

BEFORE THE
SURFACE TRANSPORTATION BOARD

311308
ENTERED
Office of Chief Counsel
May 8, 2026
Part of
Public Record

Finance Docket No. FD 36873

UNION PACIFIC CORPORATION AND
UNION PACIFIC RAILROAD COMPANY

—CONTROL—

NORFOLK SOUTHERN CORPORATION AND
NORFOLK SOUTHERN RAILWAY COMPANY

COMMENTS OF SUPPLY CHAIN ACUMEN, LLC
REGARDING COMPLETENESS OF REVISED APPLICATION
UNDER 49 C.F.R. PART 1180

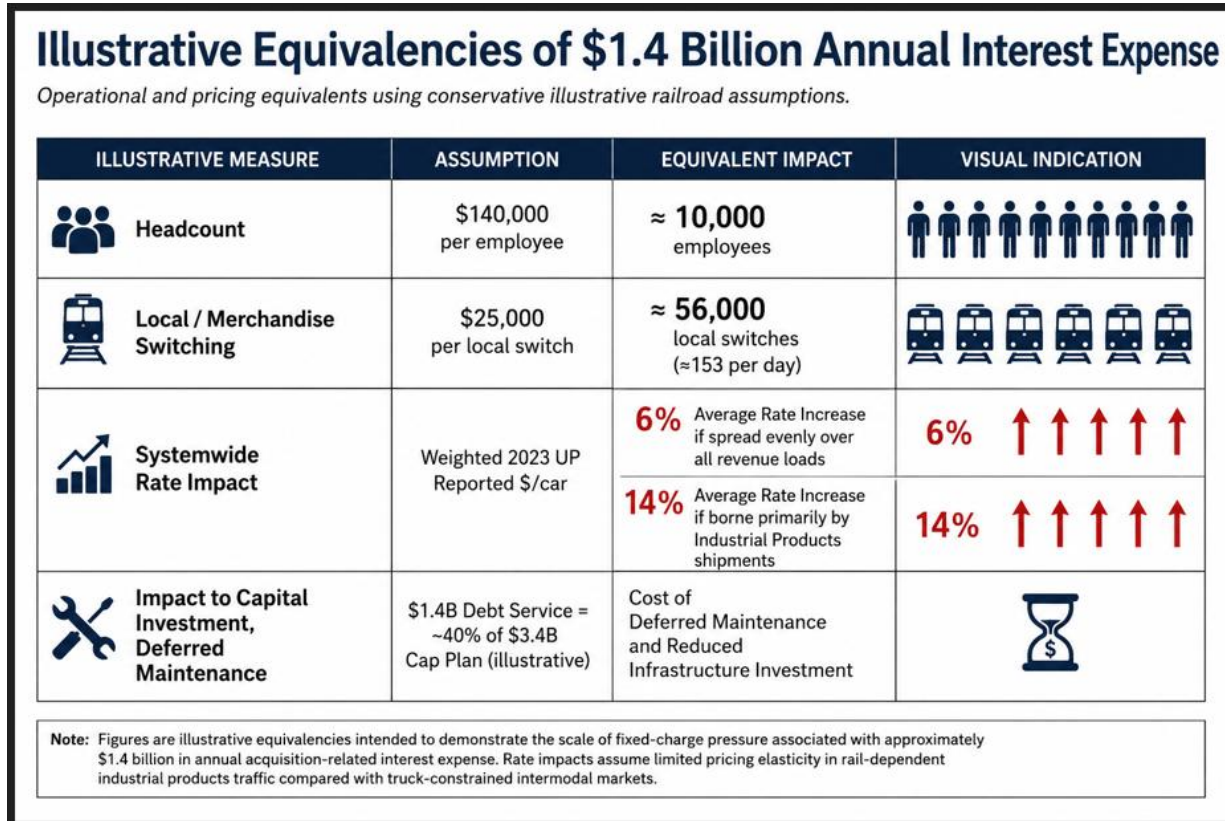
Supply Chain Acumen, LLC respectfully submits these comments regarding the completeness of the Revised Application filed by Applicants on April 30, 2026, and the information required under 49 C.F.R. Part 1180 to permit meaningful evaluation by the Board and interested parties. These comments are limited solely to the completeness issues identified in the Board’s decisions served April 30, 2026, and May 5, 2026. See Union Pac. Corp.—Control—Norfolk S. Corp., FD 36873 (STB served Apr. 30, 2026); Union Pac. Corp.—Control—Norfolk S. Corp., FD 36873, Decision No. 19 (STB served May 5, 2026).

