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santee cooper®

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October 6, 2017

Ms. Dianne Wood
Program Manager
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. Wood and Mr. Hughes:

The South Carolina Public Service Authority (known as Santee Cooper) supports 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, South Carolina, to the A-Line of CSX Transportation, Inc.

As an instrumentality of the State of South Carolina, Santee Cooper is charged with providing water and power and assisting economic development "for the benefit of all the people of the State..." S.C. Code Ann. § 58-31-80. As you may know, Santee Cooper owns approximately 3,882 acres of the Camp Hall site. Santee Cooper has obtained regulatory approval from the U.S. Army Corps of Engineers, Charleston District, for the development of approximately 1,382 acres of that site. That property, adjacent to the development of the Volvo automotive manufacturing facility, is currently being marketed and is available for sale and development.

Rail infrastructure and availability at the Camp Hall Commerce Park significantly enhances the value and attractiveness of the property for economic, and particularly industrial, development. Industrial development of the property further supports jobs and improves the quality of life of the State's citizens, including the alleviation of road congestion by using rail as an alternative to trucks. Santee Cooper views the Camp Hall rail project and its proposed access for the Santee Cooper-owned portion of the Camp Hall Commerce Park as an important addition of infrastructure to support the transportation and logistics needs of the future development of Camp Hall.

Ms. Woods and Mr. Hughes
October 9, 2017
Page 2 of 2

In response to the request for information about the resources under Santee Cooper's jurisdiction that could be affected by the proposed project, the proposed route both begins and ends on Santee Cooper property, in addition to being in the vicinity or contiguous to other undeveloped parcels and transmission and distribution rights-of-way of Santee Cooper. Santee Cooper and Palmetto Railways are working cooperatively to ensure that Santee Cooper's operations will not be adversely impacted and to respect and maintain Santee Cooper's requirements under federal and state obligations, including, for example, FERC licensing requirements. Santee Cooper and Palmetto Railways are also discussing property access requirements for both the proposed project and other Santee Cooper property, which Santee Cooper needs to maintain, including transmission encroachments, utility rights-of-way, and general use and enjoyment.

Santee Cooper and Palmetto Railways will work cooperatively and in good faith to resolve any issues to ensure the proposed project, which adds value and benefit to Santee Cooper's property in Camp Hall, moves forward. In sum, Santee Cooper fully supports Palmetto Railways' proposed project and 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, respectively, for the proposed Camp Hall Rail Line.

Sincerely,



Pamela J. Williams

PJW:cgb



SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

September 8, 2017

Santee Cooper
Sam Bennett
Vice President of Administration
1 Riverwood Dr
Moncks Corner, SC 29461

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

Dear Mr. Bennett:

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

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

Project Background

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

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

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

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

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

Sincerely,

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

Victoria Rutson
Director
Office of Environmental Analysis

Enclosures:

