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BEFORE THE
SURFACE TRANSPORTATION BOARD

FINANCE DOCKET NO. 36873

UNION PACIFIC CORPORATION AND
UNION PACIFIC RAILROAD COMPANY
—CONTROL—
NORFOLK SOUTHERN CORPORATION AND
NORFOLK SOUTHERN RAILWAY COMPANY

COMMENTS OF THE CITY OF FORT WORTH, TEXAS

The City of Fort Worth, Texas (the "City") respectfully submits these comments regarding the proposed merger of Norfolk Southern and Union Pacific and the consolidation of their respective railroad operations.

I. Introduction

Fort Worth is the tenth largest city and one of the fastest-growing cities in the United States and is an important center of commerce, industry, logistics, and transportation in the region. The City's economic vitality and continued growth depend, in part, on reliable transportation infrastructure, safe and efficient freight movement, effective emergency response, and the ability of businesses to access competitive and dependable transportation services. Railroads are an essential component of this infrastructure, however, the benefits of freight rail transportation must be balanced against the impacts that railroad operations impose on the communities through which they operate.

The proposed merger raises concerns regarding the potential concentration of market power, the reliability and efficiency of freight service, infrastructure capacity, public safety,

environmental impacts, and financial burdens that may be imposed on local governments and residents. The City is particularly concerned that the proposed merger could produce operational and economic consequences that extend beyond the railroad industry and directly affect the City of Fort Worth, including local businesses, property owners, and residents.

The City therefore urges the Surface Transportation Board ("Board") to reject the proposed merger as currently presented, or in the alternative to require that the applicants demonstrate through reliable and independently verifiable evidence that the merger will produce substantial public benefits and that appropriate and enforceable protections will prevent or mitigate adverse impacts on affected communities.

II. The Proposed Merger Must Satisfy the Statutory Public Interest Standard

As the Board knows, the review of the merger is governed principally by 49 U.S.C. § 11324 and the rail transportation policies found in 49 U.S.C. § 10101. Under 49 U.S.C. § 11324(b), the Board must consider the effects of a proposed merger involving Class I railroads based on:

1. The adequacy of transportation to the public;
2. The public interest in including or excluding other rail carriers in the affected area;
3. The total fixed charges resulting from the transaction;
4. The interests of affected railroad employees; and
5. Competition among rail carriers in affected regions and throughout the national rail system.

Section 11324(c) further requires the Board to determine that the transaction is consistent with the public interest before granting approval, and the statute expressly authorizes the Board to impose

conditions, such as divestiture of parallel tracks and the provision of trackage rights and access to railroad facilities.

Additionally, 49 U.S.C. § 10101 establishes federal transportation policies favoring effective competition, safe and efficient transportation systems, reasonable rates, protection of public health and safety, and avoidance of undue concentrations of market power. These statutory requirements make clear that the Board's review cannot be limited to anticipated financial or operational benefits accruing to the merging railroads alone; the Board must also consider the broader consequences for the public and the communities affected by the transaction.

The City submits that questions remain regarding whether the proposed merger has demonstrated that the anticipated benefits outweigh the potential adverse consequences for affected municipalities and the public.

III. The Merger Raises Significant Concerns Regarding Competition and Economic Development

The City is concerned that combining two major freight rail systems could substantially reduce transportation alternatives for businesses and other rail-dependent customers in our region. Competition among rail carriers is important to maintaining reasonable transportation costs, dependable service, and opportunities for economic development. Businesses make location, expansion, and investment decisions based in part on the availability of competitive freight transportation options. A reduction in competitive alternatives could adversely affect existing businesses and discourage future investments in Fort Worth.

These concerns are particularly relevant to Fort Worth and the broader North Texas region, where continued economic development, industrial growth, distribution facilities, and logistics

operations depend on a transportation network capable of supporting increasing commercial activity. The City is concerned that this merger could increase the merged railroad's leverage over shippers, reduce competitive routing options, and make it more difficult for businesses to obtain competitive rates and reliable service. The Board's regulations recognize these risks. Under 49 C.F.R. § 1180.1, the Board does not favor consolidations that reduce transportation alternatives available to shippers unless substantial and demonstrable public benefits outweigh the resulting concerns. The regulations also recognize that further consolidation may produce geographic competition losses and service disruptions.

The City urges the Board to require a thorough assessment of the effects of the merger on competition, including the potential consequences for businesses and economic development throughout North Texas. The applicants should demonstrate that existing competitive options will be preserved and that the merger will not result in increased transportation costs, diminished service choices, or unreasonable dependence on a single railroad network.