As recognized by the Board, 49 C.F.R. § 1180.7(b)(7) requires applicants in a major transaction to provide “supporting data for the analyses” for inspection by interested parties. More broadly, Part 1180 requires sufficient information to permit meaningful evaluation of whether a proposed

transaction satisfies the public-interest standards of 49 U.S.C. § 11324. One of the statutory considerations under 49 U.S.C. § 11324(b)(3) is the merged carrier's ability to continue servicing "the total fixed charges that result from the proposed transaction." While the Revised Application provides analysis supporting efficiencies, traffic growth, operating improvements, and anticipated revenue enhancement, neither the original nor the Revised Application include meaningful sensitivity analysis if projected traffic growth is not achieved and the mitigating actions planned to off-set the substantial fixed financial obligations created by the transaction . The forward-looking financial projections appear substantially dependent upon projected traffic growth contained within the Revised Application and supporting studies. See Revised Application Vol. 1, Summary of Benefits Appendix E, Exhibit 16, Appendix F, Exhibit 17 and Appendix G, Exhibit 18; Oliver Wyman traffic and diversion analyses.

If the growth projected in the UPNS merger application does not materialize, the fixed-charge of \$1.4B (as stated in forward looking financials Appendix E, Exhibit 16) must be serviced against a static or potentially declining revenue base. A forecast sensitivity analysis is critical to meeting the Board's statutory obligation to evaluate the fixed-charge implications of the transaction under 49 U.S.C. § 11324(b)(3). The forecast risk requires stated plans for mitigation through operational and financial measures. Such measures could include increased pricing, operating-ratio-driven cost reductions, train-start reductions, workforce reductions, deferred capital investment, or other actions undertaken to satisfy the transaction's substantial fixed financial obligations. (See Figure 1)

Figure 1



This omission is significant. Without sensitivity analysis demonstrating resiliency, the Board and interested parties cannot meaningfully evaluate whether the public benefits remain achievable without creating adverse consequences upon service levels, network resiliency, infrastructure investment, and rail-dependent shippers. This risk is not theoretical, during the past decade the rail industry experienced substantial volatility arising from economic contraction, supply-chain disruption, geopolitical instability, and public-health emergencies. These events underscore the importance of evaluating whether the proposed transaction would remain financially and operationally resilient under stressed conditions. The absence of such analysis materially limits the ability of the Board and interested parties to evaluate the fixed-charge implications of the proposed transaction under both 49 U.S.C. § 11324(b)(3) and 49 C.F.R. Part 1180.

Supply Chain Acumen, LLC respectfully submits that the Revised Application remains incomplete because it does not include a sensitivity analysis evaluating lower-growth and no-growth scenarios. Such analysis is directly relevant to both the informational sufficiency requirements of 49 C.F.R. Part 1180 and the Board's statutory obligation under 49 U.S.C. § 11324(b)(3) to evaluate the fixed-charge implications of the proposed transaction. Absent this information, the record does not provide a sufficient basis for the Board or interested parties to meaningfully assess the transaction's financial resiliency, contingency planning, or public interest impacts under reasonably foreseeable adverse conditions.

Respectfully submitted,

Karen M. Burchfield, Principal

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Dated: May 8, 2026

Certificate of Service

I hereby certify that on this 8th day of May 2026, a copy of the foregoing Comment Regarding the Completeness of the Revised Application in Finance Docket No. FD 36873 was served via electronic mail upon counsel for Applicants.

A handwritten signature in black ink, appearing to read "Karen M. Burchfield", is written over a light yellow rectangular background.

Karen M. Burchfield