

30968

SERVICE DATE - APRIL 7, 2000

SURFACE TRANSPORTATION BOARD

CORRECTED DECISION¹

SUB-ORDER NO. R-837-I

**The matter of prescribing depreciation rates for use in
computing depreciation charges for railroads**

Issued to

THE CANADIAN NATIONAL/ILLINOIS CENTRAL RAILROAD COMPANY

In accordance with our requirement that a depreciation study for track property be submitted every six years, the Canadian National/Illinois Central Railroad Company (CN/IC) has submitted revised depreciation rates for the railroad's ties and ballast.² Accordingly, the depreciation rates in this sub-order replace any rates prescribed in previous sub-orders for CN/IC ties and ballast.

Supporting life and salvage analyses were supplied by CN/IC. We have given appropriate consideration to the submission and supporting information.

IT IS ORDERED:

- (1) Canadian National/Illinois Central Railroad Company shall account for depreciation charges by applying to the ledger value of ties and ballast the annual composite percentage rates shown herein.
- (2) The rates shall be effective January 1, 2000.
- (3) CN/IC shall amortize the variance between book accumulated depreciation and the calculated guideline over the composite average remaining life for each account.

¹ This correction corrects our previous decision served April 6, 2000.

² The CN/IC has indicated that it will submit a separate study for rail property.

Depreciation Rates Canadian National/Illinois Central Railroad Company Ties and Ballast		
Account No.	Account Title	Composite Depreciation Rate
08	Ties	
	Density II	3.83
	Density IV	5.16
11	Ballast	
	Density II	2.42
	Density IV	2.81

Decided April 1, 2000, by the Surface Transportation Board's Accounting Board members Aguiar, Asmuth, and Warren.

Vernon A. Williams
Secretary