



North Carolina Railroad Company Right-of –Way Occupancy Agreement

2005 Fee Schedule

The fee schedule included herein is provided for summary purposes only. Complete fees and or fee categories may not be included in this document. All fee calculations must be verified by North Carolina Railroad Company's (NCRR) Property Manager who may be contacted as follows:

NCRR Property Manager
North Carolina Railroad Company
2809 Highwoods Blvd., Suite 100
Raleigh, NC 27604
(919) 954-7601

1. General

All fees are subject to an annual escalation and may change without notice. All Occupancy Agreements providing for periodic payments will include an annual escalation rate in the License Fee. The current escalation rate is 3 %.

All Applicants shall complete NCRR Form 210 for Wireline Occupancies or NCRR Form 220 for Pipeline Occupancies and pay the applicable Application and Engineering Review Fees.

All Occupancy Agreements and License Fees shall be subject to the following:

- New Occupancy Agreements shall be subject to the NCRR Occupancy Agreement Application, Engineering and License Fees in effect at time of preparation of the Agreement.
- Previously issued Norfolk Southern (NS) and CSX Agreements shall be cancelled by NCRR and new Occupancy Agreements shall be prepared.
 - Those Occupancy Agreements issued at a nominal fee by either NS or CSX shall be subject to payment of full License Fees in accordance with the current NCRR Fee Schedule.
 - NS and CSX Occupancy Agreements issued at market rental rates in effect at time of issue shall require payment by the Applicant of one-half the current NCRR License Fee.

- All Occupancy Agreements shall be subject to full Application and Engineering Review Fees. NCRR, at its sole discretion, may waive all or a portion of the Engineering Review Fee.
- Occupancy Agreements shall be cancelable by either party on 30 days written notice.
- Occupancy Agreements for Pipelines will be granted only to municipal utilities or utilities regulated by the North Carolina Utilities Commission or other similar governmental agency.
- Any existing utility encroachment that exists without a prior Occupancy Agreement shall be processed as an application for a new Occupancy.
- Any Licensee may elect to make a one-time License Fee payment in advance in lieu of annual payments by paying eighteen times the annual rental fee.
- Applicants shall pay Application and Engineering Review Fees to an engineering firm of NCRR's choosing. Currently this engineering firm is HNTB Corporation located in Raleigh, NC.

Licensee shall pay all labor and material furnished by NCRR in connection with the construction, reconstruction, repair, relocation or removal of any occupation of its property.

Licensee shall pay all services of watchmen, flagmen, inspectors and any other costs incurred by NCRR, the Operating Railroads and NCRR's Engineering Representative.

Exceptions shall be referred to NCRR Management for consideration.

2. Application Review Process Fees

The fees associated with the application review process are intended to cover the costs of processing and reviewing the application. These fees are in addition to the rental fees shown in this summary schedule.

- The application review process fees (Application Fee and Engineering Review Fee) are payable directly to an engineering firm of NCRR's choosing. Currently this engineering firm is HNTB Corporation located in Raleigh, NC..

Application and Engineering Review Fees

- Pipeline and underground wireline occupancy agreements: \$1450 (includes \$950 Engineering Review Fee and \$500 Application Fee).
- Aerial wireline occupancy agreements: \$950 (includes \$450 Engineering Review Fee and \$500 Application Fee).
- Application and Engineering Review Fees are nonrefundable.

The above fees include one meeting with the applicant in Raleigh. Additional meetings, if required, and alternate meeting locations as requested by the Applicant, shall be at additional cost to the Applicant.

Engineering review fees for unusually complicated or unique applications will be determined on a case by case basis. Examples may include projects that include significant retaining walls along the right-of-way or longitudinal encroachments for significant distances. NCR's Engineering Representative will notify the Applicant if additional review fees are required prior to processing the Application.

3. Norfolk Southern Fees

An application fee, currently \$200, is payable to Norfolk Southern Corporation upon execution of an occupancy agreement.

4. Annual Rental Fees (Effective January 1, 2005)

A. Transverse crossings

Current rental fees may be obtained by contacting the North Carolina Railroad's Assistant Corridor Manager as follows:

Assistant Corridor Manager
Property Department
North Carolina Railroad Company
2809 Highwoods Blvd., Suite 100
Raleigh, NC 27604
(919) 954-7601

B. Longitudinal Occupations

Longitudinal occupations shall incur the same rental fees as those for transverse occupations on a per foot basis with the minimum charges as stated.

C. Notes

Coal and water slurry lines are not allowed on NCRR property.

A proportionate additional rental calculated to the nearest dollar shall be made for any transverse and longitudinal crossing in excess of 200 feet.

Attachments of wires, cables, etc. to bridges, buildings, poles or structures of Railroad Company subject to special consideration in each case.

Reasonable effort must be made to locate poles, guys and anchors off the railroad right-of-way. When poles, towers, guys and anchors must be located within the right-of-way, sufficient evidence of necessity will be required.

Guys, stubs, anchors and push or pull braces definitely not required by specifications for the support of a crossing pole, and placed on the Railroad right-of-way solely at the request of the Railroad Company, shall be considered as a part of the crossing pole and no charges made thereof.

Rental for non-circular pipes shall be determined by the diameter of a circular pipe having an equivalent cross-sectional area.

Rental for pipe tunnels or other special underground construction shall be subject to special consideration.

Pipelines carried over Railroad Company's property on bridges or other supports subject to special consideration in each case.