PUBLIC VERSION

METRA-3

BEFORE THE
SURFACE TRANSPORTATION BOARD

312979

UNION PACIFIC CORPORATION AND UNION PACIFIC RAILROAD COMPANY – CONTROL – NORFOLK SOUTHERN CORPORATION AND NORFOLK SOUTHERN RAILWAY COMPANY	)	Finance Docket No. 36873

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METRA'S COMMENTS IN OPPOSITION

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Chicago is not a spoke in this proposed Transaction; it is the operational center. UP and NS, along with the other Class I railroads, funnel enormous freight volumes into and through Chicago, making the region the hub of the U.S. interstate rail network and the unprecedented transcontinental railroad that Applicants seek to create. Freight shares the interstate rail system in the Chicago region with another important stakeholder – Metra's passenger rail. The freight railroads and Metra must coexist on this dense and intertwined shared network, which Metra uses to provide a public service, including more than 150,000 passenger trips each weekday, with a minimum of delay and disruption. Metra's service is essential for the economic health and social well-being of the region.

The Board's rules require that merger proponents demonstrate that they can handle their freight traffic without degrading passenger service. The Revised Application does not meet that required element. Applicants' blanket assurance that the existing infrastructure is sufficient to handle projected freight traffic growth in the Chicago region without causing harm to Metra's passenger operations rests on a capacity analysis that understates existing operations and delays,

overlooks critical choke points and significant categories of movements, minimizes the impact of the volumes they seek to add and the operational changes they propose to make, and dismisses how additional freight traffic will interfere with Metra's schedule-sensitive passenger trains. For these and the other reasons addressed below, the merger application should be denied.

Should the Board approve the Transaction, targeted infrastructure conditions are necessary to protect Metra, its riders, and the public. Applicants should be required to add a flyover at Proviso and a grade separation at West Chicago to relieve two critical choke points on Metra's UP-West Line (UP-W) where substantial merger-related growth will exacerbate existing freight interference. These narrowly tailored solutions to identified operational conflicts will allow Applicants' proposed freight growth to proceed without shifting the resulting congestion and service risks to Metra and its stakeholders. Metra has already invested heavily along with UP to add a "Third Main" to this same line, and Metra is prepared to share in the additional investment needed to achieve intended benefits.

Those infrastructure protections should be reinforced by modeling using Rail Traffic Controller (RTC) and a mandatory 95 percent on-time performance (OTP) requirement for the UP-W as well as the SouthWest Service Line (SWS), which operates over NS's Wabash line, backed by monitoring and enforceable corrective measures. Together, the requested conditions would not impede the combined railroad's operations; they would facilitate them by relieving critical conflicts, improving fluidity, and providing the infrastructure and operating discipline needed

to accommodate increased freight traffic while protecting Metra's essential passenger service.

IDENTITY AND INTEREST

Metra[1] is the second largest regional passenger rail system by size in the United States and the fourth largest in ridership. Metra provides essential regional passenger rail service to more than 100 communities in its service area in northeastern Illinois and southeastern Wisconsin.

The Revised Application proposes substantial freight traffic increases on two key lines used for Metra's passenger service: the UP-W and the SWS Lines. The UP-W Line originates at Metra's Ogilvie Transportation Center located in downtown Chicago, and terminates at Elburn, Illinois (MP 43.5). The SWS Line originates at Chicago Union Station and terminates at Manhattan, IL (MP 40.8). The UP-W Line serves 19 passenger stations, and the SWS Line serves 13 passenger stations. These two lines are fundamental to Metra's essential passenger service and together account for 13.6 percent of Metra's ridership and host approximately 5,155,000 passenger trips annually. The UP-W and SWS Lines are highlighted on Metra's system map below along with the Proviso Yard and West Chicago junction on the UP-W Line discussed in these Comments:

[1] Metra consists of two governmental entities: the Commuter Rail Division of the Northern Illinois Transit Authority and the Northeast Illinois Regional Commuter Railroad Corporation. "Metra" is a service mark owned by CRD.

Metra System Map

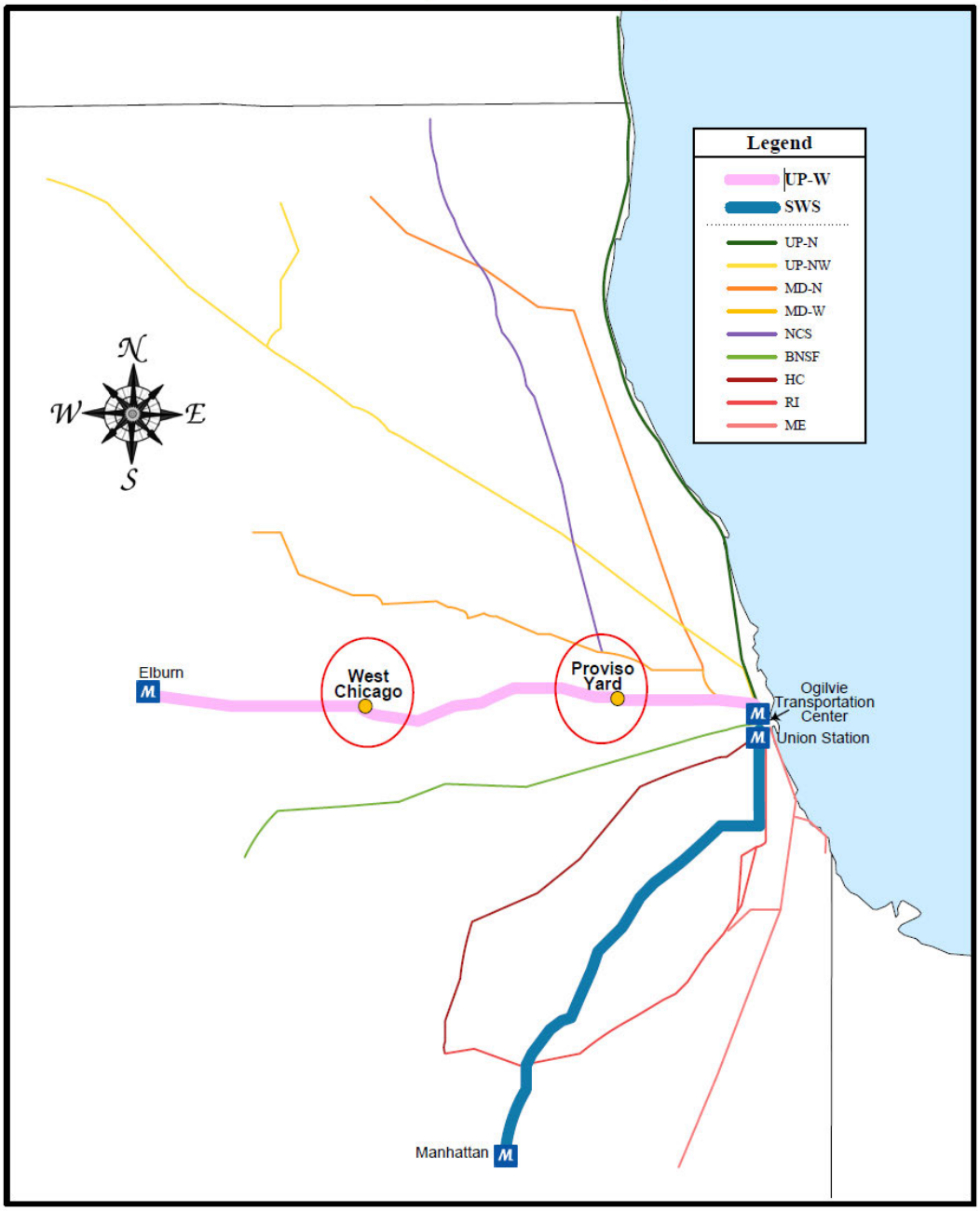


Figure 1. Metra System Map Highlighting UP-W and SWS Lines

Metra is responsible to its fare-paying passengers, the taxpayers who also fund its service, and other public and private-sector stakeholders who depend on Metra to provide reliable public transportation and to minimize delays and disruptions. Metra has a significant interest in this proceeding because the

proposed Transaction would substantially increase freight traffic over rail lines used in Metra's essential passenger service that already face capacity constraints. Metra opposes the proposed Transaction because the Revised Application systematically understates the Transaction's negative impacts on Metra's service and is devoid of integration plans, proposed infrastructure investment, or other mitigation measures that might ameliorate the substantial service harms that will result. As proposed, the Transaction will harm Metra's ability to provide its essential public service.

FACTUAL AND ANALYTICAL SUPPORT

Metra submits the accompanying Verified Statements of Robert D. Mulholland and Allison C. Reid of L.E. Peabody and Associates, Inc. (Mulholland/Reid VS), and of David Kralik, Metra's Director of Planning & Programming (Kralik VS), that provide the factual and analytical basis for Metra's opposition and requested conditions.

The Mulholland/Reid VS demonstrates significant errors, omissions, and unsupported assumptions in Applicants' capacity analysis that purports to show that the UP-W and SWS Lines can absorb the projected freight growth without degrading Metra's operations. The opposite is true. The Kralik VS provides the operational context and shows how Metra's proposed narrowly tailored infrastructure conditions are necessary to protect passenger service from additional merger-related congestion and delay, if the Transaction were approved.

ARGUMENT

A. The Transaction Must Be Consistent with the Public Interest

The standard for evaluating the Revised Application is whether the proposed transaction is in the public interest.[2] In 2001, the Board fundamentally revised its merger rules to impose a "heavier burden" on applicants seeking approval of major rail mergers. *Major Rail Consol. Procedures*, 5 S.T.B. 539, 539, 546 (2001) ("*2001 Rules*"). Central to that inquiry is how a proposed merger impacts existing users of the rail network, including passenger/commuter rail operations dependent on applicants' lines. Congress expressly identified "the effect [of a proposed merger] on adequacy of transportation to the public" as a principal consideration, 49 U.S.C. § 11324(b)(1), while the Rail Transportation Policy directs the Board to ensure that the rail system meets "the needs of the public." *Id.* § 10101(4).

Even under the Board's prior rules, merger-related harm was not limited to higher rates but included service reductions. *See Union Pac. Corp. – Control & Merger – S. Pac. Rail Corp.*, 1 S.T.B. 233, 430 n.191 (1996) ("*UP/SP*"); *accord Burlington N. Inc. & Burlington N. R.R. – Control & Merger – Santa Fe Pac. Corp., et al.*, 10 I.C.C.2d 661, 728 (1995). The *2001 Rules* strengthened that scrutiny following the service failures associated with rail mergers in the 1990s, adopting an appropriately "skeptical, 'show me' attitude toward claims of merger benefits and toward claims that no transitional service problems would occur." 5 S.T.B. at 549.

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[2] "The Board shall approve and authorize a transaction under this section when it finds the transaction is consistent with the public interest." 49 U.S.C. § 11324(c).

That heightened scrutiny applies directly to service performance. The Board has emphasized that "the quality of service is of vital importance" and requires applicants to demonstrate that post-transaction service will be "reasonable and adequate." 49 C.F.R. § 1180.1(h). Applicants also must address coordination with passenger and commuter rail operators and facilitation of their operations in their service assurance plans. *Id.* § 1180.10(b).

Most importantly here, the Board's merger rules expressly require that "*essential freight, passenger, and commuter rail services are preserved wherever feasible*." *Id.* § 1180.1(c)(2)(ii) (emphasis added). The rules explain:

> An existing service is essential if there is sufficient public need for the service and adequate alternative transportation is not available. The Board's focus is on the ability of the nation's transportation infrastructure to continue to provide and support essential services. Mergers should strengthen, not undermine, the ability of the rail network to advance the nation's economic growth and competitiveness . . . .

Id. In the rulemaking adopting the new merger rules, UP sought removal of the requirement to treat passenger/commuter services as "essential services," and the Board declined to do so. 5 S.T.B. at 564.

Applicants, thus, bear the "heavier burden" of demonstrating that the Transaction will preserve, and must not harm, Metra's essential passenger rail service. Decision No. 21 (served May 28, 2026) at 18. That burden requires more than the mere promise that adequate capacity will exist. Applicants must fully substantiate their claims of public benefits and service adequacy with sufficient evidence and analysis to permit the Board to determine whether the proposed

operations can be implemented without unacceptable impairment of essential passenger service.

B. The Transaction Exposes Metra to Serious and Adverse Service Quality Impacts and Is Not in the Public Interest

Applicants acknowledge that their Operating Plan will substantially increase freight traffic on Metra's lines, and their assertion that this growth will not adversely affect Metra's essential passenger service rests on a single unsupported premise: substantial unused capacity exists on the UP-W and SWS Lines. Revised App., Gehringer/Orr VS at 167, 169. The record does not support Applicants' position. These corridors already experience significant freight interference and, rather than demonstrate preservation of Metra's passenger service, Applicants' analysis systematically understates existing operations, masks critical constraints, and fails to demonstrate that projected freight growth can coexist with Metra's schedule-sensitive service. Mulholland/Reid VS at 29-58. Applicants' July 27, 2026, supplemental statistical analysis fails to cure these deficiencies.

1. Freight Interference Already Disrupts Essential Passenger Service on Metra's UP-W and SWS Lines

Metra's UP-W and SWS Lines are critical, schedule-sensitive passenger service corridors operating over infrastructure shared with substantial freight and terminal activities. Their reliability depends not on theoretical line capacity, but on moving passenger trains on schedule through a complex network of through-freights, yard and local movements, and terminal operations competing for the same infrastructure. *Id.* at 41-52.

Existing performance confirms that these corridors currently experience substantial freight interference. From July 2022 through December 2025, the UP-W Line averaged 91.3 percent OTP, short of Metra's systemwide goal of 95 percent OTP and the 94.2 percent on UP-North and 93.1 percent on the UP-Northwest Lines, where Metra also operates passenger service on UP track. *Id.* at 18-20. The UP-W Line incurred approximately 5,207 minutes of freight-related delay, the most of any Metra service analyzed, while SWS incurred approximately 1,756 minutes. *Id.* at 49.

Freight-related delays have persisted on the UP-W Line despite substantial investments to expand capacity, including Metra's capital contributions of more than $47 million toward approximately eight miles of additional third main track. Kralik VS at ¶14. Although freight-related delay initially declined after completion of the Third Main, it subsequently increased to an average of 693 minutes per month from March through August 2026, 71 percent above the pre-completion baseline. This recent deterioration confirms that the additional third main track has not created the "slack capacity" Applicants claim and that the corridor already faces substantial operational constraints before additional merger-related freight traffic is added. Mulholland/Reid VS at 19-20.

Applicants propose to intensify freight operations on these constrained corridors. In 2023, UP moved its intermodal operations at Global 1, near downtown Chicago, to Global 2 on the UP-W Line, following more than $150 million of

investment.[3] Applicants plan to move NS's 63rd Street intermodal yard operations into UP's major Global 2 intermodal facility, concentrating additional intermodal activity at the Proviso/Global 2 complex on the UP-W Line. Mulholland/Reid VS at 10. Global 2 is projected to experience a 32 percent increase in daily handlings. *Id.* at 11.

UP's Operating Plan adds 14 through-freight trains per day between Proviso and Kedzie and five additional trains over the UP-W corridor between Proviso and Elburn. *Id.* at 11. Four daily NS intermodal trains that historically utilized NS's 63rd Street Yard will be routed through NS's Ashland Avenue Yard and over the eastern portion of the UP-W Line between Kedzie and Proviso/Global 2. *Id.* at 13. West Chicago also is one of seven automotive terminals where Applicants project additional post-merger freight activity, further concentrating merger-related operations at a critical choke point on the UP-W Line. *Id.* at 78-79.

The additional traffic includes exceptionally long trains that consume additional track and interlocking capacity and increase the operational demands of each movement. These longer trains will further intensify operating conflicts at Proviso/Global 2 and West Chicago, two choke points where Metra already experiences recurring freight interference on the UP-W Line. *Id.* at 48. The consequences of these conflicts can extend well beyond the passenger train initially affected. UP's own operating data show that delays can cascade through Metra's

[3] *See* https://www.up.com/customers/announcements/premium/domesticintermodalterminals/PR2023-54.html.

schedule; in several instances, conflicts initially involving {{ }} Metra trains ultimately affected at least {{ }} or more trains. *Id.* at 51-52.

Additional merger-related activity also will affect SWS, with projected daily handlings and switching activity increasing approximately 17 percent at Ashland Avenue Yard and 29 percent at 47th Street Yard. *Id.* at 11,13.

2. Applicants Did Not Perform the Operational Analysis Necessary to Evaluate the Transaction's Impacts on Metra's Essential Passenger Service

Applicants used a capacity planning tool, not an operational simulation, in their impact analysis. Their model compares estimated train counts with theoretical fluid-capacity thresholds but does not simulate any actual train movements, identify passenger-freight conflicts, quantify delay, evaluate dispatching, nor measure effects on Metra's OTP. Mulholland/Reid VS at 21-28. Applicants' {{ }}. *Id.* at 22-26.

That omission is critical on the UP-W and SWS corridors. Actual capacity depends on when, where, and in what direction trains operate; their length and speed; crossover and receiving-track availability; conflicts at interlockings and yard entrances; terminal dwell; and other operating constraints. *Id.* at 21-22. RTC can simulate those interactions, quantify their operational effects, and test alternative operating or capital/infrastructure solutions. Applicants' capacity model does not and cannot. *Id.* at 21-28.

Applicants' own practices confirm RTC's importance and utility in evaluating effects on passenger service. Applicants use RTC for network growth and infrastructure studies, and UP acknowledged that it uses RTC to {{ }}. *Id.* at 59-62. Applicants nevertheless assert that RTC modeling here was "not practicable" because it would require "many months of dedicated effort," despite their established capabilities and routine use of RTC to evaluate such changes. *Id.* at 59.

Most significantly, UP used RTC in 2024 to evaluate the effect of {{ }} UP freight trains on UP-W, projecting that {{ }}. *Id.* at 81. That analysis modeled the {{ }}. *Id.* at 2, 81. Yet Applicants performed no comparable RTC simulation to determine how their proposed substantial freight increases will impact Metra's scheduled passenger service. *Id.* at 59.

That omission is significant because the Board identified this precise deficiency in Applicants' original submission:

> The maximum daily train capacity does not explain how passenger trains will actually be affected. Passenger trains have specific schedules and are likely to travel at greater speeds than freight traffic. Applicants' Road Volume Capacity Summary worksheet does not illustrate how passenger and freight traffic will interact.

Decision No. 21 at 32; Mulholland/Reid VS at 21-22.

The Board directed Applicants to address whether the affected lines could accommodate projected freight growth while maintaining passenger service by presenting "a dispatching plan," "train modeling evidence showing passenger rail impacts (or the lack thereof)," and analysis of anticipated freight schedules as responsive evidence. Decision No. 21 at 32; Mulholland/Reid VS at 59. Applicants supplied none of the responsive operational evidence identified by the Board. Mulholland/Reid VS at 59-77.

Applicants' theoretical capacity threshold analyses do not fill the gap. Their workpapers define the threshold as {{[redacted]}}, yet Applicants then objected when Metra asked them to define {{[redacted]}} and {{[redacted]}} *Id.* at 27-28. Even assuming the model and its inputs were otherwise sound, it does not establish that existing Metra service can be maintained with Applicants' proposed freight increases. *Id.* at 21-22.[4]

[4] Applicants' own witnesses reinforce this deficiency. Eric Gehringer, UP's Executive Vice President-Operations of Network Planning and Operations and sponsor of the Operating Plan, could not {[redacted]}. Katherine Novak, UP's General Director of Interline Operations, with oversight over commuter operations, likewise {[redacted]}. Gehringer Dep. at 354-355; Novak Dep. at 493-499. When the sponsor of the Operating Plan and the official responsible for commuter operations cannot explain the analysis underlying Applicants' capacity assurances, those assurances cannot satisfy Applicants' burden.

Board precedent and Applicants' own practices reinforce the point. RTC has been recognized as an appropriate method for evaluating capacity, train performance, and infrastructure requirements under actual operating conditions. *E.g.*, *Pub. Serv. Co. of Colo. d/b/a Xcel Energy v. Burlington N. & Santa Fe Ry. Co.*, NOR 42057 (STB served June 8, 2004), at 26-27; *see* Mulholland/Reid VS at 22-26 & nn.40-42. Applicants' counsel has characterized RTC as the "gold standard" for operational simulation. Mulholland/Reid VS at 23-24. Applicants nevertheless rely on theoretical capacity calculations while forgoing the operational modeling needed to show that their proposed freight growth can coexist with Metra's schedule-sensitive passenger service.

3. Applicants' Methodology Understates Existing Operations and Overstates Available Capacity

Applicants' "slack capacity" claim rests on a series of input assumptions that systematically reduce the number of trains attributed to the affected corridors and thereby inflate the capacity they claim is available for post-merger freight growth. Mulholland/Reid VS at 29-41. These assumptions are consequential on the UP-W Line, where weekday commuter service and freight activity converge at critical choke points during the same operating periods. *Id.* at 41-52.

a. Applicants' Traffic Assumptions Artificially Create Slack Capacity That Does Not Exist

Applicants' claimed capacity margin turns on how existing traffic is counted and allocated among the affected segments. Mulholland and Reid identify several

features of Applicants' methodology that understate the traffic reflected in the analysis and create the illusion of unused capacity. *Id.* at 29-41.

