Union Pacific Railroad Company (UP) has submitted revised depreciation expense for its Concrete Tie Failures. Documentation supporting the revised depreciation expense was also provided and has been given appropriate consideration.

Beginning on the effective date of this prescription, the railroad is prohibited from using any depreciation expense other than that 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. Union Pacific Railroad Company (UP) shall account for depreciation charges for Concrete Tie Failures using the annual depreciation expense shown herein.

2. The depreciation expense prescribed herein shall be effective from January 1, 2018 or until further order of the Board.
<table>
<thead>
<tr>
<th>A/C #</th>
<th>ACCOUNT NAME</th>
<th>Depreciation Rate</th>
<th>ANNUAL DEPRECIATION EXPENSE</th>
</tr>
</thead>
<tbody>
<tr>
<td>8.03</td>
<td>Concrete Tie Failures</td>
<td>22.02</td>
<td>$31,730,043</td>
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</tbody>
</table>

Decided March 14, 2018 by the Surface Transportation Board, Accounting Board.