

**SUPPORTING STATEMENT
REPORT OF FUEL COST, CONSUMPTION,
AND SURCHARGE REVENUE (EP-701)**

The Surface Transportation Board (STB or Board) requires all Class I railroads (defined as carriers having revenues in excess of 250 million dollars in 1991 dollars) to report quarterly the following: (1) total fuel cost; (2) gallons of fuel consumed; (3) increased or decreased cost of fuel over the previous quarter; (4) total revenue from fuel surcharges; and (5) total revenue from fuel surcharges on regulated traffic only. See 49 C.F.R § 1243.3.

A. Justification

1. (a) Why the collection is necessary. Under 49 U.S.C. § 10702, the Board has the authority to address the reasonableness of a rail carrier's practices. The Board has authority under 49 U.S.C. § 11144 to prescribe the form of records required to be prepared or compiled by regulated rail carriers, and to inspect and copy any record of such a carrier. Moreover, the Board has specific authority under 49 U.S.C. § 11145(a)(1) to require regulated rail carriers to file annual, periodic, and special reports containing answers to questions asked by the Board. In Rail Fuel Surcharges, EP 661 (Sub-No. 1) (STB served Aug. 14, 2007), the Board adopted this requirement to "permit the Board to monitor the current fuel surcharge practices of Class I carriers" in order to "provide an overall picture of the use of fuel surcharges" and "bring some transparency to the use of fuel surcharges by rail carriers."
2. How the collection will be used. This information collection permits the Board to monitor the current fuel surcharge practices of the Class I carriers.
3. Extent of automated information collection. These forms may be faxed or e-filed by carriers.
4. Identification of duplication. The information requested does not duplicate any other information available to the Board or to the public.
5. Effects on small business. There is no impact on small businesses. This collection is required to be filed only by Class I railroads (currently 7), all of which have revenues in excess of 250 million dollars (in 1991 dollars) adjusted for inflation.
6. Impact of less frequent collections. This information is collected quarterly. Fuel prices can fluctuate frequently. Therefore, a quarterly collection of this information is needed to provide current and relevant information to the Board.
7. Special circumstances. No special circumstances require the collection to be conducted in a

manner inconsistent with the guidelines in 5 C.F.R. § 1320.5.

8. Compliance with 5 C.F.R. § 1320.8 (Outside Consultations). As required under 44 U.S.C. § 3506(c)(2)(a), the Board published in the Federal Register a 60-day notice requesting public comments on this collection. See 78 Fed. Reg. 37883. One comment was received. The commenter's suggestion—that the Board require respondents to submit as part of this report additional information that would help a shipper identify discrimination in a rail carrier's application of fuel surcharges—was considered and rejected by the Board several years ago, when the Board adopted this report. At that time the Board explained: “The Fuel Surcharge Report is intended to provide an overall picture of the use of fuel surcharges; it is not intended as a substitute for evidence brought in an individual case.” See Rail Fuel Surcharges, Ex Parte No. 661 (Sub-No. 1), at 5 (served Aug. 14, 2007). Moreover, the commenter's suggestion could not be adopted absent a Board proceeding proposing modifications to this report. The agency will take this suggestion under advisement in considering future changes to the collection. During the notice and comment period that preceded the adoption of this report, the Board received several comments, which were summarized in the 2007 final rule. In response to those comments, the Board, in its 2007 final rule, reduced the frequency of the report, extended the deadline for reporting, and added one line item designed to increase the utility of the report.

9. Payment or gifts to respondents. No payments or gifts to respondents are made.

10. Assurance of confidentiality. No confidential information is being collected in this information collection. The collected information is posted on the Board's website.

11. Justification for collection of sensitive information. No information of a sensitive nature is requested.

12. Estimation of burden hours for respondents. The Board estimates a total annual labor burden for all seven respondents of 28 hours. The estimated 28-hour total annual labor burden is based on a quarterly response time for each of the seven respondents of no more than one hour of labor required to do the following: (1) collect data from within their operating systems; (2) calculate fuel cost increase/decrease each quarter; (3) post figures to report; (4) independently verify and sign; and (5) mail, fax, or e-file the report to the STB

13. Other costs to respondents. No non-hour costs for operation, maintenance, or purchase of services associated with this collection have been identified. This report is typically submitted to the agency electronically.

14. Estimated costs to the agency. Staff estimates an annual burden to the agency of \$1,260.50. This total is based on an estimated 10 hours labor (GS-14 level) at \$57.13 per hour (with a fully distributed cost to the Board per hour of \$71.98) to compile the information from the 28 reports and two hours (GS-14 level at \$65.53 per hour (with a fully distributed cost to the Board per hour of \$82.57) to post it to the Board's website. Finally, an additional four hours of review is

performed by professional staff (GS-15 level) at a cost of \$74.51 per hour (with a fully distributed cost to the Board per hour of \$93.88).

15. Changes in burden hours. There is no change in burden hours associated with this request.

16. Plans for tabulation and publication. These reports are posted on the Board's website at <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. Collection of Information for Employing Statistical Methods. Not applicable. This collection of information does not employ statistical methods.