



HEI-26224

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, SC 29403

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

Dear Ms. Rutson and Mr. Hughes:

Thank you for giving Volvo Car US Operations Inc., a wholly owned subsidiary of Volvo Car North America, LLC, ("Volvo") the opportunity to comment on Palmetto Railways' petition 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, South Carolina, to the A-Line of CSX Transportation, Inc. ("CSXT"). Volvo supports the petition.

Volvo is a company that strives for its name and products to be synonymous with high quality, safety and care for the environment. In operation since 1927, today, Volvo is one of the most well-known and respected car brands in the world. Recent initiatives have resulted in an increase in Volvo vehicle sales worldwide, with sales in the United States increasing over 46 percent since 2015. These recent successes have led Volvo to invest heavily in its advanced manufacturing facilities to keep pace with growing demand. In 2015, Volvo announced the construction of a \$500 million manufacturing facility at the Camp Hall Commerce Park in Berkeley County and recently announced that it would further expand its phase to more than double that investment while also creating an additional 1,900 jobs. Once expanded, Volvo expects to produce an estimated 150,000 cars annually at full capacity. The Camp Hall facility currently under construction will be Volvo's first manufacturing facility in North America and is expected to be complete before the end of 2018.

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As the anchor tenant of the Camp Hall Commerce Park, the proposed rail line would benefit the logistics and lead times of the purchase and distribution chains associated with Volvo's new advanced manufacturing facility. Although rail access to the facility was not identified as a condition to the location of our facility during its design, development and permitting stages, access to a Class I domestic rail network would increase the efficiencies available to Volvo to maximize fully the potential of the facility. Currently, the completed facility would rely almost exclusively on adjacent local roads and Interstate 26 to ensure the on-time receipt of incoming raw materials and component parts as well as for the distribution of finished vehicles. Volvo expects demand for the vehicles produced at the facility to require shipment of those vehicles throughout North America and abroad.

In addition to logistics efficiencies, the proposed rail line would lessen our overall environmental carbon footprint while improving roadway safety and reduce the maintenance impact on our public roadways by minimizing truck traffic.

The addition of Palmetto Railways' proposed rail line to Camp Hall will only serve to benefit Volvo and other future tenants of the commerce park, as it will provide an alternate mode of freight transportation. The proposal also provides sufficient capacity to serve future phases of our manufacturing facility, as well as foreseeable growth within and surrounding the Camp Hall Commerce Park.

Volvo supports Palmetto Railways' pending petition for exemption and permit application for the proposed Camp Hall Rail Line.

Sincerely,

A handwritten signature in black ink, appearing to read 'Katarina Fjording', with a stylized flourish at the end.

Katarina Fjording
Vice President Purchasing & Manufacturing Americas
Volvo Car US Operations Inc.