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November 18, 2026
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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 CHEVRON PHILLIPS CHEMICAL COMPANY LP

Chevron Phillips Chemical Company LP ("CPChem") respectfully s□bmits the attached comments to the proposed mer□er of □nion Pacific Railroad Company and Norfol□ □o□thern Rail□ay Company in the above□captioned proceedin□□

Respectfully submitted,

Brian McKinnon
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Dated:November 18, 2026

CERTIFICATE OF SERVICE

I hereby certify that I have caused the foregoing Comments of Chevron Phillips Chemical Company LP to be served electronically with the Surface Transportation Board and served upon all parties of record in accordance with the Board's rules and applicable orders in this proceeding.



Brian McKinnon

November 18, 2026

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

COMMENTS OF CHEVRON PHILLIPS CHEMICAL COMPANY LP

Company Background

Chevron Phillips Chemical Company LP ("CPChem") appreciates the opportunity to submit comments regarding the proposed merger of Union Pacific Railroad Company ("UP") and Norfolk Southern Corporation ("NS"). CPChem takes no position in these comments on whether the proposed transaction should be approved or denied. Instead, CPChem provides factual information based on its experience as a major rail shipper and identifies operational, commercial, and service-related considerations that are important to its manufacturing and supply chain activities.

Chevron Phillips Chemical Company LLC was formed on July 1, 2000, when Chevron Corporation and Phillips Petroleum Company, now Phillips 66, combined their worldwide petrochemical businesses. Chevron U.S.A, Inc. and Phillips 66 Company each own a fifty percent (50%) interest in Chevron Phillips Chemical Company LLC. CPChem is a wholly owned subsidiary of Chevron Phillips Chemical Company LLC.

CPChem is one of the world's leading producers of olefins and polyolefins and is also a major supplier of aromatics, alpha olefins, styrenics, specialty chemicals, piping, and proprietary plastics. The company manufactures chemical products used in more than 70,000 consumer and industrial applications, making dependable transportation service important not only to CPChem but also to the customers and industries that depend on these materials.

Headquartered in The Woodlands, Texas, CPChem has interests in 33 manufacturing facilities and employs approximately 5,000 people worldwide and indirectly supports far more contractor job. Its North American operations include manufacturing plants, storage locations, packaging facilities, distribution points, and connections to domestic and export markets.

Rail transportation is a foundational component of CPChem's North American supply chain. It supports the movement of raw materials and finished products between manufacturing sites, storage and packaging facilities, ports, distribution locations, and customers. Many CPChem products move in bulk quantities or require specialized equipment and handling, making rail the most practical transportation option for a substantial portion of the company's volume. For these reasons, rail access, network capacity, service reliability, shipment visibility, and operational resiliency directly affect CPChem's ability to operate efficiently and serve customers.

As additional background, CPChem's rail-served facilities are identified in Appendix A.

Importance of Rail Transportation to CPChem

Rail transportation connects CPChem's manufacturing plants, third party packaging facilities, storage locations, ports, distribution facilities, and customers throughout North America. Rail is CPChem's primary transportation mode; more than seventy percent (70%) of CPChem's products are transported via railcar. The scale of this reliance means that changes in rail service, capacity, access, or commercial terms can affect a broad portion of CPChem's supply chain.

Rail performance affects inventory levels, railcar utilization, production planning, loading and unloading schedules, customer delivery performance, and overall supply chain cost. CPChem therefore evaluates several metrics related to railroad performance including: transit times, trip plan compliance, consistency of service windows, terminal and yard dwell, equipment cycle time, network resiliency, shipment visibility, and the availability of practical routing alternatives. These measures help CPChem determine whether the rail network can support both daily operations and longer-term growth.

