

Northern Pacific - Operating costs May 18, 1902

Hill to Col. W. P. Clough

Have long noted that money for Nor. Pac. to supposedly put it in permanent condition has been thrown away. Excessive engine mile service over train mile is due probably to double-headers "in order to make a large showing in the tonnage per train mile, but the difference between running 2 engines or 2 trains is only about 7¢ a mile, or the wages of a conductor & brakemen and a few train supplies. Two cars more to the load hauled by double-headers would more than pay for the additional cost, and 12 to 20 additional cars would be moved by another train. Mellen's proposal for the Company to go into banking business for lending money to build

elevators and mills should not be tolerated. Banking is not any part of the Company's business. The loan made to Washburn to build the line north of Bismarck is a case in point where now the Soo road is building to Bismarck in order to connect with and purchase the particular ry. which the N.P. has supplied money for without any adequate security or benefit from its construction except the sale of some lands, which would bring \$2.00 an acre today more than they were sold for.

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