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**BEFORE THE
SURFACE TRANSPORTATION BOARD**

**UNION PACIFIC RAILROAD
COMPANY**

v.

BNSF RAILWAY COMPANY

Docket No. NOR 42188

ANSWER OF BNSF RAILWAY COMPANY

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Dated: June 25, 2026

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ANSWER OF BNSF RAILWAY COMPANY

Defendant BNSF Railway Company (“BNSF”) hereby answers the Complaint filed with the Surface Transportation Board (“STB” or “Board”) by Union Pacific Railroad Company (“Union Pacific,” “UP,” or “Complainant”) on May 15, 2026. The record in this proceeding will show that the allegations in the Complaint are without merit, and the relief sought is unwarranted and inappropriate.

PRELIMINARY STATEMENT

After more than a decade without substantial change, BNSF recently updated its switching tariff to reflect the operating reality at locations where switching entire trains is not feasible. BNSF made these updates as part of an ongoing, comprehensive review of its Switching Book. The tariff changes included, among other things, clarification of which facilities qualify for unit train rates based on the operations required to provide switching service at those locations.

Following these changes, BNSF continues to provide reciprocal switching to UP (despite no regulatory obligation to do so). No shipper has lost access to UP

through BNSF switching operations. BNSF simply eliminated the discounted unit train switching rate at facilities where unit train switching is not feasible. At those locations, BNSF continues to provide switching at BNSF's standard switching rate (the same rate that UP charges BNSF for carload switching) on terms that reflect the actual operations required of BNSF to provide reciprocal switching.

In response to BNSF's operational changes, UP filed the Complaint seeking an order requiring BNSF to charge UP switch fees as if the operations in question were simple "hook-and-haul" originations or deliveries of unit trains, when they are not.¹ The actual work required to switch these trains is instead commensurate with the work required for standard manifest traffic, and the tariff changes reflect this simple fact. UP's requested relief would put it in a better position operationally than if it served the facilities directly, requiring BNSF to undertake operationally complex and costly switching operations to build or break down 90-plus railcar unit trains on UP's behalf. UP seeks to continue to benefit from BNSF's work by obtaining an order that would allow UP to continue to take advantage of BNSF's terminal capacity and resources rather than expend its own.

Contrary to UP's self-interested claims, this proceeding will reveal three truths. **First**, no customer has lost access to competitive rail service due to BNSF's operationally focused changes. **Second**, UP's Complaint seeks to engage the Board to compel BNSF to continue to bear the costs of building unit trains for UP's linehaul movement by switching cars on trains that cannot be handled as unit trains at the

¹ "Hook-and-haul" operation refers to a train that is "hooked" to a locomotive and "hailed" out of the yard as a single block of railcars without disassembly or reassembly in the interim.

origin, destination, or handoff point. **Third**, the Complaint ignores the history of BNSF's reciprocal switching arrangements and the need to update them after more than a decade. Far from an unreasonable practice, BNSF's tariff revisions simply reflect the actual handling needed to effectuate switching at these locations.

Rather than engage in dialogue with BNSF, UP broke off communications after threatening litigation and rushed to file the Complaint. Indeed, UP was so eager to leverage BNSF's changes to make news that it issued a press release before the Complaint was publicly available on the Board's docket.² The Board should recognize UP's Complaint for what it is—a play for press coverage to serve its own agenda—and reject all relief requested.

No Customer Has Lost Competitive Rail Service

First, no customer has lost competitive rail service due to BNSF's operationally focused changes. While UP concocts fanciful tales of retaliation for lost business and severed competitive options, it ignores critical facts. Each of the six facilities identified in the Complaint still receives standard manifest reciprocal switching services from BNSF, allowing uninterrupted access to UP. BNSF simply made clear that, at these locations, reciprocal switching rates for 90-plus-car blocks would no longer be available, since true unit train switching service is not possible at those locations. With the exception of one location (Grand Island, Nebraska), where switching involves a movement of more than 100 miles, BNSF's revised tariffs simply

² UNION PACIFIC, *Union Pacific Challenges BNSF Switching Tariff Changes* (May 15, 2026), available at <https://www.up.com/announcements/customer-news/2026/CN2026-7>.

eliminated the unit train rates at these locations, while leaving manifest switching rates unchanged.

UP Should Bear Its Own Operational Costs to Build Trains for Linehaul Movements

Second, UP's Complaint asks the Board to compel BNSF to continue to bear the significant extra handling costs of UP's linehaul movement under the guise of reciprocal switching, as unit trains, blocks of 90-plus railcars in and out of non-unit train facilities. The parties appear to agree that unit train service requires seamless transport of an entire full-length train, differentiating it from manifest service because the single block of railcars can be smoothly exchanged between the railroads and does not need to be broken up and reassembled in a classification facility. UP itself markets its unit train service to customers as a "seamless" product for blocks of 90-plus cars that requires "[o]ne train, three steps": (1) preparation of the train at the origin facility; (2) conveyance across the rail network; and (3) arrival and unloading at the destination facility.³

But the operational reality at the named BNSF locations is not so seamless. For a unit-train switch between two railroads to be viable, the seamlessness needs to extend to the customer facility and handoff point between the railroads, both of which must be able to support the efficient unit train movement.

