

#EO-2994



SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

October 10, 2017

Federal Energy Regulatory Commission
Carlisa Linton-Peters
Division of Hydropower Administration & Compliance
888 First Street NE
Rm 72-75
Washington, DC 20426

RE: STB Finance Docket No. 36095, Palmetto Railways—Construction and Operation Exemption—In Berkeley County, South Carolina; Preliminary Consultation

Dear Ms. Linton-Peters:

On August 3, 2017 the Palmetto Railways (Palmetto or Applicant) filed a petition with the Surface Transportation Board (Board), pursuant to 49 U.S.C. § 10502 for authority to construct and operate a 22.7-mile new rail line in Berkeley County, South Carolina. The Surface Transportation Board's (Board) Office of Environmental Analysis (OEA) and the United States Army Corps of Engineers (Corps), Charleston District, are beginning the environmental review of the proposed rail line construction project in compliance with the National Environmental Policy Act and related laws and regulations.

The purpose of this letter is to advise you of the proposed rail line project, request information from your agency on the resources under your jurisdiction that could be affected by the proposed project, and identify permits and approvals that could be required of the Applicant.

Project Background

The proposed rail line would be a short-line rail track that begins at a new connection to the A-Line of CSX Transportation (CSXT) (through the CSXT Cross Subdivision connection), and ends within the Camp Hall Commerce Park, an industrial park currently under development in Ridgeville and near Interstate 26. The connection to CSXT would occur on the Santee Cooper property adjacent to its Cross Generating Station, and would cross the Diversion Canal between Lake Marion and Lake Moultrie, running south-southwest. South of the Diversion Canal, the right-of-way traverses the unincorporated rural community of Cross. Beyond the Cross

community, the proposed line passes through a mix of commercial, residential and silvicultural properties before reaching the Camp Hall Commerce Park.

The area is primarily covered by forests, forested wetlands, and open water. The proposed rail line crosses US Highway 176, SC Highway 311, and Old Highway 6, 15 secondary roads and 21 minor forestry/agricultural roads. The entire line would be located within Berkeley County. See Figure A, which shows Palmetto Railways' proposed route in the "Cross Corridor" that Palmetto Railways developed as part of its Alternative Analysis and Figure B, which depicts the additional alternatives studied by Palmetto Railways.

The proposed project is intended to bring rail service to the industrial park, to support the area's infrastructure needs and to alleviate highway congestion involving large commercial trucks in the area.

Environmental Review Process

OEA and the Corps will work as joint-lead agencies to evaluate the potential environmental effects of the proposed project, including any reasonable and feasible alternatives to the proposed route pursuant to the National Environmental Policy Act of 1969 (NEPA), as amended (42 U.S.C. § 4321 et seq.), the Board's environmental rules at 49 C.F.R. § 1105, the Corps' permitting authority under Section 404(b)(1) of the Clean Water Act (40 CFR Part 230), and other applicable federal, and state laws.

This letter begins the process by which OEA and the Corps will assess the potential environmental effects, both positive and negative, that may be associated with the proposed rail line construction and operation. We appreciate your assistance in identifying whether any resources of concern to your agency may be affected by the proposed project and welcome information on any additional issues or concerns that you consider appropriate.

To assist in your review of the proposed project, please review the additional information filed by the Applicant in support of its proposal. This information may be found on the Board and Corps' Project website at www.CampHallRailNEPA.com.

Request for Comments

We would like to hear from you regarding whether any resources under your jurisdiction could be affected by the proposed project, and whether this proposal would require permitting or approval requirements from your agency. We request your response by **November 10, 2017**, so that we may be able to schedule any meetings, site visits, or surveys; conduct necessary follow-up activities; and incorporate your response into the scope of study, as appropriate.

October 10,
2017 Page 3

Please send your written comments to Diana Wood, OEA's Project Manager for the environmental analysis, by email at Diana.Wood@stb.gov, or by mail to:

Ms. Diana Wood
Surface Transportation Board
Docket No. FD 36095
c/o ICF
9300 Lee Highway
Fairfax, VA 22031

You may also submit comments electronically through the Board's Web site at www.stb.gov by clicking on the "E-Filing" quick link on the right-hand side of the home page and then selecting "Environmental Comments." Brief comments may be typed within the comment field provided, or alternatively, you may attach comments as Microsoft Word or Adobe Acrobat files.

