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KARL MORELL

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October 10, 2007

BY HAND DELIVERY

The Honorable Vernon Williams
Surface Transportation Board
395 E Street SW
Washington, DC 20423-001

Re: STB Docket No. AB-1000 (Sub-No. 1X), Georgia Southwestern Railroad, Inc. -- Abandonment Exemption -- In Harris and Meriwether Counties, Georgia

Dear Secretary Williams:

Georgia Southwestern Railroad, Inc. ("GSWR"), hereby briefly responds to the Protest file by the Georgia Department of Transportation ("GDOT") on October 1, 2007.¹

Initially, GDOT claims that its Protest is in support of the opposition to the proposed abandonment. GDOT, however, does not identify any opposition and GSWR is unaware of any opposition. Quite the contrary, GSWR has had many conversations in past few weeks with Harris and Meriwether County officials and various communities and entities located along the rail line being abandoned who favor converting the rail corridor into an interim trail. To date, no one has expressed any opposition to the abandonment.

GDOT expresses concern about the impact of the abandonment on the local communities and industries and claims that GSWR has not given enough time to market the line to new customers. GSWR fails to see how the abandonment can have an adverse impact on communities and industries that have not used rail service in years and appear uninterested in rail service in the future. The only active rail customer on the line in years has direct access to another railroad and has made only limited use of the GSWR line. GDOT also fails to take into account the fact that GSWR's

¹ To the extent deemed necessary by the Board, GSWR seeks leave to file this reply to the Protest.

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predecessor unsuccessfully attempted to market the line for years. In any event, prior to initiating the abandonment process, GSWR met with officials from GDOT and offered to sell them the line. GDOT refused to acquire the line and failed to offer a subsidy for GSWR's continued operations.

GDOT also expresses concern about the potential shift of GSWR's current rail traffic to trucks and the affect that shift will have on the local highways. GDOT's concerns are unfounded. As explained in the Petition, most, if not all, of GSWR's rail traffic is expected to shift to the other railroad and not trucks. In fact, there no longer is any traffic to shift. According to GSWR's records, the last shipment on this line moved on August 15, 2007, before GSWR filed its abandonment Petition.

Finally, GDOT expresses concern over the loss of a 43-mile rail transportation corridor in the area. The proposed abandonment, if authorized by the Board, will likely not result in a loss of the corridor only a termination of rail operations for which there is no demand. Based on conversations GSWR has had with the two counties, local communities and private interests along the line, GSWR is fairly confident that a rail-banking arrangement will be entered into which will preserve the corridor.

In summary, GDOT points to no new rail shippers locating along the corridor in the foreseeable future. Also, GDOT does not offer any public funds to offset the losses GSWR would incur by not abandoning the line. Instead, GDOT expects GSWR to continue funding the mounting losses.

If you have any questions, please call me.

Sincerely,

A handwritten signature in black ink, appearing to read "Karl Morell", written in a cursive style.

Karl Morell

cc: Harvey D. Keepler, Administrator