

Applicant Correspondence with Agencies

Petition for Exemption

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***ALSO ADMITTED IN CALIFORNIA

VIA OVERNIGHT MAIL

Ms. Cynthia T. Brown
Chief, Section of Administration
Surface Transportation Board
395 E Street, SW
Washington, DC 20423-0001

Re: STB Docket No. FD 36095, Palmetto Railways – Petition for Exemption – In
Berkeley County, South Carolina

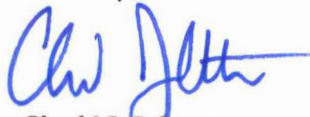
Dear Ms. Brown:

Enclosed for filing in the above-captioned proceeding are the original and eleven (11) copies of the **Petition for Exemption** of Palmetto Railways, as well as a check tendered in the amount of the associated filing fee. Also enclosed for filing is an original and eleven (11) copies of a **Petition for Waiver of the Filing Fee** associated with the Petition for Exemption on account of Palmetto Railways' status as an agency of the State of South Carolina. Please note that, with respect to both Petitions, expedited review has been requested. Also enclosed is a disk containing pdf copies of the filings, as well as the text of the filings in Word format.

Please accept the original and ten (10) of the copies of each of the Petitions for filing and return the two (2) extra copies of the respective filings bearing your file-stamp to me via the enclosed envelope. If you have any questions or if you need any additional information, please do not hesitate to contact me.

FILED
August 3, 2017
SURFACE TRANSPORTATION BOARD

Sincerely,


Chad N. Johnston

FEE RECEIVED
August 3, 2017
SURFACE TRANSPORTATION BOARD

BEFORE THE
SURFACE TRANSPORTATION BOARD

Docket No. FD 36095
Palmetto Railways – Construction Exemption – In Berkeley County, South Carolina
Camp Hall Commerce Park Rail Connection

PETITION FOR EXEMPTION
FROM 49 U.S.C.A. § 10901 UNDER 49 U.S.C.A. § 10502

Respectfully submitted,

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Attorneys for Palmetto Railways

August 1, 2017

BEFORE THE
SURFACE TRANSPORTATION BOARD

Docket No. FD 36095
Palmetto Railways – Construction Exemption – In Berkeley County, South Carolina
Camp Hall Commerce Park Rail Connection

PETITION FOR EXEMPTION
FROM 49 U.S.C.A. § 10901 UNDER 49 U.S.C.A. § 10502

I. INTRODUCTION

Pursuant to 49 U.S.C.A. § 10502, Palmetto Railways seeks an exemption from 49 U.S.C.A. § 10901 allowing it to locate, build, own, and operate a new industrial rail line (“Proposed Line”) in Berkeley County, South Carolina. The purpose of the Proposed Line is to provide rail service from the Camp Hall Commerce Park, which is under development, to the A-Line of CSX Transportation, Inc. (“CSXT”) (through the CSXT Cross Subdivision connection), further providing continuous access to the Port of Charleston and the United States rail network for domestic distribution. Once constructed, the Proposed Line will be approximately 22.7 miles in length, with a 100-foot right-of-way.

Palmetto Railways is an instrumentality of the State of South Carolina and a Division of the South Carolina Department of Commerce, a public agency of the State of South Carolina. Established in 1969, Palmetto Railways is a Class III rail carrier whose purpose is to promote the economic viability of South Carolina by providing safe, efficient, and cost-effective rail solutions to facilitate the movement of freight and to support economic development efforts. Palmetto Railways provides technical assistance and consulting services in railroad matters to state, local, and municipal governments in South Carolina, in addition to operating four railroad subdivisions.

The proposed exemption would be subject to the completion of an environmental review by the Board's Office of Environmental Analysis ("OEA"), which is underway. For the reasons stated herein, Palmetto Railways seeks expedited consideration of the within petition.

II. FACTUAL BACKGROUND

Palmetto Railways is requesting regulatory approval to locate, build, own, and operate an industrial rail line between the A-Line of CSXT near Santee Cooper's Cross Generating Station¹ (through the CSXT Cross Subdivision connection) and the Camp Hall Commerce Park in Berkeley County, South Carolina. The need for the Proposed Line derives from the development of the Camp Hall Commerce Park, which has increased the demand for rail service to interconnect the commerce park with a Class 1 rail network within South Carolina in a manner that is logistically feasible to better serve the needs of future tenants and industry within the Camp Hall Commerce Park for transportation, distribution, and logistics. The primary tenant of the commerce park is Volvo Cars North America ("Volvo Cars"), which is currently constructing the company's first North American manufacturing facility at the Camp Hall Commerce Park. Additional industrial development and tenants are expected, including associated support industries that desire to locate in proximity to Volvo Cars in the future.

The addition of the Proposed Line will provide an alternate mode of freight transportation for current and future tenants of the Camp Hall Commerce Park, reducing the distribution and transportation burden on the surrounding communities and existing infrastructure. In addition, the Proposed Line is expected to open the door to greater economic development efforts to support the state of South Carolina, making the location of future industry in the area more

¹ Santee Cooper, also known as the South Carolina Public Service Authority, is a state-owned electric and water utility headquartered in Moncks Corner, South Carolina.

attractive and thus benefiting Palmetto Railways' parent agency — the Department of Commerce — in its recruitment of industry to the state.

In support of the Proposed Line, on September 6, 2016, Palmetto Railways sent a letter to OEA providing an initial description of the Proposed Line and requesting that OEA initiate an environmental review process in conjunction with the United States Army Corps of Engineers, Charleston District ("USACE"), under their respective jurisdictions in accordance with the National Environmental Policy Act, 42 U.S.C.A. §§ 4321 *et seq.*, as amended ("NEPA"). *See* Pet. Ex. 1. On November 30, 2016, members of OEA staff and the Office of Public Assistance, Government Affairs, and Compliance, met with representatives of Palmetto Railways, the South Carolina Department of Commerce, and the USACE. Following that meeting, on January 24, 2017, Palmetto Railways filed a request for a waiver of the six-month pre-filing notice requirement, which OEA granted on February 3, 2017. *See* Pet. Exs. 2 and 3. Consistent with the procedures set forth in 49 C.F.R. § 1105.10(d), on March 28, 2017, Palmetto Railways requested the approval of OEA to retain ICF Jones and Stokes Inc. ("ICF") as an independent third-party consultant for the preparation of the necessary environmental documentation for the project, which was approved on April 3, 2017. *See* Pet. Exs. 4 and 5. Thereafter, Palmetto Railways, ICF, OEA, and the USACE executed a memorandum of understanding setting out the parameters of ICF's preparation of environmental documentation for the project in accordance with NEPA. *See* Pet. Ex. 6.

On March 10, 2017, OEA requested USACE to participate as a joint lead agency in the preparation of the environmental documentation for the Proposed Line. In a letter dated April 19, 2017, the USACE accepted OEA's request, and OEA and the USACE subsequently executed a memorandum of understanding outlining the respective responsibilities of the agencies as joint

leads for the project. In due course, Palmetto Railways intends to file a request for approval of a waiver of the default requirement of the preparation of an Environmental Impact Statement (“EIS”) in favor of a finding that the preparation of an Environmental Assessment (“EA”) is appropriate for this project, because the Proposed Line is not likely to have a significant environmental impact, and what impacts do occur are adequately mitigated.

Pursuant to 49 C.F.R. § 1105.10(d), Palmetto Railways understands that, because it has engaged ICF as a third-party contractor approved by OEA, *see* Pet. Exs. 5 and 6, 49 C.F.R. § 1105.7(a)’s requirement that Palmetto Railways serve entities listed in § 1105.7(b) with copies of the Proposed Line’s Environmental Report, as well as submit a copy of the served Environmental Report to the Board in connection with this Petition, is waived. Additionally, pursuant to 49 C.F.R. § 1105.8(e), Palmetto Railways understands that its engagement of ICF waives § 1105.8(c)’s requirement to distribute a copy of the Historic Report to the South Carolina State Historic Preservation Officer not later than 20 days prior to this filing. Palmetto Railways is cooperating with ICF related to its duties on this Proposed Line and, pursuant to 49 C.F.R. §§ 1105.10(d) and 1105.8, has already provided ICF with the documents and information compiled as a part of the environmental and historic reporting requirements for the purpose of ICF’s preparation of the necessary documentation for the project. Concurrent with the within Petition for Exemption, Palmetto Railways is also filing a Petition for Waiver of the Filing Fee associated with the Petition for Exemption pursuant to 49 C.F.R. § 1002.2(e) on the basis of Palmetto Railways’ status as an agency of the State of South Carolina. In the interest of the timely processing of this Petition for Exemption, however, the Filing Fee is submitted.

III. DESCRIPTION OF THE PROPOSED LINE AND PLANNED OPERATIONS

The Proposed Line will be a short-line rail track that begins at a new connection to the A-Line of CSXT (through the CSXT Cross Subdivision connection), and terminates within the Camp Hall Commerce Park. The entire Proposed Line will be within Berkeley County, South Carolina. The connection to CSXT will occur on Santee Cooper property adjacent to its Cross Generating Station, and will cross the Diversion Canal between Lake Marion and Lake Moultrie, running south-southwest to the Camp Hall Commerce Park ("Project Right-of-Way"). South of the Diversion Canal, the Project Right-of-Way traverses the unincorporated rural community of Cross, estimated total population of 7,253 in 2015. Beyond the Cross community, the Project Right-of-Way continues south through an intensively managed pine plantation in short pulp rotations, before reaching the Camp Hall Commerce Park.

The Camp Hall Commerce Park comprises approximately 6,781 acres, of which 2,880 acres have been permitted by Berkeley County for development of Volvo Cars' advanced automotive manufacturing facility, which is expected to begin production by the end of 2018. An additional 1,387 acres of the Camp Hall Commerce Park is being permitted for industrial development by Santee Cooper. The Proposed Line is intended to bring industrial rail service to the entirety of the Camp Hall Commerce Park. The development of the Camp Hall Commerce Park has increased the demand for rail service to interconnect the industry locating at the park with an existing Class 1 rail network and direct access to the Port of Charleston.² Rail service is an additional transportation mode that enhances options for distribution and logistics for the

² Volvo Cars and industry associated with advanced manufacturing facilities place significant emphasis on locating facilities in locations that have adequate infrastructure, including access to roads, rail and the port facilities in South Carolina. These types of required infrastructure are necessary for use in domestic sales and exporting automobiles, as well as proximity and transportation for component parts and suppliers.

industrial development and the customers that locate at the Camp Hall Commerce Park. By meeting the needs of the industrial tenants at the Camp Hall Commerce Park, as well as providing capacity for other future development, the Proposed Line will support the State of South Carolina and Berkeley County's infrastructure needs and will help alleviate highway congestion involving large commercial trucks.

The Proposed Line will run approximately 22.7 miles. The nature of the Project Right-of-Way is a mix of commercial, residential, and silvicultural properties, mostly covered by forests and forested wetlands. Because the majority of the alignment is in active silviculture areas, it will have minimal hazardous effects on potential environmental justice communities. The Proposed Line is Palmetto Railways' preferred route alternative because it is within a range of reasonable impacts that are proposed to be fully mitigated, it affects the least number of individual parcels within the Project Right-of-Way, it does not require any relocations, and it has no known archaeological sites.

IV. ARGUMENT SUPPORTING EXEMPTION

Generally, construction of new common carrier railroad lines requires Board approval under 49 U.S.C.A. § 10901(a)(1), (2). Under 49 U.S.C.A. § 10901(c), the Board is directed to authorize a rail line construction project “*unless* the Board finds that such activities are inconsistent with the public convenience and necessity.” (Emphasis supplied). As the Board held in *Midwest Generation -- Exemption -- Construction Will County, IL*, 6 STB 218, 2002 WL 437218 (S.T.B. Mar. 20, 2002) at 225:

This permissive licensing policy, introduced in the ICC Termination Act of 1995 (ICCTA), establishes a clear presumption in favor of rail construction proposals, and conforms to the broader Congressional policies to promote “effective competition among rail carriers and to reduce barriers to entry into ... the industry” 49 U.S.C. § 10101(4), (7)....

(Internal citations omitted.) Pursuant to 49 U.S.C.A. § 10502(a), the Board shall exempt a proposed track construction from the detailed application process of 49 U.S.C.A. § 10901 when the Board finds (1) that process is not necessary to carry out the rail transportation policy of 49 U.S.C.A. § 10101; and (2) either (a) the proposal is of limited scope, or (b) the application process is not necessary to protect shippers from abuse of market power. The Board is to apply the exemption provisions broadly in pursuing exemptions for transportation or service that comply with the standards of the exemption statute. *See, e.g., American Trucking Ass'n v. ICC*, 656 F.2d 1115, 1119 (5th Cir. 1981). The legislative history of 49 U.S.C.A. § 10502 confirms Congress's intent that the Board liberally apply its exemption authority for qualifying transactions in order to lift the burden of the administrative and financial costs associated with continued regulation. For example, pursuant to the Staggers Rail Act of 1980, Pub. L. No. 96-488, 94 Stat. 1895, Congress instructed the predecessor agency to the Board to use the expanded exemption authority provided in § 10502.

The policy underlying this provision is that while Congress has been able to identify broad areas of commerce where reduced regulation is clearly warranted, the Commission is more capable through the administrative process of examining specific regulatory provisions and practices not yet addressed by Congress to determine where they can be deregulated consistent with the policies of Congress. The conferees expect that, consistent with the policies of [the Staggers] Act, the [predecessor to the Board] will pursue partial and complete exemption from remaining regulation.

H.R. Rep No. 1430, 96 the Cong. 2d Sess. 105 (1980).³

³ *See also Exemption from Regulation—Boxcar Traffic*, 3371 I.C.C. 424, 428 (1983), vacated and remanded on other grounds, *Brae Corp. v. United States*, 740 F.2d 1023 (D.C. Cir. 1984). Thereafter, Congress reaffirmed this policy in the conference report accompanying the ICC Termination Act of 1995, Pub. L. No. 104-88, 109 Stat. 803, which re-enacted the rail exemption provisions as Section 10502. H.R. Rep. No. 422, 104th Cong., 1st Sess. 168-69 (1995).

A. The Proposed Line involves a “line of railroad” subject to the Board’s jurisdiction.

Palmetto Railways submits that the Proposed Line constitutes a “line of railroad” as the Board construes that term, which would require a license to construct and operate under 49 U.S.C.A. § 10901. Accordingly, Palmetto Railways seeks residual common carrier authority as an existing Class III rail carrier to enable it to “hold out” the provision of rail service to the public at large on this new line, which independently satisfies this Board’s test and precedent of common carriage status. *See, e.g., Effingham R.R. Co.-Petition for Declaratory Order-Constr. at Effingham, IL*, 2 S.T.B. 606, 1997 WL 564155 (S.T.B. 1997) (holding that the construction of a new rail line to serve a new rail shipper constitutes a line of railroad, notwithstanding the carrier’s assertion that its use is merely for switching operations).

Even if the Board were to disregard Palmetto Railways’ status as an existing Class III common rail carrier, a review of proceedings before the Board reveals that it has approved a number of relatively minor construction projects undertaken by agencies seeking common carrier status for new lines of railroad, similar to the Proposed Line. *See, e.g., Pemiscot Cty. Port Auth. -- Constr. Exemption -- Pemiscot Cty., Mo*, FD 34117, 2002 WL 1425588 (S.T.B. June 25, 2002) (involving the construction by a non-carrier of 5 miles of new rail to serve a new port on the west bank of the Mississippi River); *Port of Moses Lake - Construction Exemption - Moses Lake, Washington*, FD 34936, 2009 WL 2847979 (S.T.B. Aug. 21, 2009), (involving a non-carrier’s construction and acquisition of 11.5 miles of track); *Ellis County Rural Rail Transportation District -- Construction and Operation Exemption -- Ellis County, TX*, FD 33731, 2000 WL 175281 (S.T.B. Feb. 8, 2000) (involving the construction by a non-carrier of 4.8 miles of new track to serve an industrial park); and *Arizona Eastern Railway, Inc., Construction Exemption in*

Graham County, AZ, FD 34836, 2009 WL 921533 (S.T.B. April 6, 2009) (approving the construction of 12.1 miles of new track to serve a single industry by an existing carrier). Several of the proponents of the foregoing projects asserted that the availability of rail service would be an advantage in attracting customers or industry to their projects. *See, e.g., Pemiscot and Ellis, supra*. Here, the construction of the Proposed Line would similarly benefit the state of South Carolina's recruitment of additional development to the Camp Hall Commerce Park and other developable lands; however, Palmetto Railways' proposal is in an even stronger position because the Proposed Line would meet existing demand for rail service at the development as a result of the Volvo Cars facility.

B. A grant of this exemption is warranted.

While the Proposed Line would ordinarily be subject to approval by the Board under the formal requirements of 49 U.S.C.A. § 10901 and the related regulations, the Board has generally allowed smaller construction proposals such as the one proposed by Palmetto Railways to utilize the individual exemption procedures of 49 U.S.C.A. § 10502 to obtain approval. *See Midwest, supra*. For the reasons set forth below, Palmetto Railways submits that the Proposed Line falls squarely within the type of typical new line construction projects Congress authorized the Board to approve through the grant of an exemption under § 10502.

i. *Application of 49 U.S.C.A. § 10901 is not necessary to further the national transportation policy.*

Palmetto Railways respectfully submits that requiring it to comply with the formal requirements and regulations related to the Proposed Line is not necessary to further the national transportation policy set forth in 49 U.S.C.A. § 10101. Specifically, § 10101 provides that:

In regulating the railroad industry, it is the policy of the United States Government--

- (1) to allow, to the maximum extent possible, competition and the demand for services to establish reasonable rates for transportation by rail;
- (2) to minimize the need for Federal regulatory control over the rail transportation system and to require fair and expeditious regulatory decisions when regulation is required;
- (3) to promote a safe and efficient rail transportation system by allowing rail carriers to earn adequate revenues, as determined by the Board;
- (4) to ensure the development and continuation of a sound rail transportation system with effective competition among rail carriers and with other modes, to meet the needs of the public and the national defense;
- (5) to foster sound economic conditions in transportation and to ensure effective competition and coordination between rail carriers and other modes;
- (6) to maintain reasonable rates where there is an absence of effective competition and where rail rates provide revenues which exceed the amount necessary to maintain the rail system and to attract capital;
- (7) to reduce regulatory barriers to entry into and exit from the industry;
- (8) to operate transportation facilities and equipment without detriment to the public health and safety;
- (9) to encourage honest and efficient management of railroads;
- (10) to require rail carriers, to the maximum extent practicable, to rely on individual rate increases, and to limit the use of increases of general applicability;
- (11) to encourage fair wages and safe and suitable working conditions in the railroad industry;
- (12) to prohibit predatory pricing and practices, to avoid undue concentrations of market power, and to prohibit unlawful discrimination;
- (13) to ensure the availability of accurate cost information in regulatory proceedings, while minimizing the burden on rail carriers of developing and maintaining the capability of providing such information;
- (14) to encourage and promote energy conservation; and
- (15) to provide for the expeditious handling and resolution of all proceedings required or permitted to be brought under this part.

49 U.S.C.A. § 10101. This section, originally enacted in the Staggers Rail Act amendments and incorporated into the ICC Termination Act, represents Congress' expression of rail transportation

policy. In evaluating a request for exemption from regulation in accordance with the national transportation policy, the Board has found that a proposal's satisfaction of elements of that policy can be deemed evidence and justification for evaluating the proposal under an exemption and outside of the traditional application process. *See, e.g., Midwest, supra*, 2002 WL 437218 at *5-6. The Board will look to those provisions of the rail transportation policy that are relevant or pertinent to the underlying statutory provision from which the exemption is sought. *California High-Speed Rail Authority – Construction Exemption – In Fresno, Kings, Tulare, and Kern Counties, Cal.*, FD 35724, 2014 WL 3973120, *10 (S.T.B. August 11, 2014); *see also Alaska Survival v. Surface Transportation Board*, 705 F.3d 1073, 1083 (9th Cir. 2013). Additionally, the Board has previously determined that §§ 10101(2), (4), (5), (7), and (14) of the rail transportation policy are policy goals promoted by § 10901. *California High-Speed Rail Authority*, 2014 WL 3973120 at *10.

Here, Palmetto Railways respectfully submits that construction and operation of the Proposed Line would promote the rail transportation policy expressed by Congress in many respects. First, exemption of the Proposed Line would promote the policies expressed in subsections (1) and (4) in that introducing rail service to a development that would otherwise be served solely by truck allows both competition between different modes of transportation and the demand for rail services to establish reasonable rates for transportation by rail. Of particular importance to the State of South Carolina and communities surrounding the Project Corridor, an exemption of the Proposed Line would promote transportation safety by removing future truck traffic from already overburdened area roads, highways, and interstates, as expressed in subsection (8) thereby enhancing highway safety once the Volvo Cars facility and associated industry is operating. In addition, exemption of the Proposed Line would reduce the need for

Federal regulatory control over the rail transportation system, as expressed in subsection (2), and it would foster sound economic conditions and ensure effective competition and coordination between rail carriers and other transportation modes, as expressed in subsection (5). Moreover, ownership and operation of the Proposed Line by an independent, state-run Class III carrier would encourage honest and efficient management of railroads, as well as prohibit predatory pricing and practices, avoid undue concentrations of market power, and prohibit unlawful discrimination, as expressed in subsections (9) and (12). Finally, exemption of the Proposed Line by the Board would reduce regulatory barriers to entry into the industry and provide for the expeditious handling and resolution of this proceeding, as expressed in subsections (7) and (15).

In sum, relieving Palmetto Railways from the obligation of filing a formal application for authority to construct and operate the Proposed Line would be consistent with all applicable national rail policies.

ii. *The Proposed Line is one of limited scope.*

The second prong of the exemption analysis is stated in the alternative: either the transaction must be of limited scope, or the application process is not needed to protect shippers from abuse of market power. Although required to satisfy only one of those standards, the Proposed Line construction and operation satisfy both.

First, the construction and operation of the Proposed Line is one of limited scope, as it has a clearly defined beginning and ending point. The Proposed Line would begin within the Camp Hall Commerce Park and terminate with a connection at the CSXT Cross Subdivision which provides service to the existing A-Line of CSXT. The Proposed Line will traverse only 22.7 miles in total, a Project Corridor that consists of a rural mix of commercial, residential, and

silvicultural properties, including a managed pine plantations. Further, the connecting rail carrier, CSXT, supports the construction of the Proposed Line.

Moreover, the Board has previously deemed projects of comparable size to be limited of scope. *See, e.g., The Burlington Northern and Santa Fe Railway Co. - Construction and Operation Exemption - Seadrift and Kamey, TX*, FD 34003, 2001 WL 684312 (S.T.B. June 12, 2001) (8.5 miles); *Missouri Pacific R.R. Co. - Construction and Operation Exemption – Harris and Chambers Counties, TX*, FD 32571, 1995 WL 385792 (S.T.B. June 27, 1995) (10.5 miles); *Burlington Northern R.R. Co. – Construction and Operation Exemption - Macon and Randolph Counties, MO*, FD 32229, 1993 WL 483602 (S.T.B. Sept. 13, 1993) (17 miles); and *The Elk River R.R. - Construction and Operation Exemption - Clay and Kanawha Counties, WV*, FD 31989, 1992 WL 125046 (S.T.B. May 21, 1992) (30 miles).

iii. *In the alternative, application of 49 U.S.C.A. § 10901 is not necessary to protect shippers from abuse of market power.*

Notwithstanding the limited scope of the Proposed Line, the project also meets the alternative prong, that regulation is not needed to protect shippers from abuse of market power. The Proposed Line is intended to enhance rail service to shippers, as currently there is no rail service to the Camp Hall Commerce Park. Under current conditions, once the Volvo Cars facility and other future industry is operational at the commerce park, access of goods to and from the site would be limited to trucks on local roads, highways, and Interstate 26, or a combination of a truck/rail transload service. Consequently, the Proposed Line would enhance intermodal competition by providing shippers in the area with a freight rail option that does not currently exist, thereby creating an alternative to shipment solely by truck. The provision of an additional form of transportation competition has been found by the Board to satisfy this alternative consideration. *See, e.g., Ameren Energy Generating Company - Construction and*

Operation Exemption - in Coffeen and Walshville, IL., FD 34435, 2006 WL 392131 at *3 (S.T.B. Feb. 17, 2006) (“[T]he proposed rail line will provide the area with additional transportation options and enhanced competition.”); *Entergy Arkansas and Entergy Rail-Construction and Operation Exemption - White Bluff to Pine Bluff, AR*, FD 33782, 2000 WL 549992 at *3, (S.T.B. April 25, 2000) (“The proposed transaction will provide ... an additional rail transportation option and thus will enable [the shipper] to realize the benefits of increased railroad competition.”); *Southern Gulf Railway Co. - Construction and Operation Exemption - In Calcasieu Parish, LA*, FD 32321, 1993 WL 343947 (S.T.B. Aug. 27, 1993) (construction and operation of a new rail line to serve a utility coal shipper held not to subject shippers to carrier market power abuses).

V. EXPEDITED HANDLING REQUESTED

Palmetto Railways respectfully requests that the Board expedite consideration of the within petition for exemption. Palmetto Railways has worked diligently to gather and prepare the required documentation for the Proposed Line, including meetings and conferences with OEA, obtaining a waiver of the six-month pre-filing notice requirement, and timely selection and presentation for approval of ICF as an independent third-party consultant. This documentation establishes a demonstrated need for the addition of the Proposed Line and its capacity and that it will not have a significant impact on the environment. Accordingly, expedited consideration is warranted and requested.

VI. CONCLUSION

Based on the foregoing, Palmetto Railways respectfully requests that the Board expeditiously grant an exemption from the provisions of 49 U.S.C.A. § 10901 pursuant to 49 U.S.C.A. § 10502 and permit the construction and operation of the Proposed Line.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Chad N. Johnston", is written over a horizontal line.

Randolph R. Lowell

Chad N. Johnston

WILLOUGHBY & HOEFER, P.A.

Post Office Box 10

Charleston, SC 29402

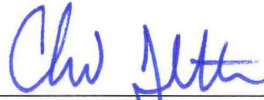
(843) 619-4426

Attorneys for Palmetto Railways

August 1, 2017

VERIFICATION

I, Chad N. Johnston, on behalf of Palmetto Railways, declare under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to make this verification and to file this petition.



Chad N. Johnston
August 1, 2017

TABLE OF EXHIBITS

Exhibit Number	Document Name
Exhibit 1	September 6, 2016 Palmetto Railways Ltr. to STB - OEA
Exhibit 2	January 24, 2017 Palmetto Railways Ltr. to STB – OEA (Requesting Waiver of Six-Month Pre-filing Notice)
Exhibit 3	February 3, 2017 STB – OEA Ltr. to Palmetto Railways (Approving Waiver of Six-Month Pre-filing Notice)
Exhibit 4	March 28, 2017 Palmetto Railways Ltr. to STB – OEA (Proposing Third-Party Consultant and Requesting Approval)
Exhibit 5	April 3, 2017 STB – OEA Ltr. to Palmetto Railways (Approving Third-Party Consultant)
Exhibit 6	Third-Party Consultant Memorandum of Understanding

Exhibit 1



September 6, 2016

Phillis Johnson-Ball
Deputy Director
Office of Environmental Analysis
Surface Transportation Board
395 E Street, SW
Washington, DC 20423-0001

Re: Palmetto Railways, Camp Hall Rail Project

Dear Ms. Johnson-Ball:

The purpose of this letter is to make our introduction to you and your Office, briefly describe Palmetto Railways' proposed project, and open a line of communication that Palmetto Railways hopes will facilitate and foster an effective working relationship between Palmetto Railways, the OEA, and the United States Army Corps of Engineers, Charleston District (Corps).

Palmetto Railways is an instrumentality of the State of South Carolina and is a Division of the South Carolina Department of Commerce. Established in 1969, Palmetto Railways' purpose is to promote the economic viability of South Carolina by providing safe, efficient and cost-effective rail solutions to facilitate the movement of freight and to support economic development efforts. Palmetto Railways provides technical assistance and consulting services in railroad matters to state, local and municipal governments in South Carolina, in addition to operating three railroad subdivisions.

The proposed new industrial rail line is located entirely within Berkeley County, South Carolina, and will connect the Camp Hall Commerce Park to existing railroad right-of-way, near the Santee Cooper Cross Generating Station. Palmetto Railways proposes to construct, own and operate the rail line. Palmetto Railways is currently in the process of gathering information for the proposed rail project; therefore, neither the preferred rail route nor the environmental impact of the project has been determined, and a formal permit application is still in the process of development. However, a proposed project study area has been identified and is being studied by Palmetto Railways in order to determine the best route for the rail line. Initial information and resources regarding this project are available at: <http://www.palmettorailwayscamphallrail.com>.

The purpose of this letter is to request that Surface Transportation Board's Office of Environmental Analysis initiate the environmental review process for the Camp Hall Rail Project in conjunction with the Corps, as co-lead agencies, as required under the National Environmental Policy Act of 1969, as amended (42 U.S.C.A. §§ 4321 *et seq.*) (NEPA). Please consider this letter Palmetto Railways' notice under 49 C.F.R. § 1105.10 of its intent to file an application with OEA. Palmetto Railways looks forward to working with OEA through the NEPA process to evaluate the potential environmental impacts of the proposed project.

Ms. Phillis Johnson-Ball
September 6, 2016
Page 2 of 2

Thank you for your time and assistance. Please advise of any additional information that you need at this time.

Sincerely,

A handwritten signature in black ink, appearing to read "Jeffrey McWhorter", written in a cursive style.

Jeffrey McWhorter
President and CEO

Exhibit 2



January 24, 2017

Victoria Rutson, Esq.
Director, Office of Environmental Analysis
Surface Transportation Board
395 E Street, SW
Washington, DC 20423-0001

**Re: Docket number - FD 36095;
Camp Hall Commerce Park Rail Connection;
Request for Waiver of Six-Month Pre-filing Notice**

Dear Ms. Rutson,

Pursuant to 49 C.F.R. § 1105.10(c)(2), I am writing on behalf of Palmetto Railways to request that the Surface Transportation Board (the Board) waive the six-month pre-filing notice requirement of 49 C.F.R. § 1105.10(a) for Palmetto Railways in STB Docket FD 36095. Palmetto Railways intends to petition the Board for an exemption under 49 U.S.C.A. § 10901 to permit it to construct and operate approximately 23 miles of new railroad trackage (the Line). Palmetto Railways submits that a waiver of the 6 months' advance notice requirement is consistent with the regulations of the Office of Environmental Analysis (OEA) and the Board's policies.

For your information, Palmetto Railways is a division of the South Carolina Department of Commerce, a public agency and political subdivision of the State of South Carolina. Palmetto Railways intends to construct and operate an industrial rail line to connect the Camp Hall Commerce Park to the existing CSX Transportation, Inc. (CSXT) A-Line in Berkeley County, South Carolina. The Camp Hall Commerce Park comprises approximately 6,781 acres, of which 2,880 acres have been permitted by Berkeley County for development of Volvo Cars' first North American factory, which is expected to begin production by the end of 2018. An additional 1,387 acres of the Camp Hall Commerce Park is being permitted for industrial development by Santee Cooper. The Line is intended to bring industrial rail service to the entire Camp Hall Commerce Park. Industrial rail service is an additional transportation mode that enhances options for distribution and logistics for the industrial development and the customers that locate at the Camp Hall Commerce Park. In addition, the proposed industrial rail service will support the State of South Carolina and Berkeley County's infrastructure needs and will help alleviate highway congestion involving large commercial trucks.

The proposed Line will run approximately 20-30 miles through Berkeley County, depending on what route is ultimately selected as the proposed alternative. Regardless of the specific route, the nature of the general area (and a study area has been identified) means the Line will pass through a mix of commercial, residential, and silvicultural properties and the Line's assumed right-of-way will mostly be covered by forests, forested wetlands, and open water.

Because the majority of the alignment is in active silviculture areas, it will have minimal hazardous effects on potential environmental justice communities.

Regarding environmental impacts, movement of the Commerce Park traffic by rail instead of truck will be beneficial due to the reduced highway congestion and associated air and noise pollution and energy consumption. The Line is expected to potentially impact jurisdictional waters of the United States, including streams and wetlands. As such, the United States Army Corps of Engineers (USACE) is currently conducting an environmental review of the proposed project under Section 404 of the Clean Water Act (CWA) and the National Environmental Policy Act, 42 U.S.C.A. §§ 4321 *et seq.* (NEPA). Unavoidable wetland impacts along the project corridor will generally include fill and clearing impacts to wetlands and culvert, piping, and shade impacts to streams and jurisdictional ditches.

Please let me know if you have any questions. We greatly appreciate your assistance and look forward to working with you on this project.

Sincerely,

A handwritten signature in black ink, appearing to read "Jeff McWhorter".

Jeff McWhorter
President and CEO

Exhibit 3



SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

February 3, 2017

Jeff McWhorter, President and CEO
Palmetto Railways
540 East Bay Street
Charleston, South Carolina 29403

**Re: STB Docket No. FD 36095, Palmetto Railways – Construction Exemption –
In Berkeley County, South Carolina; Waiver Approval of Six-Month
Prefiling Notice Requirement**

Dear Mr. McWhorter:

Pursuant to 49 C.F.R. § 1105.1(c), we are granting your request of January 24, 2017 for a waiver of the six-month prefiling notice generally required for construction projects under 49 C.F.R. § 1105.10(a)(1).

On November 30, 2016, the Surface Transportation Board's (Board) Office of Environmental Analysis (OEA) and the Office of Public Assistance, Government Affairs, and Compliance (OPAGAC) met with representatives from Palmetto Railways, the South Carolina Department of Commerce (SCDC), and the U.S. Army Corps of Engineers (USACE). Meeting participants included: Jeff McWhorter, Patrick McCrory, T. Ravenel, and Randy Lowell of Palmetto Railways; Jennifer Fletcher of SCDC; Travis Hughes and James Choate of the USACE; Victoria Rutson, Phillis Johnson-Ball, Joshua Wayland and Diana Wood of OEA; and Gabriel Meyers of OPAGAC.

At the meeting, you explained that Palmetto Railways – which was established in 1969 as an instrumentality of the State of South Carolina within the Division of SCDC to promote the economic viability of South Carolina by offering safe, efficient and cost-effective freight rail solutions, operates three railroad divisions – seeks to construct, operate and own an approximately 20-30-mile segment of new rail line in Berkeley County. The project would connect the existing 6,781-acre Camp Hill Commerce Park to the existing CSX Transportation, Inc. (CSXT) A-Line near the Santee Cooper Cross Generating Station. The proposed rail line would serve the entire commerce park, but most immediately, Volvo Cars' first North American factory, which is expected to begin production by the end of 2018 and Santee Cooper.

You further explained that the proposed rail line would provide an additional transportation mode for the Camp Hill Commerce Park, support the State of South Carolina and Berkeley County's infrastructure needs, and help alleviate highway congestion of large commercial trucks in the region. Palmetto Railways is also in the process of gathering information within the initial study area to assess potential environmental impacts that will be used to identify specific route alternatives, including the preferred alternative, pursuant to the National Environmental Policy Act of 1969, 42 U.S.C. §§ 4321 *et seq.* (NEPA). We understand, based on your description, that the project study area includes a mix of commercial, residential, and silviculture land uses and the assumed right-of-way would mostly be covered by forests, forested wetlands, and open water.

As we discussed at the meeting, the Board and USACE will be joint lead agencies in the development of the NEPA document. At the meeting, OEA provided a general overview of the Board's environmental review process, OEA's role in conducting the environmental review, and the role of third-party contractors. In addition, OEA discussed the importance of adequate public outreach, as well as the role of the public, including federal, state, and local agencies, parties of record, communities and other interested parties in the review process.

Based on the information from this initial meeting, OEA believes that it has adequate information and the applicant is sufficiently aware of the environmental process to grant this request. If we can be of further assistance, please contact Diana Wood or Joshua Wayland of my staff at 202-245-0302 or 201-245-0330, respectively.

Sincerely,



Victoria Rutson
Director
Office of Environmental Analysis

Exhibit 4



March 28, 2017

Victoria Rutson, Esq.
Director, Office of Environmental Analysis
Surface Transportation Board
395 E Street, SW
Washington, DC 20423-0001

**Re: STB Docket No. FD 36095, Palmetto Railways – Construction Exemption –
In Berkeley County, South Carolina; Request for Approval of Third Party
Consultant**

Dear Ms. Rutson,

We are writing to request your approval, in accordance with 49 C.F.R §1105.10(d), to retain an independent third-party consultant to work with your office to prepare the necessary environmental documentation associated with the proposed construction of a rail line by Palmetto Railways. Palmetto Railways intends to file a petition in STB docket number FD 36095 seeking authority from the Surface Transportation Board (the Board) to construct a line of railroad in Berkeley County, South Carolina.

Palmetto Railways proposes that ICF Jones and Stokes Inc. (ICF) be retained as the Office of Environmental Analysis's (OEA's) third-party consultant. ICF is among the third-party consultants pre-approved by the Board as qualified to conduct environmental analysis on behalf of OEA. We understand that ICF's work would be performed on behalf of, and at the direction of, the Board, pursuant to 49 C.F.R. §1150.10(d). Further, we understand that ICF would undertake this project in accordance with the Board's requirements for disclosure of any conflicts of interest and pursuant to an appropriate memorandum of understanding that would be entered among the Board, ICF, and Palmetto Railways. We can confirm that ICF is not presently engaged in any other projects for Palmetto Railways.

Sincerely,

A handwritten signature in black ink, appearing to read 'J. McWhorter', written over a horizontal line.

Jeff McWhorter
President and CEO

Exhibit 5



SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

April 3, 2017

Jeff McWhorter, President and CEO
Palmetto Railways
540 East Bay Street
Charleston, SC 29403

Re: STB Docket No. FD 36095, Palmetto Railways – Petition for Exemption – In Berkeley County, South Carolina; Third-Party Contractor Approval and Disclosure Statement

Dear Mr. McWhorter:

The Surface Transportation Board's Office of Environmental Analysis (OEA) is approving ICF Jones and Stokes, Inc. (ICF) as the independent third-party contractor for the above referenced proceeding, pursuant to 49 C.F.R. § 1105.10(d). ICF will assist OEA in preparing the appropriate environmental documentation in connection with the Palmetto Railways' prospective exemption petition to construct a line of railroad in Berkeley County, South Carolina.

We have attached a disclosure statement that you should forward to ICF to complete and return to us. As we previously discussed, OEA will direct, supervise, review and approve all environmental documents prepared by the third-party consultant in this proceeding.

If we can be of further assistance, please contact Diana Wood of my staff at 202-245-0302 or by email at Diana.Wood@stb.gov.

Sincerely,

Victoria Rutson
Director

Office of Environmental Analysis

Enclosure

SURFACE TRANSPORTATION BOARD

DISCLOSURE STATEMENT

On behalf of ICF Jones and Stokes, Inc., I certify that ICF Jones and Stokes, Inc. has no financial or other interests in the outcome of the prospective petition in STB Finance Docket 36095, Palmetto Railways – Petition for Exemption to construct a rail line in Berkeley County, South Carolina.

Signature: _____

Printed Name: _____

Title: _____

Date _____

Exhibit 6

**MEMORANDUM OF UNDERSTANDING
AMONG
SURFACE TRANSPORTATION BOARD,
U.S. ARMY CORPS OF ENGINEERS, CHARLESTON DISTRICT,
PALMETTO RAILWAYS,
AND ICF JONES AND STOKES, INC.**

RE: ENVIRONMENTAL ANALYSIS AND PREPARATION OF APPROPRIATE ENVIRONMENTAL DOCUMENTS RELATING TO THE CONSTRUCTION AND OPERATION OF A PROPOSED RAIL LINE BY PALMETTO RAILWAYS IN BERKELEY COUNTY, SOUTH CAROLINA

I. Introduction and Purpose

- A. Palmetto Railways (Applicant) intends to file a petition for exemption in STB Finance Docket No. 36095 with the Surface Transportation Board (Board) seeking exemption from the requirements of 49 U.S.C. § 10901 to construct and operate an approximately 25-mile rail line in Berkeley County, South Carolina (Proposed Project).
- B. In considering the Applicant's request for Board approval of the petition to construct and operate the rail line, the Board will consider the potential environmental impacts resulting from construction and operation of the rail line and any rail-related alternatives. The Board will be a joint-lead agency with the U.S. Army Corps of Engineers, Charleston District (Corps) for preparing the environmental documentation required for the project, either an Environmental Impact Statement (EIS) or Environmental Assessment (EA), as required by the National Environmental Policy Act of 1969 (NEPA).
- C. As may be pertinent here, the Corps is responsible for regulating the discharge of dredged or fill material into waters of the United States under Section 404 of the Clean Water Act. As a joint-lead agency, the Corps will prepare sections of the environmental document¹ in accordance with its regulations, policies, procedures and guidance. In accordance with 40 C.F.R. § 1502.5(b), the Applicant has requested that the Corps begin the NEPA process prior to submitting to the Corps an application for a Department of the Army (DA) permit for the Proposed Project.
- D. Pursuant to 40 C.F.R. § 1506.5(c), 49 C.F.R. §§ 1105.4(j), and 1105.10(d), the Board, through its Office of Environmental Analysis (OEA), has selected and the Applicant has agreed to engage, at the Applicant's expense, ICF Jones and Stokes, Inc. (the Contractor) as the Independent Third Party Contractor for this proposal. In accordance with Regulatory Guidance Letter No. 05-08 and 33 C.F.R. Part 325, Appendix B, the Corps has determined that the Contractor is fully acceptable to the Corps as the Independent Third Party Contractor for this proposal. The Contractor shall assist OEA and the Corps in conducting the environmental review and preparing the environmental documentation

¹ The terms "environmental documentation" and "environmental document(s)" embrace draft, supplemental, and final EAs, EISs, FONSI and any other reports, studies, surveys, or related documents.

related to the Applicant's proposal. The Contractor's scope of work, approach, and activities shall be under the sole supervision, direction, and control of OEA and the Corps. This Memorandum of Understanding (MOU) summarizes the relationship among the Contractor, the Applicant, OEA, and the Corps, as set forth in applicable regulations and Board policies regarding the conditions and procedures each party must follow in preparing all environmental documentation. The MOU does not supersede or amend, and is made expressly subject to, the requirements of NEPA, and, to the extent applicable, related environmental laws, and 49 C.F.R. Part 1105, 33 C.F.R. Part 325, Appendix B, and 40 C.F.R. Part 1500.

