

## TRANSPORTATION COMMITTEE

Witness Form

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Organization Represe	nting:			
Testifying on Bill Numl	ber:			
Testimony:	Verbal		_Written	Both
Testifying As:	Proponent		_ Opponent	Interested Party
Are you a Registered	Lobbyist?	Yes	No	
Special Requests:				



Kanawha River Railroad 1100 Dairy Ln | Belle, WV 25015

**Ohio Senate** 

**Transportation Committee** 

May 21, 2024

RE: SUPPORT FOR SB 250

Chair Kunze, Vice Chair Reineke, Ranking Member Antonio, and Transportation Committee Members:

On behalf of Watco Companies and the Kanawha River Railroad (KNWA), thank you for the opportunity to submit testimony in support of SB 250. Watco is a single-source transportation services provider that owns and operates a diverse network of short line railroads, terminals, ports, and repair terminals. This includes 44 Class II and Class III railroads in the United States, among which is the KNWA.

The Kanwaha River Railroad operates over approximately 385 miles of track in Ohio and West Virginia. The approximately 100 miles of track in Ohio run between Watkins Yard in Columbus through Brice, Refugee, Basil, Thurston, Corning, Glouster, Chauncy, and Middleport, to cross into West Virginia near Point Pleasant. The KNWA primarily moves coal, chemicals, cement, aggregates, and metals, and interchanges with Norfolk Southern in Columbus, Ohio, and in Elmore, West Virginia, and interchanges with CSX in Point Pleasant, West Virginia.

The KNWA began operating in 2016 when its previous owner leased the line to Watco. Like most short line railroads, its startup came with a backlog deferred maintenance from its previous owner. We are working diligently and methodically to improve the condition of the railroad. We continue to work with the Ohio Rail Development Commission and the Public Utility Commission to improve grade crossings and signaling systems. The KNWA is also the beneficiary of a Consolidated Rail Infrastructure and Safety Improvements (CRISI) Program grant from the Federal Railroad Administration to upgrade rail ties, ballast, the rail itself, and a significant number of crossings along the railroad.



These investments are the single most important thing we can do for the railroad – both in terms of providing improved service to our customers but also to ensure that a safe railroad continues to get even safer.

For short line railroads, the most common cause of an incident is the condition of the track, which means that investing in track improvements is the single best way to ensure an even safer railroad. Any project that diverts capital from that goal may be a distraction from the safest possible outcome.

To be sure, technological advances have led to sophisticated new sensors and monitors that represent big steps forward for rail safety overall. Their implementation by the nation's largest railroads is an impressive and dramatic step forward.

However, most of these technologies do not make sense for short line and regional railroads that operate fewer trains per day at slower speeds with shorter trains that do the larger railroads. Some of these technologies do not even operate correctly at the speeds most short lines operate.

This is why we urge your support of SB 250 and the refinement it makes to last year's rail safety legislation. For the KNWA, the cost of installing 'hot box' and other wayside detection systems – even with the existing grant program – will be significant. While we support the deployment of technology and continuously invest in the railroad to make it as safe as possible, the most important safety investments are into the infrastructure of the railroad.

We support the refinements in SB 250 because they will result in railroads deploying wayside detection technology, but in a way that makes sense for the operating environments of short line railroads and that will limit any diversion from investments that focus on the quality of the track.

Thank you for the opportunity to submit this testimony and for your careful consideration of SB 250. Please feel free to contact me with questions.

Curtis Sloan VP, Policy & Sustainability