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Surface Transportation Board
395 E Street SW
Washington, DC 20423

Re: Docket No. FD 36873 — Proposed Union Pacific–Norfolk Southern Merger

Dear Members of the Board:

Peeples Industries, Inc. opposes the proposed merger of Union Pacific (UP) and Norfolk Southern (NS). We are a private marine terminal and warehouse owner and operator based in Savannah, Georgia, with 60 years of operating history. Our facilities are served exclusively by CSX Transportation (CSX), a Class I railroad. We handle more than 2.5 million tons of dry bulk and general cargo annually across the agriculture, forest products, energy, chemicals, construction materials, and metals industries.

Our principal concern is that the merger would weaken competition for our customers by making routes through independent, CSX-served terminals less commercially viable. Although we have only one railroad at our facilities, our customers benefit from CSX's connections with other railroads and from competition among alternative supply chains. Those choices help importers and exporters select terminals, warehouses, and routes that best serve their markets.

For example, a customer imports bulk minerals through our terminal and uses it as a Southeast distribution center, serving markets as far away as the Midwest and Canada by rail. For applicable western movements, CSX can connect with either UP or BNSF. After the merger, the combined UP–NS railroad would have an incentive to favor movements using its own eastern network through pricing, routing, or service decisions. That could make a route through our CSX-served terminal less competitive even if the physical interchange remains open. The Board should examine whether our customers would retain economically practical alternatives.

UP has proposed gateway and pricing commitments, including Committed Gateway Pricing. The Board should require a demonstration that these commitments protect the actual movements handled through CSX-only terminals such as ours. Eligibility, rate terms, service standards, duration, and enforcement all matter. An interchange that remains physically available provides limited protection if the through rate, transit time, or other commercial terms make the route impractical.

Our export customers also rely on efficient, single-carrier CSX service from plant to port. We are concerned that diversion of connecting traffic away from CSX could reduce traffic density and put upward pressure on costs or affect service on routes supporting these customers. We ask the Board to evaluate these potential effects on CSX-served shippers and terminals, including customers whose own shipments do not use UP or NS.

For Midwest agricultural customers using our rail-to-container transloading operations, merger-related changes in inland rates and routing incentives could shift exports away from Savannah and other East Coast ports. If such diversion reduces volumes or container availability, the remaining customers could face higher logistics costs and fewer practical export options. The Board should examine these potential effects on port competition and export supply chains.

We recognize that single-line service can produce efficiencies. The Board should require evidence that the claimed benefits are achievable, will reach shippers, and outweigh the loss of competitive options and the risk of service disruption. It should also examine whether interline agreements or other arrangements could deliver those benefits without the merger. Under 49 C.F.R. § 1180.1, geographic competition, transloading choices, impacts on ports, and transitional service risks are relevant to the public-interest review.

We respectfully request that the Board deny the proposed merger. If the Board nevertheless considers approval, it should require enforceable conditions preserving commercially viable CSX interchange routes and access to competing railroads, with clear pricing protections, measurable interchange service standards, prompt dispute resolution, and continuing oversight. These protections should cover affected CSX-only terminals and their customers and should be tested against actual shipping lanes.

Preserving these choices is important to the manufacturers, importers, and exporters that depend on our facilities and to the competitiveness of the Port of Savannah. We appreciate the opportunity to present our concerns.

Respectfully,

Frank Peeples
President
Peeples Industries, Inc.
fpeeplesjr@peeplesind.com
Mobile: 9121-313-3189

CC: All Parties of Record



Peeples
Industries, Inc.

CERTIFICATE OF SERVICE

I hereby certify that I have caused the foregoing 20261115 PII Statement of Opposition, Docket No. FD 36873 to be served electronically to all Parties of Record in this proceeding.

Frank Peeples
President
Peeples Industries, Inc.
21 E Broad Street
Savannah, GA 31401

November 15, 2026