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Chief, Section of Administration
Office of Chief Counsel
Surface Transportation Board
395 E Street, S.W.
Washington, D.C. 20423-0001

Re: Docket No. NOR 42188, *Union Pacific Railroad Company v. BNSF Railway Company*

Dear Chief, Section of Administration:

BNSF Railway Company ("BNSF") respectfully submits this letter in response to the July 24, 2026 letters filed by Cooperative Producers, Inc. ("CPI") and Farmers Cooperative ("Farmers Co-op") and the August 6, 2026 letter filed by Miller Milling Company, LLC ("Miller Milling"). Each of the three letters discusses operations and factual circumstances at locations that are addressed in the Complaint filed by Union Pacific Railroad Company ("UP") in the above-captioned matter. For each of these customers, UP provides linehaul transportation service, while BNSF voluntarily provides UP with access to the customer's facilities through a reciprocal switch—despite having no contractual or regulatory obligation to do so. At bottom, the concerns in the letters are about the type of linehaul service that UP is willing to provide; nothing about BNSF's switching service prevents UP from providing the type of linehaul service these customers appear to desire.

BNSF understands the concerns raised by CPI, Farmers Co-op, and Miller Milling regarding the service products available to them and the importance of reliable transportation. But BNSF does not control the service that UP provides to its customers. BNSF simply acts as an agent to originate or deliver cars. And while BNSF always strives to perform its services in a manner that most benefits the customers and the linehaul carrier alike, it has no obligation to engage in burdensome operational practices when providing voluntary reciprocal switching services to facilitate the linehaul carrier's desired commercial and cost-saving objectives.

As UP itself said in its Complaint: "Union Pacific does not question the right of BNSF or any carrier to adjust the rates it charges to suit market conditions (so long as the rates are reasonable). Nor does Union Pacific question the right of BNSF or any carrier to change its tariff offerings to reflect operating needs." Operational realities make switching an entire train for UP at these customers' locations impractical because they are not capable of landing and/or loading an entire unit train block in a single track. If UP so chooses, it can continue to market "unit train" or "shuttle" service to CPI, Farmers Co-op, and Miller Milling using its own crews and yard capacity to assemble and disassemble 90-plus railcar unit trains to and from blocks that fit in customers' individual tracks. The availability of unit train or shuttle linehaul service at those facilities therefore turns on UP's own commercial and operational decisions. It is notable that CPI, Farmers Co-op, and Miller Milling apparently believe, presumably due to information provided by UP, that unit or shuttle train service is unavailable when UP is required to perform the work necessary to break up and assemble their trains.

BNSF values the input of the customers it serves on matters affecting its shared businesses, and BNSF remains willing to discuss with its customers—and with UP—market-based service solutions. However, those solutions must reflect that customer's particular operational realities. As the customer letters acknowledge, the circumstances at each customer facility are unique and BNSF always seeks to engage with individual customers to address their specific needs and concerns. In cases where BNSF provides a reciprocal switch to UP, BNSF also seeks to engage UP regarding customers' individual circumstances. Indeed, when BNSF recently implemented changes to its reciprocal switching tariff, BNSF advised UP that it was open to discussions regarding a service product that would meet UP's customers' needs within BNSF's operational reality. And while UP rushed to file its Complaint instead of engaging with BNSF, BNSF remains open to such discussions.

BNSF is focused on the needs of its customers and will continue to work directly and constructively with them whenever possible to meet their service needs. CPI, Farmers Co-op, and Miller Milling's interests in prompt resolution and certainty are best served by first resolving the threshold legal questions presented by BNSF's Motion to Dismiss. UP's Complaint fails as a matter of law—a fact that cannot be rectified by the subject letters. Moreover, extensive discovery and further proceedings would unnecessarily impose substantial burdens on all parties involved and the Board without advancing resolution of the dispute. Accordingly, the Board should hold this proceeding in abeyance and ultimately grant BNSF's Motion to Dismiss.

Respectfully submitted,

/s/ Timothy J. Strafford

Timothy J. Strafford

CERTIFICATE OF SERVICE

I hereby certify that I have caused the foregoing to be served electronically or by first-class mail, postage prepaid, on all parties of record in this proceeding.

/s/ Tara A. Woods

Tara A. Woods
Attorney for BNSF Railway Company

August 12, 2026