

From: [Bob Rentz](#)
To: [Gosselin, Danielle](#); [Stevens, Karen](#); [Belvin, Michael L.](#)
Cc: [John Spiegleman](#); [Ken Rose](#); [Robert A. Wimbish](#)
Subject: RE: Docket Nos. FD 36723 and FD 36723 (Sub-No. 1) - Information Request No. 1 Clarification
Date: Thursday, September 12, 2024 6:50:03 PM
Attachments: [image001.png](#)
[SIT SIL Letter Response to STB.pdf](#)

Danielle & Karen,

Attached is our responsive letter to your clarification questions. Thank you for the diligence and we are happy to give more clarification around these or other points if necessary.

Regards,

BOB RENTZ
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From: Stevens, Karen <Karen.Stevens@stb.gov>
Sent: Wednesday, September 4, 2024 12:02 PM
To: Robert A. Wimbish <RWimbish@fletcher-sippel.com>; John Spiegleman <jspiegleman@omnitrax.com>; Bob Rentz <rrentz@omnitrax.com>; Ken Rose <krose@omnitrax.com>
Cc: Gosselin, Danielle <Danielle.Gosselin@stb.gov>; Belvin, Michael L. <belvinml@cdmsmith.com>
Subject: Docket Nos. FD 36723 and FD 36723 (Sub-No. 1) - Information Request No. 1 Clarification

CAUTION: This email originated from outside of OmniTRAX or BROE.

Good afternoon,

Please find attached an information clarification request for the above referenced proceedings. Please let me know if you have any questions or concerns.

Sincerely,
Karen

Karen Stevens
Environmental Protection Specialist
Surface Transportation Board

Office of Environmental Analysis

395 E Street, SW

Washington, DC 20423

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September 12, 2024

Danielle Gosselin
Office of Environmental Analysis
Surface Transportation Board
395 E Street, S.W.
Washington, DC 20423

By email at danielle.gosselin@stb.gov

RE: Docket No. FD 36723, Savannah Industrial Logistics, LLC (SIL) – Construction Exemption & Docket FD 36723 (Sub-No. 1), Savannah Industrial Transportation, LLC (SIT) – Lease and Operation Exemption – Line of Savannah Industrial Logistics, LLC in Effingham County, Ga.; Information Request No. 1 Clarification

Dear Ms. Gosselin:

Savannah Industrial Transportation, LLC (“SIT”) and Savannah Industrial Logistics, LLC (“SIL”) are in receipt of your letter dated September 4, 2024 (the “Letter”), requesting clarification related to information previously supplied by SIT and SIL pursuant to Information Request No. 1 (“IRN1”) and information provided for preliminary environmental consultation letters (“PEC”). SIT and SIL wish to offer the below clarifying responses in order to provide accurate data in connection with train service, carloads, and gross tonnage to and from Savannah Gateway Industrial Park (“SGIH”) in connection with the above referenced proceedings. For ease of review, we have repeated your questions/requests and then provided responses in blue.

1. *Clarify the number of trains per day (total, and in each direction) that currently use the previously constructed rail line.*

Currently, SIT has one crew working five days per week (Monday through Friday) and service is provided to and from interchange by Class 1 railroads (CSXT and NSR) a total of six days per week. Each day of service is marked in the table below (Current Train Service Table) with an “X”.

CURRENT TRAIN SERVICE							
	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
CSXT		X	X	X	X	X	
NSR			X	X	X	X	X
SIT		X	X	X	X	X	

Based on our discussions, we define “train” as a crew start, SIT operates 5 trains per week (one per day Monday through Friday) as shown by X on each day of service by SIT in the Current Train Service Table.

During each crew start, SIT moves empties to interchange with each Class 1 one time and retrieves loaded railcars from each Class 1 one time. In total, this is 4 movements either to or from interchange per day for each day of service provided by SIT.

Note that all railcars delivered by Class 1 railroads are moved during SIT’s 5 days of service no matter the day each Class 1 accesses the interchange trackage to deliver and pull railcars.

2. *Clarify the number of trains per day (total, and in each direction) that would use the previously constructed rail line based on projections up to and including through 2029*

The number of trains per day will remain the same, as set forth above, until the annualized volume of railcars moved by SIT exceeds 10,000 railcars per year. Below is a table showing the potential growth of carloads and requisite trains (Carload Growth Estimate Table). Based on the Carload Growth Estimate Table, we would add a second train for service at least one day per week beginning September 2027 and would likely need 2 crews per day of service, 5 days per week by September 2029. Each Crew Start Train in the below table can be assumed to be 4 movements to or from interchange.