The principal distortions include:

- **Weekday dilution**. Applicants blend weekday and weekend service, reducing approximately 58 weekday Metra trains to 46.9 trains per day and effectively treating weekend capacity as available during the weekday. *Id.* at 29-31.

- **Distance weighting**. Applicants further dilute train activity by spreading trains across lengthy capacity segments they do not fully traverse. On the Global 3-to-Geneva segment, as many as 52 weekday Metra trains operate over the heavily used eastern 8.5 miles, yet Applicants' methodology counts only approximately 8.5 trains per day, understating passenger traffic there by 84 percent. *Id.* at 31-35.

- **Excluded capacity-consuming movements**. Applicants omit local and yard-transfer trains, switching movements, light engines, and maintenance and work trains that consume the same tracks, crossovers, and yard leads. Those exclusions amount to more than {{ }} trains per day near Proviso, where freight and passenger movements already compete for constrained infrastructure. *Id.* at 36-39, Exhibit No. 4.

- **Average rather than peak traffic**. Applicants rely on annual averages rather than peak freight conditions, thus, excluding at least {{ }} extra scheduled trains UP operated on the UP-W Line during the base period, and failing to account for fluctuations in unit train volumes. Actual peak-week freight traffic exceeded average weekday volumes UP utilized by approximately 8.1 to 13.4 percent, depending on the segment. *Id.* at 39-41.

These methodology choices materially alter Applicants' capacity results. Applicants report future traffic of { } trains per day between Geneva and West Chicago, leaving purported capacity for another {{ }} trains. *Id.* at 41. But accounting for actual weekday passenger service, omitted movements, and peak freight traffic pushes projected traffic above Applicants' high fluid-capacity threshold on the eastern portion of that segment. *Id.* at 41-42. Between West

Chicago and Proviso, corrected traffic approaches {{[redacted]}} trains per day, rather than the approximately 80 reflected in Applicants' analysis, and the western portion of Proviso-to-Kedzie (at Global 2/Proviso) becomes severely constrained. *Id.* at 44-45.

The consequences are concentrated at Proviso/Global 2 and West Chicago. *Id.* at 47-49. Between Kedzie and Proviso, Applicants propose 14 additional through trains, a {[redacted]} percent increase, together with a 32 percent increase in Global 2 handlings. *Id.* at 2. At West Chicago, Applicants' weighting methodology masks concentrated weekday operations, with corrected traffic approaching {{[redacted]}} daily trains between West Chicago and Proviso. *Id.* at 47. Capacity elsewhere on a lengthy segment does not eliminate a conflicting movement at West Chicago or create an operating path through congestion at Proviso.

b. Applicants' Operating Data and Actual Conditions Confirm the Deficiency in Their Methodology

Mulholland and Reid further tested Applicants' capacity conclusions against the railroads' own normal-course operating information, which shows materially higher traffic. UP reports nearly {{[redacted]}} trains per day between Proviso and Kedzie, {{[redacted]}} percent more than Applicants' {[redacted]}-train base case, while NS reports nearly {{[redacted]}} trains per day on the relevant Chicago Line segment, {{[redacted]}} percent more than Applicants' {[redacted]} trains. *Id.* at 54-56. Applicants do not explain these discrepancies, which erode their claimed capacity margin even before accounting for weekday passenger demand, peak traffic, omitted movements, or terminal activity. *Id.* at 41-47.

Applicants' methodology also ignores the demands of the traffic proposed. Six of the 14 additional UP-W trains would average more than two miles in length, and some would approach three miles, increasing occupancy of interlockings and crossovers and reducing operating flexibility, particularly at Proviso/Global 2. *Id.* at 56-58. A model that merely counts trains does not capture those effects.

Actual performance further undermines Applicants' claimed "slack capacity." As noted *supra* in Part B.1, the UP-W Line trails Metra's other UP-hosted lines in OTP, and the UP-W and SWS Lines lead in minutes of freight-related delay. *Id.* at 47. On the UP-W Line, those delays are concentrated at Proviso/Global 2 and West Chicago, the same locations where Applicants propose increased operations and the corrected analysis identifies the most serious constraints. *Id.* at 48. Applicants' theoretical "slack capacity," in other words, does not establish usable capacity under actual operating conditions.

c. Applicants' Analysis Does Not Account for Future Growth in Metra's Essential Passenger Service and Omits Critical Network Segments

Applicants' analysis makes another one-sided assumption: freight traffic grows while Metra's essential passenger service remains static. *Id.* at 52-53. That approach allocates purported future capacity to freight without preserving any margin for future passenger needs, even though Metra has invested substantial public capital to expand UP-W capacity, including through contributions to third main track. *Id.* at 19.

The capacity analysis is also geographically incomplete, omitting SWS and critical segments through Ashland Avenue Yard and the Chicago terminal over which additional freight traffic would operate. *Id.* at 53-54. Capacity analysis of selected segments cannot establish that the proposed post-Transaction freight operations can be accommodated over the infrastructure Applicants did not analyze.

4. Applicants' Supplemental Analysis Fails to Show That Metra's Essential Passenger Service Will Not Be Harmed

Because Applicants' Revised Application "[did] not explain how passenger trains will actually be affected," and "[did] not illustrate how passenger and freight traffic will interact," the Board directed Applicants to show in a supplemental analysis "how the UP and NS lines used to host passenger services have sufficient capacity to support projected freight increases while maintaining current passenger service levels." Decision No. 21 at 32. The Board suggested Applicants provide dispatching plans for handling post-merger traffic increases, train modeling, and analyses of freight traffic schedules and the resulting passenger impacts. Applicants provided no such analyses. *Id.* Instead, their July 27 Supplement responded with a limited statistical analysis comparing historic capacity utilization and passenger-service performance, which Applicants offer as "assurance" that existing passenger service levels can be maintained. UP-80/NS-78 at 172. That analysis neither models the proposed operations nor determines how additional freight trains will interact with Metra's scheduled service and is deficient on its own terms. Mulholland/Reid VS at 59-77.

First, Applicants' experts did not analyze the operations posing the greatest risk to Metra's essential passenger service. They excluded the SWS Line entirely and, on the UP-W Line, analyzed only the Geneva-to-West Chicago portion of the route over which Applicants propose approximately five additional trains per day, ignoring all other operating segments including Proviso-to-Kedzie, where Applicants propose 14 additional daily freight trains and substantially increased Global 2 activity. *Id.* at 62.

Applicants plan to consolidate NS's 63rd Street intermodal operations into the Global 2/Proviso complex and acknowledge that Global 2 will experience some of the largest increases in daily handlings among their combined intermodal hubs, including an approximately 32 percent increase in handlings and switching activity. *See supra* Part B.1. Yet Applicants' experts conducted no analysis of how that increased activity would affect Metra's UP-W operations. *Id.* at 62. They compared full-route UP-W OTP against utilization on a single route sub-segment, and did not acknowledge the operational impacts caused by freight train yard entry/exit at Proviso/Global 2 and West Chicago, the two critical choke points where the greatest conflicts would occur. *Id.* at 63.

Second, Applicants selectively omitted a comparison that undercuts their assurance of no harm. Although they represented that they performed the "same basic analysis" for all passenger services, they did not actually compare Metra OTP (or any other commuter service) against train volume. When that comparison is made, the 11 historical periods at or above projected post-transaction utilization

show average Metra OTP of {[redacted]} percent, compared with {[redacted]} percent during lower-utilization periods. *Id.* at 65. The omitted comparison points toward service deterioration, not assurance of no harm.

Third, Dr. Zetenyi's regression analysis does not cure the deficiency. His own model estimated that Metra OTP was approximately 1.8 percentage points lower during higher-utilization months, equivalent to approximately {[redacted]} percent more late trains at existing UP-W performance levels. *Id.* at 67. Applicants rely on the estimate's lack of statistical significance, but a lack of statistical significance shows only that data are too imprecise to confirm a difference, not that no difference exists. *Id.* The test had only about a {[redacted]} percent probability of detecting an effect of that magnitude and could reliably detect only an approximately {[redacted]}-point OTP decline, equivalent to roughly {[redacted]} percent more late trains. *Id.* at 69. An analysis poorly equipped to detect harm cannot provide affirmative assurance that harm will not occur.

Fourth, reasonable adjustments to Applicants' own data further undermine their conclusions. Their historical period reaches back into 2022, prior to Metra restoring its pre-pandemic schedule. *Id.* at 73. That assumption distorts the historical comparison on which Applicants rely.

When Mulholland and Reid account for Metra's schedule change directly, Applicants' own data continue to show lower Metra OTP in higher-utilization months:

- Separating Applicants' calendar-year adjustment to before and after Metra's schedule change produces an estimated {[redacted]} percentage-point OTP decline, or approximately {[redacted]} percent more late trains. *Id.* at 74.

- Limiting the analysis to the period after Metra's schedule change produces estimated OTP declines of approximately {[redacted]} to {[redacted]} percentage points, or approximately {[redacted]} to {[redacted]} percent more late trains. *Id.* at 74-75.

- Treating capacity utilization as a continuous variable results in an estimated {[redacted]} percentage-point OTP decline associated with Applicants' projected {[redacted]}-train increase, statistically significant under both one- and two-sided tests, with the entire 95 percent confidence interval showing deterioration in Metra OTP. *Id.* at 75-76.

These alternatives do not substitute for the operational modeling the Board requested. They do show, however, that reasonable adjustments to Applicants' methodology, using Applicants' own data, undermine the claimed assurance that increased freight utilization will not impair Metra service. *Id.* at 76.

5. Applicants Propose No Capital Investments to Address Capacity Constraints the Transaction Would Exacerbate

The proposed Transaction would create the first transcontinental railroad with a 40 percent domestic market share, funneling enormous freight volumes into and out of the Chicago region, which sits at the center of Applicants' proposed transcontinental system. That traffic must move through a complex network over infrastructure shared with Metra, one of the nation's busiest regional passenger rail systems, whose schedule-sensitive operations must coexist with substantial freight and terminal activity. Yet Applicants effectively treat this critical hub as a blank spot in their capacity planning.

Applicants propose $923 million in mainline, yard, and terminal improvements elsewhere to accommodate merger-related growth, but none to

address the identified constraints at Proviso/Global 2 and West Chicago on the UP-W Line, where substantial additional traffic is projected. The UP-W Line already experiences substantial freight interference even before Applicants add 14 daily freight trains between Proviso and Kedzie, five between Proviso and Elburn, and greater Global 2 activity. Rather than address these existing choke points or the additional demands their Operating Plan would impose, Applicants rely on their claimed "slack capacity" to absorb the growth. Mulholland/Reid VS at 17.

Metra, its riders, and the Chicago region should not be required to bear the congestion, delay, and service risks created by Applicants' failure to adequately analyze or mitigate those impacts through system investments, particularly after the Board expressly directed Applicants to undertake further analysis of the Transaction's effects on passenger service.

6. Applicants Have Not Met Their Burden to Demonstrate That the Transaction Is in the Public Interest

The record exposes Applicants' fundamental failure to meet their burden. They propose substantial additional freight traffic over corridors already experiencing high levels of documented freight interference yet have not demonstrated through operational modeling that the additional traffic can be accommodated without degrading Metra's essential passenger service. Their claimed "slack capacity" rests on assumptions that understate actual operations and obscure peak and localized operations and the critical capacity constraints at Proviso/Global 2 and West Chicago. Applicants have not proved that usable capacity exists where it matters. On this record, Applicants have not carried their "heavier

burden" to show that the Transaction will preserve Metra's essential passenger service and satisfy the Board's public-interest standard.

The *2001 Rules* require the Board to approach merger claims with "skeptic[ism]" and impose heightened substantiation requirements, reflecting prior "over-promised and under-delivered" merger benefits and the potentially severe consequences of an erroneous approval. 5 S.T.B. at 546-49, 554, 560-61 & n.8. The Board has applied that principle here, putting Applicants on notice by requiring additional information on matters that remained "unclear or underdeveloped" and emphasizing:

> This Transaction is the first proposed merger evaluated under new rules forged following real-world consequences emanating from a 1990s wave of major mergers. *Such consequences cannot be ignored, assumed away, or overlooked based on vague intentions or promises* . . . .

Decision No. 21 at 18 (emphasis added).

That burden rests on Applicants in the first instance – not on Metra and the public to bear the consequences after the fact if Applicants' inadequate analysis and optimistic predictions prove wrong. Where the record identifies substantial risks to Metra's essential passenger service that Applicants have not adequately analyzed or demonstrated can be avoided, those risks are incompatible with the public interest and cannot be overlooked based on Applicants' unsupported assurances. Applicants accordingly have not made the required public interest showing, and the Transaction should be denied.

C. If the Transaction Were Approved, the Board Should Adopt Conditions to Protect Metra's Essential Passenger Service

If the Board ultimately approves the Transaction, it has broad authority to impose conditions to maximize the public interest benefits and ameliorate any harmful effects. Under 49 U.S.C. § 11324(c), "[t]he Board may impose conditions governing the transaction," and the Board has clarified that this provision "gives us broad authority to impose conditions governing railroad consolidations." *Canadian Nat'l, et al. – Control – Ill. Cent. Corp., et al.*, 4 S.T.B. 122, 141 (1999) ("*CN/IC*"). A condition is appropriate where there is a reasonable "nexus between the merger and the alleged harm for which the proposed condition would act as a remedy." *UP/SP*, 1 S.T.B. at 461. "[M]erger-related competitive harm results when the merging parties gain sufficient market power to raise rates and/or reduce service (or both) and to do so profitably." *UP/SP*, 1 S.T.B. at 430 n.191.

Metra's requested conditions readily satisfy that standard. They are narrowly tailored to address the service risks created by additional post-merger freight operations and to preserve Metra's essential passenger service, without materially interfering with Applicants' proposed Transaction. Relieving identified choke points on shared infrastructure would facilitate the additional freight operations Applicants propose while protecting Metra and the public from resulting service impacts. The conditions would not impede the asserted benefits of the Transaction and would instead help enable those benefits to be realized without shifting their operational costs and risks to Metra and the public.

1. Proviso and West Chicago Infrastructure Conditions Are Necessary to Address Critical UP-W Choke Points

The infrastructure conditions Metra seeks target two locations where Applicants' proposed freight growth poses serious risks to service on the UP-W Line: Proviso/Global 2 and West Chicago. Metra's Kralik identifies specific grade-separation projects designed to eliminate or mitigate conflicting passenger and freight movements at these locations. Kralik VS at ¶¶ 7-31. The operational analysis independently confirms that both are existing choke points where Metra currently experiences substantial freight interference, Applicants propose significant additional operations, and their theoretical capacity calculations fail to capture actual constraints. Mulholland/Reid VS at 41-52. Capacity elsewhere along the corridor cannot eliminate a conflicting movement at West Chicago or provide a path through congestion at Proviso.

At Proviso, Metra seeks a grade-separated flyover to separate passenger operations from conflicting yard freight movements. Freight trains entering or leaving Proviso must cross all three UP-W main tracks and, during those movements, "block[] all three mains" until the train clears the interlocking. Kralik VS at ¶8. A long freight movement can block the mains for up to 30 minutes, affecting up to eight following passenger trains and another 16-18 trains when they traverse the area again on their "flip." *Id.* at ¶9. That constraint becomes more consequential under Applicants' Operating Plan, which would more than double through freight trains between Proviso and Kedzie, together with approximately 32 percent more activity at Global 2. Mulholland/Reid VS at 11. The flyover addresses

that conflict by "physically separat[ing] freight movements into and out of Proviso Yard from a single dedicated passenger main track," allowing passenger and freight trains to move simultaneously. Kralik VS at ¶13.

The flyover also would benefit UP's freight operations by reducing delays for trains entering and leaving Proviso Yard, overall dwell time, and dispatching complexity. *Id.* at ¶16. "Eliminating a source of delays is better than any dispatching solution, which can only put the conflicting moves in sequence." *Id.* at ¶13. The project would allow the existing third main to deliver its intended benefit; each freight train crossing the mains at Proviso otherwise negates the additional capacity the third main was designed to provide. *Id.* at ¶14.

At West Chicago, the proposed grade separation addresses an equally problematic new crossing conflict created by Applicants' Operating Plan. Applicants propose to route an additional 10 to 12 daily freight trains through West Chicago and onto Canadian National Railway Company's (CN's) Elgin, Joliet & Eastern (EJ&E) corridor, converting what is now "a parallel move in line with the Metra operations" into a conflicting movement that "would block all three UP-W main tracks" as freight trains cross the interlocking. *Id.* at ¶21.

Metra estimates that each such movement could block the mainline for approximately 20 minutes and that the 10 to 12 additional trains could make the UP-W mainline unavailable for up to four hours. *Id.* at ¶¶23-24. The corrected capacity analysis places traffic between West Chicago and Proviso near {{[redacted]}} trains per day and identifies West Chicago as a recurring source of freight

interference with Metra operations. Mulholland/Reid VS at 45. Metra therefore proposes lowering the southernmost UP-W main beneath the UP/CN interlocking to create a dedicated passenger track and eliminate the crossing conflict and the associated passenger delays. Kralik VS at ¶27. Given the yard location, physical geometry, operating windows, and conflicting movements at this location, the passenger-track grade separation is the most feasible solution and avoids the greater community impacts of a freight flyover. *Id.* at ¶28.

The fit between the demonstrated harm and requested relief is direct. The UP-W Line already averaged only 91.3 percent OTP from July 2022 through December 2025. Mulholland/Reid VS at 19. Separate Metra delay data show approximately 5,207 minutes of freight-related delay, the most among the Metra services analyzed, with the identified delays concentrated at Proviso/Global 2 and West Chicago. *Id.* at 49. Applicants propose almost $1 billion in infrastructure investments elsewhere on their combined network to accommodate merger-related growth, but none to address these identified risks at UP-W choke points. *Id.* at 5. That omission is significant given Chicago's central role in the proposed combined network, and the extraordinary concentration of through and terminating freight, yard, and interchange movements combined with frequent commuter operations over the same finite infrastructure.

These capital improvements are narrowly tailored solutions for two demonstrated choke points that Applicants' proposed traffic would exacerbate. Neither would impede Applicants' proposed freight service; rather, both would

facilitate freight movement while protecting Metra and its riders from the resulting congestion and service risks. UP itself previously proposed and developed the Proviso flyover concept with Metra, confirming the project's feasibility and reasonableness. Kralik VS at ¶¶10-12. {{[redacted]}} Mulholland/Reid VS at 80-81. Accordingly, if the Board were to approve the Transaction, it should require the Proviso flyover and West Chicago grade separation, subject to reasonable cost-sharing, implementation milestones, and continuing Board oversight. Kralik VS at ¶18.

In addition, the Board should consider an alternative to either project proposed by Applicants only if Applicants first demonstrate through RTC modeling that the proposed alternative would be at least equally effective in eliminating or mitigating the identified conflict and protecting Metra's essential passenger service operations. Any substitute should require Metra's consent or Board approval, assuming Applicants make the required showing; otherwise, the Proviso flyover and West Chicago grade separation projects should remain mandatory infrastructure conditions of any approval.

2. On-Time Performance and Operating Conditions Are Necessary to Preserve Metra's Essential Passenger Service

The infrastructure conditions should be supplemented by an enforceable 95 percent OTP requirement for Metra's essential passenger service on the UP-W and SWS Lines. Applicants should be required, in coordination with Metra, to conduct RTC modeling using actual weekday and peak-period schedules, projected post-

Transaction freight volumes, realistic train lengths, and all through, local, yard, work, light-engine, terminal, and other capacity-consuming movements. The modeling must demonstrate that Applicants' post-Transaction operations can accommodate Metra's schedules while maintaining 95 percent OTP. That modeling should be completed before any increase in post-Transaction freight operations is implemented on the affected corridors.

That 95 percent standard should remain mandatory and enforceable on a permanent basis and should be measured separately on the UP-W and SWS Lines, rather than through a combined or system-wide average. On UP-W, the standard should apply separately to each segment of the corridor affected by Applicants' post-Transaction freight operations, including west of Proviso and through West Chicago. If OTP on any segment of the UP-W Line or the SWS Line falls below 95 percent over a rolling 90-day period and host-railroad freight operations are a material contributing cause, Applicants should promptly implement, in consultation with Metra, a Freight Mitigation Plan sufficient to restore compliance.

For purposes of determining whether host-railroad freight operations are a material contributing cause, freight interference should include delays attributable to: freight dispatching; yard or terminal congestion or other delays associated with freight trains entering or leaving yards or terminals; mainline crew changes; freight-related grade-crossing incidents; freight mechanical failures; train staging or length; delays at interlockings affecting freight movements, including interlockings controlled or operated by a third-party railroad; and other freight

operations that interfere with Metra service. Appropriate measures may include: adjustments to freight dispatching slots, schedules, or train lengths; peak-period operating protections; and reasonable capital improvements necessary to address capacity constraints. Those measures should remain in place until 95 percent OTP has been maintained for two consecutive quarters.

Applicants also should provide regular, location-specific reporting of OTP; freight-related delay; train counts and lengths; freight schedules and actual movements, including local, yard, work, light-engine, and other movements affecting Metra operations; and interference at identified choke points. If OTP on any segment of the UP-W Line or the SWS Line falls below 90 percent over a rolling 90-day period and host-railroad freight operations are a material contributing cause, prompt Board review should be required, with additional operating restrictions or other relief as necessary to restore and maintain compliance.

