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**BEFORE THE**
**SURFACE TRANSPORTATION BOARD**

DOCKET NO. FD 36873

UNION PACIFIC CORPORATION AND UNION PACIFIC RAILROAD COMPANY

-CONTROL-

NORFOLK SOUTHERN CORPORATION AND NORFOLK SOUTHERN RAILWAY COMPANY CORPORATION

# DESCRIPTION OF ANTICIPATED RESPONSIVE APPLICATION

Pursuant to the decision and procedural schedule served in Docket No. FD 36873 on August 18, 2026, County Line Railroad Interests, LLC, a holding company based in Houston, Texas that utilizes the trade name CLR[1] ("CLR") hereby submits this Description of Anticipated Responsive Application.

## I. Introduction

As described in more detail below, pursuant to 49 U.S.C. §11324(c) and applicable regulations, a Class II or Class III rail carrier subsidiary formed by CLR - preliminarily named the New Orleans Terminal Railroad Company ("NOTR") for purposes of this Description of Responsive Application - will submit a responsive application to the Surface Transportation

1 https://www.clrail.com/

Board ("Board") for approval of a "minor" transaction in the New Orleans terminal area. The twofold object of the transaction is to (1) eliminate a significant anticompetitive outcome of the proposed merger of Union Pacific Railroad Company ("UP") and Norfolk Southern Railway Company ("NS") and (2) provide a long-term structure to not only preserve, but substantially enhance competition between all Class I railroads operating in New Orleans and improve system fluidity in the New Orleans terminal area going forward.

More specifically, the proposed merger of UP and NS would result in the combined UP/NS carrier acquiring the power to control the movement of the vast majority of freight movements and all Amtrak trains through the New Orleans terminal area because the combined railroad will own and/or dispatch the primary pathways for eastern and western Class I carriers (and the Canadian National Railway Company ("CN") and Canadian Pacific Kansas City ("CPKC")) to interchange traffic over the terminal tracks. A series of maps that illustrate the New Orleans terminal tracks, the current ownership and dispatch control of such tracks, and potential outcomes of the merger as proposed in the Amended Application and described herein are assembled in Exhibit A.

Post-merger, having acquired such control, the merged UP/NS railroad would have a strong incentive, and the physical ability, to favor moving its own traffic through the New Orleans gateway over the movement of trains by its remaining Class I competitors and Amtrak. The "Committed Gateway Pricing" ("CGP") regulatory condition proposed by the Applicants to purportedly alleviate such anti-competitive incentives and outcomes has been heavily criticized by numerous parties of record in this proceeding.[2] CGP also does not address operations in New

[2] As just two of many examples, see BNSF Railway Company's ("BNSF") Motion to Summarily Deny Amended Railroad Control Application For Failure to Present a *Prima Facie* Case, August 6, 2026 at p. 5, "Specifically, UP/NS's sole claimed competitive enhancement, Committed Gateway Pricing ("CGP"), does not enhance competition at all. It creates no new

Orleans, and by design would only be a temporary regulatory solution that would not enhance competition between railroads in any event.

In contrast, Class I rail competition and service fluidity in the New Orleans terminal area would be significantly enhanced for the long term through a structural solution that would establish neutral access to the New Orleans gateway tracks for all Class I railroads. In order to effectuate this long-term solution, the NOTR will submit a responsive application for authority to acquire from NS through divestiture (including dispatching responsibilities) the New Orleans Terminal Back Belt Line (the "Back Belt"), which extends from Oliver Junction, milepost 7.9 NT, to East City Junction at milepost 3.8 NT, and further from East City Junction at milepost 3.6 A to CN/IC Connection, milepost 0.0 A, a distance of approximately 7.7 miles.[3] *See* Exhibit A, page 1.

