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November 6, 2019

VIA ELECTRONIC FILING

Ms. Cynthia T. Brown
Chief, Section of Administration
Office of Proceedings
Surface Transportation Board
395 E Street S.W., Room 1034
Washington, D.C. 20423-0001



**RE: Docket No. AB-1108 (Sub-No. 1X)
The Blacklands Railroad – Petition for Discontinuance of Service
Exemption**

Dear Ms. Brown:

The Northeast Texas Rural Rail Transportation District ("NETEX") received notice of the Petition for Discontinuance of Service Exemption (the "Petition") filed by The Blacklands Railroad ("Blacklands") on October 25, 2019 in the above-referenced docket. The purpose of this letter is to provide notice to the Surface Transportation Board ("STB") that NETEX opposes the petition's request for the exemption process. NETEX would, however, be open to supporting Blacklands discontinuance of service if and only if (1) Blacklands agrees to restore the NETEX track to FRA Class 1 Standards, (2) Blacklands vacates all operations and interests in the NETEX Member Counties, including the 7.9 mile lease in Titus County, and (3) Blacklands ceases to provide service to shippers after a 90-day transition period with the successor operator to ensure continued and uninterrupted rail service for shippers.

As you are aware, NETEX is an established governmental subdivision of the state of Texas representing six contiguous counties across northeast Texas. NETEX was formed in 1995 to save the former St. Louis Southwestern (Cotton Belt) Railway's Dallas Division, or "C-Branch," from abandonment and preserve rail service for current and future customers along the corridor and ensure the potential for long-range economic growth in the region. It owns, or jointly owns with the state of Texas, 65.6 miles of

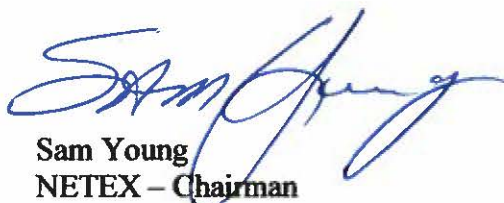
operational railroad plus 23.2 miles of right of way with rails removed for a total corridor length of 88.8 miles.

NETEX is concerned that the exemption process relied upon by Blacklands is not appropriate in these circumstances and would pose substantial harm to NETEX and shippers by allowing Blacklands to avoid costs associated with maintaining the NETEX's track at the original FRA Class 1 Standards, and at best, leaving active shippers with questionable service reliability while NETEX and their Blacklands successor operator works to address infrastructure deficiencies that would be left by Blacklands.

As many details contained in the Blacklands Petition are inaccurate and misleading, NETEX stands ready to provide the agency with additional information whether the agency moves forward by way of full application or exemption procedures in this matter.

Thank you for your consideration.

Sincerely,



Sam Young
NETEX – Chairman
Email:

Certificate of Service

I hereby certify that on November 6, 2019, I caused copies of this letter to be served (1) by email and/or first class mail, postage prepaid, on all parties of record in this proceeding and (2) by email and/or first class mail, postage prepaid, on all customers identified by Blacklands in its Certificate of Service dated October 25, 2019.

A handwritten signature in blue ink, appearing to read "Sam Young", is written over a horizontal line.

Sam Young