

Kirkpatrick & Lockhart LLP

May 2, 2003

1800 Massachusetts Avenue, NW
Suite 200
Washington, DC 20036-1221
202.778.9000
www.kl.com

207733

VIA HAND DELIVERY

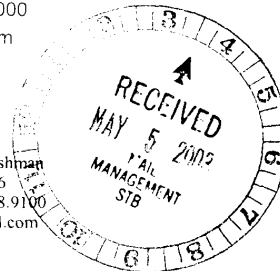
The Honorable Vernon A. Williams
Secretary
Surface Transportation Board
1925 K Street, N.W.
Washington, D.C. 20423-0001

FEE RECEIVED

MAY - 5 2003

**SURFACE
TRANSPORTATION BOARD**

Edward J. Fishman
202.778.9456
Fax: 202.778.9100
efishman@kl.com



**Re: Finance Docket No. 34347
Regional Rail Right of Way Company –Acquisition and Operation
Exemption – Lines of Dallas Area Rapid Transit**

Dear Secretary Williams:

Enclosed for filing in the above-captioned proceeding are an original and ten copies of the **Verified Notice of Exemption of Regional Rail Right of Way Company Pursuant to 49 C.F.R. § 1150.42**, dated May 2, 2003. A check in the amount of \$1,300.00, representing the appropriate fee for this filing, is also enclosed.

Should any questions arise regarding this filing, please feel free to contact me.
Thank you for your assistance on this matter.

Respectfully submitted,

Edward J. Fishman

Enclosures

FILED

MAY - 5 2003

**SURFACE
TRANSPORTATION BOARD**

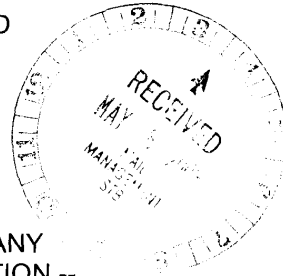
ENTERED
Office of Proceedings

MAY - 5 2003

Director
Office of Proceedings

BEFORE THE
SURFACE TRANSPORTATION BOARD

FINANCE DOCKET NO. 34347



REGIONAL RAIL RIGHT OF WAY COMPANY
-- ACQUISITION AND OPERATION EXEMPTION --
LINES OF DALLAS AREA RAPID TRANSIT

FILED

MAY - 5 2003

SURFACE
TRANSPORTATION BOARD

VERIFIED NOTICE OF EXEMPTION
OF

REGIONAL RAIL RIGHT OF WAY COMPANY
PURSUANT TO 49 C.F.R. § 1150.42

ENTERED
Office of Proceedings

MAY - 5 2003

Part of
Public Record

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SURFACE
TRANSPORTATION BOARD

Edward J. Fishman
Tracie D. Spear
Kirkpatrick & Lockhart LLP
1800 Massachusetts Avenue NW
Washington, DC 20036
(202) 778-9000

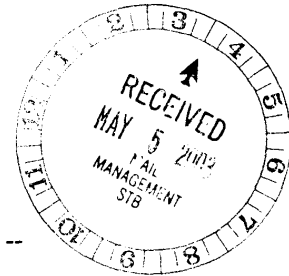
**ATTORNEYS FOR REGIONAL RAIL RIGHT
OF WAY COMPANY**

Dated: May 2, 2003

BEFORE THE
SURFACE TRANSPORTATION BOARD

FINANCE DOCKET NO. 34347

REGIONAL RAIL RIGHT OF WAY COMPANY
-- ACQUISITION AND OPERATION EXEMPTION --
LINES OF DALLAS AREA RAPID TRANSIT



**VERIFIED NOTICE OF EXEMPTION
OF
REGIONAL RAIL RIGHT OF WAY COMPANY
PURSUANT TO 49 C.F.R. § 1150.42**

Regional Rail Right of Way Company ("RRROW"), a Class III non-operating rail carrier, hereby files this Verified Notice of Exemption under 49 C.F.R. § 1150.41, et seq. to acquire an exclusive, perpetual freight rail operating easement on certain lines of railroad owned by Dallas Area Rapid Transit ("DART") in Collin, Dallas, Denton, Grayson and Rockwall Counties, Texas (the "Subject Lines"). The total distance of the Subject Lines is approximately 92.2 route miles. Based on projected revenues for the Subject Lines, RRROW expects to remain a Class III rail carrier after consummation of the transaction proposed herein.

