

SURFACE TRANSPORTATION BOARD

PRESCRIPTION OF DEPRECIATION RATE

for

NORFOLK SOUTHERN CORPORATION

MAIN LINE RAIL AND OTM

NS-TR-12

Rate Effective: January 1, 2012

Norfolk Southern Corporation (NS) has submitted its proposed depreciation rate for NS main line rail and other track material (OTM). Life and salvage estimates supporting this rate were also provided and have been given appropriate consideration.

The depreciation rate prescribed herein does not apply to main line rail and OTM of the former Pennsylvania Railroad. The depreciation rate for these assets will be included in the depreciation rate prescription for NS track property other than main line rail.

The depreciation rate prescribed herein replaces any rate previously prescribed for the subject property. Beginning on the effective date of this prescription, the railroad is prohibited from using any rate 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 (NS) shall account for depreciation charges by applying to the ledger value of main line rail and OTM, owned and used in its operations, the annual component percentage rate shown herein.
- (2) The rate shall be effective from **January 1, 2012, to December 31, 2013**, or until further order of the Board.
- (3) The adequacy of the book accumulated depreciation for this property will be addressed in the depreciation rate prescription for NS track property other than main line rail.

DEPRECIATION RATE FOR NS MAIN LINE RAIL AND OTM	
Account	Depn Rate
Main Line Rail and OTM	2.53%

Decided July 23, 2012, by the Surface Transportation Board, Accounting Board.