

Peter W. Denton
202 429 6445
pdenton@steptoe.com

Steptoe

1330 Connecticut Avenue, NW
Washington, DC 20036-1795
202 429 3000 main
www.steptoe.com

310426

ENTERED
Office of Chief Counsel
December 4, 2025 BNSF-5
Part of
Public Record

December 4, 2025

VIA E-FILING

Chief of Case Administration
Office of Chief Counsel
Surface Transportation Board
395 E Street, SW
Washington, DC 20423-0001

**Re: STB Docket No. FD 36873, Union Pacific Corporation, et al.—
Control—Norfolk Southern Corporation, et al.**

Dear Chief of Case Administration:

Enclosed please find a letter regarding the proposed transaction in the above-referenced proceeding from the South Dakota Corn Growers Association.

Respectfully submitted,

/s/ Peter W. Denton

Peter W. Denton
Attorney for BNSF Railway Company



December 1, 2025

The Honorable Patrick Fuchs
Chairman
Surface Transportation Board
395 E Street, SW
Washington, D.C. 20423

The Honorable Michelle Schultz
Vice Chair
Surface Transportation Board
395 E Street, SW
Washington, D.C. 20423

The Honorable Karen Hedlund
Surface Transportation Board
395 E Street, SW
Washington, D.C. 20423

Dear Chairman Fuchs, Vice Chair Schultz, and Member Hedlund:

On behalf of the South Dakota Corn Growers Association (SDCGA), which represents corn farmers and their interests as a state agricultural commodity group, we write to express our concern about the proposed merger between Union Pacific (UP) and Norfolk Southern (NS). The SDCGA was formed as a membership organization in 1986 to serve as a collective voice on state and national issues, advocating and working to improve the circumstances of South Dakota corn producers.

SDCGA's policies support competition in our transportation network to better support farmers as they provide food, feed, fiber and fuel to the U.S. and around the globe. Our producers are tasked to do more with less. Reliable access to affordable rail transportation, especially during the latter months of the year, is a key component to that mission. Any merger between the UP and NS would occur against the backdrop of an already highly concentrated number of freight railroads. Four large freight railroads control over 90% of rail traffic already. We are concerned that fewer firms in an already concentrated environment may impact reliability, access and rates for rail transportation of grain.

Similarly, the agricultural grain sector has experienced a decline in the past 20 years in the number of locations that accept grain. This decline is attributable to small to mid-sized elevators closing across the countryside. Simply put, these structural changes have resulted in both increased transportation costs and pricing changes that negatively affect farmers' bottom lines. It has been our experience in the grain subsector that structural issues such as an increase in consolidation have not improved profitability at the farmgate. Costs increase, either through rate changes or the required use of at least partial alternative transportation, and margins tighten. The potential future impact of a transcontinental merger in a structural sense is highly significant. For instance, past declines in rail competition likely impacted the closures of rural elevators as many of those small and mid-sized elevators did not have shuttle-train loading capacity. Thus, we fear that UP-NS focus on high-density lanes will have similar effect leading ultimately to lower margins for farmers.

We appreciate that the Surface Transportation Board's (STB) upcoming review is an opportunity to enhance and prioritize rail competition and respectfully request careful consideration of the merger application. We look forward to working with the STB to further a freight rail network that supports and serves South Dakota corn farmers.

Sincerely,

A handwritten signature in black ink, appearing to read "Taylor Sumption".

Taylor Sumption, SDCGA President

CERTIFICATE OF SERVICE

I hereby certify that I have caused the foregoing letter to be served electronically or by first-class mail, postage pre-paid, on the Secretary of Transportation, the Attorney General of the United States, Applicants' representatives, Administrative Law Judge Jenifer Soulikias, and all parties of record in this proceeding.

/s/ Onika K. Williams

Onika K. Williams
Attorney for BNSF Railway Company

December 4, 2025