

§ 1241.15

or before March 31 of the year following the year which is being reported.

(b) [Reserved]

(49 U.S.C. 220, 313, 412 and 10321; 5 U.S.C. 553)

[38 FR 32920, Nov. 29, 1973, as amended at 41 FR 21354, May 25, 1976; 42 FR 1475, Jan. 7, 1977; 44 FR 65402, Nov. 13, 1979; 67 FR 57534, Sept. 11, 2002]

§ 1241.15 Railroad classification survey form.

Commencing with the year ending December 31, 1982, and thereafter, until further order, all railroad companies not required to file an Annual Report (Form R-1) shall compute their adjusted revenues using the railroad revenue deflator formula. If there is a change in a carrier's classification the survey form shall be filed with the Bureau of Accounts, Surface Transportation Board, Washington, DC 20423, on or before March 31.

[48 FR 2544, Jan. 20, 1983]

PART 1242—SEPARATION OF COMMON OPERATING EXPENSES BETWEEN FREIGHT SERVICE AND PASSENGER SERVICE FOR RAILROADS<sup>1</sup>

LIST OF INSTRUCTIONS

Sec.

1242.00 Separation of common operating expenses.

GENERAL

- 1242.01 Expenses solely related to freight service and passenger service.
1242.02 Common expenses.
1242.03 Made by accounting divisions.
1242.04 Special tests.
1242.05 Operating expense account number notation.
1242.06 Instructions for separation.

OPERATING EXPENSES—WAY AND STRUCTURES

- 1242.10 Administration—track (account XX-19-02).
1242.11 Administration—bridges and buildings (account XX-19-03).
1242.12 Administration—signals (account XX-19-04).
1242.13 Administration—communications (account XX-19-05).
1242.14 Administration—other (account XX-19-06).
1242.15 Roadway, tunnels and subways, bridges and culverts, ties, rails, other

49 CFR Ch. X (10-1-03 Edition)

- track material, ballast, track laying and surfacing, and road property damaged (accounts XX-17-10 to XX-18-12, inclusive; 21-17-13 to 21-18-16, inclusive, XX-17-17, XX-18-17, XX-17-48, and XX-18-48).
1242.16 Road property damaged—other (account XX-19-48).
1242.17 Signals and interlockers (accounts XX-17-19 and XX-18-19).
1242.18 Communication systems (account XX-19-20).
1242.19 Electric power systems (account XX-19-21).
1242.20 Highway grade crossings (accounts XX-17-22 and XX-18-22).
1242.21 Station and office buildings (account XX-19-23).
1242.22 Shop buildings—locomotives (account XX-19-24).
1242.23 Shop buildings—freight cars (account XX-13-25).
1242.24 Shop buildings—other equipment (account XX-19-26).
1242.25 Locomotive servicing facilities (account XX-19-27).
1242.26 Miscellaneous buildings and structures (account XX-19-28).
1242.27 Coal marine terminals, ore marine terminals, TOFC/COFC terminals, other marine terminals, motor vehicle loading and distribution facilities, and facilities for other specialized service operations (accounts XX-13-29 to XX-13-35, inclusive).
1242.28 Roadway machines, small tools and supplies, and snow removal (accounts XX-19-36 to XX-19-38, inclusive).
1242.29 Fringe benefits (accounts 12-17-00, 12-18-00, 12-19-00).
1242.30 Dismantling retired road property and depreciation (accounts XX-17-39, XX-18-39, XX-19-39, 62-17-00, 62-18-00, and 62-19-00).
1242.31 Lease rentals—debit and credit and other rents—debit and credit (accounts 31-17-00, 31-18-00, 31-19-00, 32-17-00, 32-18-00, 32-19-00, 35-17-00, 35-18-00, 35-19-00, 36-17-00, 36-18-00, and 36-19-00).
1242.32 Joint facility rents—debit and credit and joint facility—debit and credit (accounts 33-17-00, 33-18-00, 33-19-00, 34-17-00, 34-18-00, 34-19-00, 37-17-00, 37-18-00, 37-19-00, 38-17-00, 38-18-00, and 38-19-00).
1242.33 Other expenses and casualties and insurance (accounts XX-17-99, XX-18-99, XX-19-99, 50-17-00, 50-18-00, and 50-19-00).

OPERATING EXPENSES—EQUIPMENT

locomotives

- 1242.34 Administration (account XX-26-01).
1242.35 Repair and maintenance (account XX-26-41).
1242.36 Machinery repair and equipment damaged (accounts XX-26-40 and XX-26-48).

**Surface Transportation Board, DOT**

**Pt. 1242**

- 1242.37 Dismantling retired property and depreciation (accounts XX-26-39 and 62-26-00).
- 1242.38 Fringe benefits (account 12-26-00).
- 1242.39 Lease rentals—debit and credit, other rents—debit and credit, and repairs billed to others (accounts 31-26-00, 32-26-00, 35-26-00, 36-26-00, and 40-26-98).
- 1242.40 Joint facility rents—debit and credit, and joint facility—debit and credit (accounts 33-26-00, 34-26-00, 37-26-00, and 38-26-00).
- 1242.41 Other and casualties and insurance (accounts XX-26-99 and 50-26-00).

freight cars

- 1242.42 Administration, repair and maintenance, machinery repair, equipment damaged, dismantling retired property, fringe benefits, other casualties and insurance, lease rentals, joint facility rents, other rents, depreciation, joint facility, repairs billed to others, and other (accounts XX-22-01, XX-22-42, XX-22-40, XX-22-48, XX-22-39, 12-22-00, 50-22-00, 31-22-00 to 38-22-00 inclusive, 62-22-00, 40-22-98, and XX-22-99).

other equipment

- 1242.43 Administration (account XX-27-01).
- 1242.44 Trucks, trailers, and containers (revenue service) and floating equipment (revenue service) (accounts XX-23-43 and XX-23-44).
- 1242.45 Passenger and other revenue equipment (account XX-27-45).
- 1242.46 Computers and data processing equipment (account XX-27-46).
- 1242.47 Machinery (account XX-27-40).
- 1242.48 Work and other non-revenue equipment (account XX-27-47).
- 1242.49 Equipment damaged (account XX-27-48).
- 1242.50 Fringe benefits (account 12-27-00).
- 1242.51 Dismantling retired property and depreciation (accounts XX-27-39 and 62-27-00).
- 1242.52 Lease rentals—debit and credit, other rents—debit and credit, repairs billed to others—credit (accounts 31-27-00, 32-27-00, 35-27-00, 36-27-00, and 40-27-98).
- 1242.53 Joint facility rents—debit and credit and joint facility—debit and credit (accounts 33-27-00, 34-27-00, 37-27-00, and 38-27-00).
- 1242.54 Other and casualties and insurance (accounts XX-27-99 and 50-27-00).

