INSTITUTE FOR JUSTICE

November 21, 2023

VIA ALTERNATIVE EFILING AND UPS NEXT-DAY AIR

Ms. Sallie Tanner
Executive Secretary
Georgia Public Service Commission
244 Washington Street, SW
Atlanta, Georgia 30334
stanner@psc.ga.gov

Re: ***In re: Sandersville Railroad Company's Petition for Approval to Acquire Real Estate by Condemnation, Docket No. 45045***

Dear Ms. Tanner:

Please find enclosed the original and five (5) copies of *Errata to Exhibit 3 of the Pre-Filed Responsive Testimony of Gary Hunter* for filing in the above captioned matter.

As required by the alternative electronic filing procedures and the Scheduling Order and Notice of Hearing filed in this case on May 18, 2023, the original and 5 additional copies will be mailed to the Commission on this date via UPS Next-Day Air, postage pre-paid. An electronic version of the forgoing has also been e-filed via the Commission's Alternative eFile system on this date.

Please let me know if you have any questions concerning this filing. Thank you for your attention to this matter.

Sincerely,

Cara Di Silvio

Cara Di Silvio
Paralegal

Enclosures: 6

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BEFORE THE
GEORGIA PUBLIC SERVICE COMMISSION

Sandersville Railroad Company Hancock County, Georgia **In re: Sandersville Railroad Company's Petition for Approval to Acquire Real Estate by Condemnation**	Docket No.: 45045

ERRATA TO EXHIBIT 3 OF THE PRE-FILED RESPONSIVE TESTIMONY OF GARY HUNTER

Page / Location	**Change**
Page 3: Sixth paragraph	Change "$20" to "$19".
Page 4: Table	Replace table with Attachment 1 to this errata sheet.
Page 4: Second paragraph	Delete "Based on a single weekly unit trains as presented by the project owner, this equated to a 67-car unit train each week".
Page 5: Table 1	Replace Table 1 with Attachment 5 to this errata sheet.
Page 5: Table 2	Replace Table 2 with Attachment 2 to this errata sheet.
Page 12: Table: Fourth row below "Stage 3" column	Change "yentative" to "tentative"
Page 16: First paragraph	Delete "This equates to approximately 67 railcars per week for the weekly unit trains."
Page 16: Table: Column 3, Row 6	Change "Disussed" to "Discussed"
Page 17: Third paragraph	Change "$72.26" to "$77.86". Change "$0.63" to "$0.68".

Page 17: Fourth paragraph	Change each instance of “unit train” to “block of cars”. After “rates”, add “Any fewer cars shipped to a destination would increase the rail rates.”
Page 18: First Paragraph	Change “one weekly trip to the CSX interchange to pick up and set out completed unit trains” to “those cars will be taken to the CSX interchange daily and attached to the end of CSX trains whenever CSX trains are in the area.”
Page 18: Third bullet point	Change “3,600” to “3,030”.
Page 18: Fifth bullet point	Change “train building yard” to “CSX interchange”.
Page 18: Sixth bullet point	Change “The 5th operation day will add a trip to carry the loaded unit train from the train building yard to the CSX interchange track used for loaded cars and where” to “Loaded cars will be added to the end of CSX unit trains each day CSX trains are in the area.”
Page 18: Seventh bullet point	Change “the train building yard at the end of the line” to “Heidelberg or stored on the line until needed by Heidelberg”.
Page 18: Eighth bullet point	Change “160” to “112”.
Page 18: Ninth bullet point	Replace existing bullet-point text with “A minimum of 1,000 feet in side track is needed to store empty rail cars. Capital costs for the side track are detailed in the next chapter.”
Page 19: Second paragraph	Change “38,160” to “33,120”. Delete “and unit trains”. Change “7.23” to “6.27”.

Page 19: Second paragraph (cont'd)	After "miles," add "which is 4.5 miles of main line, 1.15 miles of interchange, and 3,300 feet of track at Heidelberg including the 1,000 foot holding track." Change "$57,840" to "$50,160".
Page 19: Fifth Paragraph	After "locomotive will be in use," add "to move the cars to interchange every day." Change "$29,848" to "$42,640". Change "$135,716" to "$148,508".
Page 20: Second paragraph	Change "$72.25" to "$77.86". Change "$0.63" to "$0.68".
Page 20: Table	Replace table with Attachment 6 to this errata sheet.
Page 21: Table	Replace table with Attachment 7 to this errata sheet.
Page 23: Second bullet point	Change "7,200" to "6,060".
Page 23: Sixth bullet point	Change "7,200" to "1,000".
Page 24: First paragraph	Change "3,600" to "3,030". Change "a single 80 car unit train" to "at least three days worth of Heidelberg's cars, or up to 44 cars".
Page 24: Third paragraph	Change "3,600" to "3,030". Change "$3.61 million" to "$3,066,380".
Page 26: First paragraph	Replace all of first paragraph with: "By taking all cars to the interchange every day, SRC states it needs only a 1000-foot sidetrack to hold one day's worth—16—of Heidelberg's cars, and RII agrees."

