

**SUPPORTING STATEMENT – MODIFICATION OF FORM STB-54,
ANNUAL REPORT OF CARS LOADED AND CARS TERMINATED (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 collection in Form STB-54, carrier annual reports of the number of cars loaded and cars terminated on the reporting carrier's line, is required under 49 C.F.R. § 1247. Information reported in this form is entered into the Uniform Railroad Costing System (URCS), which is a cost-measurement methodology.

(b) Why the modification is necessary. The Board now proposes to accelerate the due date for this and several other reporting requirements. Under the proposal, Form STB-54 would be filed 60 days, instead of 90 days, after the end of the year (49 C.F.R. § 1247.1). The proposed change to the filing deadline would further facilitate oversight of the economic health and operations of Class I (large) 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 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. URCS, which was developed by the Board pursuant to 49 U.S.C. §§ 11161-62, is used in rail rate proceedings as a tool to calculate the variable costs of providing a particular rail service in accordance with 49 U.S.C. § 10707(d). The Board also uses URCS to analyze the information that it obtains through the annual railroad waybill sample, pursuant to 49 U.S.C. §§ 721, 10707, 11144-45 and 49 C.F.R. § 1244, and in railroad abandonment proceedings to measure off-branch costs (see 49 U.S.C. § 10904(a); 49 C.F.R. § 1152.32(n)). Additionally, many other federal agencies and industry groups depend on Form STB-54 for information regarding the number of cars loaded and terminated on the reporting carrier's line.

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. The Board cannot fulfill its statutory responsibilities without annual information on the number of cars loaded and cars terminated on the reporting carrier's line.

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

8. Compliance with 5 C.F.R. § 1320.8. As part of its 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. There are no questions of a sensitive nature with respect to the information collected.

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 annual STB-54 report.

(3) Annual hour burden per respondent and total annual hour burden for all respondents: Based on information provided by the railroad industry, it is estimated that it takes no more than four man-hours each time this report is prepared. The total annual burden hours for all seven respondents was estimated at no more than 28 hours (seven respondents x four hours each). This estimate includes the time needed to gather the

information and edit, review, type, and proofread the data. In EP 431 (Sub-No. 4), Review of the General Purpose Costing System (served 2/4/13), the Board proposed a modification to this collection (submitted to OMB) that required a one-time addition of 7.5 start-up hours per railroad to this total. Annualized over the three-year approval period, the total number of burden hours was estimated at 7,613. To date, the Board has not adopted a final rule in EP 431 (Sub-No. 4). Regarding the current ICR, however, 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: There are no non-hour start up costs associated with the proposed modification to this collection. In addition, no non-hour costs for operation, maintenance, or purchase of services associated with this collection have been identified. These forms are submitted electronically.

14. Estimated costs to the Board: We estimate that it takes one hour (GS 13/1 at \$55.49 per hour, including benefits) to review each of the seven filings per year; five minutes (0.08 hours) (GS 14/9 at \$83.05 per hour, including benefits) to enter the data into URCS, and two hours (Expert/Consultant at \$68.37 per hour, including benefits) to post the reports on the website, resulting in a total annual cost of \$532.

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 posted on the Board's website.

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