

SURFACE TRANSPORTATION BOARD

PRESCRIPTION OF DEPRECIATION EXPENSE

for

UNION PACIFIC RAILROAD COMPANY

CONCRETE TIE FAILURES (ACCOUNT 8.03)

UP-TR3-14

Depreciation Expense Effective: January 1, 2014

Union Pacific Railroad Company (UP) has submitted revised depreciation expense for its **Concrete Tie Failures (Account 8.03)**. Documentation supporting the revised depreciation expense was also provided and has been given appropriate consideration.

The depreciation expense in this prescription replaces the depreciation expense prescribed in **UP-TR-14**. Beginning on the effective date of this prescription, the railroad is prohibited from using any depreciation expense other than that 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) Union Pacific Railroad Company (UP) shall account for depreciation charges for **Concrete Tie Failures (Account 8.03)** by using the annual depreciation expense shown herein.
- (2) The depreciation expense prescribed herein shall be effective from **January 1, 2014, to December 31, 2014**, or until further order of the Board.

| DEPRECIATION EXPENSE FOR UP CONCRETE TIE FAILURES | | |
|--|-----------------------|--|
| A/C # | ACCOUNT NAME | ANNUAL DEPRECIATION EXPENSE |
| 8.03 | Concrete Tie Failures | \$40,986,338 |

Decided April 30, 2014, by the Surface Transportation Board, Accounting Board.