OPERATING EXPENSES—TRANSPORTATION

train operations

- 1242.55 Administration (account XX-51-01).
- 1242.56 Engine crews and train crews (accounts XX-51-56 and XX-51-57).

- 1242.57 Dispatching trains (account XX-51-58).
- 1242.58 Operating signals and interlockers, operating drawbridges, highway crossing protection (accounts XX-51-59, XX-51-60, and XX-51-61).
- 1242.59 Train inspection and lubrication (account XX-51-62).
- 1242.60 Locomotive fuel, electric power purchased/produced for motive power, and servicing locomotives (accounts XX-51-67, XX-51-68, and XX-51-69).
- 1242.61 Freight lost or damaged—solely related (to train) (account 51-51-00).
- 1242.62 Clearing wrecks (account XX-51-63).
- 1242.63 Fringe benefits (account 12-51-00).
- 1242.64 Joint facility—debit and credit (accounts 37-51-00 and 38-51-00).
- 1242.65 Other and casualties and insurance (accounts XX-51-99 and 50-51-00).

yard operations

- 1242.66 Administration (account XX-52-01).
- 1242.67 Switch crews; controlling operations; yard and terminal clerical; locomotive fuel; electric power purchased/produced for motive power; operating switches, signals, retarders, and humps; and servicing locomotives (accounts XX-52-64, XX-52-65, XX-52-66, XX-52-59, XX-52-67, XX-52-68, and XX-52-69).
- 1242.68 Freight lost or damaged—solely related (to yard) (account 51-52-00).
- 1242.69 Clearing wrecks (account XX-52-63).
- 1242.70 Fringe benefits (account 12-52-00).
- 1242.71 Joint facility—debit and credit (accounts 37-52-00 and 38-52-00).
- 1242.72 Other and casualties and insurance (accounts XX-52-99 and 50-52-00).

train and yard operations common

- 1242.73 Cleaning car interiors and freight lost and damaged—all other (accounts XX-53-70 and 51-53-00).
- 1242.74 Adjusting and transferring loads, and car loading devices and grain doors (accounts XX-33-71 and XX-33-72).
- 1242.75 Fringe benefits (account 12-53-00).

specialized service operations

- 1242.76 Administration; pickup and delivery, marine line haul and rail substitute service; loading, unloading and local marine; protective services; freight lost or damaged—solely related; fringe benefits; casualties and insurance; joint facility, and other (accounts XX-34-01, XX-34-73, XX-34-74, XX-34-75, 51-34-00, 12-34-00, 50-34-00, 37-34-00, 38-34-00, and XX-34-99).

administrative support operations

- 1242.77 Administration (account XX-55-01).
- 1242.78 Employees performing clerical and accounting functions, and loss and damage claims processing (accounts XX-55-76 and XX-55-78).

**§ 1242.00**

- 1242.79 Communication systems operations (account XX-55-77).
- 1242.80 Fringe benefits (account 12-55-00).
- 1242.81 Joint facility—debit and credit (accounts 37-55-00 and 38-55-00).
- 1242.82 Other and casualties and insurance (accounts XX-55-99 and 50-55-00).

OPERATING EXPENSES

general and administration

- 1242.83 Officers—general superintendence; accounting, auditing and finance; management services and data processing; personnel and labor relations; legal and secretarial; research and development; writedown of uncollectible accounts; property taxes; other taxes except on corporate income or payrolls; and other (accounts XX-63-01, XX-63-86, XX-63-87, XX-63-91, XX-63-92, XX-63-94, 63-63-00, 64-63-00, 65-63-00, and XX-63-99).
- 1242.84 Marketing, sales, and public relations and advertising (accounts XX-63-88, XX-63-89, and XX-63-93).
- 1242.85 Fringe benefits (account 12-63-00).
- 1242.86 Industrial development (account XX-61-90).
- 1242.87 Joint facility—debit and credit and casualties and insurance (accounts 37-63-00, 38-63-00, and 50-63-00).

AUTHORITY: 49 U.S.C. 721, 11142.

SOURCE: 43 FR 7637, Feb. 24, 1978, unless otherwise noted.

NOTE: The report forms prescribed by part 1242 are available upon request from the Office of the Secretary, Surface Transportation Board, Washington, DC 20423.

LIST OF INSTRUCTIONS

**§ 1242.00 Separation of common operating expenses.**

(a) Commencing with annual reports for the year 1978 or for any portion thereof until further order, all class I railroad companies including class I switching and terminal companies subject to section 20 of the Interstate Commerce Act as amended shall separate operating expenses common to both freight service and passenger service in accordance with the regulation in this part.

(b) The carrier shall maintain records supporting its common operating expense apportionments to freight and passenger services. The carrier shall report common expense apportionments to the Board as required.

43 FR 7637, Feb. 24, 1978, as amended at 67 FR 57534, Sept. 11, 2002]

**49 CFR Ch. X (10-1-03 Edition)**

GENERAL

**§ 1242.01 Expenses solely related to freight service and passenger service.**

The Uniform System of Accounts for Railroad Companies (49 CFR part 1201) requires that carriers assign directly to freight service or to passenger service, including allied services, the expenses, taxes, and purchased services incurred solely for the benefit of either freight or passenger service.