³ UNION PACIFIC, *Unit Trains Ship 'Lots of Something' – Seamlessly*, available at https://www.up.com/customers/within-reach/unit_train/index.htm (advertising services to help customers "identify sites that have the potential to support the infrastructure to accommodate unit trains," which "transport more than 90 rail cars of one type of freight in one car type for one destination").

As UP itself puts it, unit train service “might be the best shipping solution if” “[y]our facility has sufficient infrastructure to accommodate” unit trains.⁴ The facilities named in the Complaint do not meet that standard. Most of the facilities are not true “hook-and-haul” unit train facilities, and they do not have the capability to land and load the 90-plus car unit train blocks UP would switch to BNSF. At other locations, the available handoff points cannot accommodate switching unit trains without paralyzing operations throughout the terminal area.

In either case, the efficiencies of true unit train switching operations are thus not present at those facilities. The work BNSF is performing at these locations is less akin to reciprocal switching in any sense in which that term is understood than it is to performing the train-building necessary for the linehaul movement. This requires multi-segment switching moves involving multiple train crews, multiple locomotive repositioning moves, and considerably increased time and labor. This work is especially intensive given the large number of cars on each unit train, which has increased across the industry in recent years.

As a result, BNSF performs significantly more work to assemble and break down what UP markets to customers as “unit trains,” but in fact are not. If UP served these facilities directly, UP would be using its own serving yards and local trains to process these unit trains into and out of the facilities. Even with BNSF’s tariff changes, nothing prevents UP from marketing its services to and from the named locations as “unit trains.” BNSF has simply made clear to UP that any such trains

⁴ See *id.*

will not be serviced as true “hook-and-haul” service due to operating constraints at the named locations.

By way of example, UP switches unit trains to BNSF for delivery at the Bunge facility in Saginaw, Texas. *See* Compl. ¶¶ 71–79. A typical UP unit train will range from 110 to 115 cars with an estimated length of 6,000 to 7,000 feet. The Bunge facility is a “ladder track” facility consisting of five parallel tracks with spot capacity ranging from 420 to 2,400 feet. Within those tracks are a number of crossover tracks that allow cars to be moved from one track to another track within the facility itself. The facility handles both unit train and single car shipments, and footage within the facility can be and frequently is occupied with existing inventory when a unit train is delivered. The ladder track is single-ended, meaning cars cannot be pulled through the entire facility and so it must be served by shoving cars into each track from the lead track.

To facilitate this, the BNSF conductor must first manually throw as many as six track switches per track to ensure the switches are correctly lined to receive a cut of cars. Then, the locomotive engineer shoves the cut of cars into the appropriate track. The conductor must then separate the cars from the rest of the train by disconnecting the coupler and air hoses. The remainder of the train is then pulled to clear however many of the switches that need to be re-lined to move cars into the next track. Delivering a unit train requires spotting cars in this manner to three-to-four tracks at the facility. Pulling a unit train of empty cars to hand off to UP requires the same work in reverse, plus performing federally required brake tests. While this work

is occurring, the train blocks a main track as well as the lead tracks leading to two other customers.

The Complaint Ignores the History of BNSF's Reciprocal Switching and the Need to Update the Switching Tariffs

Third, the Complaint ignores the history underlying the reciprocal switching agreements at issue and the need to update them. For many years, the parties enjoyed a bilateral reciprocal switching rate agreement. That agreement provided certain solely served customers with the benefits of access to multiple carriers. Under their agreement, BNSF and UP each agreed to allow certain industries served by one of the two carriers to access additional rail services through the other carrier. Thus, under BNSF's and UP's bilateral reciprocal switching agreement, certain customers of each carrier could access rail services from the other carrier at agreed-upon rates.

On October 1, 2013, UP unilaterally terminated the parties' agreement. Breaking from the reciprocal agreement, UP unilaterally imposed increased switching rates of \$295 per car for non-grain trains and manifest grain trains of fewer than 50 cars, and \$105 per car for trainload (*i.e.*, unit train) grain trains. UP justified these rates on the basis that the then-current rates under the reciprocal switching agreement had been in place since April 1, 2005 and no longer compensated for the switching services UP provided.

Since then, BNSF and UP have continued to provide each other with first-mile and last-mile manifest and unit train switching services at various locations across their networks. The operational implementation of switching at such locations, including those at issue here, reflects voluntary arrangements between the two

railroads. BNSF has no regulatory or contractual obligation to provide switching services at all, whether standard manifest or specialized unit train service. BNSF and UP regularly resolve operational and commercial issues related to switching without Board oversight or intervention.

