

**SUPPORTING STATEMENT – MODIFICATION TO COLLECTION  
OF QUARTERLY CONDENSED BALANCE SHEET, FORM CBS  
(in EP 701)**

**A. Justification:**

1. (a) 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). Under 49 U.S.C. §§ 11145, the Board may require regulated carriers to submit financial and statistical data and reports that the Board needs to carry out its mission.

The Board requires all Class I (large) railroads to file Quarterly Condensed Balance Sheet (CBS) reports. 49 C.F.R. § 1243.2. This collection shows the balance, at the end of each quarter, of the carrier's assets and liabilities (for the current and prior year); the carrier's gross capital expenditures (on a quarterly and cumulative basis for the current and prior year); and the carrier's revenue tons carried (on a quarterly and cumulative basis for the current and prior year).

(b) Why the modification is necessary. The Board proposes accelerate the deadline for this and several other reporting requirements. Under the proposal, Form CBS (49 C.F.R. § 1243.2) would be filed within 15 days, instead of 30 days, after the end of the quarter. The proposed change to the filing deadline would further facilitate oversight of the economic health and operations of Class I railroads. Earlier reporting of financial information would provide the Board and the public with an increased ability to identify and evaluate emerging trends, business conditions, and issues related to Class I (larger) railroads. In addition, the Board would be able to more quickly produce the various decisions that depend on the data. Reporting and information technology has changed since the existing deadline was set, allowing data to be more easily compiled and prepared for reports. Given the need for current financial and operational information, as well as improved reporting capabilities, it is appropriate that the Board reexamine and shorten current reporting deadlines.

2. How the collection will be used. The Board uses the information in this report to ensure competitive and efficient transportation through general oversight programs that monitor and forecast the financial and operating condition of railroads, and through specific regulation of railroad rate and service issues, as well as rail restructuring proposals, including railroad mergers, consolidations, acquisitions of control, and abandonments. Information from the reports is used by the Board; other federal agencies; and industry groups to assess industry growth and operations, detect changes in carrier financial stability, and identify trends that may affect the Nation's transportation system.

3. Extent of automated information collection. The railroads submit this report electronically in Excel spreadsheet format.

4. Identification of duplication. No other Federal agency has economic regulatory authority over freight rail transportation. Because no other Federal agency collects the information in this report, nor is this information available from any other source, 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 reporting requirement applies only to Class I railroads, which have operating revenues in excess of \$250 million (1991 dollars) (adjusted for inflation using 2012 data, the revenue threshold for a Class I rail carrier is \$452,653,248). 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. Without quarterly reporting for this collection, the Board's ability to fulfill its statutory responsibilities would be diminished.

7. Special circumstances. No special circumstances apply to this collection.

8. Compliance with 5 C.F.R. § 1320.8. As part of this proposed rule, the Board has published a notice providing a 30-day comment period regarding the proposed modification, followed by a 30-day period for replies to comments. 80 Fed. Reg. 39045.

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: quarterly.

(3) Annual hour burden per respondent: Based on information provided by the railroad industry, we estimate a per-respondent-railroad burden of not 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 (see 49 U.S.C. §§ 11141-43, 11161-64; 49 C.F.R. §§ 1200-1201), for consistent presentation

of information in the R-1 format across all reporting railroads. This collection, which is based on data compiled by respondents to make internal business decisions, is available from the carriers' records and will not otherwise increase the accounting burden. The total annual burden hours for all seven carriers is estimated at not more than 168 hours. There should be no change in burden hours as a result of the proposed modification, which merely advances the due date of the report.

13. Other costs to respondents: No non-hour costs for operation, maintenance, or purchase of services associated with this collection have been identified: (a) Neither the existing collection, nor the proposed modification, will impose start-up costs on respondents. (b) This report is submitted to the agency electronically.

14. Estimated costs to the Board: We estimate that it takes eight hours (GS 11/1 at \$38.93 per hour, salary including benefits) annually to compile selected data from these reports; four hours (GS 13/1 at \$55.49 per hour, including benefits) to review (QA) the work; and an additional two hours (Expert/Consultant at \$68.37 per hour, including benefits) to post the results on the website (Class I Freight Railroads, Selected Earnings Data), resulting in a total annual cost of \$670.

15. Changes in burden hours. No change in burden hours is requested. The proposed modification is not expected to affect the number of burden hours associated with this collection.

16. Plans for tabulation and publication: These reports are submitted in the form of Excel spreadsheets and are posted on the Board's website at [http://www.stb.dot.gov/stb/industry/econ\\_reports.html](http://www.stb.dot.gov/stb/industry/econ_reports.html).

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