These protections are narrowly tailored to address the risks created by Applicants' proposed post-Transaction operations without holding Applicants responsible for delays beyond their control. Applicants seek approval on the premise that the substantial additional post-Transaction freight traffic proposed on the UP-W and SWS Lines can be accommodated without impairing Metra's essential passenger service; these conditions simply hold them to that premise. They require the modeling, monitoring, mitigation, and corrective action necessary to prevent merger-related freight growth from degrading Metra's essential passenger service in conflict with the public interest.

These conditions readily satisfy the Board's standards for remedial conditions. They are targeted, feasible, and do not unduly interfere with Applicants' railroad operations. They produce substantial public benefits by protecting Metra's essential passenger rail service, which is central to the Chicago region's economic health and social well-being, while allowing Applicants to pursue proposed freight growth on their combined network. Absent these protections, the Transaction threatens to undermine rather than further the public interest by shifting congestion, delay, and service risks of Applicants' planned freight growth in the Chicago region to Metra and the public.

CONCLUSION

For these reasons, the Board should deny the Transaction. If the Transaction were approved, Metra respectfully requests that approval be subject to the requested conditions.

Respectfully submitted,

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Dated: November 18, 2026

CERTIFICATE OF SERVICE

I hereby certify that on this 18th day of November, 2026, I caused copies of the foregoing Comments in Opposition to be served by email or by first-class mail, postage prepaid, upon all parties of record in this proceeding and upon the other individuals that the Board identified for service.

/s/ Peter A. Pfohl

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

VERIFIED STATEMENT

of

Robert D. Mulholland
Executive Vice President

and

Allison C. Reid
Assistant Vice President

L.E. PEABODY & ASSOCIATES

On Behalf of

THE COMMUTER RAIL DIVISION OF THE
NORTHERN ILLINOIS TRANSIT AUTHORITY AND NORTHEAST
ILLINOIS REGIONAL COMMUTER RAILROAD CORPORATION
(METRA)

Dated: November 18, 2026

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LIST OF EXHIBITS

Exhibit No.	Exhibit Title
1	Mulholland Statement of Qualifications
2	Reid Statement of Qualifications
3	On-Time Performance by UP Subdivision
4	Restated Applicants Trains Per Day on Metra UP-W Segments
5	UP/NS Segment 10235, Proviso to Kedzie, Merger Base Case vs Normal Course of Business Capacity and Volume
6	UP/NS Segment 10058, CD 517 (Near Chicago 47th St, IL) to CD 502 (Near Indiana Harbor, IN) Merger Base Case vs Normal Course of Business Capacity and Volume
7	Train Lengths in Reported Data for the Kedzie to Proviso Segment 10235
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10	Train Lengths in Reported Data for the Chicago 47th St, IL to CP 502 (Near Indiana Harbor), IN Segment 10058
11	Summary of NS Manifest Train 31Q from Elkhart, IN to Calumet, IL

I. INTRODUCTION

We are Robert D. Mulholland and Allison C. Reid, Executive Vice President and Assistant Vice President, respectively, of L. E. Peabody & Associates, Inc. (LEPA). LEPA is an economic consulting firm that specializes in supply chain economics and operations, with an emphasis on freight and passenger railroad transportation. We have spent most of our consulting careers of 31 and 16 years, respectively, evaluating railroad costs, operations, and network capacity issues, as well as pricing and service issues affecting shippers, producers, passenger railroads, government agencies, and other rail system users and stakeholders. Our statements of qualifications are included as Exhibit Nos. 1 and 2 to this Verified Statement (VS).

We have been asked on behalf of the Commuter Rail Division of the Northern Illinois Transit Authority and Northeast Illinois Regional Commuter Railroad Corporation (d/b/a Metra) to review the post-merger operating plan (OP) submitted by Union Pacific Corporation and Union Pacific Railroad Company (UP) and Norfolk Southern Corporation and Norfolk Southern Railway Company (NS) (collectively Applicants) and to evaluate (1) whether Applicants demonstrated the feasibility of the OP, including the adequacy of the models, inputs, and assumptions Applicants used to quantify the operational impacts, and (2) the reasonableness of the Applicants' conclusions that their lines used to host Metra's commuter rail services have sufficient capacity to support the projected freight increases while maintaining existing passenger service levels.

The remainder of this report presents our findings and describes the methodologies we used to analyze the workpapers and related materials that Applicants produced to support their proposed OP.

II. SUMMARY OF FINDINGS

Chicago will serve as the Northern hub of freight operations for the proposed merged rail network. Applicants' OP proposes to route 14 additional daily through freight trains over the Subdivision that hosts Metra's UP-West (UP-W) Line service, through NS's Ashland Avenue yard, and onto NS's Chicago Line (or the reverse). The proposed freight train additions would more than double the volume of through freight trains operating over the critical segment between Kedzie and Provo Junction, just east of UP's busy Proviso/Global 2 yard complex. Nearly all of the additional trains will be long manifest and intermodal trains, with the manifest trains averaging { [redacted] } feet (with a maximum of { [redacted] } feet) and the intermodal trains averaging { [redacted] } feet (with a maximum of { [redacted] } feet).[1] Long trains weaving through yards and navigating tight-radius curves to enter, exit, and cross over high-density rail lines hosting passenger operations can adversely impact network fluidity and train performance.[2]

Despite this significant volume increase, Applicants claim that Metra's passenger service levels will not be impaired. Applicants' assertion relies exclusively on a formulaic capacity analysis derived from estimated fluid capacity levels and projected train volumes. These two variables are inputs to a high-level management tool that assesses relative capacity utilization at a high level across the entire network. It does not quantify localized operational impacts.

The rail industry has developed simulation models to analyze the impacts of changes to traffic volume and mix such as those proposed by Applicants. Class I railroads and others commonly use Berkeley Simulation Software's Rail Traffic Controller (RTC) to model new or changed operations before they commence to determine whether there is adequate "headroom" for

[1] *See,* workpaper "C-Trains vFinal_20260904_Analysis.xlsx" at tab "Seg 10235 Trains", Columns BS and BT.

[2] An additional { [redacted] } trains per day represents a { [redacted] } increase relative to the current volume of { [redacted] } trains per day. *See* workpaper "Slack Capacity Restatement Demonstrative.xlsx" at tab "Segment Detail_10235".

the additional movements, how train performance will be affected, if additional infrastructure is required to maintain service levels, and where that investment should be made. RTC generates critical metrics including train delay and train speed under various operating scenarios to quantify the impacts of traffic and infrastructure changes. Applicants failed to conduct any RTC simulations to support their OP despite the Board's finding in its decision served May 28, 2026, that the Applicants' sufficient capacity claims were not adequately supported.[3] Applicants claimed that time and resource constraints prevented them from conducting a simulation analysis to measure the impact of their proposed operations on Metra's passenger service.

The Board's rules do not expressly require RTC or other simulations to demonstrate the feasibility or measure the impact of the proposed OP in merger applications, including for the largest railroad that will ever operate in North America. However, the use of RTC simulations is standard practice in Board proceedings such as stand-alone rate cases and disputes involving the addition of Amtrak trains to freight lines. The Class I railroads routinely conduct full simulation analyses to evaluate the impacts of adding new trains or altering services in the normal course of business.

Instead of using RTC to quantify impacts of their proposed operational changes, Applicants are asking the Board to take the Applicants' word that enough spare (or slack) capacity exists to route 14 additional long trains per day through Chicago without adversely impacting existing passenger and freight train performance. The analytical framework that Applicants used does not measure operational impacts and was not designed to do so.

Applicants' OP analysis also systemically overstates the amount of slack capacity available to accommodate the planned volume growth through mechanical errors, unjustified exclusions of

[3] *See,* STB Docket Finance Docket 36873, *Board Decision No. 21,* served May 28, 2026, at p. 32.

multiple traffic categories, and failure to account for volume fluctuations and stochastic demand. When the underlying volume data is correctly summarized, the deficiencies in Applicants' claims regarding available slack capacity are apparent. This observed capacity strain is borne out in Metra's day-to-day operations, as Metra trains already incur more incidence of freight train delay on the UP-W Line than on any of the other lines it operates, with most of the delay incurred at or approaching Proviso/Global 2 and West Chicago, where Metra trains encounter freight trains entering and exiting UP freight yards.

Applicants also made no provision for Metra to expand its service, despite Metra's historical capital investment of millions of dollars annually to maintain and expand infrastructure on the UP-W Line. Metra's share of capital expenditure on the UP Lines under Fixed Facility Agreements (FFAs) has been based in part on relative usage. Applicants OP effectively usurps the capacity that Metra has funded through its capital contributions without examining the potential impact on Metra's ability to maintain its operations or to meet growing demand.

The UP/NS workpapers do not include any analysis of Metra's operations. Applicants instead rely on just one spreadsheet that contains a single Metra operating metric, aggregated monthly On-Time Performance (OTP) data for each of Metra's three lines.[4] There was no attempt to evaluate the performance of any individual trains, or to distinguish weekday and weekend passenger service, or peak passenger period and non-peak period service on weekdays, as would occur with an RTC analysis.[5]

The Board's May 28, 2026, Decision criticized this approach, finding that it "does not explain how passenger trains will actually be affected," and "does not illustrate how passenger and

[4] *See,* Gehringer/Orr workpaper "UP Passenger Benchmarking.xlsx."
[5] *See*, UP_3377677, included in workpaper "UP_3377668.pdf".

freight traffic will interact."[6] Yet, instead of conducting the additional passenger impact analysis requested, Applicants submitted supplemental—and flawed—analysis of the same aggregate historical OTP data as the benchmark for determining whether the OP will adversely impact Metra service at projected future volume levels, and Applicants propose no commitment or remedy if service deteriorates post-merger (when Applicants might seek to add still more additional freight trains).

Applicants have failed to quantify the impact of their proposed OP on Metra's operations and have not even acknowledged Metra's current operational challenges in the immediate vicinity of the busy yard complexes on Metra's UP-W Line at Proviso/Global 2 and West Chicago. Applicants' failure to address operational challenges at Proviso is particularly troublesome because UP approached Metra in 2022 with a proposal to explore construction of a flyover track at Proviso that would allow passenger trains to bypass the yards and provide freight trains with improved access to the receiving and departure tracks. In 2023 and 2024, UP and Metra even discussed alterations to the proposed flyover plans and quantified the projected impact on UP and Metra train delay based on the results of RTC simulations.

Despite this recent cooperative approach to capacity management, Applicants do not propose any capital investment in Chicago to accommodate their significant freight additions to Metra's UP-W Line, although they do plan to spend over $900 million on dozens of infrastructure expansion projects in other parts of the proposed merged network to accommodate projected merger-related traffic growth.

Applicants' proposed merger would negatively impact Metra's service and should be rejected for not meeting the standards specified in the Board's new merger rules. If, however, the

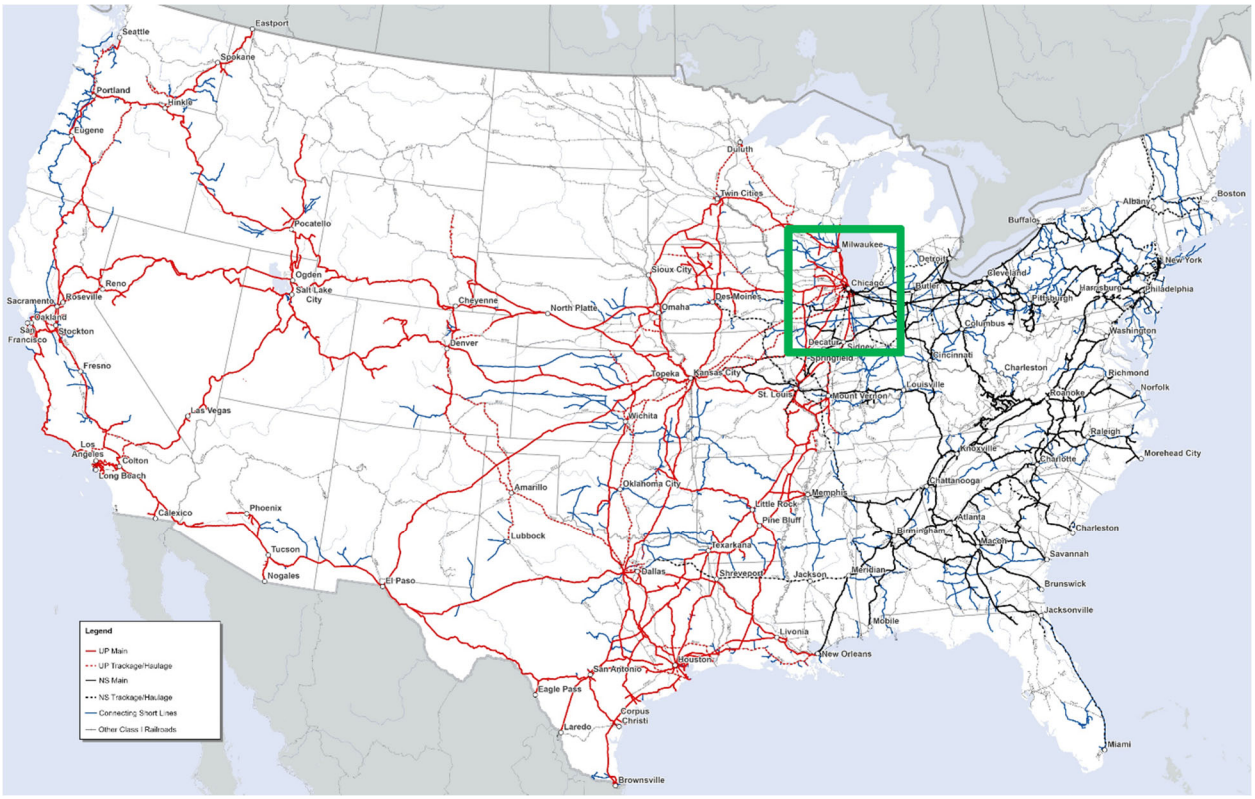
[6] *See,* STB Docket Finance Docket 36873, *Board Decision No. 21,* served May 28, 2026, at p. 32.

merger is nonetheless approved, measures should be taken to ameliorate the impending harm to Metra. Applicants should work with Metra to model the proposed operations over the UP-W segments and to determine what infrastructure is required to maintain current service levels. Absent that collaborative approach, the Board should require that UP allocate capital and develop construction plans to implement the infrastructure Metra has identified as necessary to protect both passenger and freight train performance at Proviso and West Chicago.

III. THE PROPOSED MERGED NETWORK

The Applicants seek to create a transcontinental freight rail network and have Chicago serve as the northern hub of its coast-to-coast operations.

Figure 1



UP's Geneva Subdivision, which hosts Metra's UP-W Service, connects Chicago to UP's "Red X" in Nebraska over one of the busiest parts of UP's network. According to UP's internal capacity maps from 1Q2026, produced in the normal course of business, passenger-hosting portions of the Geneva Subdivision are already the {{ [redacted] }} line segment on the UP system in terms of trains per day.[7] Metra operates 58 passenger trains on weekdays on the Geneva Subdivision.

[7] *See,* workpaper "UP_0010424-0010427 (1Q 2026 Capacity Maps).pdf".

NS's Chicago Line District connects Chicago to Mid-Atlantic and Northeast markets and ports via Cleveland, OH.[8] NS's internal capacity monitor from January 2023, produced in the normal course of business (the latest available), shows that this line was the single busiest line on the NS system in terms of trains per day.

> Chicago serves as the western anchor for three of the core NS routes and has the highest total density of trains on NS's network with well over 80 trains operating on these routes on any given day.[9]

Metra's SouthWest Service (SWS) operates over an NS line that connects to the Chicago Line at NS's 47th Street Yard.

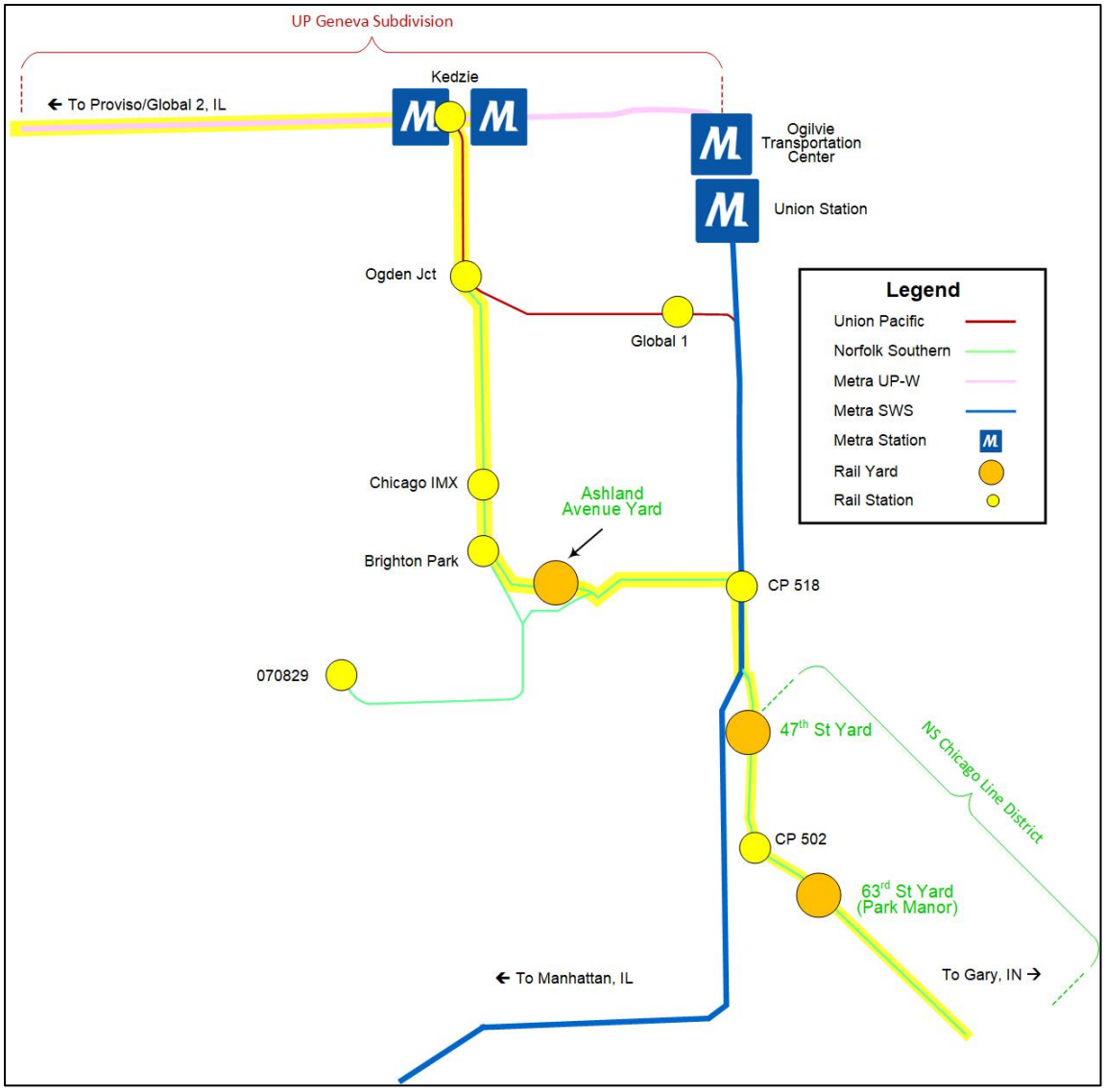
These major freight arteries connect the merging networks in Chicago via NS's Ashland Avenue Yard, in the vicinity of both Chicago Union Station (CUS) (where SWS terminates) and Ogilvie Transportation Center (OTC) (where UP-W terminates).

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[8] *See,* Gehringer/Orr paragraph 127 at pp. 60, APP. VOL. 2, at p. 670: "NS has its highest concentration of intermodal assets on this route. Anchored by the Chicago 47th Street, Chicago 63rd Street, Ashland Avenue (Chicago), and Colehour (Hammond, Indiana) yards in the west, NS serves major markets headed east including Toledo, Detroit, Cleveland (Maple Heights), Pittsburgh (Pitcairn), Harrisburg (through ramps at Harrisburg and Rutherford), Trenton, New Jersey (Morrisville, Pennsylvania), Bethlehem, Pennsylvania, Croxton, New Jersey, and finally Northern New Jersey. In Northern New Jersey, NS serves three major intermodal container terminals at the Port of New York and New Jersey. Moving east of Cleveland, NS also serves Buffalo, Scranton, Pennsylvania, Albany (Mechanicville, New York), and Boston (Ayer, Massachusetts)."

[9] *See,* Gehringer/Orr paragraph 103 at pp. 49, APP. VOL. 2, at p. 659.

Figure 2[10]



Applicants' proposed OP consolidates UP/NS freight yard and freight train operations in Chicago, with accompanying revisions to train schedules and blocking plans. Applicants also project traffic volume growth resulting in part from traffic diversions from other modes and

[10] Applicants' workpapers including but not limited to, "C-Line Segment Tables vFinal.xlsx", indicate that segment12314 "Other Ogden Jct to Chicago IMX" is categorized as a "UP" road segment. Provided track charts and timetables indicate that this segment is owned by NS, figures in this statement are display this segment as NS.

competing railroads. The combined line and facility consolidations and volume growth will directly impact Metra, in many ways.