In accordance with the requirements of 49 C.F.R. § 1150.43, RRROW submits the following information:

Advance Notice:

49 C.F.R. § 1150.42(e)

The projected annual revenue from the Subject Lines to be acquired by RRROW, together with RRROW's projected annual revenue, will not exceed \$5 million. Accordingly, the requirements of 49 C.F.R. § 1150.42(e) do not apply to this transaction.

Name and Address of Applicant: 49 C.F.R. § 1150.43(a)

The full name and address of the applicant herein is as follows:

Regional Rail Right of Way Company
P.O. Box 660163
Dallas, TX 75266-7210

Applicant's Representative: 49 C.F.R. § 1150.43(b)

RRROW's representative to whom correspondence regarding this transaction should be addressed is as follows:

Edward J. Fishman
Kirkpatrick & Lockhart LLP
1800 Massachusetts Avenue NW
Washington, DC 20036
(202) 778-9000

Statement Concerning Agreement: 49 C.F.R. § 1150.43(c)

RRROW and DART will enter into an agreement providing for RRROW's acquisition of an exclusive, perpetual freight rail operating easement and all attendant freight rail common carrier obligations on the Subject Lines.

Operation of the Property: 49 C.F.R. § 1150.43(d)

RRROW is a non-operating Class III rail carrier that does not itself conduct, and has no plans to conduct, freight rail operations on the Subject Lines. RRROW will fulfill its freight rail common carrier obligations on the Subject Lines by allowing the Dallas, Garland and Northeastern Railroad ("DGNO") to continue providing freight rail operations on the Subject Lines pursuant to existing trackage rights agreements with RRROW. This transaction will have no effect on those freight rail operations.

Summary of the Transaction:

49 C.F.R. § 1150.43(e)

RRROW is a non-stock, non-profit corporation created by DART in order to retain and manage any common carrier obligations on the railroad corridors that DART uses or plans to use in the future for passenger rail operations. Pursuant to a Transfer Agreement to be entered into by and between RRROW and DART, RRROW will acquire an exclusive, perpetual freight rail operating easement on the following DART rail lines (as defined here, the "Subject Lines"): (1) the Athens Branch East Line (a/k/a Elam Branch) between approximately milepost 314.84 (Briggs Jct.) and approximately milepost 308.80 (Pleasant Drive); (2) the Garland Line between approximately D-755.27 and approximately milepost D-745.5; (3) the Rowlett Extension between approximately milepost 745.5 and approximately milepost 741.3; (4) the Carrollton Line between approximately milepost K-758.04 and approximately milepost K-741.3; (5) the Fair Park East Line between approximately milepost 210.704 (East Dallas Yard) and approximately milepost 210.078 (MP Junction); (6) the Denton Subdivision between approximately milepost K-741.3 (Carrollton) and approximately milepost K-729.5 (Lake Dallas); (7) the Sherman Subdivision between approximately milepost 290.5 (Allen) and approximately 324.84 (South Sherman Jct.); (8) the White Rock/Fair Park Connector between approximately milepost 6.93 (Tenison Park) and approximately milepost 5.06 (MP Jct.); and (9) the Brookhollow Branch Line between approximately milepost 0.0 (DFW Main) and approximately milepost 3.31 (Denton Subdivision). DART will retain the underlying ownership interest in the right of way, trackage and other physical assets of the Subject Lines.

The name and address of the entity transferring the common carrier interests in the Subject Lines is as follows:

Dallas Area Rapid Transit
1401 Pacific Avenue
Dallas, TX 75202

RRROW intends to consummate its acquisition of the Subject Lines on or soon after the date that this Notice of Exemption becomes effective.

Map: **49 C.F.R. § 1150.43(f)**

A map showing the Subject Lines is attached as Exhibit A to this Notice.

Certification of Class III Status: **49 C.F.R. § 1150.43(g)**

RRROW's projected revenues from this transaction will not result in the creation of a Class I or Class II rail carrier. A certificate complying with the provisions of 49 C.F.R. § 1150.43(g) is attached as Exhibit B to the Notice.

Environmental/Historic Preservation Data: **49 C.F.R. Part 1105**

Although 49 U.S.C. § 10902 is not expressly mentioned, under the clear intent of 49 C.F.R. § 1105.6(c) the proposed acquisition of the Subject Lines by RRROW is exempt from environmental reporting requirements because it will not result in significant changes in carrier operations (i.e., changes which exceed the thresholds established in 49 C.F.R. § 1105.7(e)(4) or (5)).

Under 49 C.F.R. § 1105.8(b)(1), the proposed acquisition of the Subject Lines by RRROW also is exempt from historic preservation reporting requirements. RRROW's acquisition of the Subject Lines contemplates and is consistent with continued rail operations. Further Surface Transportation Board approval is required to abandon any service, and there are no plans to dispose of or alter properties subject to Board jurisdiction that are fifty years old or older.