IV. The Board Should Carefully Evaluate Impacts on Local Transportation Infrastructure and Public Safety

Railroad operations and municipal transportation infrastructure are interconnected. Rail lines, switching operations, rail yards, and grade crossings can affect roadway capacity, traffic circulation, emergency response, and the ability of residents and businesses to travel efficiently throughout a community. The City is concerned that changes in train volumes, train lengths, operating patterns, switching activities, and network utilization resulting from the merger could create additional burdens on local transportation infrastructure.

Blocked railroad crossings are a particularly important municipal concern. Prolonged crossing blockages can interfere with ordinary travel, disrupt commercial activity, and potentially delay police, fire, and emergency medical services. The City recognizes that the merger application must be evaluated on the basis of actual and reasonably foreseeable operational changes rather than speculation. Thus, the Board should not approve the transaction without requiring sufficient information to identify and evaluate these effects. The applicants should provide crossing-specific analyses for affected communities like Fort Worth, including baseline and projected train volumes, average and maximum blockage durations, anticipated changes in train length, and an assessment of emergency access concerns to allow cities to evaluate local impacts. Where the merger creates additional infrastructure demands, the applicants should identify the improvements necessary to mitigate those impacts and explain how those improvements will be funded. The City should not be responsible for absorbing additional infrastructure costs attributable to a private railroad consolidation.

Specifically, the Board should examine:

- Whether the merger will result in increased freight train volumes through or adjacent to Fort Worth;
- Whether train lengths or operating practices will increase the duration of blocked roadway crossings in Fort Worth;
- Whether additional switching or staging activities will affect local roadways and surrounding neighborhoods;
- Whether changes in railroad operations will interfere with police, fire, and emergency vehicle access and response times;

- Whether additional rail traffic will require improvements to existing grade crossings, bridges, roadway approaches, or other transportation infrastructure; and
- Whether the applicants have adequately evaluated the cumulative effects of these operational changes on municipal transportation networks.

V. The Applicants Have Not Adequately Addressed Impacts on Passenger Rail Service

Fort Worth is one of the most significant passenger rail hubs in Texas. The City is served by Amtrak's Texas Eagle service, Trinity Railway Express commuter rail operations, TEXRail regional passenger service, and multiple other planned and proposed passenger-rail initiatives intended to enhance regional mobility and economic development. Although freight railroads own or control significant portions of the infrastructure upon which passenger services depend, passenger mobility constitutes an important public interest separate and apart from freight efficiency. The City is concerned that the merger could increase freight train density on shared or connecting corridors, reduce operational flexibility for passenger services, increase delays caused by freight-priority dispatching, complicate future rail capacity expansion projects, and create obstacles for future inter-city and regional passenger rail investments.

The Board has repeatedly recognized the importance of ensuring that the national rail network serves broader transportation needs. The City respectfully submits that any claimed merger benefits must be weighed against the possibility that increased freight concentration could impair existing or future passenger rail opportunities in North Texas. At a minimum, the Board should require a detailed assessment of passenger service impacts and impose enforceable conditions protecting current and future passenger rail operations.

VI. Environmental and Neighborhood Impacts Require Meaningful Evaluation

The proposed merger also raises concerns regarding potential environmental and quality-of-life impacts on communities located near railroad operations. Increased freight activity or changes in railroad operating patterns could affect noise levels, air quality, and other neighborhood conditions. These impacts are particularly important where railroad facilities and corridors are located near residential neighborhoods, schools, parks, and other sensitive community uses.

The City urges the Board to ensure that its environmental review adequately evaluates the potential impacts of the merger at the local and regional levels. At a minimum, the Board's environmental review should address:

- Existing and projected freight train volumes and operating patterns;
- Potential changes in locomotive emissions and associated air quality impacts;
- Noise and vibration impacts on nearby residential and sensitive uses;
- Potential effects on pedestrian, bicycle, and roadway safety at affected crossings;
- Cumulative impacts associated with existing and anticipated transportation and industrial development; and
- Mitigation measures necessary to protect affected neighborhoods and public facilities.

The environmental review should also identify meaningful mitigation commitments and establish mechanisms to monitor compliance after implementation of the merger.

The City requests that the Board provide affected municipalities with adequate opportunities to review relevant environmental materials and submit localized information concerning potential impacts in advance of the merger.