In combination with the responsive application to acquire the Back Belt, NOTR will request that the Board impose the additional condition of granting NOTR authority to dispatch the movement of freight trains and Amtrak trains over the Back Belt and certain other tracks shown on Exhibit A, page 3. These include (1) the tracks between West Bridge Junction and East Bridge Junction and between East Bridge Junction and CN/IC Connection, including dispatching trains over the Huey P. Long Bridge;[4] (2) the tracks between MP NO 190.6 at

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routing options and covers less than 1% of all traffic. Worse, CGP actually harms many shippers by hardwiring above-market rates into the regulatory structure and cloaking UP/NS in immunity from rate regulation and antitrust enforcement," and CPKC's August 6, 2026 letter to the STB's Chief of Case Administration at p 13. "Although Applicants attempt to rebrand CGP as creating "new haulage-like opportunities," it is nothing more than a rate-setting program, [and] it does not provide shippers with access to another rail carrier"

[3] See NS Alabama Division Timetables, New Orleans Terminal.

[4] Dispatching authority only would be sought for the Huey P. Long Bridge, which on information and belief is owned and maintained by the New Orleans Public Belt Railroad ("NOPB") and dispatched by UP. The responsive application will not seek any ownership rights

Seabrook to MP NO 194.1 at Oliver Junction; and (3) authority to align the CN interlockers at East Bridge Junction Tower.[5]

Combined with the NOTR's adoption of uniform published tariff terms equally applicable to all carriers, the divestiture of the Back Belt line to NOTR and its acquisition of the described associated dispatching authority would result in substantial long-term public benefits by creating a truly neutral gateway in New Orleans through an independent railroad entity that exists to provide equal access to all Class I railroads over the Back Belt and other terminal tracks. This arrangement will enhance competition between the Class I railroads post-merger and improve network fluidity in New Orleans. The commercial and public benefits of the proposed transaction will far outweigh any adverse impact on the Applicants or any other Class I carrier.

## II. <u>Identity of CLR and Description of NOTR</u>

CLR – whose entities include County Line Railroad Interests, LLC and other affiliates - is a privately owned rail infrastructure developer and operator specializing in comprehensive rail solutions across the Texas Gulf Coast and surrounding areas. Its businesses extend from switching and storage to transloading and unit train services. For example, an affiliate, County Line Rail Fund I – also utilizing the trade name CLR – owns and operates three rail terminals and one Class III short line railroad in the Texas Gulf region: County Line Industrial Park, CLR Silsbee, and CLR Buna, and the Sabine River & Northern Railroad ("SRN"), respectively.

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or maintenance responsibilities for the bridge or tracks running over it.

[5] Trains moving between the Huey P. Long Bridge and the Back Belt cross over the CN line between the East Bridge Junction Tower and the CN/IC Connection. Access to this section of line is controlled in part by the CN interlockers which must be aligned to allow trains to move to and from the Back Belt.

NOTR will be a wholly-owned Class II or III subsidiary of CLR formed for the purpose of acquiring and operating the Back Belt through a petition filed in this docket pursuant to 49 U.S.C. §10901 and the Board's regulations at 49 C.F.R. Part 1180. NOTR will also ask the Board to impose the additional condition of granting NOTR the authority to dispatch freight and passenger trains over the Back Belt and other tracks described above.

As will be developed and explained with more specificity in its Responsive Application, NOTR will be staffed by experienced operating railroad personnel with direct, deep experience in freight and passenger railroad operations generally, and in the New Orleans Terminal area specifically. The President of NOTR will be Mr. Bryan Boaz, who is CLR's Chief Commercial Officer. Mr. Boaz's 23 years of experience in the railroad industry has encompassed a diverse range of roles. Notably, he served both in Transportation Operations and then was named the first Director of International Business Development for the Kansas City Southern Railway, a position that included pursuing strategic initiatives that included New Orleans. Subsequently, he became Rail Field Operations Supervisor for ExxonMobil's North American rail operations, with a specific emphasis on the Gulf Coast region. As a result, Mr. Boaz possesses a comprehensive understanding of the New Orleans operational landscape and overall rail supply chains of the petrochemicals industry, both as a railroad and a prominent shipper.

