

2140-0033
May 2020
Expires 6/30/2020

**SUPPORTING STATEMENT
FOR REQUEST OF OMB APPROVAL
UNDER THE PAPERWORK REDUCTION ACT AND 5 C.F.R. § 1320**

The Surface Transportation Board (STB or Board) requests a modification and three-year extension of approval for the Board's collection in **United States Rail Service Issues- Performance Data Reporting** (OMB Control Number 2140-0033). In a notice of final rule, the Board modified this information collection to include chemical and plastics traffic as a distinct reporting category.

A. Justification:

1. Why the collection is necessary. By statute, the Board is responsible for economic regulation of common carrier railroads operating in the United States. The shipping public and the Nation's economy as a whole depend upon reliable, consistent, and efficient freight rail service. In 2016, the Board adopted regulations requiring all Class I carriers and the Chicago Transportation Coordination Office (CTCO), through its Class I members, to report certain service performance metrics on a periodic basis. See U.S. Rail Service Issues—Performance Data Reporting, EP 724 (Sub-No. 4) (STB served Nov. 30, 2016). Under these regulations, 49 C.F.R. Part 1250, the Board requires railroads to provide a set of performance data that allows the Board to monitor current service conditions in the industry and improve the agency's ability to identify and help resolve future regional or national service disruptions more quickly, should they occur. Specifically, they require railroads to report certain railroad service performance metrics on a weekly basis and certain other information on a semiannual and occasional basis, as outlined below:

- i. Weekly Reporting. The collection of rail service performance data on a weekly basis allows the Board to monitor rail service in near real-time, to detect emerging service problems, and to work proactively with industry to mitigate service issues before they grow into severe regional or national crises. The collection of weekly data from each Class I railroad and the CTCO allows the Board to quickly identify aberrations from service norms, such as a sudden spike in the number of trains holding at origin, which typically indicate problems affecting vital industries. Weekly data allow the Board to establish long-term trends, tracking improvement or decline in a given railroad's service over time. Additionally, the weekly data allow rail shippers and other interested stakeholders, including Federal agencies and Congress, to monitor rail performance. The publicly reported data is useful to rail shippers in making operational and logistics decisions.

- ii. Semiannual Reporting. The semiannual reporting requires railroads to report on major rail infrastructure projects on March 1 of each year, followed by a six-month update. Railroads are instructed to report in narrative fashion, briefly describing each project and its purpose and location. Reporting of this information facilitates the Board’s awareness of significant network investments by Class I carriers, and its ability to monitor rail service at these locations.
- iii. Occasional Reporting. The occasional reporting requires Class I railroads (through CTCO) to report to the Board instances when the “Alert Level” for the Chicago gateway is changed. “Alert Levels,” which were established through the cooperation of railroads serving the Chicago gateway, require railroads to implement operational contingency measures to proactively counteract congestion, such as by diverting trains to alternate interchanges. Reporting this information on an occasional basis enhances the Board’s visibility into the status of a critical component of the nation’s rail network.

2. Why the modification is necessary. This modification request stems from the Board’s proposed rule in Pet. for Rulemaking to Amend 49 C.F.R. Part 1250 (NPRM), EP 724 (Sub-No. 5) (STB served Sept. 30, 2019) (84 Fed. Reg. 53375). In the NPRM, the Board proposed, at the request of parties, clarification and amendment to the performance data reporting regulations to include chemical and plastics (STCC 28, except fertilizer) traffic as a distinct reporting category for the cars-held metric at 49 C.F.R. § 1250.2(a)(6). The final rule maintains the same limited modification as the NPRM and is expected to provide increased transparency. Pet. for Rulemaking to Amend 49 C.F.R. Part 1250, EP 724 (Sub-No. 5) (STB served May 14, 2020) (85 Fed. Reg. 30849) (published May 21, 2020).

3. Extent of automated information collection. Respondents report electronically.

4. Identification of duplication. The Board is the only agency tasked with economic regulation of freight railroads. This information is not duplicated by any other agency.

