

February 21, 2019

Ms. Victoria Ruston
Director, Office of Environmental Analysis
Surface Transportation Board
395 E Street, SW
Washington, DC 20423

Dear Ms. Ruston,

This letter responds to your Information Request #5 dated February 7, 2019, regarding the comments on the Environmental Assessment information requests.

1. Comments submitted on the Draft Environmental Assessment (EA) request additional information concerning the commodities to be shipped on the proposed rail line and the volume of freight rail traffic due to development of the Camp Hall Commerce Park, which would include Volvo Cars and any additional tenants. Please provide any available updated information (beyond what was provided previously in response to information requests #2 and #3) concerning any reasonably foreseeable freight rail service for tenants that would be located within the Camp Hall Commerce Park or to shippers that would be located along the route of the proposed rail line. Please include any changes to train length and frequency that would result from serving any additional tenants or shippers identified. Please provide us with any marketing plans available for securing additional freight business for the proposed rail line, and any new or updated land use/permitting information, if available.

Palmetto Railways appreciates this opportunity to clarify its responses to comments received by STB and the Corps on the Draft EA as well as the analysis that it has undertaken to support the projected train lengths and passbys required to accommodate reasonably foreseeable freight rail requirements from Volvo Cars and the remaining rail-served tracts of Camp Hall Commerce Park. As stated in previous submissions to your respective agencies, Palmetto Railways views the estimation or assessment of potential impacts on speculative land development to be likewise inherently speculative and beyond the scope of reasonable consideration under NEPA. However, in developing its projections for the impacts caused by the expected freight rail along the Camp Hall Rail Line from both spurs analyzed in the Draft EA, Palmetto Railways incorporated sufficient capacity in the projected train lengths and passbys to accommodate that reasonably foreseeable demand.

With respect to its current status and marketing, Camp Hall Commerce Park is owned by the South Carolina Public Service Authority, also known as Santee Cooper, a state-owned electric and water utility and landowner under separate agency management and control than Palmetto Railways, Berkeley County, and Volvo Cars. As referenced in the request, a portion of Camp Hall Commerce Park is currently under the phased development by Volvo Cars, which anticipated rail volume serves as the primary justification for the construction of the proposed rail line. The remaining portions of Camp Hall Commerce Park (owned by Santee Cooper) are separately permitted by the Corps, DA Permit No. 2015-01764, and consist of the proposed subdivision of the remaining tract into ten (10) separate tracts that are available and being marketed by Santee Cooper.¹ The available acreages of the remaining nine (9) tracts range from 13 acres to 607 acres. The spur to the remaining portions of Camp Hall Commerce Park that is proposed as a phase of this rail line project is designed to provide direct rail access to the parcels permitted for development in DA Permit No. 2015-01764. Of those tracts, Tract B, which is the largest tract and consists of 607 acres, has the majority of the proposed frontage along the rail spur on the Commerce Park side of Camp Hall.

No additional tenants have formally committed to the remaining Commerce Park tracts. The Corps permit for the Commerce Park, which defines a specific purpose and need for the anticipated development, provides guidance as to the type of freight that can reasonably be estimated to result from the Commerce Park tracts. As currently defined, DA Permit No. 2015-01764 provides in pertinent part that:

The proposed work consists of construction [of] a Class A Commerce Park to support the adjacent automotive manufacturer and other advanced manufacturing and logistic facilities. In detail, Santee Cooper proposed to construct utility corridors, a transportation network, developable parcels, and basic infrastructure to attract and accommodate suppliers, vendors, and other advanced manufacturing and logistics facilities to support the adjacent automotive manufacturer and other advanced manufacturing and logistics facilities.

April 28, 2017, Modification to DA Permit No. 2015-01764 (emphasis added). Consequently, Santee Cooper has made the strategic decision to permit the Camp Hall Commerce Park site as a potential site for advanced manufacturing and logistics facilities, including as a potential accessory site to the Volvo manufacturing facility, given its proximity (directly across Volvo Cars Drive), as well as the synergies to be exploited by locating a supplier, vendor, or other advanced manufacturing and logistics facility in such proximity to Volvo.