- E. The Applicant, the Contractor, OEA, and the Corps agree to work within the framework of this MOU to develop an efficient method to complete the environmental review for the proposed application. OEA and the Corps shall both maintain overall responsibility for the documentation, analysis, methodology, consultation, and mitigation related to the environmental review process. OEA and the Corps shall jointly direct, evaluate, oversee, and approve the environmental review process.

II. Document Process

OEA will prepare, in consultation with the Corps and on behalf of the Board, the draft environmental document (EA or EIS) for agency and public review. OEA and the Corps will independently draft mitigation, based on the review of potential environmental impacts of the project.

III. Agreement between the Applicant and the Contractor

- A. Any contract between the Applicant and the Contractor, and any subcontracts, shall be consistent with the provisions of the MOU.
- B. The terms of the MOU shall override any contradictory or conflicting terms regarding the scope and performance of any work to be conducted under any contract entered into between the Applicant and the Contractor; provided, however, that the foregoing shall not limit the rights of the Applicant and the Contractor to contract on terms which require the work to be performed cost-effectively.
- C. The contract between the Contractor and the Applicant shall specifically provide, and the Contractor shall represent, that (1) the Contractor and any subcontractors do not and shall not have any financial or economic interest in the Applicant or any entity or person directly or otherwise affiliated with the Applicant except for payment for services rendered in connection with the preparation of all required environmental documentation, and except for services rendered pursuant to other agreements not prohibited by the MOU, and (2) there is no agreement between the Applicant, or any other person or entity and the Contractor regarding future employment that is contingent upon the Contractor's performance under this contract. The Contractor shall concurrently execute a disclosure statement as mandated by the regulations of the Council on Environmental Quality (CEQ) (40 C.F.R. 1506.5(c)) and submit it to OEA, the Corps, and the Applicant, before

beginning any work under OEA's direction. It is understood that the Contractor and any subcontractors have not been employed to conduct any environmental analysis related to the petition for the Applicant, or for any other person or entity, and, therefore, can be retained as independent third party contractor(s).

D. Restrictions on other work:

- (1) No employee of the Contractor or employees of any subcontractor, who is a part of the Contractor's core team committed to the environmental review process for the application, shall engage in (a) other work for the Applicant or (b) any work, relating to the petition, for any other party to this proceeding during the course of the proceeding; and
- (2) No other employee of the Contractor or other employee of any subcontractor shall, unless OEA and the Corps are provided prior notice of and approves such work, engage in (a) other work for the Applicant or (b) any work, relating to the petition before the Board, or any cooperating agencies that may elect to participate in this process, or any other party to this proceeding during the course of this proceeding.

E. The Applicant shall bear the costs incurred by the Contractor, and by any subcontractor approved by OEA in accordance with Section III.A, in preparing the required environmental documentation to implement NEPA and related environmental laws under the direction of OEA and the Corps.

F. Any contract between the Contractor and the Applicant shall specifically limit any remedies available to the Contractor and subcontractors upon termination of the contract to affirmatively relieve the United States of America, the Board, the Corps, and any officer, agent, or employee, from any liability from terminating the contract.

IV. Contractor Responsibilities

A. The Contractor may engage subcontractors to perform work related to environmental review of the applications before each agency, subject to the provisions of Section III.C and Section III.D. All work performed by the Contractor or any subcontractors shall be under the sole direction, control, supervision, and final approval of OEA and the Corps. Contractor and subcontractors, if any, will act as the agent(s) of the Board and the Corps, not the Applicant, in performing its/their duties.

B. The Contractor shall provide:

- (1) Appropriate expertise in the areas of environmental concern (including, but not limited to, air quality, wetlands, biological resources, geotechnical resources, hydrology, land use, safety, noise, social and economic, and cultural/historic resources);

- (2) A good working knowledge of environmental laws, applicable laws and regulations (including environmental regulations) administered or promulgated by the Board, the Corps, CEQ regulations and guidelines, other applicable federal regulations, state laws and regulations, and applicable local ordinances and regulations;
- (3) The capacity to perform environmental impact analysis and prepare appropriate environmental documentation;
- (4) Thorough, readable, technically sound, and informative environmental documents, as well as related charts, maps, diagrams, etc.;
- (5) Representatives to attend and/or facilitate meetings with federal, state, regional, and local agencies, other interested parties, and the Applicant for the purpose of exchanging and obtaining information, explaining the petition and related environmental concerns and impacts, and receiving comments in preparing the required environmental documentation;
- (6) Expertise in data management; and
- (7) Assistance to OEA and the Corps in ensuring that the data collection, analyses, and methodologies for the environmental documents are complete, accurate, and relevant to OEA's needs for the environmental review of the petition under NEPA and the Corps' needs for the environmental review of the proposal under NEPA.

C. The Contractor shall maintain and provide OEA and the Corps upon request:

- (1) Adequate record-keeping and reporting systems to assure preservation of all data gathered, including surveys, studies, etc.;
- (2) Logs summarizing all telephone calls, meetings, document reviews, and other substantive communications with OEA, the Corps, the Applicant, local governments, governmental agencies, citizens' groups, and any other interested parties; and
- (3) Lists of all agencies, other railroads, citizens' groups, organizations, and individuals (including their respective addresses and telephone numbers) contacted in preparing the environmental documentation.

D. The Contractor shall perform the work in a timely, responsive, satisfactory, and cost-effective manner, pursuant to a work schedule developed with OEA and the Corps in coordination with the Applicant and approved by OEA and the Corps.

E. The Contractor shall assist OEA and the Corps in coordinating the exchange of all relevant environmental information and technical data/studies related to the petition and all required environmental documentation among OEA staff, Corps staff, the Applicant's staff and representatives, the Contractor, and any subcontractors.

- F. The Contractor will submit directly to OEA and the Corps all work the Contractor performs in preparing all required environmental documentation, studies, surveys, etc. The Contractor, and any subcontractors, shall not disclose the results of their work nor release any of the underlying work papers, drafts, or other materials prepared under the contract to anyone, including the Applicant, without both the Corps and OEA's express authorization. In no case shall the Applicant be provided the opportunity to modify or edit the Contractor's work prior to submission to OEA and the Corps, without OEA and the Corps' express authorization.
- G. The Contractor shall follow the directions and instructions of OEA and the Corps, and incorporate them into the environmental document(s) in a timely and responsive manner. The Contractor shall submit preliminary and final drafts of any documents to OEA and the Corps for final review and approval.
- H. The Contractor shall provide to both OEA and the Corps access to and the right to review all procedures and underlying data used in the Contractor's development and preparation of all environmental documents. This includes, but is not limited to, field reports/surveys, technical studies and analyses, subcontractor reports, and interviews with concerned private and public parties, whether or not such information may be reflected in draft, supplemental, or final environmental documents submitted to OEA and the Corps.
- I. The Contractor, and any approved subcontractors, shall cooperate fully with OEA and the Corps in organizing, participating in, and conducting any public workshops, informational meetings, and other meetings, as OEA and the Corps determine are necessary, to foster public understanding of and/or participation in the environmental review process, and to assess potential environmental impacts and develop mitigation measures related to the petition.
- J. The Contractor will assist OEA and the Corps in reviewing comments received during the environmental review process, will draft a summary of rail-related comments, and will coordinate analysis of these comments with OEA and the Corps.
- K. The Contractor shall assist OEA and the Corps in preparing the required environmental documentation, environmental recommendations, selection of alternatives, and development of mitigation measures.
- L. The Contractor's Project Director, Project Manager, other technical experts, as appropriate, shall be available to attend all meetings, briefings, consultations, and site visits as OEA and the Corps deem necessary. The Project Director and the Project Manager shall devote as much time to environmental review of the petition as is necessary to assure the Contractor's performance of its responsibilities under this MOU. This work commitment will extend for the entire time necessary to complete the environmental review for the petition.
- M. Except as specifically authorized by OEA and the Corps, the Contractor and any of its subcontractors shall refer all media/press inquiries directly to OEA and the Corps.

- N. As needed, the Contractor will provide technical expertise and administrative support to OEA during preparation of the Board's decision and in addressing any environmental issues arising in the Board's consideration of this proceeding. In the event of any appeal from a Board decision in this proceeding, the parties hereto shall at that time determine the need for and terms of the Contractor's services in connection with judicial review of that decision.
- O. The Contractor shall provide any administrative and technical support that may be needed to assist OEA and the Corps in reviewing, summarizing, and responding to environmental issues arising after issuance of the final environmental documentation, including in connection with the Board decisions, correspondence, filing before the Board and by the Board in court in connection with any judicial review of the Board's decisions, and other inquiries involving environmental issues associated with the Applicant's proposal.

V. Applicant Responsibilities

- A. The Applicant shall retain the Contractor to assist OEA and the Corps in preparing all required environmental documentation and services, as that assistance and its costs are defined by a contract to be negotiated and executed by the Applicant and the Contractor, and in the Work Plan described in Section VII.
- B. The Applicant, including its staff and representatives, shall provide to OEA, the Corps, and the Contractor any requested supportive expertise, resources, data, and technical capabilities necessary to undertake the environmental analysis, subject to the right of the Applicant to advise OEA and the Corps of any request received from OEA or the Corps or the Contractor that the Applicant believes either is not germane to matters appropriately reviewed in the environmental review process, is contrary to applicable statutes and regulations, would impose an extraordinary burden on the Applicant, or is subject to the right of the Applicant to maintain confidentiality as to proprietary, privileged, or other information which is not otherwise subject to disclosure. In the event that the Applicant so advises OEA or the Corps, OEA and the Corps shall jointly determine whether the request is appropriate and shall so advise the Applicant and the Contractor of its determination. OEA and the Corps shall, to the extent possible, maintain the confidentiality of any information if so requested by the Applicant.
- C. The Applicant shall cooperate fully with OEA and the Corps in organizing and participating in any public workshops, hearings, and meetings, as OEA and the Corps determines are necessary to (1) foster public understanding and/or participation in the environmental review process, and (2) assess potential environmental impacts and mitigation measures related to the petition.
- D. With respect to all reports, analyses, and documents, including drafts, supplements, and final copies of the environmental documents, the Applicant shall be responsible for the Contractor's administrative and clerical costs, as well as the costs of graphics, maps, layouts, mailing, and printing, as those costs are defined by a contract to be negotiated and executed by the Applicant and the Contractor. The Applicant shall, however, have

the option of directing that any printing of the environmental documentation be performed by a private entity, rather than OEA and the Corps. The Applicant shall be solely responsible for the cost of preparing and providing to OEA and the Corps the appropriate number of copies of all required environmental documentation.

- E. The Applicant shall provide complete, accurate, relevant, and timely responses to all reasonable requests for information pertaining to the petition to the Board, the Operating Plan, and the environmental aspects and effects of the proposed rail construction and operation.
- F. In the event of any litigation resulting from the environmental analysis in this proceeding, the Corps and OEA shall at that time determine the need for and terms of the Contractor's services in connection with any litigation.

VI. Board/OEA and Corps Responsibilities

- A. The Board and the Corps are individually responsible for ensuring compliance with the requirements of NEPA and other applicable environmental statutes and regulations by preparing appropriate environmental documentation.
- B. OEA shall:
 - (1) Direct, review, and approve all phases of preparing all required environmental documentation, including the work of the Contractor, using OEA's best efforts to ensure that the work is reasonably necessary to conduct the environmental review process regarding the proceeding and the work is within the scope of NEPA requirements. For example, OEA shall ensure that the Contractor considers existing data and environmental analyses available from the Applicant, OEA, and other sources, and that the Contractor does not duplicate work already done, unless OEA determines that the existing data are not adequate for use in preparing the environmental documentation;
 - (2) Designate appropriate staff to review and approve all work as it is developed and completed;
 - (3) Ensure that its representatives attend meetings, as needed, with federal, state, regional, and local agencies, and other interested parties, as well as any public hearings or meetings, to exchange information, explain the petition and related environmental concerns and impacts, obtain technical input, and receive comments in preparing all required environmental documentation; and
 - (4) Coordinate, with the Contractor's assistance, the exchange of information among any planning, design, or construction engineers or technical staff employed by the Applicant and the Contractor.
- C. The Corps shall:
 - (1) Direct, review, and approve all phases of preparing all required environmental documentation, including the work of the Contractor, using the Corps' best efforts to ensure that the work is reasonably necessary to conduct the environmental review process regarding the proceeding and the work is within

- the scope of NEPA requirements in accordance with the Corps Regulatory authority;
- (2) Designate appropriate staff to review and approve all work as it is developed and completed;
 - (3) Ensure that its representatives attend meetings, as needed, with federal, state, regional, and local agencies, and other interested parties, as well as any public hearings or meetings, to exchange information, explain the petition and related environmental concerns and impacts, obtain technical input, and receive comments in preparing all required environmental documentation;
 - (4) Coordinate, with the Contractor's assistance, the exchange of information among any planning, design, or construction engineers or technical staff employed by the Applicant and the Contractor;
 - (5) Ensure that the environmental documentation jointly prepared by the Corps and OEA adequately addresses the requirements of the Corps' Regulatory Program and associated laws and regulations (i.e., 33 CFR Parts 320-332).
- D. OEA and the Corps will review the work of the Contractor to ensure that the Board's responsibilities under NEPA and related environmental laws and regulations are being satisfied. As each portion of any draft or final document is completed, OEA and Corps staff shall review and approve that portion and those tasks completed, and/or direct further work with regard to that portion or task.
- E. OEA and the Corps will monitor the Contractor to ensure that the Contractor is making adequate progress toward meeting specific time frames established in the Work Plan described in Section VII. If OEA determines these commitments are not being met, it will notify the Applicant of its findings. It will be the responsibility of OEA and the Corps to recommend any necessary corrective action to be taken under this MOU.
- F. In all instances involving questions concerning the content or relevance of any material (including all data, analyses, charts, and conclusions) prepared by the Contractor, OEA and the Corps shall make the final determination on including, deleting, or revising any such material in the environmental documents.
- G. To coordinate the preparation of all required environmental documentation, and to verify petition-related data, OEA and the Corps may hold joint meetings with the Applicant and the Contractor. As necessary, OEA and the Corps may exclude the Applicant from participation. OEA and the Corps may also consult directly with appropriate federal, state, and local officials, and other interested parties. The Applicant shall provide complete, accurate, relevant, and timely responses to all reasonable requests for information pertaining to the petition to the Board and the environmental aspects and effects of the proposed rail construction and operation.
- H. OEA and the Corps, with the assistance of the Contractor, will be responsible for organizing and conducting any public workshops or meetings that may be necessary in preparing environmental documents during the environmental review process.
- I. OEA and the Corps, with the assistance of the Contractor, will receive all relevant comments submitted during the environmental review process and comment period. At the close of any public review and comment period, OEA and the Corps, in consultation with the Contractor, shall identify the issues and comments that will require a response

from the Board or the Corps. OEA and the Corps may direct these comments to the Applicant and to the Contractor, as appropriate, to be included in the final environmental document. OEA and the Corps may modify these responses as appropriate.

- J. OEA, with the assistance of the Contractor, shall prepare final recommendations for the Board.
- K. OEA and the Corps shall retain responsibility for deciding the environmentally preferable alternative, and any mitigation measures to be included in the final environmental document.

VII. Work Plan

- A. The Contractor, in consultation with OEA, the Corps, and the Applicant, shall submit a draft Work Plan to OEA and the Corps for preparing the required environmental documentation within thirty (30) days after all parties have signed this MOU. The draft Work Plan shall contain at least the following elements:
 - (1) A description of all work to be performed (including preparing and sending consultation letters; participating in public and agency meetings; outlining and drafting environmental documents; reviewing, analyzing, and summarizing public comments, conducting analyses, etc.);
 - (2) The projected schedule for completing the various tasks described;
 - (3) Identification of the Contractor's staff members who will be responsible for preparing, analyzing, and reviewing the work; and
 - (4) An outline of the environmental analysis.
- B. Following receipt of the draft Work Plan, OEA and the Corps, in consultation with the Contractor and the Applicant, shall finalize the Work Plan in a timely manner.
- C. Subsequent to consultation with the Contractor and the Applicant, OEA and the Corps may amend the Work Plan from time to time as the environmental review of the Board petition may necessitate. The parties hereto shall consult at least once every two weeks to confirm that the work is being performed in the most efficient and cost-effective manner and to consider possible measures to improve the efficiency and cost-effectiveness of the work.

VIII. Disputes

Disputes between the parties may arise regarding the environmental review process, including approach, methods, analysis, conclusions, and performance of the obligations of the parties to this MOU. The parties agree to seek resolution of disputes among the individuals or parties directly involved. In the event that resolution is not achieved, the parties agree to make further attempts at resolution before bringing the dispute to the next supervisory level, and all individuals or parties directly involved shall be notified in the case of such a referral to the next supervisory level. In addition, the parties may seek independent facilitation or mediation to assist in resolving disputes in the event that resolution is not achieved.

IX. Nonperformance and Termination

- A. The Applicant or the Contractor shall notify OEA and the Corps of any concerns either party might have with respect to the other party's performance under the contract between the Applicant and the Contractor or this MOU. All parties will attempt to resolve, in good faith, any disputes or disagreements.
- B. If OEA determines that either the Contractor or the Applicant is not adequately performing its responsibilities and duties in accordance with this MOU, OEA will discuss its concerns with the Contractor and the Applicant. If OEA and the Corps' concerns cannot be satisfactorily resolved, OEA and the Corps will notify the Applicant that OEA and the Corps are jointly removing the Contractor for cause, or direct the Applicant to comply with the MOU. Upon removal of the Contractor, OEA and the Corps shall endeavor to replace the Contractor with another qualified contractor as soon as practicable.
- C. Both the Applicant and the Contractor shall immediately notify OEA and the Corps of any attempt by either party to modify or terminate the contract between the Applicant and the Contractor. Termination of the contract shall be subject to OEA and the Corps' prior approval, after consultation with the Applicant and the Contractor. Upon approving termination of the contract, OEA and the Corps shall endeavor to replace the Contractor with another qualified contractor as soon as practicable. Notwithstanding the foregoing, the Applicant may terminate the contract without OEA and the Corps' approval in the event that it withdraws notice of intent or petition.

X. Modification

This MOU may be modified only by written amendment executed by OEA, the Corps, the Applicant, and the Contractor.

PALMETTO RAILWAYS

ICF JONES AND STOKES, INC.

By:

Title:

Date:

By:

Title:

Date:

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X. Modification

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PALMETTO RAILWAYS

ICF JONES AND STOKES, INC.

By:

Title:

Date:

By:

Title:

Date:

Jodi Young
Manager, Contracts
05/17/2017

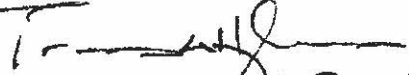
SURFACE TRANSPORTATION BOARD

By:

Title:

Date:

U.S. ARMY CORPS OF ENGINEERS,
CHARLESTON DISTRICT

By: 

Title: *Division Chief, Regulatory*

Date: *19 May 2017*

SURFACE TRANSPORTATION BOARD

By:

Title:

Date:

Victoria R. Wilson
Director, OFFICE of ENVIRO.
ANALYSIS
MAY 18, 2017

U.S. ARMY CORPS OF ENGINEERS,
CHARLESTON DISTRICT

By:

Title:

Date:

#E-25870

SURFACE TRANSPORTATION BOARD

DISCLOSURE STATEMENT

On behalf of ICF Jones and Stokes, Inc., I certify that ICF Jones and Stokes, Inc. has no financial or other interests in the outcome of the prospective petition in STB Finance Docket 36095, Palmetto Railways – Petition for Exemption to construct a rail line in Berkeley County, South Carolina.

Signature: _____



Printed Name: Jodi Young

Title: Manager, Contracts

Date 04/03/2017

Request for Waiver of EIS Requirement



Palmetto
RAILWAYS.

#E1-26173

August 22, 2017

Victoria Rutson, Esq.
Director, Office of Environmental Analysis
Surface Transportation Board
395 E Street, SW
Washington, DC 20423-0001

**Re: STB Docket No. FD 36095, Palmetto Railways – Construction
and Operation Exemption – In Berkeley County, South Carolina;
Request for Reclassification**

Dear Ms. Rutson,

Pursuant to 49 C.F.R. §1105.6(d), I am writing on behalf of Palmetto Railways, petitioner in the above-captioned proceeding, to request that the Surface Transportation Board (the Board) waive the requirement of 49 C.F.R. § 1105.6(a) of the preparation of an Environmental Impact Statement (EIS) in favor of the preparation of an Environmental Assessment (EA). Palmetto Railways submits that a reclassification is appropriate because the proposed construction of the Camp Hall Rail Line (Proposed Line) is not likely to have a significant environmental impact such that a waiver under § 1105.6(a) and the preparation of an EA will be sufficient to address the impacts of the proposed construction. In support of this request, Palmetto Railways submits the following information in accordance with §§ 1105.6(b) and 1105.7(e).

I. Introduction

The Proposed Line is intended to bring industrial rail service to the Camp Hall Commerce Park, an industrial development comprising approximately 6,781 acres in Berkeley County, South Carolina. The Proposed Line will connect the Camp Hall Commerce Park to the existing CSX Transportation, Inc. (CSXT) A-Line in Berkeley County (through the CSXT Cross Subdivision connection). Once constructed, the Proposed Line will run approximately 22.7 miles through Berkeley County, with a 100-foot right-of-way.

In support of the Proposed Line, on September 6, 2016, Palmetto Railways sent a letter to your office providing an initial description of the Camp Hall Rail Project and requesting that the Office of Environmental Analysis (OEA) initiate the environmental review process, in



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conjunction with the United States Army Corps of Engineers, Charleston District (USACE), under their respective jurisdictions in accordance with the National Environmental Policy Act of 1969, as amended 42 U.S.C.A. §§ 4321 *et seq.* (NEPA). On November 30, 2016, members of your staff and the Office of Public Assistance, Government Affairs, and Compliance (OPAGAC) met with representatives of Palmetto Railways, the South Carolina Department of Commerce (SCDC), of which Palmetto Railways is a division, and the USACE. Following that meeting, on January 24, 2017, Palmetto Railways filed a request for a waiver of the six-month pre-filing notice requirement, which your office granted on February 3, 2017. Consistent with the procedures set forth in 49 C.F.R. § 1105.10(d), on March 28, 2017, Palmetto Railways requested the approval of OEA to retain ICF Jones and Stokes Inc. (ICF) as an independent third-party consultant for the preparation of the necessary environmental documentation for the project. On April 3, 2017, OEA approved ICF as the third-party contractor for this project. Thereafter, Palmetto Railways, ICF, OEA, and the USACE executed a memorandum of understanding setting out the parameters of ICF's preparation of environmental documentation for the project.

In addition, on March 10, 2017, OEA sent a letter to the USACE formally requesting that it participate as a joint lead agency in the preparation of the environmental documentation for the Proposed Line under NEPA. In a letter dated April 19, 2017, the USACE accepted OEA's request to participate as a joint lead agency for the project. OEA and the USACE subsequently executed a memorandum of understanding outlining the respective responsibilities of the agencies as joint leads for the project.

Thereafter, on August 2, 2017, Palmetto Railways submitted documentation to OEA in support of the Proposed Line, including copies of its communications with required resource agencies, a comprehensive Environmental Report, wetland jurisdictional determination and proposed Permittee Responsible Mitigation Plan (PRM Plan), as well as materials related to Palmetto Railways' public engagement and involvement efforts for the Proposed Line. Additionally, on August 3, 2017, Palmetto Railways filed a Petition for Exemption with the Board from the prior approval requirements of 49 U.S.C.A. § 10901, to permit the construction and operation of the Proposed Line. Palmetto Railways is unaware of any further actions taken by ICF or OEA with respect to the Proposed Line.

The Board's regulations provide that under normal circumstances, preparation of an EIS is generally required for the proposal of rail construction matters. 49 U.S.C.A. § 1105.6(a). Notwithstanding, the Board's regulations permit the modification of the EIS requirement if an applicant demonstrates with supporting information that a particular proposal is not likely to



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have a significant environmental impact. 49 U.S.C.A. § 1105.6(d) (“The Board may reclassify or modify these requirements for individual proceedings ... in a rail construction, an applicant can seek to demonstrate (with supporting information addressing the pertinent aspects of § 1105.7(e)) that an EA, rather than an EIS, will be sufficient because the particular proposal is not likely to have a significant environmental impact.”). Palmetto Railways respectfully submits that, for the reasons set forth below, and in accordance with the standards of §§ 1105.6(d) and 1105.7(e), the preparation of an EA will be sufficient in this matter because the Proposed Line is not likely to have a significant environmental impact.

1. Proposed action and alternatives.

Palmetto Railways has requested regulatory authority to located, build, own, and operate an industrial rail line to interconnect the Camp Hall Commerce Park with the existing rail network of CSX Transportation, Inc. (CSXT) in Berkeley County, South Carolina. The need for the Proposed Line derives from the development within the Camp Hall Commerce Park, which has increased the demand for rail service to interconnect the commerce park with a Class 1 rail network within South Carolina, in a manner that is logistically feasible to better serve the need of the future tenants and industry within the Camp Hall Commerce Park for transportation, distribution, and logistics. Tenants of the commerce park include, but are not limited to, Volvo Cars North America (“Volvo Cars”), as well as any associated support industries that might desire to locate in proximity to Volvo Cars in the future.

The Camp Hall Commerce Park comprises approximately 6,781 acres, of which 2,880 acres have been permitted by Berkeley County for development of the Volvo Cars facility (Project Soter – SAC-2015-0476-SIR). An additional 1,387 acres of the Camp Hall Commerce Park is being permitted for industrial development by Santee Cooper (SAC-2015- 01764). The Proposed Line is intended to bring industrial rail service to both planned phases of the Volvo Cars facility, as well as the areas being developed by Santee Cooper, which will enhance the options for distribution and logistics for the industrial development and the customers that locate at the Camp Hall Commerce Park. In addition, the proposed industrial rail service will support the State of South Carolina and Berkeley County’s infrastructure needs and will help alleviate highway congestion involving large commercial trucks.

Once constructed, the Proposed Line will be approximately 22.7 miles, with a 100-foot right-of-way (0.85 square miles). The Proposed Line will originate on Santee Cooper property adjacent to its Cross Generating Station, and will cross the Diversion Canal between Lake



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Marion and Lake Moultrie, running south-southwest to the Camp Hall Commerce Park (Project Corridor). South of the Diversion Canal, the Project Corridor is proposed to traverse the unincorporated rural community of Cross, estimated total population of 7,253 in 2015. Beyond the Cross community, the Project Corridor will continue south through an intensively managed pine plantation in short pulp rotations, before reaching the Camp Hall Commerce Park.

In connection with this proposal, Palmetto Railways conducted a detailed Alternatives Analysis to identify a range of reasonable alternatives that meet the project's purpose and need, which as a part of the Environmental Report submission made to OEA on August 2, 2017 and includes a readable, detailed map and drawings clearly delineating the project. The Alternatives Analysis evaluated potential routes from existing Class 1 rail networks to the Camp Hall Commerce Park, reviewing and evaluating potential impacts of the Proposed Line on environmental, economic, and socioeconomic resources, as well as cultural resources. Six alternative route alignments were considered under Level 1 of the Alternatives Analysis, with four alignments advanced to Level 2, including a No Action/No Build alternative. In light of the information gathered and evaluated, Palmetto Railways determined that the Cross option, beginning near Santee Cooper's Cross Generating Station and terminating at the Camp Hall Commerce Park, was the preferred alternative. Four separate Cross Route alignments were then analyzed in Level 3 of the Alternatives Analysis, and Cross Route 3 (*i.e.*, the Proposed Line) was selected as the most practical route with the least amount of overall impacts, as judged by the potential impacts to environmental, economic, and socioeconomic resources.

The Proposed Line will pass through a mix of commercial, residential, and silvicultural properties. This alignment was selected in part because it is within the range of reasonable impacts, affects the least amount of parcels within the project right-of-way (ROW), does not require any relocations, has no known archaeological site, and does not affect the Caton Creek Mitigation Bank. The Proposed Line's planned Project Corridor is primarily covered by forests, forested wetlands, and open water. Additionally, because the majority of the preferred alternative alignment is in active silviculture areas, it will have minimal hazardous effects on potential environmental justice communities.

2. Transportation system.

The Proposed Line is intended to bring an additional transportation mode that enhances options for distribution and logistics for the industrial development and the customers that locate at the Camp Hall Commerce Park, providing the park's only available rail service. In addition,



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the proposed industrial rail service will support the State of South Carolina and Berkeley County's infrastructure needs and will help alleviate highway congestion involving large commercial trucks. Movement of the Camp Hall Commerce Park traffic by rail instead of truck will be beneficial due to the reduced highway congestion and associated air and noise pollution and energy consumption. Consequently, it is not expected that construction of the Proposed Line will divert passenger or freight traffic to other transportation systems or modes.

The majority of the roads listed within the Project Corridor are secondary agricultural and forestry roads. Aside from Interstate I-26, traffic volumes on surrounding roadways are currently relatively low. It is expected that local and regional transportation infrastructure levels would be increased by the development of the Camp Hall Commerce Park; however, the construction of the Proposed Line will have a significant beneficial impact to that expected outcome. The route alternative proposed by Palmetto Railways is within the range of expected road crossings for the area, intersecting three two-lane highways, including US Highway 176, SC Highway 311, and Old Highway 6, fifteen (15) secondary roads, and twenty-one (21) minor forestry/agricultural roads. For additional information related to transportation for the Proposed Line, please refer to Sections 3.7.13 and 6.11 of the Environmental Report submitted on August 2, 2017.

3. Land use.

The Study Area for land use, consisting of each alternative alignment's ROW, occupies a total of 1,631 acres. According to the United States Geological Survey (USGS) Land Cover Institute (LCI), land uses within the Study Area include developed areas, croplands, shrublands, herbaceous areas, forests, wetlands, and open waters. Prime farmland soils will be directly impacted on all four alternative rail alignments, although some of the farmland soils consist of existing development or are not used for agriculture and would be declassified as farmland. Land use along the preferred alternative alignment includes a mix of commercial, residential, silvicultural, and wetlands. The Proposed Line's projected ROW is mostly covered by forests, forested wetlands, and open water. According to the LCI, only 1.5% of the preferred alternative alignment ROW is classified as developed land. The Proposed Line has the support of local and/or regional planning agencies and is consistent with existing land use plans for the area. Finally, the Project Corridor is neither within the coastal zone nor a previous rail ROW that is or has been abandoned. For additional information related to land use for the Proposed Line, please refer to Sections 3.7.1 and 6.1 of the Environmental Report submitted on August 2, 2017.



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4. Energy.

The Proposed Line will result in new rail traffic, creating a modest net increase in energy use for train operations. Regarding energy efficiency, it is expected that the vast majority of the rail movements facilitated by the Proposed Line will consist of new capacity to this region, based on the new development of the Camp Hall Commerce Park; therefore, the purpose of the Proposed Line is not to address the relative existing energy efficiency. Notwithstanding, because the Proposed Line is expected to have available capacity in excess of the needs generated by the new development (based on an average of five (5) roundtrips per week, it is estimated that 260 trains would operate over the Proposed Line each year), Palmetto Railways submits that it expects the Proposed Line to provide a net increase in overall energy efficiency. The Proposed Line will have no adverse effect on recyclable commodities, and no diversions of existing traffic from rail to motor carriage are expected to occur as the Proposed Line is intended to divert existing and future motor carriage to rail.

5. Air.

Because the Proposed Line involves the construction of a new rail line, § 1105.7(e)(5)(i)(C) specifies that the metric of consideration by OEA is whether the Proposed Line will result in an increase of at least eight trains a day. As stated above, Palmetto Railways expects to conduct an average of five (5) roundtrips per week; therefore, the Proposed Line does not implicate the regulation's threshold for quantifying the anticipated effect on air emissions. The proposed action does not affect a class I or nonattainment area under the Clean Air Act, as sampling data compiled by the South Carolina Department of Health and Environmental Control continues to show that the entire state of South Carolina is in attainment of the National Ambient Air Quality Standards (NAAQS). Further, transportation of ozone depleting materials (including nitrogen oxide and Freon) is not contemplated. Construction and operation of the Proposed Line will be in attainment with the U.S. Environmental Protection Agency's established NAAQS. It is expected that Palmetto Railways and their contractors will maintain their vehicles/equipment so that carbon monoxide, ozone-producing chemicals and other emissions are kept to a minimum. On a macro-scale, although the Proposed Line will add incremental emissions within the Project Corridor, those anticipated emissions are anticipated to have an immaterial impact on air quality in the North Charleston-Summerville-Charleston Metropolitan Statistical Area (MSA) and thus be within allowable concentration limits for emissions in the state. In summary, the Proposed Line will have a negligible to minor impact on the air quality levels for criteria pollutants and is not expected to result in adverse impacts associated with toxic air pollutants in



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the areas immediately surrounding the Project Corridor. For additional information related to air quality for the Proposed Line, please refer to Sections 3.7.2 and 6.3 of the Environmental Report submitted on August 2, 2017.

6. Noise.

A baseline noise-level survey has not been conducted for any of the alignment alternative ROWs. However, a limited noise and vibration screening study was conducted to comply with NEPA requirements for the Proposed Line, which was based on the assumption that Palmetto Railways would operate five (5) roundtrip freight trains per week from Camp Hall Commerce Park. In addition, a Screening Noise Assessment was performed using aspects of the General Noise Assessment and General Vibration Assessment in accordance with Federal Transit Administration guidelines as well as the CREATE Program guidelines, and future anticipated rail traffic volumes were evaluated in order to assess the Project-related effects of airborne noise.

The evaluation of potential noise and vibration impacts included two parts: screening procedure and general assessment. The screening procedure was somewhat qualitative and used basic information about the project and the area of proposed operation to develop an inventory of sensitive sites and/or receivers. Following the screening procedure, a general assessment was completed to develop more quantitative estimates of Project-related noise levels. By calculating Project-related train noise and existing noise at each receiver, the two types of noise can be compared with specific impact criteria, based on the type of land use that best describes the receiver. The impact criteria are used to designate each receiver as being severely impacted, moderately impacted, or not impacted.

The procedures described above identified 85 receptors; however, only six (6) residential structures would be classified as having moderate impacts. Locomotive horn use at public-at grade crossings is the primary cause of the predicted noise impacts at these locations. Because use of horns at crossing is a necessary feature to protect the public at these crossings, no change or modification of the standard warning procedure is mandated by these moderate impacts to six residences. With respect to vibratory impacts, none of the 85 receptors identified during the screening are within the impact distances. The projected vibration from the project is below the impact threshold; therefore, material vibration impacts are not anticipated with the Proposed Line.

Overall, it is expected that the Project Corridor would have noise levels typical of a rural environment surrounded by an active transportation corridor. Ambient noise within the Project



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Corridor consists mainly of transportation (highway and railroad), commercial/agricultural activities, rural, and natural sounds (e.g. moderate voice, wind, wildlife, and similar sounds). The noise-sensitive receptors described above as within and adjacent to the alternative alignment ROWs include areas associated with single family housing. Noise impacts from the Proposed Line are expected to be minimal, as the Proposed Line will be operated in accordance with the Federal Rail Administration's (FRA) Noise Emission Compliance Regulations, including guidance documents and assessment procedures developed by the FRA for assessing train noise, horn noise, and vibration impacts from rail projects. For additional information related to noise for the Proposed Line, please refer to Sections 3.7.3 and 6.4 of the Environmental Report submitted on August 2, 2017.

7. Safety.

The Proposed Line is not expected to have an adverse impact on public health. A Phase I Environmental Site Assessment (ESA) was performed on the Proposed Line to identify the presence or likely presence of hazardous substances in, on, or at a property. In addition, a search for potential hazardous waste sites within 100 feet of the rail alignment alternatives' ROWs was performed, and one hazardous waste site, the Cross Generating Station, was identified within 100 feet of the Proposed Line. The site is the Santee Cooper electric generating plant, located in Cross, SC, which is listed on the following environmental databases: State Hazardous Waste Sites (SHWS), Underground Storage Tank (UST), Leaking Underground Storage Tank (LUST), Solid Waste Facilities/Landfill, and Permitted Airs Facility Listing (AIRS). The proposed ROW routes adjacent to an ash disposal/landfill area at the plant site. No other hazardous waste sites or Environmental Data Resources (EDR) listed facilities are present in the Project Corridor. Further, it is not contemplated that hazardous materials will be transported over the Proposed Line. In addition, a Spill Prevention, Control and Countermeasures Plan (SPCCP), a Stormwater Pollution Prevention Plan (SWPPP), and an Oil and Hazardous Substance Contingency Plan (OHSCP) will be developed to show locations and quantities of waste material generated and provide disposal requirements. Thus, construction and operation of the Proposed Line has a low potential to generate hazardous waste.

With respect to vehicle delay times, as described above, the Proposed Line will intersect three two-lane highways, including US Highway 176, SC Highway 311, and Old Highway 6, fifteen (15) secondary roads, and twenty-one (21) minor forestry/agricultural roads. According to the South Carolina Department of Transportation Traffic Point Data, between 3,900 and 7,800 vehicles are estimated to traverse US Highway 176 per day, 1,400 vehicles/day on SC Highway



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311, and 1,300/day on Old Highway 6. Vehicle delays approaching at-grade crossings along the Proposed Line are expected. It is estimated that each delay caused by a train traversing the Proposed Line would last less than five (5) minutes. Given the expected frequency of trips planned by Palmetto Railways, *i.e.*, five (5) roundtrips, for a total of ten (10) potential delays in a week, these delays are not expected to materially impact public safety in these areas.

With respect to vehicular safety, Palmetto Railways has proposed using a combination of active and passive warning and control devices at all at-grade rail crossing intersections. In addition, several at-grade crossings, including at Shortcut Road, Old Highway 6, and Ranger Road, have already been identified as intersections of concern within the communities in which they are located; therefore, Palmetto Railways intends on implementing early warning systems in those locations. At each of the crossings, Palmetto Railways intends on following the Manual of Uniform Traffic Control Devices for guidance as to the specific type of warning or control device that is required for each intersection in conjunction with public awareness and rail safety awareness programs, including the Operation Lifesaver program, directed at targeted audiences throughout the impacted communities along the ROW. For additional information on safety along the Proposed Line, please refer to the Avoidance, Minimization and Mitigation Plan submitted in conjunction with the Environmental Report on August 2, 2017.

8. Biological resources.

The Proposed Line will not impact any known archeological or historical sites, and the preferred alternative alignment will not impact any protected or conserved lands. There are no Section 6(f) properties within the Study Area. Although there are multiple private, protected, and public lands within the vicinity of the Study Area, including two Moultrie Hunt Unit Wildlife Management Areas, owned by Santee Cooper, and the Caton Creek Mitigation Bank, owned by MeadWestvaco, alignment modifications within the corridor of the preferred alternative alignment would eliminate potential impacts.

Potential habitats for several federally endangered species, including known bald eagle, Shortnose Sturgeon, Atlantic Sturgeon, and West Indian Manatee occurrences, are located within the general region of the Project Corridor. There are seven (7) known bald eagle occurrences within a half mile of the Proposed Line, near the Diversion Canal and Lake Moultrie; however, none of these nests are directly within the Project Corridor. Meanwhile, shortnose sturgeon, Atlantic sturgeon, and West Indian manatee populations are known to exist in Lake Marion and Lake Moultrie; however, with the use of appropriate best management practices, the Proposed



Line will not likely adversely impact these species. Additionally, habitat for the red-cockaded woodpecker and wood stork may be present within the Project Corridor; however, this habitat is of low quality and would not be a limiting factor for either of these species. There is no likely adverse effect to these species. Finally, the Proposed Line will have no effect on the frosted flatwoods salamander, Canby's dropwort, pondberry, or American chaffseed. For additional information on biological resources along the Proposed Line, please refer to Sections 3.7.9 and 6.8 of the Environmental Report submitted on August 2, 2017.

9. Water.

The Proposed Line is expected to impact jurisdictional waters of the United States, including streams and wetlands. Third-party consultant Amec Foster Wheeler conducted a preliminary jurisdictional waters screening to assess the potential presence/absence of jurisdictional waters, including wetlands, and to approximate the potential jurisdictional boundaries within each of the four alternative project corridors. The preliminary screening used National Wetland Inventory (NWI) mapping of the respective project corridors. Limits of jurisdictional wetlands and other waters of the U.S. within the preferred alternative route corridor will be field delineated prior to final design and permitting. Thereafter, a jurisdictional waters delineation was performed by third-party consultant Sabine & Waters between April, 2016 and January 28, 2017. The determination was submitted to and concurred with by the USACE (USACE SAC# 2016-01395). A supplementary jurisdictional determination request was submitted to the USACE by Sabine & Waters on May 10, 2017 to increase the study area to account for alignment changes at the north and south end of the project area.

The Proposed Line is located mostly within the Cooper River watershed (8-digit HUC: 03050201) of the Ashley River Sub-basin, with a small portion located in the Four Hole Swamp watershed (8-digit HUC: 03050205) of the Edisto River Sub-basin. Based on NWI data, 26.08 percent of the Cross alignment has been determined to be wetland. The preliminary NWI data indicated that this alignment would potentially impact 1.44 acres of emergent wetlands, 97.46 acres of forested wetlands, 16.25 acres of shrub/scrub wetland, and 1.89 acres of open water (ponds & lakes), for a total potential impact of 117.04 acres. Unavoidable wetland impacts along the project corridor will generally include fill and clearing impacts to wetlands and culvert, piping, and shade impacts to streams and jurisdictional ditches. In addition, the Proposed Line will cross five (5) FEMA regulated 100-year floodplains, but will not cross any FEMA regulated floodways, although other alternative alignments considered would have crossed FEMA regulated floodways in addition to crossing floodplains. Palmetto Railways is continuing to



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explore further design modifications that would potentially reduce the impacts shown by the preliminary NWI data. Where physically and financially feasible, Palmetto Railways intends on implementing these avoidance and minimization measures and is therefore optimistic that the overall impacts of the Proposed Line will be less than what was preliminarily projected.

Surface water impacts are also expected from the Proposed Line. According to the USGS National Hydrology Dataset, all of the alternative routes would cross several named streams, as well as numerous agricultural ditches. The Proposed Line alignment would cross the Diversion Canal, a state navigable water, as well as 8 USGS named streams and 7 minor tributaries or major ditches. These named streams include Big Run, Black Creek, Caton Creek, and Mill Branch. The primary water quality impacts are likely to result from the conversion of forested areas to maintained railroad right of way and the channelization of stormwater runoff along certain areas. Because of these potential impacts, Palmetto Railways proposes to use a variety of mitigation factors, discussed in Section 10, below, in order to avoid and/or minimize the Proposed Line's expected water impacts.

