



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

**PRESCRIPTION OF DEPRECIATION RATES**  
*for*  
**KANSAS CITY SOUTHERN RAILWAY COMPANY**  
**ROAD PROPERTY**  
**KCS-RD-19**

*Rates Effective: January 1, 2019*

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Kansas City Southern Railway Company (KCS) has submitted depreciation rates for its **road 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 (KCS) shall account for depreciation charges by applying to the ledger value of **road property**, owned and used in its operations, the annual depreciation rates shown herein.
- (2) The rates shall be effective **January 1, 2019**, or until further order of the Board.

<b>KANSAS CITY SOUTHERN RAILWAY COMPANY</b>	
<b>Road Property Depreciation Rates</b>	
<b>ACCOUNT</b>	<b>DEPRECIATION RATES</b>
<b><u>KCS</u></b>	
3 Grading	0.83
4 Other Right-Of-Way Expenditures	1.43
5 Tunnels and Subways	1.00
6 Bridges, Trestles, and Culverts	1.25
13 Fences, Snowsheds, and Signs	1.54
16 Station and Office Buildings	
Stations and Office Buildings	1.82
Furniture and Equipment	10.00
17 Roadway Buildings	1.82
18 Water Stations	2.00
19 Fuel Stations	3.33
20 Shops and Enginehouses	1.54
23 Wharves and Docks	4.00
25 TOFC/COFC Terminals	
Terminals	2.50
Equipment	2.86
26 Communication Systems	4.00
27 Signals and Interlockers	2.86
31 Power Transmission Systems	2.00
35 Miscellaneous Structures	2.22
37 Roadway Machines	3.10
39 Public Improvements Construction - Crossings/Other	2.00
44 Shop Machinery	2.71
<b><u>MSLLC</u></b>	
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13 Fences, Snowsheds, and Signs	1.54
17 Roadway Buildings	1.82
26 Communication Systems	4.00
27 Signals and Interlockers	2.86
39 Public Improvements Construction - Crossings/Other	2.00
<b><u>ST&amp;T</u></b>	
13 Fences, Snowsheds, and Signs	1.54
16 Station and Office Buildings	
Stations and Office Buildings	1.82
Furniture and Equipment	10.00
18 Water Stations	2.00
20 Shops and Enginehouses	1.54
44 Shop Machinery	2.71
<b><u>Mexrail</u></b>	
6 Bridges, Trestles, and Culverts	1.25

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<b>Road Property Depreciation Rates</b>	
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Decided August 6, 2019 by the Surface Transportation Board's Accounting Board members Ramirez, Staton, Dusenberry.