We look forward to your participation in the environmental review process. If you have any questions or would like to arrange a call, please feel free to contact Diana Wood by phone at 202-245-0302 or by email at Diana.Wood@stb.gov or the Corps' project manager, Courtney Stevens by phone at 843-329-8027 or by email at Courtney.M.Stevens@usace.army.mil.

Sincerely,



Victoria Rutson
Director
Office of Environmental Analysis

Enclosures:

Figure A-Proposed Route Map

Figure B-Palmetto Railways Alternatives Analysis Map

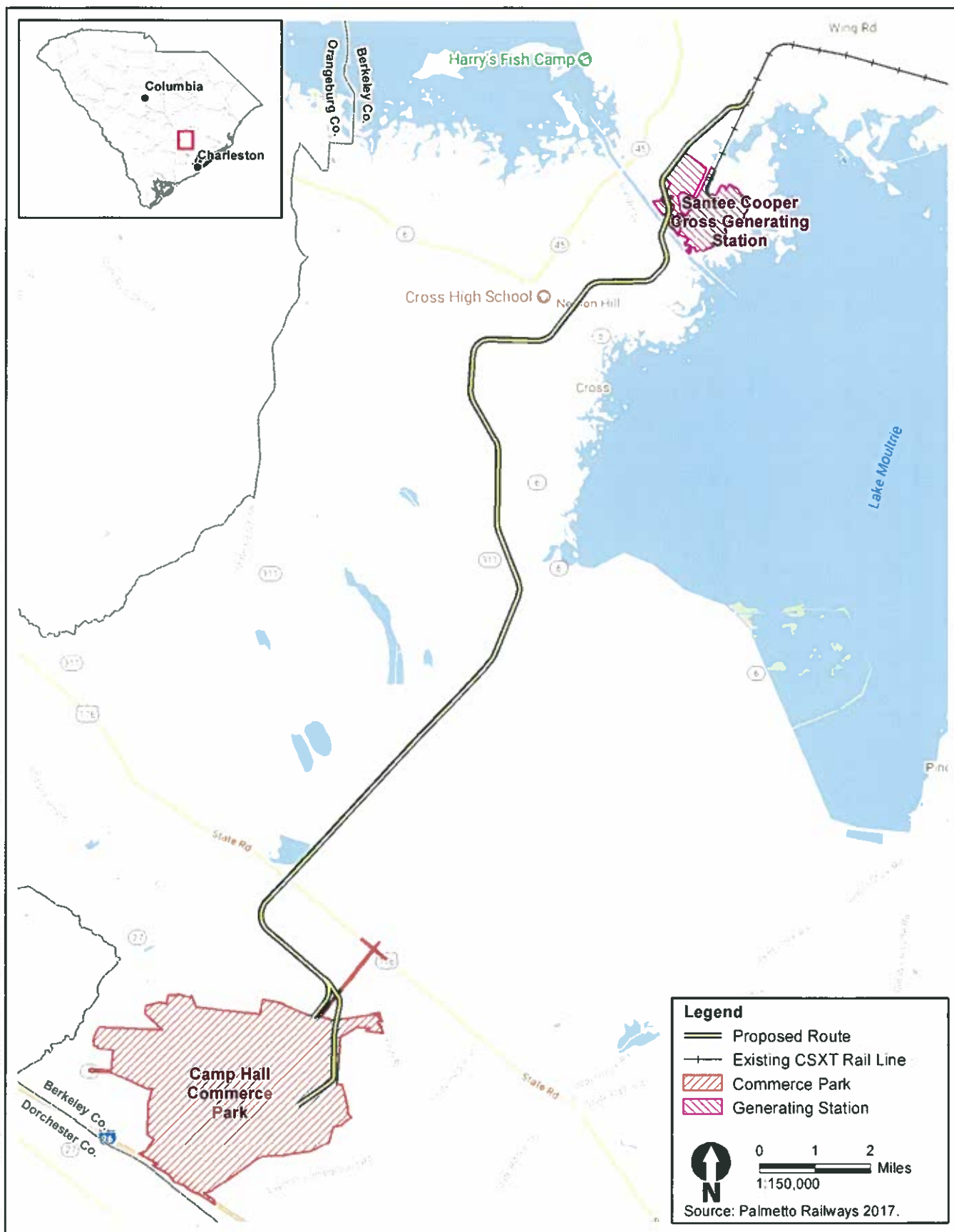


Figure A
Palmetto Railways Proposed Route

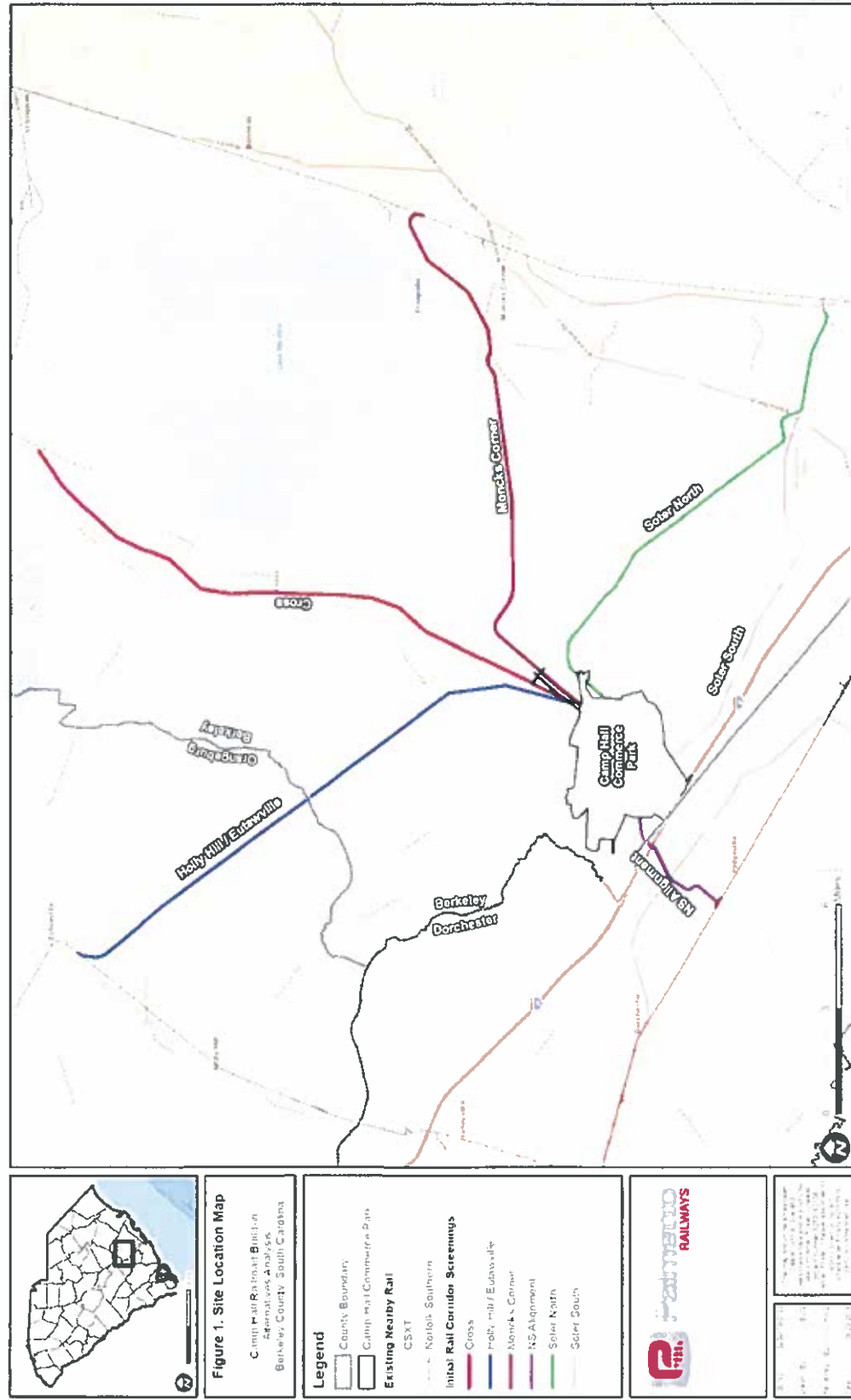


Figure B
Palmetto Railways Alternatives Analysis Map