No permit under 33 U.S.C.A. § 1342 is required for the Proposed Line. For additional information on water quality and wetland impacts along the Proposed Line, please refer to Sections 3.7.7-8 and 6.6 of the Environmental Report and Appendix B attached thereto, submitted on August 2, 2017.

10. Proposed mitigation.

Palmetto Railways is committed to implementing measures to avoid and/or minimize potential impacts of the Proposed Line. In regard to potential wetland and surface water impacts, Palmetto Railways intends to utilize construction techniques that will minimize the amount of fill material to waters of the U.S. and to design culverts and bridges to maintain the existing flow/exchange and hydrology for wetland areas and marshes. To mitigate potential water quality impacts from the Proposed Line, a variety of post-construction stormwater best management practices will be used to convey, filter, and dissipate runoff from the Proposed Line, including but not limited to: vegetated swales, vegetated filter strips, stream bank stabilization, and channelized flow dissipation. Palmetto Railways is committed to implementing additional avoidance and/or minimization measures as specific impacts are identified.

In order to address unavoidable impacts of the construction of the Proposed Line, Palmetto Railways has prepared a mitigation plan that includes a combination of landscape PRM and the purchase of mitigation bank credits. For impacts within the Four Hole Swamp



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watershed, Palmetto Railways has proposed to purchase sixty (600 wetland credits from the Francis Beidler Forest Mitigation Bank. For impacts within the Cooper River watershed, PRM is proposed at the Fairlawn C1 Parcel site, a 1,550-acre site within Francis Marion National Forest, that will consist of both enhancement and preservation of wetlands and streams and is expected to generate approximately 1,258 credits from enhancement and preservation activities. Landscape mitigation activities include enhancement of 550 acres of wetlands, the preservation of 43 acres of wetlands and the preservation of approximately 14,000 linear feet of streams. Once PRM activities are completed, Palmetto Railways proposes to transfer the property to the United States Forest Service, which will permanently protect the site and make open to the public 1,000 acres of land, including 539 acres of wetlands. The PRM Plan has been designed to satisfy the compensatory mitigation requirements for the authorized impacts to jurisdictional wetlands, such that the acreage and corresponding credits generated by the plan will produce more in-kind compensatory mitigation that would be required for the impact. A copy of Palmetto Railways' Avoidance, Minimization and Mitigation Plan, as well as its Draft Wetlands Mitigation Plan, were submitted to OEA as a part of the Environmental Report on August 2, 2017.

11. Additional Information

The proposed route and the alternative routes that were considered are discussed in detail in the Alternatives Analysis section of the Environmental Report submitted on August 2, 2017. As discussed above, the Proposed Line will originate on Santee Cooper property adjacent to its Cross Generating Station, and will cross the Diversion Canal between Lake Marion and Lake Moultrie, running south-southwest to the Camp Hall Commerce Park (Project Corridor). South of the Diversion Canal, the Project Corridor is proposed to traverse the unincorporated rural community of Cross, estimated total population of 7,253 in 2015. Beyond the Cross community, the Project Corridor will continue south through an intensively managed pine plantation in short pulp rotations, before reaching the Camp Hall Commerce Park. A plan view showing the relationship to the existing transportation network and the right-of-way according to ownership is attached hereto as Exhibit A. The Proposed Line's consistency with existing land use requirements is discussed in more detail above in Section 3, as well as Sections 3.7.1 and 6.1 of the Environmental Report submitted on August 2, 2017.

Descriptions of the range of alternative routes that were evaluated, including a no-build alternative, are set forth in Sections 3.4.2 and 3.6 of the Alternatives Analysis section of the



Environmental Report submitted on August 2, 2017. Further, the reasons for rejecting the alternative routes are set forth in Sections 3.5 and 3.8 of the Alternatives Analysis section.

Development of construction plans, including labor force requirements, the location of borrow pits, if any, and earthwork estimates are ongoing. Should borrow pits be required during construction of the Proposed Line, sand and gravel aggregate may be obtained either from on-site activities or from local, off-site sources.

Palmetto Railways expects to operate five (5) roundtrip freight trains per week, with maximum operating speeds projected to be 25 miles per hour. During the operation of the proposed rail, diesel-electric engines will be utilized. Each train will consist of approximately 30 railcars. Following construction, implementation of soil stabilization and vegetation management measures and proper maintenance BMPs will reduce the potential for erosion impacts during operations.

While it is expected that daily commute times could increase depending on train arrival and departure times, due to the limited number of rail cars and decreasing traffic trends in Cross, commute time increases are expected to be minimal. To the extent that any additional traffic impacts occur during construction of at-grade crossings, traffic control will be administered in accordance with SCDOT's "2017 Work Zone Traffic Control Manual" to mitigate traffic impacts to the greatest practical extent. Given the expected frequency of trips planned by Palmetto Railways, *i.e.*, five (5) roundtrips, for a total of ten (10) potential trips in a week, train operations are not expected to materially impact public services in the area. Palmetto Railways will coordinate with emergency services to address concerns with delays and will train local first responders on rail safety. Palmetto Railways will also provide a 24-hour emergency contact which first responders can call in the event of an emergency. Further, Palmetto Railways intends to partner with the Berkeley County Emergency Services Division and the Cross Rural Fire District to upgrade equipment and/or facilities to improve services for the Cross Community.

Socioeconomic impacts are anticipated to be minor. Construction of the Proposed Line would result in major short-term benefits to the local and regional economy, and long-term economic benefits could also occur from employment opportunities directly and indirectly created by the construction of the rail and connection to the Camp Hall Commerce Park. Additional development at the Camp Hall Commerce Park could also bring higher paying jobs into an economically depressed area. These job opportunities and increased tax base could help off-set any cumulative impacts to residents of the area. For additional information about the



Palmetto
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societal impacts of the Proposed Line, as well as Palmetto Railways' proposed mitigation for same, please refer to Section 6.10 of the Environmental Report and the Avoidance, Minimization and Mitigation Plan submitted on August 2, 2017.

II. Conclusion

Based on the information discussed and referenced herein, as well as any additional information to be provided, Palmetto Railways submits that, in accordance with §§ 1105.6(b) and 1105.7(e), the construction of the Proposed Line is not likely to have a significant environmental impact such that a modification of the EIS requirement is justified, and the preparation of an EA will be sufficient to address the impacts of the proposed construction. Accordingly, Palmetto Railways respectfully requests that the Board reclassify this action in order to accept the preparation of an EA rather than an EIS.

Please let me know if you have any questions. We greatly appreciate your assistance and look forward to working with you on this project.

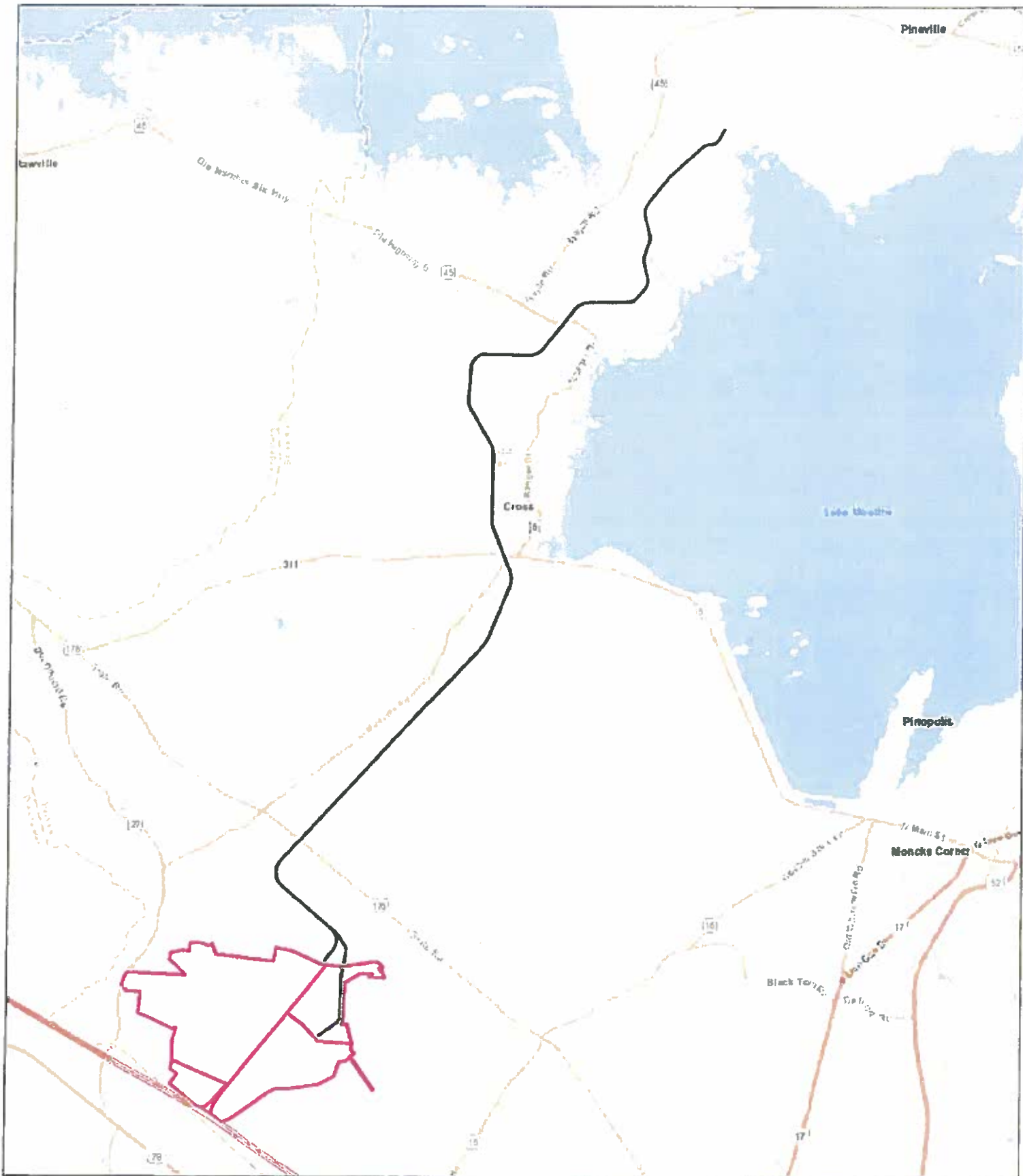
Sincerely,

Jeffrey M. McWhorter
President and CEO

**STB Docket No. FD 36095,
Palmetto Railways – Construction and Operation Exemption –
In Berkeley County, South Carolina
Request for Reclassification**

EXHIBIT A

**(to Palmetto Railways’
Request for Waiver of EIS Requirement)**



1 in = 2.5 miles

0 2.5
4.9 Miles

 Camp Hall Industrial Park

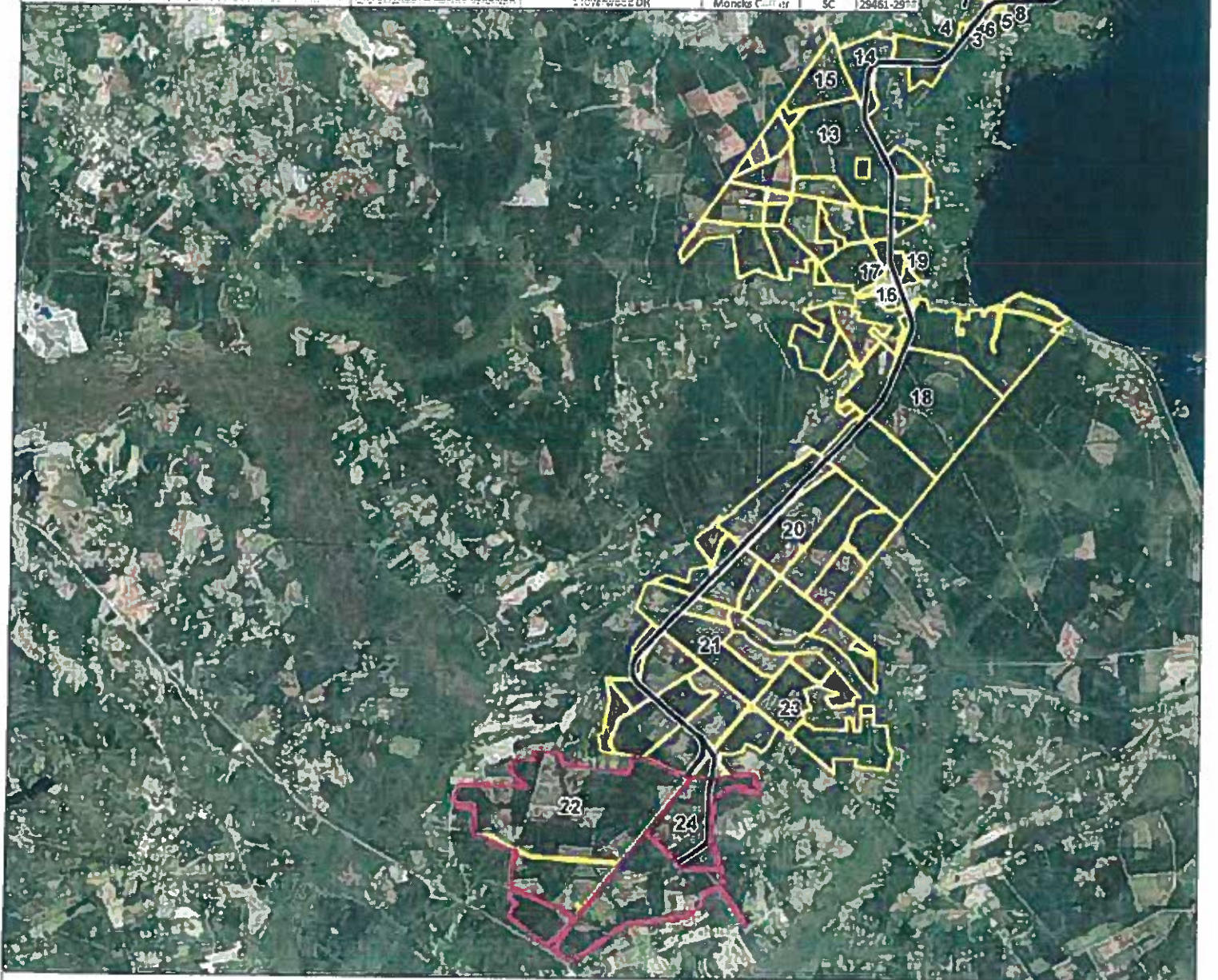
 Alignment

Camp Hall Rail Preferred Route



Palmetto
RAILWAYS

Map Label	Parcel ID	Owner Name	Care Of	Street Address	City	State	Zip
1	022-00-03-093	CLARKE ROBERT		1169 SPRINGWOOD RD	PINEVILLE	SC	29468-3451
2	032-00-03-048	CROSS GENERATING PLANT	C/O SANDY SANDERS	PO BOX 2946101	MONCK'S CORNER	SC	29461-6101
3	042-00-01-035	COHEN PHYLLISS		500 Carlen AVE Apt 1231	Lexington	SC	29072-4284
4	042-00-01-036	JOHNSON LAWRENCE K ETAL		52 Westbrook LN	Roosevelt	NY	11275-1049
5	042-00-02-041	CROSS ANDREW H		4499 Chicon St	Columbia	SC	29206-2904
6	042-00-02-045	MACK JOSEPH D ETAL	C/O CLOIE L MACK	PO BOX 65	CROSS	SC	29436-0065
7	042-00-02-046	MACK ROBERT HERS OF		PO BOX 65	CROSS	SC	29436-0065
8	042-00-09-040	PINCKNEY ST JULIAN (DECEASED)	C/O HERBERT T ALSTON	411 PARK BLVD	MOORESTOWN	NJ	08057-1751
9	042-00-09-041	PINCKNEY JOSEPH HERS OF	C OF ANNIE RUTH TALBERT	49 MARYKNOLL ST	MATTAPAN	MA	02126-2842
10	042-00-03-125	JOHNSON MICHAEL E		221 LAND O PINES CIR	MONCK'S CORNER	SC	29461-5906
11	042-00-04-020	GIESICK PAMELA JEAN		202 Fleming DR	Ladson	SC	29456-4804
12	042-00-04-079	AUSTIN MACK O AND ANN W		PO BOX 454	CROSS	SC	29436-0454
13	051-00-00-037	TALL CORN FORESTRY LLC		3575 Piedmont Rd NE Bldg 15-1250	Atlanta	GA	30305-1633
14	052-00-00-026	SANTEE RIVER LLC	C/O BEIDLER FAMILY OFFICES	59 W Jackson Blvd Ste 530	Chicago	IL	60604-3422
15	052-00-00-039	SC PUBLIC SERVICE AUTHORITY	ATTN PROPERTY MANAGEMENT	PO BOX 2946101	MONCK'S CORNER	SC	29461-0001
16	080-00-02-001	KUNKLE TERRY L		1112 HIGHWAY 311	CROSS	SC	29436-3304
17	080-00-02-047	CROSS WILBUR W LIFE ESTATE		1198 HIGHWAY 311	CROSS	SC	29436-3304
18	081-00-00-034	TIMBERLANDS III LLC	C/O PLUM CREEK	100 Professional Center Dr	Brunswick	GA	31525-6743
19	081-00-00-037	SANTEE RIVER LLC	C/O BEIDLER FAMILY OFFICES	59 W Jackson Blvd Ste 530	Chicago	IL	60604-3422
20	117-00-00-050	TIMBERLANDS III LLC	C/O PLUM CREEK	100 Professional Center Dr	Brunswick	GA	31525-6743
21	137-00-00-022	TIMBERLANDS III LLC	C/O PLUM CREEK	100 Professional Center Dr	Brunswick	GA	31525-6743
22	157-00-00-003	SC PUBLIC SERVICE AUTHORITY	C/O ELIZABETH HENRY WARNER	1 Riverwood DR	Moncks Corner	SC	29461-2998
23	158-00-00-005	TIMBERLANDS III LLC	C/O PLUM CREEK	100 Professional Center Dr	Brunswick	GA	31525-6743
24	176-00-01-002	SC PUBLIC SERVICE AUTHORITY	C/O ELIZABETH HENRY WARNER	1 Riverwood DR	Moncks Corner	SC	29461-2998



1 in = 2.5 miles

0 2.5 Miles

-  Camp Hall Industrial Park
-  Alignment
-  Impacted Parcels

Camp Hall Rail Preferred Route



Palmetto
RAILWAYS

Lead Agencies' Response to Waiver Request



SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

February 20, 2018

Jeff McWhorter, President and CEO
Palmetto Railways
540 East Bay Street
Charleston, South Carolina 29403

**Re: STB Docket No. FD 36095, Palmetto Railways – Construction Exemption –
In Berkeley County, South Carolina; Response to EIS Waiver Request**

Dear Mr. McWhorter:

Pursuant to 49 C.F.R. § 1105.6(d), the Surface Transportation Board's (Board) Office of Environmental Analysis (OEA) is granting your request of August 22, 2017 for a waiver of 49 C.F.R. § 1105.6(a), which generally provides for the preparation of an environmental impact statement (EIS) for a rail line construction proposal. We are granting the requested waiver based on consultation with the United States Army Corps of Engineers, Charleston District (Corps), the joint-lead agency in this project; a review of available information gathered to date, including materials submitted by applicant Palmetto Railways (PR), including a detailed Environmental Report, prepared pursuant to 49 C.F.R. § 1105.7, which includes PR's Avoidance, Minimization and Mitigation Plan; preliminary consultation with tribes, and federal, state and local agencies, including the United States Coast Guard (USCG), a cooperating agency; a site visit on October 24, 2017 with OEA and the Corps' third-party consultant for this project, ICF Jones and Stokes, Inc. (ICF), and OEA's and the Corps' joint independent review of the project area.

OEA and the Corps believe, at this time, that construction and operation of the rail line is not likely to result in significant environmental impact and that the preparation of an environmental assessment (EA) is the appropriate level of environmental documentation for this proceeding, for the reasons set forth below.¹

¹ The Board normally requires an EIS for rail line construction projects, 49 C.F.R. § 1105.6(b), but may reclassify the proposal to one requiring an EA, pursuant to 49 C.F.R. § 1105.6(d), if the proposal is not likely to have a significant impact on the environment.

Background

On August 3, 2017, PR filed an exemption petition under 49 U.S.C. § 10502 to construct and operate a 22.7-mile rail line between the A-Line of CSX Transportation, Inc. (CSXT) near Santee Cooper's Cross Generating Station (through the CSXT Cross Subdivision connection) and the Camp Hall Commerce Park (Proposed Route) in Berkeley County, South Carolina (see Project Map at Attachment 1).

According to PR, the Camp Hall Commerce Park comprises approximately 6,781 acres, of which 2,880 acres have been permitted for development of the Volvo Cars of North America facility in Berkeley County. An additional 1,387 acres of the Camp Hall Commerce Park has been permitted for industrial development by the South Carolina Public Service Authority (Santee Cooper). The Line is intended to bring industrial rail service to the Volvo Cars facility, as well as the areas being developed by Santee Cooper. In addition, the Line would support the State of South Carolina and Berkeley County's infrastructure needs and help alleviate highway congestion involving large commercial trucks. PR estimates its projected train traffic at five round trips (a total of ten trains) per week.

PR's Environmental Report

In August 2017, PR submitted an Environmental Report that analyzed six alternative routes—Eutawville/Holly Hill, Ridgeville, Soter South, Soter North, Moncks Corner, and Cross (See Project Map at Attachment 2). To determine its preferred alternative, PR evaluated each alternative using the following criteria:

- Direct access to the Camp Hall and Volvo Cars facility and accompanying freight railyard;
- Efficient direct access to the Port of Charleston; engineering and construction costs;
- Potential impacts to properties;
- Potential environmental impacts to relevant environmental resource areas including land use, safety, water resources, air quality, biological resources, traffic and transportation, and cultural resources, and;
- Ability to mitigate potential environmental impacts.

After applying the criteria and receiving public comments, PR determined that the Cross Route would be the applicant's Proposed Route.

Agency Preliminary Consultation

In August of 2017, OEA, working with the Corps and USCG, began consultation with approximately 55 tribes and federal, state and local agencies. OEA sent each entity a letter that described the project area and requested information on environmental resources that could be affected by the proposal, as well as what approvals and permits might be required. OEA

received 14 responses. Specifically, commenters indicated that construction of PR's Proposed Route had the potential to impact federally threatened and endangered species and state species of concern; prime agricultural farmland; wetlands; floodplains; water quality; and cultural resources.

Site Visit

After considering the responses to the consultation letters, OEA, the Corps, USCG, and ICF conducted a site visit to the project area on October 24, 2017. Applicant PR also attended the site visit. The site visit participants were able to observe area geomorphology; topography; vegetation; wildlife; water resources; traffic and land use in the project area. The site visit revealed land uses ranging from urban in and around Charleston, to suburban, then to rural/agrarian along the western to northern fringes. Topography throughout the project area was nearly level, and land uses, where undeveloped, were predominantly in open water, field, or pine forest. Traffic and road capacities generally coincided with land uses and growth patterns.

OEA's Consideration of PR's EIS Waiver Request

Based on the information available to date—PR's Environmental Report, responses to the consultation letters, the site visit, and OEA and the Corps' independent review of PR's six alternative routes—OEA and the Corps believe that the construction and operation of the Proposed Route would not likely result in significant environmental impacts and that potential environmental impacts most likely could be minimized below significance through appropriate mitigation measures. Therefore, as specified in detail below, OEA and the Corps conclude at the present time that preparation of an EA is the appropriate level of environmental documentation.²

1. **Traffic Delay** – The Proposed Route would cross three two-lane highways (US Highway 176, SC Highway 311, and Old Highway 6), fifteen secondary roads, and twenty-one minor forestry/agricultural roads. According to PR, the South Carolina Department of Transportation Traffic Point Data from 2015, US Highway 176 has an average daily traffic volume of 3900 vehicles per day, 1400 vehicles per day on SC Highway 311 and between 800 and 3100 vehicles per day at two crossings on Old Highway 6. Given the expected train frequency of five roundtrip train trips (a total of ten trains) per week, traffic delay caused by trains traveling on the Proposed Route would last less than five minutes.
2. **Safety** – PR has proposed using a combination of active and passive warning and control devices at all at-grade rail crossing intersections, and would implement early warning systems at Shortcut Road, Old Highway 6, and Ranger Road in accordance with the US Department of Transportation Federal Highway Administration's Manual of Uniform

² Pursuant to 33 CFR 325.2(a)(4), the Corps' District Engineer will follow Appendix B of 33 CFR part 230 for environmental procedures and documentation required by the National Environmental Policy Act of 1969, which states that a permit application requires either an EA or an EIS unless it is included within a categorical exclusion.

Traffic Control Devices. PR intends to implement public awareness and rail safety awareness programs, such as Operation Lifesaver, for targeted audiences in the impacted communities along the right-of-way.

3. **Noise and Vibration** – Based on preliminary noise and vibration assessments for the project area, PR estimates that of the 85 noise-sensitive receptors it has identified, 6 residential structures would be classified as having moderate impacts from locomotive horn use at public-at grade crossings. As set forth in PR's Environmental Report, the level of foreseeable train traffic would result in no vibration impacts.
4. **Water Resources** – According to PR, construction of the Proposed Route would impact some jurisdictional waters of the United States, including streams and wetlands. The Proposed Route is located mostly within the Cooper River watershed of the Ashley River Sub-basin, with a small portion located in the Four Hole Swamp watershed of the Edisto River Sub-basin. PR's Environmental Report states that a desktop preliminary screening process utilized National Wetland Inventory (NWI) mapping to assess the presence or absence of jurisdictional waters to approximate the potential waters within each of the alternative project corridors applicant studied. A detailed on-site delineation of wetlands and other aquatic resources then was performed for PR's Proposed Route between April 2016 and January 2017. A supplementary delineation was conducted to account for an increased study area and alignment changes at the north and south end of the project area in May 2017. The Corps reviewed these delineations and concurred with the final depiction of wetlands and other aquatic resources in letters dated April 10, 2017 and August 17, 2017. Unavoidable wetland impacts along the project corridor would generally include fill and clearing impacts to jurisdictional wetlands and culvert, piping, and shade impacts to streams and jurisdictional ditches.

To minimize these potential impacts, PR intends to use construction techniques that minimize the amount of fill material to waters of the U.S. and plans to design culverts and bridges that maintain the existing flow/exchange and hydrology for wetland areas and marshes. PR states that all required compensatory mitigation for unavoidable impacts to jurisdictional wetlands and other waters of the U.S. will be obtained through off-site landscape scale permittee-responsible mitigation activities utilizing the watershed approach, the purchase of appropriate mitigation credits, or a combined approach.

According to PR, the Proposed Route would cross five Federal Emergency Management Agency (FEMA) regulated 100-year floodplains, but would not cross any FEMA regulated floodways. The Proposed Route would cross the Lakes Marion and Moultrie Diversion Canal, a navigable water, as well as eight US Geological Survey named streams and seven minor tributaries or major ditches. The streams include Big Run, Black Creek, Caton Creek, and Mill Branch. The primary water quality impacts would likely result from the conversion of forested areas to maintained railroad right-of-way and the channelization of storm water runoff along certain areas. To mitigate for potential impacts to floodplains, PR states that appropriate rail design measures would be implemented to ensure minimal impact to the regulated resources, which would likely

include placement of appropriately sized bridges or culverts under the road crossings to allow water and aquatic organisms to pass relatively unhindered. PR's Environmental Report indicates that its current design has been modeled and an opinion of probable no-rise has been made.

The SC Department of Health and Environmental Control commented that the entire project is located within the State's Coastal Zone and is subject to the enforceable policies contained within the SC Coastal Zone Management Program through the Coastal Zone Consistency review process. To mitigate potential water quality impacts from the Proposed Route, PR plans to use a variety of post-construction stormwater best management practices designed to convey, filter, and dissipate runoff from the Proposed Route, including but not limited to: vegetated swales, vegetated filter strips, stream bank stabilization, and channelized flow dissipation. PR has prepared a mitigation plan that, among other things, includes a combination of landscaping, the purchase of mitigation bank credits, and wetland enhancement.

5. **Air** – The Proposed Route would not affect a class I or nonattainment area under the Clean Air Act, as sampling data compiled by the South Carolina Department of Health and Environmental Control continues to show that the entire state of South Carolina is in attainment of the National Ambient Air Quality Standards (NAAQS). No transportation of ozone depleting materials (including nitrogen oxide and Freon) is planned or anticipated. Construction and operation of the Proposed Route would be in attainment with the U.S. Environmental Protection Agency's established NAAQS. It is expected that PR and its contractors would maintain their vehicles/equipment so that carbon monoxide, ozone-producing chemicals and other emissions are kept to a minimum. Although the Proposed Route would add incremental emissions within the project area, those anticipated emissions are expected to have minimal impact on air quality in the North Charleston-Summerville-Charleston Metropolitan Statistical Area and thus would be within allowable concentration limits for emissions in the state.
6. **Land Use** – PR states that according to the USGS Land Cover Institute (LCI), land uses within the project area include developed areas, croplands, shrublands, herbaceous areas, forests, wetlands, and open waters. Land use along the Proposed Route includes a mix of commercial, residential, silvicultural, and wetlands. The Proposed Route is mostly covered by forests, forested wetlands, and open water. According to the LCI, only 1.5% of the alignment of the Proposed Route is classified as developed land. PR states that the Proposed Route has the support of local and/or regional planning agencies and is consistent with existing land use plans for the area.
7. **Cultural Resources** – The South Carolina Department of Archives and History (SHPO) provided comments on PR's *Phase 1 Cultural Resource Survey Camp Hall Rail Project Berkeley County, South Carolina*, pursuant to Section 106 of the National Historic Preservation Act and its implementing regulations at 36 C.F.R. § 800.

For archaeological resources, the SHPO concurs with the survey's findings that there are no recorded archaeological sites or isolated finds along the 200-foot width of the Proposed Route's alignment and that no further archaeological investigation is required. The Muscogee (Creek) Nation also concurs with the survey's findings that there are no recorded archaeological sites or isolated finds along the 200-foot width evaluated for the Proposed Route and that no further archaeological investigation is required. However, the tribe has requested to be immediately contacted should any cultural material (i.e. pottery, shards, bricks, historic ceramics, glass, projectile points) or human remains be encountered during ground disturbance, construction or demolition activities. The Catawba Indian Nation commented that it has an interest in the proposed project and will be participating in the development of a Memorandum of Agreement to address potential adverse effects on cultural resources.

For architectural resources, the SHPO concurs with the survey's findings that the Lakes Marion and Moultrie Diversion Canal remains National Register of Historic Places (NRHP) eligible and indicates that the Garrett Cemetery and the Bulltown Ditch are NRHP eligible. The SHPO states that the Proposed Route would have an adverse effect on these resources and has requested additional consultation to apply the criteria of adverse effects, pursuant to 36 C.F.R. § 800.5.

8. **Biological Resources** – The U.S. Fish and Wildlife Service (USFWS) commented that the current list of federally threatened and endangered (T&E) species in Berkeley County needs to be updated to include the northern long-eared bat (NLEB). The NLEB was listed as threatened under the Endangered Species Act of 1973, as amended (16 U.S.C. § 1531, *et seq.*) (ESA) on May 4, 2015. At that time, the NLEB was thought to occur in only ten counties in South Carolina. However, recent surveys have discovered that NLEB also exist in the coastal counties of Beaufort, Berkeley and Charleston. As of July 2017, USFWS assumes that the NLEB is likely to occur statewide throughout the year. USFWS indicates that the presence of At-Risk Species (ARS) should be included in the environmental document. USFWS requests consultation under section 7 of the ESA. Specifically, USFWS recommends T&E species and habitat surveys within the project area. The SC Department of Natural Resources also provided comments specific to state species of concern. To address these issues, the EA will document specific avoidance, minimization, and mitigation measures that would be required based on survey results and federal and state consultation.
9. **Other Federal and state agencies** – Other agencies identified specific mitigation measures and permits that might be required further into the process. These will be addressed in the EA.
10. **Site Visit** – OEA, the Corps, USCG and ICF staff did not identify any significant issues during the site visit in October 2017.

The EA will examine existing social, economic, and environmental conditions to serve as the baseline for comparing the potential impacts that construction and operation of the Proposed

Route versus the No-Action Alternative would have on the area, consistent with the National Environmental Policy Act and the relevant regulations. The Board and the Corps have authority to impose conditions that are consistent with each agency's statutory authority. Any conditions the Board imposes to address potential environmental impacts must relate directly to the specific transaction, must be reasonable, and must be supported by the record. Moreover, OEA encourages applicants to propose voluntary mitigation that can be more far-reaching than what the Board unilaterally could require. For the Proposed Route here, PR already has engaged in substantial outreach with potentially affected agencies, government entities, and communities, and has developed some voluntary mitigation measures to address their concerns, as discussed in the Environmental Report. The Board also encourages applicants like PR to negotiate mutually acceptable agreements with affected communities and other government entities, if appropriate. If PR enters into any negotiated agreements, the Board would require compliance with the terms of any such agreements (as well as all of PR's voluntary mitigation) as environmental conditions in any final decision approving the Proposed Route.

After the EA containing an environmental analysis of the above-mentioned environmental issue areas and recommended mitigation is prepared, OEA and the Corps will make it available in draft form (Draft EA) for public review and comment. Once the comment period is concluded, OEA and the Corps will prepare a Final EA discussing the comments received on the Draft EA and including any appropriate modifications to its existing analysis or additional analysis. The Final EA will also set forth final recommended mitigation measures. The Board will then consider both the Draft EA and Final EA, the public comments, PR's voluntary mitigation measures, OEA's mitigation recommendations, and the Corps' compensatory mitigation requirements before making its final decision in this proceeding. Should the process disclose unanticipated impacts that are significant and cannot be adequately mitigated, the Board and the Corps will require the preparation of an EIS.

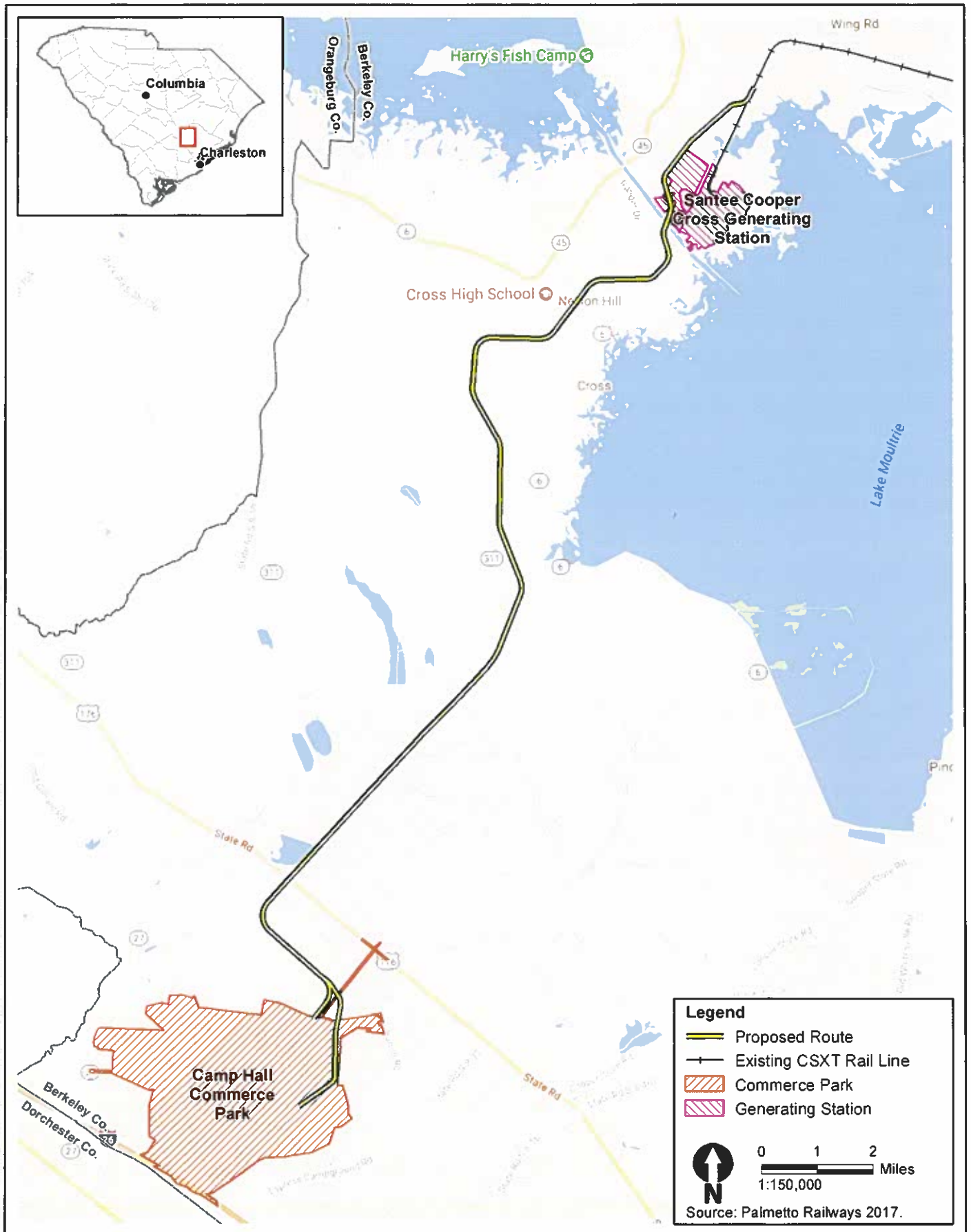
If you have any questions, please do not hesitate to contact me or Diana Wood, OEA Project Manager at 202-245-0302 or by email at diana.wood@stb.gov.

Sincerely,

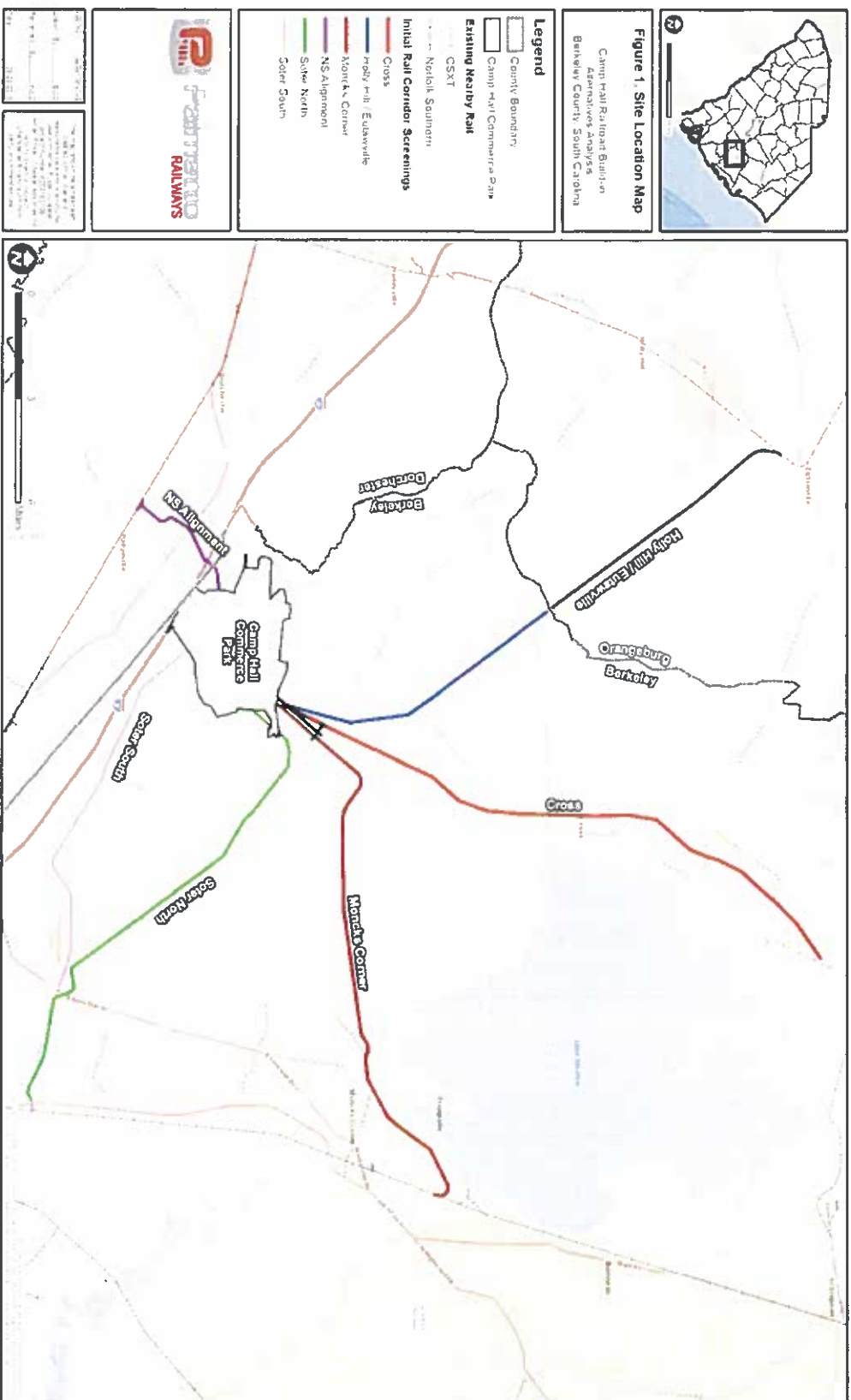
A handwritten signature in blue ink, appearing to read "Victoria Rutson".

Victoria Rutson
Director, Office of Environmental Analysis

cc: Elizabeth G. Williams, U.S. Army Corps of Engineers
William G. Tate, U.S. Coast Guard



Attachment 1
Palmetto Railways Proposed Route



Attachment 2 Palmetto Railways Alternatives Analysis Map

Information Request #1 and Responses



SURFACE TRANSPORTATION BOARD

Washington, DC 20423

Office of Environmental Analysis

September 28, 2017

Tarek Ravenel
Palmetto Railways
540 East Bay St
Charleston, SC 29403

Re: Docket No. FD 36095, Palmetto Railways – Petition for Exemption – In Berkeley County, South Carolina; Information Request #1

Dear Mr. Ravenel:

Consistent with 40 C.F.R. § 1506.5(a), we request the information listed below to assist the Surface Transportation Board's Office of Environmental Analysis in the environmental review in the above-referenced proceeding.