BNSF has voluntarily maintained these reciprocal switching arrangements for over a decade without updating its reciprocal switching rates—not even to adjust for inflation or for changes in the industry. As UP recognized when terminating the prior agreement in 2013, switching tariffs can become outdated and require updating. But BNSF’s updated rates do not alter the rate levels that UP itself implemented in 2013. BNSF simply updated its tariff to reflect where the lower unit train fee was not appropriate. Moreover, named customers at two locations—ADM at Havelock, Nebraska, and Bunge NA at Island Park, Iowa—never used the lower unit train fee because their railcars carried soybean meal, which is not a qualifying product for unit train rates under BNSF’s tariff. Those customers saw no change in applicable switching rates.

UP Rushed to File This Complaint Rather Than Engage in a Meaningful Dialogue About the Operational Changes

Given the potential impacts of these changes on its customers and UP, BNSF discussed the updates with UP and with its customers before the changes took effect. UP’s and BNSF’s Chief Operating Officers discussed BNSF’s tariff updates on April 1, 2026, a month before the changes were to become effective, and agreed that their respective field operations leaders would hold follow-up conversations to discuss implementation. Throughout April 2026, BNSF provided additional operational

details to UP personnel regarding specific locations and encouraged UP to allow its field operations leaders to align with BNSF personnel on implementation details.

BNSF went to great lengths to communicate with UP about the changes. By the end of April 2026, BNSF had communicated the changes to UP through multiple touchpoints, including COO-level discussions, subsequent conversations between the parties' respective Service Design personnel, and ongoing coordination between the parties' respective Customer Support teams. On May 2, 2026, BNSF's then-COO, Matthew Garland, discussed BNSF's operating plan for one of the customers named in the Complaint with Union Pacific's COO Eric Gehringer, BNSF's general director of transportation for the division, and the customer. That conversation resulted in agreement that BNSF would delay implementation of the operating changes at that location until May 19, 2026, to accommodate UP's request to add crew resources to handle the work that BNSF previously performed.

UP claimed several times that it did not understand the reasons for the tariff changes, noting that its operations had not changed significantly. BNSF explained that the tariff changes were focused on facilities at certain locations where the switching occurs. At first, UP expressed a willingness to consider information on specific locations relevant to the tariff changes, stating on April 29, 2026 that UP would engage with BNSF on location-specific issues. BNSF responded on May 6, 2026, stating that to ensure a productive discussion and appropriate participation, UP needed to identify the questions and issues to be addressed so that BNSF could ensure the correct stakeholders could attend. Given the number of locations and

customers UP raised concerns over, BNSF needed to ensure the appropriate local operating personnel would be included on any communications with UP to ensure complete and efficient discussions.

But UP's field operations leaders never followed up with BNSF, and UP never provided the information BNSF needed to ensure that further discussions would be productive. Instead, UP accused BNSF of further confusing the issues, complained about the allegedly limited information that it had been provided, and threatened litigation, stating on May 8, 2026 that if the parties could not work out a solution, UP would seek relief from the Board, including a prescription to continue unit train switching. BNSF responded on May 13, 2026 that it was happy to have a call with UP to discuss operations and execution, but needed to clarify the locations and issues UP wanted to discuss, so BNSF could make the appropriate internal stakeholders and subject matter experts available to attend. However, UP broke off communications, and UP and BNSF have not had further substantive discussions on this topic since UP filed its Complaint.

At bottom, UP's Complaint evidences a rush to the Board while cutting short conversations with BNSF intended to provide operational clarity for customers. It fails on the facts and advances legal positions that UP itself has rejected in many filings before the Board. Whatever benefit UP believes this Complaint has served to gain press coverage, it has no merit as a proceeding before the Board. At the appropriate time, the Board should dismiss the Complaint entirely.

**BNSF RESPONSES IN ANSWER TO
COMPLAINANT'S SPECIFIC ALLEGATIONS⁵**

1. BNSF admits that on May 1, 2026, it eliminated certain unit train reciprocal switching rates while maintaining carload switch rates without change at certain locations and that it informed customers and UP of certain changes prior to those changes occurring. BNSF denies forcing UP customers to pay any switching fees because switching fees are invoiced to UP. What UP charges its customers is entirely within UP's discretion. BNSF denies the remaining allegations in Paragraph 1.

2. BNSF admits it increased the manifest per car switch rate at Grand Island, Nebraska, to \$1,395 per car for certain commodities. BNSF otherwise denies the allegations in Paragraph 2.

3. BNSF denies the allegations in Paragraph 3. BNSF further states that the changes in its Switching Book were part of a comprehensive effort to update BNSF's switching tariffs to reflect operational realities.

4. BNSF denies the allegations in Paragraph 4.

5. BNSF does not have sufficient information to admit or deny the allegations in Paragraph 5 to the extent they relate to the activities of Complainant and other parties and, as such, they are denied. BNSF respects the confidentiality of the RCPA process and would expect UP to do the same. BNSF admits that it has not reinstated certain unit train reciprocal switching rates at certain locations. BNSF

⁵ BNSF denies the allegations in the Complaint except as specifically admitted, denies any allegations as to which there is no specific response, and denies any and all titles, headings, footnotes, subheadings, and any other material not contained in the Complaint's numbered paragraphs.

admits it has communicated with customers and UP regarding changes in its Switching Book, but denies UP's characterizations of those communications contained in Paragraph 5. BNSF denies the remaining allegations in Paragraph 5.

