



Texas High-Speed Rail Seeks Federal Agency Certification

- **Train developers petition for confirmation of Surface Transportation Board jurisdiction**
- **Project meets standard as infrastructure project of national importance**
- **Move will bring Texas passenger link in line with nation's rail systems**

DALLAS [May 4, 2016] – Developers of Texas' high-speed train have asked the federal Surface Transportation Board (STB) to confirm it has oversight of the project, bringing it in line with the nation's other major passenger and freight railroads.

Texas Central recently filed a formal petition to the STB, asking that the agency affirm its jurisdiction over the project and to weigh in on critical next steps that will include construction and operation of the passenger link between North Texas and Houston, with a midway stop in the Brazos Valley.

Texas Central is required to seek STB certification of the project, thus complying with the federal regulatory process that all newly constructed rail lines must follow.

This request does not seek to remove protections afforded to landowners under Texas law. It merely clarifies the STB procedures that Texas Central must follow and does not change or override any state landowner protections.

The STB will not issue a final decision until the environmental review is completed but Texas Central asked the board to issue an interim order as soon as practicable.

Texas Central's request is the latest step in the project's compliance with state and federal regulations. The petition's filing comes as the Federal Railroad Administration works on an environmental study this year that will help evaluate the train's 240-mile route.

"With a ruling from the STB, we will gain a greater understanding of required regulatory commitments, and will more effectively be able to deliver the project," said Tim Keith, Texas Central CEO. "Since this project is privately developed, with a fixed schedule for beginning service, it is important to those efforts and to the project's private investors that all regulatory questions be settled."

The STB requires a project to outline its goals and objectives so that the agency can consider its role. Texas Central's petition explains that Texas high-speed rail meets the conditions needed to gain STB jurisdiction, similar to other passenger and freight railroads in the country. Among the factors supporting Texas Central:

- It is a transportation infrastructure project of national importance, providing “a safe, reliable, convenient and environmentally friendly travel option.”
- The Texas route – between two major commercial hubs – fills a gap in existing passenger service and significantly adds to the country’s general passenger railway network.
- Its planned passenger stations – in Dallas, Houston and Grimes County – are designed to enhance local and interstate transportation connections.

The STB is an independent federal agency created in 1996 as the successor to the Interstate Commerce Commission (ICC) and is responsible for the economic regulation of the interstate railroad industry, including projects of national significance. The STB has broad economic regulatory oversight of freight and passenger railroads including rates, service, construction and acquisition of rail lines, carrier mergers and interchange of traffic among carriers. <https://www.stb.dot.gov/stb/index.html>

This project will be the first true high-speed passenger rail system in the United States. As a result, working with the STB and the Federal Railroad Administration (FRA) is appropriate as Texas Central demonstrates compliance with existing federal rules, Keith said.

The FRA is expected to release a draft environmental impact statement later in 2016 and then is expected to take public comment on its report.

Texas Central, based in Dallas and led by Texas investors, will not take federal grants for construction or public subsidies for operation. Construction of the high-speed rail project is scheduled to begin in late 2017.

ABOUT TEXAS CENTRAL PARTNERS LLC

Texas Central is a private, Texas-based company that is developing the high-speed passenger railway and associated facilities. Texas Central and its affiliated entities are responsible for the system’s design, finance, construction, operation and maintenance.

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FACTS on Texas Central's filings with the Surface Transportation Board (STB)

Why did Texas Central petition the STB?

Texas Central is required to obtain STB authorization for this project. The construction and operation of new passenger and freight rail lines require STB approval, and Texas Central's request is the latest step in the project's compliance with state and federal regulations. This is a known and expected step by those who follow these processes closely. Texas Central is committed to working with federal and state regulators and complying with all applicable laws in constructing and operating a high-speed rail line.

Is public input or comment allowed on Texas Central's petitions before the STB?

Yes. In fact, at the request of several landowners who wanted some additional time, Texas Central supported their request that the deadline for public comment be extended and is pleased that the STB has agreed.

Does this change or remove protections afforded to Texas landowners under state law?

No. Texas Central is simply complying with the federal regulatory process that all newly constructed rail lines must follow. All protections put in place by the Texas Legislature over the last 150+ years remain in place and do not change regardless of the STB's finding.

The petition filed with the STB merely seeks a clarifying order regarding the interplay between the STB's own federal regulations and the first steps of the land purchase process under Texas law.

Will the STB's decision allow Texas Central to acquire by condemnation land not needed for the train route?

No. Texas law governs how Texas Central can acquire property, and it will comply with all of those laws. Also, Texas Central has committed not to take physical possession of any land through condemnation until after the STB issues a final order approving construction of the line.

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