¹ As the owner of the Camp Hall Commerce Park, Santee Cooper is actively marketing the property and information can be found at www.CampHall.com.

Given those identified parameters of expected use of the remaining rail-served tracts of the Commerce Park, which comports with Santee Cooper's current marketing of the site, the reasonable and likely development of these tracts in the future will be for a logistics transload facility and/or an automobile manufacturing supplier of raw materials. The timing of such developments are speculative, and hence the phasing of this rail spur, but Palmetto Railways is confident that the demand will arise for this spur and stands prepared for meet the demand as soon as it is made. Given those assumptions, Palmetto Railways has projected reasonably foreseeable volumes of a transload facility generating approximately 3,000 rail cars annually, and a raw materials supplier for automobile manufacturing generating approximately 1,500 rail cars annually. Palmetto Railways has previously projected volume for the rail line of five weekly round trips (based on the volume of 50,000 automobiles per year provided by Volvo), and also provided the operational assumption that, should additional tenants requiring access to and generating rail volumes materialize at the rail served tracts of the Commerce Park, sufficient capacity exists in Palmetto Railways' projections such that the length of the five weekly trains would be grown before additional weekly train pairs were added on the proposed rail line. See Draft EA at 2-20. Under the projections of 4,500 additional rail cars annually, the operational assumptions in the Draft EA hold true. 4,500 additional rail cars per year amount to approximately 17 additional rail cars per trip (approximately 86 cars per week), at average length of 65 feet per car, for a total additional length of approximately 1,105 feet per train. Even at these elevated levels, the capacity built in by Palmetto Railways is sufficient to meet the demand such that additional train trips per week would not be required; therefore, the assumptions considered in the Draft EA remain the same. Further, when the estimated volume materializes, Palmetto Railways projects that the addition of approximately 1,105 feet per train would lengthen crossing delays by less than 1 minute which, based on the analysis of vehicle delays included in the Draft EA; consequently, there is no material difference from the agencies' determination that potential impacts on vehicle delay from the operation of the proposed rail line would result in minimal disruption to vehicular traffic.

2. The voluntary mitigation measures set forth in the Draft EA include measures to reduce noise and vibration from rail line operations. Comments submitted on the Draft EA request mitigation to reduce construction noise where the FTA threshold would be exceeded. Please provide information on anticipated Best Management Practices for controlling construction noise.

Palmetto Railways notes that the FTA's Transit Noise and Vibration Impact Assessment Manual acknowledges that there are no standardized criteria for assessing construction noise impacts and instead, project-specific criteria and assessments are required. Notwithstanding, Palmetto Railways does not anticipate that the noise associated with construction activities will exceed the guidelines set forth in the manual. Additionally,

Palmetto Railways has committed to adhering to Best Management Practices during construction, as set forth in its Avoidance, Minimization and Mitigation Plan, submitted on July 27, 2017, which are incorporated into the Draft EA. Palmetto Railways is not proposing additional mitigation measures above the voluntary mitigation measures set forth in the Draft EA.

3. Your response to information request #3 stated that Palmetto Railways intends to construct a small maintenance and office facility, tentatively located between Stations 1190 and 1240. Please confirm that these facilities would be within the right-of-way limits previously provided and that they would not be located in a wetland area. Please also provide any additional information describing the location of these anticipated facilities.

The location and need of a proposed maintenance and office facility has not been finalized. If such facility is constructed it will likely be located within the study area for the Cross route described in the Environmental Report and will not be located in a wetland area.

Please let em know if there is any additional information that is needed to finalize the Environmental Assessment.

Sincerely,



T Ravenel
Director of Special Projects

CC: Diana Wood, Surface Transportation Board (via email)
David Bauer, ICF (via email)
Elizabeth Williams, US Army Corps of Engineers (via email)