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Appalachian and Ohio Railroad Awarded a \$19.4 Million Federal Grant

BUCKHANNON, WEST VIRGINIA – Officials with Appalachian and Ohio Railroad, Inc. (A&O) announced today that they have been awarded over \$19.4 million from the U.S. Department of Transportation (USDOT) to upgrade the mainline ties and continuous welded rail and rehabilitate nine tunnels on A&O's 158-mile rail line, which extends from Grafton, WV to Cowen, WV, as well as rehabilitate and make emissions-oriented and safety improvements to A&O's fleet of six locomotives. The A&O is required to contribute a minimum of \$15.9 million to the project costs.

USDOT awarded the grant as part of the Federal Railroad Administration's (FRA) Consolidated Rail Infrastructure and Safety Improvements (CRISI) competitive grant program. As noted in FRA's <u>September 25th press release</u>, the FY 2022 CRISI program was a historic investment in rail made possible by the Infrastructure Investment & Jobs Act, also known as the Bipartisan Infrastructure Law (BIL), enacted in 2021.

A&O's Project to Support Anticipated Freight Growth in Rural West Virginia, which costs over \$35.3 million in total, is being undertaken with the support of U.S. Senators Joe Manchin and Shelly Capito, U.S. Representatives Carol Miller and Alex Mooney, former U.S. Representative David McKinley, State Senator Bill Hamilton and the community leaders and rural shippers served by A&O.

A&O President and CEO, Tom Greene indicated that this influential support was crucial to securing the federal investment and stated, "we are grateful for the bipartisan supporters at the Federal and State levels, who helped secure today's federal grant, and for the opportunity to continue to provide ongoing employment and safe and reliable rail service in West Virginia."

A&O will utilize this federally funded transportation investment, made possible through the unprecedented funding under the BIL, to improve the safety of rail operations over the A&O Line and bring the entire Line into a state of good repair for decades to come. The Project will also preserve the viable Class I connection to CSX Transportation, Inc. for the communities and customers on its Line.

A&O also previously received over \$1.6 million in federal funds under the FY 2021 CRISI program to install a new and modern Broken Rail Detection System on the entire signaled section of the A&O Line. Completion of these two projects is essential and will transform A&O's aging infrastructure into a state of good repair for decades to come. These public-private partnerships will allow A&O to bring the Line to a state of good repair and place A&O in a position to add capacity on the region's key freight corridor to accommodate future growth and generate economic activity.