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, under the Board’s regulations, have annual carrier operating revenues of \$250 million or more in 1991 dollars (adjusted for inflation using 2015 data, the revenue threshold for a Class I rail carrier is \$457,913,998). The Board has adopted an indexing methodology to ensure that regulated carriers are classified based on real business expansion, rather than the effects of inflation.

6. Consequences if collection not conducted or conducted less frequently. Less frequent collection would fail to provide as near real-time information about rail service issues and thus would hinder the Board’s ability to address these issues in a manner timely enough to make a difference. Less frequent collection would also deprive the Board of insight into variations in performance, so that potential problems may be addressed. Indeed, the entire purpose of this

collection is to obtain more frequent data on freight rail service, data that is collected in a manner that is consistent with the respondent railroad’s current operations. (In fact, some respondents, if not all of them, could provide the data daily without significant burden.)

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

8. Compliance with 5 C.F.R. § 1320.8. The Board published its proposed rule change in the NPRM (84 Fed. Reg. 53375 (Oct. 7, 2019)), which provided for a 60-day comment period (and an additional 31-day period for reply comments) regarding this collection, with specific reference to concerns detailed in the Paperwork Reduction Act, 44 U.S.C. §§ 3501-3521 and Office of Management and Budget (OMB) regulations at 5 C.F.R. § 1320.8(d)(3).

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. No sensitive information of a personal nature is requested.

12. Estimated burden hours. The following information pertains to the estimate of burden hours associated with this collection:

Number of Respondents: Seven

Estimated Time per Response: 696 hours per year. The final rules seek three related responses, as indicated in the table below.

Table – Estimated Time per Response

<u>Type of Responses</u>	<u>Estimated Time per Response</u>
Weekly	1.5 hours
Quarterly	1.5 hours
On occasion	1.5 hours

Frequency: The frequencies of the three related collections sought under the final rules are set forth in the table below.

Table – Frequency of Responses

<u>Type of Responses</u>	<u>Frequency of Responses</u>
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Weekly	52/year
Quarterly	4/year
On occasion	2/year

Total Burden Hours (annually including all respondents): The recurring burden hours are estimated to be no more than 591 hours per year, as derived in the table below. In addition, there are some one-time, start-up costs of approximately 45 hours for each respondent that must be added as a one-time burden due to the programming changes to add the additional reporting category. To avoid inflating the estimated total annual hourly burden, the 45-hour start-up burden has been divided by three and spread over the three-year approval period. Thus, the total annual burden hours for each of the three years are estimated at no more than 696 hours per year.

Table – Total Burden Hours (per Year)

<u>Type of Responses</u>	<u>Number of Respondents</u>	<u>Estimated Time per Response</u>	<u>Frequency of Responses</u>	<u>Total Yearly Burden Hours</u>
Weekly	7	1.5 hours	52/year	546 hours
Quarterly	7	1.5 hours	4/year	42 hours
On occasion	1	1.5 hours	2/year	3 hours
One-Time	7	15 hours (45 hours/3 years)	1/year	105 hours
Total				696 hours

13. Estimated total annual cost to respondents. There are no non-hourly burdens for respondents. The data will be submitted electronically by email.

14. Estimated costs to the Board: There will be no cost beyond the normal labor costs for Board staff.

15. Changes in burden hours. This is an existing collection with an OMB control number (2140-0033), which is being adjusted to take into consideration the final rulemaking, clarifying that railroad performance data reporting regulations include chemical and plastics traffic as a distinct reporting category for the “cars-held” metric. As in the NPRM, the final rule proposes a one-time change estimated at a total annual non-hourly burden of 105 hours per year. This extension request, however, narrows the estimated total annual non-hourly burden due to technology improvements over our estimates from 2017.

16. Plans for tabulation and publication. The collected data will be posted on the Board’s website.

17. Display of expiration date for OMB approval. The control number and expiration date for this collection will appear on the form.

18. Exceptions to certification statement. No exceptions are sought.

B. Collections of Information Employing Statistical Methods:

Not applicable.