Caption Summary: **49 C.F.R. § 1150.44**

A caption summary in the appropriate form is attached as Exhibit C to the Notice.

Respectfully submitted,

By: 

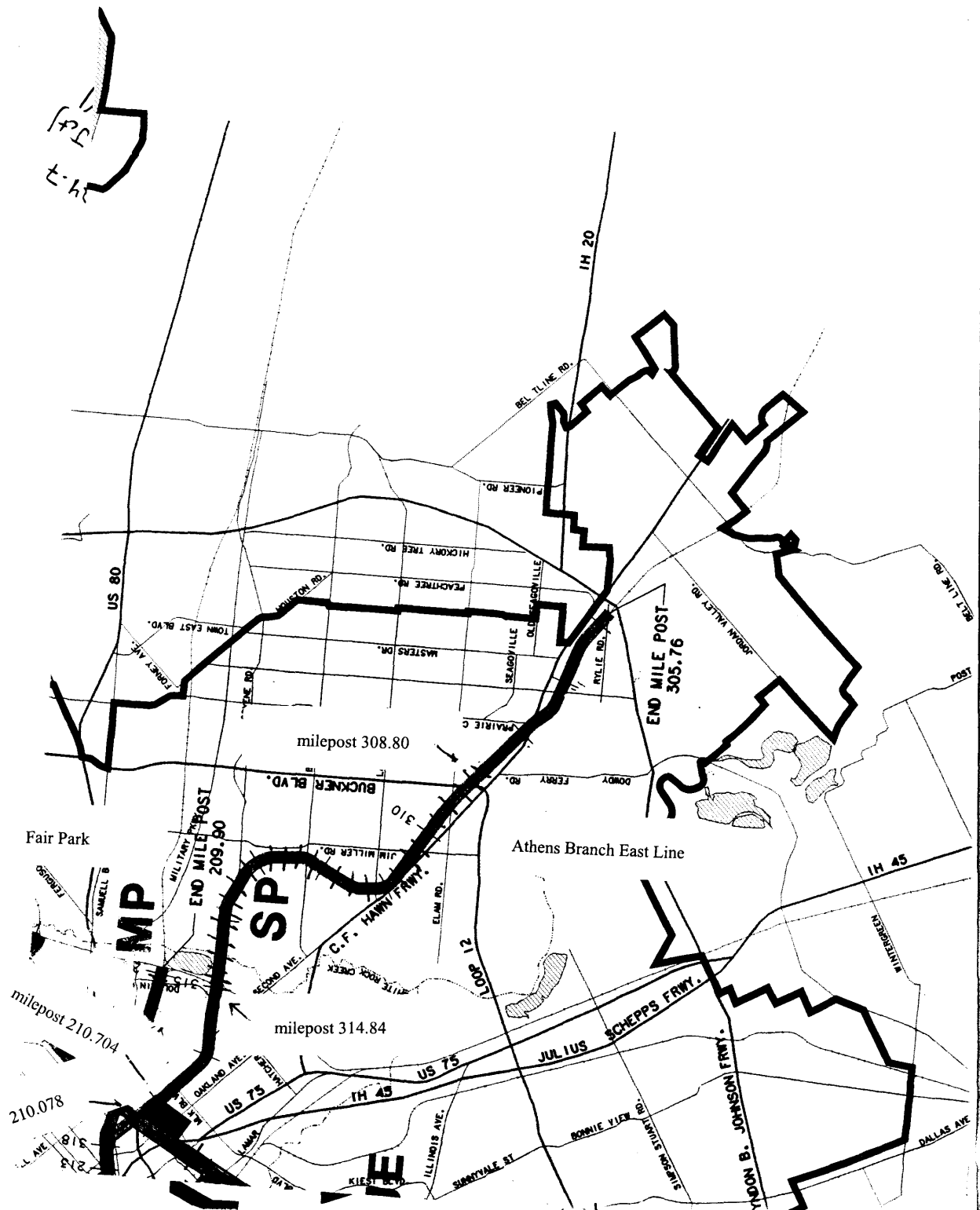