NOTR will also have its own financial resources and will have direct access to additional capital resources through its affiliation with CLR.[6] No Class I railroad would have an ownership

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[6] Access to capital will be a critical factor as UP/NS do not plan on increasing capital investment in the City of New Orleans related to the merger as indicated in the Amended Application and pointed out by commentors in this proceeding. *See* UP/NS Amended Application at Volume 2, pp. 909-912 and Letter of Comment of J. Vann Cunningham filed May 6, 2026.

interest in NOTR, either upon its creation or in the future, in order to ensure its neutrality in providing access and service to all Class I railroads.

## III. <u>Summary of the Need for Responsive Application and Key Provisions</u>

### A. <u>The Adverse Impacts of the Proposed Merger on the New Orleans Terminal Area</u>

The New Orleans terminal area is a critical railroad gateway. All six Class I railroads and Amtrak currently own tracks and conduct operations into and out of the terminal area. *See* Exhibit A, page 1. New Orleans is also the only U.S. deep-water port served by all six Class I railroads. However, all the Class I railroads do not presently have equal ability to move their trains through the gateway. As shown on Exhibit A, page 1, control over the primary movement of trains across the New Orleans gateway and terminal area is currently largely divided between UP and NS. NS dispatches the Back Belt. UP dispatches the Mississippi River crossing at the Huey P. Long Bridge, which is the only railroad river crossing below the Huey P. Long - O.K. Allen bridge in Baton Rouge, approximately 130 miles to the north, which is used by UP and CPKC, but not the other Class I railroads. UP also owns and controls most of the Avondale Yard, with BNSF owning a small number of yard tracks within the Avondale Yard.

On information and belief, UP, CSX Transportation, Inc. ("CSXT"), BNSF, and Amtrak possess certain rights to operate trains over the Back Belt. However, also on information and belief, CPKC and CN do not have any present rights to move their trains through the terminal area using the Back Belt, a competitive and operational restriction that the responsive application would remove.[7]

[7] On information and belief, CPKC utilizes approximately 0.6 miles of the Back Belt to access its track at Shrewsbury (CN/IC Connection) but does not use this track to interchange with other Class I railroads or completely move traffic across the terminal area.

The NOPB is a Class III switching railroad owned by the Port of New Orleans with the primary mission of serving the Port of New Orleans and nearby local industries. The NOPB's 25 miles of main line track run predominately along the riverfront through areas like the French Quarter and Port district. *See* Exhibit A, page 1. The NOPB connects and interchanges with all six Class I railroads, but it is predominately a single-track railroad, with limited ability to expand to a double-track line because of limited amount of land available. While NOPB can perform intermediate switching between the Class I railroads as required pursuant to its public tariffs, its limited operating speeds, emphasis on Port of New Orleans traffic, and congestion issues in the urban New Orleans French Quarter area render interchanges taking place on the NOPB difficult, and less efficient as interchanges across the Back Belt.

Consequently, absent the imposition of conditions the Amended Application would result, at a minimum, in (1) the combined railroad controlling BNSF's ability to directly interchange with CSXT and conversely, CSXT's ability to directly interchange with BNSF see Exhibit A, page 2; (2) CN still being effectively locked out of direct cross terminal interchanges with other Class I railroads; and (3) control over the movement of up to 48 Amtrak trains per week through the critical New Orleans hub.[8] Such control would be acquired through the combined railroad owning UP's current track including the Avondale Yard, ownership of the Back Belt, and the combined railroad controlling the dispatching of all trains seeking to utilize the Mississippi River crossing and New Orleans terminal tracks. Stated another way, for the first time since the gateway took its modern form, a single commercially interested party would decide, minute by minute, whose trains move across New Orleans and in what order — including

[8] The Amtrak Crescent operates 14 trains per week operating between New Orleans and New York, while the Amtrak Sunset Limited operates six trains per week between New Orleans and Los Angeles. Additionally, with the reintroduction of the Amtrak Mardi Gras service, Amtrak operates 28 trains per week between New Orleans and Mobile, AL.

the trains of rival Class I carriers and Amtrak. However, the merged railroad will be heavily incentivized to prefer its own trains over the trains of its competitors and Amtrak and will have the power to do so.