**§ 1242.02 Common expenses.**

The Uniform System of Accounts also requires that carriers assign to common expense accounts the remaining expenses, taxes and purchased services which are not solely related to either freight or passenger service. The following instructions govern the separation of common expense accounts between freight and passenger services.

**§ 1242.03 Made by accounting divisions.**

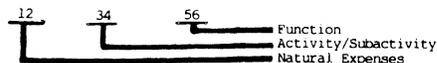
The separation shall be made by accounting divisions, where such divisions are maintained, and the aggregate of the accounting divisions reported for the quarter and for the year.

**§ 1242.04 Special tests.**

When the separation of common expense accounts between freight and passenger services is based upon special tests or service unit factors, such tests shall be made at sufficiently frequent intervals to represent actual operating conditions. The service unit factors used are those of the reporting period.

**§ 1242.05 Operating expense account number notation.**

(a) The operating expense account numbers consist of a six-digit coding structure divided into three two-digit groups. The first two-digit group denotes natural expenses; the second group denotes activities/subactivities for freight, passenger or common service; and the third group signifies applicable function assignment.



(b) For reporting purposes, four natural expense categories are utilized.

## Surface Transportation Board, DOT

## § 1242.06

The categories are: salaries and wages (account 11-XX-XX); material, tools, supplies, fuels and lubricants (account 21-XX-XX); purchased services (accounts 31-XX-XX to 41-XX-XX, inclusive); and general (accounts 61-XX-XX to 65-XX-XX, inclusive, 51-XX-XX, 52-XX-XX, 53-XX-XX and 12-XX-XX).

(c) The symbol "XX" in the first two-digit group is used throughout the separation instructions to denote more than one natural expense associated with the same activity/subactivity-function account structure. For reporting purposes, the natural expense account numbers represented by "XX" include:

- 11—Salaries and wages;
- 21—Materials, tools, supplies, fuels, and lubricants;
- 30 or 41—Purchased services;
- 30—Summation of certain purchased service accounts;
- 41—Other purchased services;
- 61—General.

(d) The "30" natural expense designation indicates a summation of specific purchased service accounts that are reported in total rather than individually. The specific accounts under the way and structures activity except for administration functions include 39-1X-XX, repairs billed by others, Dr.; 40-1X-XX, repairs billed to others, cr.; and 41-1X-XX, other purchased services. For the equipment activity excluding administration functions, the "30" designation denotes the summation of 39-2X-XX and 41-2X-XX.

(e) The "41" natural expense designation (other purchased services) is the purchased service category of the "XX" code for the following:

- (1) Way and structures activity administration—function accounts,
- (2) Equipment activity administration—function accounts,
- (3) Transportation activity expense accounts, and
- (4) General and administration activity expense accounts.

(f) The "61" general natural expense designation is applicable to all accounts with the "XX" symbol except transportation, train and yards accounts (XX-(33/43/53)-XX).

(g) The natural expense account number "50" is used throughout the separation instructions to indicate the

summation of accounts 52-XX-XX, Other casualties, and 53-XX-XX, Insurance, that are reported as one item, "Casualties and Insurance," (50-XX-XX).

(h) The number "98" in the function account group (last two digits) is used in the separation rules to designate the summation of a natural expense consisting of more than one functional assignment that is reported as one item. This includes Repairs Billed to Others, Cr.—Equipment (40-2X-XX). For example, the locomotive subactivity contains accounts 40-(21/24/26)-40, 40-(21/24/26)-41, and 40-(21/24/26)-48 which are treated as 40-(21/24/26)-98.

### § 1242.06 Instructions for separation.

(a) Certain instructions for separating common expense accounts (dependent accounts) between freight and passenger services base the allocation on the proportional freight/passenger separation of other common expense accounts (independent accounts). The dependent account is frequently identified by an "XX" symbol in the natural expense position (first two digits) with corresponding independent accounts also identified by the "XX" natural expense symbol. Unless otherwise stated, the applicable natural expense associated with "XX" symbol shall be the same for both the dependent and independent accounts.

(b) To illustrate, §1242.10 provides instructions for separating common Way and Structures, Administration—Track accounts (dependent accounts) designated by XX-19-02. The separation is based on certain other common Way and Structures accounts including Roadway—Running, XX-17-10, and Roadway—Switching, XX-18-10.

(c) As §1242.05 states, the "XX" symbol denotes the following natural expenses for Way and Structures administration functions:

- 11—Salaries and wages,
- 21—Materials, tools, supplies, fuels, and lubricants,
- 41—Other purchased services, and
- 61—General.

These natural expenses shall be individually applied to the separation rules in §1242.10. In each case, the independent accounts providing the basis

**§ 1242.10**

for freight/passenger separation of the dependent account shall have the same natural expense designation. For example, the basis of separating account 11-19-02, Salaries and Wages, Way and Structures, Administration—Track, would be based on certain independent accounts including 11-17/18-10, Salaries and Wages, Way and Structures, Running/Switching, Repair and Maintenance, Roadway.

OPERATING EXPENSES—WAY AND STRUCTURES

**§ 1242.10 Administration—track (account XX-19-02).**

Separate common administration—track expenses between freight and passenger services in the same proportion as the common expenses of the following accounts are separated between freight and passenger services:

- Roadway:
  - Running (XX-17-10)
  - Switching (XX-18-10)
- Ties:
  - Running (21-17-13)
  - Switching (21-18-13)
- Rails:
  - Running (21-17-14)
  - Switching (21-18-14)
- Other Track Materials:
  - Running (21-17-15)
  - Switching (21-18-15)
- Ballast:
  - Running (21-17-16)
  - Switching (21-18-16)
- Track Laying and Surfacing:
  - Running (XX-17-17)
  - Switching (XX-18-17)
- Road Property Damaged:
  - Running (XX-17-48)
  - Switching (XX-18-48)
  - Other (XX-19-48)
- Dismantling Retired Road Property:
  - Running (XX-17-39)
  - Switching (XX-18-39)
  - Other (XX-19-39)

**§ 1242.11 Administration—bridges and buildings (account XX-19-03).**

Separate common administration—bridges and buildings expenses between freight and passenger services in the same proportion as the common expenses of the following accounts are

