

SURFACE TRANSPORTATION BOARD

PRESCRIPTION OF DEPRECIATION RATES

for

NORFOLK SOUTHERN CORPORATION

ROAD PROPERTY

NS-RD-13

Rates Effective: January 1, 2013

Norfolk Southern Corporation (NS) has submitted proposed 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) Norfolk Southern Corporation shall calculate annual depreciation accruals by applying to the ledger value of road property (excluding track), owned and used in its operations, the depreciation accrual rates shown herein.
- (2) The depreciation accrual rates shall be effective from **January 1, 2013, to December 31, 2018**, or until further order of the Board.
- (3) The amortization of the variance between book accumulated depreciation and the calculated guideline for road property shall be addressed in an Amortization Prescription.

DEPRECIATION RATES FOR NS ROAD PROPERTY	
ACCOUNT	DEPRECIATION ACCRUAL RATE
3, Grading	1.05
4, Other Right-Of-Way Expenditures	1.05
5, Tunnels and Subways	0.83
6, Bridges, Trestles and Culverts	1.04
7, Elevated Structures	6.56
13, Fences, Snow Sheds and Signs	1.05
16, Stations and Office Buildings	2.35
17, Roadway Buildings	2.27
19, Fuel Stations	3.16
20, Shops and Enginehouses	2.00
22, Storage Warehouses	2.50
23, Wharves and Docks	3.33
24, Coal and Ore Wharves	3.09
25A, TOFC/COFC Terminals – Lift Equipment	6.33
25B, TOFC/COFC Terminals – Other	2.38
26, Communication Systems	3.84
27, Signals and Interlockers	1.78
29, Power Plants	2.86
31, Power Transmission Systems	2.22
35, Miscellaneous Structures	2.50
37, Roadway Machines	5.28
39A, Public Improvements Construction -- Crossings	10.00
39B, Public Improvements Construction -- Other	1.18
44, Shop Machinery	3.27
45, Power Plant Machinery	2.13

DEPRECIATION RATES FOR PRR ROAD PROPERTY	
ACCOUNT	DEPRECIATION ACCRUAL RATE
3, Grading	2.75
4, Other Right-Of-Way Expenditures	1.69
5, Tunnels and Subways	1.36
6, Bridges, Trestles and Culverts	2.18
7, Elevated Structures	8.16
13, Fences, Snow Sheds and Signs	2.07
16, Stations and Office Buildings	4.49
17, Roadway Buildings	4.46
19, Fuel Stations	4.75
20, Shops and Enginehouses	3.99
23, Wharves and Docks	0.00
24, Coal and Ore Wharves	2.89
25, TOFC/COFC Terminals	3.50
26, Communication Systems	6.77
27, Signals and Interlockers	2.25
29, Power Plants	9.76
31, Power Transmission Systems	4.21
35, Miscellaneous Structures	4.87
37, Roadway Machines	9.70
39A, Public Improvements Construction -- Crossings	14.86
39B, Public Improvements Construction -- Other	1.37
44, Shop Machinery	10.25
45, Power Plant Machinery	5.80

Decided March 29, 2013, by the Surface Transportation Board, Accounting Board.