A. UP-WEST CORRIDOR

Appendices A and B to Applicants' OP identifies nine new UP trains that will be routed over Metra's UP-W Line. Four of the new trains are high-priority intermodal trains,[11] and five are manifest trains.[12] Most of the new trains will enter UP's Geneva Subdivision at the Global 2/Proviso yard complex situated in the middle of Metra's UP-W Line.[13] Applicants' workpapers project that the new intermodal trains will average { [redacted] } feet in length (with a maximum of { [redacted] } feet), and the new manifest trains will average { [redacted] } feet (with a maximum of { [redacted] } feet).[14]

Applicants plan to shift NS's 63rd Street intermodal yard operations into UP's Global 2 yard, which is adjacent to Proviso yard where UP handles and classifies carload traffic. Doing so will require four daily NS intermodal trains that historically served 63rd Street to be routed through NS's Ashland Avenue yard and over the eastern portion of Metra's UP-W line between Kedzie and Global 2.[15] These intermodal trains will average { [redacted] } feet in length (with a maximum of { [redacted] } feet).[16]

Nearly all of the additional UP and NS trains will traverse tracks that Metra utilizes for its UP-W Service to reach OTC and cross over tracks hosting its SWS Service to/from CUS.

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[11] *See*, Gehringer/Orr Appendix A: ZG2MV and ZG2NE (serving Global 2), Gehringer/Orr Appendix B: ZLTCX and ZCXLT (crew change at Global 2), APP. VOL. 2, at pp. 827-844.

[12] *See*, Gehringer/Orr Appendix A: MNPCW and MALEK (crew change and work at Proviso) and MCWAL (crew change, inspection, and work at Proviso), Gehringer/Orr Appendix B: MEKBO (crew change at Global 2) and MNPEK (crew change at Proviso). APP. VOL. 2, at pp. 827-844.

[13] UP's West Chicago automotive yard is also located on the Geneva Subdivision/UP-W Line. *See*, Gehringer/Orr Figure 14 at paragraph 153, p. 69, APP. VOL. 2, at p. 679.

[14] *See,* workpaper "C-Trains vFinal_20260904_Analysis.xlsx" at tab "Seg 10235 Trains", Columns BW:BX.

[15] *See*, Gehringer/Orr paragraph 204 at pp. 99-100, APP. VOL. 2, at pp. 709-710.

[16] *See,* workpaper "C-Trains vFinal_20260904_Analysis.xlsx" at tab "Seg 10235 Trains", Columns CA:CB.

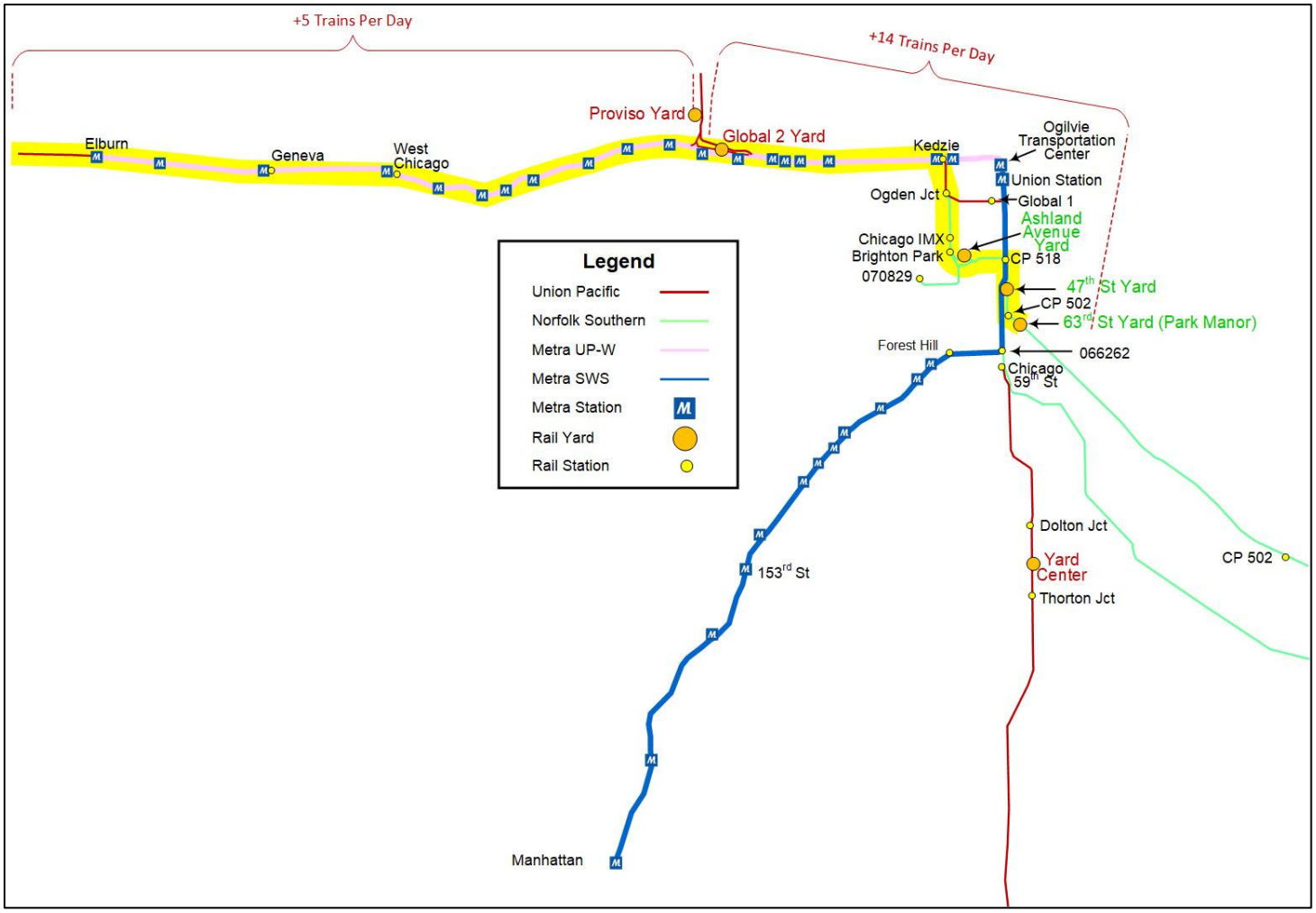
These and other operational changes will increase handling and switching activity in many major freight yards, including UP's Global 2 intermodal yard and NS's Ashland Avenue Yard. Applicants' OP projects a 32% increase in daily handlings at UP's Global 2 intermodal yard,[17] and a 17% increase in cars per day handled at Ashland Avenue.[18] These are averages and will vary by day.

Applicants also project robust freight volume growth, particularly in major intermodal lanes, from projected diversions of truck traffic onto the merged rail network.[19] In total, "Applicants expect the merger will add 14 trains per day to UP's line between Proviso and Kedzie on the UP-W line and add 5 trains per day between Proviso and Elburn."[20]

Figure 3 below shows the UP-W line and the affected UP/NS freight route to 63rd Street yard and beyond.

[17] *See*, Gehringer/Orr at Table 8, at p. 132, APP. VOL. 2, at p. 742.
[18] *See*, Gehringer/Orr at Table 4, at pp. 95-96, APP. VOL. 2, at pp. 705-706.
[19] *See*, Hunt p. 17, APP. VOL. 2, at p. 404.
[20] *See*, Gehringer/Orr at pp. 166-167, APP. VOL. 2, at pp. 776-777.

Figure 3



The Proviso/Global 2 yard complex also functions as a crew change, inspection, and fueling location for freight trains moving through the Chicago gateway. The increased car and container handling projected for these yards increases the likelihood of conflicts between trains moving cars into and out of the yards for classification and trains needing to stop only for a crew change, inspection, and/or refueling.

Multiple daily local and yard shuttle trains also operate between UP's Global 2 and Proviso yards on the UP-W Line and Chicagoland yards owned and operated by other carriers.[21] Increased

[21] *See,* workpaper "C-Trains vFinal_20260904_Analysis.xlsx" at tab "Seg 10235 Trains", Section A.

intra-yard activity will also cause inter-yard switching to increase, a reality that Applicants barely acknowledge:

> Applicants have no specific plans to change local train services as part of their Growth Plan. However, Applicants will look for opportunities to adjust local assignments to achieve further improvements in service to customers and additional efficiencies in operations as the two railroads integrate and refine their plans in light of customer demand.[22]

B. SOUTHWEST SERVICE CORRIDOR

Applicants plan to shift UP's Yard Center intermodal operations (south of Chicago) to NS's 47th Street Intermodal Terminal, which sits at the junction of Metra's SWS Line and NS's Chicago Line on the critical route between NS's closing 63rd Street yard and UP's expanding Global 2 yard. To reach 47th Street from Yard Center, the rerouted UP intermodal trains will operate "on the Metra SouthWest Service line between 75th Street and 47th Street in Chicago, a distance of 3.7 miles," via easement rights.[23]

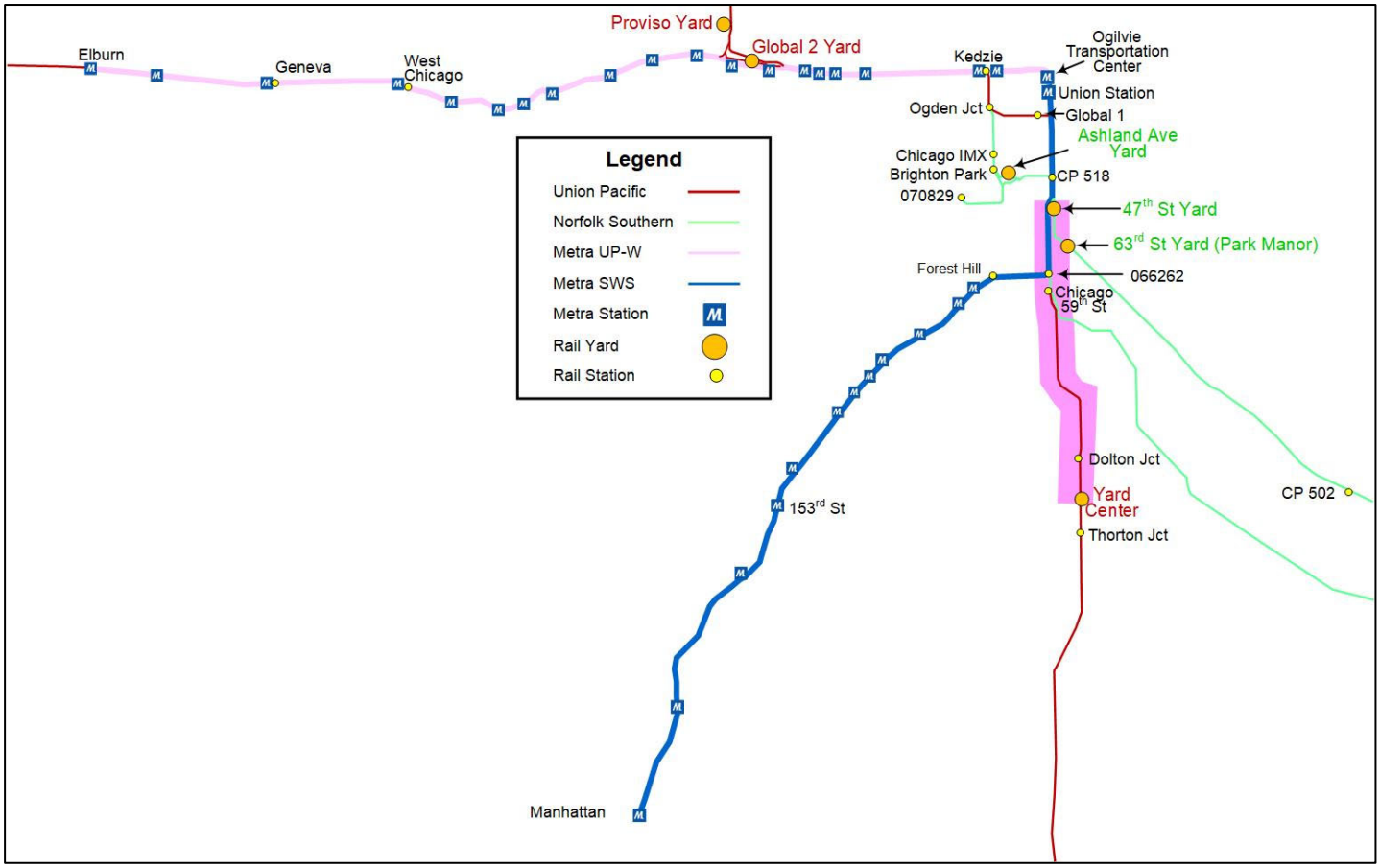
Applicants acknowledge that "[t]he operational change will slightly increase freight operations (by one train pair) on Metra's Southwest line between 74th Street and 59th Street (a portion of the line owned by NS but leased to Metra and operated using retained trackage rights)."[24] As with Global 2, the operational changes will cause handling activity to increase at 47th Street Yard by a projected 29%.[25]

Figure 4 below depicts Metra's SWS line and the affected UP/NS freight route to 47th Street yard.

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[22] *See*, Gehringer/Orr paragraph 263 p. 129, APP. VOL. 2, p 739.
[23] *See*, Gehringer/Orr footnote 131 p. 169, APP. VOL. 2, p 779.
[24] *See*, Gehringer/Orr paragraph 203 p. 99, APP. VOL. 2, p 709.
[25] *See*, Gehringer/Orr at Table 8, p. 132 APP. VOL. 2, p 742.

Figure 4



C. RESPONSIVE APPLICATIONS PROPOSED BY OTHER CARRIERS

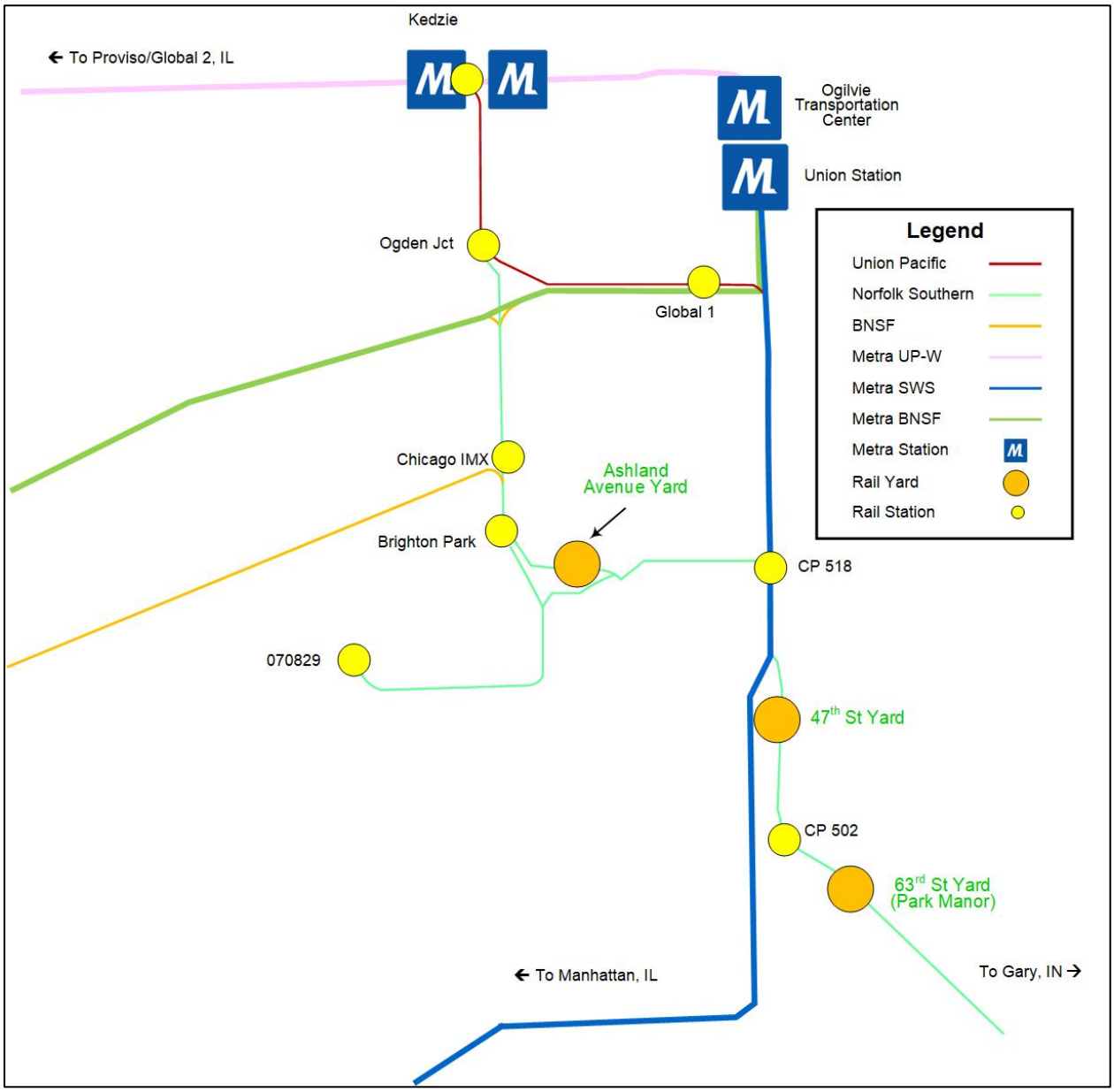
Both BNSF Railway (BNSF) and Canadian Pacific Kansas City Limited (CPKC) have proposed to file responsive applications for trackage rights and dispatching protections that also would impact Metra's operations, if granted.

1. BNSF

BNSF seeks trackage rights access over NS's Chicago Line. BNSF's route would include the same trackage over which Applicants plan to move 14 additional daily freight trains, through Ashland Avenue Yard, where NS interchanges intermodal and manifest traffic with other

railroads.[26] BNSF's filing[27] does not quantify the volume of trains it would seek to move over NS's Chicago Line.

Figure 5



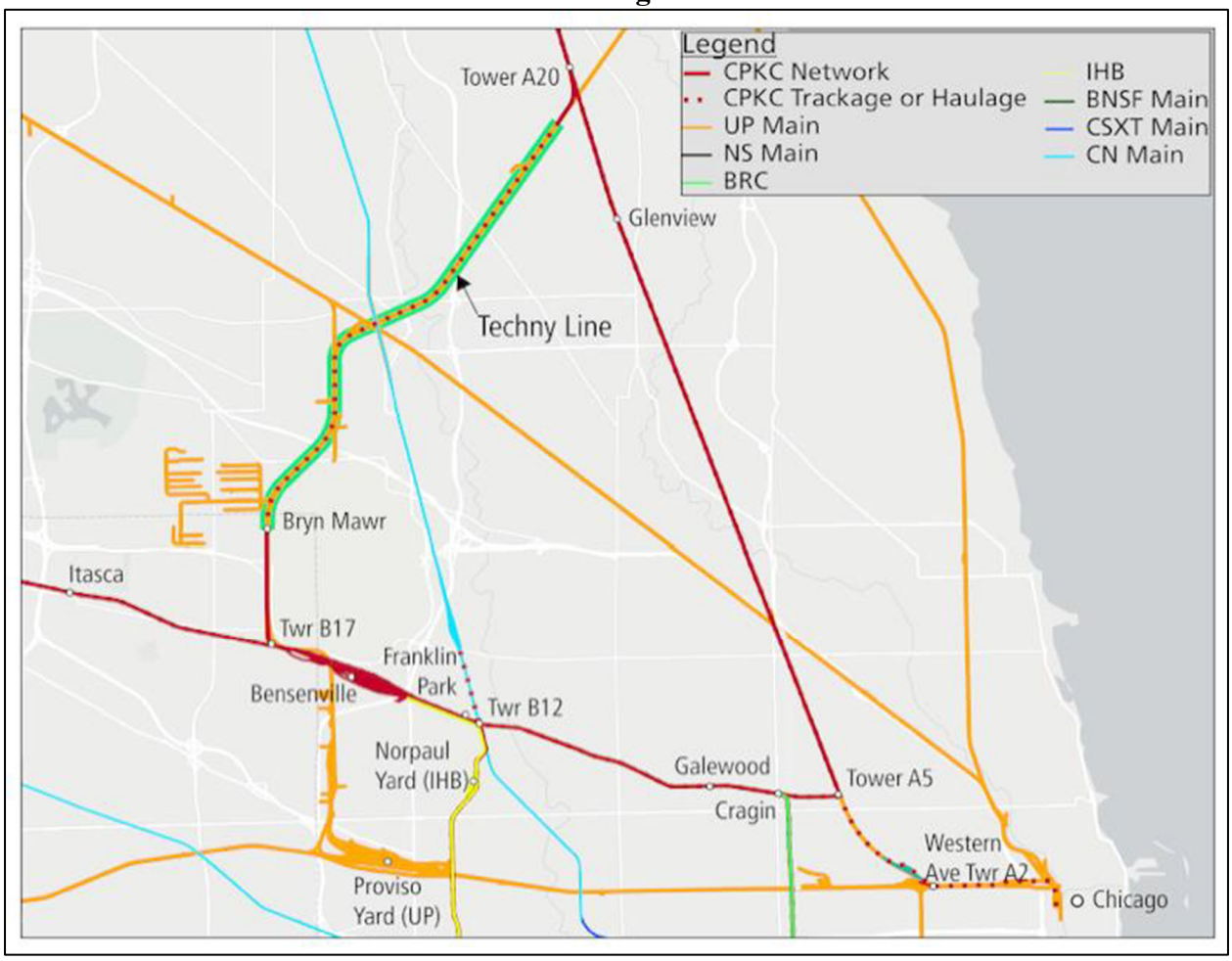
[26] *See*, e.g., Gehringer/Orr paragraph 103, 155-156, 162, and 206 at pp. 49, 70-71, and 100 APP. VOL. 2, at pp. 659, 680-681, and 710.

