

SURFACE TRANSPORTATION BOARD

PRESCRIPTION OF DEPRECIATION RATES

for

ROAD PROPERTY OF GRAND TRUNK CORPORATION

GTC-RD-14

Rates Effective: January 1, 2014

Grand Trunk Corporation (GTC) has submitted 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) Grand Trunk Corporation shall account for depreciation charges for its road property (excluding track) by applying the annual component percentage rates shown herein to the ledger value of its road property, owned and used in its operations.
- (2) The depreciation rates shall be effective from **January 1, 2014, to December 31, 2019**, or until further order of the Board.
- (3) The adequacy of the book accumulated depreciation for GTC road property will be addressed in a separate depreciation prescription.

| Depreciation Rates for GTC Road Property | | |
|---|------------------------------|----------------------|
| | Account | Accrual Rates |
| 03 | Grading | 0.91 |
| 04 | Other ROW Expenditures | 2.00 |
| 05 | Tunnels and Subways | 0.91 |
| 06 | Bridges, Trestles, Culverts | 1.34 |
| 13 | Fences, Snow Sheds, Signs | 1.67 |
| 16 | Station and Office Buildings | 2.65 |
| 17 | Roadway Buildings | 2.17 |
| 18 | Water Stations | 3.03 |
| 19 | Fuel Stations | 3.30 |
| 20 | Shops and Enginehouses | 1.78 |
| 22 | Storage Warehouses | 2.63 |
| 23 | Wharves and Docks | 2.08 |
| 24 | Coal and Ore Wharves | 1.40 |
| 25 | TOFC/COFC Terminals | 2.61 |
| 26 | Communication Systems | 3.17 |
| 27 | Signals and Interlockers | 2.41 |
| 29 | Power Plants | 1.96 |
| 31 | Power - Transmission Sys | 1.63 |
| 35 | Miscellaneous Structures | 2.38 |
| 37 | Roadway Machines | 3.44 |
| 39 | Public Impr - Constr | 2.00 |
| 44 | Shop Machinery | 2.30 |
| 45 | Power Plant Machinery | 2.45 |

Decided July 21, 2014, by the Surface Transportation Board, Accounting Board.