



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

PRESCRIPTION OF DEPRECIATION RATES

for

Kansas City Southern Railway Company

ROAD and TRACK PROPERTY

KCS-RD-2015 / KCS -TR-2015

Rates Effective: January 1, 2015

Kansas City Southern Railway has submitted depreciation rates for its road and track 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 road and track property, owned and used in its operations, the depreciation accrual rates shown herein.
- (2) These depreciation rates shall be effective from January 1, 2015, or until further order of the Board.

APPROVED RATES

Kansas City Southern Railway Road and Track Depreciation Rates		
A/C #	Account Title	New Accrual Rates
3	Grading	0.77
4	Other ROW Expenditures	1.67
5	Tunnels and Subways	1.00
6	Bridges, trestles and culverts	1.11
13	Fences, snow sheds and signs	1.54
16A	Stations and Office Buildings	2.22
16B	Furniture and Equipment	10.00
17	Roadway buildings	1.82
18	Water Stations	2.00
19	Fuel Stations	3.33
20	Shops and engine houses	1.54
23	Wharves and Docks	4.00
25	TOFC/COFC terminals	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	3.28
39	Public improvements	2.00
44	Shop machinery	2.71
8	Ties-Density Class1- Wood	5.24
	Density Class 1 Concrete	2.44
	Density Class 2 Wood	4.40
	Density Class 4 Wood	2.82
	Density Class 4 Concrete	2.20

A/C #	Account Title	New Accrual Rates
9	Rails and OTM-Density Class 1	2.92
	Rails and OTM-Density Class 2	2.50
	Rails and OTM-Density Class 4	1.59
	Other OTM	2.50
11	Ballast- Density Class 1	4.00
	Ballast- Density Class2	3.57
	Ballast- Density Class 4	2.50
MSLLC		
3	Grading	0.77
6	Bridges, trestles and culverts	1.11
13	Fences, snow sheds and signs	1.54
17	Roadway Buildings	1.82
26	Communication Systems	4.00
27	Signals and interlockers	2.86
39	Public Improvements	2.00
ST&T		
13	Fences, snow sheds and signs	1.54
16	Station and Office Buildings	2.22
18	Water Stations	2.00
20	Shops and engine houses	1.54
44	Shop machinery	2.71
MSLLC		
8	Ties-Density Class 1- Wood	5.24
	Ties-Density Class 4- Wood	2.82
9	Rails and OTM- Density Class 1	2.92
	Rails and OTM- Density Class 4	1.59
	OTM	2.50
11	Ballast- Density Class 1	4.00
	Ballast- Density Class 4	2.50
ST&T		
9	Rails and OTM-Density Class 4	1.59

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