[27] *See,* STB Finance Docket 36873, *BNSF Railway Company's Description of Responsive Application*, at pp. 8-9.

2. CPKC

CPKC seeks guarantees protecting its use of trackage rights over UP's Techny line into CPKC's Bensenville Yard over lines that serve UP's Global 2/Proviso yard complex on the UP-W, and dispatching authority in the event that performance deteriorates.[28]

Figure 6



Congestion or dispatching changes on the Techny line could cause cascading train conflicts that would impact yard operations at Proviso/Global 2.

[28] *See,* STB Finance Docket 36873, *CPKC's Description of Anticipated Responsive Applications*, at pp. 20-22.

D. IMPACT OF PROJECTED VOLUME INCREASES

Applicants acknowledge that their proposed OP will significantly increase freight train volumes over Metra's UP-W Line,[29] but repeatedly declare that the volume increases will not reduce Metra's service levels:

> Applicants expect the merger will add 14 trains per day to UP's line between Proviso and Kedzie on the UP-West line and add 5 trains per day between Proviso and Elburn. *UP's route has sufficient capacity to support the projected freight increase while maintaining the current passenger service levels*. Applicants' plan *will not have any impact* on the UP-North line or the UP-Northwest line.[30]

Applicants claim that their analysis indicates that they could add their planned 14 daily trains over Metra's UP-W Line and more – up to 25 daily freight trains – without *any* degradation in service levels.

> [UP's Geneva Subdivision] is also used by Metra, *but that recently improved triple-track segment has provided a minimum of 25 trains per day of slack capacity which will enable the route to accommodate the additional traffic*.[31]

Applicants offer similar assurances regarding Metra's SWS service:

> The operational change will slightly increase freight operations (by one train pair) on Metra's Southwest line between 74th Street and 59th Street (a portion of the line owned by NS but leased to Metra and operated using retained trackage rights), *but the line is double track and has ample capacity to accommodate the additional train pair*.[32]

***

[29] Applicants produced the purported input files for MultiRail and the MultiRail output files for which the volumes are obtained. The iterative nature of the MultiRail exercise prevents independent evaluation of the intermediate assumptions and decision-making process used to generate those outputs, even where the inputs and the outputs appear to disagree. For example, the MultiRail input for NS Train { [redacted] } identifies a routing from { [redacted] } that crosses Metra's SouthWest Service at { [redacted] }. However, the file "C-Link Density T1VFinal.xlsx," tab "T1_Train Counts," reflects train { [redacted] } traveling through { [redacted] } and operating over the SouthWest Service between { [redacted] } before continuing to { [redacted] }. Applicants did not provide information sufficient to explain how MultiRail produced this different routing or to reconcile the discrepancy between the input and output files. *See,* workpaper "NS 16N Comparison.xlsx".

[30] *See*, Gehringer/Orr paragraph 351 at pp. 166-167, APP. VOL. 2, at pp. 776-777 (emphasis added).

[31] *See*, Gehringer/Orr paragraph 204 at p. 100, APP. VOL. 2, at p. 710 (emphasis added).

[32] *See*, Gehringer/Orr paragraph 203 at p. 99, APP. VOL. 2, at p. 709 (emphasis added).

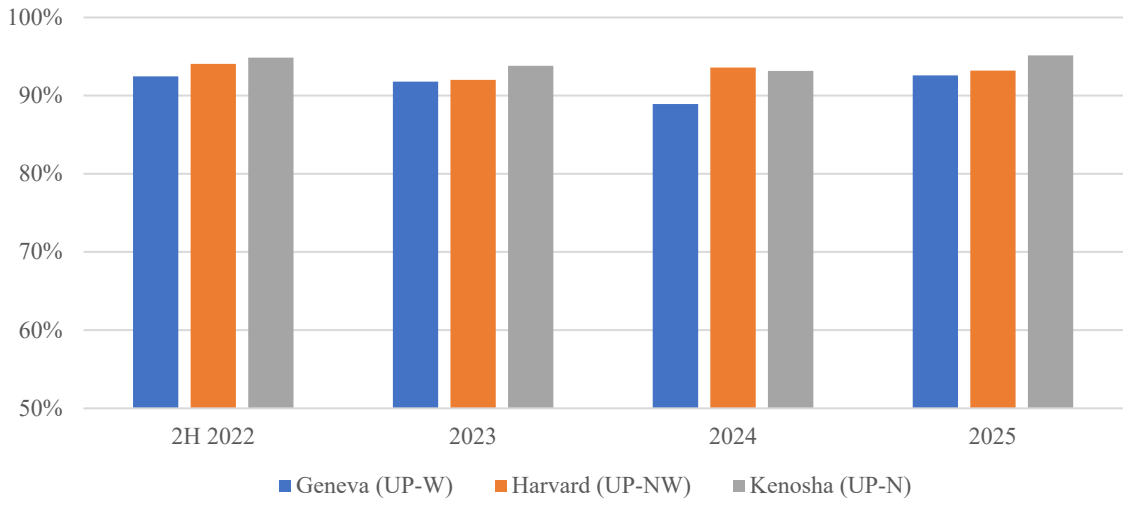
> NS also has freight easement rights to operate on the Metra SouthWest Service line between 75th Street and 47th Street in Chicago, a distance of 3.7 miles. The easement includes operating restrictions to avoid conflicts with peak commuter service. An intermodal train pair (ZEGYC and ZYCEG) will be extended to reach NS's 47th Street intermodal terminal and will operate over the easement to do so.[33]

1. UP-W is Historically Metra's Worst-Performing UP-Hosted Line

Applicants' claims of ample excess capacity on the UP-W Line are contradicted by current performance on the line. Metra operates over three other UP line segments. Metra's UP-North (UP-N) service operates over UP's Kenosha Subdivision, and Metra's UP-Northwest (UP-NW) service operates over UP's Harvard and McHenry Subdivisions.

OTP data for Metra included in Applicants' workpapers shows that over the time period from July 2022 through December 2025, Metra's UP-N and UP-NW services consistently achieved OTP levels above (better than) those achieved by Metra's UP-W service.

Figure 7
Annual Average On-Time Performance By UP Subdivision



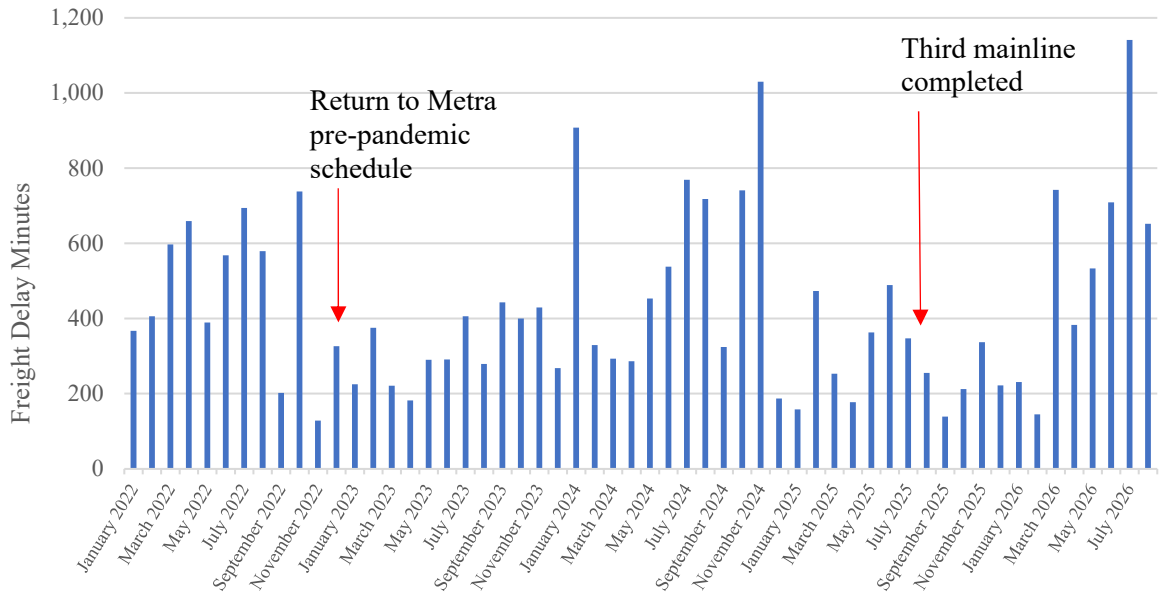
Source: workpaper "UP Passenger Benchmarking -w charts.xlsx" at tab "Charts for Text"

[33] *See*, Gehringer/Orr footnote 131 at p. 169, APP. VOL. 2, at p. 779.

Metra achieved 94.2% and 93.1% OTP on average on its UP-N and UP-NW Lines, respectively, over the July 2022 through December 2025 time period. During the same period, Metra achieved 91.3% percent OTP on average over its UP-W Line, where UP's freight franchise consumes more capacity.[34] As shown in Figure 7 above, OTP on Metra's UP-W Line was worse (lower) in all four reporting years.[35]

UP and Metra completed the installation of two sections of third mainline track on the UP-W line in the third quarter of 2025. Metra train performance improved immediately after this significant infrastructure expansion, but performance has since deteriorated, as shown in Figure 8 below.

Figure 8
Minutes Freight-related Delay on Metra's UP-W Line



Source: workpaper "Metra Delay Data with Analysis.xlsx" at tab "UP-W Delays By Month"

[34] Metra also shares responsibility for funding capacity expansion and line maintenance over the UP-W Line. Metra funded {{ [redacted] }} percent of the {{ [redacted] }} investment required to add 8.1 total miles of third mainline track from Kress to Peck (near West Chicago) and 25th Avenue to Vale (near Proviso/Global 2). (*See*, workpaper "Metra Third Main Cost Detail.pdf". These capacity expansions were required to achieve the current OTP performance with current freight traffic levels.)

[35] See Exhibit No. 3 for more detailed OTP statistics.

In the first seven months following the completion of the third mainline (August 2025 through February 2026), there were an average of 220 minutes of freight-related delays per month, down from an average of 405 minutes per month from December 2022 (when Metra returned to its pre-pandemic UP-W schedule) through July 2025.[36] However, from March through August 2026, there were 693 minutes of freight delays per month, on average, on the UP-W Line. This represents a 71% *increase* over the pre-third-mainline-completion baseline, and a 215% increase over the brief period of reduced train delays in late 2025 and early 2026.[37] The recent resurgence in freight delays demonstrates that capacity is already constrained on the UP-W line, even before the proposed merger. Adding 14 daily freight trains will logically exacerbate the operational challenges on Metra's UP-W Line. Applicants' conclusory claim that the Geneva Subdivision currently has so much excess capacity that up to 25 trains per day can be added without any service degradation is contradicted by Metra's real-world train performance.

[36] *See,* workpaper "Metra Delay Data with Analysis.xlsx" tab "UP-W Delays By Month," cells W24-25.
[37] *See,* workpaper "Metra Delay Data with Analysis.xlsx" tab "UP-W Delays By Month," cells W26-Y26.

IV. APPLICANTS DID NOT ADEQUATELY ANALYZE THE IMPACTS OF THE PROPOSED MERGER ON METRA AND OTHER PASSENGER SERVICES

Despite acknowledging that their proposed OP will significantly increase freight train volumes over Metra's UP-W and SWS Lines, Applicants made no attempt to quantify and model the impact of those changes on Metra's passenger operations. Instead of deploying industry-standard models specifically designed to measure and assess operational impacts, Applicants offer steady service level projections based on the alleged presence of theoretical slack capacity derived from a series of mathematical formulas.

The capacity model that Applicants utilized is incapable of evaluating railroad operations, rendering their claims about the significance of the model outputs meaningless. They have failed to demonstrate how the scheduled freight traffic increases will impact passenger services.

Even if the capacity model used by the Applicants was appropriate for evaluating railroad operational impacts, the inputs that Applicants fed into the model are demonstrably flawed and cause systematic understatement of train volumes and corresponding overstatement of alleged slack capacity. Furthermore, the model is applied in a manner that contradicts the supporting documentation provided by Applicants and documents generated by Applicants in the normal course of business.

A. LIMITATIONS OF MATHEMATICAL CAPACITY MODELS

As an initial matter, the type of capacity analysis performed by the Applicants, while useful as a high-level management tool to evaluate corridor-level infrastructure utilization, lacks sufficiently granularity to evaluate the impacts of changes in traffic mix, volumes, or schedules on train operations. The framework grossly oversimplifies the relationships among infrastructure,

traffic, and operations, and does not consider the nuanced operations over facilities shared by freight and passenger services.

Applicants' workpapers correctly describe the line segment capacity analysis they conducted, relying on the bottleneck methodology, as principally a high-level tool for infrastructure investment planning and management, not for detailed operations analysis:

{{ [redacted] }}[38]

UP's model description even identifies RTC by name as an example of the specific type of deeper operational analysis to be utilized when the line segment capacity formula identifies highly utilized line segments:

{{ [redacted] }}[39]

B. <u>RTC IS THE GOLD STANDARD</u>

In its decision in STB Docket No. NOR 42057 in 2004, three years after its adoption of the "new" merger rules, the Board noted the existence of several rail simulation tools, including the

[38] *See,* Gehringer/Orr workpaper "Line Capacity Methodlogy.pdf", at pp. 1-2.
[39] *Id.* at p. 1.

RTC model, to evaluate rail line capacity.[40] The RTC model has since become the dominant rail simulation model used by parties in proceedings before the STB.[41] Users adopted the RTC model because it provides greater levels of granularity for evaluating capacity requirements than simple mathematical models can.

Applicants are well-aware of the limitations of capacity models such as the one they used to support their OP and are equally aware of the better-suited models they elected not to use. For example, at an April 4, 2022, remote public evidentiary hearing before the Board regarding Amtrak's request under 49 U.S.C. § 24308(e) to operate two round trip intercity passenger trains per day over the rail line of CSX Transportation (CSX) and NS between New Orleans, Louisiana, and Mobile, Alabama, attorney Ray Atkins, then appearing on behalf of CSX, began has opening remarks as follows:

> For over 40 years there has been an established process to accommodate requests for new passenger service. That process has two key ingredients. The first ingredient is a robust study. The study must examine the impact on existing freight and passenger service. As you heard last month and as this hearing will make crystal clear, the rail traffic controller model is the gold standard.[42]

***

[40] *See*, STB Docket No. NOR 42057, *Public Service Company Of Colorado d/b/a Xcel Energy v. The Burlington Northern and Santa Fe Railway Company*, decision served June 8, 2004 (Xcel) at pp. 26-27.

[41] *See*, for example, Xcel p. 27; STB Docket No. NOR 42071, *Otter Tail Power Company v. BNSF Railway Company*, decision served January 27, 2006 (Otter Tail) at p. 18; STB Docket No. NOR 42088, *Western Fuels Association, Inc. and Basin Electric Power Cooperative v. BNSF Railway Company*, decision served February 18, 2009 (WFA/Basin) at p. 16; and Docket No. NOR 42125, *E.I. DuPont De Nemours and Company v. Norfolk Southern Railway Company*, decision served March 24, 2014 (DuPont) at p. 36. Outside of maximum reasonable rate proceedings before the STB, parties have used the RTC model to test rail line capacity in Finance Docket 36496, *Application of The National Railroad Passenger Corp. Under 49 U.S.C. § 24308(E) – CSX Transportation, Inc. And Norfolk Southern Corporation*, filed March 16, 2021 (Amtrak Gulf Coast Service) and Docket No. NOR 42104, *Entergy Arkansas, Inc. & Entergy Services, Inc. v. Union Pacific Railroad Company, Missouri & Northern Arkansas Railroad Company, Inc., & BNSF Railway Company*, decision served November 26, 2012 (Entergy).

[42] *See*, STB Docket Finance Docket 36496, *Application of the National Railroad Passenger Corp. Under 49 U.S.C. § 24308(e) – CSX Transportation, Inc., and Norfolk Southern Railway Company, Public Hearing Transcript* (FD 36496 April 4 Hearing), April 4, 2022 comments of Ray Atkins, transcript at p. 28.

> [T]he RTC model creates a rigorous way to find solutions needed to accommodate passenger trains.[43]

In that proceeding, Amtrak submitted a mathematical model in lieu of RTC analysis to quantify the impacts of the posited new service. As Mr. Atkins commented:

> This hearing will also show that Amtrak is not serious about showing potential impacts of this new service. It has refused to model the line using the RTC model claiming that it didn't have enough time and information. Amtrak instead submitted a static mathematical model by DB of the capacity of the line, and we will demonstrate in this hearing some serious flaws in that methodology.
>
> But DB's analysis is completely irrelevant. They have missed the entire point of this hearing. Both the RTC model and Amtrak's expert conclude there is sufficient capacity on the line to run four additional trains right now, but the question is what is going to happen to existing freight service when you add four high-speed and high-priority Amtrak trains? What will be the impact on existing customers? What will be the impact on interchange partners? What will be the impact to the Port of Mobile? Indeed what will be the impact on all of the stakeholders who appeared before the STB last month and asked you to be careful not to harm local Alabama industries? That is the only legal question presented at this hearing: What is the impact and whether that impact is reasonable.
>
> *The mathematical exercise by Amtrak says nothing on that issue. It just says there may be room on the line. The RTC model can answer that question about impact, can test different solutions, which is why it's the gold standard used by everyone*.[44]
>
> ***
>
> [T]hroughout this entire proceeding you should be asking yourself a simple question: Why? Why did Amtrak really pull the plug on its own RTC expert? Why didn't they submit a competing RTC model? It's not really a mystery. Any credible RTC model would have shown an impact that would have undermined their demand for immediate access.[45]

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[43] *Id*. at p. 31.
[44] *Id.* at pp. 33-35, emphasis added.
[45] *Id.* at p. 36.

Applicants and the Board have made similar statements regarding the importance of using RTC to demonstrate the feasibility of and measure train performance under proposed operating plans in Stand-Alone Cost (SAC) presentations submitted in maximum reasonable rate cases before the Board.[46]

> [A]n RTC simulation indicates whether the complainant's proposed [Stand-Alone Railroad] configuration is adequate to enable the SARR to execute an otherwise "feasible" operating plan. *See e.g., WFA II*, STB Docket No 42088, at 14 (RTC Model enables complainant to "test the adequacy of the configuration (to make sure the [SARR] would have sufficient capacity to handle the peak forecast demand)"); *WFA I*, STB Docket No 42088, at 16 (same); *AEP Texas*, STB Docket No 41191, at 17 (RTC simulation used "[t]o assess the adequacy of the proposed track configuration for the TNR to handle the expected traffic").[47]

The STB also utilized the greater accuracy and accountability of rail simulations as compared to simple mathematical calculations in evaluating the Canadian National Railway Company's (CN) acquisition of the Elgin, Joliet and Eastern Railway Company (EJ&E).[48] To evaluate CN's proposed operation of the former EJ&E lines after CN's construction of proposed additional infrastructure, the STB's Section of Environmental Analysis (SEA)[49] independently analyzed the maximum capacity of the EJ&E's rail lines. The SEA's qualitative analysis of the potential constraints on the EJ&E lines revealed that some lines could be close to capacity.[50] The

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[46] It is notable that the Board holds captive rail shippers to a higher standard when determining whether railroad rates on regulated shipments are reasonable. In maximum reasonable rate proceedings, a shipper designs a hypothetical railroad (which typically largely mirrors much of the incumbent's infrastructure) and designs a hypothetical operating plan (which often largely mirrors much of the incumbent's plan). The shipper must successfully execute an RTC simulation to demonstrate that its hypothetical operating plan is feasible and to quantify operating statistics. Therefore, a higher hurdle must be cleared to evaluate the operating plan for a hypothetical railroad that will never operate than to evaluate the operating plan for the largest Class I railroad to ever exist on this continent.

[47] *See*, November 30, 2012, Reply Evidence of Norfolk Southern Railway Company in Dupont v STB Docket No. NOR 42125, *E.I. DuPont de Nemours Company v. Norfolk Southern Railway Company* (NS Reply in DuPont) at III-C-117 (emphasis in original).

[48] *See*, STB Finance Docket No. 35087, *Canadian National Railway Company and Grand Trunk Corporation – Control – EJ&E West Company* (CN/EJ&E), decision served December 24, 2008, at p. 41.

[49] The STB has since changed SEA's name to the Office of Environmental Analysis.

[50] *See*, CN/EJE Draft Environmental Impact Statement, Attachment B4, at p. 3.