1. Please provide further explanation of the term “logistically feasible” as it is used and applied in the Environmental Report provided by Palmetto Railways, including explanation of why the use of multiple Class I freight carriers to access the Port of Charleston would be “logistically impractical and functionally infeasible.” (p.19)
2. Please provide documentation that Palmetto Railways would not be able to have operational control of a new rail line that would connect the Camp Hall Commerce Park to the Norfolk Southern freight line running through Dorchester County.
3. Please provide further explanation of the statement in the Environmental Report (p. 18) which, implies that connection to the Norfolk Southern mainline would require expansion of the capacity of that line. Please include clarification of the “logistic and feasibility risks.”
4. Based on the route information provided in GIS format along with the Environmental Report, it appears that portions of some routes would be located within power line rights-of-way. Has Palmetto Railways discussed the feasibility of sharing these ROWs with the owners/operators, and if so, what were the results of those discussions?
5. It appears from the Environmental Report that different criteria were used for comparing potential alternative routes at the Tier 1, 2 and 3 levels. Please clarify the criteria that were used at each level and the associated rationale for use of those criteria.

Thank you for your assistance in this matter. Please feel free to contact me or Diana Wood of my staff at 202-245-0302 or by email at Diana.Wood@stb.gov, if you have any questions. I would appreciate two copies of your response, one sent to Diana Wood at 395 E Street SW, Washington DC 20423 or by email at the above address, and one sent to David Bauer of ICF, our independent third-party consultant, at 9300 Lee Highway Fairfax, VA 22031 or by email at David.Bauer@icf.com. We look forward to receiving this information at your earliest convenience, but no later than October 30, 2017.

Sincerely,

A handwritten signature in blue ink, appearing to read "Victoria Rutson". The signature is fluid and cursive, with the first name "Victoria" and last name "Rutson" clearly distinguishable.

Victoria Rutson
Director, Office of Environmental Analysis

cc: Courtney Stevens, USACE

October 17, 2017

Victoria Rutson, Esq.
Director, Office of Environmental Analysis
Surface Transportation Board
395 E Street, SW
Washington, DC 20423-0001

**Re: Docket No. FD 36095, Palmetto Railways – Petition for Exemption – In
Berkeley County, South Carolina; Information Request #1**

Dear Ms. Rutson,

Please let this letter serve as Palmetto Railways' response to your letter dated September 28, 2017, requesting information to assist the Surface Transportation Board's Office of Environmental Analysis in the environmental review in the above-referenced proceeding. Your questions are set forth below followed by Palmetto Railways' responses.

1. Please provide further explanation of the term "logistically feasible" as it is used and applied in the Environmental Report provided by Palmetto Railways, including explanation of why the use of multiple Class I freight carriers to access the Port of Charleston would be "logistically impractical and functionally infeasible." (p.19)

RESPONSE:

The term "logistically feasible" is derived primarily from the United States Army Corps of Engineers practicable alternative framework set forth in the regulatory guidelines, 40 C.F.R. § 230.10(a). In particular, 40 C.F.R. § 230.10(a)(2) provides that a practicable alternative for a project is one that is "available and capable of being done after taking into consideration cost, existing technology, and logistics in light of overall project purposes." Thus, the use of the term "logistically feasible" in the Environmental Report is intended to project the parameters developed by Palmetto Railways which make a given alternative logistically feasible and thus qualify as an alternative that is available and capable of being considered as viable under the guidelines. The parameters established by Palmetto Railways were intended to produce a project that provides the Camp Hall Commerce Park with direct connectivity to the domestic rail network of a Class 1 rail line and, secondarily, the Port of Charleston, due to the transportation, distribution, and logistical benefits derived by current and future tenants of the Camp Hall Commerce Park by such access. *See* Environmental Report at 13 n.8 ("Inefficiency in any one aspect of the logistics supply chain ripples throughout the entire manufacturing process, which adds delays and increased cost."). These increases impact customer bottom lines and reduce the attractiveness of a mode of transportation. This is based in part on the economies of scale for the only existing tenant (Volvo Cars North America) and speculative future business because there simply

is not enough volume to justify the expenditure by Palmetto Railways to connect to multiple Class 1 freight carriers. Consequently, Palmetto Railways decided that one of the primary characteristics and criteria of proposed project would be direct connectivity to a single Class 1 freight carrier main line, rather than an alternative that required switching or connection to multiple carriers or secondary freight lines, as required by the Eutawville/Holly Hill Route. Potential logistical impediments to reliable, on-time service to the end-users of the proposed project (for example, Volvo Cars North America) were eliminated or minimized, where possible, and Palmetto Railways deemed a route that traversed multiple carrier or secondary freight lines as being logistically impracticable and functionally infeasible to fulfill the established parameters and purpose and need of the project.

2. Please provide documentation that Palmetto Railways would not be able to have operational control of a new rail line that would connect the Camp Hall Commerce Park to the Norfolk Southern freight line running through Dorchester County.

RESPONSE:

In the course of the conceptual analysis described in the Environmental Report that compared the route proposals and conditions of the two Class 1 freight carriers, Palmetto Railways gathered information from CSXT and Norfolk Southern about each carrier's desired operating requirements and design alternatives, among things. Norfolk Southern informed Palmetto Railways that, while it desired to have Palmetto Railways serve as the applicant, financier, and construction manager for the proposed project, once the rail line was established, Norfolk Southern required full or substantial operational control be turned over to it, rather than the line be owned and operated by Palmetto Railways. Palmetto Railways perceived this requirement to be a condition of the line's connection to the Norfolk Southern mainline.

It is worth noting that the proposed project is a Palmetto Railways project to be owned, operated, and controlled by Palmetto Railways with a connection to CSXT's mainline. Norfolk Southern's requirements simply were incompatible with meeting the purpose and need of the State of South Carolina owning and operating a line that provides rail access to meet the demand at the Camp Hall Commerce Park.

3. Please provide further explanation of the statement in the Environmental Report (p. 18) which, implies that connection to the Norfolk Southern mainline would require expansion of the capacity of that line. Please include clarification of the "logistic and feasibility risks."

RESPONSE:

Palmetto Railways appreciates the opportunity to clarify its intent regarding the referenced statement from the Environmental Report. In stating that "[i]n addition, adding additional *capacity* to Norfolk Southern's mainline increases logistic and feasibility risks to providing adequate freight rail service to, from and between the Camp Hall Commerce Park and the Port of Charleston," Palmetto Railways intended to state that adding additional *volume* to Norfolk Southern's mainline would logically increase logistical and feasibility risks.

Palmetto Railways did not intend to suggest that the addition of rail transport volume from business generated by the Camp Hall Commerce Park tenants would require the expansion of the capacity of Norfolk Southern's mainline. The purpose of Palmetto Railways' reference was a recognition of the fact that the incremental impact of adding additional rail volume generated by the tenants of the Camp Hall Commerce Park to Norfolk Southern's existing mainline would logically increase the risk of disruptions to the provision of adequate and timely rail transport of goods to and from the commerce park. The basis for Palmetto Railways' risk assessment is due to the fact that the Norfolk Southern mainline, to which the proposed project would connect if the Ridgeville Route were a viable alternative for this project, serves as the primary northwest to southeast freight rail line of the company in South Carolina. As the direct connection between the Inland Port facility in Greer, South Carolina and the Port of Charleston, as well as providing primary access to Norfolk Southern's inland/domestic network in the state, the line is already host to a significant amount of daily volume.

4. Based on the route information provided in GIS format along with the Environmental Report, it appears that portions of some routes would be located within power line rights-of-way. Has Palmetto Railways discussed the feasibility of sharing these ROWs with the owners/operators, and if so, what were the results of those discussions?

RESPONSE:

Palmetto Railways has had and continues to have discussions with the utility right-of-way owner (Santee Cooper, a sister State agency and instrumentality of South Carolina) and believes that the needs of Palmetto Railways and Santee Cooper will both be adequately met.

5. It appears from the Environmental Report that different criteria were used for comparing potential alternative routes at the Tier 1, 2 and 3 levels. Please clarify the criteria that were used at each level and the associated rationale for use of those criteria.

RESPONSE:

The observation in the above question that different criteria were used for comparing potential alternative routes at the Levels¹ 1, 2 and 3 is technically correct; however, clarification is required. In short, Palmetto Railways employed an ascending level of detailed analysis to the range of alternatives such that the criteria employed at each successive level of analysis acted as a screening tool designed to winnow the field of alternatives and arrive at an alternative that both satisfied the purpose and need of the project, as defined by the characteristics and criteria established by Palmetto Railways, and limited the impacts on traditionally recognized environmental, economic, and socioeconomic resources, as well as cultural resources. The preferred alternative was

¹ OEA's question refers to route alternatives analyzed in "Tier 1, 2 and 3" of the Environmental Report, while the Environmental Report refers to the successive analyses in terms of "Level 1, 2 and 3." While not material difference, Palmetto Railways will continue to refer to the analysis in terms of levels in order to remain consistent with its prior submittal.

determined to have satisfied and/or best met the criteria at each successive level of the analysis, and thus became the preferred route for the project, while alternatives that did not meet the criteria at any of the successive levels were eliminated from further consideration and were not evaluated by the subsequent criteria employed at later levels of the analysis.

As described in the report, the goal of alternatives analysis for the project was to identify and consider the broadest range of possible alternatives, working to narrow the scope of alternatives to the range of reasonable and practicable alternatives that could meet the overall purpose of the proposed project. *See* Environmental Report at 10. As a starting point, all alternatives for the proposed project, including a no-action/no-build alternative, were available to Palmetto Railways for consideration. *Id.* at 10-11. Notwithstanding, Palmetto Railways was tasked with developing the primary characteristics and criteria that were deemed to be mandatory requirements for the project in order to satisfy the identified purpose and need. For this project, Palmetto Railways determined that the minimum mandatory requirements of the project were:

- Direct connectivity to a single Class 1 freight carrier main line, accessing the freight carrier's inland/domestic network, as well as the Port of Charleston;
- Sufficient rail access and capacity to serve both phases of the Volvo Cars site; and
- Sufficient rail access and capacity to service future growth and needs of additional industrial sites within the remaining portions of Camp Hall such that the portion of the proposed rail spur located within Camp Hall does not limit access to the site while in use or require grade separation.

Id. at 12-13. The purpose of the Level 1 within the alternatives analysis was to apply the above characteristics and criteria, as indicative of the purpose and need of the project, to the full panoply of alternatives, screening out and rejecting all those alternatives that did not meet the minimum mandatory requirements of the project. Those alternatives that did not meet the primary characteristics and criteria of the project were not carried forward for further analysis on the basis that an alternative that did not meet the minimum mandatory requirements of the project is not a reasonable alternative, with the exception of the no-action/no-build alternative, which was carried forward for comparison to the remaining alternatives at successive stages of the analysis in order to provide a baseline.

In addition, because Palmetto Railways determined that connectivity to a single Class 1 freight carrier was a primary characteristic and criterion that would fulfill the purpose and need of the project, Level 1 of the alternatives analysis also involved a conceptual analysis of the route alternatives proffered by CSXT and Norfolk Southern at a macro level in order to determine which Class 1 freight carrier presented an alternative that was capable of satisfying other basic project requirements. This conceptual analysis involved the generalized review of, among other things:

- The access points to Camp Hall and the Volvo Cars site;

- Design alternatives for the on-site freight railyard required to support and connect to Volvo Cars and other associated automotive industrial support facilities;
- Estimation of engineering and construction costs;
- Evaluation potential environmental impacts and the availability and cost of mitigation for same; and

Evaluation of potential property impacts along the proposed routes between Camp Hall and the existing rail infrastructure.

Id. at 16-19. The result of the Level 1 analysis was that CSXT alternative routes were deemed to best satisfy the characteristics, criteria, purpose and need of the proposed project and were carried forward to Level 2 of the analysis.

The purpose of Level 2 of the analysis was to take those alternatives that survived Level 1 screening and apply a finer-level screening filter to those route alternatives in order to determine each alternative's impact on environmental, economic, and socioeconomic resources, as well as cultural resources. Specifically, the remaining alternatives were evaluated in sixteen (16) explicit areas in order to compare their respective impacts, including:

- Land use;
- Air quality;
- Noise;
- Geology and soils;
- Surface waters;
- Floodplains;
- Water quality and water resources;
- Wetlands;
- Endangered, threatened, and other listed species;
- Historic and archaeological resources;
- Environmental justice;
- Potential relocations;
- Traffic and transportation;
- Recreation and land stewardship;
- Section 6(f) resources; and
- Hazardous materials

Id. at 21-46. Palmetto Railways' in-depth analysis of each of the remaining alternatives with respect to the above factors showed that the impacts of the route alternatives were comparable; however, Palmetto Railways determined that certain critical issues were identified with three (3) of the routes which eliminated them from further consideration.

Id. at 45-46. As a result of the Level 2 analysis, Palmetto Railways identified the Cross route as the preferred project corridor based on its provision of the most practical route

with the least amount of overall impacts, while still meeting the characteristics and criteria of the proposed project.

Level 3 analysis looked at the Cross route alternative on the micro level. This process involved the development of four alternative route layouts within the general Cross route alternative boundary. Environmental Report at 46-49; Appendix A, Figures 6a-6d. Once the alternative route layouts were established, Palmetto Railways evaluated the four alternatives' impacts on the environmental, economic, and socioeconomic resources, as well as cultural resources discussed in Level 2. Palmetto Railways also further narrowed those criteria to consider each route alternative's respective impact on:

- the percentage of National Wetland Inventory;
- the estimated number of parcels within the right-of-way affected;
- the potential number of relocations required;
- known archaeological sites; and
- the Caton Creek Mitigation Bank

Id. at 48-49.

In the end, Cross Option 3 was identified as the preferred project route, based on its ability to best satisfy all of the characteristics and criteria employed by Palmetto Railways at each successive stage of the alternatives analysis.

Sincerely,



Jeffrey M. McWhorter
President and CEO



Norfolk Southern Corporation
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Norfolk, Virginia 23510-9251
Telephone: 757-629-2748
FAX: 757-533-4307
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Robert E. Martínez
Vice President
Business Development
and Real Estate

February 26, 2018

Victoria Rutson, Esq.
Director, Office of Environmental Analysis
Surface Transportation Board
395 E Street, SW
Washington, DC 20423-0001

Re: Comments of Norfolk Southern Railway Company to Responses Submitted by Palmetto Railways to Surface Transportation Board Information Request #1
Docket No. FD 36095, Palmetto Railways – Petition for Exemption – In Berkeley County, SC

Dear Ms. Rutson:

Norfolk Southern Railway Company (Norfolk Southern) has reviewed the October 17, 2017 written responses of Palmetto Railways (Palmetto) to the September 28, 2017 Surface Transportation Board (STB) Information Request #1 in the subject docket. As you know, Norfolk Southern is referenced in the information requests, and Palmetto makes various statements pertaining to Norfolk Southern in its responses. This letter provides clarifications to certain statements in the Palmetto responses relating to Norfolk Southern and its operations. Specifically, Norfolk Southern clarifies the record as pertaining to Palmetto's responses to questions 2 and 3 of Information Request #1.

Comments on Response to Question 2

In response to question 2, Palmetto stated:

“Norfolk Southern informed Palmetto Railways that, while it desired to have Palmetto Railways serve as the applicant, financier, and construction manager for the proposed project, once the rail line was established, Norfolk Southern required full or substantial operational control be turned over to it, rather than the line be owned and operated by Palmetto Railways. Palmetto Railways perceived this requirement to be a condition of the line's connection to the Norfolk Southern mainline.”

This statement is incomplete because at no time throughout any of Norfolk Southern's discussions relating to the Camp Hall project did Palmetto indicate a requirement that Palmetto had to be the operator of the track.

By way of background, Norfolk Southern collaborated successfully in support of the South Carolina Department of Commerce (SC DoC) to recruit Volvo Cars for the assembly plant now under construction in Ridgeville. The SC DoC entered into an economic development agreement (EDA) with Volvo Cars pursuant to its announcement to construct the new automotive assembly plant. The EDA committed the State of South Carolina and Palmetto Railways, a division of the SC DoC, to provide a rail line to the Volvo plant within one year of the start of production. Upon announcement of the new plant, Norfolk Southern was notified that the Norfolk Southern route would be studied in comparison to CSX alternate routes to provide the rail service to the plant. The Norfolk Southern route is approximately 5.5 miles in length, which included approximately two miles already permitted for rail construction, and would originate at the Norfolk Southern mainline in Ridgeville. To assist Palmetto in its evaluation of the routing options and costs to construct its project, Norfolk Southern provided conceptual layouts for the rail connection and an estimated cost of construction based on standards set by Palmetto.

On its own volition and at its own expense, Norfolk Southern obtained options on rights of way needed to reach the Camp Hall site, and chose to exercise most of those options. The last meeting between representatives of Norfolk Southern and Palmetto was held on November 10, 2015. With respect to the 5.5 mile stretch of track that would connect from the NS mainline to the plant site, NS discussed its preference for a structure in which Palmetto would own the track and NS would lease and operate the track. The intent was to keep operating costs as low as possible. In this respect, our approach appears consistent with Palmetto's statement in its October 17 responses to the STB addressing the notion of connecting between the plant site and two Class I railroads. Palmetto stated that its decision to connect to only one Class I was "... based in part on the economies of scale for the only existing tenant (Volvo Cars North America) and speculative future business because there simply is not enough volume to justify the expenditure by Palmetto Railways to connect to multiple Class I freight carriers." We understand Palmetto's rationale to connect to only a single Class I because with only one existing tenant, volumes could not justify multiple connections. Similarly, NS had assumed overall costs could be held lower by not introducing a switch carrier for the Camp Hall Commerce Park until such time as volumes warranted.

Had Palmetto advised that its ability to operate as the site switch carrier was a precondition, Norfolk Southern would have reformulated its approach and would have submitted a different operating proposal. From the very beginning, Norfolk Southern was motivated to structure a proposal that would be as low cost overall as possible.

Norfolk Southern was not asked to participate in development of the alternatives analysis presented in Palmetto's July 25, 2017 environmental report submitted to the STB and the US Army Corps of Engineers (USACE) for this project. While Norfolk Southern does not agree with some of the conclusions reached in that environmental report regarding the Norfolk Southern route alternative, NS is not challenging Palmetto's or CSX's right to construct their proposed rail line.

We wish to be completely clear on this point: Norfolk Southern does not contest the right by Palmetto and CSX to move forward on their proposed rail connection, but we feel compelled to add clarifications for the record with respect to comments about our company.

Comments on Response to Question 3

In response to question 3, Palmetto stated:

In stating that "[i]n addition, adding additional *capacity* to Norfolk Southern's mainline increases logistic and feasibility risks to providing adequate freight rail service to, from

and between the Camp Hall Commerce Park and the Port of Charleston," Palmetto Railways intended to state that adding additional volume to Norfolk Southern's mainline would logically increase logistical and feasibility risks. Palmetto Railways did not intend to suggest that the addition of rail transport volume from business generated by the Camp Hall Commerce Park tenants would require the expansion of the capacity of Norfolk Southern's mainline.

We assume this approach and sentiment would have extended equally to either of the Class I carriers.

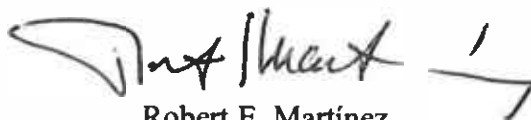
Also in response to question 3, Palmetto further stated:

. . . The purpose of Palmetto Railways' reference was a recognition of the fact that the incremental impact of adding additional rail volume generated by the tenants of the Camp Hall Commerce Park to Norfolk Southern's existing mainline would logically increase the risk of disruptions to the provision of adequate and timely rail transport of goods to and from the commerce park. The basis for Palmetto Railways' risk assessment is due to the fact that the Norfolk Southern mainline, to which the proposed project would connect if the Ridgeville Route were a viable alternative for this project, serves as the primary northwest to southeast freight rail line of the company in South Carolina. As the direct connection between the Inland Port facility in Greer, South Carolina and the Port of Charleston, as well as providing primary access to Norfolk Southern's inland/domestic network in the state, the line is already host to a significant amount of daily volume.

Norfolk Southern has been committed to the State of South Carolina in support of its economic development efforts and its rail-based business, and will remain fully committed to South Carolina in this respect despite the decision favoring the CSX route to the Camp Hall site. Finally, concerning rail infrastructure, Norfolk Southern will continue to assess on an ongoing basis the capacity of all its mainlines within the State to ensure adequate capacity is provided in advance of projected demand and to support future business growth.

If you have any questions pertaining to the comments presented herein, or would like further clarifications with respect to Norfolk Southern's operations in this area, please do not hesitate to contact the undersigned.

Sincerely,

A handwritten signature in black ink, appearing to read "Robert E. Martinez", with a stylized flourish at the end.

Robert E. Martínez
Vice President
Business Development
and Real Estate

Cc: Mr. J. McWhorter

Information Request #2 and Responses



SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

November 29, 2017

Tarek Ravenel
Palmetto Railways
540 East Bay St
Charleston, SC 29403

Re: Docket No. FD 36095, Palmetto Railways – Petition for Exemption – In Berkeley County, South Carolina; Information Request #2

Dear Mr. Ravenel:

Consistent with 40 C.F.R. § 1506.5(a), we request the information listed below to assist the Surface Transportation Board's Office of Environmental Analysis in the environmental review in the above-referenced proceeding.

1. The Environmental Report states that it is anticipated that five trains per week would travel over the proposed rail line to the Camp Hall Commerce Park. Please provide further detail on the basis for this estimate. In particular, is this estimate for anticipated rail traffic for Phase I of the Volvo Cars plant only? If so, please provide an estimate of potential additional rail traffic associated with Phase II and with other anticipated development of the Commerce Park.
2. Please provide additional information on the train consist of the anticipated rail traffic, including the number of locomotives per train, the type and length of the estimated 30 cars per train, and the approximate number of automobiles that could be transported on each auto rack rail car.
3. Please provide the anticipated average speed of trains moving over the proposed rail line.
4. Please provide the typical number of round-trip trains per week on the existing spur line between the Santee Cooper Cross Generating Station and the CSXT mainline. In addition, please provide the typical average train speed, number of locomotives per train, number of railcars per train, and overall train length.
5. Please provide of a description of changes, if any, to existing rail lines that would be associated with each of the Level 2 alternatives considered in the Environmental Report. For example, would a Wye or siding need to be added?
6. Maps included with the Environmental Report in Appendix A show Level 2 and Level 3 alignments terminating at the boundary of the Camp Hall Commerce Park. Please provide information in GIS file format that shows the continuation of these alternative alignments to the same two destinations within the Commerce Park that have been provided for the proposed route (referred to as Cross 3 in the Environmental Report).
7. Would it be feasible to shift the Soter South alignment in the vicinity (~+/- 1 mile) of the crossing of Jedburg Road to pass southwest of the electric substation and cross Jedburg Road in the vicinity of Hardwood Lane to reduce potential impacts to area residents? If so, please provide a revised alignment in GIS file format. If not, please explain why.

8. Would it be feasible to shift the location of the Moncks Corner alignment to avoid crossing the proposed Caton Creek stream and wetland mitigation bank? If so, please provide a revised alignment in GIS file format. If not, please explain why.
9. The Environmental Report states that a generalized route for four alternative alignments (i.e., Cross, Moncks Corner, Soter North, and Soter South) was developed and a study area for each, defined as a 1-mile buffer surrounding each generalized route (2-mile total width), was evaluated. Within the Environmental Report, the Level 2 analysis provides the potential impacts to different criteria, often using a 200' right-of-way for quantifying impacts of the four alternative alignments. At the conclusion of the Level 2 analysis, four additional alternatives were developed for the Cross alignment because the generalized route was not optimized to reduce environmental, economic and socioeconomic impacts. Please provide clarification on how the optimized routes for the Cross alternatives were developed and any information, if available, on other optimized routes for other alignments.
10. If the conclusions for the Level 2 analysis were based on a 200' generalized route (versus the 2-mile wide study area), were other routes evaluated for the Moncks Corner, Soter South, and Soter North generalized routes (as was done for the Cross generalized route) that may have had fewer potential impacts? Please explain the factors that were evaluated within the 2-mile study area and how those factors were used to determine the potential routes and impacts within the study area.
11. Please provide the project area corridor and all wetlands verified in the April and August 2017 Preliminary Jurisdictional Determinations in GIS file format.
12. The Environmental Report indicates that disturbance limits would extend approximately 180 feet surrounding the Diversion Canal. For all alignments considered in the Level 2 and 3 analysis, please provide, in GIS format, all locations where (1) a ROW width of more than 100 feet would be required and (2) additional locations, if any, where disturbance outside the 100-foot ROW would be anticipated during construction. Also, please clarify why the petition for exemption requests a 100 foot ROW while the Alternatives Analysis in the Environmental Report used a 200 foot corridor.

Thank you for your assistance in this matter. Please feel free to contact Diana Wood of my staff at 202-245-0302 or by email at Diana.Wood@stb.gov, if you have any questions. I would appreciate two copies of your response, one sent to Diana Wood at 395 E Street SW, Washington DC 20423 or by email at the above address, and one sent to David Bauer of ICF, our independent third-party consultant, at 9300 Lee Highway Fairfax, VA 22031 or by email at David.Bauer@icf.com. We look forward to receiving this information at your earliest convenience, but no later than December 12, 2017.

Sincerely,



Victoria Rutson
Director, Office of Environmental Analysis



Victoria Ruston, Esq.
Director, Office of Environmental Analysis
U.S. Surface Transportation Board
395 E Street SW
Washington, DC 20423-0001

Re: Docket No. FD 36095, Palmetto Railways- Petition for Exemption- In Berkeley County, South Carolina: Information Request #2

Dear Ms. Ruston,

Please let this letter serve as Palmetto Railways' response to your letter dated November 29, 2017, requesting information to assist the Surface Transportation Board's Office of Environmental Analysis in the environmental review in the above referenced proceeding. Your questions are set forth below followed by Palmetto Railways responses.

1. The Environmental Report states that it is anticipated that five trains per week would travel over the proposed rail line to the Camp Hall Commerce Park. Please provide further detail on the basis for this estimate. In particular, is this estimate for anticipated rail traffic for Phase I of the Volvo Cars plant only? If so, please provide an estimate of potential additional rail traffic associated with Phase II and with other anticipated development of the Commerce Park.

RESPONSE:

The estimate of five trains per week was taken from the total volume of cars expected to be produced by Volvo Cars, which accounts for the volume for two Volvo vehicle product lines at full production (i.e., for Volvo "Phase One and Phase Two"). Because no additional tenants have been identified for the remainder of the available Camp Hall Commerce Park acreage, Palmetto Railways (PR) has not accounted for any additional volume from future tenants, as it would be purely speculative at this time. If additional tenants requiring access to and generating rail volumes do materialize at the Camp Hall Commerce Park, it is an operational assumption that the length of the five weekly trains would need to grow considerably before additional weekly train pairs were added on the proposed rail line.

2. Please provide additional information on the train consist of the anticipated rail traffic, including the number of locomotives per train, the type and length of the estimated 30 cars per train, and the approximate number of automobiles that could be transported on each auto rack rail car.

RESPONSE:

PR has not determined if there would be one or two locomotives needed as the cargo loads and grades of the line have yet to be defined. It is assumed that there will be approximately 30 bi-level and tri-level auto racks (approximately 95' long) each carrying 10-15 automobiles dependent on the vehicle type (sedan or SUV).

3. Please provide the anticipated average speed of trains moving over the proposed rail line.

RESPONSE:

The proposed line will be maintained to FRA Class 2 standard with a maximum operating speed of 25 mph.

4. Please provide the typical number of round-trip trains per week on the existing spur line between the Santee Cooper Cross Generating Station and the CSXT mainline. In addition, please provide the typical average train speed, number of locomotives per train, number of railcars per train, and overall train length.

RESPONSE:

The information requested above is not information to which PR would ordinarily be privy or capable of independently verifying. Notwithstanding, PR posed the provided questions to Santee Cooper and received the following responses:

The estimated average per week train volumes from Cross Generating Station to and from CSX is seven round trip trains per week, carrying three CSX locomotives and 110 coal gondola cars at 55 ft. each (approximate train length including three locomotives is 6,275 ft.). Cars are loaded inbound to the generating station and empty outbound from the generating station. The estimated speeds on the CSX Cross Subdivision between the Cross Generating Station and the CSX A Line are 10-15 mph. The FRA Class is unknown to PR at this time.

5. Please provide of a description of changes, if any, to existing rail lines that would be associated with each of the Level 2 alternatives considered in the Environmental Report. For example, would a Wye or siding need to be added?

RESPONSE:

It can be assumed that either a siding or new interchange track would be required at any of the Level 2 alternatives similar to that being proposed in the preferred alternative. The exact configuration was never vetted fully as those alternatives were not carried forward beyond Level 2 for detailed alignment-specific evaluation.

6. Maps included with the Environmental Report in Appendix A show Level 2 and Level 3 alignments terminating at the boundary of the Camp Hall Commerce Park. Please provide information in GIS file format that shows the continuation of these alternative alignments to the same two destinations within the Commerce Park that have been provided for the proposed route (referred to as Cross 3 in the Environmental Report).

RESPONSE:

The requested information is enclosed and submitted with this response, including GIS files and a KMZ file. With respect to the Soter South alignment, however, please note PR's response to Question #7 below, which addresses PR's current opinion as to the ability of the Soter South alignment to fulfill the basic minimum requirements and proposed purpose and need (i.e., Level 1 characteristics and criteria) of the proposed project.

7. Would it be feasible to shift the Soter South alignment in the vicinity (~+/- 1 mile) of the crossing of Jedburg Road to pass southwest of the electric substation and cross Jedburg Road in the vicinity of Hardwood Lane to reduce potential impacts to area residents? If so, please provide a revised alignment in GIS file format. If not, please explain why.

RESPONSE:

The described shift would be feasible and is shown in the enclosed KMZ file; however, as discussed during the December 5, 2017 telephone conference with representatives of the STB, ICF, and the Corps, PR has re-evaluated the viability of the Soter South alignment alternative in light of information that was unknown to PR at the time that it developed the Environmental Report and alternatives analysis. As discussed below, because information provided to PR since the submission of the Environmental Report, when combined with the alternative's inability to fulfill other key characteristics and criteria, suggests that the Soter South alternative fails to meet the basic minimum requirements of the proposed project, PR has determined that Soter South would not survive Level 1 of the alternatives practicability analysis, if conducted today.

Since the submission of the Environmental Report, PR has been provided the details of the proposed line's alignment within the Camp Hall Commerce Park, including the preferred approach and location of the spur's connection to the Volvo site, as well as the location of the spur to the remaining portions of Camp Hall Commerce Park which to date is conceptual and undeveloped. Previously, PR's preferred alternative project alignment terminated at the boundary of the Camp Hall Commerce Park, as the internal rail schematic for the Volvo site and remaining portions of the Park were still in the planning and development stage. However, Volvo has since informed PR that the proposed rail/automotive facility interface and rail spur, is to occur on the northern side of the Volvo site. This location means that the proposed entry point of the Soter South alternative to the Camp Hall Commerce Park, which was shown on the east/southeast boundary, *see* Environmental Report at Appendix A (Figures 1-5), is on the opposite side of the Volvo site from the proposed interface and rail spur. Such a configuration would require the spur

approach to the plant interface to either transect or loop completely around the Volvo site in order to meet Volvo's desired location.

Looking at each option in turn, transection of the Volvo site is deemed patently inadequate and unavailable to PR given the late stages of development of the Volvo site and access issues caused by such a route. *See Id.* at 12 (listing one of the primary characteristics and criteria of the proposed project as being "sufficient rail *access* and capacity to serve both phases of the Volvo Cars site") (emphasis added). Additionally, in order to provide rail access to the remaining portions of the Camp Hall Commerce Park, the transection route would require a crossing, either at-grade or grade separated, of Centerline Road in order to provide an access spur north/northwest of the Volvo Site. For the same reasons that such a crossing was deemed alternatively inadequate, cost-prohibitive, and logistically infeasible in considering the Ridgeville Route, *see id.* at pp.17-18, the transection route of the Soter South alternative is not a viable alternative. Similarly, looping around Camp Hall Commerce Park, as shown in the enclosed KMZ file, would substantially increase the impacts of the Soter South route due to additional rights-of-way acquisition and anticipated additional community and environmental impacts.

The above additional factors, when combined with Soter South's impact on the environment (e.g., the highest impact on emergent wetlands and the second highest overall wetland impact of the route alternatives), as well as the route's impacts on existing and proposed development (e.g., the permitted Nexton development), socioeconomic resources (e.g., required displacements/relocations), traffic and noise/vibration, PR has determined that the Soter South alternative fails to meet the basic minimum requirements of the proposed project and therefore should not be considered as a viable alternative to the Cross Route.

8. Would it be feasible to shift the location of the Moncks Corner alignment to avoid crossing the proposed Caton Creek stream and wetland mitigation bank? If so, please provide a revised alignment in GIS file format. If not, please explain why.

RESPONSE:

In response to the above question, PR submits that it is feasible to make the requested shift to the Moncks Corner alternative, and PR submits a GIS file showing the shift along with this response. However, PR further submits that making the requested shift causes an obvious route modification that further impacts Calmus Pond Road, Whitehouse Road, and Lebanon Road, located to the east of the proposed Caton Creek stream and wetland mitigation bank. These areas are developed with residential properties, and minimizing residential relocations along those roads would require excess additional track curves or shifting the alignment further east near the main run of Wassassamaw Swamp. In lieu of these additional substantial impacts, which PR considers to be unacceptable, PR is enclosing an alternative alignment shift that avoids the mitigation bank to the north, mirroring the Cross Tier 2 Option north and west.

9. The Environmental Report states that a generalized route for four alternative alignments (i.e., Cross, Moncks Corner, Soter North, and Soter South) was developed and a study area for each, defined as a 1-mile buffer surrounding each generalized route (2-mile total width), was evaluated. Within the Environmental Report, the Level 2 analysis provides the potential impacts to different criteria, often using a 200' right-of-way for quantifying impacts of the four alternative alignments. At the conclusion of the Level 2 analysis, four additional alternatives were developed for the Cross alignment because the generalized route was not optimized to reduce environmental, economic and socioeconomic impacts. Please provide clarification on how the optimized routes for the Cross alternatives were developed and any information, if available, on other optimized routes for other alignments.

RESPONSE:

The above recitation of the process of developing the alternatives and routes described in the Environmental Report is accurate; however, PR provides the following additional background and explanation on that process, as requested. As an initial step, PR developed generalized routes for all six (6) of the alternatives described in the Environmental Report's Range of Alternatives section (§ 3.4.2), using basic avoidance and minimization measures and based on two connection points: entry/exit point at the boundary of the Camp Hall Commerce Park, and a connection point with the alternative existing rails lines in the vicinity of the Park. These generalized routes served as the foundation for PR's consideration of the practicability of each alternative as determined by the alternative's ability to fulfill the basic minimum requirements, characteristics, and criteria of the project, as developed by PR. For those alternatives that did not fulfill the basic minimum requirements of the project (i.e., the Ridgeville, Eutawville/Holly Hill Routes), PR undertook no additional study, evaluation, or creation of optimized routes along those generalized routes.

Level 2 of the alternatives analysis then applied a finer level screening to each of the generalized routes, first gathering available public information related to environmental, economic, and socioeconomic resources, including cultural resources, within a 2-mile wide study area for each alternative. PR defined each study area as the area in which the alignment could be shifted in order to try and minimize the impacts to the natural and community environment. Thereafter, in the course of its Level 2 analysis, PR and its consultants conducted a fine-level information gathering and screening process that involved on-site review and testing of the sixteen (16) resource categories, *see* Environmental Report at 21-46, of each of the four (4) alternatives within a 200-ft project corridor, with the resulting information and data detailed in Level 2 of the alternatives analysis. Upon the evaluation of the Level 2 information for each of the alternatives, the Cross route was identified as PR's preferred project corridor, because it projected the least amount of overall impacts, while still meeting the characteristics and criteria identified for the proposed project. Only after the Cross route was carried forward to Level 3, did PR develop optimized routes within the broader Cross alternative through the use of avoidance

and minimization measures designed to reduce the impacts of the project route on the resources identified and studied in Level 2. PR identified and analyzed a number of optimized routes for their impacts before finally selecting two variances of the route with four alternatives.

10. If the conclusions for the Level 2 analysis were based on a 200' generalized route (versus the 2-mile wide study area), were other routes evaluated for the Moncks Corner, Soter South, and Soter North generalized routes (as was done for the Cross generalized route) that may have had fewer potential impacts? Please explain the factors that were evaluated within the 2-mile study area and how those factors were used to determine the potential routes and impacts within the study area.

RESPONSE:

Please see the response to Question #9, above, which partially answers the question posed by this question. Additionally, PR submits that the conclusions for the Level 2 analysis were determined based on the expected impacts to the identified resources within the 2-mile study area. Additional or optimized routes within the study areas for the Moncks Corner, Soter South, and Soter North alternatives were not developed based on PR's determination that the Cross route impacted the identified resources the least. As detailed in PR's response to the initial request for additional information, Level 2 of the alternatives analysis looked at each alternative's impact on sixteen (16) explicit areas, including:

- Land use;
- Air quality;
- Noise;
- Geology and soils;
- Surface waters;
- Floodplains;
- Water quality and water resources;
- Wetlands;
- Endangered, threatened, and other listed species;
- Historic and archaeological resources;
- Environmental justice;
- Potential relocations;
- Traffic and transportation;
- Recreation and land stewardship;
- Section 6(f) resources; and
- Hazardous materials

See Environmental Report at 21-46. In general terms, if PR's analysis showed that an alternative would impact one of the resources listed above, measures were taken to establish a route that would avoid and minimize that impact, to the maximum extent

possible, while recognizing that shifts designed to avoid or minimize an impact on one resource, might cause or increase the impact on a different resource.

11. Please provide the project area corridor and all wetlands verified in the April and August 2017 Preliminary Jurisdictional Determinations in GIS file format.

RESPONSE:

The requested information is enclosed and submitted with this response.

12. The Environmental Report indicates that disturbance limits would extend approximately 180 feet surrounding the Diversion Canal. For all alignments considered in the Level 2 and 3 analysis, please provide, in GIS format, all locations where (1) a ROW width of more than 100 feet would be required and (2) additional locations, if any, where disturbance outside the 100-foot ROW would be anticipated during construction. Also, please clarify why the petition for exemption requests a 100 foot ROW while the Alternatives Analysis in the Environmental Report used a 200 foot corridor.

RESPONSE:

The requested information is enclosed and submitted with this response.

With respect to the request for clarification of the ROW and project corridor, please see the response to Question #9, above, which partially answers the request posed by this question. In an attempt to further clarify the use of the varying widths for the project and study areas, PR submits the following distilled explanation:

- Once PR determined that four (4) of the six (6) identified generalized routes would meet the basic minimum requirements of the project, PR, in conjunction with its consultants, gathered existing and publicly available information related to the environmental, economic, and socioeconomic resources, including cultural resources, within a 2-mile study area for each of the four (4) generalized routes. The information gathered served as a starting reference point for PR's Level 2 analysis.
- As a part of its Level 2 analysis, PR and its consultants next conducted a fine-level information gathering and screening process that involved on-site review and testing of the sixteen (16) resource categories of each of the four (4) alternatives within a 200-ft project corridor. The results of that information gathering and testing is detailed in Level 2 of the alternatives analysis. The purpose of gathering resource information within a 200-ft project corridor was to account for the possibility that the route alignments might shift slightly during the final stages of planning and development.

- The 100-ft project ROW reflects the minimum¹ actual project area and boundary of properties that PR intends on purchasing and/or condemning for the project, and therefore reflects the project ROW requested in the petition for exemption.

Sincerely,



T. Ravenel
Director of Special Projects

CC: Diana Wood, STB
Elizabeth Williams, USACE
David Bauer, ICF

¹ The 100-ft project ROW reflects the outer boundary of the construction limits for the project; however, PR's actual property purchase or condemnation may be larger than 100-ft in certain locations along the project route, depending on negotiations with the existing landowners.

Information Request #3 and Responses



SURFACE TRANSPORTATION BOARD

Washington, DC 20423

Office of Environmental Analysis

February 22, 2018

Tarek Ravenel
Palmetto Railways
540 East Bay St
Charleston, SC 29403

Re: Docket No. FD 36095, Palmetto Railways – Petition for Exemption – In Berkeley County, South Carolina; Information Request #3

Dear Mr. Ravenel:

Consistent with 40 C.F.R. § 1506.5(a), we request the information listed below to assist the Surface Transportation Board's Office of Environmental Analysis in the environmental review in the above-referenced proceeding.

1. Comments submitted by the South Carolina Department of Health and Environmental Control indicate Palmetto Railways has requested approval to use fly ash for construction of the railway embankment, particularly in the vicinity of the Diversion Canal. Please provide available information on the anticipated use of ash in construction of the proposed rail line.
2. Please provide a list of the types of commodities that Palmetto Railways anticipates would be carried on trains operating over the proposed rail line.
3. What type (Tier 1, 2, 3 or 4) of locomotives does Palmetto Railways anticipate using on the proposed rail line?
4. Please provide the estimated locomotive diesel fuel consumption per train round-trip on the proposed rail line.
5. Please provide the locations, in addition to the Diversion Canal, where Palmetto Railways anticipates that bridges would be constructed and indicate whether pile driving would be required at each location.
6. For any anticipated bridges, please indicate likely elevations.
7. For any anticipated bridges, please provide any design information available, or likely design information, including photos or drawings of a bridge or bridges with similar appearance.
8. If the proposed rail line is not constructed and operated, where would finished vehicles produced at the Volvo Cars plant and destined for domestic sale be trucked for subsequent transfer to rail?
9. Please provide the estimated duration of rail line construction.
10. Please provide the estimated average and maximum number of construction workers that would be anticipated during rail line construction.
11. Is construction during nighttime hours (10 PM to 6 AM) anticipated?
12. Please identify likely construction staging areas, if known.