6. BNSF does not have sufficient information to admit or deny the allegations in Paragraph 6 to the extent they relate to the activities of Complainant and other parties and, as such, they are denied. BNSF agrees and admits it has the right to adjust the rates it charges to suit market conditions. BNSF further agrees and admits it has the right to change its tariff offerings to reflect operating needs. BNSF denies the remaining allegations in Paragraph 6.

7. BNSF denies the allegations in Paragraph 7, and specifically denies that any changes were designed to retaliate in any way. BNSF further states that the changes in its Switching Book addressed operating requirements at locations that were inconsistent with unit train operations.

8. To the extent Paragraph 8 states legal conclusions, no response is required. BNSF denies the remaining allegations in Paragraph 8.

9. BNSF admits that UP purports to bring a Complaint under various statutes, but denies that UP is entitled to any relief. To the extent Paragraph 9 states legal conclusions, no response is required. BNSF denies the remaining allegations in Paragraph 9.

PARTIES

10. To the extent Paragraph 10 states legal conclusions, no response is required. BNSF admits the remaining allegations in Paragraph 10.

11. To the extent Paragraph 11 states legal conclusions, no response is required. BNSF admits the remaining allegations in Paragraph 11.

FACTUAL ALLEGATIONS

12. BNSF admits that it and UP are competitors. BNSF does not have sufficient information to admit or deny the allegations in Paragraph 12 to the extent they relate to the activities of Complainant and, as such, they are denied. BNSF otherwise denies the allegations in Paragraph 12.

13. BNSF admits that it has at times published switching tariffs that identify customer locations with access to reciprocal switching and the applicable charges for certain types of traffic at those locations. BNSF further admits that UP has also, from time to time, published switching tariffs. BNSF does not have sufficient information to admit or deny the allegations in Paragraph 13 to the extent they relate to the activities of Complainant and, as such, they are denied. BNSF denies the remaining allegations in Paragraph 13.

14. BNSF does not have sufficient information to admit or deny the allegations in Paragraph 14 to the extent they relate to the activities of Complainant and other parties and, as such, they are denied. BNSF admits that it has published switching tariffs in the past, including in 2003. BNSF admits that a document entitled “BNSF Switching Book 8005-D” is attached as Exhibit A to the Complaint. BNSF states that Exhibit A otherwise speaks for itself and denies UP’s characterizations in Paragraph 14.

15. BNSF admits that a document entitled “BNSF Switching Book 8005-E” and stating “Effective: March 24, 2026” is attached as Exhibit B to the Complaint.

BNSF states that Exhibit B otherwise speaks for itself and denies UP's characterizations in Paragraph 15.

16. BNSF admits that a document entitled "BNSF Switching Book 8005-E" and stating "Issued: April 1, 2026" and "Effective: May 1, 2026" is attached as Exhibit C to the Complaint. BNSF states that Exhibit C otherwise speaks for itself and denies UP's characterizations in Paragraph 16. BNSF denies the remaining allegations in Paragraph 16.

17. BNSF admits that certain switch charges in Exhibit B are \$105 per car for certain commodities transported in unit trains. BNSF admits that these switch charges were lower than the \$295 per-car rates charged for other cars in Exhibit B. BNSF states that Exhibit B otherwise speaks for itself and denies UP's characterizations in Paragraph 17.

18. BNSF admits that certain unit train switching rates are eliminated in Exhibit C. BNSF states that Exhibit C otherwise speaks for itself and denies UP's characterizations in Paragraph 18. BNSF denies the remaining allegations in Paragraph 18, including all allegations regarding the "effect" of any alleged change.

19. BNSF does not have sufficient information to admit or deny the allegations in Paragraph 19 to the extent they relate to the activities of Complainant and other parties and, as such, they are denied. BNSF further states that the operations necessary to provide switching for trains served by the locations identified in Paragraph 19 were not consistent with unit train operations.

20. BNSF admits that it has communicated with certain customers regarding changes in its Switching Book, but denies UP's characterization of those communications contained in Paragraph 20. BNSF states that Exhibit C otherwise speaks for itself and denies UP's characterizations in Paragraph 20. BNSF otherwise denies the allegations in Paragraph 20.

21. BNSF denies the allegations in Paragraph 21. BNSF further states that it has continued to provide reciprocal switching for UP under tariffs that are appropriate for the level of service required by UP and customers at the locations in question.

22. BNSF admits that two specific trains, which did not meet operational requirements for switching but nevertheless reached BNSF's facility despite prior notice that such trains were not compliant, were rerouted on or around May 10 and May 13, 2026. BNSF denies the remainder of the allegations in Paragraph 22 and specifically denies BNSF acted pursuant to any "targeted" policy.

