



Surface Transportation Board
Washington, D.C. 20423-0001

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Office of the General Counsel

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Meeting under Section 5, STB Reauthorization Act

Office of Proceedings

February 14, 2020

December 20, 2019

Part of

Public Record

Present: Members Begeman, Fuchs, and Oberman
Jonathon Binet, William Brennan, Alan Cassidy, Allison Davis, Ellen
Erichsen, Chris Falcone, Amanda Gorski, Craig Keats, Evelyn Kitay, Lisa
Novins, Valerie Quinn, John Rackson, Pedro Ramirez, Scott Zimmerman

Topic: Docket No. AB 1108 (Sub-No. 1X), The Blacklands Railroad—Discontinuance of
Service Exemption—in Hunt, Delta, Hopkins, Franklin and Titus Counties, Tex.

Summary of the Matters Discussed, Prepared by General Counsel Craig Keats:

At this meeting, staff and Board Members reviewed the exemption petition filed by the Blacklands Railroad (BLR) seeking to discontinue BLR's operations over approximately 76 miles of rail line in Texas (the Line). The Line is owned by a rural transportation authority, the Northeast Texas Rural Rail Transportation District (NETEX). BLR, which will retain its operations over a 7.9-mile segment of the Line pursuant to a lease from UP, claims that operations over the Line are and will likely remain unprofitable and that any service required can be provided by NETEX itself, which, it alleges, obtained Class III rail carrier status in the late 1990s. NETEX states that it would agree to BLR's discontinuance, but only if the Board ensures a smooth transition to a new operator to avoid an interruption in service.

Staff and Board Members discussed the various issues raised by the comments and replies, including the following issues:

1. The nature of the operations on the Line.
2. The financial information provided by BLR.
3. Agency precedent on abandonment/discontinuance cases.
4. Next steps.