13. Does Palmetto Railways anticipate increasing staff for operation of the proposed rail line? If so, approximately how many staff would be added?
14. Are any project-related fixed lighting sources anticipated outside the commerce park other than proposed early warning signs on roadways and lights/flashers at grade crossings?
15. Please explain the source and rationale for the equipment utilization factors used for the construction noise assessment presented in Table 5-2 of Section 5 of Environmental Report Appendix C: Noise and Vibration Assessment.
16. Please provide additional methodology details and information on the Protected Species Assessment (i.e. Appendix D of the Environmental Report).
 - a. Please provide a map, and supporting GIS data, showing where biologists had access along the proposed rail route (i.e. show land parcels where access was granted and habitat physically surveyed within and adjacent to the rail corridor).
 - b. Please provide a map, and supporting GIS data, showing where biologists determined presence of suitable habitat for each species assessed.
 - c. The Protected Species Assessment indicates that suitable foraging habitat was observed adjacent to the project area; please provide a map, and supporting GIS data, showing the location and area (size) of this habitat. Please provide any additional available details on the red-cockaded woodpecker habitat survey results.
 - d. Please review the three attached maps from South Carolina Department of Natural Resources and the U.S. Fish and Wildlife Service indicating two areas they have determined to have potential suitable red-cockaded woodpecker habitat. Please indicate if Palmetto Railways had access to these two areas and if habitat was physically surveyed in these two areas as part of the Protected Species Assessment. If so, please provide details on the survey methodology and the results of the surveys in these two areas (e.g., transect location and spacing, species and age of trees, nesting or foraging habitat identified, etc.). If Palmetto Railways did not have access to these two areas, please provide details on the methodology that assessed these two areas to determine whether or not red-cockaded woodpecker foraging or nesting habitat was present.

Thank you for your assistance in this matter. Please feel free to contact Diana Wood of my staff at 202-245-0302 or by email at Diana.Wood@stb.gov, if you have any questions. I would appreciate two copies of your response, one sent to Diana Wood at 395 E Street SW, Washington DC 20423 or by email at the above address, and one sent to David Bauer of ICF, our independent third-party consultant, at 9300 Lee Highway Fairfax, VA 22031 or by email at David.Bauer@icf.com. We look forward to receiving this information at your earliest convenience, but no later than March 9, 2018.

Sincerely,



Victoria Rutson
Director, Office of Environmental Analysis

cc: Elizabeth Williams, U.S. Army Corps of Engineers

1. Comments submitted by the South Carolina Department of Health and Environmental Control indicate Palmetto Railways has requested approval to use fly ash for construction of the railway embankment, particularly in the vicinity of the Diversion Canal. Please provide available information on the anticipated use of fly ash in construction of the proposed rail line.

Please see the attached Beneficial Use Demonstration (BUD) Work Plan prepared for Palmetto Railways and the letter from S.C. Department of Health and Environmental Control approving the Beneficial Use Demonstration (BUD) Work Plan dated December 20, 2017.

2. Please provide a list of the types of commodities that Palmetto Railways anticipates would be carried on trains operating over the proposed rail line.

At this time, finished automobiles are the only commodity that we anticipate will be transported on the Camp Hall Rail Line.

3. What type (Tier 1, 2, 3 or 4) of locomotives does Palmetto Railways anticipate using on the proposed rail line?

At this time, Palmetto Railways intends to use two (2) GP-40-2 locomotives. These locomotives do not have a Tier classification.

The Air Quality section of the Environmental Assessment was conducted using the appropriate screening level evaluation for the proposed Camp Hall Build-in. The results of this evaluation indicated that further study including detailed air quality modeling was not warranted due to the following site and project conditions. The proposed rail corridor is in an air quality attainment area, the number of locomotive is limited, the use of the locomotives is infrequent, the proposed project corridor is in a rural area, the rail is not proximate to sensitive receptors, and cumulative impacts including construction air quality impacts were determined to be minimal. The conclusions reached by the Environmental Assessment are further supported by the inference that proposed movement of freight by rail facilitated by this proposed project significantly reduces overall emissions and associated impacts on the environment compared to the alternative use of on-road trucks.

4. Please provide the estimated locomotive diesel fuel consumption per train round-trip on the proposed rail line.

Palmetto Railways estimates the fuel consumption to be approximately 300 gallons per day, which includes approximately four hours of switching operations, a trip from Camp Hall to Cross, and a return trip to Camp Hall.

5. Please provide the locations, in addition to the Diversion Canal, where Palmetto Railways anticipates that bridges would be constructed and indicate whether pile driving would be required at each location.

The bridge over the Diversion Canal is the only bridge that is planned for the Camp Hall Rail Line at this time. Current design anticipates the utilization of drilled shaft foundations, rather than driven piles. If driven piles are utilized, Best Management Practices will be utilized as referenced in Palmetto Railways Mitigation Plan.

6. For any anticipated bridges, please indicate likely elevations.

Please see attached Plan and Profile view for Diversion Canal Bridge.

7. For any anticipated bridges, please provide any design information available, or likely design information, including photos or drawings of a bridge or bridges with similar appearance.

Please see attached Plan and Profile view for Diversion Canal Bridge. The Diversion Canal Bridge is designed to mimic the look of the SC Hwy 45 bridge that crosses the diversion canal to the North.

8. If the proposed rail line were not to be constructed and operated, where would finished vehicles produced at the Volvo Cars plant and destined for domestic sale be trucked for subsequent transfer to rail?

The current conditions require over 50,000 finished vehicles each year to travel over 80 miles via truck to CSX Transportation's Dixiana auto distribution facility outside Columbia, South Carolina. Interstate 26, a federally identified portion of the Primary Highway Freight System (PHRS), would be the only feasible route to accommodate the additional trucks hauling automobiles. Interstate 26 is already a congested highway and accidents relating to high volumes of heavy truck traffic are a common occurrence. Pavement quality and maintenance costs on the highway are already deteriorating without the addition of thousands of auto trucks to its yearly throughput.

9. Please provide the estimated duration of rail line construction.

The estimated duration of construction of the Camp Hall Rail Line is 18-20 months.

10. Please provide the estimated average and maximum number of construction workers that would be employed to construct the rail line.

Palmetto Railways used multiple methodologies for evaluating the possible number of construction employees during the duration of the Camp Hall Rail Line. Conservatively, we estimate that there would be an average of 95-105 employees, with a maximum of

105-116, used to construct the line. Additional documentation can be provided as backup upon request.

11. Is construction during nighttime hours (10 PM to 6 AM) anticipated?

Work is not anticipated during nighttime hours, as defined above, at this time.

12. Please identify likely construction staging areas, if known.

Construction staging areas are not known at this time.

13. Are any project-related fixed lighting sources anticipated outside the commerce park other than proposed early warning signs on roadways and lights/flashers at grade crossings?

Palmetto Railways intends to construct a small maintenance and office facility, tentatively located between Stations 1190 and 1240, which will have minimal exterior lighting for safety and security. No other fixed lighting is anticipated.

14. Please explain the source and rationale for the equipment utilization factors used for the construction noise assessment presented in Table 5-2 of Section 5 of Environmental Report Appendix C: Noise and Vibration Assessment.

The utilization factors (UF) are defined as “usage factor that accounts for the fraction of time that the equipment is in use over the specified time period.” Stated differently, the UF reflects the percentage of time that a piece of construction equipment is operating at full power during a set increment of time (e.g., one hour). These UF’s are part of the Road Construction Noise Model (RCNM) published by the Federal Highway Administration. In the Noise and Vibration report, we reference the following document: H. Knauer, S. Pedersem, C. N. Reheman, J. L. Rochat, E. S. Thalheimer, M. C. Lau, G. G. Fleming, M. Ferroni and C. Corbisier, "FHWA Highway Construction Noise Handbook," U.S. Department of Transportation - Federal Highway Administration, Cambridge, August 2006. The published RCNM is a national model based on the noise calculations and extensive construction noise data compiled for the Central Artery/Tunnel (CA/T) project in Boston, Massachusetts. The UF factors used in the report are published within the RCNM model.

15. Please provide additional methodology details and information on the Protected Species Assessment (i.e. Appendix D of the Environmental Report).

- a. Please provide a map, and supporting GIS data, showing where biologists had access along the proposed rail route (i.e. show land parcels where access was granted and habitat physically surveyed within and adjacent to the rail corridor).

Please see attached report and supporting exhibits prepared on behalf of Palmetto Railways by third-party contractor Sabine and Waters.

- b. Please provide a map, and supporting GIS data, showing where biologists determined presence of suitable habitat for each species assessed.

Please see attached report and supporting exhibits prepared on behalf of Palmetto Railways by third-party contractor Sabine and Waters.

- c. The Protected Species Assessment indicates that suitable foraging habitat was observed adjacent to the project area; please provide a map, and supporting GIS data, showing the location and area (size) of this habitat. Please provide any additional available details on the red-cockaded woodpecker habitat survey results.

Please see attached report and supporting exhibits prepared on behalf of Palmetto Railways by third-party contractor Sabine and Waters.

- d. Please review the three attached maps from South Carolina Department of Natural Resources and the U.S. Fish and Wildlife Service indicating two areas they have determined to have potential suitable red-cockaded woodpecker habitat. Please indicate if Palmetto Railways had access to these two areas and if habitat was physically surveyed in these two areas as part of the Protected Species Assessment. If so, please provide details on the survey methodology and the results of the surveys in these two areas (e.g., transect location and spacing, species and age of trees, nesting or foraging habitat identified, etc.). If Palmetto Railways did not have access to these two areas, please provide details on the methodology that assessed these two areas to determine whether or not red-cockaded woodpecker foraging or nesting habitat was present.

Please see attached report and supporting exhibits prepared on behalf of Palmetto Railways by Sabine and Waters.



BENEFICIAL USE
DEMONSTRATION WORK PLAN
For a Specified Portion
of
The Camp Hall Rail Project
Berkeley County, South Carolina
S&ME Project No. 1134-11-233

PREPARED FOR:

Palmetto Railways
540 East Bay Street
Charleston, South Carolina 29403

PREPARED BY:

S&ME, Inc.
620 Wando Park Boulevard
Mount Pleasant, SC 29464

December 20, 2017



December 20, 2017

Mr. Wayne Shealy, P.E., Associate Engineer
Solid Waste Permitting and Monitoring Section
S.C. Department of Health and Environmental Control
2600 Bull Street
Columbia, South Carolina 29201

Transmitted via Electronic Mail (shealywj@dhec.sc.gov) and by Overnight Courier (paper & cd)

Reference: BENEFICIAL USE DEMONSTRATION WORK PLAN – REVISED --
For a Specified Portion of The Camp Hall Rail Project
Berkeley County, South Carolina
S&ME Project No. 1134-11-233

Dear Mr. Shealy:

On behalf of Palmetto Railways, we herewith submit this Revised Work Plan for the Department's review. The intention of the Plan is to evaluate the use of bottom ash from Santee Cooper's Cross Electric Generating Station as a soil substitute in the railway embankments/approached for the Diversion Canal crossing of the Camp Hall Rail project. This Revision is based on the Department's review comments of the November 9 Work Plan that were provided in your November 17 e-mail to us; our subsequent teleconference on November 20; our teleconference on December 11, 2017 to discuss the Department's comments on the November 22, 2017 Revision; and, the Department's December 14, 2017 electronic mail to us regarding radionuclide analyses.

Thank you for the review comments and guidance provided during development of the Plan. We are ready to commence implementation upon the Department's approval to proceed. Should you have questions about or wish to discuss the Work Plan, please advise at your convenience.

Best Regards,
S&ME, Inc.

A handwritten signature in blue ink, appearing to read 'Chuck Black'.

Chuck Black, P.E.
Vice President
843.343.4647
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A handwritten signature in blue ink, appearing to read 'Mike Marcus'.

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Ms. Joan Litton /SCDHEC (littonjf@dhec.sc.gov)
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LIST OF ACRONYMS

ASL	Analytical Support Level
BUD	Beneficial Use Demonstration
CCP	Coal Combustion Product
CCR	Coal Combustion Residuals
CCW	Coal Combustion Wastes
CGS	Cross Electric Generating Station
CHRP	Camp Hall Rail Project
COPC	Contaminant of Potential Concern
FFC	Fossil Fuel Combustion (wastes)
HASP	Health and Safety Plan
IDW	Investigation-Derived Waste
MW _e	Megawatts, electric
OSHA	Occupational Safety and Health Administration
PAH	Polynuclear Aromatic Hydrocarbon
PDWS	Primary Drinking Water Standard (State of South Carolina)
PC	Pulverized Coal
PR	Palmetto Railways
QC	Quality Control
RCRA	Resource Conservation and Recovery Act
RSL	Regional Screening Level (USEPA)
SCDHEC	South Carolina Department of Health and Environmental Control; the Department
SCPSA	South Carolina Public Service Authority; Santee Cooper
SIM	Selective Ion Monitoring
SOP	Standard Operating Procedure
SPLP	Synthetic Precipitation Leaching Procedure
TAL	Target Analyte List
TCLP	Toxicity Characteristic Leaching Procedure
TW	Tapwater (RSL)
USEPA	United States Environmental Protection Agency
WP	Work Plan



1.0 Introduction

This Beneficial Use Demonstration (BUD) Work Plan (WP) addresses the development of a BUD decision document for a specified portion of the Palmetto Railways (PR) construction project that will cross the Santee River Diversion Canal adjacent to the South Carolina Public Service Authority (SCPSA; Santee Cooper) Cross Electric Generating Station (CGS) in Cross, Berkeley County, South Carolina.

1.1 The Camp Hall Rail Project

PR is presently planning a large capital construction economic development project for a new freight railway that will connect Camp Hall Commerce Park (the Park) in Berkeley County, South Carolina, to the nearby existing Class I CSX rail network (i.e., the Camp Hall Rail Project; CHRP) [Figure 1]. The connection to the CSX rail network is planned to occur near CGS, thence travel approximately 22.7 miles south and west to the Park. The new rail connection that will be realized from the project will provide regional rail connectivity to the Park. The CHRP is expected to improve transportation, distribution, and logistics for the Park tenants and to promote economic development in Berkeley County as well as for the entire State.

1.2 SCPSA Cross Generating Station

CGS is a pulverized coal (PC)-fired electric generating station in Berkeley County, South Carolina. The Station presently comprises three (3) units: Unit 1 [620 megawatts (MW_e)], Unit 3 (660 MW_e), and Unit 4 (660 MW_e); Unit 2 (540 MW_e) is idled. Units 1,3 and 4 generate approximately 54,000 tons of bottom ash annually. Historically, the bottom ash has been handled by a wet sluicing system. However, the wet handling system is being replaced by a dry handling system, which has already been installed on Units 1 and 4. The dry handling system will be installed on Unit 3 after the Spring 2018 outage. CGS presently provides ash to an in-state concrete block manufacturer for use in product formulation.

The bottom ash that is the subject of this WP will be sourced from the dry handling system.

1.3 Purpose

The purpose of this WP is to specify the approach, procedures, equipment, and analytical methodologies, consistent with applicable United States Environmental Protection Agency (USEPA) and/or South Carolina Department of Health and Environmental Control (SCDHEC) requirements and guidance that will be used to develop data for decision-making for the use of CGS bottom ash in the construction of embankments for the CHRP.

1.4 Limitation of Work Plan

This WP addresses only the portion of construction for the CHRP that comprises the embankments/approaches for the necessary rail crossing over the Diversion canal. Specifically, the intent of the work detailed herein is to develop documentation to demonstrate that bottom ash from the CGS can be used appropriately and beneficially in construction of the embankments/approaches. The CGS bottom ash is intended to be used in portions of the embankment construction that are:



- well above ambient groundwater level [*i.e.*, greater than three (3) feet above the top of the groundwater surface];
- well away from the crown and downslope of the embankment relative to the Diversion Canal;
- not where deep foundations (e.g., drilled shafts) will be advanced or where deep foundations have already been installed;
- not in wetland areas; and,
- placed so as to have a native soil cover (*i.e.*, non-amended by bottom ash) of a minimum of two (2) feet thick; thicker cover lens will be achieved when possible.

Design of the railway and embankments is underway; however, specific field distances for the noted exclusion zones cannot yet be established with certainty. However, Figure 2, included herein, depicts schematically the intended use of the ash for construction. Proposed specific exclusion distances will be developed by working with the designers, once the data and information proposed to be acquired by this WP have been developed. Those proposed exclusion distances will be submitted to the Department for review and approval before implementation into final design and subsequent construction documents.

1.5 Definitions

The following terms are used in this WP within the contexts of their specified meanings, as follows:

- *Bottom ash* -- the agglomerated, angular ash particles, produced during coal combustion in PC-fired furnaces that are too large to partition into and be transported away in the flue gases. Instead, this ash is deposited in an ash hopper at the bottom of the furnace.
- *Coal Combustion Products (CCPs)* -- fly ash, bottom ash, boiler slag, or flue gas desulfurization materials that are diverted from disposal as waste and beneficially used.
- *Coal Combustion Residuals (CCRs)* -- fly ash, bottom ash, boiler slag, and flue gas desulfurization materials scheduled for disposal. CCRs have also been referred to as coal combustion wastes (CCWs) and fossil fuel combustion (FFC) wastes (when scheduled for disposal).
- *Encapsulated Use* -- the CCR is bound within a product such as wallboard, concrete, roofing materials, or bricks in a way that minimizes the CCR from being released and transported into the surrounding environment.
- *Unencapsulated Use* -- the CCR is used in a loose particulate, sludge or other unbound form such as structural fills/embankments.

2.0 Regulatory Synopsis

USEPA published the Final Rule for Disposal of CCRs from electric utilities in the Federal Register on April 17, 2015, with an effective date of October 19, 2015 (USEPA 2015a). While the CCR Rule was intended for and focused on proper disposal of CCRs, it also addressed the long-standing practice of the beneficial use of CCRs.



Background -- Prior to Promulgation of the 2015 CCR Rule

Section 3001(b) (3) of the Resource Conservation and Recovery Act (RCRA) [hereafter referred to as the Bevill Exemption] was added to RCRA on October 12, 1980, as part of the 1980 Solid Waste Disposal Act Amendment. This Section exempted, among other things, FFC wastes from regulation as a hazardous waste under RCRA Subtitle C. The original exemption was temporary pending (a) *completion of a Report to Congress on the adverse effects on human health and the environment, if any, of the disposal and utilization of fossil fuel combustion wastes*; and (b) *a subsequent determination of whether regulation under Subtitle C would be warranted*.

In response to the 1980 RCRA amendments, USEPA published an interim final amendment to its hazardous waste regulations to reflect the provisions of the Bevill Exemption (40 CFR 261.4(b)(4)). FFC wastes were divided into two categories: (1) large volume wastes such as fly ash, bottom ash, boiler slag, and flue gas emission control waste from the combustion of coal by electric utilities and independent commercial power producers, and (2) all remaining wastes subject to RCRA Sections 3001(b)(3)(A)(i) and 8002(n). USEPA completed the first report to Congress on exemption of FFC wastes in February 1988 (USEPA 1988). This report addressed wastes generated only from the combustion of coal by electric utility power plants; it did not address co-managed utility coal combustion wastes, other fossil fuel combustion wastes or wastes from non-utility coal combustion sources. The general overview of the Agency's findings was:

- *First, EPA has concluded that coal combustion waste streams generally do not exhibit hazardous characteristics under current RCRA regulations. EPA does not intend to regulate under Subtitle C fly ash, bottom as, boiler slag, and flue gas desulfurization wastes.*
- *Second, EPA is concerned that several other wastes from coal-fired utilities may exhibit then hazardous characteristics of corrosivity or EP toxicity and merit regulation under Subtitle C. EPA intends to consider whether these waste streams should be regulated under Subtitle C of RCRA based on further study and information obtained during the public comment period.*
- *Third, EPA encourages the utilization of coal combustion wastes as one method for reducing the amount of these wastes that need to be disposed to the extent such utilization can be done in an environmentally-safe manner.*

On August 9, 1993, USEPA made the regulatory determination that the first category of wastes (large volume FFC wastes) did not warrant regulation under RCRA Subtitle C. To make an appropriate determination for the second category (remaining wastes), USEPA decided that additional study was necessary.

After completing a second report to Congress in 1999, USEPA affirmed the applicability of the Bevill Exemption in 2000, and confirmed that FFCs did not warrant regulation as a hazardous waste and, therefore, would remain exempt from regulation under Subtitle C of RCRA (USEPA 2000). The Agency also determined that beneficial uses of FFC wastes, other than for minefilling, posed no significant risk and no additional national regulations were needed. However, the Bevill Exemption notwithstanding, Federal or State action could be taken under RCRA if there was a finding of imminent or substantial endangerment in a specific circumstance of FFC usage/management.



2015 CCR Rule

Specifically, the 2015 CCR Rule:

- re-affirmed the USEPA's determination of the applicability of the Bevill Exemption for beneficial use;
- presented the differential concept of encapsulated and unencapsulated forms of CCR; and,
- distinguished, by definition, between beneficial use and disposal.

Beneficial use of CCR must meet four (4) criteria to be approved for and designated as a CCP:

- the CCR must provide a functional benefit;
- the CCR must substitute for the use of a virgin material;
- the CCR must meet product specifications and/or design standards; and,
- when unencapsulated use of CCR involves placement on the land of 12,400 tons or more in non-roadway applications, the user must demonstrate and provide documentation upon request, that environmental releases to the environment are comparable to or lower than those from analogous products made without CCR, or that releases will be below relevant regulatory and health-based benchmarks for human and ecological receptors.

Requisite Regulatory-Based Demonstration Approach

USEPA has developed a framework for evaluating encapsulated beneficial uses of CCR (USEPA 2013a). This framework established a methodology that allows the user of the proposed CCP to demonstrate:

- whether releases from an encapsulated beneficial use of CCR are comparable to or lower than those from analogous products made without CCR, or
- are indicated to be equal to or less than relevant regulatory and health-based benchmarks during use.

In developing the framework for encapsulated uses of CCR (USEPA 2013a), USEPA determined that the principles of the methodology described by the framework were applicable and relevant to unencapsulated uses. Subsequently, USEPA published guidance for evaluation of both encapsulated uses and unencapsulated in a unified framework (USEPA 2016a).

The BUD Project represented by this WP will follow the unified framework (USEPA 2016a). The following areas will be addressed in the BUD and presented in the final documentation package.

Functional Benefit

An analysis will be made of the net benefits in the following areas by the use of the CGS bottom ash as a construction material:

- Environmental -- such as reduced greenhouse gas emissions; reduced impact on landfill space for disposal; reduced use of and impacts to natural resources
- Economic -- such as reduced costs for disposal; positive revenue stream from the sale as a usable product; cost savings by displacement other, more costly materials



- Product -- such as improved strength, durability or workability.

Substitution of Virgin Material

The CGS bottom ash will be a replacement for native borrow soil that would be obtained from local/regional sources.

Product Specification/Design Standards

Product specifications and design standards will be prepared for use of the CGS bottom ash in the railway embankments/approaches to the Diversion Canal crossing.

Unencapsulated Use

The planned beneficial use will:

- be of the unencapsulated form;
- require more than 12,400 tons to be used; and,
- will not be for roadway application, although the project contemplates a linear transportation (rail) corridor.

Consequently, for this unencapsulated attribute, the BUD will evince and document that ash-associated analyte release(s) to the environment will be less than relevant regulatory and health-based benchmarks for human and ecological receptors.

3.0 Statement of Intended Beneficial Use

The intended use of CGS bottom ash is as a CCP for fill in the construction of railway embankments/approaches over the Santee River Diversion Canal for that linear portion of the CHRP. The SCPSA CGS is the only source for bottom ash (or any other CCR) that will be used for the embankment construction; no other CCR source is planned for use or is covered under this BUD WP. It is anticipated that:

- the CCP will be placed on top of native borrow soil and then covered along the sides and top, also with native borrow soil so as not to present direct surface contact;
- the CCP will be placed:
 - well above ambient groundwater level [*i.e.*, greater than three (3) feet above the top of the groundwater surface];
 - well away from the crown and downslope of the embankment relative to the Diversion Canal;
 - not where deep foundations (e.g., drilled shafts) will be advanced or where deep foundations have already been installed;
 - not in wetland areas; and,
 - placed so as to have a native soil cover (*i.e.*, non-amended by bottom ash) of a minimum of two (2) feet thick; thicker cover lens will be achieved when possible. This minimum cover thickness and desire for thicker cover thickness will be a design criterion.



- up to 250,000 cubic yards (yd³) [317,500 tons at SCPSA-provided conversion of 1.27 tons/yd³] of CCP could be used in the specified project (yardage and tonnage use estimates are approximate and for general planning/evaluation purposes only);
- it is unlikely that Santee Cooper can deliver more than 100,000 tons based on CGS historical ash production figures and the exiting reuse of the ash by a concrete masonry unit manufacturer that is expected to continue during the CHRP;
- the conceptual design delta (217,500 tons) that will eventuate between the amount of ash SCPSA CGS can provide and the amount needed (e.g., 317,500 tons – 100,000 tons) will be fulfilled by use of normal borrow soil from local and regional sources; and,
- at this stage of inquiry and based on the long, accumulated period-of-record knowledge base about coal ash from large-scale utility electric generating stations, contaminants of potential concern (COPCs) are considered to be metals. An affirmation of this statement, or expansion of coverage otherwise, will be concluded and supported in the evaluation process described in Section 6.0.

4.0 Decision Rules

The following questions will be addressed in the conclusion(s) of the Final Characterization (see Section 6.3):

Functional Benefit

Will the use of CGS bottom ash perform a genuine function and provide demonstrable environmental, economic and product benefits?

Substitution of Virgin Material

Will the use of CGS bottom ash substitute for the use of a virgin material, conserving natural resources that would otherwise need to be obtained through practices, such as extraction?

Specification/Design Standard

Will the use of bottom ash meet relevant product specifications, regulatory standards or design standards when available, and when such standards are not available, the CCR is not used in excess quantities?

Unencapsulated Use

Does the evaluation support the conclusion that the potential for adverse impacts to human health and the environment is comparable to or lower than those from an analogous product, or at or below relevant benchmarks?

Affirmative responses to all four (4) questions will indicate that the beneficial use is appropriate as proposed. A negative response to any one (1) of the questions will indicate that the beneficial use is not appropriate as proposed.



5.0 Project Team

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6.0 Scope of Work

Per USEPA (2016a), the BUD for the use of CGS bottom ash in the construction of railway embankments/approaches for the Diversion Canal crossing will comprise the elements described below.

6.1 Planning and Scoping

- Development of an initial conceptual exposure model that addresses plausible potential adverse impacts to human health and the environment from the beneficial use of the CGS bottom ash.
- Identification and refinement of questions to be posed and answered by the BUD.
- Collate, review and summarize existing applicable analytical data. Ash data from routine operations testing by (and provided to PR by) Santee Cooper will be included in this task. These data have been used for submittal to the Department for compliance monitoring and reporting; consequently, their use in the BUD is reasonable.
- Per Section 6.4 below, this WP proposes the acquisition of supplemental chemical data along with physical testing.

6.2 Impact Analysis

Functional Benefits

Technical data will be developed from the readily-accessible peer-reviewed and governmental literature to demonstrate quantitatively the environmental, economic and use/product benefits of the CGS bottom ash as a construction material for the specified limited application.



Substitution of Virgin Material

Use of CGS bottom ash as a construction material for the specified limited application will be a significant substitute for native borrow soil that otherwise will have to be mined/extracted.

Specification/Design Standard

The geotechnical engineering analysis will deliver a decision, based on the physical attributes of the bottom ash, as to its applicability as a construction material for the specified limited application. Based on the technical physical data, if the bottom ash is shown to be a usable material, specifications for its limited intended use will be prepared.

Unencapsulated Use

Existing Evaluations

- Readily-accessible government and peer-reviewed literature will be surveyed to identify evaluations already completed that are applicable to the intended project.
- The applicable extant evaluations will be reviewed to ascertain if they sufficiently address the potential adverse impacts identified in the Planning and Scoping Phase.

Analogous Product Comparison

- The potential for adverse impacts from the designation of CGS bottom ash as a CCP will be compared with the potential for adverse impacts from an analogous product (i.e., native borrow soil).

Screening Analysis

- Demonstration that environmental releases from the CGS bottom ash to soil, groundwater, surface water, and air will be equal to or less than the following relevant regulatory and health-based benchmarks for human and ecological receptors during construction and use.
 - ◆ Human Health
 - ◆ Soil -- current on-line version of USEPA Regional Screening Levels (RSLs), using levels set at carcinogenic risk of 1×10^{-6} and non-carcinogenic hazard of 0.1, (USEPA 2017c) for Industrial use for the total-form analyte data.
 - ◆ Groundwater -- current on-line version of USEPA RSLs, using levels set at carcinogenic risk of 1×10^{-6} and non-carcinogenic hazard of 0.1, (USEPA 2017c) for Protection of Groundwater will be used to evaluate the total-form analyte data. The State Primary Drinking Water Standards (PDWS) [SCDHEC 2014a], the USEPA RSLs for Tapwater (TW) and the 10XPDS/TW and 30XPDS/TW indices (SCDHEC 2008), will also be used to assist in interpretation of TCLP and SPLP data. If polynuclear aromatic hydrocarbons (PAHs) are detected for which no benchmarks are published, they may be evaluated by selection of appropriate surrogate PAHs.
 - ◆ Surface Water – accounting for stormwater Best management Practices that and control systems that will be required to installed and maintained, plausible analyte releases to surface waters will be evaluated against the State Water Quality Standards (SCDHEC 2014b) for Classified Waters (SCDHEC 2012).



- ◆ Air – expected particulate emissions as well as associated analyte concentrations due to the physicochemical relationship will be evaluated by modeling/calculation of expected release concentrations and areal extent and then comparison to applicable OSHA Permissible Exposure Limits under 29 CFR 1910.1000 (Tables Z-1, Z-2 and Z-3) and applicable industrial air benchmarks per the current on-line version of USEPA RSLs, using levels set at carcinogenic risk of 1×10^{-6} and non-carcinogenic hazard of 0.1, (USEPA 2017c).
- ◆ Environment (Ecological) – potential impacts to ecological receptors due to releases to soil groundwater, surface water and air will be evaluated using analyte-specific numeric values by receptor trophic class in USEPA (2015d).
- ◆ Assistance in interpretation of metals levels obtained from ash samples will be obtained by a weight-of-evidence approach using Canova (1999), Franklin *et al.* (2003) and the United States Geological Survey (2001, 1984), in consultation with the Department.
- ◆ Radiological – the radionuclide analyses of the solid matrix bottom ash will be compared to the following screening benchmarks (SCDHEC 2017):
 - ◆ radium 226 and 228 – 5 picocuries/gram (pC/g)
 - ◆ uranium (233/234; 235/236; 238) – 150 pC/g

Risk Modeling

- The potential for adverse impacts to humans and the environment will be qualitatively and qualitatively characterized by estimating risk and hazard to receptors in plausibly-complete exposure pathways per the Conceptual Model. USEPA Superfund Baseline Risk Assessment Guidance and approach will be used to frame this evaluation. The accumulated historical data provided by SCPSA, principally TCLP data for 20 of the TAL metals, and the SPLP data planned to be acquired un the Supplemental Data Collection effort will be used to assist in the quantitative evaluation of plausible expectations for ash leaching on as as-placed basis.

6.3 Final Characterization

A documentation package will be assembled to support the approval of CGS bottom ash for the specified beneficial use. This package will integrate and synthesize the findings from the efforts specified above and the supplemental data collection plan described below into final conclusion(s) regarding the potential for adverse impacts associated with the specified beneficial use. Assumptions, limitations and uncertainties identified during the work leading to and in the preparation of the package will be called out and their likely impact on the final conclusion(s) will be noted. The contents of the BUD documentation package will comprise the following topical areas:

- 1.0 Introduction
- 2.0 Project Overview
- 3.0 Purpose
- 4.0 Regulatory Synopsis
- 5.0 Decision Rule and Process
- 6.0 Environmental Evaluation
 - 6.1 Review of Applicable Literature
 - 6.2 Review of Accumulated Historical Data (from SCPSA CGS)



- 6.3 Results from Supplemental Data Collection
- 6.4 Conceptual Exposure Model
- 6.5 Exposure Screening Analysis
- 6.6 Risk Modeling
- 6.7 Analogous Product Comparison
- 6.8 Assumptions and Limitations
- 7.0 Engineering Evaluation
 - 7.1 Review of Applicable Literature
 - 7.2 Review of Accumulated Historical Data (from SCPSA CGS)
 - 7.3 Results from Supplemental Data Collection
 - 7.4 Analogous Product Comparison
 - 7.5 Construction Specifications
 - 7.6 CQA Requirements
 - 7.7 Assumptions and Limitations
- 8.0 Market Evaluation
 - 8.1 Functional Benefit
 - 8.2 Substitution of Virgin Material
 - 8.3 Economics
- 9.0 Summary and Conclusions
- 10.0 References Cited
- 11.0 Annexes
 - 11.1 Analytical Laboratory Reports from Supplemental Data Collection – Chemical
 - 11.2 Analytical Laboratory Reports from Supplemental Data Collection – Physical
 - 11.3 Provisional Drawings for Design Requirements
 - 11.4 Construction Specifications
 - 11.5 CQA Requirements (e.g., testing, observation, surveying, etc.)
 - 11.5 Ongoing Maintenance Plan/Requirements

6.4 Supplemental Data Collection

6.4.1 *Health and Safety*

Upon approval of this WP, a project-specific Health and Safety Plan (HASP) will be issued to address the work specified. S&ME personnel performing field or sampling work will comply with applicable Occupational Safety and Health (OSHA) safety precautions and specific CGS health and safety requirements. Modified Level D personal protective equipment [hard hat, high-visibility traffic vest, steel-toed safety boots, safety glasses; ear plugs or muffs] will apply at all times with the understanding that project- and site-specific conditions as directed by SCPSA may warrant upgrading to a higher level. The Project Manager is designated as the Project Health and Safety Officer.



6.4.2 *Analytical Data Objectives*

Data generated from this supplemental collection will be used to:

- add to the extant knowledge regarding the characterization of the chemical and radiological nature of the CGS bottom ash;
- add to the extant knowledge regarding the characterization of the physical nature (relative to use as a construction material) of the CGS bottom ash;
- evaluate the plausible exposure potential to human health and the environment relative to use of the bottom ash during construction and in its installed and maintained form (*i.e.*, the risk-based future scenario); and,
- inform the discharge process of the Decision Rules (Section 4.0).

6.4.3 *Chemical Samples*

Samples of bottom ash from the CGS units will be collected from the dry handling system output and analyzed for USEPA Target Analyte List (TAL) metals and polynuclear aromatic hydrocarbons (PAHs). For the TAL metals, analyses will be performed for the total form, and the leachable forms by the Toxicity Characteristic Leaching Procedure (TCLP) and the Synthetic Precipitation Leaching Procedure (SPLP). Metals analyses by SPLP are proposed to gain more specific insight into the expected leachability of the bottom ash based on its planned placement as a soil amendment.

6.4.4 *Radiological Samples*

Two (2) samples of bottom ash from the CGS units will be collected from the dry handling system output and analyzed for gross alpha activity, gross beta activity, radium (226 and 228) activity, thorium (228, 230, 232) activity and total uranium (233/234; 235/236; 238) activity.

6.4.5 *Physical Testing*

A series of physical tests will be performed on the bottom ash samples that will be collected contemporaneously with the samples intended for chemical analyses to evaluate the geotechnical properties of the ash for use as embankment fill. This evaluation will use applicable procedures generally addressed in ASTM (1997).

7.0 Supplemental Data Collection Standard Operating Procedures

This section identifies the standard operating procedures (SOPs) to be implemented during field sampling in order to achieve an acceptable level of quality for the ensuing data commensurate with the intended decisions to be made. Applicable portions of the procedures outlined herein will be adhered to and followed throughout the field sampling. These SOPs have been adopted from the USEPA Region 4 Field Branches Quality System and Technical Procedures (USEPA 2017a).



7.1 Sampling Initiation

It is the responsibility of the Project Manager to ensure that proper coordination with the Department, field team and laboratories is accomplished in a timely and efficient manner before the sampling event occurs. This WP is herewith submitted to the Department for review, comment and approval. Once the Department is satisfied with the WP, the Department will provide written approval to PR. PR will then notify S&ME of approval after which S&ME will then coordinate sample collection timing with Santee Cooper.

The Project Manager will notify the analytical laboratory of the sampling event and anticipated schedule. The Project Manager, or his designee, will complete an analytical request that will specify the project name, schedule, laboratory, sample locations, matrix, number of samples, analytical parameters, quality control (QC) requirements and sample container delivery requirements.

Efforts in this phase will comply with the applicable sections of:

- Project Planning (USEPA 2016b)

7.2 Field Documentation

The specific information for each sample will be documented in a field logbook and on a laboratory-supplied chain-of-custody form. The sample identification will be correlated in the logbook and chain-of-custody by sample designation, sampling date and time. The analytical parameters for which a sample is to be analyzed and the respective number of sample containers will be provided on the chain-of-custody form. Field documentation will be in accordance with the guidelines outlined in:

- *Logbooks* (USEPA 2013b)

7.3 Field Quality Control

Field QC procedures will follow those applicable requirements in:

- Field Sampling Quality Control (USEPA 2017b)

7.4 Sample Labeling

Each sample container will be labeled using waterproof, non-erasable ink. The labels will record the date and times of sample collection, identification codes, parameters to be analyzed and, when applicable, preservatives used.

Each sample collected will be assigned a unique sample tracking number. Samples collected for QC purposes will also be labeled with a simple alphabetic code in order to remain blind to the analytical laboratory. The information regarding all sample identification will be recorded in field sampling logbooks. Samples will be labeled/marked in accordance with the applicable guidelines outlined in:

- Packing, Marking and Shipping of Environmental and Waste Samples (USEPA 2015c)



7.5 Sample Management

The possession of samples will be traceable from the time they are acquired until they have been submitted to the analytical laboratory. To simplify the documentation of possession that is maintained on the chain-of-custody form, the number of people who handle samples during the assessment will be minimized. Samples will be documented in the field records, on the chain-of-custody form and on the sample container labels.

Field personnel are responsible for proper handling and custody of samples collected until the samples are properly and formally transferred to another qualified person, transporter or laboratory. Sample containers will be closed upon collection; individual container custody seals attached; packaged properly; and, when required by the analytical method, placed on ice in a cooler for holding until being packaged for shipment. Chain-of-custody documentation will be included in each cooler. The samples will be dispatched to the laboratories on the day of collection in accordance with the applicable guidelines in:

- Packing, Marking and Shipping of Environmental and Waste Samples (USEPA 2015c)
- Sample and Evidence Management (USEPA 2013c)

7.6 Sampling Equipment Decontamination

Sample acquisition tools will be decontaminated prior to mobilizing to the field following in:

- Field Equipment Cleaning and Decontamination at the FEC (USEPA 2015b)

7.7 Bottom Ash Sampling

General procedures for collection of the bottom ash samples will follow those detailed in:

- Soil Sampling (USEPA 2014b)

7.8 Investigation-Derived Waste Management

Little, if any, investigative-derived waste (IDW) is expected to be generated from the sampling event. Materials that are expected to be generated and will be managed as IDW are:

- Disposable PPE (e.g., latex gloves)
- Disposable equipment (e.g., paper and plastic refuse, aluminum foil)

General procedures for management of IDW will follow those detailed in:

- Management of Investigation Derived Waste (USEPA 2014a)

7.9 Project Field Documentation

The Lead Field Technician will prepare a concise documentation package for the sampling event, as follows:

- Copy of field log book page(s)



- Copy of chain-of-custody sheet(s)
- Photodocumentation
- Other pertinent information, as applicable

8.0 Supplemental Data Collection Sampling and Analysis Plan

Scheduled chemical and radiological analyses of CGS bottom ash are summarized in Table 1. All samples will be collected as instantaneous grab samples.

8.1 Chemical Parametric Coverage and Analytical Methods

Metals are the presumptive COPCs associated with the CGS bottom ash. Consequently, samples of the bottom ash will be analyzed for USEPA TAL metals, as summarized in Table 1. PAHs will also be included in the coverage. Detection limits for TCLP analyses will be at or less than the USEPA analyte-specific regulatory limits. Detection limits for SPLP analyses will be at or near than the analyte-specific PDWS (primary benchmark) or TW-RSLs (for use when PDWS has not been promulgated). Selected Ion Monitoring methodology (SIM) is specified for PAHs in order to achieve low reporting limits.

8.2 Chemical Sampling Containers, Preservation and Holding Times

Table 2 summarizes the required sampling containers, preservation and holding times for the parametric suites.

8.3 Chemical Analytical Data Review

Analytical Support Level (ASL) II data packages will be specified. To ensure that analyte concentrations in the assessment dataset are of known quality:

- the Sample Receipt Condition Report will be reviewed;
- analytical data presented in the laboratory reports will be reviewed;
- laboratory-assigned data qualifiers will be evaluated to verify that rejected or unsupportable data, if any, are not included in the dataset;
- laboratory quality control data provided in the ASL II laboratory reports will be reviewed; and,
- field collection notes will be reviewed.

No data are scheduled for formal data validation by the National Functional Guidelines.



8.4 Radiological Sampling

Two (2) samples of bottom ash will be collected (Table 1) and submitted for analyses of gross alpha activity, gross beta activity, radium (226 and 228) activity, thorium (228, 230, 232) activity and total uranium (233/234; 235/236; 238) activity. Analytical methods, sample containers, preservation methods and holding times are specified in Table 2.

8.5 Physical Testing

The physical testing program will comprise the following steps:

1. Seven (7) 75-pound (lb.) samples of bottom ash will be collected. Four (4) of those samples will be analyzed as bottom ash alone (i.e., 100%); the remaining three (3) samples will be used for ash-native soil blends [75-lb. samples of native site soil, soil from a nearby borrow pit, or typical fill soil will also be collected]. The soil will be blended with the bottom ash in different proportions. The collected soil will be similar to the soils that will be used for fill purposes during construction of the embankments.
2. Three (3) sample blends will be prepared by mechanically mixing the bottom ash and soil in ratios of 3/1, 1/1, and 1/3 (i.e. 75%, 50% and 25% bottom ash) by weight.
3. Laboratory testing will then be performed on each 100% ash sample and each blended sample to determine the gradation, plasticity, moisture-density relationship, specific gravity, shear strength (direct shear and California Bearing Ratio), resistivity, pH, sulfate content, and chloride content of each sample (Table 3).
4. The results of this physical testing will be presented in the final BUD documentation package as per Section 6.3, above.

9.0 Schedule

Work specified herein will commence upon the Department's approval of this WP and after a five (5)-day notice to Santee Cooper. A three-week turnaround is anticipated by the laboratories for the supplemental samples, during which time the stepped progression of the evaluation method described in Sections 6.1 and 6.2 will be under execution.

The final BUD documentation package is anticipated to be delivered to the Department approximately 30 days after approval of this WP and contingent upon sample collection coordination with Santee Cooper.