**49 CFR Ch. X (10-1-03 Edition)**

separated between freight and passenger services:

- Tunnels and Subways:
  - Running (XX-17-11)
  - Switching (XX-18-11)
- Bridges and Culverts:
  - Running (XX-17-12)
  - Switching (XX-18-12)
  - Electric Power Systems (XX-19-21)
  - Station and Office Buildings (XX-19-23)
- Shop Buildings:
  - Locomotives (XX-19-24)
  - Other Equipment (XX-19-26)
  - Locomotive Servicing Facilities (XX-19-27)
  - Miscellaneous Buildings and Structures (XX-19-28)

**§ 1242.12 Administration—signals (account XX-19-04).**

Separate common administration—signals expenses between freight and passenger services in the same proportion as the common expenses of the following accounts are separated between freight and passenger services:

- Signals and Interlockers:
  - Running (XX-17-19)
  - Switching (XX-18-19)

**§ 1242.13 Administration—communications (account XX-19-05).**

Separate common administration—communications expenses between freight and passenger services in the same proportion as the common expenses of the following accounts are separated between freight and passenger services:

- Communications Systems (XX-19-20)

**§ 1242.14 Administration—other (account XX-19-06).**

Separate common administration—other expenses between freight and passenger services in the same proportion as the common expenses of the following accounts are separated between freight and passenger services:

- Administration:
  - Track (XX-19-02)
  - Bridges and Buildings (XX-19-03)
  - Signals (XX-19-04)
  - Communications (XX-19-05)

## Surface Transportation Board, DOT

## § 1242.22

**§ 1242.15 Roadway, tunnels and subways, bridges and culverts, ties, rails, other track material, ballast, track laying and surfacing, and road property damaged (accounts XX-17-10 to XX-18-12 inclusive, 21-17-13 to 21-18-16 inclusive, XX-17-17, XX-18-17, XX-17-48, and XX-18-48).**

The expenses for running and switching subactivities shall be separated between freight service and passenger service as follows:

(a) *Switching tracks.* (1) Yard: Expenses for yards used in common by freight and passenger services shall be apportioned on the basis of the respective switching locomotive unit-hours in the common yards.

(2) Way: Where the tracks at any one location are used in common by both freight and passenger services, expenses may be assigned to that service which makes the dominant use of them.

(b) *Running tracks.* The expenses of tracks used in common by both services shall be apportioned on the basis of gross ton-miles (including locomotive ton-miles) handled over these tracks in the respective services.

**§ 1242.16 Road property damaged—other (account XX-19-48).**

Separate common expenses in proportion to the total common expenses assigned to freight/passenger from the following Way and Structures accounts:

Road Property Damaged—Running (XX-17-48)

Road Property Damaged—Switching (XX-18-48)

**§ 1242.17 Signals and interlockers (accounts XX-17-19 and XX-18-19).**

Separate common expenses on the basis of the total train-hours in running service, and/or the yard-switching plus train switching hours in the switching service over the tracks on which the common signals and interlockers are used.

**§ 1242.18 Communication systems (account XX-19-20).**

Separate common expenses on the basis of the common expense separation in:

Way and Structures—Administration—Track, Bridges and Culverts, and Signals (accounts XX-19-02 to XX-19-04, inclusive)  
Equipment—Administration—Locomotives and Other Equipment (accounts XX-26-01 and XX-27-01)  
Transportation—Administration—Train, Yard, and Administrative Support (accounts XX-51-01, XX-52-01, and XX-55-01)  
Dispatching Trains (Account XX-51-58)

**§ 1242.19 Electric power systems (account XX-19-21).**

Separate common expenses on basis of common expenses of electric power purchased or produced for motive power (accounts XX-51-68 and XX-52-68).

**§ 1242.20 Highway grade crossings (accounts XX-17-22 and XX-18-22).**

Separate running and switching common expenses according to distribution of the running and switching portions only of common expense accounts listed in § 1242.10, Administration—Track (account XX-19-02).

**§ 1242.21 Station and office buildings (account XX-19-23).**

If the sum of the direct freight and the direct passenger expenses is more than 50 percent of the total charges to this account for an accounting division, separate the common expenses on the basis of the directly assigned expenses in this account for the accounting division involved. If the sum of the direct freight and the direct passenger expenses does not aggregate to more than 50 percent of the total charges for an accounting division, the common expenses should be separated on the basis of special test. Where common expenses exist in an accounting division but the direct expenses are applicable to only one service, i.e., freight or passenger, the common expenses shall be separated on the basis of a special test. If the accounting is performed on a system basis rather than by accounting divisions, the common expenses shall be separated on the basis of a special study.

**§ 1242.22 Shop buildings—locomotives (account XX-19-24).**

Separate common expenses according to distribution of common expenses in the following accounts:

**§ 1242.23**

Machinery Repair (XX-26-40)  
Locomotive—Repair and Maintenance (XX-26-41)

**§ 1242.23 Shop buildings—freight cars (account XX-13-25).**

These accounts pertain solely to freight service and contain no common expense for separation herein.

**§ 1242.24 Shop buildings—other equipment (account XX-19-26).**

Assign directly to freight (or as particular facts suggest otherwise).

**§ 1242.25 Locomotive servicing facilities (account XX-19-27).**

Separate common expenses according to distribution of common expenses in the following accounts:

Locomotive Fuel (XX-51-67 and XX-52-67)  
Electric Power Purchased or Produced for Motive Power (XX-51-68 and XX-52-68)  
Servicing Locomotives (XX-51-69 and XX-52-69)

**§ 1242.26 Miscellaneous building and structures (account XX-19-28).**

Separate common expenses as specific facts indicate or according to distribution of common expenses listed in § 1242.10, Administration-Track (account XX-19-02).

**§ 1242.27 Coal marine terminals, ore marine terminals, TOFC/COFC terminals, other marine terminals, motor vehicle loading and distribution facilities, and facilities for other specialized service operations (accounts XX-13-29 to XX-13-35, inclusive).**

These accounts pertain solely to freight service and contain no common expenses for separation herein.