SEA next applied a Line Occupancy Indexes (LOI) analysis of certain sections of the EJ&E's rail line. The LOI approach divides a rail line into segments of like capacity, derives a maximum practical capacity of each segment based on its number of main tracks and other characteristics, and compares that capacity to the proposed capacity. The ratio between the practical capacity and the proposed capacity is the LOI expressed as a percentage, *e.g.*, an LOI of 50 implies that the rail line segment is hosting 50 percent of its maximum practical train capacity.[51] The STB noted that while the LOI approach helped identify EJ&E segments that were approaching practical capacity, greater accuracy was needed to make a final determination about the rail line capacities:

> Based on the results of the LOI SEA confirmed the conclusions from the bottleneck analysis and also determined that it needed to evaluate the capacity of the EJ&E rail line using a more robust and sophisticated modeling tool called a Rail Traffic Controller (RTC).[52]

The SEA ran the RTC under several different scenarios addressing different operating assumptions made by CN after its acquisition of the EJ&E. The RTC modeling enabled the Board to conclude that the EJ&E rail line would be operated at or very near to capacity, with little, if any, headroom for growth in the anticipated daily train volumes.[53]

C. APPLICANTS' FAILURE TO SUPPORT THEIR SERVICE DEGRADATION BENCHMARK

Applicants rely on a mathematical capacity model for their claim that adding up to 14 daily through freight trains over Metra's UP-W Line will not degrade Metra's service levels. Applicants reach this conclusion by comparing two variables from their model at the line segment level: (1) average daily train volume, and (2) theoretical maximum fluid capacity. So long as the latter

[51] *See*, CN/EJE Draft Environmental Impact Statement, Attachment B4, at p. 4. The STB also noted that the LOI approach was very similar to the Grid Analysis undertaken by CN in its application.
[52] *See*, CN/EJE Draft Environmental Impact Statement, Attachment B4, at pp. 3-4.
[53] *See*, CN/EJE Draft Environmental Impact Statement, Attachment B4, at p. 23.

exceeds the former, Applicants maintain that spare or "slack" capacity exists on the segment, and that trains can be added up to the theoretical fluid capacity threshold without negatively affecting Metra's service. More specifically:

{{ [redacted] }} [54]

Despite Applicants' claims that Metra's service will not be affected due to the presence of slack capacity "which will enable the route to accommodate the additional traffic,"[55] this definition in the underlying workpapers allows that performance may well decrease before the theoretical tipping point is reached, but implies that the initial reduction would be acceptable from the Applicants' perspective.

This statement raises obvious questions: what rate of {{ [redacted] }} is deemed acceptable compared to increased throughput volume, why is {{ [redacted] }} deemed acceptable up to this point, and where is the point at which {{ [redacted] }} at all? RTC simulations provide precise and explicit answers to these questions, and Applicants' submission provides no answers at all.

Accordingly, Metra propounded discovery asking Applicants to define the undefined terms {{ [redacted] }} that they utilized in their workpapers. Remarkably, Applicants provided no further explanation and instead objected to the inquiry: "Union Pacific

[54] *See,* Gehringer/Orr workpaper "UP Line-Of-Road Volume-CapacitySummary.xlsx at tab "readme" range A18:D18, emphasis added.

[55] *See*, Gehringer/Orr paragraph 204 at p. 100, APP. VOL. 2, at p. 710.

objects to this Interrogatory as vague and ambiguous, including in its use of the undefined terms [] {{ [redacted] }}"[56]

[56] *See,* STB Finance Docket 36873, *Union Pacific's Responses and Objections to Metra's First Set of Discovery Requests*, response to Integratory No. 1 at p. 3.

V. APPLICANTS' DEFICIENT ANALYSIS RELIES ON FLAWED MECHANICS AND ASSUMPTIONS

Beyond the theoretical shortcomings with their approach to operations analysis and the lack of support for their key benchmark, the Applicants poorly implemented their chosen capacity model. They used model inputs and line segment definitions that systemically understate volumes, which inflates the differential between volumes and theoretical fluid capacity in the base period, overstating the initial level of slack capacity or headroom that is available for growth. These systemic volume understatements carry forward into the growth (future) period as well, locking in the overstatement of alleged slack capacity on the combined network.

A. MISSTATED METRA VOLUMES

Applicants understate the daily train volumes of Metra and commuter traffic generally by relying on weekly averages that ignore the reality that Metra runs more trains on weekdays than on weekends. Applicants are plainly aware that weekday usage is far more frequent, as Applicants stated regarding the UP-W Line:

> Metra currently operates… 29 daily trains, ten Saturday trains, and nine Sunday trains in each direction on the UP-West line over approximately 44 miles of UP line between Chicago and Elburn, Illinois. [57]

Applicants thus acknowledge that Metra weekday usage is roughly triple that of weekends. Yet, to assess daily train volumes for comparison to theoretical capacity thresholds, Applicants use a weighted average that blends Metra's weekday and weekend trains. Doing so substantially understates Metra's weekday (peak) train volumes and systemically overstates the slack capacity that is allegedly available to absorb expanded freight train operations on the lines over which Metra operates.

[57] *See*, Gehringer/Orr paragraph 350 at p. 166, APP. VOL. 2, at p. 776.

The corresponding overstatement of Metra train volume on weekends does not mitigate the impact of this illusion. The amount of slack capacity on the line is significantly less on weekdays than on weekends (or an "average" day) due to the different commuter train schedules. Applicants' analytical framework essentially assumes that UP can bank the slack capacity that is available on Sunday and use it on Monday, a physical impossibility.

Figure 9 below illustrates the impact of Applicants' commuter train volume smoothing on its claimed slack capacity. As shown, use of blended average passenger train volumes artificially reduces weekday train volumes by more than 10 trains per day on each UP capacity segment that hosts Metra UP-W service.

Figure 9
Metra Train Volumes on UP-W Line Segments

	Segment (1)	UP/NS Weighted Average 1/ (2)	Metra Weekday Operations (3)
1.	10238 - Global 3, IL to Geneva, IL 2/	8.5	52.0
2.	10237 - Geneva, IL to West Chicago, IL	46.1	57.0
3.	10236 - West Chicago, IL to Proviso, IL	46.9	58.0
4.	10235 - Proviso, IL to Kedzie, IL	46.9	58.0
5.	10234 - Kedzie, IL to Chicago Clinton St, IL	46.9	58.0

Source: workpaper "Metra Trains Per Week.xlsx" tab "Tables for Text"
1/ Weighted average for full segment found in OEA Map Series Info. Request No. 1 A1 & A2 Segments, *See,* EI-34153.pdf.

2/ This segment is also impacted by the distance weighting of trains as addressed in Section V.B. below.

Applicants' smoothed average ignores the reality of actual operations and significantly and systemically overstates the alleged slack capacity that Applicants claim is available for them to

consume. A valid assessment must capture the reality of weekday peak utilization, and Applicants' assessment does not.

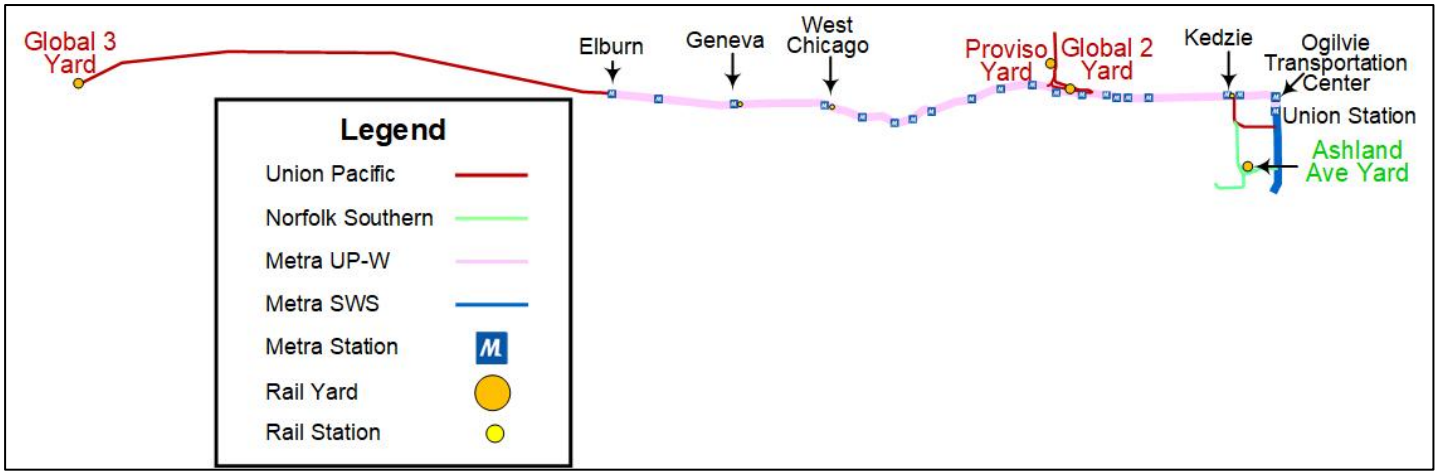
Line 1 of Figure 9 shows an especially large understatement of Metra train volumes on the Line Segment between Global 3 and Geneva, IL, which includes the westernmost portion of Metra's UP-W Line operations. The cause of this compounding distortion is discussed below.

B. LINE SEGMENT DEFINITION AND DISTANCE-WEIGHTED TRAIN COUNTS

The train counting algorithms that Applicants used, combined with the boundaries of the line segments included in their volume and capacity analysis, introduces another significant distortion that further understates train volume and overstates available capacity. Applicants divided their total combined network into 1,824 line segments, ranging from 0.01 to 384.91 miles in length.[58] Figure 9 in the preceding section shows that Metra's UP-W service operates over parts of 5 separate line segments, which are depicted in Figure 10 below.

[58] *See,* Gehringer/Orr workpaper "C-Line Segment Tables vFinal.xlsx" at tab "Line Segment Table_Base" and UP-NS Merger Response to Information Request No. 3 Master Table of Rail Line Segments "EI-34224.pdf" available at https://www.stb.gov/upns-eis-fd36873/documents/

Figure 10



For relatively short segments, like the 3.2-mile segment between Chicago Clinton Street (Ogilvie Transportation Center) and Kedzie (Figure 9, Line 5), most, if not all, trains traverse the entire segment, and the trains are counted appropriately. For relatively long line segments, such as the 41.22-mile segment between Global 3 and Geneva (Figure 9, Line 1), many trains traverse only a portion of the entire segment. Metra's trains fall into this category – they operate over only 8.5 miles between Geneva and Elburn. On weekdays, this involves the movement of 52 daily trains over the 5.0 miles between Geneva and La Fox, with 47 of those trains continuing 3.5 miles to Elburn for a total of 8.5 miles.

Rather than acknowledge the relatively higher volume on the eastern portion of this line segment, Applicants calculate the train miles traversed by the Metra trains over a maximum of 8.5 miles of the segment and then divide the resulting aggregate train miles by the 41.22 total miles for the line segment to arrive at a distance-weighted train count, as shown in Figure 11 below.

Figure 11
Line Segment 10238, Global 3 to Geneva, IL
Applicants Distanced Weighted Train Count Development

	Days of Operations	Terminus	Trains		Miles Traversed		Train Miles
1.	MTWThF	Elburn	45	x	8.5	=	382.5
2.	MTWThF	La Fox	5	x	5	=	25.0
3.	TWThFSa	Elburn	1	x	8.5	=	8.5
4.	MTWThFSaSu	Elburn	1	x	8.5	=	8.5
5.	SaSu	Elburn	17	x	8.5	=	144.5
6.	Sa	Elburn	2	x	8.5	=	17.0
7.	Total Train Miles (Sum L1:L6)						**586.0**
8.	Segment Miles						41.2
9.	Segment Distance Weighted Trains (L7 ÷ L9)						**14.2**

Source: workpaper "Metra Trains Per Week.xlsx" tab "Tables for Text"

Combining the distance-weighted weekly train count flaw with the weighted average daily train volumes flaw results in an understated Metra train volume of 8.5 trains per day, as shown in Figure 12 below.

Figure 12
Line Segment 10238, Global 3 to Geneva, IL
Applicants Distanced and Frequency Weighted Train Count Development

	Days of Operations	Terminus	Trains		Miles Traversed		Weekly Frequency		Frequency Weighted Train Miles
1.	MTWThF	Elburn	45	x	8.5	x	0.714	=	273.2
2.	MTWThF	La Fox	5	x	5	x	0.714	=	17.9
3.	TWThFSa	Elburn	1	x	8.5	x	0.714	=	6.1
4.	MTWThFSaSu	Elburn	1	x	8.5	x	1.000	=	8.5
5.	SaSu	Elburn	17	x	8.5	x	0.286	=	41.3
6.	Sa	Elburn	2	x	8.5	x	0.143	=	2.4
7.	Total Train Miles (Sum L1:L6)								**349.4**
8.	Segment Miles								41.2
9.	Segment Distance Weighted Trains (L7 ÷ L9)								**8.5**

Source: workpaper "Metra Trains Per Week.xlsx" tab "Tables for Text"

Rather than reflect the reality that Metra operates 52 trains each weekday over the 8.5-mile eastern portion of this line segment, Applicants' model assumes that approximately 8.5 Metra trains operate over the entire 41.2-mile segment every day. The overstated volumes on the western portion remain comfortably below the segment's estimated theoretical capacity, while the volumes on the eastern portion are artificially (and drastically) reduced to create the illusion of spare capacity, as shown in Figure 13 below.

Figure 13
Line Segment 10238, Global 3 to Geneva, IL
Passenger Trains Per Day

	Global 3 to Elburn 32.72 miles	Elburn to La Fax 3.5 miles	La Fox to Geneva 5.0 miles
Actual Operations			
Monday	0	46	51
Tuesday - Friday	0	47	52
Saturday	0	20	20
Sunday	0	18	18
Applicants' Analytical Framework			
Monday	8.5	8.5	8.5
Tuesday - Friday	8.5	8.5	8.5
Saturday	8.5	8.5	8.5
Sunday	8.5	8.5	8.5

Source: workpaper "Metra Trains Per Week.xlsx" tab "Tables for Text"

Applicants dramatically understate the train volume throughput on the more congested eastern portion of the segment (by over 40 daily trains on weekdays) while less aggressively overstating the volume on the less congested western portion (by 8.5 daily trains). Applicants effectively acknowledge this discrepancy (but make no adjustments to their capacity analysis) in their response to Board's Office of Environmental Analysis Request number 3 in the Master Data Table of Passenger Segments. There, Applicants state that the average current passenger volume across the segment is 42.57 trains per day, while noting that "Metra service does not run entire segment length. Metra service only operates 8.46 miles from Geneva (NZ035) to Elburn (NZ044)."[59]

[59] *See,* UP-NS Merger Response to Information Request No. 3 Master Data Table of Passenger Segments "EI-34232.pdf" available at https://www.stb.gov/upns-eis-fd36873/documents/.

C. CATEGORICAL TRAIN EXCLUSIONS

Applicants categorically excluded certain train types from their analysis. They excluded local trains from their analysis for all but one segment on their network. In response to Metra's interrogatories, Applicants explained:

{{ [redacted] }}[60]

The first part of Applicants' explanation is nonsensical given their model's algorithms. As explained above, Applicants' model already reduces the presence of trains that traverse less than the corridor's entire distance by dividing actual train miles by capacity segment miles to arrive at "distance-weighted" train counts.

More importantly, Applicants' explanation confirms that their capacity calculation methodology is explicitly designed to exclude localized interference caused by trains that traverse a relatively short portion of a segment, regardless of the proximity of those short movements to an operational choke point. As a result, Applicants wash away local congestion by excluding some trains categorically and spreading the operations of other trains over portions of the segments they do not traverse.

[60] *See,* Union Pacific's Responses and Objections to Metra's First Set of Discovery Requests, dated September 14, 2026, at p. 4.

This exercise becomes more misleading when the applicable line segment in question includes a busy yard(s) like UP's Proviso/Global 2 complex that is accessed by many local trains shuttling railcars between proximate yards that travel only a few miles over the longer density segments.[61] These local trains repeatedly occupy small stretches of critical infrastructure over which Metra requires access and are completely ignored in Applicants' analysis.

During his deposition, UP witness Gehringer initially asserted that his capacity analysis did include local trains:

{{ [redacted] }}[62]

UP has made similar statements in other STB proceedings.

> The purpose of the RTC simulation is to test whether the [Stand-Alone Railroad] operating plan would provide at least the level of service provided by the real-world incumbent. In order to perform this comparison properly, the simulation must include all train operations.[63]

The exclusion of local trains from the reported train-volume calculations is made even more noteworthy because the Applicants' workpapers show that the local trains were loaded into the MultiRail modeling environment and routed through the network model in both the Base Case and Growth Plan. The MultiRail model output files quantify local train volumes on all segments, so Applicants accounted for local trains in their OP, but not their capacity assessments.

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[61] *See,* workpaper "C-Trains vFinal_20260904_Analysis.xlsx" at tab "Seg 10235 Trains", Section A.

[62] *See*, STB Finance Docket 36873, *October 13, 2026, deposition of Eric Gehringer* (Gehringer deposition), transcript at p. 367.

[63] *See*, STB November 10, 2011, Reply Evidence of Union Pacific Railroad Company in STB Docket No. NOR 42127, *Intermountain Power Agency v. Union Pacific Railroad Company* (UP Reply in IPA) at III-C-22.

Applicants excluded multiple other categories of traffic from the train volume calculations in the MultiRail model as well. UP volumes excluded reciprocal and contract switch movements, local switch moves, locomotive and other non-revenue movements, maintenance and engine movements, and movement associated with locations that could not be resolved to a node within the MultiRail network.[64] NS volumes excluded locomotive, passenger, and end-of-train device movements, as well as movements that could not be resolved to a node within the MultiRail network.[65]

Locomotive (light engine) movements and maintenance or work train movements utilize railroad infrastructure, as Applicants have acknowledged in other STB proceedings.

> A locomotive (or group of locomotives) operating without trailing cars is for operating purposes, just as much "train" as a locomotive (or group of locomotives) pulling 100 cars of coal. Light engine movements occupy track space, and must meet and/or pass other trains as they move along railroads lines.[66]
>
> ***
>
> DuPont… fails to account for the impact of random outages and maintenance activities on the DRRs train operations and therefore does not accurately measure the DRR's track capacity requirements.[67]

These excluded movements account for up to {{ [redacted] }} trains per day across the UP-W corridor line segments included in Applicants' analysis. Not surprisingly, the largest exclusions occur on the West Chicago to Proviso and the Proviso to Kedzie segments, as many excluded work train and power moves originate and terminate in Proviso.[68] As with Applicants' other exclusions, these omissions understate rail activity on the corridor and contribute to the appearance of

[64] *See,* Gehringer/Orr workpaper "C-Base Plan.pdf" at p. 16.
[65] *See,* Gehringer/Orr workpaper "C-Base Plan.pdf" at p. 18.
[66] *See*, NS Reply in Dupont at III-C-148.
[67] *Id*, at III-C-140.
[68] *See,* workpaper "Slack Capacity Restatement Demonstrative.xlsx" at tab "Work and Power Moves".

additional available capacity that is already utilized. Increased freight train volumes will also require increased maintenance activities, which will require more outages for track work. This is not considered in Applicants' analysis, but could be modeled in RTC.

D. SEASONALITY AND PEAKING

Freight rail operations are partially determined by schedules for certain classes of traffic, including intermodal and manifest trains. These trains typically operate on a set schedule, and the majority of scheduled trains that traverse Metra's UP-W line operate seven days per week.[69]

However, these trains do not always adhere to their set schedule. At times, the volume of cars that must be moved over a given train route exceeds the daily train capacity, and an "Extra" train must be dispatched. Extras for a scheduled daily train route may result in eight or nine trains per week operating rather than the standard seven. Extra intermodal trains often occur in the fourth calendar quarter due to the peak/holiday season, but can move at other times as well. The train event data produced in discovery shows that UP operated at least {{ [redacted] }} Extra trains over Metra's UP-W line in the base period,[70] but Applicants did not include any extra trains in their MultiRail-based models.

Demand for other freight train types is more stochastic, and resulting volumes are relatively more lumpy. For example, unit grain trains typically peak during and after regional harvests, and demand for unit coal train traffic hinges on seasonal power demand, prices, and availability of other generation and individual power plant stockpiling requirements.

Applicants acknowledge this variability in their response to Decision No. 21:

> The number of trains that move over a rail line varies from month to month. In many months over the past several years, UP and NS experienced train

[69] Some trains operate on a less-than-daily schedule, such as {{ [redacted] }} an auto train or {{ [redacted] }} an intermodal train that operate 5 days a week.

[70] *See,* workpaper "UP Train Events_Selected Segments.xlsx" at tab "UP-W Train Symbol Analysis".

> counts on line segments that host passenger traffic that equaled or exceeded the projected train counts after merger-related growth.[71]

Yet, Applicants considered none of these operating realities in their capacity analysis. They instead assumed that all scheduled trains would always operate on the regular schedule, and no extras would ever be needed. They further assumed that all non-scheduled unit train traffic would operate on a schedule that results in perfectly even unit train spacing throughout the year.

It is standard practice to evaluate the peak traffic volumes—not average volumes—when conducting analysis of rail operations in STB proceedings. For example:

> [UP] populated the RTC model with UP's revised numbers for IRR trains during the simulation period, including the peak volume week identified by IPA (February 12-18, 2020).[72]

Review of the train event data Applicants produced in discovery reveals peak week train volumes that significantly exceeded the annual average weekday trains, as shown in Figure 14 below.

