

# **SURFACE TRANSPORTATION BOARD**

## **PRESCRIPTION OF DEPRECIATION RATES**

*for*

**UNION PACIFIC RAILROAD COMPANY**

**TRACK PROPERTY**

**UP-TR-15**

*Rates Effective: January 1, 2015*

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Union Pacific Railroad Company (UP) has submitted depreciation rates for its track property. UP's submission excludes rail densities 1 and 2, the depreciation rates for which will be addressed in a separate rate prescription. Life and salvage estimates supporting the submitted 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) Union Pacific Railroad Company (UP) shall account for depreciation charges by applying to the ledger value of track property, owned and used in its operations, the annual component percentage rates shown herein.
- (2) The rates shall be effective from **January 1, 2015, to December 31, 2020**, or until further order of the Board.
- (3) The adequacy of the book accumulated depreciation for track property will be addressed in a separate prescription.

<b>DEPRECIATION RATES FOR UP TRACK PROPERTY</b>			
<b>A/C #</b>	<b>ACCOUNT NAME</b>	<b>DENSITY</b>	<b>DEPRECIATION RATE</b>
8	Wood Ties	All	4.22%
8	Concrete Ties	All	2.70%
9	Rail, Yard & Way Switching Track	4	3.12%
9	Rail, Electronic Yards	5	3.12%
11	Ballast	All	2.94%

Decided November 13, 2014, by the Surface Transportation Board, Accounting Board.