**§ 1242.28 Roadway machines, small tools and supplies, and snow removal (accounts XX-19-36 to XX-19-38, inclusive).**

Separate common expenses according to distribution of common expenses listed in § 1242.10, Administration—Track (account XX-19-02).

**§ 1242.29 Fringe benefits (accounts 12-17-00, 12-18-00, and 12-19-00).**

Separate common expenses in the running subactivity in the same proportion as the salaries and wages, way and structures, common expenses in all

accounts with a designated running subactivity. Separate common expenses in the switching subactivity in the same proportion as the salaries and wages, way and structure, common expense accounts with a designated switching activity. Separate common expenses in the other subactivity in the same proportion as the salaries and wages, way and structures, common expenses in all accounts with a designated other subactivity.

**§ 1242.30 Dismantling retired road property and depreciation (accounts XX-17-39, XX-18-39, XX-19-39, 62-17-00, 62-18-00, and 62-19-00).**

Separate common expenses in each account for each subactivity (running, switching and other) in proportion to the separation of common repair and maintenance expenses associated with the particular common properties depreciated and/or dismantled.

**§ 1242.31 Lease rentals—debit and credit and other rents—debit and credit (accounts 31-17-00, 31-18-00, 31-19-00, 32-17-00, 32-18-00, 32-19-00, 35-17-00, 35-18-00, 35-19-00, 36-17-00, 36-18-00, and 36-19-00).**

(a) Separate common debit expense accounts in each subactivity (running, switching and other) in proportion to the separation of solely related freight or passenger service in each account. If there are no solely related expenses in an account or if the solely related expenses are assignable entirely to freight or to passenger service, separate common debit expense accounts on the basis of the same percentages calculated for the separation of administration—other (account XX-19-06).

(b) Separate all common credit expense accounts on the same percentages calculated for the separation of administration—other (account XX-19-06).

**§ 1242.32 Joint facility rents—debit and credit and joint facility—debit and credit (accounts 33-17-00, 33-18-00, 33-19-00, 34-17-00, 34-18-00, 34-19-00, 37-17-00, 37-18-00, 37-19-00, 38-17-00, 38-18-00, and 38-19-00).**

(a) Solely related (freight or passenger service) debit expense accounts in each subactivity (running, switching

and other) shall be assigned according to the use made of each facility by the reporting carrier, regardless of the use by other carriers. Common debit expenses shall be separated on the basis of the percentage separations of the solely related expenses in each individual account. If there are no solely related expenses or if the solely related expenses are assigned entirely to freight or to passenger service, separate common debit expenses on the same percentages calculated for the separation of administrative—other (account XX-19-06).

(b) Separate all common credit expense accounts on the same percentages calculated for the separation of administration—other (account XX-19-06).

**§ 1242.33 Other expenses and casualties and insurance (accounts XX-17-99, XX-18-99, XX-19-99, 50-17-00, 50-18-00, and 50-19-00).**

Separate common expenses on the basis of the percentages calculated for the separation of administrative—other (account XX-19-06).

OPERATING EXPENSES—EQUIPMENT

locomotives

**§ 1242.34 Administration (account XX-26-01).**

Separate common expenses according to distribution of common expenses in the following accounts:

Repair and Maintenance (XX-26-41)  
Machinery Repair (XX-26-40)  
Equipment Damage (XX-26-48)  
Dismantling Retired Property (XX-26-39)

**§ 1242.35 Repair and maintenance (account XX-26-41).**

(a) Where the carrier maintains records of the repairs by individual locomotive units or classes of locomotive units:

(1) If individual locomotive units or classes of locomotive units are used exclusively in road-freight, road-passenger, yard-freight, or yard-passenger service, the separation shall be actual.

(2) If individual locomotive units or classes or locomotive units are used interchangeably (common) in road-freight (including train-switching), road passenger (including train switch-

ing), yard-freight or yard-passenger service, separate the heavy shop repairs between these services on the basis of run-out unit miles of individual locomotive units or classes of locomotive units since the previous shopping; and separate the cost of running repairs between such services on the basis of the miles run by the individual locomotive unit or class of locomotive unit in each service during the accounting period for which the separation is being made.

(b) Where the carrier maintains records of heavy shop repair costs by individual locomotive units or classes of locomotive units, but does not maintain records of the cost of running repairs by individual locomotive units:

(1) The heavy shop repairs shall be separated as indicated in paragraph (a) of this section.

(2) The common expenses of running repairs shall be separated among road-freight (including train switching), road-passenger (including train switching), yard-freight and yard-passenger services on the basis of locomotive unit miles or locomotive ton-miles for the accounting period for which the separation is being made.

(c) Where the carrier does not maintain records of either heavy shop repairs or running repairs by individual locomotive units or classes of locomotive units: The expenses shall be separated among road-freight service (including train-switching), road-passenger service (including train switching), yard freight, and yard-passenger services, on the basis of locomotive unit-miles or locomotive ton-miles for the accounting period for which the separation is being made.

**§ 1242.36 Machinery repair and equipment damaged (accounts XX-26-40 and XX-26-48).**

Separate common expenses according to separation of common expenses in repair and maintenance (account XX-26-41).

**§ 1242.37 Dismantling retired property and depreciation (accounts XX-26-39 and 62-26-00).**

Separate common expenses in each account in proportion to the separation

**§ 1242.38**

of common repair and maintenance expenses associated with the particular common properties depreciated and/or dismantled.

**§ 1242.38 Fringe benefits (account 12-26-00).**

Separate common expenses in proportion to the split of common salaries and wages in administration, locomotive repair and maintenance, machinery repair, equipment damaged, and dismantling retired road property (accounts 11-26-01, 11-26-41, 11-26-40, 11-26-48, and 11-26-39).

**§ 1242.39 Lease rentals—debit and credit, other rents—debit and credit, and repairs billed to others (accounts 31-26-00, 32-26-00, 35-26-00, 36-26-00 and 40-26-98).**

(a) Separate common debit expense accounts in proportion to the assignment of solely related freight or passenger service in each individual debit account. If there are no solely related expenses or if the solely related expenses are assigned entirely to freight or passenger service, separate common debit expense accounts on the same percentage basis calculated for the separation of administration (account XX-26-01).