Edward J. Fishman

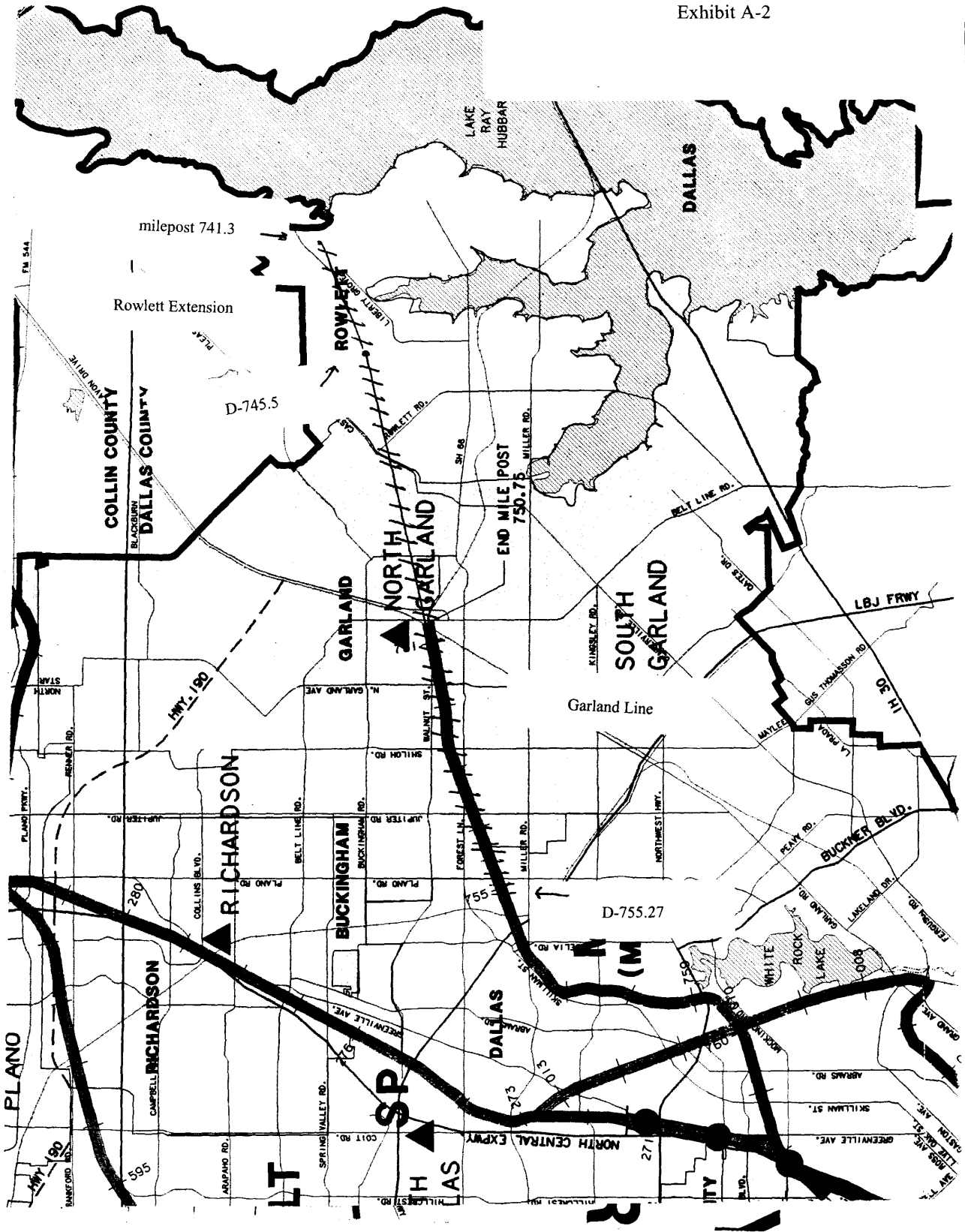
Tracie D. Spear

Kirkpatrick & Lockhart LLP
1800 Massachusetts Avenue, NW
Washington, DC 20036-1221
(202) 778-9000

