



Department of Transportation

Office of the Secretary

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September 18, 2019

The Honorable Elaine Chao
Secretary of Transportation
United States Department of Transportation
1200 New Jersey Avenue, SE
Washington, DC 20590

Dear Secretary Chao:

This letter is in support of the Minnesota/South Dakota Rail Improvement Project which is seeking federal funding support through the Consolidated Rail Infrastructure and Safety Improvements (CRISI) grant program.

The Pipeline and Hazardous Materials Safety Administration issued its final ruling in 2016 to codify in the Hazardous Materials Regulations certain mandates and minimum requirements of the Fixing American's Surface Transportation (FAST) Act of 2015. The FAST Act revised Department of Transportation specifications for flammable liquids transported in tanker railcars. The new requirements increase the weight of these safer railcars and cause an immediate need to upgrade the rail line to carry heavier ethanol cars and other freight safely and more efficiently. These new railcar requirements are being phased in by May 2023. The 7.5 miles of rail line between Brandon and Valley Springs, South Dakota is in dire need of rehabilitation and reclamation to allow freight traffic. The grant funding will allow the rail line to be rehabilitated so shippers may use 286,000 lb. railcars, in compliance with the FAST Act, moving more products to domestic and foreign markets more effectively.

This rehabilitation will also allow rail traffic to flow Sioux Falls, SD to Worthington, MN allowing southeast South Dakotan shippers to gain access to two Class I railroads, the BNSF and the Union Pacific. This creates the competitive shipping environment needed to help reduce freight costs and compete with others that have greater access. It is estimated that after the rail rehab construction, 82,500 additional rail cars on this line will reduce over 412,500 truckloads of freight, saving our local & state highway system from heavy truck use, reduce fossil fuel consumption and make passenger highway travel much safer. Products such as aggregates, animal feeds, cement, cottonseed, ethanol, fertilizer, lumber and steel will be transported more efficiently and effectively.

The South Dakota State Railroad Board & Railroad Authority supports this infrastructure improvement project that will create greater opportunity for shippers by providing competitive choices. On behalf of the South Dakota State Railroad Board & Railroad Authority, I ask you give full and fair consideration to the Minnesota/South Dakota Rail Improvement Project through this CRISI application.

Warm Regards,

Jerry Cope, Chairman
South Dakota State Railroad Board & Railroad Authority