10.0 References Cited

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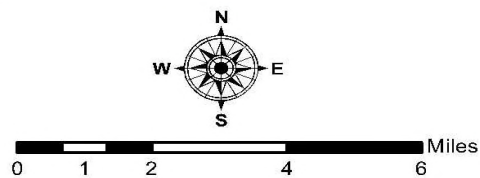
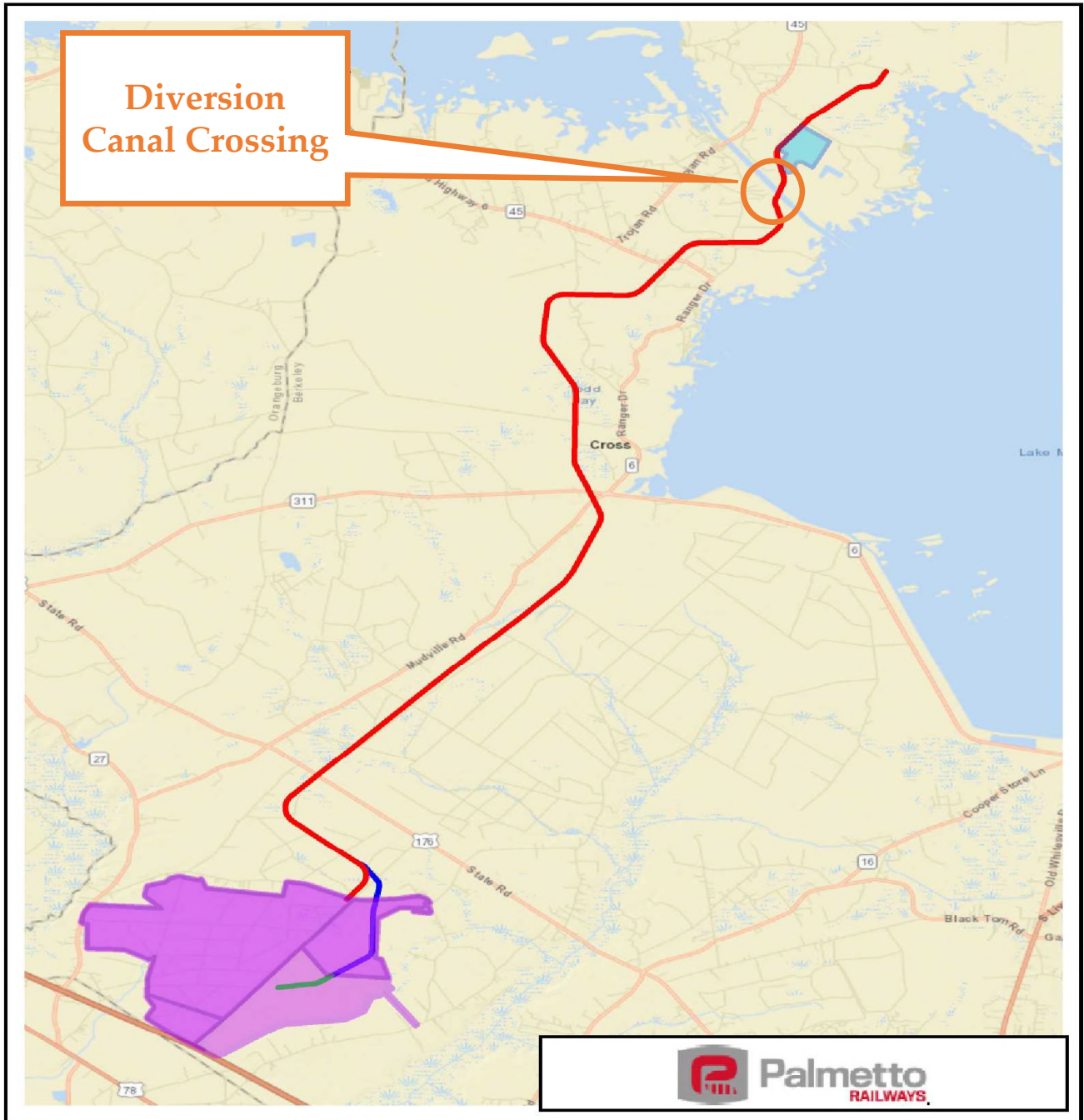
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Legend

- PHASE 1
- PHASE 2A
- PHASE 2B
- CAMP HALL COMMERCE PARK
- SANTEE COOPER CROSS GENERATING STATION

Note:
Figure provided by Palmetto Railways



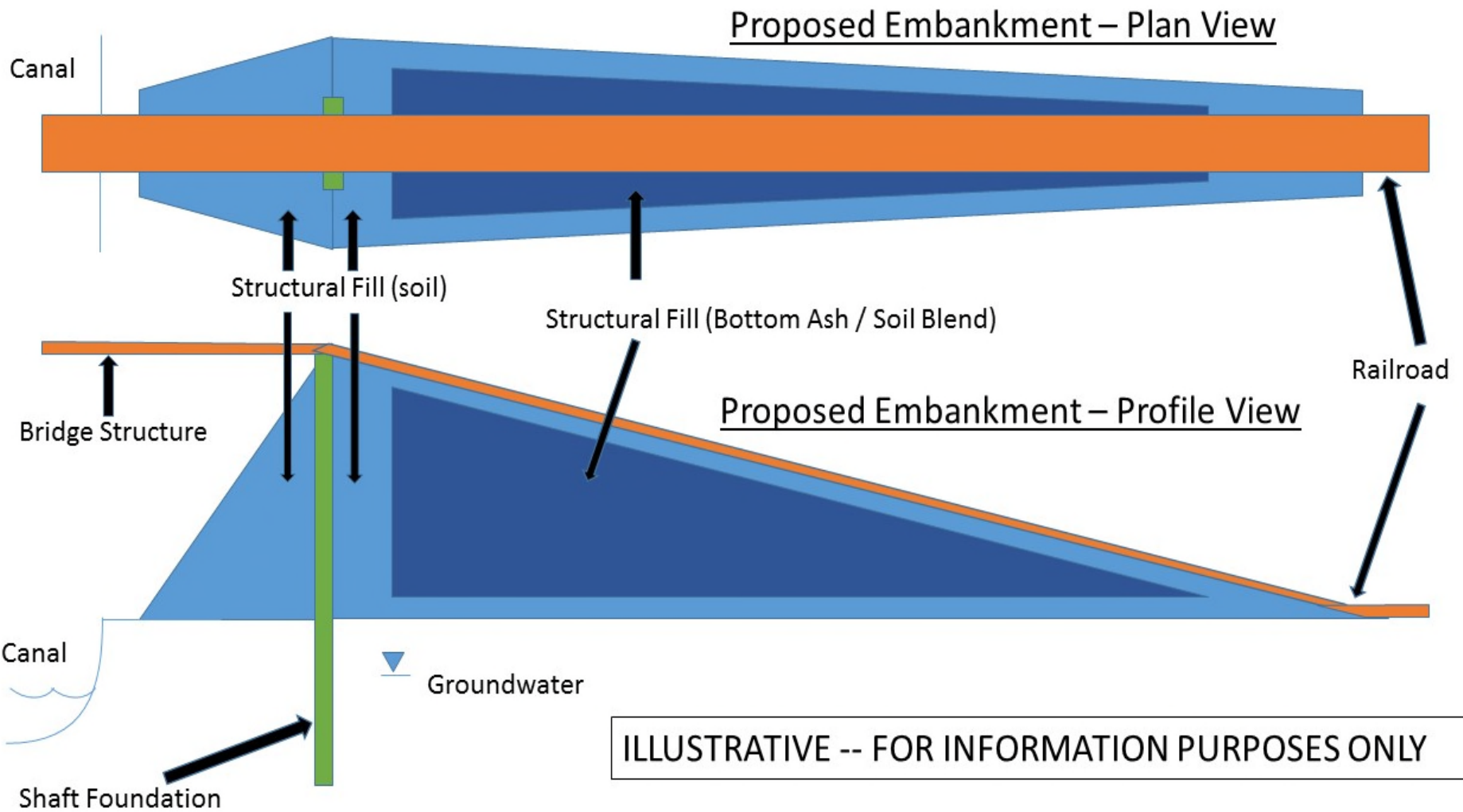
Camp Hall Rail Project Corridor and BUD Project Area

Camp Hall Rail Project
Berkeley County, South Carolina

SCALE:
As Shown
DATE:
11-9-17
PROJECT NUMBER
1134-11-233

FIGURE NO.

1



Conceptual Schematic – Railway Embankment for Diversion Canal Crossing

Camp Hall Rail Project
Berkeley County, South Carolina

SCALE:
None

DATE:
11-22-17

PROJECT NUMBER
1134-11-233

FIGURE NO.

2

Table 1 -- Scheduled Supplemental Chemical Testing: Analytical Methods -- SCPSA Cross Generating Station Bottom Ash
Beneficial Use Demonstration Work Plan
Palmetto Railways Camp Hall Rail Project, Berkeley County, South Carolina
S&ME Project No. 1134-11-233
December 20, 2017

Analytical Suite ^a		Test Method		Sample Designation ^b					
				CSG1			CSG4		
				A	B	C	A	B	C
TAL Metals -- Total Form		All but Mercury	SW-846 6010B	√	√	√	√	√	√
		Mercury	SW-846 7471A	√	√	√	√	√	√
		Extraction	None	--	--	--	--	--	--
TAL Metals -- TCLP		All but Mercury	SW-846 6010B	√	√	√	√	√	√
		Mercury	SW-846 7471B	√	√	√	√	√	√
		Extraction	SW-846 1311	√	√	√	√	√	√
TAL Metals -- SPLP		All but Mercury	SW-846 6010B	√	√	√	√	√	√
		Mercury	SW-846 7471B	√	√	√	√	√	√
		Extraction	SW-846 1312	√	√	√	√	√	√
PAHs -- LL		SW-846 8270D, SIM ^a		√	√	√	√	√	√
Radionuclides	Gross alpha	EPA 900.0 Modified		√	--	--	√	--	--
	Gross beta			√	--	--	√	--	--
	Radium 226 & 228	DOE EML HASL 300 4.5.2.3		√	--	--	√	--	--
	Uranium-233/-234, -235/-236, -238	DOE EML HASL 300 U-02-RC Modified		√	--	--	√	--	--
	Thorium 228, 230, 232	DOE EML HASL 300 Th-01-RC Modified		√	--	--	√	--	--

a. TAL = Target Analyte List; PAHs-LL = polynuclear aromatic hydrocarbons, low-level; TCLP = Toxicity Characteristic Leaching Procedure; SPLP = Synthetic Precipitation Leaching Procedure; SIM = Selective Ion Monitoring

b. A, B, C denote replicate samples

Table 2 -- Scheduled Supplemental Chemical Testing: Sample Collection Containers, Preservatives and Holding Times -- SCPSA Cross Generating Station Bottom Ash Beneficial Use Demonstration Work Plan
Palmetto Railways Camp Hall Rail Project, Berkeley County, South Carolina
S&ME Project No. 1134-11-233
December 20, 2017

Analytical Suite		Container	Preservative	Holding Time ^c	Volume Required
PAHs-LL		4- or 8-ounce jar, glass w/ Teflon™-lined cap	Cool to < 6° C	14 days/40 days	100 grams
Metals	Total	4- or 8-ounce jar, glass w/ Teflon™-lined cap	None	6 months	100 grams each
	TCLP			180 days/180 days	
	SPLP				
Mercury	Total	4- or 8-ounce jar, glass w/ Teflon™-lined cap	None	28 days	100 grams each
	TCLP			28 days/28 days	
	SPLP				
Radionuclides	Gross alpha	500 mL wide-mouth plastic container	None	180 days	150 grams total
	Gross beta				
	Radium				
	Uranium				
	Thorium				

a. TAL = Target Analyte List; PAHs-LL = polynuclear aromatic hydrocarbons, low-level; TCLP = Toxicity Characteristic Leaching Procedure; SPLP = Synthetic Precipitation Leaching Procedure; SIM = Selective Ion Monitoring

b. A, B, C denote replicate samples

c. when two (2) durations given = holding time limit for extraction/post-extraction holding time limit for analysis

Table 3 -- Scheduled Physical Testing -- SCPSA Cross Generating Station Bottom Ash

Beneficial Use Demonstration Work Plan

Palmetto Railways Camp Hall Rail Project, Berkeley County, South Carolina

S&ME Project No. 1134-11-233

December 20, 2017

Physical Test		Test Method	Unblended Ash				Ash/Soil Blend, % by weight		
			100%	100%	100%	100%	75/25	50/50	25/75
Gradation		ASTM 2017d	√	√	√	√	√	√	√
Plasticity		ASTM 2017b	√	√	√	√	√	√	√
Moisture-Density Relationship		ASTM 2017c,e; ASTM 2016a,b,c; ASTM 2015; ASTM 2012a,b; ASTM 2010	√	√	√	√	√	√	√
Specific Gravity		ASTM 2014	√	√	√	√	√	√	√
Shear Strength	Direct Shear	ASTM 2011	√	√	√	√	√	√	√
	California Bearing Ratio	ASTM 2017a; ASTM 2009	√	√	√	√	√	√	√
Resistivity		AASHTO T 288	√	√	√	√	√	√	√
pH		ASTM 2013; ASTM 2012c; ASHTO T 289	√	√	√	√	√	√	√
Sulfate Content		AASHTO T 290	√	√	√	√	√	√	√
Chloride Content		AASHTO T 291	√	√	√	√	√	√	√



December 20, 2017

Palmetto Railways
Attn: Tarek Ravenel
540 East Bay Street
Charleston, SC 29403

Approval of Beneficial Use Demonstration (BUD) Work Plan
RE: Revised Beneficial Use Demonstration Work Plan received via email on December 20, 2017
For a Specified Portion of the Camp Hall Rail Project
Bureau File #23449
Berkeley County

Dear Mr. Ravenel:

The Department received your request, submitted on your behalf by S&ME, Inc., to review the Beneficial Use Demonstration Work Plan for a specified portion of the Camp Hall Rail project. The intention of the Work Plan is to evaluate the use of bottom ash from Santee Cooper's Cross Electric Generating Station as a soil substitute in the rail embankments/approaches for the Diversion Canal crossing of the Camp Hall Rail Project.

After review, the Department approves the revised Beneficial Use Demonstration Work Plan. With this approval, you may commence implementation of the Work Plan.

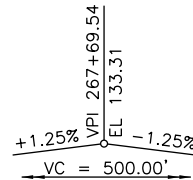
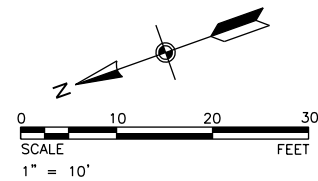
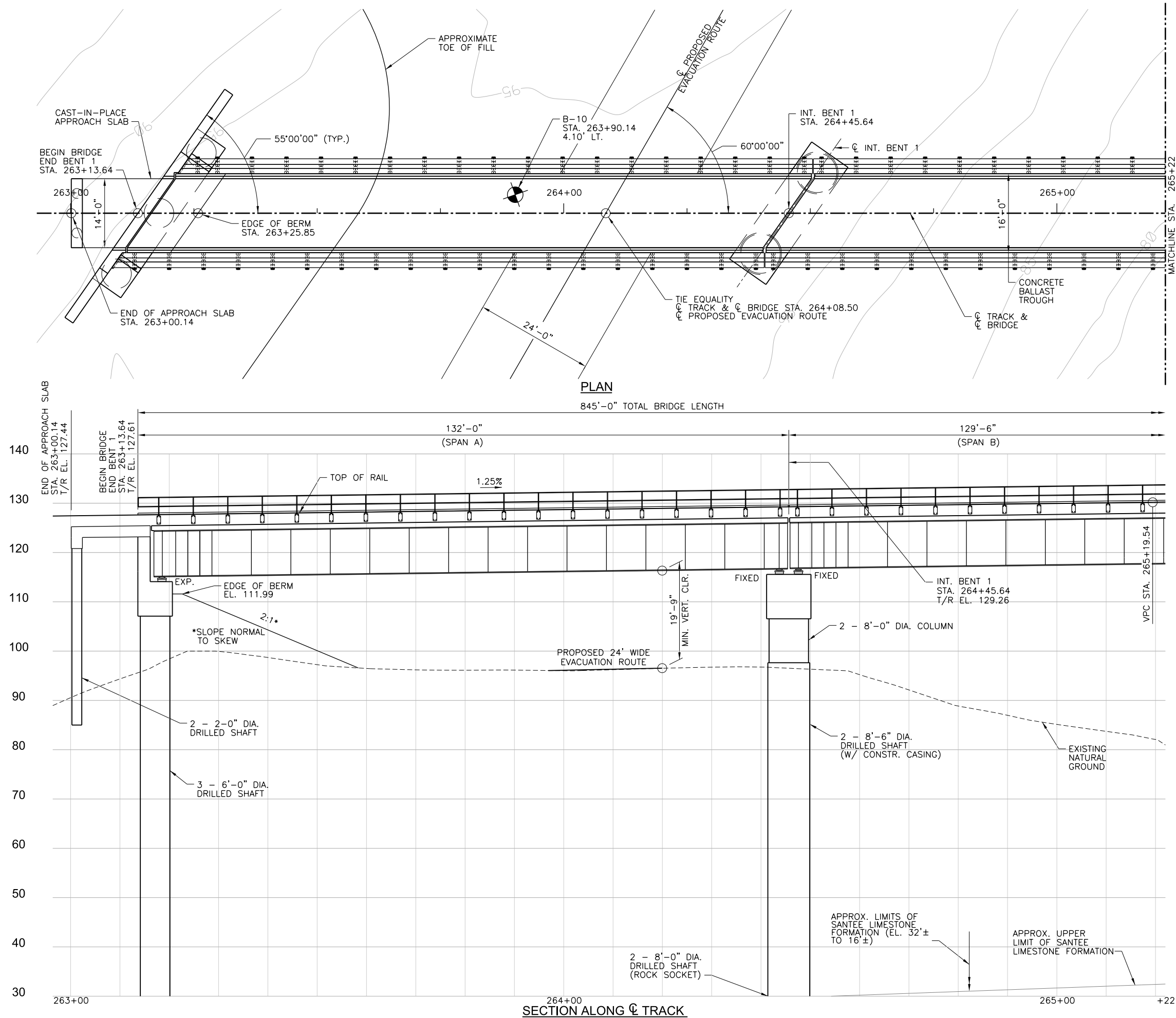
If you have any questions regarding this approval letter, feel free to contact me at shealywj@dhec.sc.gov or (803) 898-2207.

Sincerely,

Wayne J. Shealy, P.E.
Engineer
Solid Waste Permitting and Monitoring Section
Division of Mining and Solid Waste Management
Bureau of Land & Waste Management

cc: Joan Litton, Director– Mining & SW Management
Juli Blalock, Manager – SW Permitting & Monitoring
Marty Lindler, Manager – SW Compliance
Jeff Schrag, Manager – Waste Assessment
Jon Summa – Lowcountry EA Office, Charleston
Chuck Black, P.E. – via email, cblack@smeinc.com
Mike Marcus, Ph.D. – via email, mmarcus@smeinc.com
Bureau File #23449

TRANSYSTEMS
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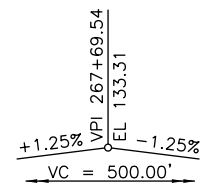
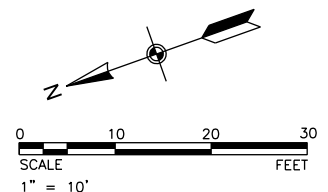


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DESIGNED BY:	RAH
DRAWN BY:	AJD
CHECKED BY:	MWR

SHEET TITLE:
BRIDGE PLAN AND ELEVATION (1 OF 4)

SHEET NO.	S-BP-01
SHEET	7 OF 40



845'-0" TOTAL BRIDGE LENGTH



IF THIS DRAWING IS LESS THAN 22" X 34" IT IS A REDUCED SIZE DRAWING

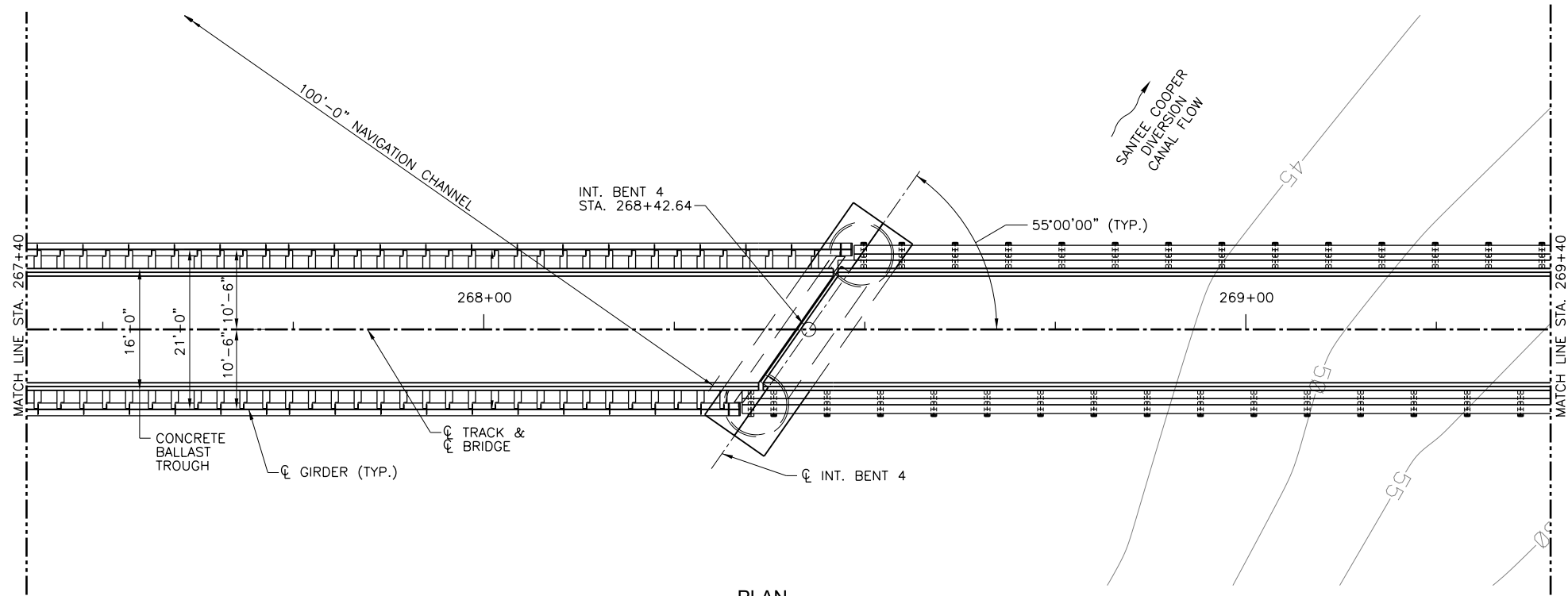
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BRIDGE PLAN
AND ELEVATION
(2 OF 4)

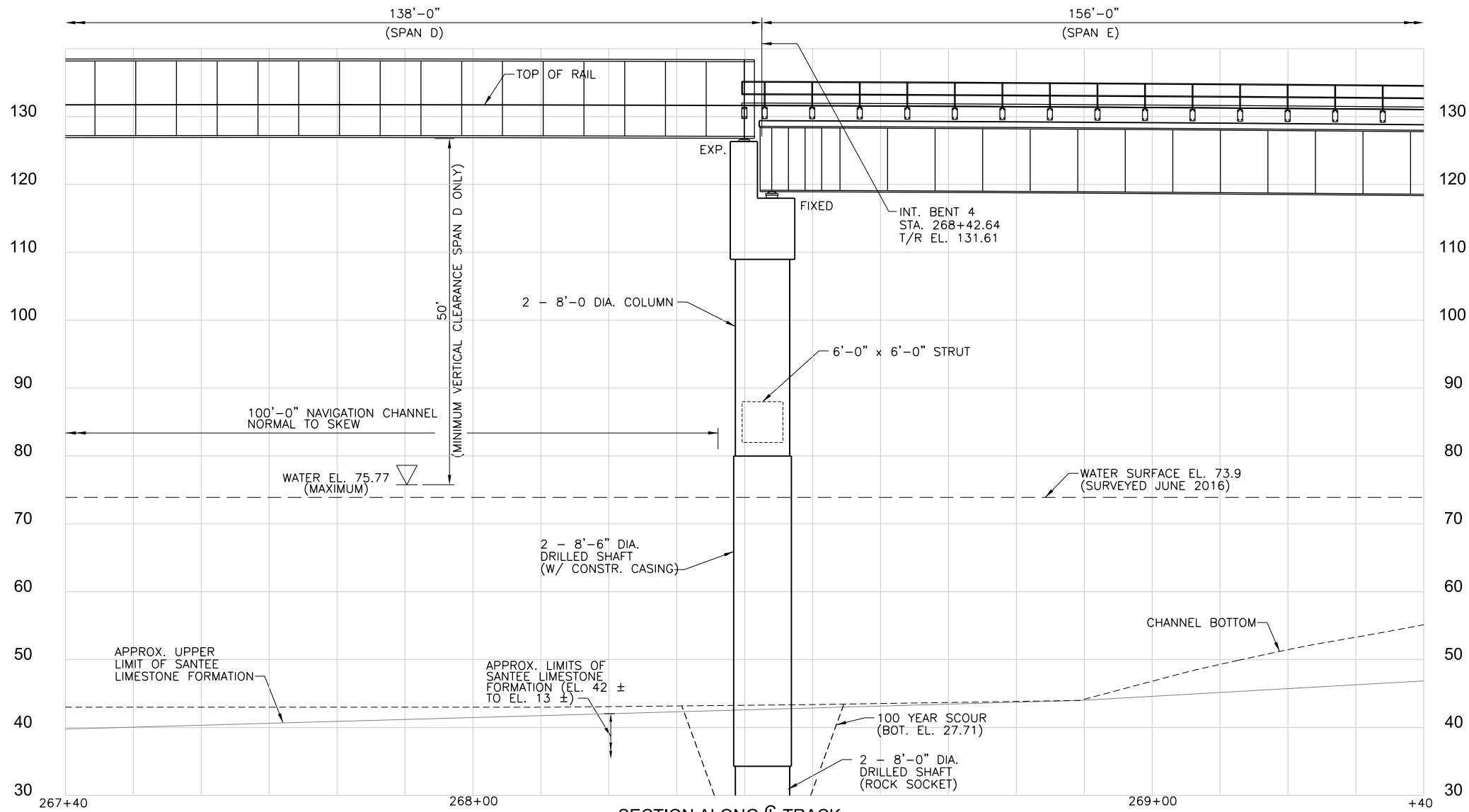
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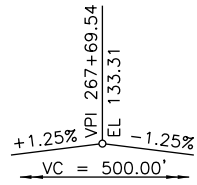
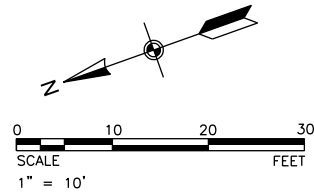


PLAN

845'-0" TOTAL BRIDGE LENGTH



SECTION ALONG CL TRACK



TranSystems

4400 LEEDS AVENUE
SUITE 430
NORTH CHARLESTON, SC 29405
PHONE: (843) 266-9300
FAX: (843) 529-9616

DOCUMENT IS FOR INTERIM REVIEW AND NOT
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PERMIT PURPOSES.

3/1/2018

SANTEE COOPER - CAMP HALL
BERKELEY COUNTY, SOUTH CAROLINA



REVISIONS:

MARK	DATE	DESCRIPTION

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DESIGNED BY:	RAH
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BRIDGE PLAN
AND ELEVATION
(3 OF 4)

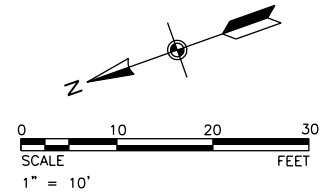
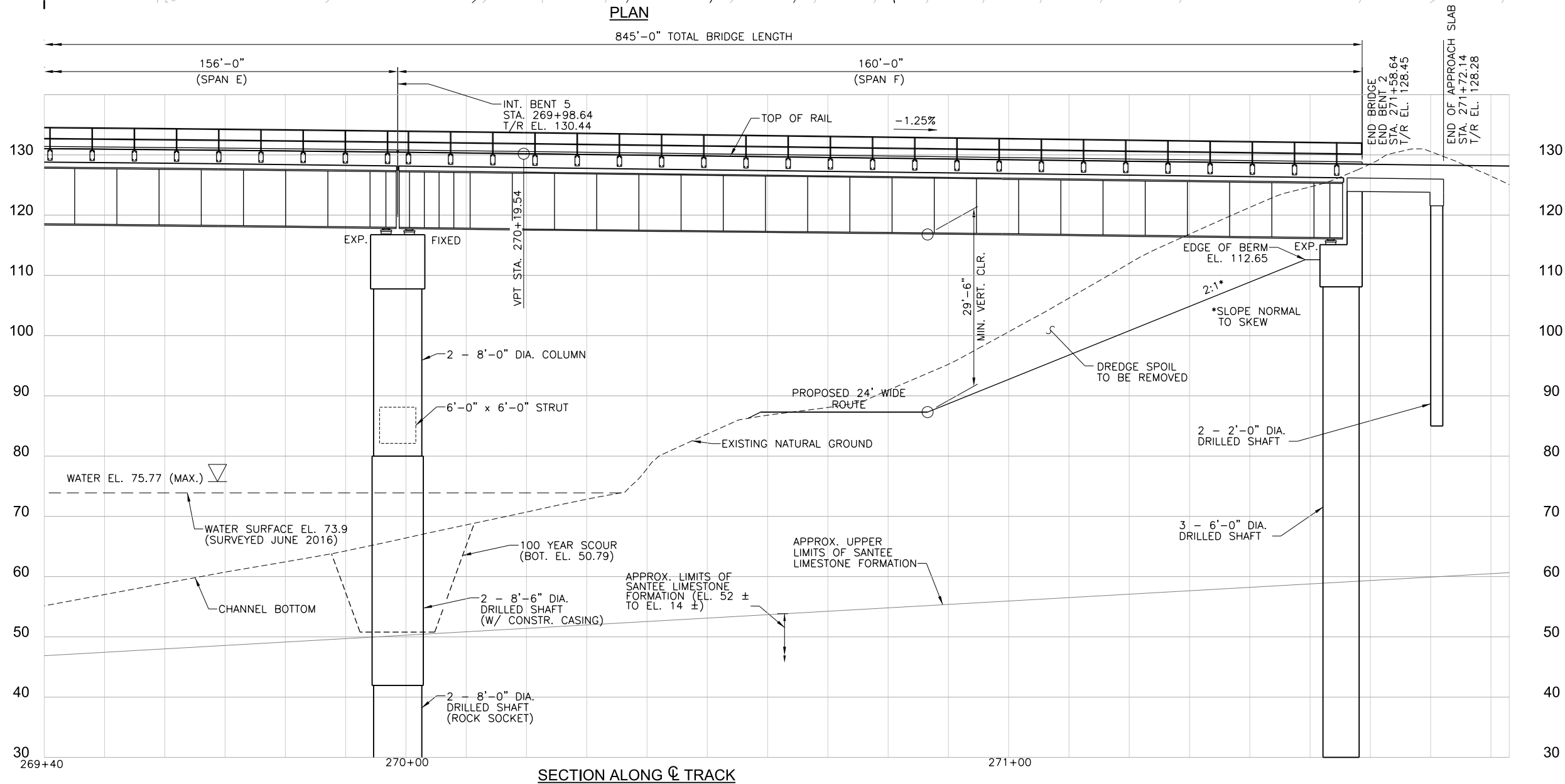
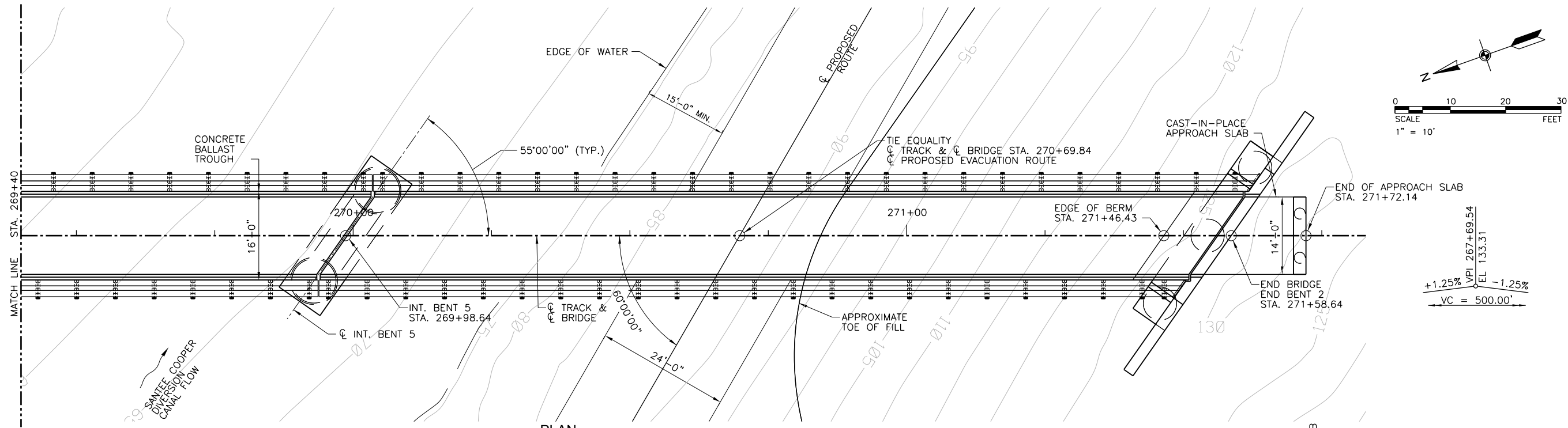
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DRAWN BY:	MJR
CHECKED BY:	MWR

SHEET TITLE:
BRIDGE PLAN AND ELEVATION (4 OF 4)

SHEET NO.	S-BP-04
SHEET	10 OF 40



SABINE & WATERS

ENVIRONMENTAL LAND MANAGEMENT CONSULTANTS

March 1, 2018

Mr. T Ravenel
Director of Special Projects
Palmetto Railways
540 East Bay Street
Charleston, SC 29403

**SUBJECT: Protected Species Assessment (Appendix D of the Environmental Report)
Camp Hall Railroad Project
Berkeley County, SC**

Dear Mr. Ravenel:

This letter responds to the request for additional information from the Surface Transportation Board (STB) and United States Army Corps of Engineers (USACE) pertaining to the Protected Species Assessment performed on the referenced project. These agencies requested:

- maps, and supporting GIS data, showing locations used to access the project area and conduct the evaluation;
- maps, and supporting GIS data, showing areas determined to contain suitable habitat for the species assessed;
- a map, and supporting GIS data, of the of an area adjacent to the corridor where suitable habitat was identified; and
- information pertaining to two nearby areas identified by natural resources agencies as having potentially suitable habitat.

Each of these topics are addressed below and indicated on the attached maps.

Enclosed are maps and shapefiles depicting the potentially suitable habitat identified as well as access to the different areas of the corridor. The entirety of the corridor was further assessed in the field for potential suitable habitat for all listed species during the wetland delineation process. The length and width of the corridor was traversed with transect spacing depending on habitat suitability, ground conditions and basal area of the forest. If habitat was considered unsuitable for an area, additional assessment was not completed. The corridor was re-visited many times

during subsequent site visits with USACE personnel, during which no threatened or endangered species were encountered.

Access to the corridor was granted from the property owners that the corridor crosses. Most access points were gated and locked, with access granted from Weyerhaeuser and a key provided. Some gated areas we had vehicular access (shown in red on attached map) and other areas we were required to walk in (shown in yellow on attached map). Access routes show gates, roads, and trails that were used to navigate around the corridor and large wetlands; however, the entirety of the corridor was traversed. Where potential suitable habitat was documented, the area was surveyed for listed species. We did not have legal access to some properties abutting and outside of the corridor in order to assess the habitat and survey for any listed species. Any adjacent properties without access were assessed from public right of ways and from properties we had permission to access. Further research was completed based on aerial imagery and coordination with SCDNR on species occurrences.

In the area identified as potentially suitable RCW foraging habitat adjacent to the corridor, Sabine & Waters obtained landowner permission to conduct a survey on August 2, 2017 to determine presence of RCWs in the area. No vocalizations, RCWs, natural starts, cavities, or any evidence of RCWs were observed. Per the United States Fish & Wildlife Service's (USFWS) RCW Recovery Plan, we confirmed there is not enough potentially suitable habitat on the adjacent property to support nesting habitat, but it does qualify as foraging habitat. This property is primarily loblolly pine and was thinned to its current state in 2013. The rail corridor is approximately 130-140 linear feet away from the property boundary that has the potentially suitable habitat. This area of potentially suitable habitat is surrounded by unsuitable habitat including fields, houses, wetlands, industrial timberlands, and roads.

USFWS and South Carolina Department of Natural Resources (SCDNR) further identified two areas near the Cross Generating Station as potentially suitable RCW habitat. Area 1 is not within the project area of the corridor we assessed and delineated; therefore, this area was not evaluated. An evaluation of Area 1 can be completed upon request.

Area 2 was surveyed and does not meet the suitable habitat guidelines outlined in the USFWS's RCW Recovery Plan. This area is loblolly pine approximately 20 - 40 years old, with a density above 70 basal area. An established understory of sweet gum, loblolly, red maple and hickory would also deter RCW's from using the area. There is evidence of a past prescribed fire on the landscape although it has been many years since this stand has seen fire. Because the habitat is considered unsuitable per the RCW recovery plan, a detailed survey was not completed in this area.

Mr. T Ravenel

March 1, 2018

Page 3

Based upon our habitat assessment, there are few areas along the corridor that could be considered potentially suitable habitat for any listed species due to the land use (i.e. industrial forestry) and the practices that are commonplace with forest management of these areas. Mechanical and herbicide site preparation treatments, short rotation harvests and lack of fire on the landscape do not provide the ecosystems necessary that would harbor listed species. Areas outside of the project impact area could only be assessed from the corridor where access was allowed and with the use of remote sensing technology.

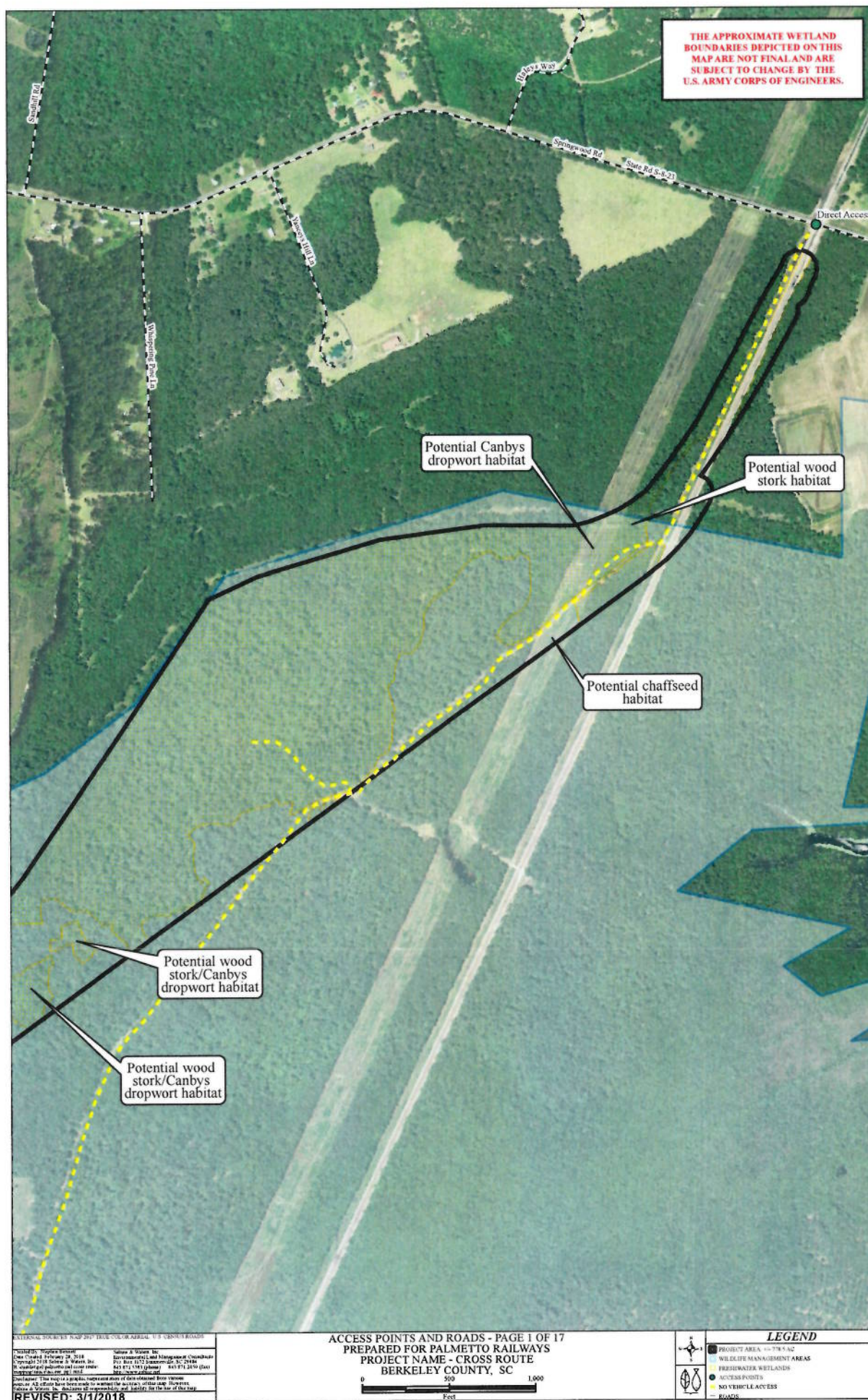
Please contact me with any additional questions.

