

SURFACE TRANSPORTATION BOARD

PRESCRIPTION OF DEPRECIATION RATES

for

EQUIPMENT PROPERTY OF GRAND TRUNK CORPORATION

GTC-EQ-15

Rates Effective: January 1, 2015

Grand Trunk Corporation (GTC) 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) Grand Trunk Corporation shall account for depreciation charges for its equipment property by applying the annual component percentage rates shown herein to the ledger value of its equipment property, owned and used in its operations.
- (2) The depreciation rates shall be effective from **January 1, 2015, to December 31, 2017**, or until further order of the Board.
- (3) The amortization amounts for accumulated depreciation for GTC equipment property will be issued in a separate prescription.

Depreciation Rates for Equipment Property Grand Trunk Corporation		
A/C #	Account Name	Depreciation Rate
Account 52 - Locomotives		
52.01	Yard – Hulk - New	1.79
52.01	Yard – Hulk - Secondhand	3.31
52.02	Road – Hulk - New	2.65
52.02	Road - Hulk - Secondhand	5.21
52.05	Passenger – Hulk - Secondhand	9.26
52.12	Multipurpose – Hulk - New	2.29
52.12	Multipurpose - Hulk - Secondhand	3.75
52.16	Road - Components	12.50
52.18	Multipurpose – Components	6.67
52.20	Betterments	5.88
Account 53 - Freight Cars		
53.03	Box - Equipped	2.48
53.04	Gondola - Plain	2.43
53.05	Gondola - Equipped	2.13
53.06	Hopper - Covered	1.83
53.07	Hopper - Open Top – General Service	2.32
53.08	Hopper - Open Top – Special Service	1.50
53.12	Flat - Multi-Level	1.89
53.13	Flat - GS	2.47
53.14	Flat - Other	2.40
53.15	All Other Freight Cars	2.56
53.16	Cabooses	2.29
53.17	Auto Racks	3.80
53.20	Rebuilds/Betterments	6.67
Account 54 – Passenger Cars		1.89
Account 55 – Highway Revenue Equipment		9.50
Account 56 – Floating Equipment		2.43
Account 57 - Work Equipment		
57.00	Work Equipment	2.00
57.20	Rebuilds/Betterments	4.35

Depreciation Rates for Equipment Property Grand Trunk Corporation - <i>continued</i>		
A/C #	Account Name	Depreciation Rate
Account 58 – Miscellaneous Equipment		
58.03	Trucks	8.18
58.04	Other	6.92
Account 59 - Computer Systems		
59.01	Core Business Software	6.67
59.02	Mainframe/Telecom Equipment	12.50
59.03	PC & Related Equipment	20.00

Decided September 10, 2015, by the Surface Transportation Board, Accounting Board.