VII. The Applicants Must Demonstrate That the Claimed Benefits of the Merger Will Actually Materialize

The City recognizes that railroad mergers may offer potential operational efficiencies and improvements in freight transportation. However, anticipated efficiencies should not be treated as established public benefits merely because they are asserted by the applicants.

The Board's regulations, particularly 49 C.F.R. § 1180.1, require substantial and demonstrable public benefits to support a major consolidation. The Board must also consider whether the purported benefits could be achieved through less harmful alternatives, including commercial arrangements that do not require a full merger. The City therefore requests that the Board evaluate:

- The anticipated improvements in freight service and delivery reliability;
- The extent to which projected efficiencies will be passed on to shippers and customers;
- The potential for increased transportation costs resulting from reduced competition;
- The likelihood and duration of operational disruptions during system integration;
- The infrastructure investments necessary to accommodate projected changes in freight traffic; and

- The extent to which the applicants' projected benefits can be achieved through less restrictive alternatives.

The Board should require measurable performance commitments rather than relying on generalized assurances of improved efficiency from the applicants. Any promised benefits should be subject to enforceable conditions, transparent reporting, and meaningful consequences if the applicants fail to deliver.

VIII. Requested Conditions and Protections for Fort Worth and Other Affected Municipalities

If the Board determines that the merger should be approved notwithstanding the City's concerns, the City respectfully requests that approval be conditioned upon enforceable protections for affected local governments and communities. Specifically, the City requests that the Board consider the following potential conditions:

- Require the merged railroad to establish a formal consultation process with affected municipalities, such as the City of Fort Worth, concerning changes in rail operations, train volumes, infrastructure needs, and public safety concerns;
- Require the applicants to identify affected grade crossings and provide detailed assessments of anticipated changes in crossing blockage durations, traffic impacts, and emergency vehicle access;
- Require the applicants to identify and fund appropriate mitigation measures for infrastructure impacts directly attributable to merger-related operational changes, consistent with applicable law and the Board's authority;

- Require the merged railroad to maintain effective communication and coordination protocols with local police, fire, and emergency medical service providers, including procedures for addressing prolonged crossing blockages and other operational emergencies;
- Require appropriate monitoring and mitigation of merger-related noise, vibration, emissions, and other environmental impacts affecting nearby communities;
- Require the merged railroad to establish measurable service standards and reporting requirements addressing freight reliability, network congestion, and service disruptions;
- Require the applicants to demonstrate that affected shippers will retain meaningful competitive transportation alternatives and that appropriate access remedies will be implemented where necessary to address anticompetitive effects; and
- Require ongoing engagement with affected local governments during the implementation and integration of the merged railroad's operations, including a process for identifying and resolving community concerns.

These conditions should be specific, enforceable, and supported by appropriate reporting and oversight mechanisms. General commitments to "cooperate with local governments" are insufficient to protect communities from the potential adverse consequences of a transaction of this magnitude.

IX. Conclusion

For the foregoing reasons, the City of Fort Worth respectfully requests that the Surface Transportation Board:

1. Consider the potential effects of the proposed merger on Fort Worth and other affected municipalities as part of the public interest review;

2. Require the applicants to provide sufficient information to evaluate the merger's potential effects on competition, freight service, roadway infrastructure, grade crossings, emergency response, public safety, and the environment;

3. Determine whether the applicants' projected public benefits are substantial, demonstrable, and sufficient to outweigh the potential adverse effects of the transaction;

4. Evaluate whether the claimed benefits could be achieved through less harmful alternatives that preserve existing competitive transportation options;

5. Reject the proposed merger if the applicants cannot demonstrate that the transaction is consistent with the public interest under 49 U.S.C. § 11324;

6. Alternatively, impose enforceable conditions sufficient to protect affected municipalities, businesses, residents, and the public from merger-related harms; and

7. Provide affected municipalities with a meaningful opportunity to participate in the environmental review and subsequent proceedings concerning the proposed transaction.

The City appreciates the Board's consideration of these comments and urges the Board to carefully evaluate the long-term consequences of this proposed consolidation before authorizing a transaction that could fundamentally alter the nation's freight rail network.

Respectfully submitted,

/s/ _____

Jesus "Jay" Chapa
City of Fort Worth
City Manager

Dated: November 16, 2026

CERTIFICATE OF SERVICE

I hereby certify that I have caused the foregoing *Comments of the City of Fort Worth, Texas* to be served electronically on all parties of record in this proceeding.

/s/ Jesus "Jay" Chapa
Jesus "Jay" Chapa
City of Fort Worth
City Manager

Filed: November 16, 2026