CARLOAD GROWTH ESTIMATE						
	2024	2025	2026	2027	2028	2029
Quantix	5500	6000	6500	7000	7500	7500
NewCo 1	0	1000	2000	2000	2000	2000
NewCo 2	0	0	0	2500	10000	10000
NewCo 3	0	0	0	0	0	500
TOTAL CARLOADS:	5500	7000	8500	11500	19500	20000
CREW START TRAINS (per service day)	1	1	1	1/2	2	2

Assumptions:

- The NewCo companies listed above are potential customers in various stages of development and new customers may be added or listed customers removed at any point due to the nature of this proceeding and general shifts in business.
- NewCo 1 is a steel coil receiver, assumed ship start date of July 2025
- NewCo 2 is a limestone terminal company, assumed ship start date of September 2027
- NewCo 3 is an aggregate shipper, assumed ship start date of September 2029
- Crew Start Trains for 2027 will remain at 1 per service day until commencement of shipping operations by NewCo 2, at which point SIT will need to operate with 2 crew starts on at least some service days

3. Clarify how many days per week trains would operate, on which days, if known.

As more specifically described in our answer to Question 1 above, SIT currently operates trains 5 days per week – Monday-Friday. This will remain the case through 2029 unless currently unanticipated customer needs call for weekend operations as well.

4. Clarify the current gross tonnage of an average consist (average daily or yearly). If the gross tonnage is consistently different by direction of travel (for example, unloaded consists traveling to the business park and loaded consists traveling from the business park) provide average loaded and unloaded consist gross tonnage.

For 2024, SIT expects inbound consists to total approximately 715,000 tons. Outbound gross tonnage is anticipated to be 176,000 tons. In 2024, all inbound railcars are loaded and all outbound railcars are empty. For purposes of clarity, this number differs from our previously reported numbers both in IRN1 and the PEC due to variations in current and forecasted business caused by normal fluctuation in ongoing business operations.

5. Provide the projected gross tonnage of an average consist (average daily or yearly) based on projections **up to and including through 2029**. If the gross tonnage is expected to be consistently different by direction of travel (for example, unloaded consists traveling to the business park and loaded consist traveling from the business park) provide average loaded and unloaded consist gross tonnage.

A table showing the average potential growth of gross tonnage in loaded railcars (Annual Loaded Gross Tonnage Table) is as follows:

ANNUAL LOADED GROSS TONNAGE (in thousands of tons)						
	2024	2025	2026	2027	2028	2029
Quantix	715	780	845	910	975	975
NewCo 1	0	110	220	220	220	220
NewCo 2	0	0	0	275	1100	1100
NewCo 3	0	0	0	0	0	50
TOTAL:	715	890	1065	1405	2295	2345

Assumptions:

- All assumptions from Carload Growth Estimate Table also apply to projected Annual Gross Tonnage Table.
- Quantix railcars average approximately 130 tons per car
- NewCo 1 railcars average approximately 110 tons per car
- NewCo 2 railcars average approximately 110 tons per car
- NewCo 3 railcars average approximately 100 tons per car

The estimated annual average gross tonnage of empty railcars up to and including 2029 is represented in the below table (Annual Empty Gross Tonnage Table):

ANNUAL EMPTY GROSS TONNAGE (in thousands of tons)						
	2024	2025	2026	2027	2028	2029
Quantix	176	192	208	224	240	240
NewCo 1	0	33	66	66	66	66
NewCo 2	0	0	0	80	320	320
NewCo 3	0	0	0	0	0	14
TOTAL:	176	225	274	370	626	640

Assumptions:

- All assumptions from Carload Growth Estimate Table and Annual Loaded Gross Tonnage Table also apply to the Annual Empty Gross Tonnage Table.
- Quantix railcars average approximately 32 tons per empty car
- NewCo 1 railcars average approximately 33 tons per empty car
- NewCo 2 railcars average approximately 32 tons per empty car
- NewCo 3 railcars average approximately 28 tons per empty car

All growth anticipated by SIT in the Carload Growth Estimate Table through and including 2029 represents inbound loaded railcars to SGIH and outbound empty railcars to the Class 1 partners.

Thank you for the opportunity to clarify any misunderstanding in the data previously provided. If you have any further questions, please do not hesitate to contact me directly at 303-398-0474 or rrentz@omnitrax.com.

Respectfully,



Robert Rentz
VP, Deputy General Counsel