

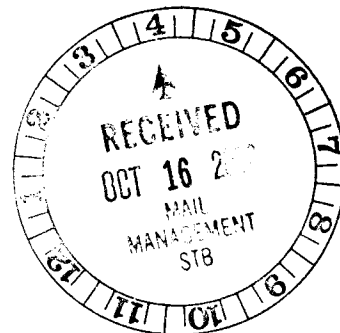
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Public Record**

Before the
Surface Transportation Board
Washington, D.C.



STB Ex Parte No. 634

**Proposal to Require Consolidated Financial Reporting
by Commonly Controlled Railroads**

American Short Line and Regional Railroad Association

REQUEST FOR EXTENSION OF TIME TO SUBMIT COMMENTS

The American Short Line and Regional Railroad Association (ASLRRA) is filing this request for extension of time to submit comments in response to the proposal made by the Surface Transportation Board (STB or Board) in its decision served September 25, 2000 in the above-captioned proceeding. The Board states that it intends, consistent with Financial Accounting Standards Board (FASB) Statement No. 94, to require consolidated reporting by commonly controlled U.S. railroads and their U.S. railroad-related affiliates.

The American Short Line and Regional Railroad Association (ASLRRA) is a non-profit trade association incorporated in the District of Columbia. ASLRRA represents the interests of its 418 short line and regional railroad members in legislative and regulatory matters.

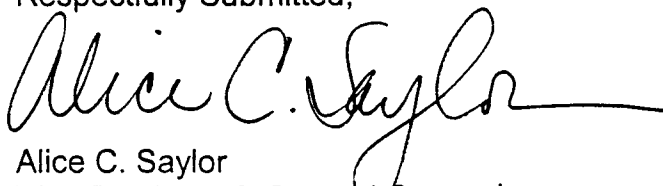
The proposed change in reporting requirements, if adopted, would have far-reaching impact and could cause a significant increase in the burdens on small railroad companies. Many of these small companies are still trying to assess the potential impact of the proposed change. Many others may still not have realized the impact the proposed change could have on them and their operations.

ASLRRA has reached out to its membership to make them aware of this pending proceeding as quickly as possible. Information was disseminated in the Association's newsletter dated and mailed October 2, 2000 (copy attached). An invitation to join a conference call was sent by Fax to those members likely to be affected (copy attached).

On that conference call, held on October 11, 2000, a considerable amount of concern was expressed. Representatives of nine groups or "families" of short line and regional railroads indicated their intent to participate and file comments in this proceeding. All expressed concern that the time left before the October 25th due date for comments is not sufficient to allow full consideration and preparation of comprehensive comments. In addition, ASLRRA is concerned that some short lines that should be participating have not yet realized how this proposal could affect them.

For all these reasons, ASLRRA on its own behalf and on behalf of its members that wish to participate in this proceeding, respectfully requests a 30-day extension of time to submit comments in this proceeding. This will allow for fuller consideration of the implications of the proposed change and should not unduly delay this proceeding.

Respectfully Submitted,

A handwritten signature in black ink, reading "Alice C. Saylor", followed by a horizontal line extending to the right.

Alice C. Saylor
Vice President & General Counsel
American Short Line and Regional Railroad
Association
1120 G. Street, NW; Suite 520
Washington, D.C. 20005
(202) 628-4500; Fax (202) 628-6430

Dated: October 16, 2000

2. STB PROPOSES CONSOLIDATED FINANCIAL REPORTING -

The Surface Transportation Board has issued a notice indicating that it intends to require railroads controlled by a common parent to file their financial reports on a consolidated basis, beginning with their calendar year 2001 operations.

Railroads currently are required to use consolidated reporting in the documents they file with the Board to establish which carriers are earning adequate revenues, but are not required to report their revenues on a consolidated basis for other purposes. The Board proposed to adopt FASB No. 94, "*Consolidation of All Majority-Owned Subsidiaries*," an accounting standard that was issued by the Financial Accounting Standards Board in 1987.

This approach could change the classification status of some railroads, whose revenues would be combined with the revenues of their corporate siblings to determine whether railroads that are part of commonly controlled families should be classified as Class I, II, or III.

The Board stated that it would probably only require consolidated reporting for the activities of commonly controlled U.S. railroads and their U.S. railroad-related affiliates, and that it would not expect to receive data on non-U.S. railroads and on non-railroad related operations. The Board also suggested that parties might comment on whether there are situations in which railroads under common control ought not to be required to report on a consolidated basis (for example, railroads which have no connection with one another except for having a common parent).

The Board issued its decision in *Consolidated Railroad Reporting*, STB Ex Parte No. 634, which is available via the Board's website at www.stb.dot.gov, or call ASLRRA's Washington office for a copy.

(Attachment: Faxed invitation to join conference call)

Alice C. Saylor
Vice President & General Counsel

September 29, 2000
Via Fax (6 pages)

To: _____

Fax: _____

From: Alice Saylor

ATTENTION: MEMBER RAILROADS UNDER COMMON CONTROL OR OWNERSHIP

The Surface Transportation Board has issued a notice (copy attached) indicating that it intends to require railroads controlled by a common parent to file their financial reports on a consolidated basis, beginning with their calendar year 2001 operations. Railroads currently are required to use consolidated reporting in the documents they file with the Board to establish which carriers are earning adequate revenues, but are not required to report their revenues on a consolidated basis for other purposes. The Board proposes to adopt FASB No. 94, "*Consolidation of All Majority-Owned Subsidiaries*," an accounting standard that was issued by the Financial Accounting Standards Board in 1987.

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Comments are due by October 25, 2000. The Association plans to file comments in this proceeding. Because of the potential impact of this proposed change on some of ASLRRA's members, I have scheduled a conference call to discuss it. Anyone interested is invited to join the call.

STB Ex Parte No. 634 Conference Call

Date: Wednesday, October 11, 2000

Time: 4:00 PM Eastern Time

Dial: (505) 242-2204

Code: 735740