

**SUPPORTING STATEMENT – QUARTERLY
CONDENSED BALANCE SHEET, FORM CBS**

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). The Board is requesting an extension without modification of this information collection, which will otherwise expire on October 31, 2018.

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. The information requested does not duplicate any other information available to the Board or the public.

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 2017 data, the revenue threshold for a Class I rail carrier is \$463,860,933). 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 required, the Board published a Federal Register notice on July 11, 2018, providing a 60-day comment period regarding this collection. 83 Fed. Reg. 32,180. No comments were received. As also required, a Federal Register notice providing an additional 30-day comment period is being published simultaneously with this submission.

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: Seven

(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 quarter). 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.

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

14. Estimated costs to the Board: We estimate that it takes 12 hours (analyst at \$62.24 per hour, salary including benefits) annually to compile selected data from these reports and to review the compilations, and an additional two hours (auditor at \$90.57 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 \$928.02.

15. Changes in burden hours. No change in burden hours is requested. The Board is requesting an extension without modification.

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.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