### B. <u>Key Aspects of the Anticipated Responsive Application</u>

To accomplish the objective of making New Orleans a truly neutral terminal area, NOTR intends to submit a petition for exemption to acquire the Back Belt pursuant to 49 U.S.C. §10901 and the Board's regulations at 49 C.F.R. Part 1180 and seek the additional condition of acquiring the responsibility for dispatching freight and passenger trains over the Back Belt and certain other tracks in the New Orleans Terminal area. The transaction to be developed further in NOTR's responsive application will include the following features:

1. NOTR would acquire the Back Belt from NS pursuant to 49 U.S.C. §10901 on compensation terms to be agreed by the parties or set by the Board. NOTR would assume all responsibilities for maintaining and upgrading the Back Belt and related tracks and facilities.

2. NOTR would acquire the following dispatching responsibilities;

    a. NS's current dispatching responsibilities over the Back Belt;

    b. UP's current dispatching responsibilities between West Bridge Junction and East Bridge Junction, including the Huey P. Long Bridge.

    c. UP's current dispatching responsibilities over the CN line between East Bridge Junction and the CN/IC Connection with access to the Back Belt. This includes UP's control over the CN interlockers just west of the East Bridge Junction Tower near Central Avenue to CN's line just west of Iris Avenue.

    d. NS's current dispatching responsibilities over the 3.5 miles of tracks and facilities between Oliver Junction at MP NO 194.1 and Control Point Seabrook at MP NO 190.6.

3. NOTR would serve as a neutral terminal railroad that transports and dispatches the trains of the Class I railroads for interchange with each other in and through the terminal area on neutral terms and conditions. On information and belief, there are few, if any rail shippers located along the Back Belt that are served directly by NS or by other carriers. NOTR would not seek to disrupt current rights of other carriers to serve existing

shippers. If a shipper located its facility on the Back Belt and requested rail service, NOTR would consider using its own locomotive(s) to switch the industry or work with the industry to aid it in connecting with a Class I carrier that would directly serve the facility.

4. NOTR would dispatch Amtrak trains consistent with STB decisions, Federal Railroad Administration regulations, and agreements.

5. The acquisition would be subject to the rights of other carriers relative to the affected railroad lines that existed as of the date of the Amended Application. Subjecting the transaction to rights granted after the Amended Application or this Description of Responsive Application is filed would be subject to Board review and approval.

6. NOTR will establish a public tariff with prices and terms that are applicable to all Class I carriers and Amtrak desiring to move freight or passenger traffic, respectively, through the terminal.

7. NOTR would not be part of any line haul movement rates, and so it would not change any rates, routings or terms provided the Class I railroads to their customers.

8. NOTR would enter into operating and other agreements necessary to effectuate the transaction as approved by the STB.

Finally, the proposed divestiture of the Back Belt and related dispatching requests would be a "minor" transaction as defined by Section 1180.2 for several reasons. First, while it would be impactful, the proposed transaction would not be of "national transportation significance" as that term is used in 49 U.S.C. §11325(a)(2) and (c). Nor would the transaction be of regional significance since it involves the acquisition of approximately 7.7 miles of track making up the Back Belt and the dispatching authority over approximately 16.4 miles of track in total.

Even if the transaction was determined to be of regional (or even national) significance, it would still be categorized as a "minor" transaction under the Board's regulations (as opposed to a "significant" transaction) because "the transaction clearly will not have any anticompetitive effects." 49 C.F.R. §1180.2(c)(1). Indeed, the sole purpose of NOTR's application is to eliminate an anti-competitive outcome of the merger and significantly enhance competition between the Class I railroads going forward. But even in the unlikely event an opponent of

NOTR's responsive application demonstrated it could result in some anti-competitive effects, "any anticompetitive effects of the transaction will clearly be outweighed by the transaction's anticipated contribution to the public interest in meeting significant transportation needs." *Id*. at §1180.2(c)(2).