Rail Access and Capital Investment Decisions

Rail access is a significant factor in CPChem's long-term investment planning and supply chain design. When evaluating a major capital project, CPChem considers the quality of rail connectivity, expected transportation economics, infrastructure capacity, carrier service options, and access to multiple Class I railroads. A manufacturing facility operates for decades, and the transportation structure selected during project development can influence costs, service flexibility, customer reach, and operational resiliency throughout the life of the investment. Competitive rail access has therefore been an important component of CPChem's site-selection and capital-allocation decisions.

CPChem currently benefits from dual rail service at all of its core manufacturing origination locations. Performance Pipe, a division of Chevron Phillips Chemical Company LP, is one of the largest producers of polyethylene piping products in North America, with more than 50 years of proven performance, quality, and innovation in natural gas, industrial, municipal, mining, oilfield, and utility applications. Certain Performance Pipe facilities are served by a single railroad as referenced in Appendix A. Access to more than one Class I carrier at manufacturing origins gives CPChem additional routing and commercial options, supports continuity during network disruptions, and reduces dependence on a single operating network. Dual access does not eliminate service risk, but it can provide meaningful flexibility when CPChem evaluates how to move volume, respond to congestion, support future growth, and negotiate competitive rates with the railroads.

Rail access and service conditions can influence decisions concerning:

- Whether a proposed expansion proceeds.
- The location of new manufacturing facilities.
- The location of logistics, packaging, and distribution partners supporting CPChem's supply chain.
- Long-term transportation planning and network design.

U.S. Gulf Coast Petrochemical Project

In 2017, CPChem completed approximately $6 billion in investments at its Old Ocean, Texas, petrochemical complex, including two world-scale polyethylene units. The project created approximately 400 permanent jobs and approximately 10,000 engineering and construction jobs during development. Because the new units were expected to generate significant and long-term rail demand, access to both Union Pacific and another Class 1 railroad was an important part of the site evaluation and final investment analysis. Dual access supported the project's transportation strategy by providing additional service and commercial options for moving high volumes of product over the life of the assets.

Before the Gulf Coast expansion began operations, CPChem also worked with packaging and logistics providers to establish the distribution capacity needed to support future production. In the Charleston, South Carolina area CPChem selected a packaging partner at a rail-served location with open rail access before committing volume to that site. CPChem was the first plastics manufacturer to move packaging functions from the Gulf Coast region over to the Charleston, SC and Savannah, GA regions. The key factor in allowing this strategy to move forward was the overall cost to serve. Because of the competitive lanes on the first leg of the trip to interchange, as well as the competitive lane on the second leg of the trip to the packager (the packager also being dual served by two railroads) it allowed CPChem to take advantage of creating a new market on the East Coast that did not previously exist. CPChem now utilizes 3 packagers in the Charleston area and there are currently 5 packagers that can support plastics producers. The resulting supply chain activity supported facility investment, employment, truck movements, port utilization, and regional economic development.

To put this significant move into context, the chemicals commodity group, including polymers, represented approximately twenty-nine percent (29%) of exports through the Port of Charleston during the most recent 12-month period, August 2025 through July 2026. This makes the chemicals commodity group the number one commodity group for all exports. Prior to this, in 2016, chemicals were approximately sixteen percent (16%) of all exports or the third highest export group. Additionally, for the Port of Savannah, approximately fourteen percent (14%) of exports are chemicals. Prior to this, in 2016, chemicals were approximately five percent (5%) of all exports. CPChem's decision to direct export volume eastward contributed to this growth and illustrates how available rail and port connections can influence supply chain investment and regional freight activity.

CPChem has evaluated similar models in other markets with rail accessibility serving as an important factor in determining whether a location can efficiently support packaging, storage, distribution, and export activity.

Golden Triangle Polymers

CPChem and QatarEnergy are in the commissioning phase of operating the new $8.5 billion Golden Triangle Polymers facility in Orange, Texas. The project has created approximately 500 permanent jobs, approximately 4,500 construction jobs, and substantial regional economic activity. During project planning, access to multiple rail carriers was treated as an important requirement because the facility is expected to generate significant rail volume over a long operating life. Multiple-carrier access supports transportation flexibility, network resiliency, long-term supply chain planning, and competitive commercial options. Reflecting the importance of

preserving competitive origin service, the project supported infrastructure to preserve two-carrier access.

