

SUPPORTING STATEMENT - RE&I

**A. Justification:**

1. Why the collection is necessary. The Surface Transportation Board (Board) has broad statutory authority to provide economic regulatory oversight of railroads, addressing such matters as rates, service, the construction, acquisition and abandonment of rail lines, carrier mergers, and interchange of traffic among carriers (49 U.S.C. §§ 10101-11908). Class I railroads are required to file Quarterly Report Revenues, Expenses, and Income (RE&I), pursuant to authority in 49 U.S.C. §§ 11145 and 11162-64 and the Board's regulations at 49 C.F.R. § 1243.1. The Quarterly RE&I Report discloses net railway operating income on a quarterly and year-to-date basis for the current and prior year.

2. How the collection will be used. The Board uses the information in the RE&I report to ensure competitive and efficient transportation through general oversight programs that monitor and forecast the financial and operating condition of railroads, and through regulation of railroad rate and service issues and rail restructuring proposals, including railroad mergers, consolidations, acquisitions of control, and abandonments. Information from the reports is also used by the Board, other Federal agencies, and industry groups to monitor and assess industry growth and operations, detect changes in carrier financial stability, and identify trends that may affect the national transportation system. Timely individual carrier information, as well as the accumulation of meaningful data from this group of seven railroads, is needed in the Board's decision-making process.

3. Extent of automated information collection. For many years, the respondent carriers have maintained the form for the RE&I report in a computerized format. Each railroad enters its data on its own computerized version of the form and submits a pdf of the required signed copy to the Board. The Board facilitates timely filing by permitting responders to fax or email the form. The Board has considered electronic filing, but determined that, because the data is maintained in different electronic formats by the respondent carriers, electronic filing would not be useful to the Board. In addition, any requirement for this report to be filed in a specific electronic format would necessarily impose a greater cost burden on the respondents.

4. Identification of duplication. No other Federal agency collects the information in the RE&I report, nor is this information available from any other source. Therefore, there will be no duplication of information. In most instances, the information sought is unique to each carrier.

5. Effects on small business. No small entities will be affected by the collection of this information. This report is applicable only to Class I railroads, which have operating revenues in excess of \$250 million (1991 dollars) adjusted for inflation. The Board has adopted an indexing

methodology that will ensure that regulated carriers are classified based on real business expansion, rather than the effects of inflation.

6. Impact of less frequent collections. The Board cannot fulfill its statutory responsibilities with less than the quarterly reporting required for this collection.

7. Special circumstances. No special circumstances described in question 7 apply to this collection.

8. Compliance with 5 C.F.R. § 1320.8. The Board published a notice in the Federal Register, providing a 60-day comments period regarding this collection. See 77 Fed. Reg. 2129-01 (Jan. 13, 2012). No comments were submitted. As required, the Board has published a notice providing a 30-day comment period, with comments to be sent to OMB. See 77 Fed. Reg. 27540.

9. Payments or gifts to respondents. The Board does not provide any payment or gift to respondents.

10. Assurance of confidentiality. All information collected through this report is available to the public.

11. Justification for collection of sensitive information. This collection contains no information of a sensitive nature.

12. Estimation of burden hours for respondents. The following information pertains to the estimate of burden hours associated with this collection:

(1) Number of respondents: 7

(2) Frequency of response: Each Class I carrier is required to file the RE&I report quarterly.

(3) Annual hour burden per respondent: Based on information provided by the railroad industry, we estimate a per-respondent-railroad burden of no more than 24 hours (6 hours per report), which includes time spent converting the data from the carrier's individual accounting system to the Board's Uniform System of Accounts (USOA) (see 49 U.S.C. §§ 11141-43, 11161-64; 49 C.F.R. §§ 1200-1201) for presentation in the R-1 format for consistency of information across all reporting railroads. The total annual burden hours for all seven carriers is estimated at not more than 168 hours.

13. Other costs to respondents: (a) Continuing this existing collection will impose no start-up costs on respondents. (b) No non-hour costs for operation, maintenance, or purchase of services associated with this collection has been identified. This report is filed electronically.

14. Estimated costs to the Board. We estimate that it takes six hours (GS 13/1 at \$52.90

hourly wage, including benefits) annually to compile selected data from the 28 filings for the report for our website (Class I Freight Railroads, Selected Earnings Data) and two hours (GS 14/10 at \$81.26 hourly wage, including benefits) to post the results on the website, resulting in a total cost of \$480.

15. Changes in burden hours. No change in burden hours is requested.

16. Plans for tabulation and publication: Certain information from these reports is compiled and published on the Board's website as a Quarterly Selected Earnings Report at <<http://www.stb.dot.gov> >.

17. Display of expiration date for OMB approval. No exception is sought. The control number and expiration date for this collection appear on the form.

18. Exceptions to Certification Statement. Not applicable

**B. Collections of Information Employing Statistical Methods:**

Not applicable