**ATTORNEYS FOR REGIONAL
RAIL RIGHT OF WAY COMPANY**

Dated: May 2, 2003





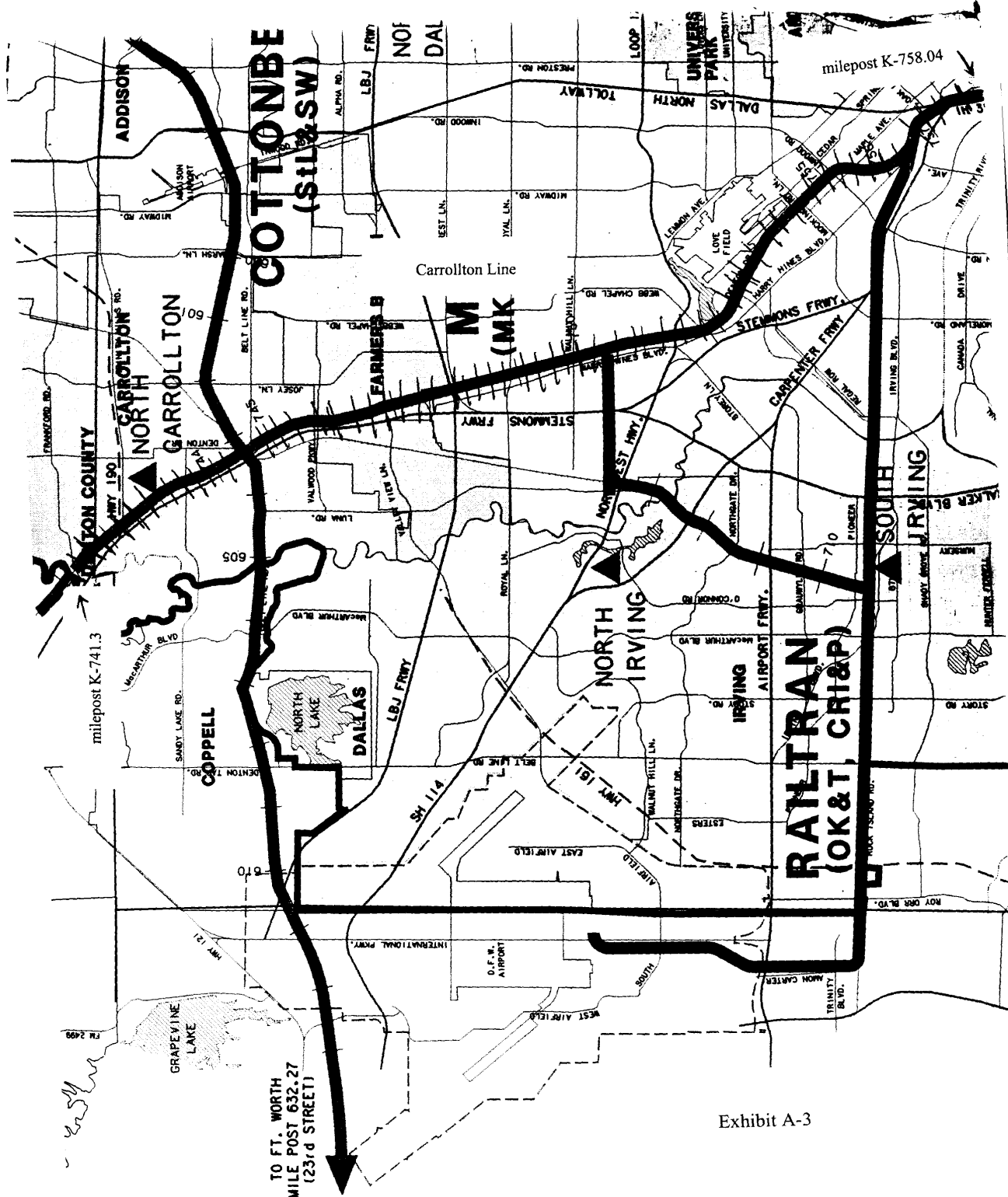