CPChem's experience demonstrates that rail access and transportation connectivity are primary considerations in major investment decisions. They can shape the location and design of manufacturing, logistics, storage, packaging, and distribution assets. CPChem's manufacturing origins currently benefit from dual rail service, and that access has historically supported supply chain flexibility and capital planning. As CPChem evaluates future investments, it will continue to consider the availability of capable rail infrastructure, practical carrier alternatives, sufficient network capacity, and reliable connections to customers and export gateways.

Based upon CPChem's experience, rail access and transportation connectivity remain important considerations when evaluating manufacturing, logistics, storage, and distribution investments. CPChem's current manufacturing network benefits from dual rail service at its origination locations, and transportation options have historically influenced supply chain design, facility development, and capital allocation decisions. Rail infrastructure, carrier accessibility, and network connectivity will continue to be important considerations in future investment evaluations.

Rail Contracting Practices

CPChem has strategic relationships with each Class 1 railroad and moves substantial volume under negotiated rail transportation contracts, many of them multi-year. These arrangements benefit both the shipper and the railroad by providing greater commercial stability, supporting coordinated planning, and establishing mutual commitments over a longer period than annual negotiations. Because the contracts may remain in effect through changing market and operating conditions, the preservation of the service, access, and competitive assumptions underlying those agreements is important to CPChem.

CPChem's rail contracts generally do not establish rates that vary based on the exact number of carloads shipped. CPChem typically pays the applicable rate per car regardless of whether total volume rises or falls. Rather than guaranteeing a fixed number of carloads, CPChem may commit a specified percentage of its eligible rail traffic on covered lanes or from a covered origin to a particular railroad. If CPChem does not satisfy the agreed percentage commitment, the contract may require payment of negotiated liquidated damages. These structures make the availability of competitive traffic, practical routing options, and accurate traffic allocation important throughout the contract term.

During negotiations, railroads may package traffic from captive lanes together with traffic from competitive lanes. In practice, a railroad may offer an all-or-nothing proposal covering multiple lanes, with the rate levels for captive and non-captive traffic tied to an overall minimum percentage commitment. This approach can limit CPChem's ability to evaluate each lane independently and can make competitive traffic an important source of negotiating leverage for traffic that has fewer practical rail alternatives.

CPChem generally prefers Rule 11 pricing for interline movements because it allows the company to negotiate separately with each railroad participating in the route. Most of CPChem's interline traffic moves under Rule 11 rates rather than under a single joint rate covering the entire movement.

Under a Rule 11 structure, CPChem separately negotiates the rate applicable to each carrier's portion of the route, typically to or from an interchange point. When one portion of a movement is served by only one railroad, separate pricing allows CPChem to use competition where it exists on the other portion of the route. This structure provides greater transparency into each carrier's charge and helps CPChem preserve negotiating options on the competitive segment of an otherwise partially captive movement.

For Rule 11 movements, the Company negotiates the price for each leg. This is advantageous so that when one leg is captive to a single railroad, CPChem is able to negotiate stronger on the open end of the leg; normally up to an interchange point.

Illustrative Routing Analysis: Cedar Bayou (Eldon Jct, TX to Moncks Corner, SC)

As a practical illustration of the issues discussed above regarding CPChem's expansion into the Charleston, South Carolina market, CPChem evaluated an existing rail movement from its Cedar Bayou facility at Eldon Junction, Texas, to the Moncks Corner, South Carolina area. This movement provides a useful case study for assessing how a potential shift in interchange location could affect route mileage, transit time, crew requirements, and overall railcar velocity.

