

SERVICE DATE – DECEMBER 22, 2025

SURFACE TRANSPORTATION BOARD

DECISION

Docket No. FD 36854

UNION PACIFIC RAILROAD COMPANY—
CONSTRUCTION AND OPERATION EXEMPTION—IN MATAGORDA COUNTY, TEX.

Decided: December 22, 2025

By petition filed September 24, 2025, Union Pacific Railroad Company (UP), a Class I rail carrier, seeks an exemption under 49 U.S.C. § 10502 from the prior approval requirements of 49 U.S.C. § 10901 to construct and operate approximately five miles of rail line in south central Matagorda County, near Wadsworth and Bay City, Tex. (the Line). According to UP, the Line would connect LyondellBasell's existing Matagorda facility, a polymer plant in Bay City (just south of Wadsworth), to UP's Angleton Subdivision. (Pet. 2-3.) UP states that it plans to connect the Line to its network via existing trackage known as the Celanese Industrial Lead¹ and the Cities Service Track.² (Id. at 3.) UP further states that, as part of the project, it plans to construct a new west wye connection track near the intersection of Farm-to-Market Road (FM) 2668 and FM 3057 to connect the north-south joint track with the east-west joint track. (Id. at 3-4.) According to UP, the Line to be constructed would run from approximately Gilmore Road to the LyondellBasell facility in Bay City, roughly parallel to FM 2668. (Id. at 4.)

According to UP, the LyondellBasell Matagorda Plant is currently served by BNSF. (Id.) UP states that the new rail connection to UP's network will strengthen LyondellBasell's position in the region by providing the facility with competitive rail access through the addition of a second carrier, thereby enhancing LyondellBasell's operations and lowering transportation costs. (Id.)

On November 20, 2025, BNSF filed a letter stating that it intends to participate in any proceeding the Board institutes regarding the Line and asking the Board to set a deadline for replies to the petition.

¹ The Celanese Industrial Lead consists of: (1) track that is solely owned by UP that runs south from the Angleton Subdivision to the Celanese facility; and (2) track that is partly jointly owned and partly jointly used by UP and BNSF Railway Company (BNSF) that runs east-west between the Celanese facility and a connection to BNSF's network near FM 2668. (Pet. 3.)

² The Cities Service Track is jointly owned by UP and BNSF and runs north-south parallel to FM 2668 between the Celanese Industrial Lead and Gilmore Road. (Id.)

The petition for exemption raises issues that require consideration by the Board, and an environmental and historic review will also be required. By this decision, the Board is instituting a proceeding under 49 U.S.C. § 10502(b). Replies to the petition will be due by January 22, 2026. The issues presented by the petition will be addressed in a subsequent decision.

It is ordered:

1. Under 49 U.S.C. § 10502(b), a proceeding is instituted.
2. Replies to UP's petition are due by January 22, 2026.
3. This decision is effective on its service date.

By the Board, Anika S. Cooper, Chief Counsel, Office of Chief Counsel.