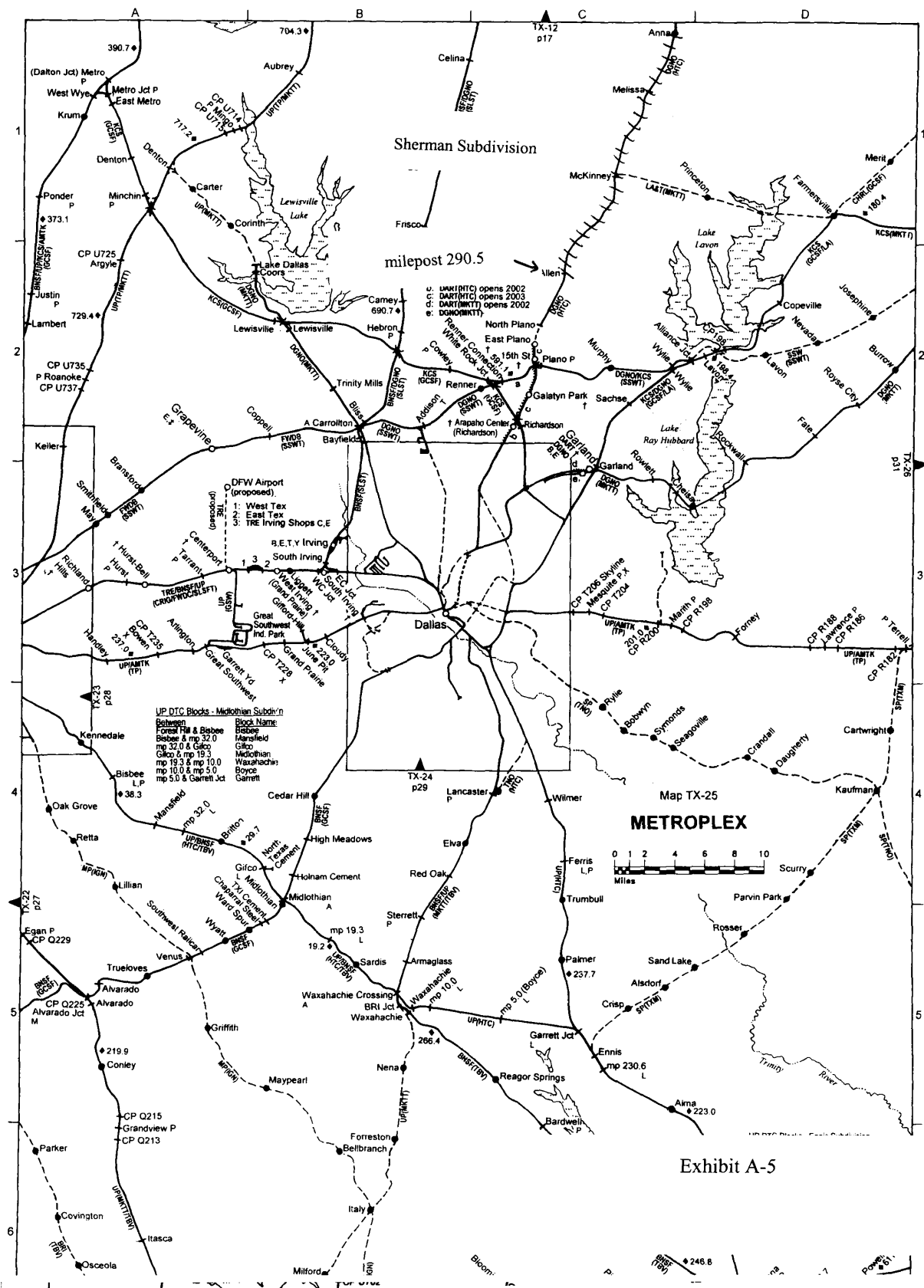
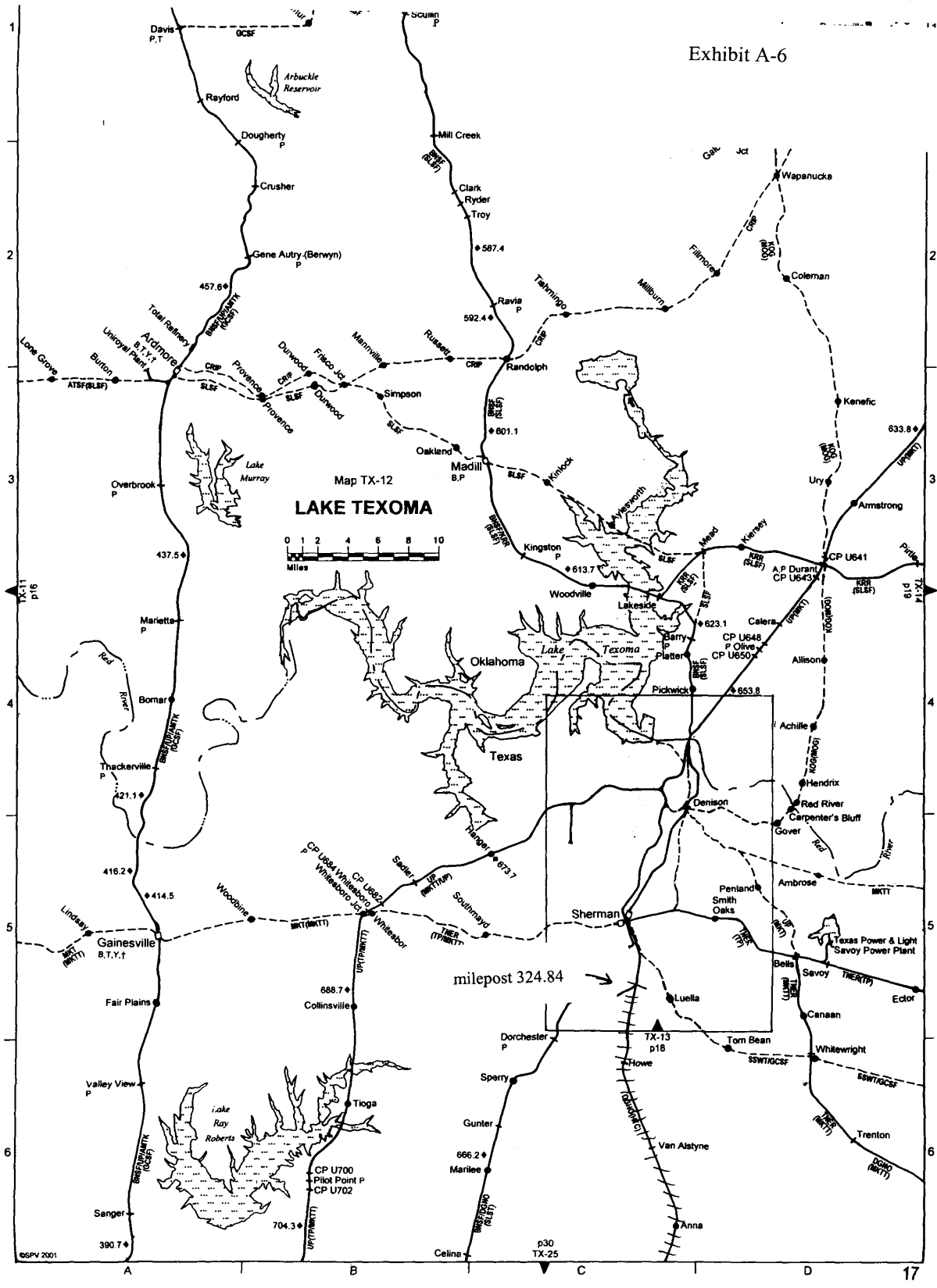