Page 26: Second paragraph	Change “unit train building tracks for this yard” with “Heidelberg’s tracks”. Change “7,200” to “1,000”. Change “$2,953,800” to “$410,250”.
Page 29: Table	Replace table with Attachment 1 to this errata sheet.
Page 30: Third paragraph	Delete “unit”.
Page 31: First paragraph	Replace first paragraph with: “In addition, with 16-car blocks, Heidelberg will need to secure approximately 112-128 cars for its operations. We have assumed that Heidelberg has these cars within its system, but if they need to be acquired, the cost of each new car is approximately $125,000, while used cars average about $23,000. On the low end, total extra capital costs to Heidelberg would be $2.8 million – $3.2 million. Lease rates are approximately $900-$1,000 per car per month. However, with time, Heidelberg will likely find a need for an even larger number of cars because blocks of cars smaller than unit trains suffer from delays in service extremely often.”
Page 34: Table	Replace table with Attachment 4 to this errata sheet.
Page 34: Fourth paragraph	Change “unit train” to “block of cars”. Change “67 car unit train” to “16-car block”.
Page 34: Sixth paragraph	Change “$9.59” to “$13.08”.
Page 35: First paragraph	Change “$0.63” to “0.68”. Change “$10.22” to “$13.76”.
Page 39: Table	Replace table with Attachment 2 to this errata sheet.

Page 40: Second paragraph	Change “$0.63” to “$0.68”.
Page 40: Third paragraph	Change “$20 million” to “$19 million”.
Page 40: Tables	Replace tables with Attachment 5 to this errata sheet.
Page 43: First paragraph	Change “$20 million” to “$19 million”.
Appendix D: Table	Replace with Attachment 5 to this errata sheet.

Gary Hunter Errata Sheet

ATTACHMENT 1

Revised Capital Costs	
Cost Component	**Cost**
Main Line track 4.5 miles	$ 11,049,280.00
Highway 16 Crossing	$ 2,000,000.00
CSX Interchange Tracks	$ 3,066,380.00
Two Rail Bridges	$ 214,000.00
At-Grade Crossings	$ 231,441.00
Train Building Yard	$ 410,250.00
Land Acquisition	$ 568,561.00
Wetland Credits	$ 1,500,000.00
Total Estimated Capital Costs:	**$ 19,039,912.00**

Gary Hunter Errata Sheet

ATTACHMENT 2

Heidelberg Transportation Options to ship 400,000 tons of aggregate per year to Savannah.

Mode(s)	Truck/ Transload Cost	Railroad 1 Cost	Railroad 2 Cost	Total Rate per ton
Truck entire route	$ 24.88			$ 24.88
Direct Rail using New RR + CSX charging maximum to recuperate capital costs		$ 1.09	$ 13.08	$ 14.17
Truck to Transload+CSX Direct	$ 1.09		$ 13.08	$ 14.17

Gary Hunter Errata Sheet

ATTACHMENT 3

Truck Carloads for Transload Option			
Period	**Tons**	**Truckloads (23 tons/)**	**One-Way Moves**
Annually	400,000	17391	34783
Weekly (52 weeks)	7692	334	669
Daily (365 days)	1096	48	95

Gary Hunter Errata Sheet

ATTACHMENT 4

Costs to move in 16-car blocks

CSX Portion Only	Total RR Cost per Ton	Fuel Cost	Labor: Crew, Dispatch, Clerical	Road Locomotive	Yard & Industry Switching	Track & RoW	Rev/Cost Ratio	RR Rate per Ton	Total Miles	Round Trip Transit Days
Sparta to Savannah	$ 6.54	$ 0.79	$ 1.32	$ 0.80	$ 1.97	$ 1.65	2.00	$ 13.08	195.4	6.2
Sparta to Jacksonville	$ 9.94	$ 1.46	$ 2.04	$ 1.40	$ 1.97	$ 3.06	2.00	$ 19.87	361.9	6.8
Sparta to Canadys	$ 7.54	$ 0.90	$ 1.29	$ 0.73	$ 3.13	$ 1.48	2.00	$ 15.08	179.6	6.8
CSX	$ 4.62	$ 0.56	$ 0.86	$ 0.55	$ 1.47	$ 1.18			139.5	4
H&B	$ 2.91	$ 0.34	$ 0.43	$ 0.18	$ 1.66	$ 0.30			40.1	2.8

