



*SURFACE TRANSPORTATION BOARD  
Office of Economics  
Washington, DC 20423*

**PRESCRIPTION OF DEPRECIATION RATES**

*for*

**UNION PACIFIC RAILROAD COMPANY**

**EQUIPMENT PROPERTY**

**UP-EQ-16**

*Rates Effective: January 1, 2016*

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Union Pacific Railroad Company (UP) 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) Union Pacific Railroad Company (UP) shall account for depreciation charges by applying to the ledger value of equipment property, owned and used in its operations, the annual depreciation rates shown herein.
- (2) The rates shall be effective from **January 1, 2016**, or until further order of the Board.

<b>UNION PACIFIC RAILROAD COMPANY</b>		
<b>Annual Depreciation Rates for Equipment Property</b>		
<b>Account</b>	<b>Depreciation Rates</b>	
<b><u>Diesel Locomotives - Account 52</u></b>		
52.01	Yard	3.78%
52.01	Yard - Rebuilt & Used	8.90%
52.02	Road	3.71%
52.02	Road - Rebuilt & Used	8.90%
<b><u>Freight Cars - Account 53</u></b>		
53.00	Rebuilt and Reused	5.36%
53.02	Box - Plain, 50 Ft & Longer	4.94%
53.03	Box - Equipped	3.67%
53.04	Gondola - Plain	2.70%
53.05	Gondola - Equipped	3.55%
53.06	Hopper - Covered	2.64%
53.07	Hopper - Open Top, General	2.89%
53.08	Hopper - Open Top, Special	3.04%
53.09	Refrigerator - Mechanical	3.87%
53.10	Refrigerator - NonMechanical	4.65%
53.11	Flat - TOFC/COFC	5.24%
53.12	Flat - Multilevel	3.96%
53.13	Flat - General Service	2.79%
53.14	Flat - Other	2.79%
53.15	All Other Cars	3.23%
53.16	Cabooses	5.00%
53.17	Other (Rack)	3.39%
<b><u>Highway Revenue Equipment - Account 55</u></b>		6.13%
<b><u>Work Equipment - Account 57</u></b>		2.93%
<b><u>Miscellaneous Equipment - Account 58</u></b>		
58.02	Automobile	12.86%
58.03	Truck	7.92%
58.04	Other	5.59%
<b><u>Computer Systems - Account 59</u></b>		
59.01	General Computer Eqmt	16.67%
59.02	Communication Eqmt	5.56%
59.03	Computer Software - Core	6.67%
59.04	Computer Software - Operating	20.00%
59.05	Personal Computer & Assoc.	28.57%

Decided April 27, 2016, by the Surface Transportation Board, Accounting Board.