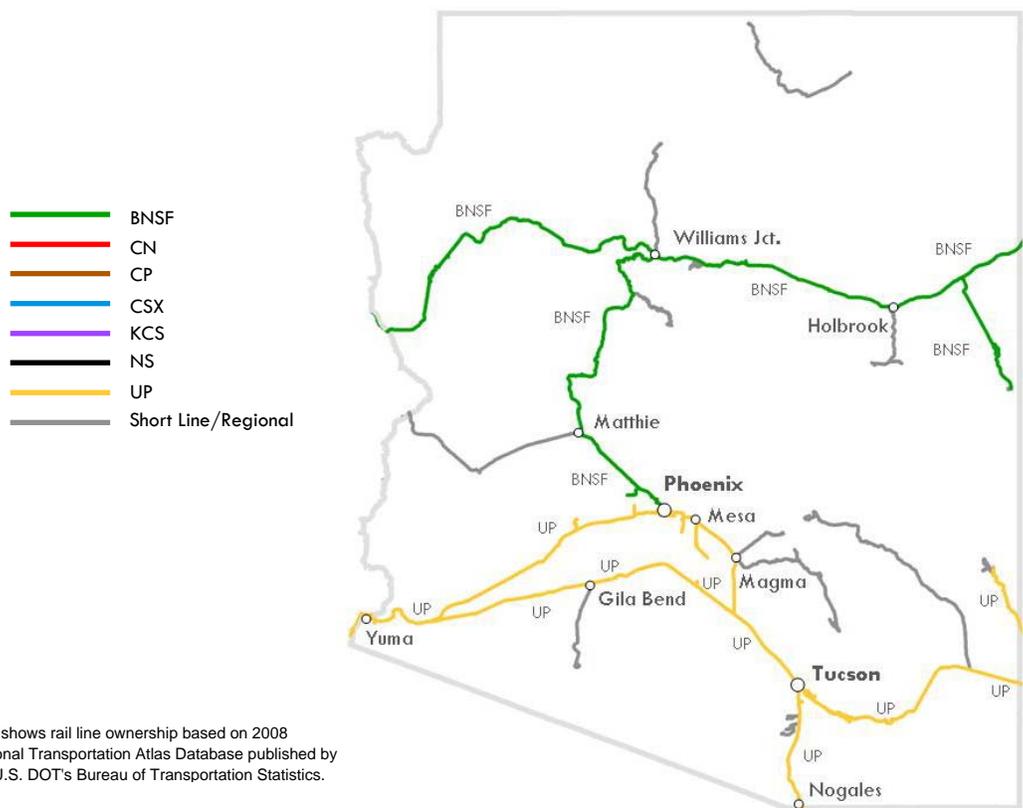
Freight Railroads in ARIZONA

2008

| | Miles of Railroad Operated in Arizona |
|-----------------------------------|---------------------------------------|
| Class I Railroads | |
| BNSF Railway Company | 595 |
| Union Pacific Railroad Co. | 642 |
| | <u>1,237</u> |
| Regional Railroads | |
| (none) | |
| Local Railroads | |
| Apache Railway | 55 |
| Arizona & California Railroad Co. | 164 |
| Arizona Central Railroad, Inc. | 38 |
| Copper Basin Railway, Inc. | 68 |
| San Manuel Arizona Railroad | 29 |
| | <u>354</u> |

| Arizona Totals | Number of Freight Railroads | Miles Operated | |
|----------------------|-----------------------------|---------------------------|---------------------------|
| | | Excluding Trackage Rights | Including Trackage Rights |
| Class I | 2 | 1,237 | 1,237 |
| Regional | 0 | 0 | 0 |
| Local | 5 | 297 | 354 |
| Switching & Terminal | 2 | 145 | 145 |
| Total | 9 | 1,679 | 1,736 |

| Miles of Railroad Operated in Arizona | |
|---|------------|
| Switching & Terminal Railroads | |
| Arizona Eastern Railway Co. | 135 |
| San Pedro Southwestern Railroad | 10 |
| | <u>145</u> |



Class I Railroad – A railroad with 2008 operating revenues of at least \$401.4 million. **Regional Railroad** – A non-Class I line-haul railroad operating 350 or more miles of road and/or with revenues of at least \$40 million. **Local Railroad** – A railroad which is neither a Class I nor a Regional Railroad and is engaged primarily in line-haul service. **Switching & Terminal Railroad** – A non-Class I railroad engaged primarily in switching and/or terminal services for other railroads. Railroads operating are as of December 31, 2008. Some mileage figures may be estimated.