

July 21, 2023

**Via Alternative Electronic Filing**

Ms. Sallie Tanner  
Executive Secretary  
Georgia Public Service Commission  
244 Washington Street S.W.  
Atlanta, GA 30334-5701

**RE: Amended Petition For Approval to Acquire Real Estate By Condemnation  
In Re: Sandersville Railroad Company; Hancock County, Georgia  
Acquisition; Docket No. 45045**

Dear Ms. Tanner:

For filing in the above-styled docket, please find the enclosed *Direct Testimony of Jeff Custer* on behalf of Sandersville Railroad Company. As required by the electronic filing procedures, a physical copy of this filing will be mailed to the Commission. Thank you for your attention to this matter.

Should you have any questions, please do not hesitate to contact our office.

Sincerely,



L. Craig Dowdy  
For TAYLOR ENGLISH DUMA LLP

LCD:wf  
Enclosure

cc: Nancy G. Gibson (w/encl.)  
Rob Trokey (w/encl.)  
Steven L. Jones (w/encl.)  
Robert Highsmith/Laura Flint (w/encl.)

Don and Sally Garrett (w/encl.)  
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Marvin and Pat Smith (w/encl.)  
William R. Maurer (w/encl.)

**BEFORE THE  
GEORGIA PUBLIC SERVICE COMMISSION**

**In Re: Sandersville Railroad  
Company's Petition For Approval to  
Acquire Real Estate by  
Condemnation**

**Docket No.: 45045**

**DIRECT TESTIMONY OF  
JEFF CUSTER**

to be presented as a panel consisting of  
Jeff Custer, Scott Dickson, Arnie Pittman, and Cale Veal  
on behalf of Sandersville Railroad Company

July 21, 2023

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1 **INTRODUCTION**

2 **Q. STATE YOUR NAME, EMPLOYER, POSITION OR TITLE, AND**  
3 **BUSINESS ADDRESS.**

4 A. My name is Jeffrey Lamar Custer. I am the Wood Procurement and Fiber  
5 Sales Manager with Southern Chip LLC. My business address 1701 Waco Mill Road,  
6 Sandersville, Georgia 31082.

7  
8 **Q. STATE YOUR EDUCATIONAL BACKGROUND, WORK**  
9 **EXPERIENCE, AND YOUR ORGANIZATION’S BACKGROUND.**

10 A. I received a Bachelor of Science degree in forestry from Auburn University  
11 and an associate’s degree in general studies with a concentration in criminal justice  
12 from Troy State University. I have been an employee of Southern Chips since 2018. I  
13 have been in the wood industry for almost 22 years.

14 I started my career with Mead Paper in Cottonton, Alabama, where I worked  
15 for 7 years. There, I held multiple positions ultimately holding the title of  
16 Productivity Manager. After that, I worked for MeadWestvaco in Charleston, South  
17 Carolina where I held various positions and ultimately became the Wood  
18 Procurement Management. Next, I was Business Development Manager for Fulghum  
19 Fibers in Augusta, Georgia.

20 Southern Chips provides paper quality wood chips to paper mills throughout  
21 the southeast United States and beyond. We deliver wood chips almost exclusively by  
22 rail. We specialize in providing wood chips at a delivered cost. That is different from

1 the business model of most chip providers that sell wood chips at pre-transportation  
2 prices, which makes pricing more complicated for the buyer. Our pricing structure  
3 allows us to provide an efficient method for end users to purchase wood chips.

4

5 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY IN THIS**  
6 **PROCEEDING?**

7 A. I am here in support of Sandersville Railroad Company's (the "Railroad" or  
8 "Sandersville Railroad") planned industrial spur (the "Hanson Spur") because it  
9 would give us access to the CSX Transportation ("CSXT") rail system and allow us to  
10 reach new markets for our products at a lower cost to our customers as I will explain  
11 in my testimony.

12

13 **Q. MR. CUSTER HAVE YOU PREVIOUSLY TESTIFIED BEFORE THIS**  
14 **COMMISSION.**

15 A. I have not previously testified before the Commission.

16

17 **Q. WHEN DID SOUTHERN CHIPS, LLC BEGIN ITS OPERATIONS?**

18 A. We have been in business since 2018.

19

20 **Q. WHAT PRODUCTS AND CAPABILITIES DOES SOUTHERN CHIPS**  
21 **PROVIDE?**

22 A. We provide quality hardwood and pine wood chips to pulp and paper  
23 mills. We specialize in rail-delivered chips to any location with rail service in the

1 continental United States. We can ship up to 450,000 tons of chips per year with our  
2 current capability. We have 300 rail cars available for shipments. We have 12,000  
3 tons of dry pine and hardwood pulpwood storage and 35,000 tons of wet hardwood  
4 pulpwood storage capacity.

5

6 **Q. WHAT IS YOUR CORPORATE STRUCTURE?**

7 A. We are a single-member LLC with Sandersville Railroad Company as the  
8 single member.

9

10 **Q. DOES SANDERSVILLE RAILROAD PARTICIPATE IN YOUR DAY-**  
11 **TO-DAY BUSINESS DECISIONS?**

12 A. No, they are not involved in our day-to-day business decisions in any way. I  
13 was hired based on my background and work experience in this industry and market.  
14 I make all the day-to-day and strategic business decisions for Southern Chips.

15

16 **Q. DID SANDERSVILLE RAILROAD INSTRUCT SOUTHERN CHIPS**  
17 **TO USE THE HANSON SPUR FOR ACCESS TO INCREASED MARKETS?**

18 A. No, I made that decision based on my background, knowledge, and work  
19 experience in this industry and market. In my view from that experience, utilizing  
20 the Hanson Spur is an obvious choice to expand the market reach for Southern Chips.  
21 We currently only have direct access to the Norfolk Southern (“NS”) rail system but  
22 the spur will provide us the ability to also serve, at a competitive price, paper mills

1 located on the CSXT system. As many of the other customers of the spur have  
2 testified, a direct shipment on one rail line is more cost effective than shipping on  
3 multiple railroads. CSXT is an integral part of the North American forest products  
4 industry. They provide service to more than 80 pulp and papermills along with box  
5 plants and numerous fiber sources. Our wood chips will be loaded via truck at  
6 Southern Chips and reloaded on rail cars at the Hanson Spur.

7

8 **Q. DOES THIS CONCLUDE YOUR TESTIMONY?**

9 A. Yes.

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**Docket No.: 45045**

**CERTIFICATE OF SERVICE**

I certify that I have this day served a copy of the foregoing **Direct Testimony of Jeff Custer** upon the following persons by causing electronic copies of the same to be transmitted to each party that has supplied a valid email address and upon all other parties via first class mail with adequate postage affixed thereon and deposited in the United States Mail addressed as follows:

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This 21st day of July 2023.



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