

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

The Surface Transportation Board (STB or Board) requires all Class I (large) railroads 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 the requirement involved here 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."

(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, the Report of Fuel Cost, Consumption, and Surcharge Revenue (49 C.F.R § 1243.3) 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 railroads. Reporting and information technology has changed since the existing deadline for reporting 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. This information collection permits the Board to monitor the current fuel surcharge practices of the Class I carriers.

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. There is no impact on small businesses. This reporting requirement applies only to Class I railroads, all of which have revenues in excess of 250 million dollars (in 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. 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. 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. 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 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 and total for all 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. 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 may be submitted to the agency electronically.

14. Estimated costs to the agency. We estimate that it takes 10 hours (GS 11/1 at \$38.93 per hour, including benefits) to compile the information from the 28 reports; five hours to review the work (GS 13/1 level at \$55.49 per hour, including benefits); and two hours (Expert/Consultant at \$68.37 per hour, including benefits) to post it to the Board's website; resulting in a total annual cost of \$803.

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. The carriers' 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.