Figure 14
UP/NS Average Weekday Freight Train Volume on Metra UP-W Line Segments

	Segment (1)		Annual Average Weekday Trains (2)	Average Weekday Trains Peak Freight Week (3)		Freight Peak Factor (4)
1.	10238 - Global 3, IL to Geneva, IL	{{	[redacted]	[redacted]	}}	12.1%
2.	10237 - Geneva, IL to West Chicago, IL	{{	[redacted]	[redacted]	}}	12.4%
3.	10236 - West Chicago, IL to Proviso, IL	{{	[redacted]	[redacted]	}}	13.4%
4.	10235 - Proviso, IL to Kedzie, IL	{{	[redacted]	[redacted]	}}	8.1%

1/ (Column (3) ÷ Column (2)) - 1
Source: workpaper "Slack Capacity Restatement Demonstratives.xlsx"

[71] *See*, STB Docket Finance Docket 36873, *Applicant's Second Response to Decision No. 21,* July 27, 2026, at SUPP. PAGE 171.
[72] *See,* UP Reply in IPA at III-C-20.

Applicants' OP and capacity analysis should account for the daily train volumes that are likely to flow during a busy week, not a hypothetical average week, particularly for determining the effect on commuter and other passenger movements. As shown above, it does not.

E. COMBINED IMPACT OF APPLICANTS' FLAWED ANALYSIS

Using their flawed methodology and defective inputs, Applicants claim that the UP-W Line segments have significant excess capacity.

Figure 15
UP/NS Presentation of Train Volumes and Capacity on Metra UP-W Line Segments

Segment (1)	Base Case Train Volume (2)	Growth Plan Train Volume (3)	High Fluid Capacity Threshold (4)	Claimed Current Spare Capacity 1/ (5)	Claimed Future Spare Capacity 2/ (6)
1. 10238 - Global 3, IL to Geneva, IL	{ [redacted] }	{{ [redacted] }}	{{ [redacted] }}	{{ [redacted] }}	{{ [redacted] }}
2. 10237 - Geneva, IL to West Chicago, IL	{ [redacted] }	{{ [redacted] }}	{{ [redacted] }}	{{ [redacted] }}	{{ [redacted] }}
3. 10236 - West Chicago, IL to Proviso, IL	{ [redacted] }	{{ [redacted] }}	{{ [redacted] }}	{{ [redacted] }}	{{ [redacted] }}
4. 10235 - Proviso, IL to Kedzie, IL	{ [redacted] }	{{ [redacted] }}	{{ [redacted] }}	{{ [redacted] }}	{{ [redacted] }}
5. 10234 - Kedzie, IL to Chicago Clinton St, IL	{ [redacted] }	{{ [redacted] }}	{{ [redacted] }}	{{ [redacted] }}	{{ [redacted] }}

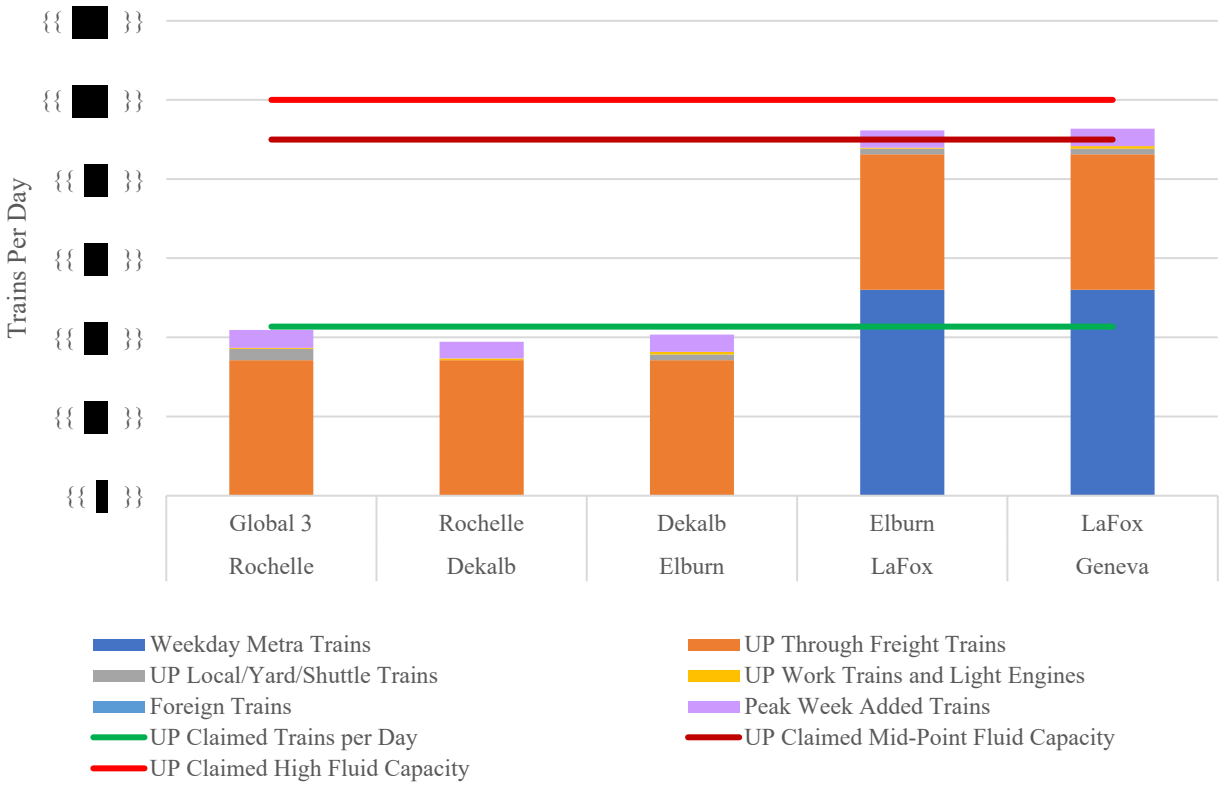
1/ Column (4) - Column (2)
2/ Column (4) - Column (3)
Source: workpaper "C-Line Segment Tables vFinal_20260904_Analysis.xlsx"

As explained above in Sections V.A through V.D, Applicants systematically understate existing volumes and overstate available capacity. Correcting Applicants' base and growth plan train volumes causes their claimed slack capacity to severely diminish or disappear entirely. The charts below depict the post-merger operating reality on each of the UP-W segments, according to Applicants' OP workpapers, when corrected.

As shown in Figure 15, Line 1 above, Applicants' future case projects { [redacted] } trains per day operating over the Global 3-Geneva segment, leaving room for an additional {{ [redacted] }} trains

per day before capacity becomes constrained. Figure 16 below compares UP's claim with the observed reality.

Figure 16
Segment 10238 - Global 3 to Geneva, Future Case



Source: "Slack Capacity Restatment Demonstrative.xlsx" at tab "Segment Detail_10238"

In Figure 16 above,[73] the distance between the green line (claimed train volume for the segment) and red line (theoretical high fluid capacity) represents Applicants' claim that the segment can accommodate {{ [redacted] }} additional daily trains without any service degradation. Applicants reach their conclusion by smoothing the higher train density on the eastern portion of the segment over the lower density western portion, ignoring the reality that the eastern segment hosts more than double the train volume of the western segment. Applicants also use an annual

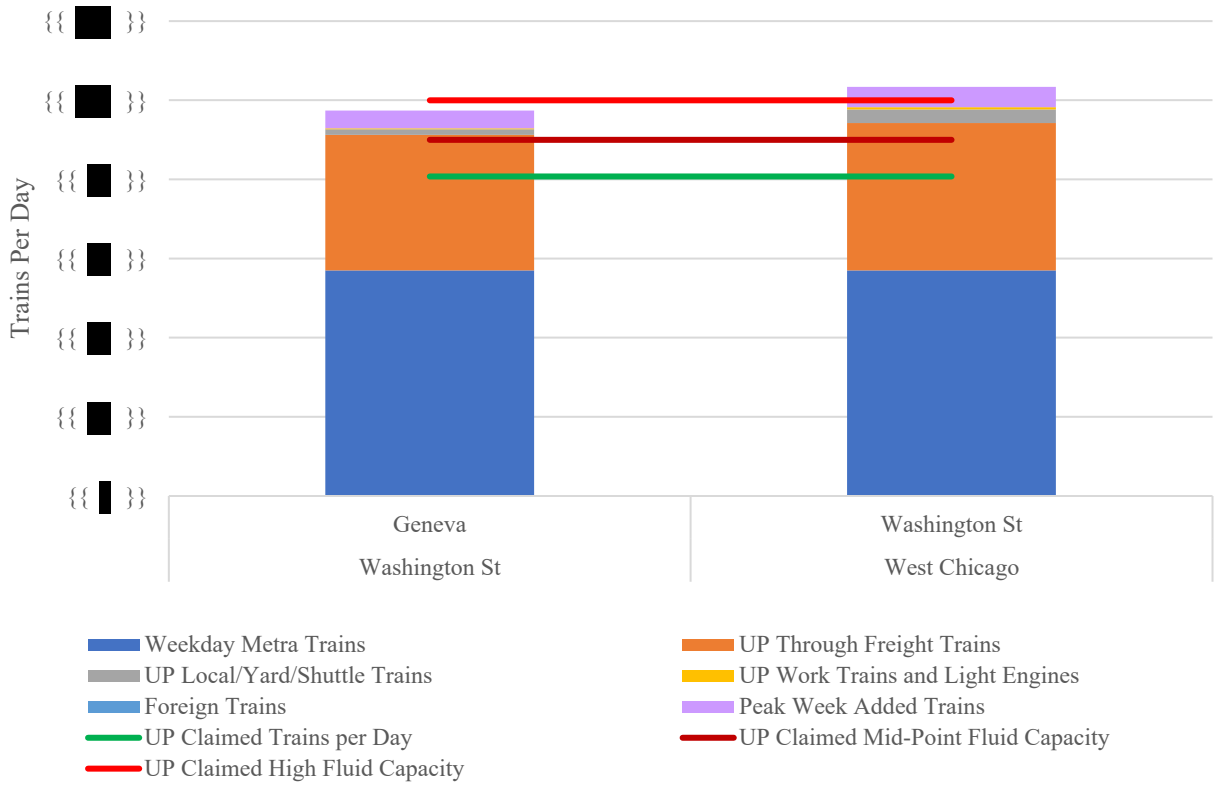
[73] *See,* Exhibit No. 4, p. 3 for more detailed revised trains per day.

average to smooth out the higher Metra volumes on weekdays compared to weekends, exclude local freight and work trains, and fail to account for traffic peaking. Adjusting for the actual movements that occur makes clear that Applicants' OP will result in volumes above the claimed "Mid-point fluid capacity" level, and approach the claimed "High-point fluid capacity" level, over the portion of this segment that hosts Metra traffic.

Similarly, as shown in Figure 15, Line 2 above, Applicants claim that in the future case, there will be { [redacted] } trains per day operating over the segment between Geneva and West Chicago, leaving room for an additional {{ [redacted] }} trains per day before capacity becomes constrained. Figure 17 below[74] contrasts Applicants' claims with reality.

[74] *See,* Exhibit No. 4, p. 4 for more detailed revised trains per day.

Figure 17
Segment 10237 - Geneva to West Chicago, Future Case



Source: "Slack Capacity Restatment Demonstrative.xlsx" at tab "Segment Detail_10237"

The excess capacity that Applicants posit simply does not exist. Applicants overstate that capacity by failing to include Metra weekday volumes, excluding local and work trains, and failing to account for inevitable freight traffic peaking. Applicants' actual projected train volumes on the lower-density western portion of the segment are very close to their claimed high fluid capacity threshold. On the eastern portion of the segment, projected train volumes will exceed the Applicants' claimed high fluid capacity threshold.

Continuing east, as shown in Figure 15, Line 3 above, Applicants claim that in the future case, { [redacted] } trains per day will operate over the West Chicago-Proviso segment, leaving room

for an additional {{ [redacted] }} trains per day before capacity becomes constrained. Figure 18[75] contrasts Applicants' misstated train counts with actual train data.

Figure 18
Segment 10236 - West Chicago to Proviso, Future Case



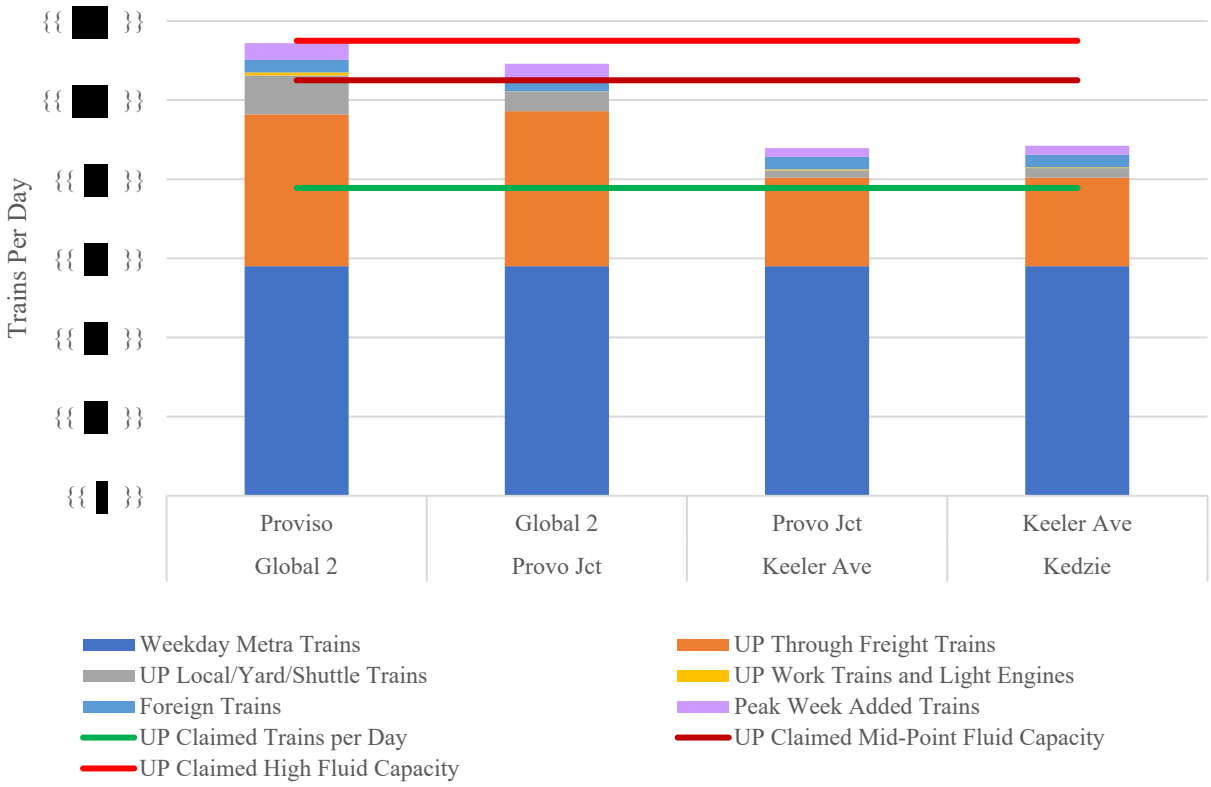
Source: "Slack Capacity Restatment Demonstrative.xlsx" at tab "Segment Detail_10236"

As with the Geneva-West Chicago Segment, Applicants' inaccurately claim the train volumes shown on the green line (approximately 80 trains per day[76]), when the actual level is close to {{ [redacted] }} trains per day. Again, including weighted average rather than weekday Metra train volumes, excluding local freight and work trains, and ignoring volume peaks, skews the results of Applicants' analysis.

[75] *See,* Exhibit No. 4, p. 5 for more detailed revised trains per day.
[76] *See,* Board's Office of Environmental Analysis Request number 1 in the A1 & A2 Segments OEA Map Series Info in "EI-34153.pdf " available at https://www.stb.gov/upns-eis-fd36873/documents/

The pattern continues on the higher density Proviso-Kedzie segment (Figure 15, Line 4 above), where Applicants' OP adds 14 through freight trains per day post-merger as shown in Figure 19 below.[77]

Figure 19
Segment 10235 - Proviso to Kedzie, Future Case



Source: "Slack Capacity Restatment Demonstrative.xlsx" at tab "Segment Detail_10235"

As with the other segments, the green line depicts the Applicants' misstated daily train counts. Accounting for all Metra weekday trains, local and work trains operating into and out of Proviso yard, and seasonality shows that this line segment will have severe capacity constraints on its western end in the post-merger world. Applicants' claims of ample slack capacity are once again shown to be a mirage.

[77] *See,* Exhibit No. 4, p. 6 for more detailed revised trains per day.

Figure 20[78] below puts the Applicants' claims regarding the presence of slack capacity over the UP-W segment into perspective and reveals their collective distortion.

Figure 20
UP-W Line - Elburn to Chicago Clinton Street, Future Case



Source: "Slack Capacity Restatment Demonstrative.xlsx" at tab "UP-W_Segment Detail"

Figure 20 above shows how Applicants undercount their future train volumes by using annual averages, smoothing train volumes across segments, and excluding multiple train categories. These unwarranted adjustments form the basis for Applicants' claim that projected volumes (the green line) are below theoretical fluid capacity (the red line) and their promise that Metra's service will not degrade.

Correcting those erroneous inputs to Applicants' analytical framework reveals that the train volumes (the bars) will exceed Applicants' claimed fluid capacity level (the red line) at several choke points along Metra's UP-W route.

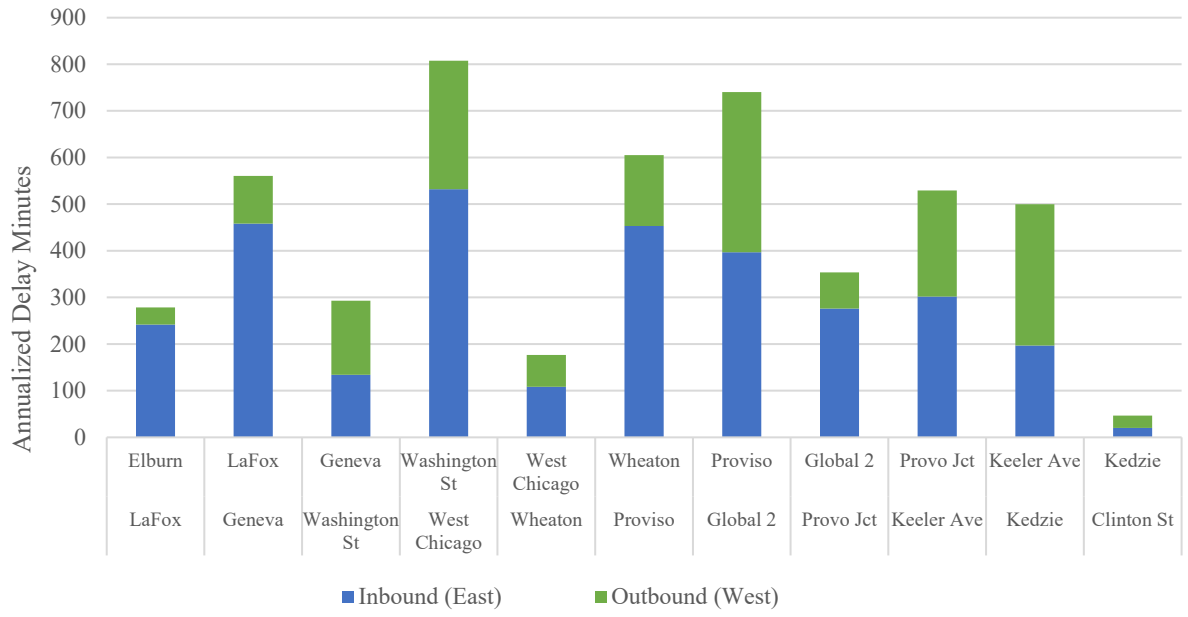
[78] *See,* Exhibit No. 4, p. 2 for more detailed revised trains per day.

1. Metra Train Delay

The location of choke points at West Chicago and Proviso is hardly surprising, as these are known hot spots to Metra operations personnel.[79] These are the locations where UP recently installed infrastructure, to which Metra contributed significant capital, in order to relieve congestion at *current* traffic levels,

Metra's delay data confirms the capacity strain at these locations, as shown in Figure 21 below.

