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Office of Chief Counsel
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May 26, 2026

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

**Re: Docket No. FD 36873, *Union Pacific Corp., et al. -
 Control - Norfolk Southern Corp., et al.***

Dear Chief of Case Administration:

Applicants write in response to the letter submitted in the referenced docket by Grand Trunk Corporation and its U.S. rail operating subsidiaries (“CN”) on Friday, May 22, 2026. CN’s letter is just the latest effort by Applicants’ railroad competitors to delay the Board’s review of a transaction that will substantially improve service offerings to shippers and thus place those railroads under more intense competitive pressure.

Contrary to CN’s claims, Applicants have not been making substantive changes to the Amended Application, and in particular, to the traffic diversion study sponsored by David T. Hunt. Mr. Hunt’s projected diversions have not changed since Applicants filed their Amended Application. Mr. Hunt—the same expert CN used to perform diversion analyses in the CN-Iowa Northern and CPKC merger proceedings—presented a study projecting that a merged UP/NS would divert approximately 404,000 rail carloads and 1.58 million intermodal units annually. *See* Amended App., Vol. 2 at 404, Verified Statement of David T. Hunt at 17. Of those diversions, 508,000 are from existing rail traffic that partly or wholly moves today on other railroads, 1.2 million are from intermodal traffic currently moving by truck, 193,000 are from merchandise traffic currently moving by truck, and 70,000 are extensions of intermodal moves currently draying over 250 miles. *See id.* Since submitting the Amended Application, Applicants have promptly and diligently responded to questions and requests from CN and other interested parties in accordance with a process established by the Board. Nothing in that process has changed the results of Mr. Hunt’s traffic diversion study by so much as a single carload or intermodal unit.

As Applicants described in their reply regarding completeness, Mr. Hunt updated Dr. Elizabeth Bailey’s market share calculations to reflect not just the combination of UP and NS, but also the traffic diversions projected in the Amended Application, as the Board required in Decision No. 9. *See* Applicants’ Reply to Comments on Completeness (UP-51/NS-49) at 7–11. Applicants also disclosed their plan to submit revised workpapers so Mr. Hunt’s market share

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appendices F1 and F2 would include not only post-merger UP/NS shares, but also post-merger shares for other railroads. *See id.* at 11 n.10; *id.* at 9 n.6; *see also* (UP-55/NS-53). These revisions did not change the substance of Applicants' market share or competitive effects analyses, but rather provided additional granularity by identifying the sources of increases in the combined UP/NS shares. Similarly, while CN correctly notes that some files in one of Applicants' uploads inadvertently included slightly different versions of the code than Mr. Hunt used to create his market share appendices E1 and E3, which show merger-related market share shifts between modes, CN acknowledges that Applicants have not made any changes to market share appendices E1 or E3.

CN also claims that while it could analyze Mr. Hunt's diversion study in the original Application, it cannot analyze the study in the Amended Application. There is no basis to fault Applicants for CN's alleged difficulties. Mr. Hunt's core methodologies—methodologies with which CN should already be quite familiar, as they track methodologies Mr. Hunt employed when he served as CN's diversion expert—did not change. Mr. Hunt describes those methodologies in his statement and in more than 100 pages of detailed appendices. Mr. Hunt specifically identifies and discusses the few changes he did make to the original analysis, which primarily involved incorporating 100% traffic data for all of the Class I railroads. Mr. Hunt also explains that his revised analysis addresses a CN criticism of the original study by incorporating a tighter integration between the rail-to-rail traffic diversions, the routes from which traffic diverted, and the commodity transported. *See* Amended App., Vol. 2 at 392–95, Verified Statement of David T. Hunt at 5–8.¹

Finally, and again contrary to CN's claims, Applicants have not made substantive changes to workpapers without disclosing the changes. Applicants have responded quickly and diligently to multiple requests for new and replacement workpapers from multiple interested parties. In accordance with the Board's procedures requiring Applicants to produce a complete set of workpapers whenever they change any workpapers in a set, Applicants have uploaded a significant number of unchanged workpapers as part of this process. However, Applicants have provided logs detailing all changes, so there is simply no basis to claim any lack of disclosure.² And, as discussed above, neither Mr. Hunt's diversion study results nor his market share analyses changed.

¹ CN claims that Applicants have not provided certain "intermediate files." But as Applicants have explained in response to similar claims by others, this is a manufactured issue: the files are not workpapers; rather, they are temporary files created by computer programs in the process of producing workpapers from underlying data. CN and others do not need those temporary files to replicate or audit Mr. Hunt's analysis—they can run the programs Applicants have produced and compare the final outputs.

² CN references the "more than 40 'replacement' files" that Applicants produced on May 19. On May 13, Applicants replaced certain market share workpapers to address a coding issue that had resulted in errors when importing Dr. Bailey's market share data. Applicants produced the files again on May 19 to ensure they had uploaded the correct files—which they had. That is, the files uploaded on May 19 were no different from files that Applicants had produced on May 13.

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In sum, CN's complaints lack merit and do not bear on the completeness of the Amended Application.

Sincerely,

/s/ Michael L. Rosenthal

Michael L. Rosenthal
*Attorney for Union Pacific
Corporation and Union
Pacific Railroad Company*

cc: All Parties of Record
ALJ Soulikias

CERTIFICATE OF SERVICE

I hereby certify that, on this 26th day of May, 2026, the foregoing document was served by first-class mail or email on all parties of record in this proceeding, the Secretary of Transportation, the Attorney General of the United States, and Administrative Law Judge Jenifer Soulikias.

/s/ Daniel Damitio