23. BNSF denies the allegations in Paragraph 23.

24. BNSF denies the allegations in Paragraph 24.

Hastings, NE

25. BNSF admits that Exhibit B provides certain switching rates for facilities at Hastings, Nebraska, and that one such customer is CPI. BNSF states that Exhibit B otherwise speaks for itself and denies UP's characterizations in Paragraph 25.

26. BNSF admits that CPI's facility in Hastings, Nebraska, is physically served by BNSF. BNSF admits that the handoff for certain traffic from CPI occurs on

track that is jointly owned by UP and BNSF. BNSF does not have sufficient information to admit or deny the allegations in Paragraph 26 to the extent they relate to the activities of Complainant and other parties and, as such, they are denied.

27. BNSF states that Exhibit A speaks for itself and denies UP's characterizations in Paragraph 27.

28. BNSF states that Exhibit B speaks for itself and denies UP's characterizations in Paragraph 28.

29. BNSF does not have sufficient information to admit or deny the allegations in Paragraph 29 to the extent they relate to the activities of Complainant and other parties and, as such, they are denied. BNSF denies the remaining allegations in Paragraph 29.

30. BNSF does not have sufficient information to admit or deny the allegations in Paragraph 30 to the extent they relate to the activities of Complainant and, as such, they are denied.

31. BNSF admits that Exhibit C was published on April 1, 2026. BNSF states that Exhibit C otherwise speaks for itself and denies UP's characterizations in Paragraph 31. BNSF denies the remaining allegations in Paragraph 31, including UP's characterizations regarding the "effect" of any alleged change.

32. BNSF admits that it made CPI aware of certain amendments in BNSF Switching Book 8005-E, but denies UP's characterization of such communications and amendments. BNSF does not have sufficient information to admit or deny the

allegations in Paragraph 32 to the extent they relate to the activities of other parties and, as such, they are denied.

33. BNSF admits that it has communicated with UP regarding the changes in BNSF's Switching Book, but denies UP's characterization of such communications. BNSF denies the remaining allegations in Paragraph 33.

Grand Island, NE

34. BNSF admits that Exhibit B provides certain switching rates for facilities at Grand Island, Nebraska, and that one such customer is JBS. BNSF states that Exhibit B otherwise speaks for itself and denies UP's characterizations in Paragraph 34.

35. BNSF admits that JBS's facility in Grand Island, Nebraska, is physically served by BNSF. BNSF admits that the handoff for certain traffic from JBS occurs at UP's facility in Council Bluffs, Iowa. BNSF admits the existence of the referenced 1996 agreement. BNSF states that the agreement otherwise speaks for itself and denies UP's characterizations in Paragraph 35. BNSF does not have sufficient information to admit or deny the allegations in Paragraph 35 to the extent they relate to the activities of Complainant and other parties and, as such, they are denied.

36. BNSF admits the existence of the referenced 1996 agreement. BNSF states that the agreement otherwise speaks for itself and denies UP's characterizations in Paragraph 36.

37. BNSF states that Exhibit A speaks for itself and denies UP's characterizations in Paragraph 37.

38. BNSF states that Exhibit B speaks for itself and denies UP's characterizations in Paragraph 38.

39. BNSF does not have sufficient information to admit or deny the allegations in Paragraph 39 to the extent they relate to the activities of Complainant and other parties and, as such, they are denied.

40. BNSF does not have sufficient information to admit or deny the allegations in Paragraph 40 to the extent they relate to the activities of Complainant and other parties and, as such, they are denied.

41. BNSF does not have sufficient information to admit or deny the allegations in Paragraph 41 to the extent they relate to the activities of Complainant and other parties and, as such, they are denied.

42. BNSF states that Exhibit C speaks for itself and denies UP's characterizations in Paragraph 42, including all characterizations regarding the "effect" of any alleged change.

Island Park, IA

43. BNSF admits that Exhibit B provides certain switching rates for facilities at Island Park, Iowa, and that one such customer is Bunge NA. BNSF states that Exhibit B otherwise speaks for itself and denies UP's characterizations in Paragraph 43.

44. BNSF admits that Bunge NA's facility in Island Park, Iowa, is physically served by BNSF. BNSF admits that the handoff for certain traffic from Bunge NA occurs in Council Bluffs, Iowa, pursuant to an agreement allowing UP access to BNSF trackage. BNSF does not have sufficient information to admit or deny

the allegations in Paragraph 44 to the extent they relate to the activities of Complainant and other parties and, as such, they are denied.

45. BNSF states that Exhibit A speaks for itself and denies UP's characterizations in Paragraph 45.

46. BNSF states that Exhibit B speaks for itself and denies UP's characterizations in Paragraph 46.

47. UP's Complaint omits Paragraph 47.

48. BNSF does not have sufficient information to admit or deny the allegations in Paragraph 48 to the extent they relate to the activities of Complainant and other parties and, as such, they are denied.

49. BNSF does not have sufficient information to admit or deny the allegations in Paragraph 49 to the extent they relate to the activities of Complainant and other parties and, as such, they are denied.