Respectfully,

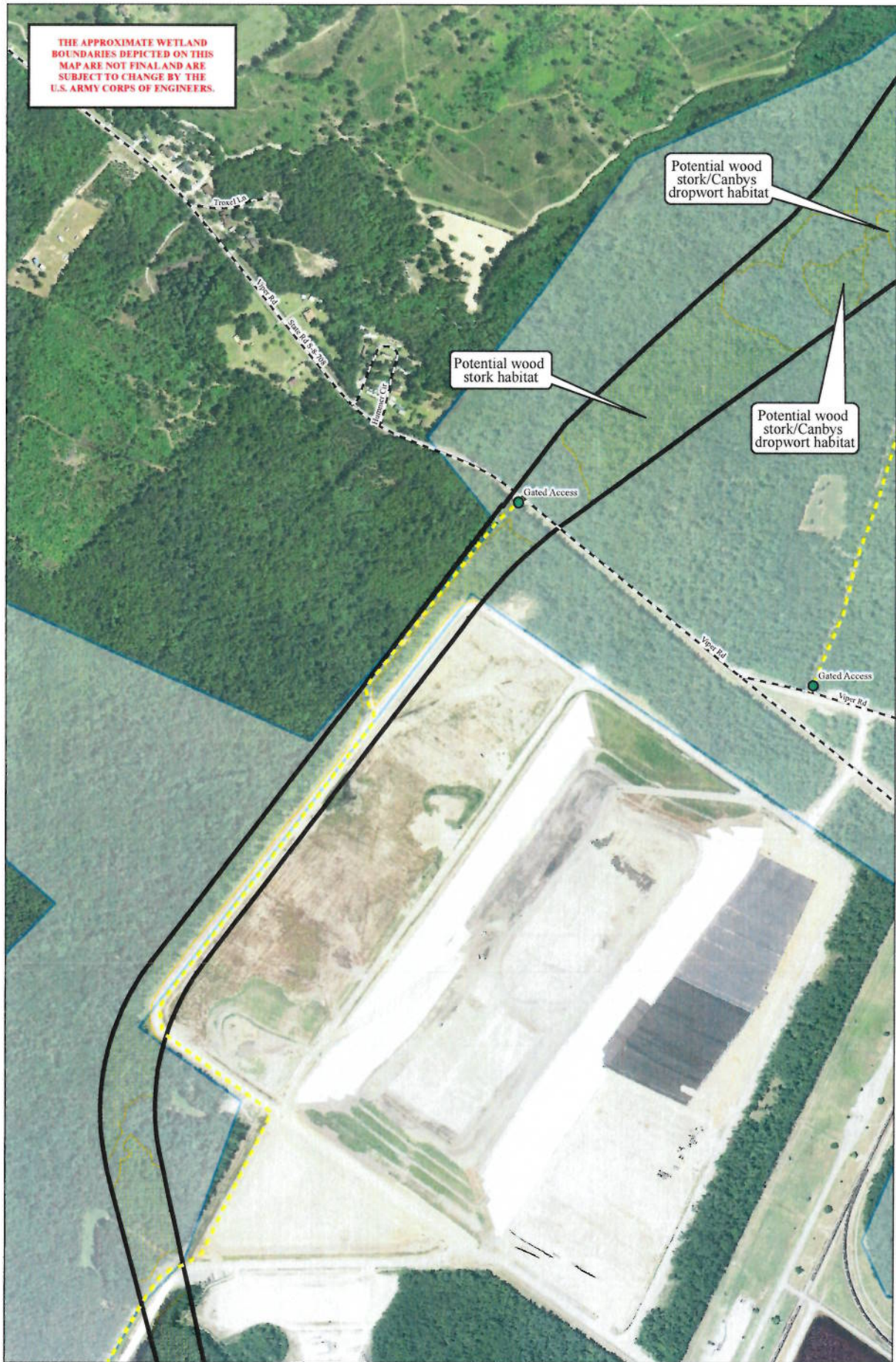
Robert Strange
Sabine & Waters, Inc.

Copy: Tom Hutton GEL

Enclosure

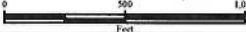


THE APPROXIMATE WETLAND
BOUNDARIES DEPICTED ON THIS
MAP ARE NOT FINAL AND ARE
SUBJECT TO CHANGE BY THE
U.S. ARMY CORPS OF ENGINEERS.



EXTERNAL SERVICES MAP 2017 TITLE: COASTAL AIRPORT F-35 CONSTRUCTION
 Prepared by: Stephen Wright
 Date: 2/1/2018
 Scale: 1" = 1000'
 Date: 2/1/2018
 Scale: 1" = 1000'
 Date: 2/1/2018
 Scale: 1" = 1000'

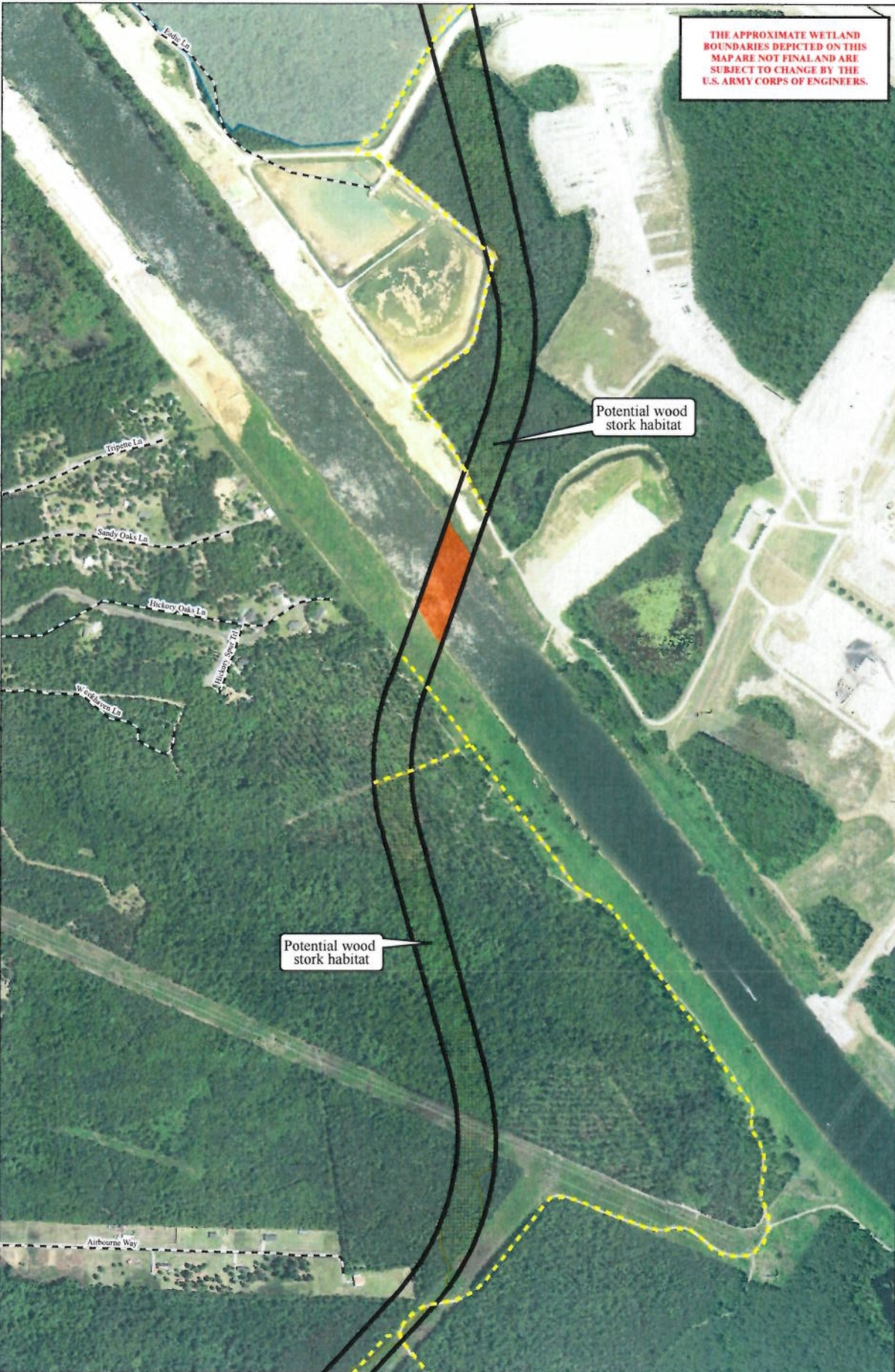
ACCESS POINTS AND ROADS - PAGE 2 OF 17
 PREPARED FOR PALMETTO RAILWAYS
 PROJECT NAME - CROSS ROUTE
 BERKELEY COUNTY, SC



LEGEND

- PROJECT AREA - 55,778.5 AC
- WILDLIFE MANAGEMENT AREAS
- FRESHWATER WETLANDS
- ACCESS POINTS
- NO VEHICLE ACCESS
- ROADS

REVISED: 3/1/2018



THE APPROXIMATE WETLAND
BOUNDARIES DEPICTED ON THIS
MAP ARE NOT FINAL AND ARE
SUBJECT TO CHANGE BY THE
U.S. ARMY CORPS OF ENGINEERS.

Potential wood
stork habitat

Potential wood
stork habitat

EXTERNAL SOURCES: NAD 83 DATA, COLOR AERIAL, 1:50,000 SCALE
PROJECT: Tropical Wetland
Date Created: February 28, 2018
Prepared by: T. J. Miller & Son, Inc.
Reviewed by: T. J. Miller & Son, Inc.
Approved by: T. J. Miller & Son, Inc.
REVISIONS: 3/1/2018

ACCESS POINTS AND ROADS - PAGE 3 OF 17
PREPARED FOR PALMETTO RAILWAYS
PROJECT NAME - CROSS ROUTE
BERKELEY COUNTY, SC

LEGEND

- PROJECT AREA - 1/2" = 1' (1:12,000)
- WETLAND MANAGEMENT AREA
- PERMANENT WETLAND
- TEMPORARY WETLAND
- WETLAND BUFFER
- NO VEHICLE ACCESS
- ROAD

THE APPROXIMATE WETLAND BOUNDARIES DEPICTED ON THIS MAP ARE NOT FINAL AND ARE SUBJECT TO CHANGE BY THE U.S. ARMY CORPS OF ENGINEERS.

Holly Ave

Airbourne Way

Saint Julian Dr

Direct Access

Heister Ln

Honey Bass Rd

Blacks Camp Rd

Gated Access

Prepared by: Stephen Bennett
Issue Cycle: February 2018
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http://www.salineandwaters.com

0 500 1,000
feet



PROJECT AREA 16-178.5 A
FRESHWATER WETLANDS
ACCESS POINTS
NO-VEHICLE ACCESS
ROADS

[illegible]

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REVISED: 3/1/2018

LEGEND

- PROJECT AREA (14,778.5 AC)
- WILDLIFE MANAGEMENT AREAS
- FRESHWATER WETLANDS
- ACCESS POINTS
- NO VEHICLE ACCESS
- ROADS

THE APPROXIMATE WETLAND BOUNDARIES DEPICTED ON THIS MAP ARE NOT FINAL AND ARE SUBJECT TO CHANGE BY THE U.S. ARMY CORPS OF ENGINEERS.

Potential wood stork habitat

Old Hwy 6
State Hwy 6
Aurora Ln
Sawyer Tract Tr
Royceblaze Tr
Royceblaze Cr
Dugwood Ln

THE APPROXIMATE WETLAND BOUNDARIES DEPICTED ON THIS MAP ARE NOT FINAL AND ARE SUBJECT TO CHANGE BY THE U.S. ARMY CORPS OF ENGINEERS.

Potential wood stork habitat

Old Hwy 6
State Hwy 6
Aurora Ln
Sawgrass Pkwy Trl
Royalsblaze Trl
Royalsblaze Cr
Dugwood Ln

[illegible][illegible]

EXTERNAL, WEST-TO-NEAR 2ND (SEE COLOR AERIAL, 5/5/2015) (2015)

ACCESS POINTS AND ROADS - PAGE 6 OF 17
 PREPARED FOR PALMETTO RAILWAYS
**PROJECT NAME - CROSS ROUTE
 BERKELEY COUNTY, SC**

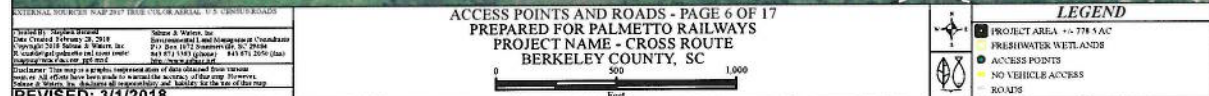
LEGEND

- PROJECT AREA - 107.75+ AC
- PERMANENT WETLANDS
- ACCESS POINTS
- NO VEHICLE ACCESS
- ROADS

Scale: 0 500 1,000 Feet

North Arrow

Projected: NAD 83
 Date Created: February 28, 2018
 Copyright: 2018, James A. Wilson, Inc.
 Prepared by: jwilson@jwilson.com and jwilson@jwilson.com
 Computer used: ArcGIS 10.4.1
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EXTERNAL, WEST-TO-NEAR 2ND (SEE COLOR AERIAL, 5/5/2015) (2015)

ACCESS POINTS AND ROADS - PAGE 6 OF 17
 PREPARED FOR PALMETTO RAILWAYS
**PROJECT NAME - CROSS ROUTE
 BERKELEY COUNTY, SC**

LEGEND

- PROJECT AREA - 107.75+ AC
- PERMANENT WETLANDS
- ACCESS POINTS
- NO VEHICLE ACCESS
- ROADS

Scale: 0 500 1,000 Feet

North Arrow

Project Manager: **Michael A. Wilson**
 Date Created: **February 28, 2018**
 Copyright: **2018 Michael A. Wilson Inc.**
 Prepared by: **Michael A. Wilson Inc.**
 Computer used: **AutoCAD 2018**
 Disclaimer: This map is a graphic representation of data obtained from various sources. No effort has been made to ascertain the accuracy of the map. However, the map is a graphic representation of the data as it was obtained from the sources.

THE APPROXIMATE WETLAND BOUNDARIES DEPICTED ON THIS MAP ARE NOT FINAL AND ARE SUBJECT TO CHANGE BY THE U.S. ARMY CORPS OF ENGINEERS.

Direct Access

RCW suitable habitat

Silverfish Rd

Daves Ln

Swan Ln

Map description: This is an aerial photograph of a wetland area. The map features several distinct boundaries: a thick black line forming a large loop on the left; a dashed red line following a path on the left side; a dashed purple line at the bottom; and a dashed black line that meanders through the center and right. A callout box labeled 'RCW suitable habitat' points to a specific area within the dashed purple boundary. Other labels include 'Direct Access' at the top, 'Silverfish Rd' in the center, and 'Daves Ln' and 'Swan Ln' on the right side. The terrain is a mix of dense green forest and cleared, lighter-colored areas.

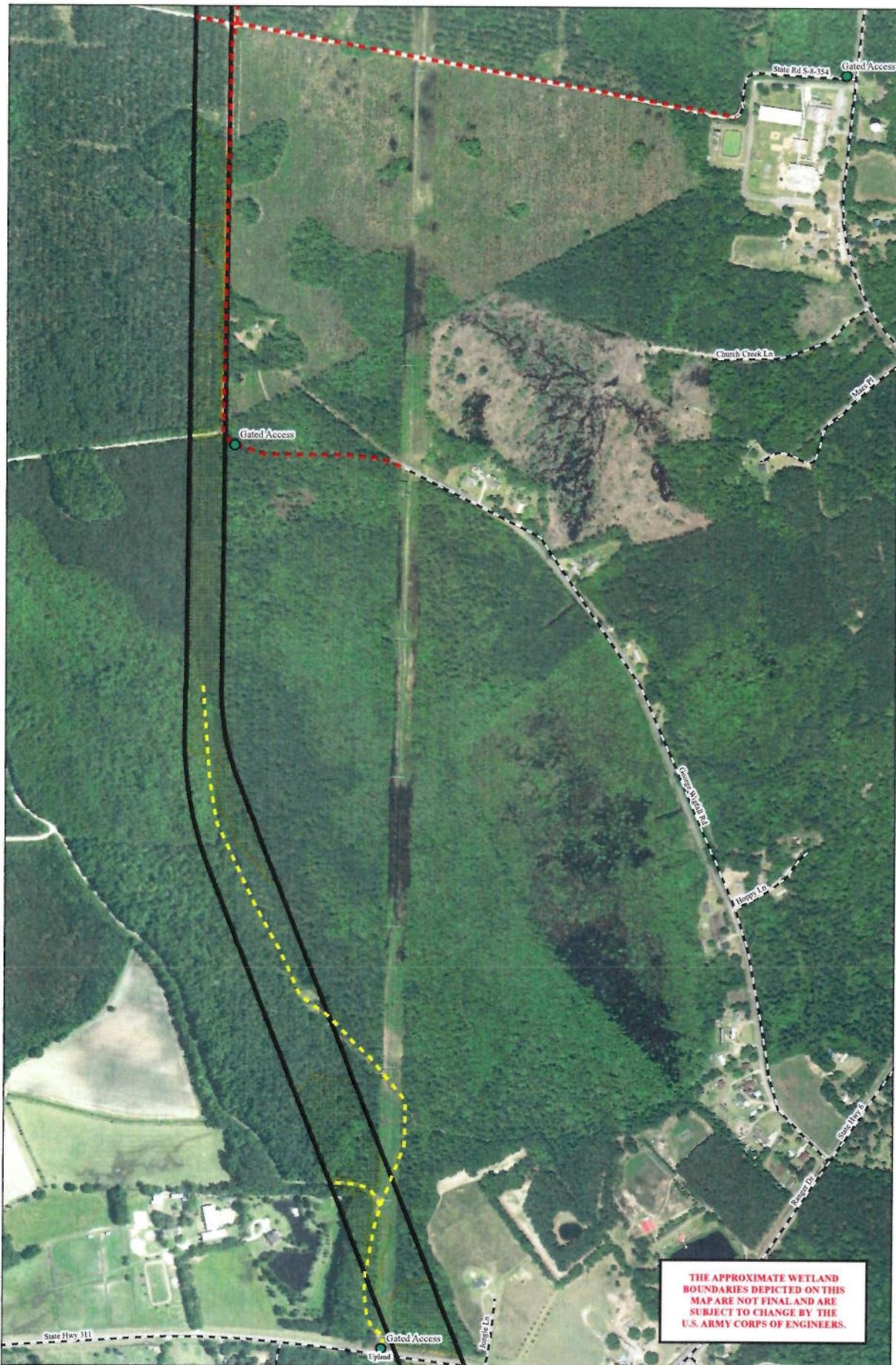
EXTERNAL SOURCES: MAP 243: TRUE COLOR AERIAL U.S. COAST GUARD
 (created by: Stephen Bennett) Solano & Waters, Inc.
 Date Created: February 28, 2018 Environmental and Mining Health Council
 Copyright 2018 Solano & Waters Inc. P.O. Box 1072, Sonoma, CA 94964
 All rights reserved. 843 872 1610 843 872 1610 (f)
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REVISED: 3/1/2018

0 500 1,000
Feet

LEGE

PROJECT AREA 100-778.9 AC
 ROW SUITABLE HABITAT 100-273.9 AC
 FRESHWATER WETLANDS
 ACCESS POINTS
 ACCESS ROADS
 NO VEHICLE ACCESS



THE APPROXIMATE WETLAND
BOUNDARIES DEPICTED ON THIS
MAP ARE NOT FINAL AND ARE
SUBJECT TO CHANGE BY THE
U.S. ARMY CORPS OF ENGINEERS.

EXTERNAL SOURCES: SAMP 2017 DATA, U.S. GEOLOGICAL SURVEY, U.S. COUNTY RECORDS
 PREPARED BY: [Faint text]
 DATE: [Faint text]
 PROJECT: [Faint text]
 REVISIONS: [Faint text]
 REVISIONS: 3/1/2018

ACCESS POINTS AND ROADS - PAGE 9 OF 17
 PREPARED FOR PALMETTO RAILWAYS
 PROJECT NAME - CROSS ROUTE
 BERKELEY COUNTY, SC



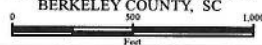
LEGEND

- PROJECT AREA - 4.78 AC
- FRESHWATER WETLANDS
- ACCESS POINTS
- ACCESS ROADS
- NO VEHICLE ACCESS
- ROADS



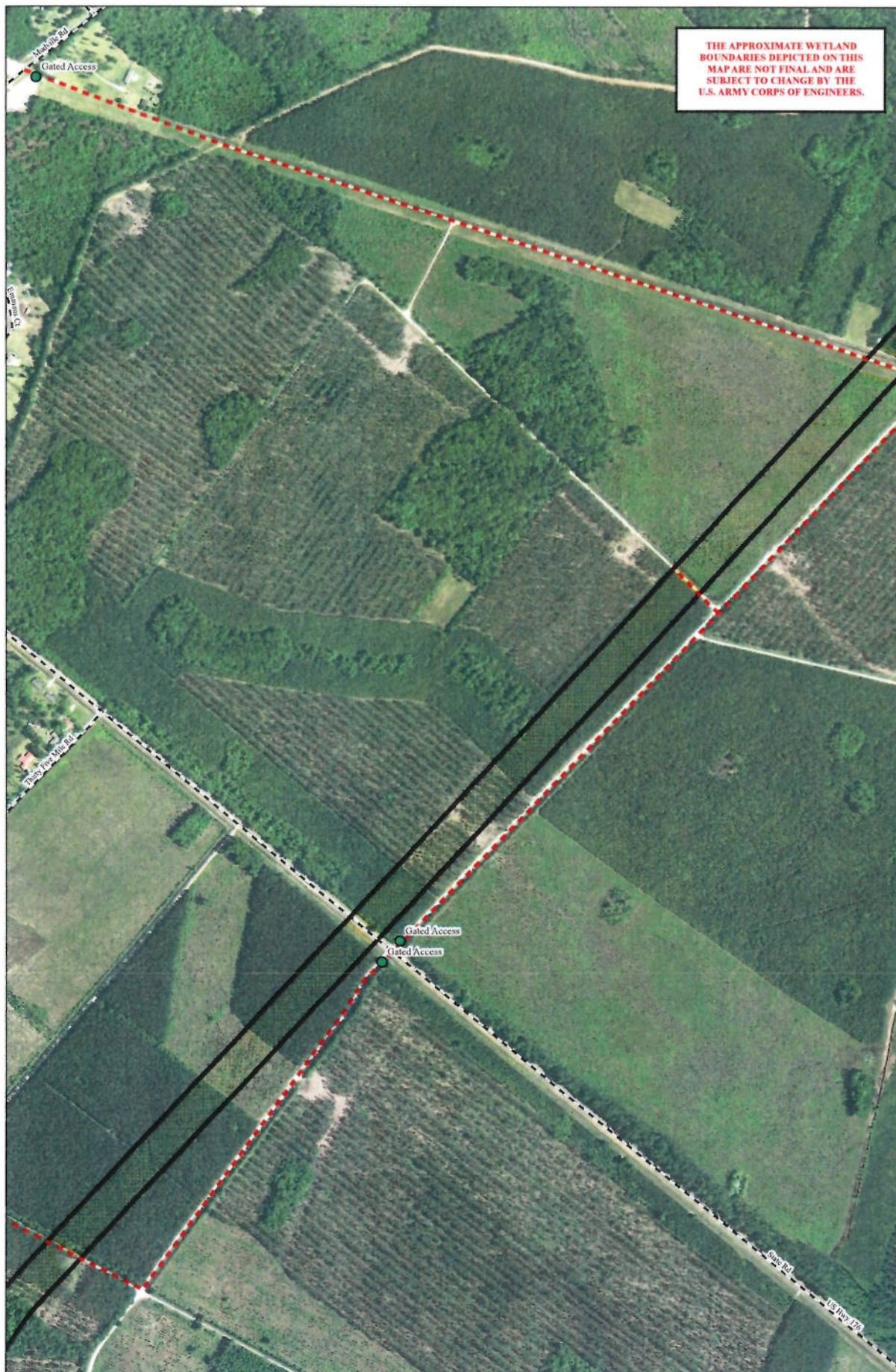
EXTERNAL SOURCE: NAD 83, 30' RESOLUTION, 1:250,000
 DATA SOURCES: NAD 83, 30' RESOLUTION, 1:250,000
 DATE: 2/28/2018
 PROJECT: ACCESS POINTS AND ROADS - PAGE 14 OF 17
 PREPARED FOR: PALMETTO RAILWAYS
 PROJECT NAME: CROSS ROUTE
 BERKELEY COUNTY, SC
 REVISIONS: 2/28/2018

ACCESS POINTS AND ROADS - PAGE 14 OF 17
 PREPARED FOR PALMETTO RAILWAYS
 PROJECT NAME - CROSS ROUTE
 BERKELEY COUNTY, SC



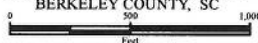
LEGEND

- PROJECT AREA - 779.5 AC
- FRESHWATER WETLANDS
- ACCESS POINTS
- ACCESS ROADS
- ROADS



External Sources Map 2017 TRUE NORTH AERIAL 1:50,000 SCALE
 Prepared by: Virginia R. Smith
 Date Created: February 28, 2018
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REVISED: 3/1/2018

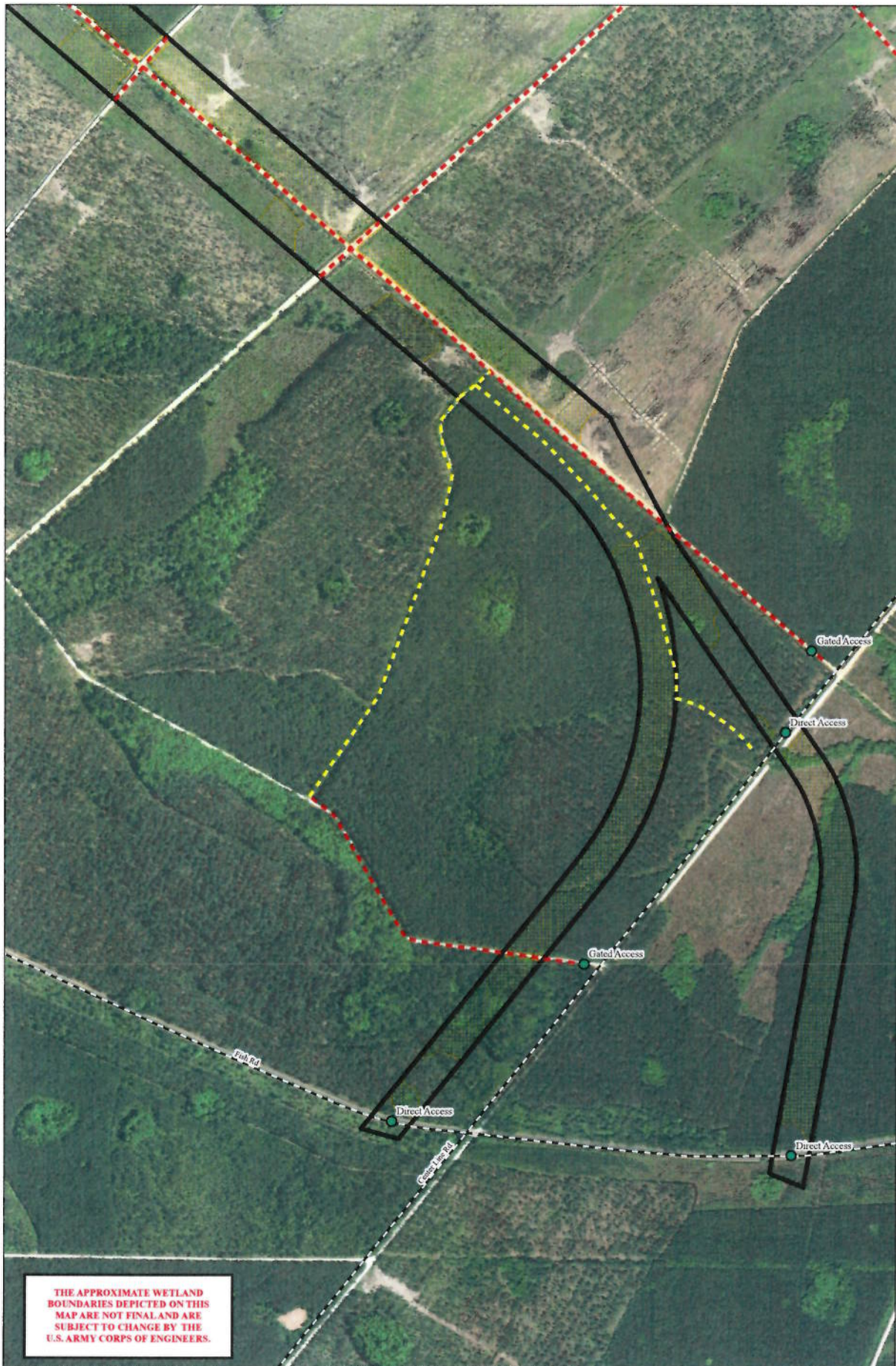
ACCESS POINTS AND ROADS - PAGE 15 OF 17
 PREPARED FOR PALMETTO RAILWAYS
 PROJECT NAME - CROSS ROUTE
 BERKELEY COUNTY, SC



LEGEND

- PROJECT AREA - 46,778.5 AC
- FRESHWATER WETLANDS
- ACCESS POINTS
- ACCESS ROADS
- ROADS





THE APPROXIMATE WETLAND
BOUNDARIES DEPICTED ON THIS
MAP ARE NOT FINAL AND ARE
SUBJECT TO CHANGE BY THE
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EXTERNAL SOURCE: MAP 2017 DATE: 01/24/2018 U.S. COUNTY: BERKELEY
 Prepared by: Stephen M. Wilson
 Date Created: January 24, 2018
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 Phone: (925) 835-1111 Fax: (925) 835-1112
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ACCESS POINTS AND ROADS - PAGE 17 OF 17
 PREPARED FOR PALMETTO RAILWAYS
 PROJECT NAME - CROSS ROUTE
 BERKELEY COUNTY, SC



LEGEND

- PROJECT AREA - 718.3 AC
- FRESHWATER WETLANDS
- ACCESS POINTS
- ACCESS ROADS
- NO VEHICLE ACCESS
- ROADS

Information Request #4 and Responses



SURFACE TRANSPORTATION BOARD

Washington, DC 20423

Office of Environmental Analysis

April 4, 2018

Tarek Ravenel
Palmetto Railways
540 East Bay St
Charleston, SC 29403

Re: Docket No. FD 36095, Palmetto Railways – Petition for Exemption – In Berkeley County, South Carolina; Information Request #4

Dear Mr. Ravenel:

Consistent with 40 C.F.R. § 1506.5(a), we request the information listed below to assist the Surface Transportation Board's Office of Environmental Analysis (OEA) in fulfilling its obligations under Section 7 of the Endangered Species Act, specifically pertaining to potential impacts to the Atlantic sturgeon (*Acipenser oxyrinchus*) and the shortnose sturgeon (*Acipenser brevirostrum*) resulting from the proposed Diversion Canal bridge crossing. OEA will use this information in its consultations with the National Marine Fisheries Service (NMFS). We have attached NMFS's Section 7 Checklist that OEA will use to initiate consultation with NMFS. While OEA is able to obtain some of the information from Palmetto Railways' Environmental Report and Section 404/401 Individual Permit Application, OEA needs the information requested below to complete the assessment. Please note that we have included the alpha numeric references from the Checklist for your convenience.

1. C.1. Existing Structures – Based on March 2017 aerial imaging, there does not appear to be any rip-rap or bank armoring along the Diversion Canal (above or below the ordinary high water mark) or any other existing in-water structures (e.g., docks) at the location of the proposed bridge crossing. Please confirm the absence of existing structures at the location of the proposed bridge crossing.
2. D.3. Overwater Structures - Please describe the rail bridge decking for the bridge spans.
 - a. What are the components of the bridge from side to side (i.e., walkways, concrete ballast trough, rail, ties) and what are they made from (e.g., steel, concrete)?
 - b. Are there any openings in the decking or are components impermeable (e.g., if there are walkways are they steel grated)?
 - c. If there are openings in any component of the decking, what are the approximate distances between openings or opening dimensions?
3. D.5. General Construction Methods (not including pile installation – see next question) - Please provide detailed plans for step-by-step bridge construction methodology, and locations of work (barge, upland or both).
4. D.6. Pile Installation – It is understood that Palmetto Railways anticipates drilled shaft foundations for all bridge supports, but based on Palmetto Railways' Response to Information Request #3 (dated March 7, 2018), pile driving cannot be ruled out. Therefore, to adequately assess potential impacts should pile installation occur, please provide information on the construction methodology (similar to general construction methods

above) used to install any piles that may be driven in-water to support the bridge. For the following questions, provide reasonable estimates, as appropriate:

- a. What is the composition of the piles (e.g., wood, vinyl, concrete, metal)?
 - b. What is the estimated maximum number of piles that would be driven in a day?
 - c. What is the estimated average number of pile strikes per pile?
 - d. Will piles be driven in a confined space (150 feet to nearest reflecting object)?
 - e. Based on Palmetto Railways' Section 404/401 Individual Permit Application, drilled shaft foundations will be used instead of piles, where feasible. Please describe drilled shaft foundations, how they differ from piles, and why Palmetto considers use of drilled shafts a mitigation/minimization measure that would benefit sturgeon (i.e., what impacts would be avoided/reduced by use of drilled shaft foundations).
 - f. Based on Palmetto Railways' Section 404/401 Individual Permit Application, piles will be installed with a vibratory driver to the maximum extent practicable, and impact hammer will be used if needed. Is there an estimate on how much one method may be used over the other, and are any other methods potentially necessary (i.e., jetting or auguring)?
 - g. Based on Palmetto Railways' Section 404/401 Individual Permit Application cushion blocks or other noise attenuation devices will be used if impact hammers are used. Please provide additional details on the cushion blocks and provide examples of the other attenuation devices that would be used. What would be the extent of underwater noise with and without attenuation devices for each method of pile driving used and what are the estimated underwater sound pressure levels?
5. D.9. Construction Schedule – Please provide an estimated construction schedule with the duration of the bridge construction's major phases of in-water work (e.g., number of days, weeks, or months, season restrictions, etc.). Please confirm that construction would only occur during daylight hours and no longer than 12 hours per day.
 6. D.10. Conservation/Protective Measures – Please indicate how mitigation or other protective measures for sturgeon are being incorporated into the bridge design and construction, and if any measures in addition to those provided in Palmetto Railways' Section 404/401 Individual Permit Application are planned to avoid or reduce potential impacts to sturgeon.

Thank you for your assistance in this matter. Please feel free to contact Diana Wood of my staff at 202-245-0302 or by email at Diana.Wood@stb.gov, if you have any questions. I would appreciate two copies of your response, one sent to Diana Wood at 395 E Street SW, Washington DC 20423 or by email at the above address, and one sent to David Bauer of ICF, our independent

April 4, 2018

Page 3

third-party consultant, at 9300 Lee Highway Fairfax, VA 22031 or by email at David.Bauer@icf.com. We look forward to receiving this information at your earliest convenience, but no later than April 18, 2018.

Sincerely,



Victoria Rutson
Director, Office of Environmental Analysis

cc: Elizabeth Williams, U.S. Army Corps of Engineers
Encl: NMFS Section 7 Checklist

NMFS Endangered Species Act Section 7 Checklist

For common, minor coastal construction projects

Updated 09/15/2015

A) Project Identification

Lead Action Agency:

Agency Contact: (Phone, Email)

Applicant Name/ Contact: (Phone, Email)

Project Name & ID #:

Are any aspects of the proposed project being authorized under a separate consultation? (SAJ general permits, GRBO, SARBO, NWP, Programmatic consultation, etc.)

B) Project Location and Site Description

1. Address, including county and state, and description of property (public, residential, commercial, industrial, etc.):

2. a) Latitude & Longitude:

i. Required to be submitted in Decimal Degrees and Datum (e.g., 27.71622 , -80.25174 [NAD83])

ii. Online conversion: <http://transition.fcc.gov/mb/audio/bickel/DDDMSS-decimal.html>

3. Waterbody:

i. Name of the body of water on which the project is located (St. Johns River, Tampa Bay, Suwannee River, etc.)

ii. If riverine or estuarine, approximate navigable distance from marine environment (e.g., Atlantic, Gulf of Mexico)

C) Project Site Resource Description

1. Existing Structures: (Describe current structures in project area)

i. Marina, riprap, dock, etc.

ii. Number of slips. size (area of overwater structure), linear or square footage, location, orientation, etc.

2. Existing Conditions: (Describe the project area)

i. Substrate type, water quality, depth, etc.

ii. List any alterations to substrate type, water quality, depth, etc, resulting from the proposed action (qualitative and quantitative)

3. Seagrasses & Other Marine Vegetation

i. If a benthic survey was conducted provide date of survey and a copy of the report

ii. Species area of coverage estimates and density of species coverage (percentage) estimates

iii. Location relative to proposed structures. Provide detailed sketch of action area and location of marine vegetation

iv. List any impacts to seagrasses or other marine vegetation resulting from proposed action (square feet)

4. Mangroves

i. Species (red, black, or white)

ii. Area (square and linear feet). Provide detailed sketch of the action area and location of mangroves.

iii. List any impacts to mangroves resulting from the proposed action (square and linear feet)

5. Corals

- If a benthic survey was conducted provide date of survey and a copy of the report
- Species Present
- Area of coverage and density estimates (percentage, include estimates for each species)
- Location relative to proposed structures. Provide detailed sketch of action area and location of corals.
- List any impacts to corals resulting from proposed action (number and size of colonies and/or fragments)

D) Project Description and Construction Methods

- ☐ Yes, the applicant has agreed to follow the Mangroves and Seagrass Dock Construction Guidelines (Found [here](#))
- ☐ Yes, the applicant has agreed to follow NMFS Johnson's Seagrass Dock Construction Guidelines (Found [here](#))
- ☐ Yes, the applicant has agreed to follow the NMFS Sea Turtle and Smalltooth Sawfish Construction Conditions (Found [here](#))

1. Project: (Please describe)

2. In Water Structures:

- Type of structure(s) (e.g. boat basin, riprap, seawall)
- Square and/or linear feet of structure(s)
- Number of new vessels/slips, if any
- Is this structure new, removal, or replacement?

3. Overwater Structures:

- Will the structure have grated decking?
- Proposed spacing between boards (0.5-inch, 0.75-inch, none, etc.)
- Height above mean high water (MHW) elevation
- Directional orientation of main axis of dock
- Overwater area (calculate square footage)
- Is this structure new, removal or replacement?

4. If the proposed structure is a fishing pier please answer the following:

- Is the fishing pier public or private?
- How many people are expected to fish from the pier each day?
- What is the applicant's plan to address hook-and-line captures at the fishing pier?
- Will there be any educational signs posted?

5. Methods: (For pile installation, please see Pile Installation section below)

- Step-by-step construction methodology
- Demolition/ removal of existing structures and debris
- Location of work (barge, upland or both)

6. Pile Installation (Use additional rows for each combination of pile size and material)

Pile Material	Installation Method	Number of Piles	Pile Size (inches)	Max. number of piles to be driven per day	Average number of strikes per pile
▼	▼				
▼	▼				
▼	▼				
▼	▼				
▼	▼				

Will piles be driven in a confined space (150' to nearest sound reflecting object)?

Yes ☐

No ☐

Will noise abatement be used?

Yes ☐

No ☐

Noise abatement details:

Pile Installation details/notes:

7. Dredging

Dredge Type: (Hopper, clamshell, etc.)

Area (sq. ft.) to be dredged:

Depth of cut:

Volume of material to be dredged: (cubic yards)

Sediment testing: (Has the material to be dredged been tested? Is there any contamination?)

Spoil disposal plans: (location of disposal area, sediment type at disposal area, etc.)

8. Artificial Reefs

Please refer to the artificial reef program websites for the particular state in which the project will occur:

[Alabama](#); [Florida](#); [additional Florida guidance](#); [Mississippi](#); [Louisiana](#); [South Carolina](#); [North Carolina](#); [Texas](#)

- i. Reef site selection (process details)
- ii. Materials to be used
- iii. Deployment Method
- iv. Deployment schedule

9. Construction Schedule

- i. Number of days/weeks/months of in-water work
- ii. Daylight construction only?
- iii. Seasonal restrictions?

10. Conservation/ Protective Measures

How is conservation, or other protective measures, being incorporated into this project, if at all?

1. C.1. Existing Structures – Based on March 2017 aerial imaging, there does not appear to be any rip-rap or bank armoring along the Diversion Canal (above or below the ordinary high water mark) or any other existing in-water structures (e.g., docks) at the location of the proposed bridge crossing. Please confirm the absence of existing structures at the location of the proposed bridge crossing.

Palmetto Railways has observed the location of the proposed bridge crossing and confirms that it is not aware of any existing, or planned structures in the Diversion Canal at or near the crossing location.

2. D.3. Overwater Structures - Please describe the rail bridge decking for the bridge spans.
 - a. What are the components of the bridge from side to side (i.e., walkways, concrete ballast trough, rail, ties) and what are they made from (e.g., steel, concrete)?

The approach span superstructure consists of a 3' walkway, a 16' reinforced concrete ballast trough, and an additional 3' walkway. Walkways are made from steel. The main span will be a steel through girder, with reinforced concrete ballast trough.

- b. Are there any openings in the decking or are components impermeable (e.g., if there are walkways are they steel grated)?

The proposed walkways would consist of open grating.

- c. If there are openings in any component of the decking, what are the approximate distances between openings or opening dimensions?

Reinforced concrete ballast troughs have drain pipes at 48' center to center spacing on each gutterline.

3. D.5. General Construction Methods (not including pile installation – see next question) - Please provide detailed plans for step-by-step bridge construction methodology, and locations of work (barge, upland or both).

This project will use a design/build contracting process. Therefore, the exact construction methodology and sequence will be determined by the Contractor and the Engineer of Record. However, Palmetto Railways anticipates that a barge would be utilized for the drilled shaft/pile driving work in the channel. The barge would be moved to directly adjacent to each pier for work on that pier.

4. D.6. Pile Installation – It is understood that Palmetto Railways anticipates drilled shaft foundations for all bridge supports, but based on Palmetto Railways' Response to Information Request #3 (dated March 7, 2018), pile driving cannot be ruled out. Therefore, to adequately assess potential impacts should pile installation occur, please provide information on the construction methodology (similar to general construction

methods above) used to install any piles that may be driven in-water to support the bridge. For the following questions, provide reasonable estimates, as appropriate:

- a. What is the composition of the piles (e.g., wood, vinyl, concrete, metal)?

Pile type, if used, would be the choice of the Design/Build team. Prestressed concrete and structural steel are the reasonable choices.

- b. What is the estimated maximum number of piles that would be driven in a day?

Such a determination would be based on Contractor's chosen means and methods.

- c. What is the estimated average number of pile strikes per pile?

Such an estimate would be determined in the final design of the Design/Build process.

- d. Will piles be driven in a confined space (150 feet to nearest reflecting object)?