(b) Separate all common credit expense accounts on the same percentages calculated for the separation of administration (account XX-26-01).

**§ 1242.40 Joint facility rents—debit and credit, and joint facility—debit and credit (accounts 33-26-00, 34-26-00, 37-26-00 and 38-26-00).**

(a) Solely related freight and passenger debit expense accounts shall be assigned according to the use made of each facility by the reporting carrier, regardless of the use by other carriers. Common debit expenses shall be separated on the basis of the percentage separation of the solely related expenses; or if the solely related expenses are assigned entirely to freight or passenger service, separate common expenses on the same percentages calculated for the separation of administration (account XX-26-01).

(b) Separate all common credit expense accounts on the same percentages calculated for the separation of administration (account XX-26-01).

**49 CFR Ch. X (10-1-03 Edition)**

**§ 1242.41 Other and casualties and insurance (accounts XX-26-99 and 50-26-00).**

Separate common expenses on the basis of percentages calculated for the separation of administration (account XX-26-01).

**FREIGHT CARS**

**§ 1242.42 Administration, repair and maintenance, machinery repair, equipment damaged, dismantling retired property, fringe benefits, other casualties and insurance, lease rentals, joint facility rents, other rents, depreciation, joint facility, repairs billed to others, and other (accounts XX-22-01, XX-22-42, XX-22-40, XX-22-48, XX-22-39, 12-22-00, 50-22-00, 31-22-00 to 38-22-00 inclusive, 62-22-00, 40-22-98 and XX-22-99).**

These accounts pertain solely to freight service and contain no common expenses for separation herein.

**OTHER EQUIPMENT**

**§ 1242.43 Administration (account XX-27-01).**

Separate common expenses according to freight/passenger separation of the following accounts:

Passenger and Other Revenue Equipment (XX-27-45)

Work and Other Non-Revenue Equipment (XX-27-47)

**§ 1242.44 Trucks, trailers, and containers (revenue service) and floating equipment (revenue service) (accounts XX-23-43 and XX-23-44).**

These accounts pertain solely to freight service and contain no common expenses for separation herein.

**§ 1242.45 Passenger and other revenue equipment (account XX-27-45).**

Separate as particular facts suggest.

**§ 1242.46 Computers and data processing equipment (account XX-27-46).**

If the sum of the direct freight and the direct passenger expenses is more than 50 percent of the total charges to this account for an accounting division, separate the common expenses on

**Surface Transportation Board, DOT**

**§ 1242.54**

the basis of the directly assigned expenses in this account for the accounting division involved. If the sum of the direct freight and the direct passenger expenses does not aggregate 50 percent of the total charges for an accounting division, the common expenses shall be separated on the basis of a special test. If common expenses exist in an accounting division but the direct expenses are applicable to only one service, i.e., freight or passenger, the common expenses shall be separated on the basis of a special test. If the accounting is performed on a system basis rather than by accounting divisions, follow the intent of the above instructions.

**§ 1242.47 Machinery (account XX-27-40).**

Separate common expenses on the basis of the freight/passenger separation of administration (account XX-27-01).

**§ 1242.48 Work and other non-revenue equipment (account XX-27-47).**

Separate common expenses according to distribution of common expenses in Way and structures—administration—other (account XX-19-06).

**§ 1242.49 Equipment damaged (account XX-27-48).**

Separate common expenses according to distribution of common expenses in machinery, passenger and other revenue equipment, computer and data processing equipment and work and other non-revenue equipment accounts (accounts XX-27-40, XX-27-45, XX-27-46, and XX-27-47).

**§ 1242.50 Fringe benefits (account 12-27-00).**

Separate common expenses in proportion to the percentage separation of common salaries and wages in administration (account XX-27-01).

**§ 1242.51 Dismantling retired property and depreciation (accounts XX-27-39 and 62-27-00).**

Separate common expenses in proportion to the separation of common repair and maintenance expenses associated with the particular common

property depreciated and/or dismantled.

**§ 1242.52 Lease rentals—debit and credit, other rents—debit and credit, repairs billed to others—credit (accounts 31-27-00, 32-27-00, 35-27-00, 36-27-00, and 40-27-98).**

(a) Separate common debit expense accounts in proportion to the separation of solely related (freight or passenger service) in each individual account. If there are no solely related expenses or if the solely related expenses are assignable entirely to freight or passenger service, separate common debit expense accounts on the same percentages calculated for the separation of administration (account XX-27-01).

(b) Separate common credit expense accounts on the basis of the same percentages calculated for the separation of administration (account XX-27-01).

**§ 1242.53 Joint facility rents—debit and credit and joint facility—debit and credit (accounts 33-27-00, 34-27-00, 37-27-00 and 38-27-00).**

(a) Solely related freight and passenger service debit expense accounts shall be assigned according to the use made of each facility by the reporting carrier, regardless of the use made of the facility by other carriers. Common debit expense accounts shall be separated on the basis of the percentage separation of the solely related expenses in each individual account. If there are no solely related expenses or if the solely related expenses are assigned entirely to freight or passenger service, separate common expenses on the same percentages calculated for the separation of administration (account XX-27-01).

(b) Separate all common credit expense accounts on the basis of the same percentages calculated for the separation of administration (account XX-27-01).

**§ 1242.54 Other and casualties and insurance (accounts XX-27-99 and 50-27-00).**

Separate common expenses on the basis of the percentages calculated for the separation of administration (account XX-27-01).

**§ 1242.55**

OPERATING EXPENSES—  
TRANSPORTATION

train operations

**§ 1242.55 Administration (account XX-51-01).**

Separate common expenses according to distribution of common expenses in the following accounts:

- Engine Crews (XX-51-56)
- Train Crews (XX-51-57)
- Dispatching Trains (XX-51-58)
- Operating Signals and Interlockers (XX-51-59)
- Operating Drawbridges (XX-51-60)
- Highway Crossing Protection (XX-51-61)
- Train Inspection and Lubrication (XX-51-62)
- Locomotive Fuel (XX-51-67)
- Electric Power Purchased/Produced for Motive Power (XX-51-68)
- Servicing Locomotives (XX-51-69)
- Clearing Wrecks (XX-51-63)

**§ 1242.56 Engine crews and train crews (accounts XX-51-56 and XX-51-57).**

Separate common expenses on the basis of direct assignment or if there are no directly assignable expenses, separate on the basis of train hours, including train switching hours.