Under the current routing, railcars originating at Eldon Junction transit approximately 345 rail miles on BNSF or Union Pacific to the New Orleans interchange, a route that currently requires slightly more than four (4) days. Assuming an average operating shift of approximately ten (10) hours, CPChem estimates that approximately five (5) separate road crews may be involved in moving the train over this portion of the route.

At New Orleans, the railcars are interchanged to CSX for the remainder of the trip to the Moncks Corner area. This portion of the trip covers approximately 893 rail miles and currently requires just under six (6) days. Based on the same ten-hour crew-shift assumption, CPChem estimates that approximately fourteen (14) road crews may be involved in this portion of the trip. The interchange at New Orleans typically contributes approximately one additional day of dwell. Taken together, the end-to-end trip presently averages approximately eleven (11) days, covers approximately 1,238 rail miles, and may involve approximately nineteen (19) road crews.

A combined Union Pacific/Norfolk Southern network could potentially shift the competitive interchange point farther east. For purposes of illustrating the potential operating implications, CPChem has considered a scenario in which a combined UP/NS carrier retains the railcar beyond New Orleans and moves it approximately 515 additional rail miles from New Orleans to Atlanta, where the railcar would then interchange to CSX. From Atlanta, the remaining movement to the Charleston/Moncks Corner area would be approximately 350 rail miles.

Under this illustrative scenario, approximately 860 of the 1,210 total rail miles would be transited by the combined UP/NS carrier, compared with approximately 345 miles transited by BNSF or UP under the current routing. Conversely, the CSX portion of the trip would decrease from approximately 893 miles today to approximately 350 miles. The overall route would therefore be approximately 28 miles shorter, a relatively modest reduction compared with the existing route.

Metric	Current Route via New Orleans	Illustrative Post-Merger Route via Atlanta
Routing	BNSF/UP → CSX at New Orleans	Combined UP/NS → CSX at Atlanta

Total rail miles	**1,238**	**1,210**
BNSF/UP or combined UP/NS miles	**345**	**860**
CSX miles	**893**	**350**
Total transit time	**~11 days**	**~11 days, estimated**
Estimated road crews	**~19**	**~19, estimated**
External railroad interchanges	**1**	**1**
Interchange dwell	**~1 day at New Orleans**	**Assumed ~1 day at Atlanta**

This example illustrates that shifting an interchange point farther east would not necessarily, by itself, reduce the number of railroad interchanges, materially shorten the route, reduce the number of road crews required, or improve end-to-end transit time. Under either routing scenario, the movement would continue to require an interchange with CSX. The principal differences would be the location of the interchange and the proportion of the movement handled by each railroad.

A combined UP/NS carrier would control approximately 860 miles of the illustrative Atlanta routing before interchanging the railcar to CSX, compared with approximately 345 miles currently handled by BNSF or UP before interchange at New Orleans. This greater single-carrier length of haul could provide an opportunity for improved coordination and velocity. However, any potential benefit would depend on actual operating performance. If improvements in line-haul velocity were offset by additional classification activity, terminal dwell, missed connections, or interchange delay at Atlanta, CPChem could realize little or no improvement in total transit time.

Accordingly, the relevant measure of a merger-related service benefit is not simply whether one railroad handles a greater portion of the movement or whether the interchange occurs farther east. The relevant measure is whether the resulting network produces measurable and sustained improvements in end-to-end railcar velocity, terminal performance, interchange dwell, trip-plan compliance, and overall service reliability. Theoretical network connectivity should therefore be evaluated together with the actual operating characteristics and shipper-specific performance of the proposed routing.

Service Reliability and Operational Performance

From a shipper perspective, reliable and consistent service is as important as average transit time. CPChem and its customers plan around delivery windows, available storage, unloading capacity, labor schedules, production requirements, and inventory targets. A shipment that arrives outside the planned window can create disruption even if its total transit time appears reasonable when viewed in isolation. Predictability therefore has direct operational and financial value.