50. BNSF denies that the effect of any alleged change was to increase the switching rate for Bunge NA's unit grain shipments by 281%, because Bunge NA was not using the \$105 per car switching rate at Island Park, Iowa, prior to the Current BNSF Tariff. BNSF otherwise denies all allegations regarding the "effect" of any alleged change. BNSF states that Exhibit C otherwise speaks for itself and denies UP's characterizations in Paragraph 50.

51. BNSF admits that it has communicated with Bunge NA regarding the changes in BNSF's Switching Book, but denies UP's characterizations of those communications contained in Paragraph 51.

52. BNSF admits that it has communicated with UP regarding the changes in BNSF's Switching Book, but denies UP's characterization of such communications. BNSF denies the remaining allegations in Paragraph 52.

Lincoln, NE

53. BNSF admits that Exhibit B provides certain switching rates for facilities at Lincoln, Nebraska, and that one such customer is Farmers Cooperative. BNSF states that Exhibit B otherwise speaks for itself and denies UP's characterizations in Paragraph 53.

54. BNSF admits that the Farmers Cooperative facility in Lincoln, Nebraska, is physically served by BNSF. BNSF does not have sufficient information to admit or deny the allegations in Paragraph 54 to the extent they relate to the activities of Complainant and other parties and, as such, they are denied.

55. BNSF states that Exhibit A speaks for itself and denies UP's characterizations in Paragraph 55. BNSF does not have sufficient information to admit or deny the allegations in Paragraph 55 to the extent they relate to the activities of other parties and, as such, they are denied.

56. BNSF states that Exhibit B speaks for itself and denies UP's characterizations in Paragraph 56.

57. BNSF does not have sufficient information to admit or deny the allegations in Paragraph 57 to the extent they relate to the activities of Complainant and other parties and, as such, they are denied.

58. BNSF does not have sufficient information to admit or deny the allegations in Paragraph 58 to the extent they relate to the activities of Complainant and other parties and, as such, they are denied.

59. BNSF states that Exhibit C speaks for itself and denies UP's characterizations in Paragraph 59, including all characterizations regarding the "effect" of any alleged change.

60. BNSF admits that it has communicated with Farmers Cooperative regarding the changes in BNSF's Switching Book, but denies UP's characterizations of those communications contained in Paragraph 60.

61. BNSF admits that it has communicated with UP regarding the changes in BNSF's Switching Book, but denies UP's characterization of such communications. BNSF denies the remaining allegations in Paragraph 61.

Havelock, NE

62. BNSF admits that Exhibit B provides certain switching rates for facilities at Havelock, Nebraska, and that one such customer is ADM. BNSF states that Exhibit B otherwise speaks for itself and denies UP's characterizations in Paragraph 62.

63. BNSF admits that the ADM facility in Havelock, Nebraska, is physically served by BNSF. BNSF does not have sufficient information to admit or deny the allegations in Paragraph 63 to the extent they relate to the activities of Complainant and other parties and, as such, they are denied.

64. BNSF states that Exhibit A speaks for itself and denies UP's characterizations in Paragraph 64.

65. BNSF states that Exhibit B speaks for itself and denies UP's characterizations in Paragraph 65.

66. BNSF does not have sufficient information to admit or deny the allegations in Paragraph 66 to the extent they relate to the activities of Complainant and other parties and, as such, they are denied.

67. BNSF does not have sufficient information to admit or deny the allegations in Paragraph 67 to the extent they relate to the activities of Complainant and other parties and, as such, they are denied.

68. BNSF denies that the effect of any alleged change was to increase the switching rate for ADM's unit grain shipments by 281%, because ADM was not using the \$105 per car switching rate prior to the Current BNSF Tariff. BNSF otherwise denies all allegations regarding the "effect" of any alleged change. BNSF otherwise states that Exhibit C speaks for itself and denies UP's characterizations in Paragraph 68.

69. BNSF admits that it has communicated with ADM regarding the changes in BNSF's Switching Book, but denies UP's characterizations of those communications contained in Paragraph 69.

70. BNSF admits that it has communicated with UP regarding the changes in BNSF's Switching Book, but denies UP's characterization of such communications. BNSF denies the remaining allegations in Paragraph 70.

Saginaw, TX

71. BNSF admits that Exhibit B provides certain switching rates for facilities at Saginaw, Texas, and that one such customer is Bunge. BNSF states that Exhibit B otherwise speaks for itself and denies UP's characterizations in Paragraph 71.

72. BNSF admits that the Bunge facility in Saginaw, Texas, is physically served by BNSF. BNSF does not have sufficient information to admit or deny the allegations in Paragraph 72 to the extent they relate to the activities of Complainant and other parties and, as such, they are denied.

73. BNSF states that Exhibit A speaks for itself and denies UP's characterizations in Paragraph 73.

74. BNSF states that Exhibit B speaks for itself and denies UP's characterizations in Paragraph 74.

75. BNSF does not have sufficient information to admit or deny the allegations in Paragraph 75 to the extent they relate to the activities of Complainant and other parties and, as such, they are denied.

