

DO

FR-4915-01-P

SURFACE TRANSPORTATION BOARD

[Docket No. AB 1108 (Sub-No. 1X)]

The Blacklands Railroad—Discontinuance of Service Exemption—in Hunt, Delta, Hopkins, Franklin and Titus Counties, Tex.

On October 28, 2019, The Blacklands Railroad (BLR) filed a petition under 49 U.S.C. § 10502 for exemption from the prior approval requirements of 49 U.S.C. § 10903 to discontinue its operations over approximately 76 miles of rail line (the Line) in Hunt, Delta, Hopkins, Franklin, and Titus Counties, Tex.¹ In particular, BLR seeks authority to discontinue its operating rights over: (1) approximately 31 miles of a line of railroad owned by the Northeast Texas Rural Rail Transportation District (NETEX) from milepost 524.0, located 6.2 miles west of Sulphur Springs, to milepost 555.0, near Greenville (also known as Simtrott); (2) an additional 34.59 miles of NETEX's line, from milepost 524.0 to milepost 489.41, at the eastern county line of Franklin County; and (3) trackage rights acquired by NETEX over a Union Pacific Railroad Company (UP) line, from milepost 489.41 to milepost 479.0 at Mt. Pleasant where BLR interchanges traffic with UP.² The Line traverses U.S. Postal Service Zip Codes 75455,

¹ BLR initially submitted its petition on October 25, 2019. In light of a supplement filed on October 28, 2019, that date is deemed the filing date of the petition for exemption.

² BLR states that it also leases directly from UP the segment between milepost 489.40 and milepost 481.5, and that these leased operations from UP are not the subject of the discontinuance authority sought in this proceeding. See Blacklands R.R.—Lease & Operation Exemption—Union Pac. R.R., FD 34723 (STB served July 26, 2005).

75493, 75457, 75478, 75482, 75401, 75433, 75428, and 75402.

According to BLR, its operations over the Line have resulted in significant financial losses over the last four years and there is no reasonable basis to believe profitability will improve in the near future. In addition, BLR states that, upon discontinuance, no customer on the Line will be left without common carrier service because NETEX is itself a Class III rail carrier on the Line.³

BLR states that it believes the Line does not contain any federally granted rights-of-way. BLR states that any documentation in its possession will be made available to those requesting it.

As a condition to this exemption, any employee adversely affected by the discontinuance of service shall be protected under Oregon Short Line Railroad—Abandonment Portion Goshen Branch Between Firth & Ammon, in Bingham & Bonneville Counties, Idaho, 360 I.C.C. 91 (1979).

By issuance of this notice, the Board is instituting an exemption proceeding pursuant to 49 U.S.C. § 10502(b). A final decision will be issued by February 14, 2020.

Because this is a discontinuance proceeding and not an abandonment proceeding, trail use/rail banking and public use conditions are not appropriate. Because there will be environmental review during any subsequent abandonment, this discontinuance does not

³ BLR states that NETEX sought and received authority to acquire and operate the Line as a common carrier in Northeast Texas Rural Rail Transportation District—Purchase (Portion) Exemption—St. Louis Southwestern Railway Company, FD 32841 (STB served Jan. 26, 1996) and Northeast Texas Rural Rail Transportation District—Acquisition Exemption—Lines of Union Pacific Railroad Company, FD 33892 (STB served Jul. 26, 2000).

require an environmental review. See 49 C.F.R. §§ 1105.6(c)(5), 1105.8(b).

Any offer of financial assistance (OFA) for subsidy under 49 C.F.R. § 1152.27(b)(2) will be due no later than 120 days after the filing of the petition for exemption, or 10 days after service of a decision granting the petition for exemption, whichever occurs sooner.⁴ Persons interested in submitting an OFA must first file a formal expression of intent to file an offer by November 25, 2019, indicating the intent to file an OFA for subsidy and demonstrating that they are preliminarily financially responsible. See 49 C.F.R. § 1152.27(c)(1)(i).

All filings in response to this notice must refer to Docket No. AB 1108 (Sub-No. 1X) and must be filed with the Surface Transportation Board either via e-filing or in writing addressed to 395 E Street, S.W., Washington, DC 20423-0001. In addition, a copy of each pleading must be served on BLR's representative, Thomas J. Litwiler, Fletcher & Sippel LLC, 29 N. Wacker Drive, Suite 800, Chicago, IL 60606. Replies to this petition are due on or before December 5, 2019.

Persons seeking further information concerning discontinuance procedures may contact the Board's Office of Public Assistance, Governmental Affairs, and Compliance at (202) 245-0238 or refer to the full abandonment and discontinuance regulations at 49 C.F.R. part 1152. Questions concerning environmental issues may be directed to the Board's Office of Environmental Analysis at (202) 245-0305. Assistance for the hearing impaired is available through the Federal Relay Service at (800) 877-8339.

⁴ The filing fee for OFAs can be found at 49 C.F.R. § 1002.2(f)(25).

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Decided: November 12, 2019.

By the Board, Allison C. Davis, Director, Office of Proceedings.