For example, over the past several years, missed railroad service windows at CPChem's Cedar Bayou facility have resulted in additional costs and operational impacts for both CPChem and another railroad operating over the same line. When a railroad does not arrive within its scheduled service window, CPChem may need to hold employees beyond their scheduled shifts to separate or reposition railcars and maintain the necessary track clearance within the facility. In CPChem's observation, these missed windows also disrupt other rail operations over the same line. These service failures can result in overtime expenses and can disrupt other planned plant activities.

Variability in rail service can also create downstream impacts for CPChem's customers. When railcars do not arrive within expected service windows, CPChem must provide customers with updated shipment information and coordinate around changes in anticipated arrival times. Arrivals outside the expected window, whether early or late, can affect a customer's ability to receive and unload equipment, particularly where track capacity, unloading resources, or personnel have been planned around anticipated delivery schedules. The resulting disruption can contribute to congestion, delays in unloading and releasing railcars, and demurrage or other avoidable costs. Accordingly, service consistency, effective communication, and reliable estimated arrival information are important to both CPChem and its customers.

Service Reliability, Dwell Time, and Network Performance

CPChem evaluates rail performance using several operational measures, including trip plan compliance, equipment cycle time, railcar utilization, terminal and yard dwell, service consistency, and shipment visibility. Interchange performance is one part of that analysis, but CPChem's experience is that delays may arise at many locations and operating stages across the network.

In many instances, the most significant delay occurs at an origin terminal, classification yard, destination terminal, or during first-mile or last-mile service rather than at the interchange itself. Network performance should therefore be evaluated from origin to destination. Reducing the number or duration of interchanges may provide a benefit in some circumstances, but it will not necessarily improve total trip performance if railcars continue to experience extended dwell elsewhere in the route.

CPChem has experienced service interruptions and extended transit times associated with congestion or processing delays at major terminals and classification yards. A meaningful service assessment should identify where dwell is occurring, how consistently railcars meet their trip plans, and whether local switching and line-haul connections are adequately coordinated. Railroads also need sufficiently experienced and trained resources to process railcars, perform switching, and move equipment from yards to scheduled line-haul service without avoidable delay.

CPChem conducts business review meetings with each of the Class 1 railroads. One of the consistent metrics that railroads report on is terminal dwell. This is useful to some extent; however, a yard can have acceptable average dwell while still performing poorly for CPChem's particular traffic. Average terminal dwell can actually hide poor classification performance. Systemwide average dwell may obscure significant shipper-specific failures. For example, a yard reporting an average dwell of twenty (20) hours could reflect one car processed in six hours and another held for thirty-four (34) hours after missing an outbound connection. The

average does not reveal the missed connection or the shipper impact. CPChem therefore believes that monitoring should separately identify classification time, missed connections, outbound-train availability, interchange delay, and first- and last-mile performance.

But the real problem is not necessarily that the yard takes twenty (20) hours to process cars. It might take 6–8 hours to classify them, while a missed connection adds another twenty-four (24) hours.

Train velocity is another commonly reported measure of railroad performance. While this metric provides useful information regarding overall network fluidity, it provides limited visibility into the individual service components that determine the actual transit experience of a railcar. Greater transparency into more granular operating metrics would provide shippers with a clearer understanding of where time is incurred throughout a shipment's movement. Metrics addressing line-haul transit time, classification and yard delays, missed connections, interchange performance, and outbound train availability would help shippers better understand the timing associated with each stage of a rail movement, including pickup, intermediate handling and interchange, and final delivery. Providing greater visibility into these underlying service components would allow shippers to more effectively evaluate service performance, anticipate disruptions, and manage their railcar fleets and customer commitments.

