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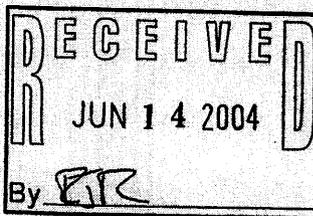
# South Carolina Department of Natural Resources



John E. Frampton  
Director

June 4, 2004

Mr. Winn Frank  
Parsons Transportation Group  
1133 15<sup>th</sup> Street NW  
Washington, DC 20005



REF: STB Finance Docket No. 34421, HolRail LLC – Construction and Operation  
Orangeburg and Dorchester Counties, South Carolina  
Request for Comments on Potential Environmental Impacts

Dear Mr. Frank:

Personnel with the South Carolina Department of Natural Resources have reviewed the proposed project and evaluated its impact on natural resources and offer the following comments.

The proposed project would establish competitive rail service at the Holcim (US) Inc. cement production factory near Holly Hill, SC, which is presently served only by CSX Transportation, Inc. (CSX). Holcim recently completed an expansion of the Holly Hill plant and has determined that rail competition is necessary to achieve the full benefits of the expanded production capacity. HolRail LLC, a subsidiary of Holcim (US) Inc. proposes to build a 2-mile rail line, on one of two potential routes between Holly Hill and Giant, SC. Both routes parallel the existing CSX line across Four Hole Swamp. Route A would involve constructing the line within the existing right-of-way of CSX while alternate Route B would be constructed outside of the CSX right-of-way, approximately 50 yards to the east of the existing CSX line, on property almost completely owned by Holcim. The Surface Transportation Board Section of Environmental Analysis will prepare either an environmental assessment (EA) or an environmental impact statement (EIS) based in part on comments received. The environmental document will evaluate both Routes A and B, as well as the no-build alternative and any other reasonable alternatives.

As the agency mandated to protect and manage the state's natural resources, we have a strong interest in the proposed project. Four Holes Swamp contains the largest remaining stand of virgin cypress/tupelo swamp forest left in the world. The swamp is unique compared with many other riverbottom swamps because the swamp-stream system is fed largely by springs and runoff from surrounding higher areas and does not support a single large river until it flows into the Edisto River some 62 miles downstream. Four Holes Swamp is home to over 300 species of wildlife and is the best example of a braided swamp system remaining in South Carolina and possibly in the South Atlantic coast.

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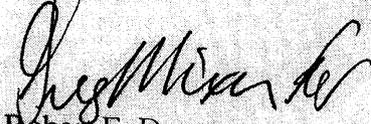
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There is a considerable conservation effort underway to protect this important natural resource. The National Audubon Society and the Nature Conservancy have preserved over 12,000 acres in the heart of Four Holes Swamp by creating the Francis Beidler Forest. In addition to its more than 1,700 acres of old growth forest with some trees dating back 1,000 years, Beidler Forest provides habitat for some of the densest nesting populations of neotropical migrant songbirds in the eastern United State, unusual plant species and numerous amphibians.

We recommend that the project purpose be accomplished using the least environmentally damaging alternative available. We would prefer to see competitive rail service established using the existing rail line crossing; however, if this is not feasible then we recommend that the crossing be accomplished by constructing the new rail line immediately adjacent to, and east of, the existing rail crossing utilizing the existing CSX right-of-way (Route A). We believe that Route B would cause unacceptable impacts to Four Holes Swamp by segmenting the swamp system and increasing the width of the disturbed right-of-way.

Our department appreciates the opportunity to provide these comments on the proposed project and looks forward to working with you in the future in the review of any required environmental documents.

Sincerely,



Robert E. Duncan  
Environmental Programs Director

cc: Don Hill - USACE  
Quinton Epps - SCDHEC/401  
Rob Mikell - SCDHEC/OCRM  
Bob Lord - USEPA  
Melissa Bimbi - USFWS