

# Surface Transportation Board

## Prescription of Depreciation Rates

*for*

**Union Pacific Railroad Company**

**Rail & Other Track Materials**

**UP-TR-10**

*Rates Effective: January 1, 2010*

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Union Pacific Railroad Company (UP) has submitted depreciation rates for its rail and other track materials (OTM) 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 rail and OTM, owned and used in its operations, the annual component percentage rates shown herein.
- (2) The rates shall be effective from **January 1, 2010, to December 31, 2010**, or until further order of the Board.
- (3) UP is not required to amortize the variance between book accumulated depreciation and the calculated guideline for its rail and OTM.

<b>UP Rail and OTM Depreciation Rates</b>			
<b>A/C #</b>	<b>Account Name</b>	<b>Density</b>	<b>Depreciation Rate</b>
9.01	Main & Branch Lines	1	4.42%
9.02	Main & Branch Lines	2	1.32%
9.04	Yard & Way Switching Track	4	3.45%
9.05	Electronic Yards	5	3.45%

Decided February 19, 2010, by the Surface Transportation Board, Accounting Board.