76. BNSF does not have sufficient information to admit or deny the allegations in Paragraph 76 to the extent they relate to the activities of Complainant and other parties and, as such, they are denied.

77. BNSF states that Exhibit C speaks for itself and denies UP's characterizations in Paragraph 77, including all characterizations regarding the "effect" of any alleged change.

78. BNSF admits that it has communicated with Bunge regarding the changes in BNSF's Switching Book, but denies UP's characterizations of those communications contained in Paragraph 78.

79. BNSF admits that it has communicated with UP regarding the changes in BNSF's Switching Book, but denies UP's characterization of such communications. BNSF denies the remaining allegations in Paragraph 79.

COUNT 1

Unreasonable Practice – Switching Rates

80. Paragraph 80 purports to incorporate and reallege all prior paragraphs of the Complaint. In response to Paragraph 80, BNSF incorporates as though fully set forth herein its responses to Paragraphs 1–79 and any and all unnumbered paragraphs.

81. Paragraph 81 states legal conclusions, to which no response is required. To the extent necessary, BNSF denies the allegations in Paragraph 81.

82. Paragraph 82 states legal conclusions, to which no response is required. To the extent necessary, BNSF denies the allegations in Paragraph 82.

83. Paragraph 83 states legal conclusions, to which no response is required. To the extent necessary, BNSF denies the allegations in Paragraph 83.

84. BNSF denies the allegations in Paragraph 84.

85. Paragraph 85 states legal conclusions, to which no response is required. To the extent necessary, BNSF denies the allegations in Paragraph 85.

86. Paragraph 86 states legal conclusions, to which no response is required. To the extent necessary, BNSF denies the allegations in Paragraph 86.

87. BNSF denies the allegations in Paragraph 87.

88. BNSF denies the allegations in Paragraph 88.

89. BNSF denies the allegations in Paragraph 89.

90. Paragraph 90 states legal conclusions, to which no response is required.

To the extent necessary, BNSF denies the allegations in Paragraph 90.

91. BNSF denies the allegations in Paragraph 91.

92. Paragraph 92 states legal conclusions, to which no response is required.

To the extent necessary, BNSF denies the allegations in Paragraph 92.

COUNT 2

Unreasonable Practice – Refusal to Accept Unit Trains

93. Paragraph 93 purports to incorporate and reallege all prior paragraphs of the Complaint. In response to Paragraph 93, BNSF incorporates as though fully set forth herein its responses to Paragraphs 1–92 and any and all unnumbered paragraphs.

94. Paragraph 94 states legal conclusions, to which no response is required.

To the extent necessary, BNSF denies the allegations in Paragraph 94.

95. Paragraph 95 states legal conclusions, to which no response is required.

To the extent necessary, BNSF denies the allegations in Paragraph 95.

96. Paragraph 96 states legal conclusions, to which no response is required.

To the extent necessary, BNSF denies the allegations in Paragraph 96.

97. BNSF denies the allegations in Paragraph 97.

98. BNSF states that Exhibit C speaks for itself and denies UP's characterizations contained in Paragraph 98. BNSF otherwise denies the allegations in Paragraph 98.

99. BNSF admits that it has communicated with certain customers regarding changes in BNSF's Switching Book, but denies UP's characterizations of such communications in Paragraph 99. BNSF admits that it will continue to allow customers at the named facilities to ship unit trains on BNSF to the extent such service comports with the operational capabilities of the named facilities. BNSF states that Exhibit C speaks for itself and denies UP's characterizations contained in Paragraph 99. BNSF denies the remaining allegations in Paragraph 99.

100. BNSF denies the allegations in Paragraph 100.

101. Paragraph 101 states legal conclusions, to which no response is required. To the extent necessary, BNSF denies the allegations in Paragraph 101.

102. BNSF denies the allegations in Paragraph 102.

103. BNSF denies the allegations in Paragraph 103.

104. Paragraph 104 states legal conclusions, to which no response is required. To the extent necessary, BNSF denies the allegations in Paragraph 104.

105. Paragraph 105 states legal conclusions, to which no response is required. To the extent necessary, BNSF denies the allegations in Paragraph 105.

COUNT 3

Prescription of Reciprocal Switching for Anticompetitive Conduct

106. Paragraph 106 purports to incorporate and reallege all prior paragraphs of the Complaint. In response to Paragraph 106, BNSF incorporates as though fully

set forth herein its responses to Paragraphs 1–105 and any and all unnumbered paragraphs.

107. Paragraph 107 states legal conclusions, to which no response is required. To the extent necessary, BNSF denies the allegations in Paragraph 107.

108. Paragraph 108 states legal conclusions, to which no response is required. To the extent necessary, BNSF denies the allegations in Paragraph 108.

109. Paragraph 109 states legal conclusions, to which no response is required. To the extent necessary, BNSF denies the allegations in Paragraph 109.

