

**Surface Transportation Board, DOT**

**§ 1152.36**

(4) The current nominal before-tax cost of debt is multiplied by the current percentage of debt to total capital to obtain a weighted before-tax nominal cost of current debt.

(5) The current nominal before-tax cost of equity is multiplied by the current percentage of equity to total capital to obtain a weighted nominal before-tax cost of current equity.

(6) The results of paragraphs (d)(4) and (d)(5) of this section are added together to determine the current nominal cost of capital.

(e) *Holding gain (loss)-road properties.* The railroad shall determine the holding gain (loss) that is projected to occur during the forecast and/or subsidy year. In any instance where the holding gain is not specifically deter-

mined for road properties, the Gross Domestic Product deflator calculated by the U.S. Department of Commerce shall be used.

**§ 1152.35 [Reserved]**

**§ 1152.36 Submission of revenue and cost data.**

The following information shall be submitted by applicant as Exhibit 1 to an abandonment or discontinuance application (§1152.22(d)) and shall be developed in accordance with the methodology established in §§1152.31 through 1152.35, as applicable. Such information, form and methodology shall also be used by an offeror of financial assistance to formulate a Proposed Subsidy Payment (§1152.27).

	Base year operations	Forecast year operations	Projected subsidy year operations
Revenues attributable for:			
1. Freight originated and/or terminated on branch			
2. Bridge traffic			
3. All other revenue and income			
4. Total revenues attributable (lines 1 through 3)			
Avoidable costs for:			
5. On-branch costs (lines 5a through 5k)			
a. Maintenance of way and structures			
b. Maintenance of equipment			
c. Transportation			
d. General administrative			
e. Deadheading, taxi, and hotel			
f. Overhead movement			
g. Freight car costs (other than return on freight cars)			
h. Return on value-locomotives			
i. Return on value-freight cars			
j. Revenue taxes			
k. Property taxes			
6. Off-branch costs			
a. Off-branch costs (other than return on freight cars)			
b. Return on value-freight cars			
7. Total avoidable costs (line 5 plus line 6)			
Subsidization costs for:			
8. Rehabilitation <sup>1</sup>			
9. Administration costs (subsidy year only) <sup>2</sup>			
10. Casualty reserve account <sup>2</sup>			
11. Total subsidization costs (lines 8 through 10)			
Return on value:			
12. Valuation of property (lines 12a through 12c)			
a. Working capital .....	XXXX.		
b. Income tax consequences .....	XXXX.		
c. Net liquidation value .....	XXXX.		
13. Nominal rate of return .....	XXXX.		
14. Nominal return on value (line 12 times line 13) <sup>3</sup> .....	XXXX.		
15. Holding gain (loss) .....	XXXX.		
16. Total return on value (line 14 minus line 15) <sup>3</sup> .....	XXXX.		
17. Avoidable loss from operations (line 4 minus line 7)			
18. Estimated forecast year loss from operations (line 4 minus lines 7 and 16)			
19. Estimated subsidy (line 4 minus lines 7, 11 and 16)			

<sup>1</sup> This projection shall be computed in accordance with § 1152.32(m).  
<sup>2</sup> Omit in applications pursuant to §§ 1152.22 and 1152.23.  
<sup>3</sup> If the amount in line 12c is a negative for the "Forecast Year operations" insert "0" in this line.