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

Docket No.: FD 36873

Subject: Follow-up to previously submitted letter commenting on the proposed Union Pacific and Norfolk Southern Merger

Dear Chief of Case Administration,

Previously, prior to the formal application submittal in December, USD Group LLC submitted a letter of support in September regarding the proposed UP and NS merger, highlighting the importance of rail to our economy and the criticality of developing new and unique supply chain solutions for shippers across our country and its citizens – an example being the proposed merger. After review of the filing in December, this letter was transmitted to the Board on December 29, 2025 for inclusion in the public record. Today, we are resubmitting this letter for purposes of ensuring inclusion in the public docket. There are a few areas that need special attention in review related to both proposed concessions as well as potential impacts to competitive routings – both if not constructive, could pose negative impacts to shippers and the industry at large.

We understand that the application was rejected on January 19, 2025 due to incompleteness. If and when a revised application is accepted for review, any claimed benefits should be subject to careful verification and enforceable implementation.

As a reminder, our company depends on efficient, reliable, and cost-effective rail service to meet the needs of joint customers and to ensure the safe, timely delivery of products across the country. At USD Group, we develop supply chain solutions across a wide range of commodities, modes of transport and transportation lanes to markets both nationally and internationally, working with all the Class 1 Railroads. The American freight rail network is a critical component of our supply chain, allowing us to move large



volumes efficiently and sustainably. We understand the importance of rail to our business and our national economy. We also understand firsthand how these rail networks need new investments, and new commitments for growth and innovation.

Since the proposed merger announcement in July 2025, many positive rail network enhancements have transpired through the good work of our Class 1 Railroads, examples:

- BNSF & CSX collaboration launching faster, seamless intermodal services, like those connecting the Pacific Northwest (PNW) to Chicago and the Ohio Valley/Northeast
- BNSF's new Phoenix-Atlanta intermodal services aiming to convert trucking traffic to rail for increased intermodal growth
- CPKC's & CSX's rail network alliance with focus on the Southeast and the proposed new service linkage to Mexico – Southeast Mexico Express

These enhancements, and others not listed, show that rail mergers are not the only way to improve service reliability, reduce transit times and expand market reach/access. As previously stated, there are many ways in which rail service can and must be enhanced, including actions like those listed above and others such as increased investment in capacity, implementation of improved technologies and focus on more streamlined communications between carriers and its shippers. It is critical that these actions be actionable and priorities for our rail network.

Again, if and when a revised merger application is accepted for formal review, any proposed benefits must be verified and implemented successfully. Taking trucks off the road and creating more cost-effective efficiencies benefit all in the rail supply chain. Similarly, UP and NS propose that the merger provides a pathway to more efficient single-line service options as well as unified operating routing and national network connectivity, if true, both benefit the future of goods movement in the US. Proper consideration of enhanced competition through open gateway commitments and pricing are a must and could unlock some latent benefits to the supply chain.

That said, there is validity in the posed challenges with regards to a transcontinental merger triggering wide reaching permanent restructuring of the industry and a resulting rail network with a disproportionately advantaged carrier, putting truth to Keith Creel's, CPKC President and CEO, comments that: "This will likely result in an unnecessary

wave of railway mergers that today is not the best way to support American businesses nor the public interest, and has the potential to create more issues than it solves", adding legitimacy to BNSF's positions regarding the merger creating "too much market power, limiting shipper choice and creating an increase in captive shippers". It is also important to note that historic follow-through on past merger commitments has not been perfect, creating increased risk regarding the potential for negative impacts associated with this proposed change to our rail landscape, not to mention potential near-term impacts associated with its implementation if done poorly. In short, a mass consolidation of the 6 Class 1 railroads to effectively 2 could be an unintended consequence that needs careful consideration.

Given the above, it is critically important that the STB review all the facts and sort out all the fiction. The facts must prevail and guide not only the STB, but the industry at large towards the right decision and ultimate trajectory of arguably our most important supply chain network in the United States. We again want to make clear the understanding that regulatory review is an important part of this process, and we urge the relevant authorities to carefully consider the facts, both positive and negative, that impact this merger, and how it will influence businesses like ours and the broader economy to include any potential unintended consequences.

USD Group does not, by this submission, take a position for or against any specific merger proposal. Rather, this letter is intended to preserve in the public record the categories of issues that we believe warrant careful scrutiny should a revised application be accepted for review.

Thank you for your service to our great Country, your task here is very important and will no doubt have a lasting impact on our collective future. We stand ready to do our part to ensure a positive outcome with this decision and in support of our supply chain and goods movement in the United States.

Sincerely,



Joshua D. Ruple

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CERTIFICATE OF SERVICE

I hereby certify that I have caused this document to be served electronically or by first class or express mail, postage pre-paid, on all parties of record in this proceeding.



Joshua D. Ruple
February 3, 2026