



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

PRESCRIPTION OF DEPRECIATION RATES
for
KANSAS CITY SOUTHERN RAILWAY COMPANY
EQUIPMENT PROPERTY
KCS-TR-25

Rates Effective: April 14, 2023

Kansas City Southern Railway Company (KCS) has submitted depreciation rates for its **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 (KCS) shall account for depreciation charges by applying to the ledger value of **track property**, owned and used in its operations, the annual depreciation rates shown herein.
- (2) The rates shall be effective **April 14, 2023**, or until further order of the Board.

Kansas City Southern Railway Company Track Property		
ACCOUNT	DEPRECIATION RATES	
	Additions/Capital Expenditures	Acquired Assets
<u>KANSAS CITY SOUTHERN</u>		
8 Ties		
Wood - Density Class I	4.12	6.17
Concrete - Density Class I	2.16	2.66
Wood - Density Class II	3.43	5.10
Wood - Density Class IV	2.29	3.47
Concrete and Steel - Density Class IV	1.37	1.58
9 Rails and OTM		
Density Class I	3.07	4.77
Density Class II	2.57	4.08
Density Class IV	1.90	2.66
OTM	2.56	3.52
11 Ballast		
Density Class I	3.33	4.55
Density Class II	2.70	3.73
Density Class IV	2.22	2.91
<u>TEXAS MEXICAN RAILWAY</u>		
8 Ties		
Wood - Density Class I	4.12	5.78
Wood - Density Class II	3.43	3.82
Wood - Density Class IV	2.29	3.42
Concrete and Steel - Density Class IV	1.36	1.60
9 Rails and OTM		
Density Class I	3.07	4.17
Density Class II	2.57	2.85
Density Class IV	1.90	2.66
OTM	2.56	3.42
11 Ballast		
Density Class I	3.33	4.41
Density Class II	2.70	3.00
Density Class IV	2.22	2.79
<u>SUPERIOR TIE AND TIMBER</u>		
9 Rails and OTM		
Density Class IV	1.90	2.50
11 Ballast		
Density Class IV	2.22	2.40

Kansas City Southern Railway Company Track Property		
ACCOUNT	DEPRECIATION RATES	
	Additions/Capital Expenditures	Acquired Assets
<u>MERIDIAN SPEEDWAY, LLC</u>		
8 Ties		
Wood - Density Class I	4.12	6.10
Wood - Density Class IV	2.29	3.32
9 Rails and OTM		
Density Class I	3.07	4.66
Density Class IV	1.90	2.62
OTM	2.56	3.32
11 Ballast		
Density Class I	3.33	4.57
Density Class IV	2.22	2.85

Decided November 1, 2024 by the Surface Transportation Board's Accounting Board members Ramirez, Chen, Dusenberry.