Gary Hunter Errata Sheet

ATTACHMENT 5

Projected at Maximum Rate

SRC Sparta Operation Projection	Year 2024	Year 2025	Year 2026	Year 2027	Year 2028	Year 2044
PROJECTED CARLOADS:	3484	3484	3484	3484	3484	3484
AVERAGE REVENUE PER CARLOAD:	$ 124.00	$ 128.96	$ 134.12	$ 139.48	$ 145.06	$ 271.70
OPERATING REVENUES						
TOTAL OPERATING REVENUES	$ 432,016	$ 449,297	$ 467,269	$ 485,959	$ 505,398	$ 946,600
OPERATING EXPENSES						
MAINTENANCE OF WAY	$ 45,200	$ 47,008	$ 48,888	$ 50,844	$ 52,878	$ 99,039
MAINTENANCE OF EQUIPMENT	$ 40,000	$ 41,600	$ 43,264	$ 44,995	$ 46,794	$ 87,645
TRANSPORTATION	$ 145,508	$ 151,328	$ 157,381	$ 163,677	$ 170,224	$ 318,826
GENERAL AND ADMINISTRATIVE	$ 37,500	$ 39,000	$ 40,560	$ 42,182	$ 43,870	$ 82,167
OPERATING EXPENSES BEFORE D & A	$ 268,208	$ 278,936	$ 290,094	$ 301,698	$ 313,765	$ 587,677
EBITDA	$ 163,808	$ 170,360	$ 177,175	$ 184,262	$ 191,632	$ 358,923
Capital Cost Debt	$19,039,012	$18,868,652	$18,691,477	$18,507,215	$18,315,583	$13,966,009
OPERATING MARGIN	38%	38%	38%	38%	38%	38%
OPERATING RATIO	62.1%	62.1%	62.1%	62.1%	62.1%	62.1%
COST PER CAR	76.98	80.06	83.26	86.60	90.06	168.68
COST PER TON	$ 0.68	$ 0.70	$ 0.73	$ 0.76	$ 0.79	$ 1.48
RATE PER TON	$ 1.09	$ 1.13	$ 1.18	$ 1.22	$ 1.27	$ 2.38

Gary Hunter Errata Sheet

ATTACHMENT 6

Minimum Rate = Actual Cost of Railroad's Operation

SRC Sparta Operation Projection	Year 2024
PROJECTED CARLOADS:	3484
AVERAGE REVENUE PER CARLOAD:	$ 77.00
OPERATING REVENUES	
TOTAL OPERATING REVENUES	$ 268,268
OPERATING EXPENSES	
MAINTENANCE OF WAY	$ 45,200
MAINTENANCE OF EQUIPMENT	$ 40,000
TRANSPORTATION	$ 145,508
GENERAL AND ADMINISTRATIVE	$ 37,500
OPERATING EXPENSES BEFORE D & A	$ 268,208
EBITDA	$ 60
OPERATING MARGIN	$ 0.00
OPERATING RATIO	100.0%
COST PER CAR	76.98
COST PER TON	$ 0.68
RATE PER TON	$ 0.68

Gary Hunter Errata Sheet

ATTACHMENT 7

Projected at Maximum Rate

SRC Sparta Operation Projection	Year 2024	Year 2025	Year 2026	Year 2027	Year 2028
PROJECTED CARLOADS:	3484	3484	3484	3484	3484
AVERAGE REVENUE PER CARLOAD:	$ 124.00	$ 128.96	$ 134.12	$ 139.48	$ 145.06
OPERATING REVENUES					
TOTAL OPERATING REVENUES	$ 432,016	$ 449,297	$ 467,269	$ 485,959	$ 505,398
OPERATING EXPENSES					
MAINTENANCE OF WAY	$ 45,200	$ 47,008	$ 48,888	$ 50,844	$ 52,878
MAINTENANCE OF EQUIPMENT	$ 40,000	$ 41,600	$ 43,264	$ 44,995	$ 46,794
TRANSPORTATION	$ 145,508	$ 151,328	$ 157,381	$ 163,677	$ 170,224
GENERAL AND ADMINISTRATIVE	$ 37,500	$ 39,000	$ 40,560	$ 42,182	$ 43,870
OPERATING EXPENSES BEFORE D & A	$ 268,208	$ 278,936	$ 290,094	$ 301,698	$ 313,765
EBITDA	$ 163,808	$ 170,360	$ 177,175	$ 184,262	$ 191,632
Capital Cost Debt	$19,039,012	$18,868,652	$18,691,477	$18,507,215	$18,315,583
OPERATING MARGIN	38%	38%	38%	38%	38%
OPERATING RATIO	62.1%	62.1%	62.1%	62.1%	62.1%
COST PER CAR	76.98	80.06	83.26	86.60	90.06
COST PER TON	$ 0.68	$ 0.70	$ 0.73	$ 0.76	$ 0.79
RATE PER TON	$ 1.09	$ 1.13	$ 1.18	$ 1.22	$ 1.27

CERTIFICATE OF SERVICE

I hereby certify that on this 21st day of November 2023, a copy of the foregoing *Errata to Exhibit 3 of the Pre-Filed Responsive Testimony of Gary Hunter* has been served via electronic mail and U.S. First-Class Mail on the following pursuant to GA. COMP. R. & REGS. 515-16-16-.02; 515-2-1-.04(4)(b), (3):

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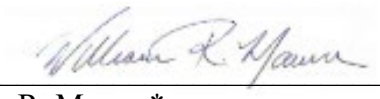
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DATED this 21st day of November 2023.



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Signed digitally pursuant to O.C.G.A. § 10-12-7