Exhibit A-4

This map illustrates the Denton Subdivision, a large land area situated between Lake Lewisville to the west and Flower Mound to the east. The subdivision is bounded by the Dallas North Tollway to the north and the Flower Mound Road to the east. Key roads shown include FM 544, HWY 121, and Denton Dr. The map also depicts several smaller roads and private streets, such as Preston Rd., Plano Pkwy., Henson Pkwy., and Morris Rd. The area is characterized by a mix of developed land, including residential and commercial structures, and undeveloped land, particularly along the shoreline of Lake Lewisville. A prominent road, likely a major thoroughfare, runs through the center of the subdivision, connecting the tollway to the Flower Mound area. The map is oriented with North at the top, and the subdivision is labeled 'Denton Subdivision' in the center.





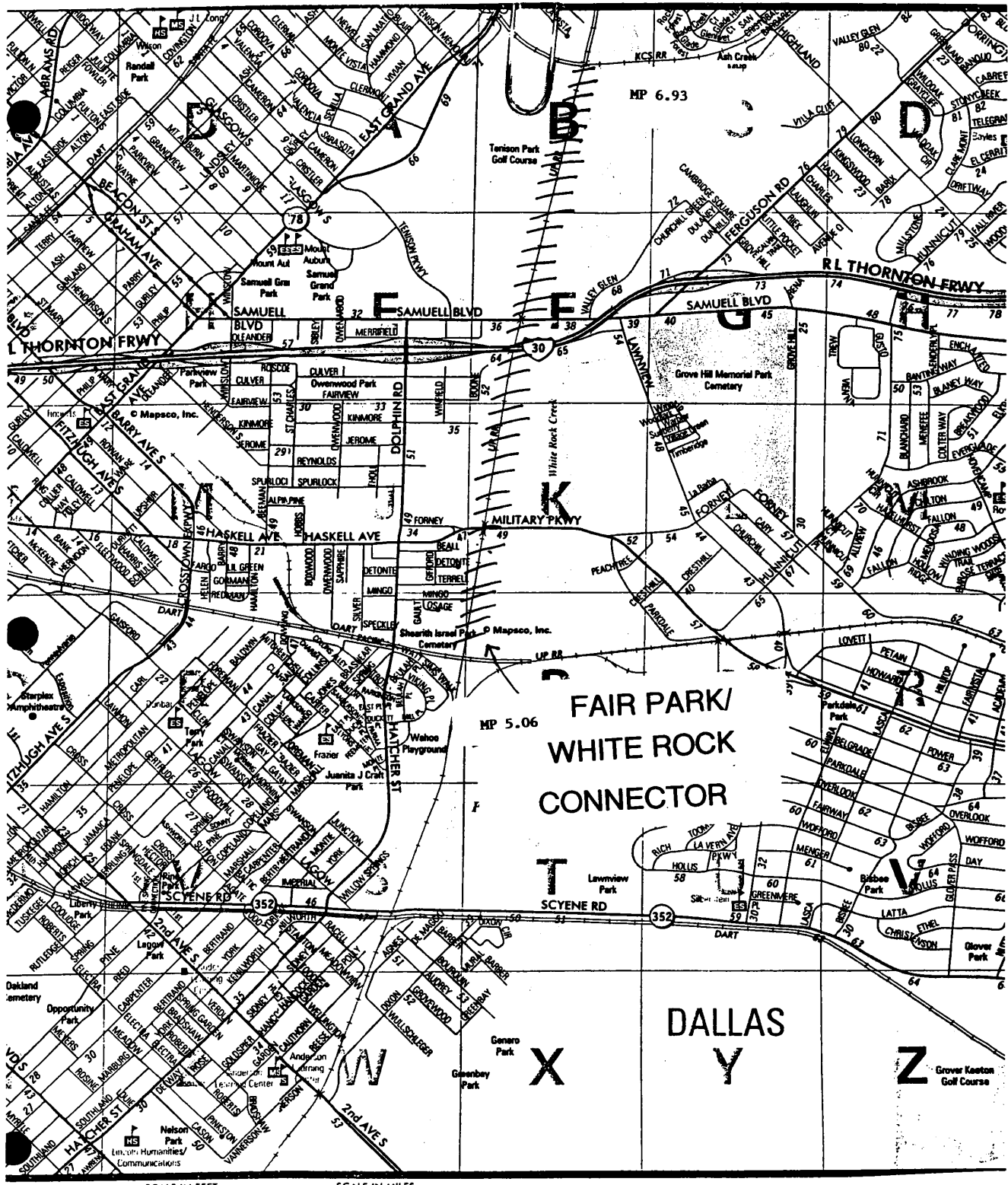


Exhibit A-7

BROOKHOLLOW LEAD

EXHIBIT B

CERTIFICATION

State of Texas)

SS:

County of Dallas)

Janis Seidner, being duly sworn, hereby certifies that the projected revenues of Regional Rail Right of Way Company upon consummation of the proposed transaction will not result in the creation of a Class I or Class II rail carrier under the provisions of 49 C.F.R. § 1201(1-1).

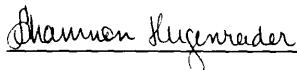


Janis Seidner

SUBSCRIBED AND SWORN TO

before me this 29th day

of April __, 2003



Notary Public

My Commission expires: July 9, 2006

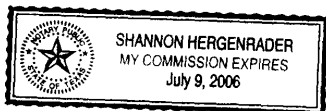


EXHIBIT C

SURFACE TRANSPORTATION BOARD

NOTICE OF EXEMPTION

FINANCE DOCKET NO. 34347

**REGIONAL RAIL RIGHT OF WAY COMPANY
-- ACQUISITION AND OPERATION EXEMPTION --
LINES OF DALLAS AREA RAPID TRANSIT**

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(DFW Main) and approximately milepost 3.31 (Denton Subdivision). (collectively referred to herein as the "Subject Lines"). The total distance of the Subject Lines is approximately 92.2 route miles. The Subject Lines are located in Collin, Dallas, Denton, Grayson and Rockwall Counties, Texas.

Comments must be filed with the Board and served on Edward J. Fishman, Kirkpatrick & Lockhart LLP, 1800 Massachusetts Avenue, N.W., 2nd floor, Washington, DC 20036; (202) 778 -9000.

This notice is filed under 49 C.F.R. § 1150.41. If the notice contains false or misleading information, the exemption is void ab initio. Petitions to revoke the exemption under 49 U.S.C. § 10505(d) may be filed at any time. The filing of a petition to revoke will not automatically stay the transaction.

Date: May 2, 2003

By the Board

Vernon A. Williams – Secretary

VERIFICATION

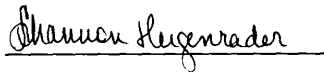
State of Texas)
)
County of Dallas) SS:

Janis Seidner, being duly sworn, deposes and says that she is a Vice President of the Regional Rail Right of Way Company, she has read the foregoing Notice of Exemption and knows the facts asserted therein, and that the same are true as stated, to the best of her knowledge, information and belief.


Janis Seidner

SUBSCRIBED AND SWORN TO

before me this 29th day
of April __, 2003


Notary Public

My Commission expires: July 9, 2006