110. Paragraph 110 states legal conclusions, to which no response is required. To the extent necessary, BNSF denies the allegations in Paragraph 110.

111. BNSF denies the allegations in Paragraph 111.

112. BNSF denies the allegations in Paragraph 112.

113. BNSF denies the allegations in Paragraph 113.

114. Paragraph 114 states legal conclusions, to which no response is required. To the extent necessary, BNSF denies the allegations in Paragraph 114.

115. Paragraph 115 states legal conclusions, to which no response is required. To the extent necessary, BNSF denies the allegations in Paragraph 115.

116. To the extent Paragraph 116 states legal conclusions, no response is required. BNSF does not have sufficient information to otherwise admit or deny the allegations in Paragraph 116 to the extent they relate to the activities of Complainant and other parties and, as such, they are denied.

117. BNSF admits that certain UP personnel reached out to discuss this matter at least 5 days prior to May 15, 2026.

REQUESTS FOR RELIEF

BNSF denies that Complainant is entitled to any relief.

DEFENSES

A. The Board has no jurisdiction over voluntary offerings by a carrier physically serving an industry to perform switching service for loading or unloading on behalf of another carrier on shipments having an immediately preceding or following linehaul movement via the other carrier.

B. To the extent that the Complaint challenges the level of a switch fee established by BNSF, it fails to establish Board jurisdiction to hear that challenge.

C. To the extent that the transportation is provided pursuant to rail transportation contract, the Board lacks authority to regulate the transportation under 49 U.S.C. § 10709.

D. BNSF's revisions to its reciprocal switching tariffs were not unreasonable because they reflect operational realities at affected locations.

E. BNSF's revisions to its reciprocal switching tariffs were not unreasonable because BNSF is under no obligation to make unit train switching rates available at any particular location.

F. BNSF complied with all applicable notice and other requirements when updating its tariffs.

G. BNSF's actions in receiving cars from UP for traffic moving to locations that are the subject of the Complaint were reasonable in light of operational realities.

H. The Complaint fails to meet the requirements of 49 U.S.C. § 11102(c) and the Board's related regulations at 49 C.F.R. Part 1144 because the Complaint fails to allege a compelling need for a prescription of a reciprocal switching agreement. The Complaint fails to allege any inadequate service by BNSF. Any alleged actions by BNSF are not contrary to the competition policies of 49 U.S.C. § 10101 or anticompetitive. No customer at the locations identified in the Complaint has lost access to competitive rail service. BNSF continues to provide reciprocal switching at the locations identified, and Complainant continues to compete for the traffic.

I. Complainant has failed to establish standing to pursue reparations on behalf of shippers not party to this proceeding.

J. Complainant has not suffered any injury or damage caused by BNSF.

K. Complainant's damages, if any, are speculative.

L. Granting Complainant's requested relief would not be in the public interest and would impose costs on BNSF, other customers, and the network without any offsetting benefit to shippers, who retain competitive access today.

M. BNSF specifically reserves the right to assert any additional defenses that become apparent during the case. Additional facts may become known during the course of discovery and investigation that will support affirmative or other defenses that currently are unknown to BNSF. To preserve such affirmative or other defenses, BNSF hereby reserves the right to assert additional affirmative or other defenses as discovery progresses.

PRAYER FOR RELIEF

Wherefore, BNSF respectfully prays for relief as follows:

1. That the Board dismiss the Complaint with prejudice and enter an order in favor of BNSF and against Complainant;
2. That Complainant recover nothing; and
3. That the Board grant BNSF such other and further relief as the Board deems just and proper.

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Respectfully submitted,

/s/ Timothy J. Strafford

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Counsel for BNSF Railway Company

Dated: June 25, 2026

**BEFORE THE
SURFACE TRANSPORTATION BOARD**

**UNION PACIFIC RAILROAD
COMPANY**

v.

BNSF RAILWAY COMPANY

Docket No. NOR 42188

VERIFICATION

I, Tyler White, hereby certify that I am authorized to sign this verification on behalf of BNSF Railway Company.

I have read all answers in the **Answer of BNSF Railway Company (“Answer”)**. While I do not have personal knowledge of all of the facts recited therein, I have been informed that the Answer is based on information collected by others at or on behalf of BNSF, and is therefore necessarily limited to the records and information in existence in the course of the preparation of the Answer. I reserve the right to make any changes to the Answer if it appears at any time that omissions or errors have been made therein or that more accurate information is available.

Subject to the limitations set forth herein, I affirm that the Answer is true to the best of my knowledge, information, and belief. I verify under penalty of perjury that the foregoing is true and correct.

Executed on June 25, 2026, in Fort Worth, Texas.

/s/ Tyler White

Tyler White

CERTIFICATE OF SERVICE

I hereby certify that on this 25th day of June, 2026, I caused a copy of the foregoing Answer of BNSF Railway Company to be served electronically or by first-class mail, postage pre-paid, on all parties of record in this proceeding.

/s/ Tara Woods
Tara Woods