Respectfully submitted,

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September 4, 2026

**EXHIBIT A TO**

**DESCRIPTION OF ANTICIPATED RESPONSIVE APPLICATION**

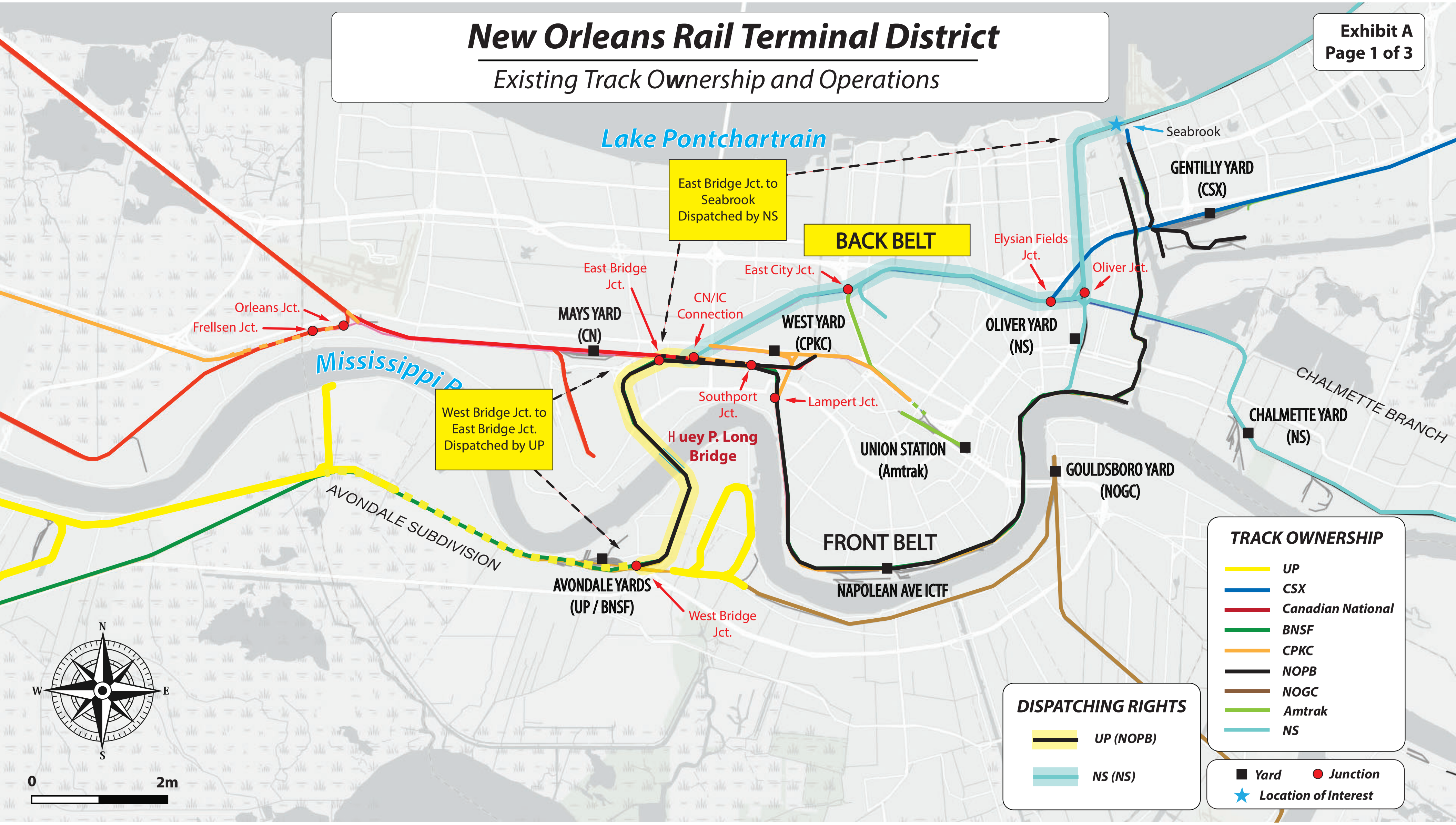

Exhibit A
Page 1 of 3
New Orleans Rail Terminal District
Existing Track Ownership and Operations
Lake Pontchartrain
East Bridge Jct. to Seabrook Dispatched by NS
BACK BELT
Seabrook
GENTILLY YARD (CSX)
Elysian Fields Jct.
Oliver Jct.
East City Jct.
East Bridge Jct.
CN/IC Connection
Orleans Jct.
Frellsen Jct.
MAYS YARD (CN)
WEST YARD (CPKC)
