

SURFACE TRANSPORTATION BOARD

PRESCRIPTION OF DEPRECIATION RATES

for

KANSAS CITY SOUTHERN RAILWAY COMPANY

ROAD PROPERTY

KCS-RD-13

Rates Effective: January 1, 2013

Kansas City Southern Railway Company (KCS) has submitted depreciation rates for its road property (excluding track). Life and salvage estimates supporting these rates were also provided and have been given appropriate consideration.

The depreciation rates prescribed herein replace any rates previously prescribed for the subject property. Beginning on the effective date of this prescription, the railroad is prohibited from using any rates other than those prescribed herein. As stated in *49 U.S.C. 11143*, a rail carrier may not:

- (1) charge to operating expenses a depreciation charge on a class of property other than that prescribed by the Board;
- (2) charge another rate of depreciation; or
- (3) include other depreciation charges in operating expenses.

IT IS ORDERED:

- (1) Kansas City Southern Railway Company (KCS) shall calculate depreciation expense and amortize the variance between book accumulated depreciation and the calculated guideline by applying to the ledger value of road property (excluding track), owned and used in its operations, the *Depreciation Rates Including Accumulated Depreciation True-Up* shown herein. These depreciation rates are effective **January 1, 2013, through December 31, 2013**, or until further order of the Board.
- (2) For information purposes, the Accrual Rates without the adjustment for the variance in accumulated depreciation are also shown herein.

KCS ROAD PROPERTY DEPRECIATION RATES		
ACCOUNT	ACCRUAL RATES	DEPRECIATION RATES INCLUDING ACCUMULATED DEPRECIATION TRUE-UP
KCSR		
3. Grading	0.77	0.81
4. Other Right-Of-Way Expenditures	1.67	1.18
5. Tunnels and Subways	1.00	0.29
6. Bridges, Trestles and Culverts	1.11	1.08
13. Fences, Snow Sheds and Signs	1.54	1.62
16A. Stations and Office Buildings	2.22	2.16
16B. Furniture and Equipment	10.00	19.66
17. Roadway Buildings	1.82	1.59
19. Fuel Stations	3.33	3.27
20. Shops and Enginehouses	1.54	1.36
23. Wharves and Docks	4.00	4.01
25. TOFC/COFC Terminals	2.86	2.58
26. Communication Systems	4.00	3.36
27. Signals and Interlockers	2.86	2.73
31. Power Transmission Systems	2.00	1.49
35. Miscellaneous Structures	2.22	0.16
37. Roadway Machines	3.29	2.33
39A. Public Improvements Constr -- Crossings	2.00	1.89
39B. Public Improvements Constr – Other	2.00	2.26
44. Shop Machinery	2.71	1.78
MSLLC		
3. Grading	0.77	0.82
6. Bridges, Trestles and Culverts	1.11	1.06
13. Fences, Snow Sheds and Signs	1.54	0.73
17. Roadway Buildings	1.82	1.60
26. Communication Systems	4.00	3.19
27. Signals and Interlockers	2.86	2.85
39A. Public Improvements Constr -- Crossings	2.00	2.00
39B. Public Improvements Constr – Other	2.00	1.86
ST&T		
20. Shops and Enginehouses	1.54	1.16
44. Shop Machinery	2.71	0.74

Decided February 4, 2013, by the Surface Transportation Board, Accounting Board.