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August 16, 2024

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BY ELECTRONIC FILING

The Honorable Scott M. Zimmerman
Acting Director, Office of Proceedings
Surface Transportation Board
395 E Street S.W.
Washington, DC 20423

ENTERED
Office of Proceedings
August 16, 2024
Part of
Public Record

Re: Docket No. EP 775, Growth In The Freight Rail Industry

Dear Mr. Zimmerman:

On behalf of Savage, a Utah-based, global provider of supply chain infrastructure and solutions, I'm writing to inform the STB of our ongoing efforts to drive growth and innovation in the freight rail industry. Established in 1946, Savage is a family owned company with more than 4,000 Team Members in about 200 locations across the United States, Canada, Mexico and Saudi Arabia. We move and manage materials that matter so our Customers and Partners can Feed the World, Power Our Lives, and Sustain the Planet.

Our team provides comprehensive rail solutions that include railcar switching, transloading, track services, railcar shipment tracking, short line rail operations, and many other rail operations and logistics services. Our company values at Savage are based on the Vision and Legacy statement written by our founders, and include: Do the Right Thing, Find a Better Way, and Make a Difference. This ethos of innovation, business ethics and sustainability is deeply engrained in our strategy and culture, benefitting our Customers, Team Members and communities.

Through our *Savage Transload Network*, we operate more than 50 rail-connected, multi-commodity transload terminals across North America. Over the past five years, we've added 11 new transload and intermodal facilities across eight states (California, Florida, Idaho, Louisiana, North Carolina, Oregon, Utah and Washington). By helping businesses and agriculture producers connect to Class 1 railroads and access new markets, our expanding transload network is spurring economic growth throughout the country, including in many rural communities. It's also reducing highway traffic and emissions by taking trucks off the road.

One example of new rail infrastructure benefitting communities is the Savage Pocatello, Idaho Intermodal rail terminal. We began operating the state's first intermodal terminal in 2021, providing Southern Idaho and Northern Utah agricultural producers with closer access to rail so they can ship

containerized products to Northwest seaports and connect to global markets more efficiently and cost-effectively. Earlier this year, we expanded our operations in Pocatello to include the development of a new multi-commodity transload terminal.

Another example of Savage driving innovation in the freight rail industry is our Stockton, California Transload facility, a multi-commodity terminal we began operating in 2021 that provides a gateway for the distribution of renewable fuels into the state of California. As part of our efforts to lead the buildout of renewable energy assets and services, we're also in the process of completing the construction of a new soybean processing facility in Cherryvale, Kansas that will provide a significant source of feedstock for producing renewable fuels, food products and animal feeds. The facility is rail served and will not only benefit the agricultural community in Kansas but increase rail volumes in the region once it is fully operational.

We're also working with entities such as the Utah Inland Port Authority (UIPA) to support growth in communities that are limited by a lack of freight transportation options. Our new Cedar City, Utah transload terminal recently began operations in June 2024, helping optimize supply chains, drive regional economic growth, bolster industry efficiency and foster sustainable rail transportation solutions across southern and central Utah.

Looking ahead, the Savage Tooele Railroad (STR) will be building and operating approximately 11 miles of rail line in Tooele County, Utah (including the rehabilitation of existing track), following the STB's approval of the project in April 2024. The STR rail line will connect tenants of the Lakeview Business Park (LBP) in Grantsville, Utah, to the Union Pacific Railroad, linking supply chains and providing an alternative to truck-only transportation with a more environmentally-friendly option. STR is one of the only new railroads approved in the U.S. this year and one of the first railroads owned and operated by a Utah-headquartered company in the state's history. LBP tenants shipping their products by rail instead of by truck will equate to the avoidance of nearly 5,000 commercial truck trips in STR's first year of operation and nearly 30,000 avoided commercial truck trips by its seventh year of operation. As the average distance of these truck trips is 200 miles, enabling rail connectivity into LBP via the STR will equate to the avoidance of an average of 6 million vehicle miles traveled annually by commercial trucks over the first twenty years of the short line railroad's operation.

The STB decision noted that the rail line would provide "greater mode optionality for business park tenants, lower total emissions due to fewer truck movements, reduced overall truck traffic, and improved road longevity due to less wear and tear from trucks." Many state and local officials have supported this project throughout the approval process, with Utah Governor Spencer J Cox stating: "I want to congratulate Savage Tooele Railroad on the approval of their Tooele Valley rail project by the Surface Transportation Board. The historic nature of this project, including its positive economic and environmental impacts, will be a tremendous advantage for Utahns and our businesses for generations to come."

As with all new development intensive projects, permitting delays have proven a challenge for us, and many others in our industry. The NEPA process is especially cumbersome and prone to litigation. We welcome federal permitting reforms taking place in Congress and are eager to see more work done to streamline the permitting process for infrastructure development across the country that will unleash American ingenuity and take the economy to new heights.

We appreciate the opportunity to contribute to the conversation about what is being done to drive growth and innovation in the freight rail industry, and highlight recent projects and plans for the future.

Respectfully submitted,

Jason Ray

A handwritten signature in black ink, appearing to read 'JR', with a stylized flourish extending to the right.

President
Infrastructure Sector, Savage