OLIVER YARD (NS)
CHALMETTE BRANCH
CHALMETTE YARD (NS)
Mississippi R
West Bridge Jct. to East Bridge Jct. Dispatched by UP
Southport Jct.
Lampert Jct.
H uey P. Long Bridge
UNION STATION (Amtrak)
GOULDSBORO YARD (NOGC)
AVONDALE SUBDIVISION
FRONT BELT
AVONDALE YARDS (UP / BNSF)
West Bridge Jct.
NAPOLEAN AVE ICTF
TRACK OWNERSHIP
UP
CSX
Canadian National
BNSF
CPKC
NOPB
NOGC
Amtrak
NS
DISPATCHING RIGHTS
UP (NOPB)
NS (NS)
Yard
Junction
Location of Interest
N
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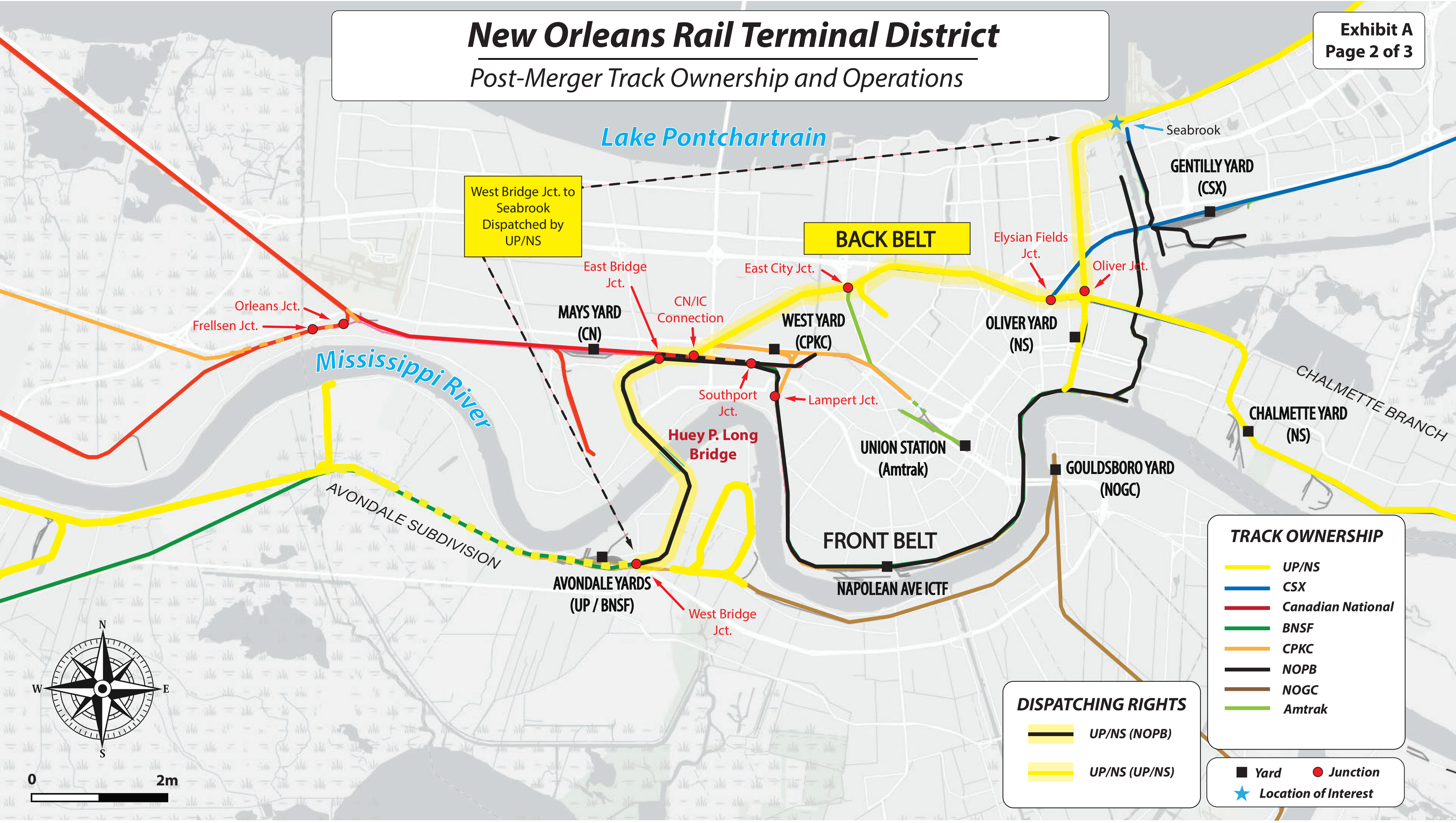
W
0
2m