Accordingly, CPChem believes that merger-related service analysis should consider end-to-end network reliability, not only interchange counts or line-haul mileage. Trip plan compliance, terminal dwell, first-mile and last-mile execution, railcar handling, communication, and consistency of scheduled service are important measures of whether the resulting network is delivering practical benefits to shippers.

Industry Experience with Railroad Network Integrations

CPChem recognizes that railroad mergers and network integrations may create opportunities as well as operational challenges. The outcome for shippers depends substantially on the quality of transition planning and execution. During an integration period, changes to operating plans, terminal flows, information systems, customer-service processes, local service, and empty-equipment handling can affect shipper operations even when the broader network strategy is intended to improve efficiency.

Following the merger of Canadian Pacific and Kansas City Southern (CPKC), CPChem observed last-mile service disruptions affecting chemical-industry customers. At one customer facility in Westlake, Louisiana, railcars were delayed or misrouted, affecting inbound deliveries and the timely release and pickup of empty equipment. CPChem also received reports from other customers that operational changes and newly implemented requirements contributed to delays in empty-car release and pickup.

CPChem sought assistance from the Board regarding these concerns. CPChem’s experience demonstrated, however, that regulatory remedies may be limited when a service or commercial dispute is treated as arising under a private transportation contract, even when the underlying issue developed in connection with merger implementation.

In addition to the service issues described above, post-merger contract negotiations with CPKC resulted in rate increases that CPChem considered significant.

CPChem does not offer this experience as evidence for or against the merits of the proposed UP-NS merger. It is provided to illustrate why detailed integration planning, clear customer communication, stable operating procedures, and transparent service-performance monitoring are important during a large railroad merger. For CPChem and its customers, dependable first-mile and last-mile execution can be as consequential as line-haul performance. The Board may therefore wish to consider how operational continuity will be maintained and measured throughout any transition.

Limitations of Proposed Customer Protections and Post-Merger Remedies

CPChem believes the Board should closely evaluate whether the proposed customer protections provide meaningful and enforceable relief to shippers whose traffic moves under private transportation contracts. CPChem maintains long-term commercial agreements with the Class I railroads, and those agreements address not only rates and service but also risk allocation, indemnification, insurance, traffic commitments, and other conditions that can materially affect whether a movement remains commercially viable.

CPChem's experience following the Canadian Pacific–Kansas City Southern merger illustrates a potential gap between merger oversight and contractual remedies. Following the merger, CPKC adopted, in its publicly available tariff called Hazardous Commodities Tariff 8, a requirement that shippers of TIH commodities obtain and maintain, at their own expense, commercial general liability insurance of not less than $100 million per occurrence, naming CPKC as an additional insured, with coverage that is primary to any other available insurance. Shipper organizations, including the National Industrial Transportation League, publicly raised concerns about this requirement.

In CPChem's judgment, the tariff requirement imposed substantial additional cost and risk without a corresponding operational benefit, and CPChem considered it commercially unworkable for the affected traffic. Because a competitive alternative was available for that movement, CPChem shifted the traffic to another carrier.

CPChem's experience illustrates the leverage a merged carrier can exercise over liability and risk-allocation terms. Shippers whose TIH traffic is captive to the merged UP/NS system would have no comparable alternative.

This distinction is particularly important because merger-related effects may extend beyond the formal integration and oversight period. They may also emerge through subsequent contract negotiations rather than through an immediate interruption of rail service. A protection limited to operational service failures, a defined integration window, or non-contract traffic may therefore fail to address significant post-merger harm.

CPChem encourages the Board to ensure that any merger conditions preserve an effective avenue for review when a post-merger change in indemnity, insurance, risk allocation, access, routing, or other commercial requirements is reasonably connected to the transaction or its implementation. Such protections should remain available for a sufficient period to capture issues arising during later contract negotiations and should not become unavailable solely

because the railroad implements the merger-related change through a private transportation contract.

