

1st MONDAY 3rd MONDAY

Prepared for employees by the
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To All Milwaukee Road Employees:

For many of our Maintenance of Way employees, the song, "I've Been Working on the Railroad," is more than just a popular sing-a-long tune. To them, it epitomizes the skill, muscle, and expertise they bring to the task of maintaining the physical plant - and in some cases, actually rebuilding it. Due in large measure to their efforts, the railroad they've been working on is in much better shape than it was a year ago.

Here's a recap of what was accomplished during 1982:

About 123 track miles of continuous welded rail installed;

Surface corrections made on 858 miles of track;

64,786 ties renewed by section forces and extra gangs in normal MOW programs;

An additional 278,181 cross ties renewed on the following special rehabilitation projects:

Kansas City line project - 37,597 ties renewed,

RTA project - Tower A-5 to B-17 - 34,109 ties renewed,

Mason City line project - 48,039 ties renewed,

Austin-Albert Lea project - 28,815 ties renewed,

Wausau-Tomahawk project - 49,965 ties renewed,

Marquette-River Junction - 25,820 ties renewed,

Fruitland-Washington - 37,297 ties renewed,

Eldridge line - 14,045 ties renewed,

RTA - 3rd-main project - 2,494 ties renewed.

Rail tested over 4,000 miles of track.

Slow orders on main line segments have been reduced by 35 percent compared to a year ago. This translates into improved service for our customers, expands our marketing opportunities and provides quicker turnaround times for better equipment utilization.

All in all, it's an impressive list of achievements.

Another project we're excited about, and one that has witnessed a marked improvement, is our fuel conservation program.

Records indicate that for the entire year of 1981, we handled roughly 22 billion gross ton miles and used slightly more than 47 million gallons of fuel in the process.

During the first 11 months of 1982, we moved about 19.5 billion gross ton miles and consumed 36.6 million gallons of fuel.

Both sets of numbers include fuel used in yard engines as well as road freight trains, but exclude passenger operations. They result in an efficiency factor of 2.12 gallons per thousand gross ton miles for 1981 and 1.88 for 1982.

Stated in dollars and cents, the improved ratio means that we bought about 4.6 million fewer gallons of fuel than we would have under the old ratio to handle the same amount of business. At approximately \$1 per gallon, this represents a significant savings.

With the continued cooperation of all involved, we expect to realize even greater results this year.

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The December issue of Modern Railroads magazine contains a State of the Industry article entitled, "It's Unique: Saving Fuel and Double Track," in which the Milwaukee is lauded for its financially sound decision to retain a double track operation in its high-density Chicago-Twin Cities corridor.

The author contends that this is contrary to the currently accepted industry practice of eliminating double track, but then cites the reason the decision makes economic sense for our line.

The article continues, "Retention of double track in its most important corridors is only one of Milwaukee's two major developments. The other is its down sizing program."

Quoting Jim Schwinkendorf, AVP-Operations Planning, it adds, "'After we ceased being a transcontinental road, we did an analysis of handling traffic. Our target was to switch a car only once. That would save