**§ 1242.57 Dispatching trains (account XX-51-58).**

Separate common expenses on the basis of train hours, including train switching hours.

**§ 1242.58 Operating signals and interlockers, operating drawbridges, highway crossing protection (accounts XX-51-59, XX-51-60 and XX-51-61).**

Separate common expenses on the basis of total train hours (including train switching hours) of the particular common operating divisions or track segment on which the common signals, interlockers, drawbridges and highway crossings are located.

**§ 1242.59 Train inspection and lubrication (account XX-51-62).**

Separate common expenses on basis of directly assigned expenses. If there are no directly assignable expenses, separate on the basis of train miles.

**49 CFR Ch. X (10-1-03 Edition)**

**§ 1242.60 Locomotive fuel, electric power purchased/produced for motive power and servicing locomotives (accounts XX-51-67, XX-51-68 and XX-51-69).**

Separate common expenses in each account on basis of direct expenses. If there are no direct expenses, separate on the basis of train hours and way-switching service hours.

**§ 1242.61 Freight lost or damaged—solely related (to train) (account 51-51-00).**

Separate common expenses on the basis of proportion of the solely related expenses assigned to freight and passenger services or on the basis of a special study.

**§ 1242.62 Clearing wrecks (account XX-51-63).**

Separate common expenses according to specific circumstances.

**§ 1242.63 Fringe benefits (account 12-51-00).**

Separate common expenses in proportion to the percentage separation calculated for the salaries and wages account—administration (account 11-51-01).

**§ 1242.64 Joint facility—debit and credit (accounts 37-51-00 and 38-51-00).**

(a) Solely related freight and passenger service debit expense accounts shall be assigned according to the use made of each facility by the reporting carrier, regardless of the use made of the facility by other carriers. Common debit expense accounts shall be separated on the basis of the percentage separation of the solely related expenses. If there are no solely related expenses or if the solely related expenses are assigned entirely to either freight or passenger service, separate common expenses on the same percentages calculated for the separation of administration (account XX-51-01).

(b) Separate common credit expense accounts on the basis of the percentages calculated for the separation of administration (account XX-51-01).

Surface Transportation Board, DOT

§ 1242.75

**§ 1242.65 Other and casualties and insurance (accounts XX-51-99 and 50-51-00).**

Separate common expenses on the basis of the percentages calculated for the separation of administration (account XX-51-01).

YARD OPERATIONS

**§ 1242.66 Administration (account XX-52-01).**

Separate common expenses according to distribution of common expenses in the following accounts:

Switch Crews (XX-52-64)  
Controlling Operations (XX-52-65)  
Yard and Terminal Clerical (XX-52-66)  
Operating Switches, Signals, Retarders and Humps (XX-52-59)  
Locomotive Fuel (XX-52-67)  
Servicing Locomotives (XX-52-69)  
Electric Power Purchased/Produced for Motive Power (XX-52-68)  
Clearing Wrecks (XX-52-63)

**§ 1242.67 Switch crews; controlling operations; yard and terminal clerical; locomotive fuel; electric power purchased/produced for motive power; operating switches signals, retarders, and humps; and servicing locomotives (accounts XX-52-64, XX-52-65, XX-52-66, XX-52-59, XX-52-67, XX-52-68 and XX-52-69).**

Separate common expenses on the basis of the distribution of freight and passenger yard-switching hours in those yards common to both freight and passenger services.

**§ 1242.68 Freight lost or damaged—solely related (to yard) (account 51-52-00).**

Separate common expenses on the basis of the solely related freight and passenger expenses or on the basis of a special study.

**§ 1242.69 Clearing wrecks (account XX-52-63).**

Separate common expenses according to specific circumstances.

**§ 1242.70 Fringe benefits (account 12-52-00).**

Separate common expenses in proportion to the percentage separation calculated for the salaries and wages administration account (account 11-52-01).

**§ 1242.71 Joint facility—debit and credit (accounts 37-52-00 and 38-52-00).**

(a) Solely related freight and passenger service debit expenses accounts shall be assigned according to the use made of each facility by the reporting carriers, regardless of the use made of the facility by other carriers. Common debit expenses shall be separated on the basis of the percentage separation of the solely related expenses. If there are no solely related expenses or if the solely related expenses are assigned entirely to freight or passenger service, separate common expenses on the same percentages calculated for the separation of administration (account XX-52-01).

(b) Separate common credit expense accounts on the basis of the percentages calculated for the separation of administration (account XX-51-01).

**§ 1242.72 Other and casualties and insurance (accounts XX-52-99 and 50-52-00).**

Separate common expenses on the basis of the percentages calculated for the separation of administration (account XX-52-01).

TRAIN AND YARD OPERATIONS COMMON

**§ 1242.73 Cleaning car interiors and freight lost and damaged—all other (accounts XX-53-70 and 51-53-00).**

Separate common expenses on basis of solely related freight and passenger expenses or special study.

**§ 1242.74 Adjusting and transferring loads, and car loading devices and grain doors (accounts XX-33-71 and XX-33-72).**

These accounts pertain solely to freight service and contain no common expenses for separation herein.

**§ 1242.75 Fringe benefits (account 12-53-00).**

Separate common expenses in proportion to the freight/passenger separation calculated for the salaries and wages—cleaning car interiors common account (account 11-53-70).

## § 1242.76

### SPECIALIZED SERVICE OPERATIONS

**§ 1242.76 Administration; pickup and delivery, marine line haul, and rail substitute service; loading, unloading and local marine; protective services; freight lost or damaged—solely related; fringe benefits; casualties and insurance; joint facility, and other (accounts XX-34-01, XX-34-73, XX-34-74, XX-34-75, 51-34-00, 12-34-00, 50-34-00, 37-34-00, 38-34-00 and XX-34-99).**

These accounts pertain solely to freight service and contain no common expenses for separation herein.