CPChem's ability to move the affected TIH lane to another railroad limited the impact in this instance. A shipper without an alternative carrier, however, could be required to accept commercially unreasonable terms, discontinue the movement, or absorb costs that make the underlying business uneconomic. The preservation of practical competitive alternatives is therefore important not only for rates and service but also as protection against unreasonable post-merger contractual requirements.

Shipper commitments under existing contracts may continue to apply even where merger implementation alters the service or competitive conditions under which they were negotiated.

This distinction is important because merger-related problems do not necessarily end when formal integration monitoring concludes. Operational changes may take time to affect local service, routing, equipment cycles, customer processes, or contract negotiations. If oversight expires before those effects become fully apparent, or if contract traffic falls outside the available protections, a shipper may have no practical merger-related remedy even though the harm is traceable to the transaction.

Rail and Truck Transportation Considerations

CPChem uses both rail and truck transportation and selects the mode that best fits customer requirements, product characteristics, shipment size, infrastructure availability, and overall supply chain needs. Rail is generally preferred for many CPChem products because it can efficiently move bulk quantities in specialized equipment over long distances. Truck transportation remains important where customers lack rail access, shipment sizes are smaller, or delivery requirements call for greater flexibility.

Converting existing truck traffic to rail is not always feasible and may depend on customer rail access, transloading capability, site-specific infrastructure, equipment availability, product-handling requirements, and the economics of the complete movement. Any assessment of potential rail growth should account for these practical constraints rather than assuming that truck volume can be converted solely because rail capacity is available.

Shipment Visibility and Customer Service Systems

CPChem uses internal transportation management systems and third-party visibility tools to monitor railcar movements and coordinate activity across multiple railroads. These systems support shipment planning, equipment management, customer communication, exception management, and operational decision-making whether a shipment moves on one railroad or several.

CPChem uses third-party data as an additional point of verification because carrier-reported locations and Automatic Equipment Identification readings reflected in third-party systems do not always align. Reliable data, timely updates, and effective escalation and problem-resolution processes are therefore important to CPChem's ability to manage inventory, communicate with customers, and respond to service exceptions.

CPChem Requests to the Board

As the Board evaluates the proposed transaction, CPChem has an interest in understanding how the transaction may affect:

- Service reliability and consistency.
- Network resiliency during operational disruptions.
- First-mile and last-mile service performance.
- Shipment visibility and customer service functions.
- Origin, terminal, destination, and interchange operations.
- Rail access and transportation options available to shippers.
- Integration planning and operational continuity measures.
- Service-performance metrics and monitoring during any transition period.

CPChem respectfully requests that any approval contain enforceable conditions that:

- Apply to merger-related harm affecting traffic moving under private contracts.
- Preserve Board jurisdiction over merger-related service and competitive issues notwithstanding the existence of a contract.
- Remain effective long enough to capture problems that develop or persist after the initial integration period.
- Use shipper-specific, end-to-end performance measures rather than systemwide averages alone.
- Provide expedited interim relief when service failures threaten plant operations, customer supply, railcar availability, or network fluidity.
- Prevent a shipper from being penalized under volume or traffic-allocation commitments when merger-related service failures materially impair the shipper’s ability to satisfy those commitments.
- Require transparent reporting and escalation procedures, with consequences if agreed service protections are not achieved.

CPChem further requests that the Board evaluate whether the proposed customer protections provide effective, enforceable, and sufficiently durable remedies for shippers moving under private transportation contracts, including where merger-related harm becomes apparent or continues after the initial integration and oversight period.

Conclusion

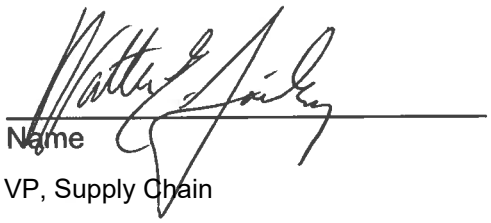
CPChem appreciates the opportunity to provide these comments. As a major rail shipper, CPChem has a significant interest in a North American rail network that remains reliable, efficient, resilient, accessible, and capable of supporting continued industrial investment.

