

HEI-26222

State of South Carolina
Department of Agriculture



Hugh E. Weathers
Commissioner

Wade Hampton Office Building
P.O. Box 11280
Columbia, S.C. 29211
Telephone: (803) 734-2190
Fax: (803) 734-2192
E-Mail: hweathe@scda.sc.gov

October 6, 2017

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

Mr. Travis Hughes
Chief, Regulatory Division
U.S. Army Corps of Engineers, Charleston District
69-A Hagood Ave.
Charleston, S.C. 29403

Re: Palmetto Railways Camp Hall Rail Project; STB Docket No. FD 36095

Dear Ms. Rutson and Mr. Hughes:

I am writing you today to demonstrate my strong support for the proposed development of an industrial rail line by Palmetto Railways that will provide rail service from the Camp Hall Commerce Park in Berkeley County, SC to the A-Line of CSX Transportation, Inc. (CSXT).

SCDA is an agency of the State of South Carolina whose mission is to promote and foster the development and growth of the agriculture industry and its associated business within South Carolina, while assuring the protection and safety of the public. Currently, South Carolina boasts nearly 25,000 farms that encompass approximately 4.9 million acres of land. South Carolina-grown products, which are exported, are highly sought-after and ranked throughout the country and abroad, including fruits and vegetables, livestock, and ornamental horticulture, nursery, and turf grass industries. South Carolina's agribusiness is worth approximately \$3 billion annually. In addition, forests encompass nearly 70% of South Carolina's total land area, and are essential for the economy, environment, and quality of life. Forestry is among the top manufacturing industries annually in South Carolina, with a total annual economic impact of approximately \$17 billion, of which \$1.4 billion in forest products are exports.

South Carolina's agrarian resources are also a key component of economic development efforts. Companies want to invest where they can enhance their competitiveness and profitability, and South Carolina's agricultural industry helps to make it a competitive and attractive option for any industry. South Carolina has an abundance of available raw materials from agriculture and forest products, which help to entice businesses wanting to expand or locate in South Carolina. With a year-round growing season, fertile soil, productive farms and experienced farmers, South Carolina is also within a 24-hour reach of 100 million people. South Carolina has natural, renewable, and human resources, a ready workforce that is both educated and trained, and an infrastructure of highways, rail systems, and a world-class port that help it be significant player in the export market.

SCDA believes that agribusiness in South Carolina will derive substantial direct and indirect benefits from the development of the Camp Hall Rail Project by Palmetto Railways. As a general proposition, short line rail operations can help play a vital role in connecting local agricultural and industrial operations to Class I rail networks. In many cases, short line railroads serve farmers in agricultural and timber-growing communities by transporting their goods to larger networks which, in turn, connect those goods to national and global markets. Such is the case here, as the Camp Hall Commerce Park area to the east of Interstate 26 is currently underserved by rail opportunities, and the project's proposed connection to the CSXT A-Line will provide connectivity to the existing and future industries in the area, including agribusiness. This additional connectivity and increased number of transportation options afforded by the line will support, rather than inhibit, the growth of the agriculture business in South Carolina and will open opportunities for new growth. In addition, provision of a rail transportation option to the expected growth in this area will confer a valuable benefit to regional communities by reducing current and future traffic congestion from the local and State highway networks, where currently only truck-based transportation alternatives for agribusiness are available.

In summary, following a review of the proposed Camp Hall Rail Line, SCDA believes that the Camp Hall Rail Line will benefit the agriculture industry in South Carolina and therefore offers its support behind the proposed project. SCDA respectfully requests that the Surface Transportation Board and the U.S. Army Corps of Engineers move expeditiously to approve the pending petition for exemption and permit application for the proposed.

Sincerely,

A handwritten signature in black ink, reading "Hugh E. Weathers" with a stylized flourish at the end.

Hugh E. Weathers
Commissioner of Agriculture