Shared Use Option: Commercial Traffic Estimates

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This document summarizes reports from two rounds of interviews conducted with potential shippers on the Caliente and Mina Alignments in 2005 and 2007.[1] It provides brief descriptions of potential shippers interviewed as well as figures for estimated demand for commercial shipments on the Alignments.

Shippers are identified as interested in using the Mina Alignment, interested in using the Caliente Alignment, or interesting in using either Alignment.

Mina Alignment Shippers

Grefco Minerals produces diatomite at a site near the intersections of Highway 360 and Highway 6 in southern Mineral County.

Milestone Minerals will supply high-end crushed marble products from the area of Luning, Nevada. The materials are mined locally from multiple extraction sites and imported to the main crushing and processing facility at Luning.

Premier Chemicals mines magnesium carbonate from a site near Gabbs, Nevada. The company has a processing facility on site, as well as facilities at several other sites nationwide, where they produce other magnesium compounds.

Peninsula Floors is a wholesale residential flooring distributor with nine warehouse locations in the western and southwestern US. The company is headquartered in Livermore, California. They are in the process of opening a new facility in Hawthorne, Nevada that will expand the overall business. This new facility will be the largest warehouse and will act as a distribution hub for nine smaller warehouses in Nevada, California, and Arizona.

Tri State Motors is a nationwide carrier of hazardous and secured materials. The company plans to open a new terminal facility at Hawthorne on 1100 acres that border the Hawthorne Army Depot and US Highway 95. This facility will be used to transload shipments bound for Nevada and other states nearby.

Western Central Petroleum is a fuel distribution company located in Hawthorne, Nevada. Western Central purchases gasoline, heating oil, and kerosene in regional markets and distributes it locally.

[1] ICF Consulting. "RA EIS Shared Use Alternative: Summary of AGEISS Team Interview Findings". August 4, 2005." ; ICF International, "Supplemental Rail Corridor and Rail Alignment EIS (SRCRA EIS) Shared Use Option: Mina Alignment Addendum, Summary of PHE Team Interview Findings." April 18, 2007.

ST Modular is a manufacturer of modular units such as offices, housing, motels, and worker camps. The company has a facility in Bellingham, Washington and is currently opening a new location in Hawthorne.

Nevada Waste Group, located in Reno, has plans to haul municipal waste to a landfill at the old Rawhide mine, east of the Walker River Paiute Reservation.

Caliente Alignment Shippers

Farland Refinery Corp is currently operating the Eagle Springs oil refinery facility, located approximately 100 miles east of Tonopah, and also has a small terminal in Tonopah where it stores petroleum-related product.

Natural Pozzolan is developing a facility to mine pozzolan (a cement additive) along US 93 north of Pioche.

Wilkin Mining and Trucking operates a concrete batch plant in Caliente and a crushing plant near Panaca. There is the potential that the firm would exploit perlite in the Panaca area and ship outgoing product by rail.

Mina or Caliente Alignment Shippers

Badger Mining operates a facility in the Amargosa Valley (Ash Meadows), where it produces zeolite.

Chemetall Foote runs an operation in Silver Peak, Nevada that mines lithium carbonate.

Cind-R-Lite operates a cinder block mine along US 95, near the junction with Highway 373.

D&H Mining operates a landscape rock quarry located along the rail alignment in the Beatty Wash area.

IMV Nevada is operating a mine and processing facility in the Lathrop Wells/Amargosa Valley area. Its specialty product is sepiolite.

Nevada Western Silica Corporation owns the mining claim for a large, high grade silica deposit near Lida Junction, south of Goldfield in Esmeralda County.

US Ecology operates a hazardous waste treatment and disposal facility along US 95, approximately 14 miles southeast of Beatty.

Traffic Estimates

Based on interviews with the firms above, the PHE team estimated the amount of commercial traffic that would be generated on the Caliente and Mina Alignments by commodity type. These estimates assume a railcar payload of 100 tons. Tables 1-3 below provide the estimates. All traffic on the Caliente Alignment is expected to make the full trip to the commercial end of the line. On the Mina Alignment, a portion of the traffic is expected to travel only as far as the Schurz Bypass. The rest would travel to the commercial end of the line.

Table 1: Potential Commercial Train Shipments on the Caliente Alignment

	Tonnage		Carloads	
Commodity	Weekly	Annual	Weekly	Annual
Stone	3,580	186,000	36	1,860
Other Non-metallic Minerals	10,580	550,000	106	5,500
Petrochemicals	5,770	300,000	58	3,000
Waste Materials (non-radioactive)	1,350	70,000	13	700
Other Commodities	920	48,000	9	480
Total	22,200	#######	222	11,540

Table 2: Potential Commercial Train Shipments on the Mina Alignment (to Commercial End of Line)

	Tonnage		Carloads	
Commodity	Weekly	Annual	Weekly	Annual
Stone	18,580	966,000	186	9,660
Other Non-metallic Minerals	5,310	276,000	53	2,760
Petrochemicals	260	14,000	3	140
Waste Materials (non-radioactive)	1,350	70,000	13	700
Other Commodities	5,580	290,000	56	2,900
Total	31,080	1,616,000	311	16,160

Table 3: Potential Commercial Train Shipments on the Mina Alignment (Schurz Bypass only)

	Tonnage		Carloads	
Commodity	Weekly	Annual	Weekly	Annual
Stone	0	0	0	0
Other Non-metallic Minerals	0	0	0	0
Petrochemicals	0	0	0	0
Waste Materials (non-radioactive)	21,060	1,095,000	211	10,950
Other Commodities	0	0	0	0
Total (all traffic)	21,060	1,095,000	211	10,950

Total freight demand on the lines would be equivalent to 222 carloads a week on the Caliente Alignment. On the Mina Alignment there would be demand for 311 carloads to travel the entire line. An additional 211 cars would travel only as far as the Schurz Bypass.

Assuming trains would consist of approximately 60 cars, commercial rail service operating four times a week would be sufficient to serve the estimated demand on the Caliente Alignment. On the Mina Alignment, five trains per week would make the trip to the commercial end of the line. An additional four trains a week would travel only on the existing UP branch to Wabuska and a portion of the existing DOD line including the Schurz Bypass.