

# **SURFACE TRANSPORTATION BOARD**

## **PRESCRIPTION OF DEPRECIATION RATES**

*for*

### **KANSAS CITY SOUTHERN RAILWAY COMPANY**

#### **EQUIPMENT PROPERTY**

#### **KCS-EQ-09**

*Rates Effective: January 1, 2009*

---

Kansas City Southern Railway Company (KCS) has submitted depreciation rates for its equipment property. 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 account for depreciation charges by applying to the ledger value of equipment property, owned and used in its operations, the annual component percentage rates shown herein.
- (2) The rates shall be effective from **January 1, 2009, through December 31, 2011**, or until further order of the Board.
- (3) KCS shall amortize the variance between book accumulated depreciation and the calculated guideline over the average remaining life of its equipment property through use of the "Depreciation Rates Including Accumulated Depreciation True-Up" shown herein.

<b>KCS EQUIPMENT PROPERTY DEPRECIATION RATES</b>			
<b>A/C #</b>	<b>ACCOUNT NAME</b>	<b>ACCRUAL RATES</b>	<b>DEPN RATES INCLUDING ACCUM DEPN TRUE-UP</b>
<b>52</b>	<b>Locomotives</b>		
52.01	Switch	2.35	2.88
52.02	Road	2.50	4.97
52.01	Switch Rebuilds	7.50	9.61
52.02	Road Rebuilds	7.50	14.73
<b>53</b>	<b>Freight Train Cars</b>		
53.02	Boxcar - 50' and Longer	2.41	0.14
53.03	Equipped Boxcar	2.63	1.75
53.04	Plain Gondola	3.35	1.15
53.05	Equipped Gondola	1.81	1.81
53.06	Covered Hopper	2.23	1.38
53.07	General Service Open Hopper	5.50	0.43
53.14	Other Flat Car	1.93	1.20
53.15	Tank Car - Over 22,000 Gals.	1.91	0.80
53.15	All Other Freight Cars	3.28	1.29
53.16	Caboose	-----	0.00
<b>57</b>	<b>Work Equipment</b>	2.57	2.03
<b>58</b>	<b>Miscellaneous Equipment</b>		
58.01	Airplane	10.00	8.25
58.02	Automobiles	-----	0.00
58.03	Trucks	8.08	3.66
58.04	Other	9.09	6.14
<b>59</b>	<b>Computers</b>	14.29	17.06

Decided December 23, 2009 by the Surface Transportation Board, Accounting Board.