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April 1, 2021

Cynthia T. Brown
Chief, Section of Administration
Office of Proceedings
Surface Transportation Board
395 E St, SW
Washington, DC 20423

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Re: The STB's application of merger rules for handling the proposed merger of the Canadian Pacific and Kansas City Southern railroads
Finance Docket No. 36500

Dear Ms Brown:

I'm writing to you, on behalf of Cargill, to ask that the Board reject any waiver of the current merger rules when evaluating the proposed merger of the Canadian Pacific (CP) and Kansas City Southern (KCS). While the Board allowed a "carve out" for the rules applying to a merger of the KCS in 2001, the situation in the rail industry has changed significantly since the rules were last updated.

Specifically, the KCS is a much bigger railroad since they acquired full interest in the Kansas City de Mexico or KCSM. That acquisition now accounts for significant portion of the KCS' revenue. The CP has also shown to be revenue adequate for the past 5 years dating back to 2019. While these two carriers state that they are the smallest of the Class I's, they are still Class I carriers and each exert market power over their shippers. Cargill believes that any merger of these two should rise to the highest level of scrutiny as provided by the Board to properly evaluate the long-term impact on competition in the marketplace. The fact that the CP is willing to pay \$29 billion for the KCS is reason enough for the Board to consider this a major merger for the rail industry.

As a member of both the National Grain and Feed and the National Industrial Transportation League, Cargill endorses the association's joint letter asking the Board to reject any waiver of the merger rules for the CP's acquisition of the KCS. Given the importance of this decision, Cargill felt compelled to submit its own letter to the Board.

Cargill believes vigorous competition is needed in the rail industry and a higher level of scrutiny of the proposed transaction is a first step toward that goal.

Regards,

Brad Hildebrand
VP – Global Rail and Barge Lead
Cargill Inc.

CC: parties of record