Figure A-Proposed Route Map

Figure B-Palmetto Railways Alternatives Analysis Map

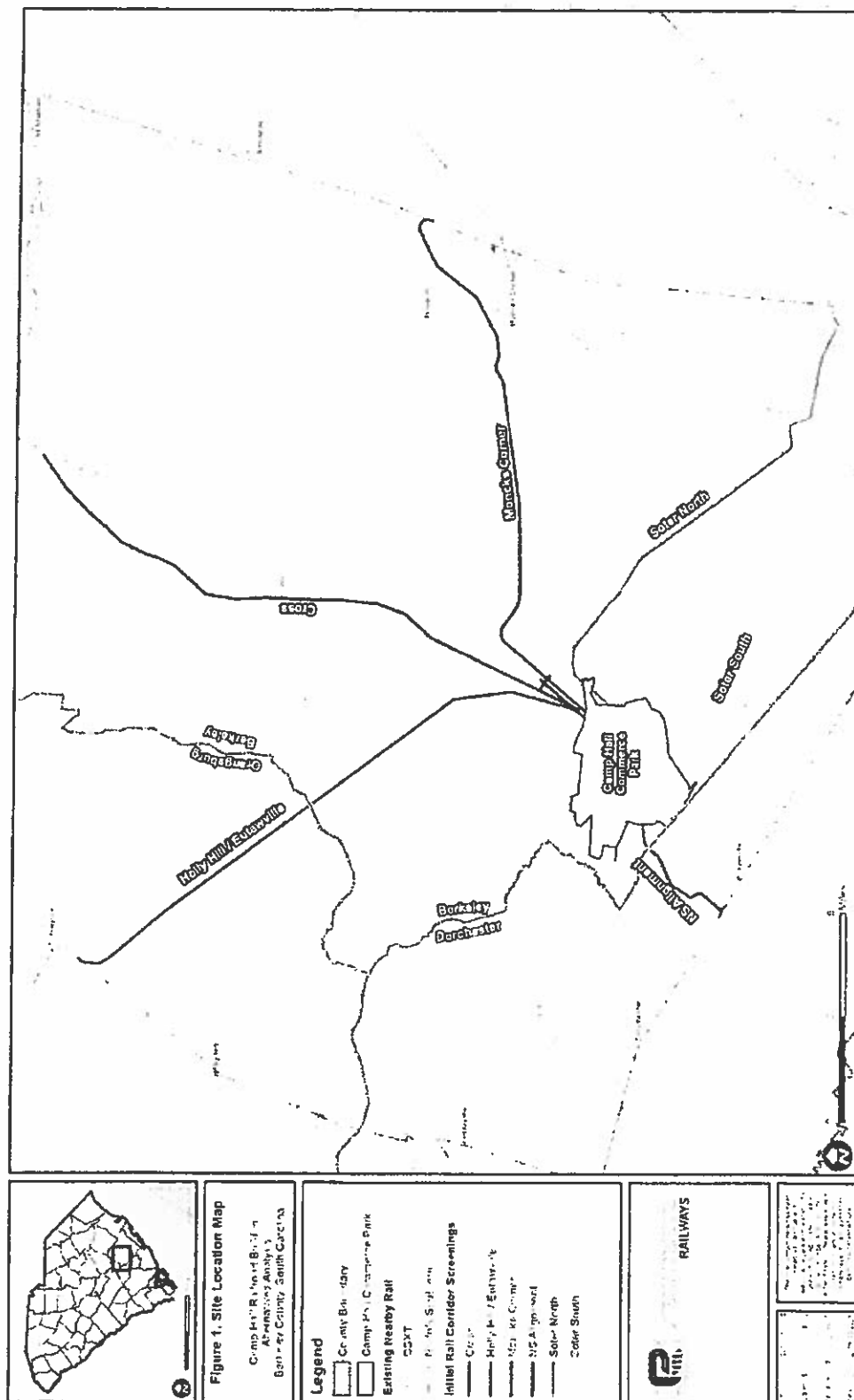


Figure B
Palmetto Railways Alternatives Analysis Map

Botelho, Crystal

To: Williams, Pamela
Subject: RE: [EXTERNAL SENDER] Re: Palmetto Railways Camp Hall Project

Begin forwarded message:

From: Jeff McWhorter <JMcWhorter@palmettorail.com>
Date: October 6, 2017 at 4:33:03 PM EDT
To: "Williams, Pamela" <pamela.williams@santeecooper.com>
Cc: Karen Manning <kmanning@sccommerce.com>, "Hitt, Bobby (bhitt@sccommerce.com)" <bhitt@sccommerce.com>, "Tye, Marc" <marc.tye@santeecooper.com>, "Warner, Elizabeth" <elizabeth.warner@santeecooper.com>
Subject: [EXTERNAL SENDER] Re: Palmetto Railways Camp Hall Project

WARNING: This e-mail is from an external sender. Use caution when opening attachments and clicking links.

Pamela,

Thank you for your email and for Santee Cooper's support. We look forward to working with you and your team on the Camp Hall Rail Project and more specifically on the issues you have outlined below.

Have a great weekend!

Regards,

Jeff

Jeffrey McWhorter
President & CEO
[540 E. Bay Street | Charleston, SC 29403 | 843.727.2067](#)
JMcWhorter@PalmettoRail.com | www.PalmettoRailways.com



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On Oct 6, 2017, at 3:03 PM, Williams, Pamela <pamela.williams@santeecooper.com> wrote:

Dear Jeff:

Santee Cooper fully supports Palmetto Railways' project to extend the rail line from the CSX main line near our Cross Generating Station to Camp Hall. Development of Camp Hall will bring substantial benefits to Berkeley County and the entire state in the form of jobs and capital investment. As you know, Santee Cooper and the SC Department of Commerce worked together to obtain and improve the Camp Hall property and recruit Volvo to the site. This rail line will be important as Santee Cooper seeks to recoup its investment in the remaining Camp Hall property.

Because the proposed rail route traverses, adjoins or lies in the vicinity of Santee Cooper property and assets, we ask that you work cooperatively with us to address potential impacts. In particular, please acknowledge Palmetto Railways will work with Santee Cooper to:

- Ensure the project does not negatively impact or interfere with operations at our Cross Generating Station, including environmental permits, site security and emergency evacuation routes
- Seek reasonable terms for encroachments on Transmission and Distribution rights of way, including reimbursement for any required structural modifications and assured continued access
- Minimize impacts to property within our FERC license boundary, including cooperating in FERC permitting requirements and addressing any dam safety concerns
- Allow for adequate access to Santee Cooper property for continued use and enjoyment, including as required for timber harvesting
- Review hydraulic/hydrology engineering reports and address potential impacts on drainage areas on Santee Cooper property

We look forward to working with you on the project. I look forward to your email response.

Regards,

Pamela

Pamela J. Williams
Sr. V.P. Corporate Services
Santee Cooper
(843) 761-7043

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If you have questions, please call the Technology Service Desk at Ext. 7777.