Piles, if used, would be driven near other piles in a footing possibly as close as 6' apart. Some footings would be within 150' of the bank.

- e. Based on Palmetto Railways' Section 404/401 Individual Permit Application, drilled shaft foundations will be used instead of piles, where feasible. Please describe drilled shaft foundations, how they differ from piles, and why Palmetto considers use of drilled shafts a mitigation/minimization measure that would benefit sturgeon (i.e., what impacts would be avoided/reduced by use of drilled shaft foundations).

Drilled shafts are essentially columns built in the ground. A steel casing would be driven into soft overburden soils to prevent collapse of the hole and would extend above the waterline. Once set, the soil inside the casing is removed with a hollow flight auger to the design depth. Once the hole is complete, a reinforcing steel cage is lowered into the hole and the hole is filled with concrete to produce a reinforced concrete element. Piles differ from drilled shafts, in part, in that piles driven, whereas drilled shafts are cast-in-place.

Drilled shafts are considered a mitigation measure because fewer drilled shafts are required per foundation, when compared to the number of driven piles. Typically, a

single shaft is used per column compared to multiple (estimated at more than 9) piles per column for a pile footing.

- f. Based on Palmetto Railways' Section 404/401 Individual Permit Application, piles will be installed with a vibratory driver to the maximum extent practicable, and impact hammer will be used if needed. Is there an estimate on how much one method may be used over the other, and are any other methods potentially necessary (i.e., jetting or auguring)?

The means and methods of the Contractor are unknown at this time and would likely be determined by site-specific conditions at the time of the work. Neither jetting nor auguring are anticipated to be required.

- g. Based on Palmetto Railways' Section 404/401 Individual Permit Application cushion blocks or other noise attenuation devices will be used if impact hammers are used. Please provide additional details on the cushion blocks and provide examples of the other attenuation devices that would be used. What would be the extent of underwater noise with and without attenuation devices for each method of pile driving used and what are the estimated underwater sound pressure levels?

Bubble curtains, pile cushions (cushion blocks), and a soft start (or slow start) method seem to be the most reasonable options available if impact hammers are required. Bubble curtains guard fish from the hammering sound waves by pumping air into aluminum rings around the piles during construction. Pile cushions (or cushion blocks) reduce the rise time in pile stress by delaying the onset of force into the pile, which results in reduced fluid particle velocities and noise. With a soft start method, pile-driving ramps up slowly in an effort to deter marine species from the work area. It is intended to be a warning mechanism for fauna so they can vacate the area before maximum energy is reached. As noted in the Section 404/401 Individual Permit Application (Attachment C – Avoidance and Mitigation Plan), other pile driving noise and vibration attenuation methods include the following:

- The contractor shall use drilled shaft foundations instead of piles, where feasible.
- The contractor shall use a vibratory hammer to the maximum extent practicable.
- Pile driving activities shall be limited to no more than 12 hours per day (February-March, sturgeon; May-September, manatee).

Palmetto Railways does not have information to gauge the extent of underwater noise or the estimated underwater sound pressure levels.

5. Construction Schedule – Please provide an estimated construction schedule with the duration of the bridge construction’s major phases of in-water work (e.g., number of days, weeks, or months, season restrictions, etc.). Please confirm that construction would only occur during daylight hours and no longer than 12 hours per day.

A construction schedule is dependent on the Contractor’s means and methods and the requirements of the RFP. Accordingly, Palmetto Railways cannot, at this time, confirm that construction would only occur 12 hours per day.

6. D.10. Conservation/Protective Measures – Please indicate how mitigation or other protective measures for sturgeon are being incorporated into the bridge design and construction, and if any measures in addition to those provided in Palmetto Railways’ Section 404/401 Individual Permit Application are planned to avoid or reduce potential impacts to sturgeon.

The following protective/conservation measures would be implemented to minimize or compensate for potential noise impacts on sturgeon:

- Contain stormwater runoff from bridges within a closed drainage system.
- Obtain the necessary NPDES permit and prepare a Stormwater Pollution Prevention Plan.
- Ensure equipment does not obstruct or impede passage through more than 50 percent of the channel.
- Use pile driving mitigation measures, including soft starts, bubble curtains, and pile cushions, to reduce the sound transmitted from pile driving.



September 26, 2018

Ms. Diana Wood
Project Manager, Office of Environmental Analysis
Surface Transportation Board
395 E Street, SW
Washington, DC 20423-0001

Re: Camp Hall Alternatives- Ridgeville Route

Dear Ms. Wood

Palmetto Railways provides the within response at OEA's request to the February 26, 2018 comment letter of Norfolk Southern regarding Palmetto Railways' proposed Camp Hall Rail Line. At the outset, it is important to note, as your office has acknowledged, that Norfolk Southern does not oppose the project, as it expressly states in its letter, and further provides that it remains "committed to the State of South Carolina in support of its economic development efforts and its rail-based business," of which Palmetto Railways is an integral part.

Rather than write in opposition to the project, the stated purpose of the Norfolk Southern letter is to provide a response and "clarification" to certain of Palmetto Railways' responses to questions posed by OEA in the permitting and review process. In its letter, Norfolk Southern posits that it may have changed its proposal to partner with Palmetto Railways if it had known that Palmetto Railways required the ability to operate as the short-line rail provider and site switch carrier. Having stated that it collaborated with the South Carolina Department of Commerce, Norfolk Southern was in a position to know that the State of South Carolina, through the Department of Commerce, had indicated to Volvo (and the Class I rail carriers, CSX Transportation and Norfolk Southern) that rail to serve the site could be accommodated to enhance the transportation infrastructure for the site which, as the letter acknowledges, was to be provided by and through the State of South Carolina and Palmetto Railways, a division of the Department of Commerce.

Nonetheless, as the state entity applicant that also serves as a short-line operator and switching entity, as Norfolk Southern is aware from its dealings with Palmetto Railways on existing short-line rail operations and on the permitted ICTF project which provides a similar enhancement to the transportation infrastructure in North Charleston, Palmetto Railways requires operational control of the Camp Hall Rail Line facilities. This is a position that is clearly stated in the foundational purpose and need statement for the project. Further, Palmetto Railways, with assistance from the State of South Carolina, is responsible for obtaining the funding for the project. In order to ensure the proper utilization and return on investment of the state-funded rail facilities to serve the advanced manufacturing facility and potential future tenants of the Camp Hall Commerce Park, a



project applied for, funded, constructed and owned by Palmetto Railways, must be structured in a way that maintains Palmetto Railways' operational control of the yard, switching functions, and interconnecting track to a Class 1 mainline.

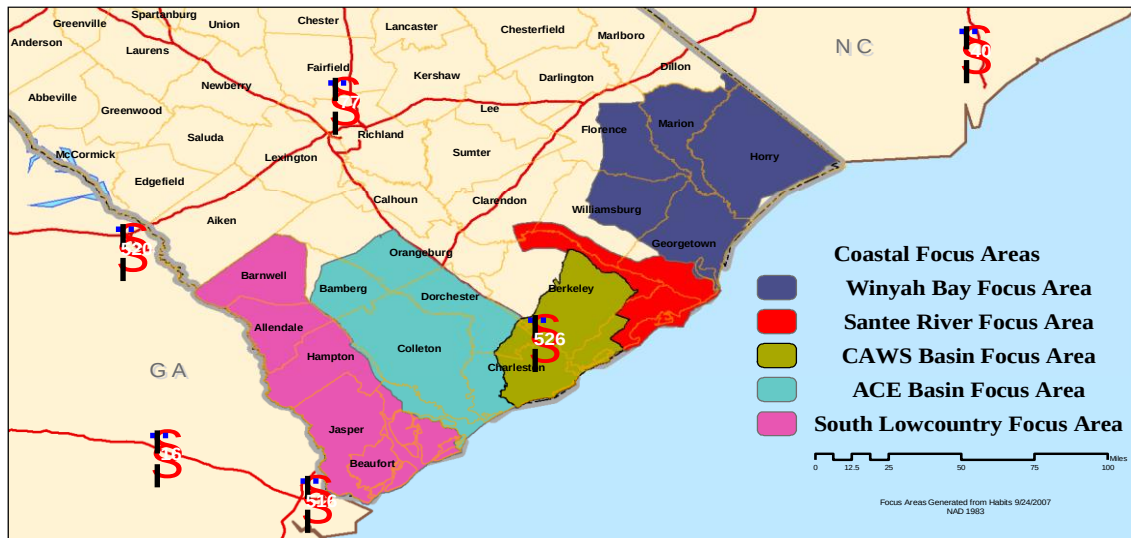
Palmetto Railways appreciates Norfolk Southern's interest in working with Palmetto Railways and its commitment not to contest or challenge the Camp Hall project.

In response to the question posed regarding the environmental impact of the Ridgeville Route and the associated costs to mitigate for those impacts, Palmetto Railways initially refers to the submitted Environmental Report, which details the analysis that it undertook of each of the identified alternatives. This analysis served as a starting point for Palmetto Railways' consideration of the reasonableness of identified alternatives to both meet the purpose and need of the project, while also minimizing impacts to the environment. To that end, Palmetto Railways commissioned environmental consultants to conduct a wetland and stream impact analysis to determine what environmental impacts would be involved with each route, what the expected mitigation would involve for each route, as well as how interested consulting parties and resource agencies might react to the respective impacts and proposed mitigation. As referenced in the Environmental Report, Palmetto Railways identified significant environmental impacts associated with the Ridgeville Route, comprised of impacts caused by, among other things, a crossing of the headwaters of Timothy Creek near the Camp Hall Commerce Park, and an impact on approximately 375 linear feet of stream, deemed to be of high functional quality, in the Four Holes Swamp watershed.

In evaluating the environmental impacts of each of the evaluated alternatives, resource and consulting parties emphasized the importance of Timothy Creek, as well as the preference for avoiding significant impacts to the waterway. Timothy Creek is a primary headwater tributary of the Four Holes Swamp, and it has been identified by resource agencies as critical to the long-term protection of the aquatic health and resilience of Four Holes, one of the four major sub-basins of the Edisto River and ACE Basin. Taking an even broader view, state, regional and local efforts were established in the 1990's to begin conservation of critical lands within the South Carolina Coastal Plain watersheds and ecoregions. The ACE Basin, through which a portion of the Ridgeville Route is located, is one of five primary coastal focus areas established through those combined efforts (*see below Figure*), which collectively have been successful in protecting over 1,200,000 acres of lands and which efforts continue to be a primary focus of resource and consulting parties today.



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The Four Holes Swamp Watershed (HUC 03050205) includes portions of two EPA Level III ecoregions, the Southeastern Plains and Middle Atlantic Coastal Plain, within the larger Edisto River Basin and is a major tributary to the Edisto River eight-digit HUC 03050206. The Four Holes Swamp Watershed is located to the northwest of the Charleston metropolitan area and includes portions of Calhoun, Orangeburg, Berkeley and Dorchester Counties, the towns of Holly Hill, Bowman and Cameron, portions of the City of Orangeburg and the towns of Eutawville, Vance, Santee, Elore, Harleyville and Ridgeville. The predominant land uses within the watershed are agriculture and silviculture. The total land area of this watershed is $\pm 418,228$ acres. SCDHEC Watershed Water Quality Assessment of the Edisto River Basin in 2012 indicates approximately $\pm 97,457$ acres of aquatic resources and $\pm 320,771$ acres of uplands within the Four Holes Swamp eight-digit watershed. Urban land uses comprise approximately 6% of land area within the Four Holes Swamp Watershed, agriculture approximately 37% and forested upland approximately 34%. Fish and wildlife concerns identified by SCDNR and NRCS focus primarily on loss and fragmentation of habitat as a result of land use changes in the watershed, i.e. agriculture and urban and industrial development.

On the western side of Interstate 26, the Ridgeville Route would tie into a to-be-constructed Norfolk Southern line at the Ridgeville Commerce Park, just outside of the Town of Ridgeville, which is near or adjacent to 18,500 acres of the Audubon Center and Sanctuary at Francis Beidler Forest, a Ramsar Wetlands Site of International Importance and Continentally Important Bird Area for a suite of priority neotropical migratory birds. Home to 1,800 acres of virgin cypress tupelo, the Four Holes Swamp has been identified by resource groups, including the Coastal Conservation League, Audubon, Lowcountry Land Trust, Open Space Institute, Ducks Unlimited, and Nature Conservancy SC, as threatened by industrial development in its headwaters, including Timothy Creek. In addition, these areas have been identified as areas of greater concern and for protection by both Santee Cooper, which is in the process of marketing the remainder of the Camp Hall Commerce Park site. As part of its mitigation plan for the impacts associated with the development of the



remainder of the Camp Hall Commerce Park, Santee Cooper has placed restrictive covenants on much of the area in which the Ridgeville route was planned under DA Permit No. 2015-01764 (issued February 8, 2017, as modified by letter of the Corps dated April 28, 2017). Protecting this forested landscape reduces potential future negative impacts to wildlife and water quality in the Four Holes Swamp. At a regional scale, the area impacted by the Ridgeville Route adds to the matrix of protected lands in the tri-county Greenbelt (Charleston, Dorchester, and Berkeley Counties) that spans from the St Helena sound through East Edisto and protects the wildlife corridor from the Santee lakes to the Francis Marion national forest and Santee coastal reserve.

Throughout the Four Holes Swamp and ACE Basin areas, substantial growth has occurred and is continuing to occur in incorporated areas, including the development of major road and rail corridors and other areas identified by the respective County's comprehensive plans. This growth is spurred by development along the major transportation corridors of I-26 and I-95 along with the associated infrastructure necessary to support such development, all of which is projected to continue within the watershed. Growth and development in the area has caused Audubon and other conservation groups to practice land conservation in the Four Holes Swamp since at least 1969, commencing with an initial purchase of land which is today the $\pm$ 18,000-acre Francis Beidler Forest and which includes the world's largest, old growth cypress-tupelo swamp forest. The Beidler Forest was designated a National Natural Landmark in 1979 and a Ramsar Wetland of International Importance in 2008, one of only two such designations in South Carolina. Specific watershed needs/protection strategies identified by resource groups like SCDHEC, SCDNR, NRCS and others, as well as resource groups identified above, include development of TMDL's for impaired waters (a TMDL has been approved for fecal coliform), preservation/enhancement/restoration of aquatic resources and expanding overall land conservation efforts to protect wildlife habitats and corridors.

Palmetto Railways appreciates the opportunity to provide clarification on these matters and looks forward to the release of the draft Environmental Assessment. Please feel free to reach out to me directly if any additional information is needed.

Sincerely,

A handwritten signature in blue ink, appearing to read 'T Ravenel', is written over a large, faint, light-grey watermark of the Palmetto Railways logo.

T Ravenel
Director of Special Projects

CC: Elizabeth Williams, USACE (via email)
John Winkle, FRA (via email)



Palmetto
RAILWAYS.

July 13, 2018

John Winkle
Environmental Protection Specialist
Federal Railroad Administration, Office of Program Delivery
1200 New Jersey Avenue SE
W36-317
Washington, DC 20590

Re: STB Docket No. FD 36095, Palmetto Railways – Construction Exemption – In
Berkeley County, South Carolina; Uses of Section 4(f) Properties

To whom it may concern:

At the request and direction of the joint lead agencies for the joint petition for exemption and application to construct and operate a 22.7 mile industrial rail line (hereinafter the Camp Hall Rail Line), the Surface Transportation Board's (Board) Office of Environmental Analysis (OEA) and the United States Army Corps of Engineers, Charleston District (Corps), the purpose of this letter is to continue the consultation process which began with OEA's letter to the Federal Railroad Administration (FRA) dated April 25, 2018, which introduced the Camp Hall Rail Line and invited FRA to become a cooperating agency for the review required of the project under the National Environmental Policy Act (NEPA). This letter is also intended to address the issues raised in the response of FRA Supervisor, Michael Johnsen, which was forwarded to Palmetto Railways by OEA and which alerted OEA of FRA's jurisdiction over the determination of whether the proposed project uses properties which fall under the protections of Section 4(f). The purpose of this letter is to provide FRA, as well as OEA and the Corps, who are copied on this letter, with information regarding the existence of possible Section 4(f) properties that have the potential to be impacted by the proposed alignment of the Camp Hall Rail Line.

I. Introduction

In accordance with the Department of Transportation (DOT) Act of 1966, Title 23, U.S.C.A. § 138, and 49 U.S.C.A. § 303, it is the policy of the United States government, "... that special effort be made to preserve the natural beauty of the countryside and public park and recreation lands, wildlife and waterfowl refuges, and historic sites." Section 4(f) has been part of Federal law since the DOT Act was enacted in 1966. In January 1983, as part of the recodification of the DOT Act, Section 4(f) was amended and codified in 49 U.S.C.A. § 303. Palmetto Railways understands that Section 4(f) applies to all transportation agencies within the U.S. Department of Transportation, including FRA.

With respect to the Camp Hall Rail Line, FRA would be responsible for confirming the existence (or non-existence) of properties or resources in the project area which might qualify for protection under Section 4(f), collectively referred to as 4(f) Resources. While not binding on FRA, Palmetto Railways understands that FRA uses FHWA regulations (23 CFR part 774) to guide its interpretation and implementation of Section 4(f). Specifically, Section 4(f) provides that:

“The Secretary of Transportation shall cooperate and consult with the Secretaries of the Interior, Housing and Urban Development, and Agriculture, and with the States, in developing transportation plans and programs that include measures to maintain or enhance the natural beauty of lands crossed by transportation activities or facilities... The Secretary may approve a transportation program or project...requiring the use of publicly owned land of a public park, recreation area, or wildlife and waterfowl refuge of national, State, or local significance, or land of an historic site of national, State, or local significance (as determined by Federal, State, or local officials having jurisdiction over the park, area, refuge or site) only if:

- There is no prudent and feasible alternative to using the 4(f) Resource; and
- The program or project includes all possible planning to minimize harm to the park, recreation area, wildlife and waterfowl refuge, or historic site resulting from the use.

Based on Palmetto Railways’ involvement with FRA on other projects, we further understand that the initial step in a Section 4(f) analysis is to determine whether resources identified in the project scoping phase qualify as 4(f) Resources. If no 4(f) Resources are identified, no additional analysis is required. If 4(f) Resources are identified in the project area, the Secretary of Transportation or applicable USDOT Operating Administration must determine whether there is a “use” of the 4(f) Resource. For the purposes of Section 4(f), a “use” of a 4(f) Resource can occur in one of four primary ways:

- When a resource is permanently incorporated into a transportation project (*i.e.*, demolition or land acquisition);
- When a resource is permanently encumbered by a transportation project (*i.e.*, the acquisition of a permanent easement) that disrupts a Section 4(f) function;
- When there is a temporary occupancy of a resource that is adverse in terms of the Section 4(f)’s purpose (*i.e.*, physical alteration of the resource during construction); or
- When the mere proximity of the project to a 4(f) Resource substantially impairs the features and attributes of the 4(f) Resource it is considered a constructive use of the 4(f) Resource.¹

Palmetto Railways further understands that, once a “use” of a 4(f) Resource is identified, a determination of the intensity or magnitude of impact on the resource is required. A “use” can be described by FRA as either “*de minimis*” or “not *de minimis*.” A *de minimis* impact involves the use of

¹ A Constructive use occurs when the transportation project does not incorporate land from a 4(f) Resource but the project’s proximity impacts are so severe that the protected activities, features, or attributes that qualify a resource for protection under Section 4(f) are substantially impaired. Substantial impairment occurs only when the protected activities, features, or attributes of the resource are substantially diminished.

4(f) Resource that is generally minor in nature and one that, after taking into account avoidance, minimization, mitigation and enhancement measures, results in no adverse effect to the activities, features, or attributes qualifying a park, recreation area, or refuge for protection under Section 4(f). For historic properties, a *de minimis* impact can be inferred from a Section 106 determination of “no adverse effect” or “no historic properties affected.” A *de minimis* impact determination requires agency coordination with the officials having jurisdiction over the 4(f) Resources and opportunities for public involvement. For parks, recreation areas, and wildlife and waterfowl refuges, a *de minimis* impact may be made when all three of the following criteria are satisfied: (1) the use of the 4(f) Resource, together with any impact avoidance, minimization, and mitigation or enhancement measures incorporated into the project, does not adversely affect the activities, features, and attributes that qualify the resource for protection under Section 4(f); (2) the public has been afforded an opportunity to review and comment on the effects of the project; and (3) the official(s) with jurisdiction over the 4(f) Resource are informed of USDOT’s *de minimis* impact determination based on their written concurrence that the project will not adversely affect the activities, features, and attributes that qualify the property for protection under Section 4(f).

Finally, Palmetto Railways understands that, for a project that results in a determination of “use” of a 4(f) Resource that is not *de minimis*, FRA is tasked with determining whether an alternative to the use exists that is prudent and feasible. An alternative is not feasible if it cannot be built as a matter of sound engineering judgment. In determining whether an alternative is prudent, FRA may consider if the alternative would result in any of the following: (1) compromise the project to a degree that is unreasonable for proceeding with the project in light of its stated purpose and need; (2) unacceptable safety or operational problems; (3) after reasonable mitigation the project results in severe social, economic, or environmental impacts; severe disruption to established communities; severe disproportionate impacts on minority or low-income populations; or severe impacts on environmental resources protected under other federal statutes; (4) additional construction, maintenance, or operational costs of an extraordinary magnitude; (5) other unique problems or unusual factors; and (6) multiple factors that, while individually minor, cumulatively cause unique problems or impacts of extraordinary magnitude. If FRA concludes that there is no feasible and prudent alternative to the use of Section 4(f) property, then it may approve only the alternative that causes the least overall harm in light of the statute’s preservation purpose. The least overall harm is determined by balancing the following:

- The ability to mitigate adverse impacts to each Section 4(f) property (including any measures that result in benefits to the property);
- The relative severity of the remaining harm, after mitigation, to the protected activities, attributes, or features that qualify each Section 4(f) property for protection;
- The relative significance of each Section 4(f) property;
- The views of the official(s) with jurisdiction over each Section 4(f) property;
- The degree to which each alternative meets the purpose and need for the project;

- After reasonable mitigation, the magnitude of any adverse impacts to resources not protected by Section 4(f); and
- Substantial differences in costs among the alternatives.

II. Discussion

Existing Conditions

For the proposed route of the Camp Hall Rail Line, the study area for cultural resources is described in detail in the Environmental Report commissioned by Palmetto Railways and submitted to OEA and the Corps as a part of the permitting process. (Camp Hall Environmental Report, § 6.9, p.86). The study area for the project was approximately 23 miles (37.01 km) long and 200 feet (60.96 meters) wide. A Phase I cultural resource survey of the proposed rail corridor was completed between November 8 and December 21, 2016. Additional survey of the proposed Camp Hall Railroad Build-in was conducted in April 2017 due to a slight shift in the proposed alignment.² As a result of the study, the following potential 4(f) Resources were identified, each of which is addressed further below:

- No archaeological sites or isolated finds were encountered within the proposed rail corridor and no additional archaeological investigation was recommended for the proposed survey corridor. Camp Hall Environmental Report at p.87.
- Eight previously recorded architectural, or aboveground, resources within the APE for the historic architectural survey were identified and are listed below. *See* Camp Hall Environmental Report Table 6-10. Seven of the resources were recommended as ineligible for NRHP listing; however, the diversion canal that connects Lakes Marion and Moultrie (Diversion Canal) was recommended as eligible for NRHP listing and as a contributing element to the NRHP eligible Santee Cooper Hydroelectric Project Historic District.
 - Resource No. 115-0004, J. L. Williams House (Not Eligible);
 - Resource No. 115-0006, Peagler House (No Longer Exists);

² The survey was conducted by Palmetto Railways to assist the Corps and OEA with respect to their analysis of the project under Section 106 of the National Historic Preservation Act (NHIPA), 16 U.S.C.A. § 470. The goals of the survey were to identify cultural resources within the project corridor, make recommendations about the National Register of Historic Places (NRHP) eligibility status of each resource, and evaluate whether the proposed undertaking would have adverse effects on properties eligible for the NRHP. Criteria used for assessing NRHP eligibility and project effects are set forth in 36 CFR, Part 60.4 (NRHP eligibility criteria) and 36 CFR Part 800 (project effects). The archaeological fieldwork was confined to the 23-mile by 200-ft wide proposed rail corridor for direct impacts; however, the survey included areas of potential indirect impacts within a zone of around one half mile from the centerline of the proposed corridor. In addition, Palmetto Railways developed and discussed fieldwork methodology with the South Carolina State Historic Preservation Office (SHPO) in order to ensure that the survey approach used was adequate. The archaeological methodology included pedestrian inspection and regular interval shovel testing throughout the survey corridor. Shovel testing was conducted along two survey transects that spanned the entire 23 mile by 200-ft wide corridor.

- Resource No. 0806, Unnamed House (Not Eligible);
 - Resource No. 0807, R.L. Singletary Grocery (Not Eligible);
 - Resource No. 0808, Unnamed House (No Longer Exists);
 - Resource No. 0786, Lakes Marion and Moultrie Diversion Canal (Contributes to NRHP district);
 - Resource No. 497-0002, Blackmon-Shuler Cemetery (Not Eligible); and
 - Resource No. 115-0011, Winningham Cemetery (Not Located, Erroneously Mapped).
- Fifty-four additional unrecorded architectural resources were also surveyed and documented during the study. *See* Camp Hall Environmental Report Table 6-10. Only two of the fifty-four identified resources were recommended as eligible for NRHP listing, as detailed below.
 - Resource No. 1263, Garrett Cemetery (Recommended Eligible); and
 - Resource No. 1270, Bulltown Ditch (Recommended Eligible).
 - The proposed route of the Camp Hall Rail Line also runs parallel and adjacent to portions of property owned by Santee Cooper,³ which are leased to the South Carolina Department of Natural Resources (SCDNR) as wildlife management areas (WMA).
 - The Moultrie Hunt Unit, consisting of over 9,000 acres of property owned and managed by Santee Cooper as a part of the Cross Generating Station and Diversion Canal. Lands are leased to SCDNR under an at-will agreement that provides limited public access for hunting.
 - Finally, the proposed route of the Camp Hall Rail Line crosses a portion of the Palmetto Trail, a 350-mile semi-contiguous pedestrian and bicycle cross-state trail that connects state and county parks, national forests, nature preserves, WMAs, Revolutionary War battlefields, and Native American paths.

³ Santee Cooper, also known as the South Carolina Public Service Authority, is a state-owned electric and water utility and landowner. Santee Cooper owns and is developing the Camp Hall Commerce Park, the location of the Volvo Cars manufacturing facility and the western terminus of the Camp Hall Rail Line. Santee Cooper also owns and utilizes Lakes Marion and Moultrie and their associated channels and canals, as well as significant landholdings surrounding those areas, as a part of its hydroelectric power generation facilities in the area, including the Cross Generating Station, near the eastern terminus of the Camp Hall Rail Line.

Potential Section 4(f) Resources

1. Diversion Canal

Of the eight architectural resources previously identified within the APE, only the Diversion Canal that connects Lakes Marion and Moultrie was recommended as eligible for NRHP listing and as a contributing element to the NRHP eligible Santee-Cooper Hydroelectric Project Historic District, thereby potentially qualifying as a 4(f) Resource. The impacts of the proposed bridge over the Diversion Canal consists of the permanent filling of open water wetlands comprising <1% (2.4 acres) of the impacts within the corridor. The Diversion Canal was originally excavated in 1941. It is 7.5 miles long, approximately 500 feet wide and approximately 12 feet deep. The bottom consists of sand and clay, with some sediments washed downstream from the Santee River. There is very little organic material or vegetation in this part of the canal and it was last dredged in 2014 to remove accumulated silt and sediments on the Lake Moultrie side of the canal. It provides aquatic habitat for a variety of species; however, there is no vegetation associated with the open water wetland. This area is considered *Very Impaired* due to the excavated nature of the canal and the periodic dredging to remove accumulated sediment. Also, spoil has been placed adjacent to the canal on either side, filling wetlands and altering the natural hydrology of these adjacent areas.

The proposed alignment will cross the Diversion Canal approximately 2.75 miles from its northern terminus. A depiction of the location of the proposed bridge crossing the Diversion Canal is attached hereto as Exhibit A. While the Highway 45 Bridge also crosses the canal, this newly proposed crossing is located more than one mile from the existing crossing. Based on this, the portion of the Diversion Canal that will be crossed by the Camp Hall Build-in retains its integrity of location, design, setting, materials, workmanship, feeling, and association. However, visual impacts to the Diversion Canal will be minimal, as the proposed rail over the canal will be proximate to the existing highway crossing of the canal. The current design of the proposed crossing will consist of a six-span bridge would be supported by seven new bents. The in-water structures for the bridge consist only of four bents. Each of the four bents consist of two 8 foot 6 inch-diameter drilled shaft foundations that would be constructed in water, and no piles will be utilized. A total of eight drilled shaft foundations would be placed in water for a total of 453.6 square feet of in-water structures. A description of the avoidance and minimization measures proposed by Palmetto Railways to address potential noise and vibration impacts from construction of the bridge is incorporated in the Mitigation Plan submitted as part of the Section 404 permit application. Given the temporary nature of the construction and the measures undertaken by Palmetto Railways, it is expected that the noise and vibration impacts are within allowable limits and impact thresholds; therefore, no material impacts to the Diversion Canal from the construction or operation of the rail line are anticipated.

With respect to the current use of the Diversion Canal as a connecting feature between two bodies of water (Lakes Marion and Moultrie), recreational activities are incidental, secondary, or occasional to the primary purpose of the Canal, which is a necessary component to Santee Cooper's generation of hydroelectricity. Palmetto Railways, through avoidance, minimization, mitigation and enhancement measures,⁴ will ensure that the project neither permanently disrupts the features of the

⁴ To that end, Palmetto Railways has participated in the Section 106 consultation process for the Camp Hall Rail Line, in connection with the Corps and OEA, in order to gain consensus amongst the identified consulting parties regarding the impacts of the proposed project.

Diversion Canal that contribute to its status as eligible for NRHP listing nor interrupts either the primary or secondary purposes of the Diversion Canal. As a result, notwithstanding the Diversion Canal's identification as a NRHP-eligible resource and a potential 4(f) Resource, and based on the publicly available resources regarding Other Considerations to consider in determining whether a resource qualifies as a 4(f) Resource, the requirements of Section 4(f) may not apply to the proposed work in the Diversion Canal.

2. Garrett Cemetery

Garrett Cemetery, a previously unrecorded site consisting of a small, African American family cemetery, was identified during the survey. The location of the cemetery in relation to the proposed alignment is shown in the depiction attached hereto as Exhibit A. Because a rural, African American cemetery with extant markers that are unique in their construction and materials is a rare occurrence, Palmetto Railways recommended the site as eligible for NRHP listing. Cemeteries are also protected from desecration under South Carolina law. In comments responding to the Palmetto Railways Phase I Survey, SHPO agreed with the recommendation of eligibility for Garrett Cemetery and for a 50-foot buffer area around its perimeter for avoidance. Currently, the western edge of the survey corridor is approximately 75 feet outside of the cemetery boundaries; however, proposed impacts associated with the rail line itself will only occur within a zone approximately 175 feet from the cemetery boundary. Based on these designs, Garrett Cemetery is located outside of the area where construction and operation activities will occur and the Camp Hall Rail Line will more than comply with the 50-ft buffer established around the resource. Additionally, as described in the Camp Hall Environmental Report at § 6.4, noise and vibration impacts are within allowable limits and impact thresholds; therefore, no material impacts on Garrett Cemetery from the construction or operation of the rail line are anticipated.

3. Bulltown Ditch

Bulltown Ditch was also identified during the survey. This resource was identified on the 1921 Chicora topographic map; however, it was noted in an 1881 report as part of the Santee Canal system, which was constructed in the late eighteenth century. A depiction of the location of the Bulltown Ditch is included in the attached Exhibit A. Prior to the construction of Lake Moultrie, the Bulltown Ditch served as a feeder canal for the Santee Canal, draining water from Bulltown Swamp towards the canal. Today, Bulltown Ditch extends over 18,000 feet from the Santee Canal off of Lake Moultrie to the Diversion Canal, bisecting Bulltown Bay. This feature is approximately 6 feet wide and 4 feet deep. The canal is crossed by various public and forestry roads as well as the CSX rail line serving the Cross Generating Station through large concrete and metal culverts. This wetland system is highly impacted and is considered a *Very Impaired* wetland feature. It removes hydrology from some areas and is an excavated feature with an adjacent spoil berm that alters hydrology in the immediate area of the ditch. In some areas, the Bulltown Ditch flows through uplands before draining back into wetlands.

Similar to the Diversion Canal, Bulltown Ditch is a waterway⁵ that has no identified recreational purpose, although portions of the ditch do run through the Moultrie Hunt Unit WMA.⁶ Although constructed for the purpose of being a feeder canal for the Santee Canal, today, the primary purpose of the Bulltown Ditch appears to only be a secondary water conveyance mechanism, with all other purposes, including unidentified recreational activities considered incidental, secondary, or occasional to that primary purpose. Therefore, notwithstanding its identification as a Section 106 resource and a potential 4(f) Resource, the requirements of Section 4(f) may not apply.

Even if Section 4(f) were determined to apply, the proposed alignment has been modified through minimization and avoidance measures such that the Camp Hall Rail Line would cross Bulltown Ditch only at its northern end adjacent to the existing CSX A-line rail line. The identified crossing of the Bulltown Ditch has already been impacted by the construction of both the existing CSX A-line and a transmission easement, which allows the ditch to pass beneath those impacts through an existing culvert system. Palmetto Railways has proposed measures to avoid or minimize any potential damage during construction, including proposed stabilization of the bank of Bulltown Ditch near where the rail line would cross the ditch, as well as the extension of the existing culvert in the area to improve the existing conditions. In addition to the proposed crossing, a portion of the rail line near the existing Santee-Cooper Power Plant runs parallel to the ditch approximately 150 feet away, which distance is sufficient to avoid impacts during construction and operation of the line. Regarding noise and vibration, *see* Camp Hall Environmental Report at § 6.4, impacts are within allowable limits and impact thresholds; therefore, no material impacts to the Bulltown Ditch from the construction or operation of the rail line are anticipated.

4. Moultrie Hunt Unit WMA

The Moultrie Hunt Unit WMA was identified during the survey as being within the study area of the proposed alignment.⁷ The Moultrie Hunt Unit consists of over 9,000 acres of Santee Cooper-owned property surrounding Lake Moultrie, portions of which are in the vicinity of and in certain locations adjacent to the Cross Generating Station and Diversion Canal. The Moultrie Hunt Unit is a portion of lands leased to SCDNR under an at-will agreement that allows SCDNR to establish a WMA for the provision of limited public access for hunting in a manner that is compatible with the primary use of the land, which is in support of Santee Cooper's provision of hydroelectric energy to its customers. The proposed alignment of the Camp Hall Rail Line runs parallel to the WMA in certain locations, but was designed such that at no point does the WMA fall within the project corridor. The location of the WMA in relation to the proposed alignment is shown in the depiction attached hereto as Exhibit A. Thus no direct use of the WMA, either permanent or temporary will occur under the proposed project. Additionally, the land that is a part of the WMA is not owned by SCDNR, but

⁵ Bodies of water, including rivers, are generally not subject to the requirements of Section 4(f) unless the primary purpose of the body of water is for park, recreation, or refuge purpose.

⁶ The identified WMA is discussed in more detail, below.

⁷ Under a prior alignment of the Camp Hall Rail Line, the alignment corridor plotted to pass through portions of the Moultrie Hunt Unit WMA (*see, e.g.,* Camp Hall Environmental Report at §§ 3.7.14.1, 6.1.1.1); however, revisions to the preferred alignment have continued as Palmetto Railways has further developed and refined the alignment through avoidance and minimization measures, and it has since been confirmed that the preferred alignment does not pass through any property that is currently included in land leased to SCDNR as WMAs and instead crosses other land owned by Santee Cooper which is parallel and adjacent to land leased to SCDNR as a WMA.

is instead only leased from Santee Cooper for a purpose that is expressly secondary to the ownership interest of Santee Cooper. Further, Palmetto Railways' operation of the rail line, which will result in intermittent use of the rail line consisting of the five estimated trains per week, would be unlikely to result in any indirect impact of sufficient magnitude to severely impact or impair the hunting features and activities of the WMA.

Even if a "use" of the land leased by SCDNR could be inferred, it is questionable whether the Moultrie Hunt Unit WMA qualifies as a 4(f) Resource at all, notwithstanding its designation as a WMA. In order to qualify as 4(f) Resource, the primary purpose of the WMA must be for refuge activities. Here, the lease agreement between Santee Cooper and SCDNR expressly notes that the privileges afforded by the lease agreement are limited to hunting and that such hunting privileges are expressly considered secondary to the primary use of the subject property by Santee Cooper. Additionally, as noted above, because the primary use of the subject property is not for refuge activities, the lease agreement is also expressly terminable at-will by Santee Cooper upon thirty days' written notice. Further, SCDNR does not actively manage the WMA as a refuge beyond application of its general guidelines and principles for wildlife management, including hunting permits, and hunting is limited to archery-only to control local deer populations (in order to not threaten the safety of the adjacent electric power generating facility and canal), and the WMA area around the Cross Generating Station is closed to public access except for special youth-only draw hunts. Finally, the environmental investigation of the rail corridor in the areas of the Moultrie Hunt Unit did not reveal significant waterfowl habitat, colonial nesting birds, protected/threatened/endangered species, mitigation corridors, or other habitat designations that might infer the presence of a refuge. Regarding noise and vibration, *see* Camp Hall Environmental Report at § 6.4, impacts are within allowable limits and impact thresholds; therefore, no material impacts to the Moultrie Hunt Unit WMA from the construction or operation of the rail line are anticipated.

5. Palmetto Trail

The Palmetto Trail was identified during the survey as being within the study area of the proposed alignment. Established in 1994, the Palmetto Trail is an approximately 350-mile, semi-contiguous pedestrian and bicycle trail that connects state and county parks, national forests, nature preserves, WMAs, Revolutionary War battlefields, and Native American paths in South Carolina. The Trail is made up of 26 independent passages that range from 1.3 to 47 miles long. The section of the Trail in the vicinity of the proposed project is the eastern portion of the Lake Moultrie Passage, a 26.9-mile section of the Trail that rings the eastern and northern shores of Lake Moultrie, beginning just northeast of the Diversion Canal at Eadie Lane. *See* Ex. B, Map of Lake Moultrie Passage, Section 2. From the Eadie Lane Trailhead, the Trail backtracks along Eadie Lane until it reaches SC Highway 45. The Trail follows SC Highway 45 north for approximately 0.8 miles, before turning right onto and following Viper Road, a State-owned and maintained road, for 1.2 miles. At approximately mile 34.5 of Viper Road, the Trail turns left (northeast) into the woods and continues in that direction.

The proposed alignment of the Camp Hall Rail Line intersects Viper Road in the section of that public access roadway in which the Trail is described as following the path of and occupying the right-of-way of Viper Road. Accordingly, for the section of the Trail in question, the primary use of the right-of-way is not for recreation as a shared trail, but is instead used primarily for transportation as an integral part of the local and State-wide transportation system. In fact, Viper Road serves as the primary ingress and egress to the Santee Cooper Cross Generating Station, as well as the only ingress

Mr. John Winkle

July 13, 2018

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and egress to the residential communities along Lake Moultrie located at the end of Viper and Halls Roads, respectively.

Even if Section 4(f) were determined to apply, the operation of the rail line, consisting of intermittent use of the rail line in the form of the five estimated trains per week, does not severely impact or impair the recreational features and activities of the Trail. Likewise, regarding noise and vibration, *see* Camp Hall Environmental Report at § 6.4, impacts are within allowable limits and impact thresholds; therefore, no material impacts to the Palmetto Trail from the construction or operation of the rail line are anticipated.

III. Conclusion

In closing, the evidence gathered by Palmetto Railways and its consultants indicates that the Camp Hall Rail Line does not indicate a "use" of any identified 4(f) Resource and should be determined to have, at most, a *de minimis* impact on the Diversion Canal and the Palmetto Trail. Palmetto Railways respectfully requests FRA's review and concurrence with the forgoing Section 4(f) materials and looks forward to working cooperatively with FRA as it conducts its review of the Camp Hall Rail Line.

Thank you for your time and consideration of this project. Please advise of any additional information that you need to facilitate a timely review and decision.

Sincerely,



Jeffrey McWhorter
President and CEO

cc: Victoria Rutson
Travis G. Hughes
James F. Choate, Esquire
Randolph R. Lowell, Esquire
Chad N. Johnston, Esquire

From: Tarek Ravenel <TRavenel@palmettorail.com>
Sent: Wednesday, July 18, 2018 8:24 AM
To: Wood, Diana <Diana.Wood@stb.gov>
Cc: Tate, William G CIV <William.G.Tate@uscg.mil>; Williams, Elizabeth G CIV USARMY CESAC (US) <Elizabeth.G.Williams@usace.army.mil>; Bauer, David <David.Bauer@icf.com>; Rogers, Debra <Debra.Rogers@icf.com>
Subject: RE: Palmetto - Boat Traffic Info

Diana

Palmetto Railways has attempted to understand the types and sizes of boat that commonly traverse the diversion canal between Lake Marion and Lake Moultrie. Below are bullets outlining various efforts we have undergone to gather information...

- Satellite view investigation of the lake to look for docks and marinas that may house boats larger than small recreational boats.
- Contacted CSX Transportation to see if they log the types of vessels that they have to raise their bridge on the Tailrace Canal, which they do not.
- Made inquiries with Santee Cooper who operates the locks at the South end of Lake Moultrie and they do not track the types of boats that travel through the locks either.
- Contacted local commercial tug operations to better understand their use of the lakes for transport of commerce.

Please let me know if you have any further questions.

Thanks

T Ravenel

Director of Special Projects

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From: Wood, Diana <Diana.Wood@stb.gov>
Sent: Monday, July 16, 2018 7:13 AM

To: Tarek Ravenel <TRavenel@palmettorail.com>

Cc: Tate, William G CIV <William.G.Tate@uscg.mil>; Williams, Elizabeth G CIV USARMY CESAC (US) <Elizabeth.G.Williams@usace.army.mil>; Bauer, David <David.Bauer@icf.com>; Rogers, Debra <Debra.Rogers@icf.com>

Subject: Palmetto - Boat Traffic Info

T,

Could you provide a quick summary of your efforts to collect information on recreational and commercial boat traffic on the Diversion Canal along with the results of those efforts. We don't have this documented anywhere but will need to include a sentence or two in the EA.

Thanks

Diana

Diana F Wood
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