These comments are intended to provide factual information concerning CPChem's transportation operations, contracting practices, capital-investment considerations, and supply chain requirements. CPChem does not take a position in these comments on approval or denial of the proposed transaction. CPChem respectfully requests that the Board closely evaluate the transaction's potential effects on competitive rail access, end-to-end service reliability, first-mile and last-mile performance, network capacity, shipment visibility, customer communication, and operational continuity during integration. CPChem looks forward to reviewing the record and continuing to monitor the proposed merger’s service and operational implications.

VERIFICATION

I, Walter Sanchez, 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 Nov 18, 2024



Name

VP, Supply Chain

APPENDIX A: Rail-Served Facilities

Name	Street Address	City	State	ZIP	Station Name	Station State	Serving Carrier	Switching Status	Open to	Restrictions
CHEVRON PHILLIPS CHEMICAL COMPANY LP	9500 I-10 E	BAYTOWN	TX	77521	ELDON JCT	TX	BNSF	Closed		
CHEVRON PHILLIPS CHEMICAL COMPANY LP	9500 I-10 E	BAYTOWN	TX	77521	ELDON	TX	UP	Closed		
CHEVRON PHILLIPS CHEMICAL COMPANY LP	1 PRAIRIE ST	BORGER	TX	79007	BORGER	TX	PNR	Restricted	BNSF	Serving carrier is a Handling Carrier for BNSF.
CHEVRON PHILLIPS CHEMICAL COMPANY LP	5309 FARM MKT RD STE 106	ORANGE	TX	77631	ORANGE	TX	BNSF	Closed		
CHEVRON PHILLIPS CHEMICAL COMPANY LP	5309 FARM MKT RD STE 106	ORANGE	TX	77631	ORANGE	TX	UP	Closed		
CHEVRON PHILLIPS CHEMICAL COMPANY LP	1400 JEFFERSON RD	PASADENA	TX	77501	HOUSTON - UP	TX	PTRA	Restricted	UP	Joint facility will only apply for UP.
CHEVRON PHILLIPS CHEMICAL COMPANY LP	1400 JEFFERSON RD	PASADENA	TX	77501	HOUSTON - BNSF	TX	PTRA	Restricted	BNSF	Joint facility will only apply for BNSF.
CHEVRON PHILLIPS CHEMICAL COMPANY LP	25735 TEXAS 35	SWEENY	TX	77480	OLD OCEAN	TX	BNSF	Closed		
CHEVRON PHILLIPS CHEMICAL COMPANY LP	25735 TEXAS 35	SWEENY	TX	77480	OLD OCEAN	TX	UP	Closed		
GOLDEN TRIANGLE POLYMERS COMPANY LLC	890 FOREMAN RD	ORANGE	TX	77630	ORANGE	TX	BNSF	Closed		
GOLDEN TRIANGLE POLYMERS COMPANY LLC	890 FOREMAN RD	ORANGE	TX	77630	ORANGE	TX	UP	Closed		
PERFORMANCE PIPE	MID AMERICAN INDUS PK	PRYOR	OK	74361	PRYOR	OK	UP	Local		
PERFORMANCE PIPE	11711 HOPEWELL RD	HAGERSTOWN	MD	21740	HAGERSTOWN	MD	CSXT	Closed		
PERFORMANCE PIPE	2950 NAZARETH RD	WELLFORD	SC	29385	STARTEX	SC	CSXT	Local		
PERFORMANCE PIPE	1400 DRISCO DR	BROWNWOOD	TX	76801	BROWNWOOD	TX	TXR	Restricted	BNSF	Serving carrier is a Handling Carrier for BNSF.
PERFORMANCE PIPE	14381 LEAR BLVD	RENO	NV	89506	LEARENO	NV	UP	Local		