New Orleans Rail Terminal District
Post-Merger Track Ownership and Operations
Exhibit A
Page 2 of 3
Lake Pontchartrain
Mississippi River
West Bridge Jct. to Seabrook Dispatched by UP/NS
Seabrook
GENTILLY YARD (CSX)
BACK BELT
East City Jct.
Elysian Fields Jct.
Oliver Jct.
OLIVER YARD (NS)
East Bridge Jct.
CN/IC Connection
WEST YARD (CPKC)
MAYS YARD (CN)
Orleans Jct.
Frellsen Jct.
Southport Jct.
Lampert Jct.
Huey P. Long Bridge
UNION STATION (Amtrak)
CHALMETTE BRANCH
CHALMETTE YARD (NS)
GOULDSBORO YARD (NOGC)
FRONT BELT
NAPOLEAN AVE ICTF
AVONDALE SUBDIVISION
AVONDALE YARDS (UP / BNSF)
West Bridge Jct.
TRACK OWNERSHIP
UP/NS
CSX
Canadian National
BNSF
CPKC
NOPB
NOGC
Amtrak
DISPATCHING RIGHTS
UP/NS (NOPB)
UP/NS (UP/NS)
Yard
Junction
Location of Interest
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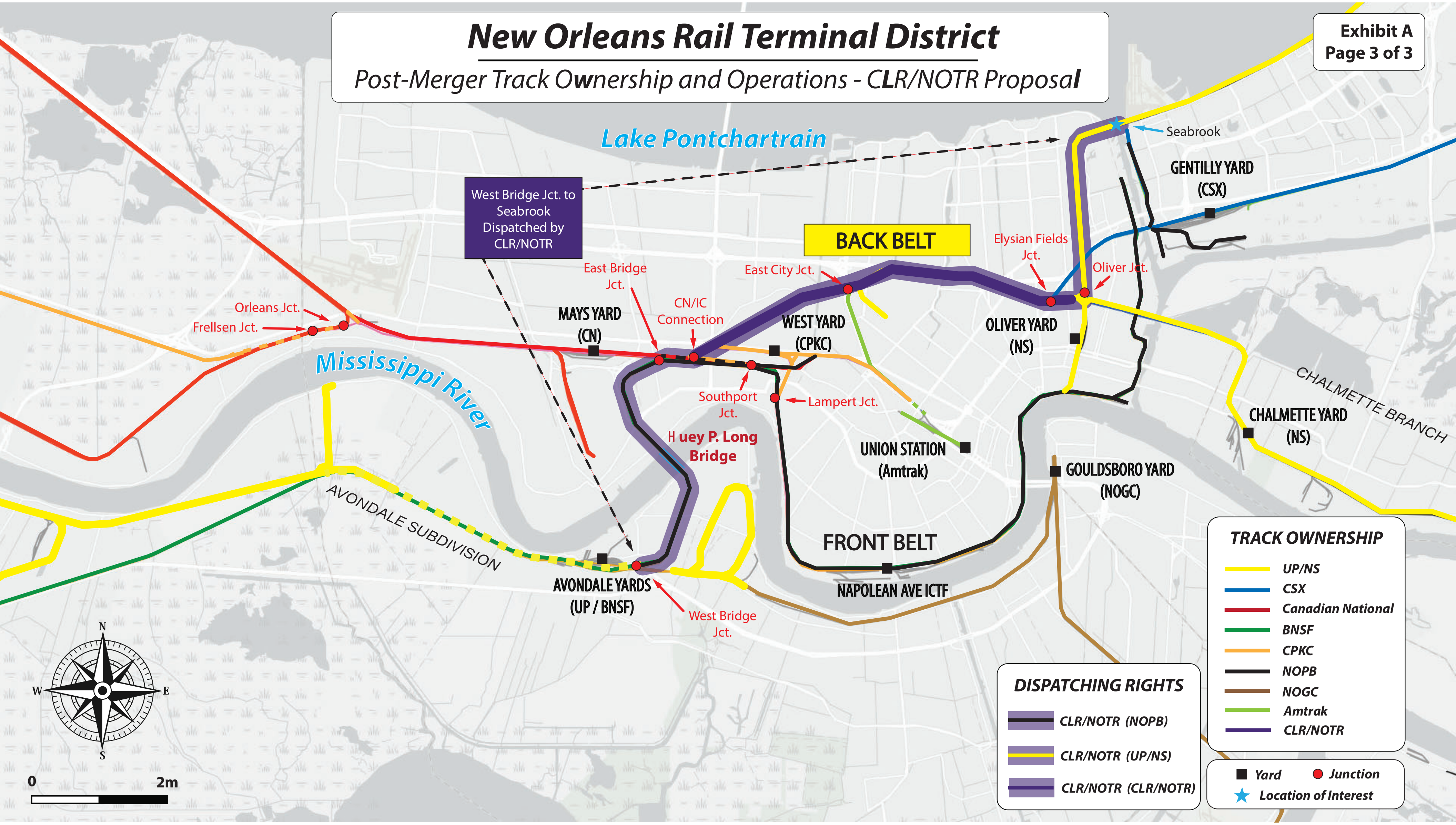
Exhibit A
Page 3 of 3
New Orleans Rail Terminal District
Post-Merger Track Ownership and Operations - CLR/NOTR Proposal
Lake Pontchartrain
