Comments and Requests for Conditions of Mooresville Elkin & Southern Railway LLC

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

Mooresville Elkin & Southern Railway LLC ("ME&S") submits these comments and requests for conditions under the procedural schedule the Board adopted on August 18, 2026.

I. Introduction and Summary

ME&S does not oppose the proposed transaction. ME&S asks the Board to impose six narrowly drawn conditions that protect short line railroads and privately owned passenger rail service. Without them, the transaction would put both at risk. Each condition addresses a harm that flows from combining two of the nation's largest railroads into a single transcontinental carrier. None of them would prevent the Applicants from achieving the benefits they claim.

II. Interest of ME&S

ME&S is a North Carolina limited liability company organized on April 24, 2026, with its principal office at 203 Scottish Drive, Mooresville, North Carolina 28115. ME&S is a pre-operational short line railroad developing freight and passenger rail service in the western Piedmont of North Carolina. Its planned network connects with Norfolk Southern at points including Barber Junction and Salisbury. Its planned passenger services would operate over Norfolk Southern main lines in North Carolina, including the North Carolina Railroad corridor. ME&S filed a notice of intent to participate in this proceeding on April 30, 2026, and is a party of record.

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November 17, 2026
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Public Record

III. The Transaction Creates Specific Risks for Short Lines and Private Passenger Operators

Bargaining power. The merged carrier would be the only Class I connection for many short lines across much of the country. That gives it far greater leverage over interchange terms, rates, car supply, and service to small railroads that have no alternative connection.

Capacity and priority. A merged transcontinental carrier will have strong incentives to give main line capacity to long-haul, single-line traffic. That leaves little room for new passenger trains. The risk is greatest for passenger trains not operated by Amtrak, because Amtrak has statutory access rights that private operators do not.

Network rationalization. Large mergers commonly lead to the sale, downgrading, or abandonment of secondary lines and facilities. Once a right-of-way is lost to rail use, it is rarely recovered. Communities that could have been served by future freight or passenger trains lose that option permanently.

IV. Requested Conditions

Condition 1: Non-discriminatory passenger access. The merged carrier shall negotiate in good faith to provide access to its lines for intercity and excursion passenger trains operated by qualified operators, including privately owned operators. It shall not discriminate among passenger operators based on whether they are public, private, or Amtrak.

Condition 2: Preservation of rights-of-way and station capacity. Before selling, abandoning, or removing track from any line, station, or platform facility capable of supporting passenger service, the merged carrier shall give at least 12 months' public notice. It shall also first offer the property for sale or lease to short line railroads and public agencies for continued rail use.

Condition 3: Passenger dispatching standards. The merged carrier shall not unreasonably delay passenger trains in favor of freight traffic. It shall report to the Board quarterly on the on-time performance of passenger trains operating on its lines and the causes of delay.

Condition 4: Short line interchange protection. The merged carrier shall keep open all existing interchanges with short line railroads, including those in the North Carolina Piedmont. It shall allow new interchanges on reasonable terms. It shall not impose new paper barriers, interchange restrictions, or unreasonable increases in interchange-related charges as a result of the transaction.

Condition 5: Good-faith negotiation. Within 90 days of a written request, the merged carrier shall meet in good faith with passenger operators, short line railroads, and states seeking access, interchange, or capacity agreements. If the parties cannot reach agreement, either party may bring the dispute to the Board.

Condition 6: Access pricing. Compensation for passenger access shall be based on the incremental cost of the passenger operator's use of the line and adjusted annually for inflation. If the parties cannot agree on compensation within a reasonable time, the Board shall set it using its own established methodology.

V. Conclusion

ME&S respectfully asks the Board to impose Conditions 1 through 6 on any approval of the transaction and to include them within the Board's oversight of the merged carrier.

Respectfully submitted,

/s/ Nathan Windsor

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Dated: November 18, 2026

Verification

I, Nathan Windsor, verify under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this statement.

Executed on November 18, 2026.

/s/ Nathan Windsor

Certificate of Service

I certify that on November 18, 2026, I served a copy of the foregoing by electronic mail on all parties of record on the service list in Finance Docket No. 36873.

/s/ Nathan Windsor