### ADMINISTRATIVE SUPPORT OPERATIONS

**§ 1242.77 Administration (account XX-55-01).**

Separate common expenses in the same proportion as common expenses are separated in employees performing clerical and accounting functions, communication systems operations and loss and damage claims processing (accounts XX-55-76, XX-55-77 and XX-55-78).

**§ 1242.78 Employees performing clerical and accounting functions, and loss and damage claims processing (accounts XX-55-76 and XX-55-78).**

If the sum of the direct freight and the direct passenger expenses is more than 50 percent of the total charges to this account for an accounting division, separate the common expenses on the basis of the directly assigned expenses in this account for the particular accounting division. If the sum of the direct freight and the direct passenger expenses does not aggregate 50 percent of the total charges for an accounting division, the common expenses shall be separated on the basis of special test. If common expenses exist in an accounting division but the direct expenses are applicable to only one service, i.e., freight or passenger, and even though the direct charges are over 50 percent of the total charges, the common expenses shall be separated on the basis of a special test. If

## 49 CFR Ch. X (10-1-03 Edition)

the accounting is performed on a system basis rather than by accounting division, follow the intent of the above instructions.

**§ 1242.79 Communication systems operations (account XX-55-77).**

Separate common expenses on bases of the percentages calculated for the separation of Communication Systems (account XX-19-20), § 1242.18.

**§ 1242.80 Fringe benefits (account 12-55-00).**

Separate common expenses in proportion to the percentage separation calculated for the salaries and wages—administration account (account 11-55-01).

**§ 1242.81 Joint facility—debit and credit (accounts 37-55-00 and 38-55-00).**

Solely related freight and passenger service debit expense accounts shall be assigned according to the use made of each facility by the reporting carriers, regardless of the use made of the facility by other carriers. Common debit expenses shall be separated on the basis of the percentage separation of the solely related expenses. If there are no solely related expenses or if the solely related expenses are assigned entirely to either freight or passenger service, separate common expenses on the same percentages calculated for the separation of administration (account XX-55-01).

Separate common credit expenses on the basis of the percentages calculated for the separation of administration (account XX-55-01).

**§ 1242.82 Other and casualties and insurance (accounts XX-55-99 and 50-55-00).**

Separate common expenses on the basis of the percentages calculated for the separation of administration (account XX-55-01).

## Surface Transportation Board, DOT

## § 1243.2

### OPERATING EXPENSES

general and administration

**§ 1242.83 Officers—general superintendence; accounting, auditing and finance; management services and data processing; personnel and labor relations; legal and secretarial; research and development; writedown of uncollectible accounts; property taxes; other taxes except on corporate income or payrolls; and other (accounts XX-63-01, XX-63-86, XX-63-87, XX-63-91, XX-63-92, XX-63-94, 63-63-00, 64-63-00, 65-63-00 and XX-63-99).**

Separate common expenses in proportion to the separation of all other common expenses except General and Administrative Expenses.

**§ 1242.84 Marketing, sales, and public relations and advertising (accounts XX-63-88, XX-63-89 and XX-63-93).**

Separate each common expense account on the basis of the solely related freight and passenger expense accounts.

**§ 1242.85 Fringe benefits (account 12-63-00).**

Separate the common expenses in proportion to the total common salaries and wages expense separation (account 11-XX-XX) determined in §§ 1242.83 and 1242.84.

**§ 1242.86 Industrial development (account XX-61-90).**

These accounts pertain solely to freight service and contain no common expenses for separation herein.

**§ 1242.87 Joint facility—debit and credit and casualties and insurance (accounts 37-63-00, 38-63-00 and 50-63-00).**

Separate the common expenses in proportion to the total of all common expense separations determined in §§ 1242.83 and 1242.84 above.

NOTE: If compilation of the data in compliance with any of the above separation rules results in an undue burden in accounting expense, the carrier may request relief from such rules by letter to the Director, Bureau of Accounts. If reliable data can be developed through other methods and procedures, the carrier may request substitution of such methods also by letter to the Director, Bu-

reau of Accounts. In both cases, the carrier shall support the request with full details.

## PART 1243—QUARTERLY OPERATING REPORTS—RAILROADS

Sec.

1243.1 Revenues, expenses and income.

1243.2 Condensed balance sheet.

AUTHORITY: 49 U.S.C. 721, 11145.

SOURCE: 37 FR 5503, Mar. 16, 1972, unless otherwise noted.

NOTE: The report forms prescribed by part 1243 are available upon request from the Office of the Secretary, Surface Transportation Board, Washington, DC 20423.

### § 1243.1 Revenues, expenses and income.

Commencing with reports for the 3 months beginning January 1, 1972, and for subsequent quarters thereafter, until further ordered, all class I railroads, except switching and terminal companies, subject to the provisions of Part I of the Interstate Commerce Act, be, and they are hereby, required to compile and file quarterly reports of revenues, expenses and income in accordance with quarterly report Form RE&I, and instructions thereon. Such quarterly reports shall be filed, in duplicate, in the Office of Economics, Environmental Analysis, and Administration, Surface Transportation Board, Washington, DC 20423, within 30 days after the end of the quarter to which they relate.

[37 FR 5503, Mar. 16, 1972, as amended at 67 FR 57534, Sept. 11, 2002]

### § 1243.2 Condensed balance sheet.

Commencing with reports for the 3 months beginning January 1, 1972, and for subsequent quarters thereafter, until further ordered, all class I railroads, except switching and terminal companies, subject to the provisions of Part I of the Interstate Commerce Act, be, and they are hereby, required to compile and file quarterly reports of balance sheet items in accordance with quarterly report Form CBS, and instructions thereon. Such quarterly reports shall be filed, in duplicate, with the Office of Economics, Environmental Analysis, and Administration, Surface Transportation Board, Washington, DC 20423, within 30 days after