West Bridge Jct. to Seabrook Dispatched by CLR/NOTR
Seabrook
GENTILLY YARD (CSX)
BACK BELT
Elysian Fields Jct.
Oliver Jct.
East City Jct.
East Bridge Jct.
CN/IC Connection
MAYS YARD (CN)
WEST YARD (CPKC)
OLIVER YARD (NS)
Orleans Jct.
Frellsen Jct.
Mississippi River
Southport Jct.
Lampert Jct.
Huey P. Long Bridge
UNION STATION (Amtrak)
CHALMETTE BRANCH
CHALMETTE YARD (NS)
GOULDSBORO YARD (NOGC)
AVONDALE SUBDIVISION
FRONT BELT
AVONDALE YARDS (UP / BNSF)
West Bridge Jct.
NAPOLEAN AVE ICTF
TRACK OWNERSHIP
UP/NS
CSX
Canadian National
BNSF
CPKC
NOPB
NOGC
Amtrak
CLR/NOTR
DISPATCHING RIGHTS
CLR/NOTR (NOPB)
CLR/NOTR (UP/NS)
CLR/NOTR (CLR/NOTR)
Yard
Junction
Location of Interest
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## CERTIFICATE OF SERVICE

I hereby certify that on this 4th day of September, 2026, a copy of the foregoing was served by electronic mail on all parties of record on the official service list of Docket No. FD 36873, and the Administrative Law Judge Jenifer Soulikias.

/ss/ Thomas W. Wilcox
Thomas W. Wilcox