



*SURFACE TRANSPORTATION BOARD
Office of Economics
Washington, DC 20423*

PRESCRIPTION OF DEPRECIATION RATES

for

Kansas City Southern Railway Company

EQUIPMENT PROPERTY

KCS-EQ-2015

Rates Effective: January 1, 2015

Kansas City Railway Company 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) Kansas City Southern Railway Company shall account for depreciation charges by applying to the ledger value of equipment property, owned and used in its operations, the annual depreciation rates shown herein.
- (2) The rates shall be effective from January 1, 2015, or until further order of the Board.

APPROVED RATES

Kansas City Southern Rail Railway		
Equipment Property Depreciation Rates		
A/C #	Account Title	New Accrual Rates
52- Locomotives	Legacy-Hulk	2.02
	Legacy -Components	8.50
	New-Hulk	2.00
	New Components	8.50
53-Freight Cars	Box 50'	2.27
	Box 60'	2.27
	Gondola	2.80
	Open Hopper	3.20
	Covered Hopper	2.15
	Flat Car	2.00
	Tank Car	2.00
	Auto Racks	4.50
Auto Max	2.29	
57-Work Equip.	Business Cars/MOW Eq.	2.05
58-misc. Equip.	Other/trucks	8.82
59- Computers	3yr.	33.33
	5 yr.	20.00
	7 yr.	14.29

Decided May 18, 2016, by the Surface Transportation Board, Accounting Board.