Figure 21
Freight Train Interference Delay Minutes to UP-W Trains By Location, Jan 2022 - Aug 2026



Source: "Metra Delay Data_Metra-095049-095058.xlsx" at tab "UP-W_Segment Detail"

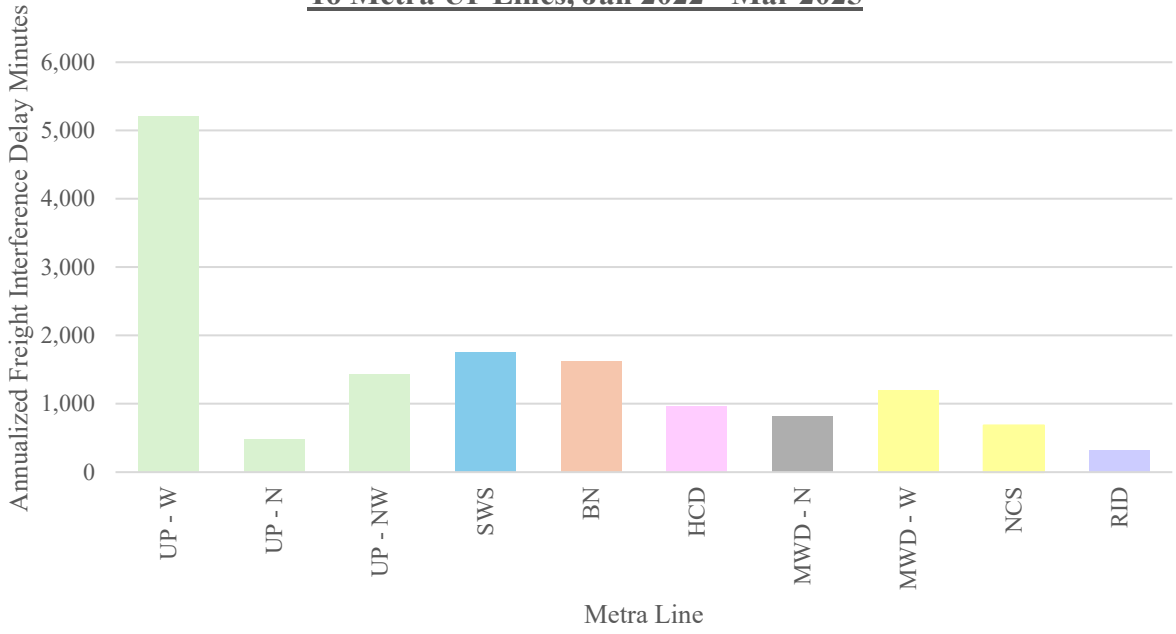
As shown above, for the 2022 through August 2026 time period, Metra trains encountered freight train interference and accrued freight-related delay most often at the locations where line capacity is most constrained.

[79] *See,* STB Docket Finance Docket 36873, *Verified Statement of David Kralik.*

In fact, the UP-W line is the Metra line with the greatest reported freight-related delay over all of the lines Metra operates, as shown in Figure 22 below

As shown above, for the 2022 through March 2025 time period, Metra trains accrued more freight-related delay on its UP-W Line than any other Metra service. Metra's trains operating on its SWS Line also accrued significant delay relative to other Metra lines.

Figure 22
Annualized Freight Train Interference Delay Minutes
To Metra UP Lines, Jan 2022 - Mar 2025



Source: "Metra Delay Data_Metra-095049-095058.xlsx" at tab "Train Interference Chart"

UP's Train Schedule Adjustments Data also confirms that Metra's UP-W trains are regularly delayed due to {{ [redacted] }}, as shown in Figure 23 and Figure 24 below.[80]

[80] UP's train schedule adjustment data was provided in response to Metra's discovery requests. For Metra trains, {{ [redacted] }} percent of the data records identifying schedule adjustments to Metra train identify the reason as "Unknown Late" or "Unknown Early". For example, Metra's train delay data identifies the cause of delays to four Metra trains on November 14, 2024, as "due to MNPCH-12 in emergency at Park across all three tracks – broken knuckle." UP's train schedule adjustment data also records delays of {{ [redacted] }} minutes for these four Metra trains on the same date and location, but it does not attribute the delays to any known cause. For this summary, we analyzed the records for which UP's dispatchers attributed the delay to "Train Meet" or "Train

{{



}}

Ahead" and identified the specific UP freight train causing the delay in the comments.

{{



}}

As shown, the predominant recorded cause of freight-related delays to Metra trains moving both eastbound and westbound on the UP-W Line is {{ }}. These delays appear to include both trains {{ }}.

For eastbound Metra trains, the predominant locations for Metra delays attributed to freight train conflicts are {{ }}. For westbound Metra trains, the predominant locations for Metra delays attributed to freight train conflicts are {{ }}.

UP's data also shows that delays to a single Metra train routinely cause bottlenecks that cascade through Metra's entire schedule, as shown in Figure 25 below.

{{ **Figure 25**



}} Source: "UP_337767_HIGHLY CONFIDENTIAL_Analysis.xlsx" filtered for Inbound (East) Metra Trains on May 15, 2024 at CIRC7 NZ038 (Peck, IL)

As shown, the train meet that initially involved {{ }} Metra trains quickly cascaded to impact the operations of at least {{ }} Metra trains.

F. FAILURE TO ALLOW FOR GROWTH IN METRA'S VOLUMES

Applicants posit that the merger will allow them to achieve substantial growth, but they make no similar allowance for Metra. Metra's future service requirements may change over time in response to ridership demand, operational needs, infrastructure investments, or other service planning initiatives, including possible directives from the Northern Illinois Transit Authority (NITA).[81] The Amended Application makes no provision for allocating capacity to accommodate future Metra service growth beyond the current existing passenger schedule.

Applicants state in their workpapers that "[a] small number of passenger trains are already planned to be added in the coming years" and that they incorporated these additional trains into the passenger traffic assumption used in the Growth Plan analysis.[82] None of the identified

[81] The Northern Illinois Transit Authority NITA Act (SB 2111), which took effect on June 1, 2026, established NITA to replace the Regional Transportation Authority (RTA) and oversee Chicago Transit Authority (CTA), Metra, and Pace. *See, e.g.*, The State of Illinois Newsroom. The new law generally expands authority over regional service planning and specifically requires Metra to implement a regional rail pilot on its Rock Island Line in 2027. *See*, Regional Rail pilot | Metra.

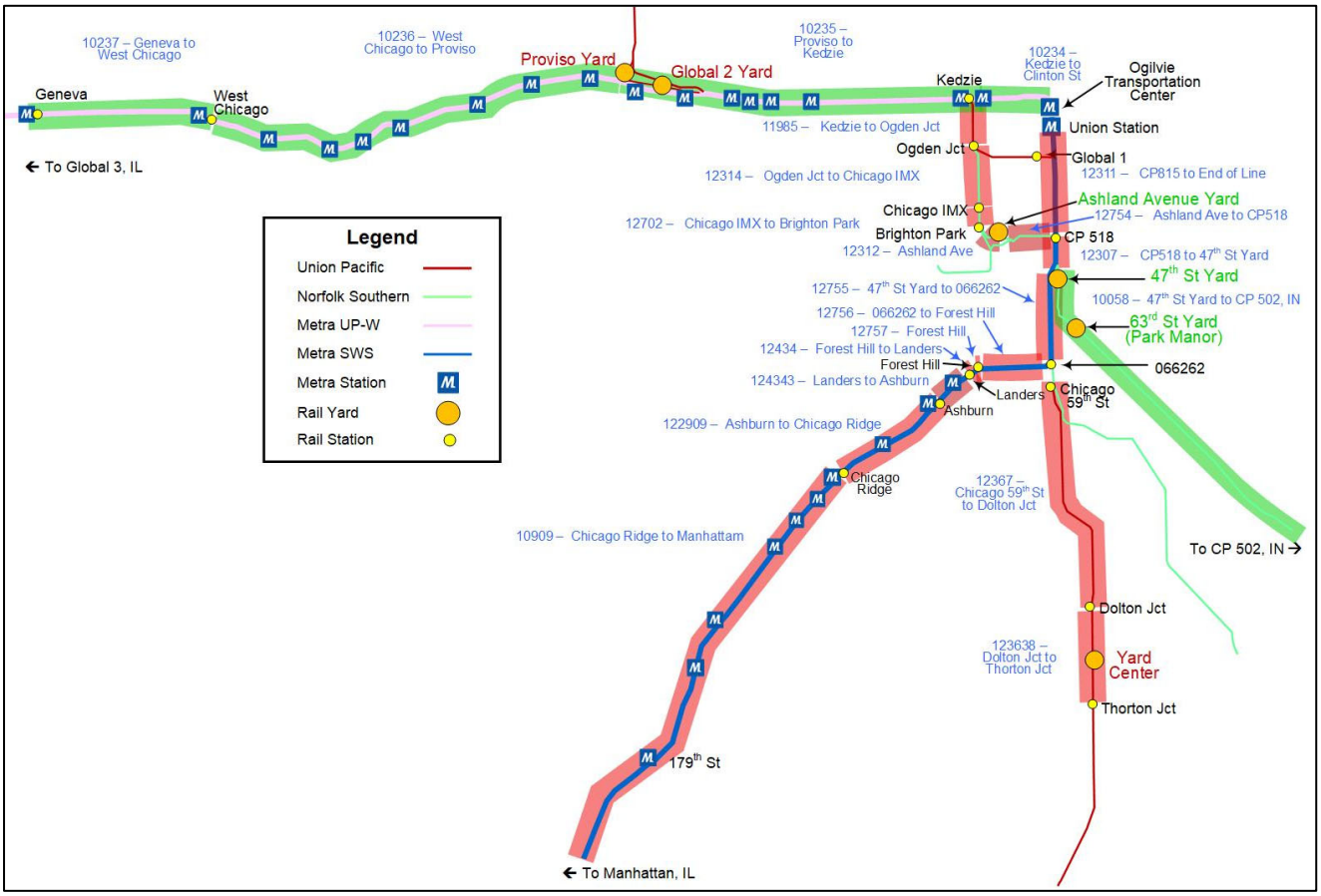
[82] S*ee,* workpaper "C-Base Plan.pdf" at p. 28.

passenger service additions involve future Metra service expansions. The capacity analyses presented in the Amended Application evaluate the proposed transaction based exclusively on existing Metra service levels, without accounting for the higher usage on weekdays relative to weekends described above.

G. EXCLUDED LINE SEGMENTS

Applicants did not conduct any capacity analysis for many line segments over which the proposed merged railroad will operate, including Metra's SWS line and NS's lines through Ashland Avenue Yard. Figure 26 below shows the segments that were, and were not, evaluated along the critical routes through Chicago.

Figure 26



Capacity analysis was not performed on any of the segments shaded red in Figure 26 above. Notably, Applicants did not study the critical segments connecting NS's 63rd Street intermodal yard and UP's Global 2 yard, where Applicants will add 14 trains per day. Applicants also did not study any of the SWS route (blue line).

H. CONFLICTS WITH CAPACITY ANALYSES CONDUCTED IN THE NORMAL COURSE OF BUSINESS

Train volume information derived from documents that Applicants produced in discovery conflicts with the claims that Applicants make in their application. The analyses that Applicants use to evaluate capacity constraints in the normal course of business show substantially higher volumes than Applicants depict in the base case in their testimony and supporting workpapers.

Specifically, UP's Northeast Capacity Maps consistently reported train volumes on the Proviso-Kedzie segment that are substantially higher than the volumes reflected in the Applicants' Base Case analysis. As shown in Figure 27 below, UP's normal-course-of-business volume and capacity assessments report an average of nearly {{ [redacted] }} trains per day, {{ [redacted] }} higher than the { [redacted] } trains per day included in the Applicants' Base Case workpapers.

{{



}}

UP's normal-course-of-business volume and capacity analyses demonstrate that this segment is substantially more constrained than Applicants' proclaim in their merger application.

Likewise, NS's Line Capacity Monitor consistently reported train volumes on the CD 517 to CD 502 Chicago Line District segment that are substantially higher than the volumes reflected in the Applicants' Base Case analysis. As shown in Figure 28 below, NS's normal-course-of-business volume and capacity assessments report an average of nearly {{ }} trains per day, {{ }} higher than the { } trains per day included in the Applicants' Base Case workpapers.

{{



}}

NS's normal-course-of-business volume and capacity analyses demonstrate that this segment is substantially more constrained than Applicants proclaim in their merger application.

I. FAILURE TO ACCOUNT FOR ADDITIONAL TRAIN SIZE ALONG WITH ADDITIONAL TRAIN VOLUMES

Applicants also failed to acknowledge that freight trains are not homogenous. Applicants plan to add a substantial number of exceptionally long trains on the UP-W Line.[83] Six of the 14 additional trains are projected to have average lengths exceeding 2 miles, with some maximums

[83] *See,* Exhibit Nos. 7-10 for detailed train length data on the UP-W and Chicago District Line.

approaching 3 miles. These include trains { [redacted] }.[84] Adding six trains that approach or exceed two miles in length in a corridor that must also accommodate Metra's passenger service will create operational interactions that the Applicants mathematical capacity analysis does not consider.

Applicants assert that NS and UP service teams reviewed and signed off on the MultiRail train length outputs.

> A report on train length and weight was created from MultiRail and reviewed by the NS and UP service design teams, highlighting trains were over 17,000 feet in length. Non-local, non-interline trains that exceeded these metrics were either corrected manually through service design input or deemed acceptable by the UP and NS service design teams. Following this initial review, an in-depth review of train lengths by corridors (including direction limitations) was completed to ensure compliance.[85]

Our review found that in the Base Plan, NS train { [redacted] },[86] which operates between { [redacted] } is assumed to consist of { [redacted] } cars per train and have a length of { [redacted][87] } on average. The Growth Plan reduces these assumptions to { [redacted] } cars per train and a length of { [redacted][88] } on average.[89] However, the train event data provided in discovery, shows that this train has historically operated with between {{

[84] *See,* workpaper "C-Trains vFinal_20260904_Analysis.xlsx" at tab "Seg 10235 Trains".
[85] *See,* Gehringer/Orr workpaper "C-Base Plan.pdf" at p. 34.
[86] *See,* workpaper "C-Trains vFinal_20260904_Analysis.xlsx" at tab "NS 31Q".
[87] { [redacted] }
[88] { [redacted] }
[89] *See,* Exhibit No. 11 for detailed data.

[redacted] }} cars, well shorter than the trains in Applicants' MultiRail models.[90] This train crosses Metra's SWS line at 47th Street Chicago.

Applicant's core premise is that their merged system can accommodate the proposed traffic growth without investment in Chicago because sufficient line capacity will remain available on the affected corridors to absorb the additional volume with no service deterioration. However, capacity is not consumed in uniform increments. Long trains occupy infrastructure for longer periods, increase blocking risk at interlockings and junctions, require greater dispatching separation, and reduce the flexibility available to recover from routine service disruptions. The Applicant's mathematical capacity analysis does not evaluate any of these operational impacts. It instead assumes that train count alone is a sufficient proxy for capacity consumption and service impacts. By failing to account for the disproportionate demands imposed by the exceptionally long posited trains, Applicants systematically understate the operational burden their proposed OP imposes on infrastructure shared with Metra. This omission further undermines their claims that the proposed additional trains can be accommodated without degrading passenger service performance or reducing the operational resilience of the corridor.

[90] *See,* workpaper "C-Trains vFinal_20260904_Analysis.xlsx" at tab "NS 31Q".

VI. APPLICANTS' SUPPLEMENTAL ANALYSIS IS DEFICIENT

Applicants' original merger Application contained no supplemental analysis of the impacts of their proposed operating changes over any of their passenger-hosting lines. The Board recognized this deficiency and ordered the Applicants to provide supplemental analysis in Decision No. 21. Specifically:

> Address, in the passenger impact analysis and [Service Assurance Plan], how the UP and NS lines used to host passenger services have sufficient capacity to support projected freight increases while maintaining current passenger service levels. Supplemental information could include, for example, a dispatching plan for handling post-merger traffic increases, train modeling evidence showing passenger rail impacts (or the lack thereof), and an analysis of the anticipated freight traffic schedules and how they impact the existing passenger services.[91]

Applicants elected not to include a dispatching plan or train modeling simulation as identified by the Board.

{{ [redacted] [92] }}

With respect to RTC modeling, Applicants claimed there was not enough time:

> It was not practicable to develop rail dispatch modeling evidence in any realistic timeframe using the Rail Traffic Controller model. It would take many months of dedicated effort to prepare an RTC analysis for the 25 passenger services hosted by Applicants that operate over line segments anticipated to experience growth of one or more trains per day.[93]

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[91] *See*, STB Docket Finance Docket 36873, *Board Decision No. 21,* served May 28, 2026, at p. 32.
[92] Gehringer deposition at pp. 380-381.
[93] *See*, STB Docket Finance Docket 36873, *Applicant's Second Response to Decision No. 21,* July 27, 2026, footnote 317 at SUPP. PAGE 170.

Despite their claim of unrealistic time requirements, Applicants employ entire staffs of RTC modelers who routinely perform this type of analysis.

> Q. Before we go back through a little bit of your history with Norfolk Southern, how are you currently employed by Norfolk Southern?
>
> A. I am the manager of strategic capacity.
>
> Q. And what generally does that involve?
>
> A. We conduct data analysis and RTC simulation studies to recommend infrastructure and process solutions for constraints on our capacity -- or on our network.[94]
>
> ***
>
> Q. What exactly does Norfolk Southern use RTC modeling for?
>
> A. We use it for several things. We evaluate growth on a line to ensure that we have the appropriate infrastructure in place to support that growth. We can use it to test the impacts of operational changes, such as changing a fueling location from one point to another. And we use it to support passenger policy and evaluate the impact of additional passenger service on our lines.[95]
>
> ***
>
> Q. How many -- excuse me -- employees at Norfolk Southern do RTC modeling?
>
> A. I believe right now we have five that are capable of doing RTC modeling.
>
> Q. And you specifically, can you give the Board an estimate as to how many RTC models that you've been involved in?
>
> A. Yes. In varying degrees of complexity, 15 to 20 maybe.[96]

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[94] Testimony of Holly Sinkkanen, STB Docket Finance Docket 36496, *Application of the National Railroad Passenger Corp. Under 49 U.S.C. § 24308(e) – CSX Transportation, Inc., and Norfolk Southern Railway Company, Public Hearing Transcript* (FD 36496 April 8 Hearing), April 8, 2022, transcript at p. 1410.

[95] FD 36496 April 8 Hearing transcript comments of Holly Sinkkanen at pp. 1416-17.

[96] FD 36496 April 8 Hearing transcript comments of Holly Sinkkanen at p. 1420.

As for UP:

{{ [redacted]

[redacted][97]

Rather than undertake rail simulations to demonstrate the feasibility of their OP as the Board requested, Applicants performed some additional analyses using portions of their original mathematical capacity analysis to support their claims. Applicants' supplemental analyses compare historical delay data (for Amtrak routes) and OTP data (for commuter routes) that was already in the record to historical "capacity utilization" (CU) data for select segments on the passenger train routes. The supplemental analyses are flawed, incomplete, and misrepresented. Moreover, Applicants selectively ignore results that contradict their conclusion.

A. EXCLUDED SERVICES

The supplemental analysis did not include all commuter services affected by the proposed OP. Applicants claim to have "identified all capacity segments on UP and NS lines that host passenger service and that are projected to experience growth of one train per day or more."[98] They excluded Metra's SWS service in their analysis altogether, presumably because NS dispatches, but does not own, the line segment over which the SWS operates.

As discussed above in Section V.G, Applicants failed to conduct any capacity analysis over the subject SWS segment, and Applicants did not develop any for their supplemental analysis of passenger services.

[97] *See*, STB Finance Docket 36873, *November 2, 2026, deposition of Katherin Novak* , at pp. 499-502.
[98] *See,* STB Docket Finance Docket 36873, *Applicant's Second Response to Decision No. 21,* July 27, 2026, at SUPP. PAGE 172.

B. INCOMPARABLE METRICS

For each service Applicants did analyze, they compared two metrics. For Amtrak, they compared reported delay minutes for a given end-to-end service and a CU factor for a single segment along the route. For commuter services, they compared reported OTP (an aggregate monthly value) for a given end-to-end service and a CU factor for a single segment along the route.

> [F]or each unique passenger service identified in step one, Applicants identified the line segment with the highest projected "growth capacity utilization"— that is, the segment with the highest number of projected post-merger trains per day compared with the segment's post-merger capacity.[99]

The selected metrics are incomparable. The performance metric reflects the level of interference encountered by the passenger service along the entire route, whereas the CU metric measures volume only for a short sub-segment. Each of the excluded segments hosts operations that affect the performance on the trains traversing them, in different ways. Applicants' framework intentionally excludes this relevant data.

Applicants provided no justification for not including data for all segments from their analysis. As discussed below, the overall route performance is unlikely to be statistically explainable by changes in the relative capacity constraint over one short segment.

Moreover, the chosen segments that purportedly have the "highest number of projected post-merger trains per day compared with the segment's post-merger capacity" are not necessarily the segments with the greatest projected volume increase. Metra is one example. The selected segment for the UP-W line is the Geneva-to-West Chicago segment, over which Applicants project a five-train per day volume increase. Applicants did not include the Proviso-to-Kedzie Segment -- where Applicants project a 14-train per day increase—more than doubling the daily freight traffic

[99] *Id.*

volumes. This excluded segment includes the Proviso/Global 2 yard complex where intermodal handling, crew changes, inspections, and fueling activities are projected to increase in the future case.

C. SELECTIVELY COMPLETED ANALYSIS

Applicants claim to have "applied the same basic analysis to all passenger services hosted by UP and NS to provide assurance that Applicants can maintain current passenger service levels while supporting projected increases in freight traffic."[100] That claim is incorrect.

Applicants applied the first analysis only to Amtrak routes, without explanation, even though Applicants developed the inputs required to apply the same analytical framework to commuter routes. Specifically,

> Applicants' initial analysis compared the mean of the service performance metric for each passenger service for months in which capacity utilization of the associated segment was at or above the projected post-merger level with the overall mean service performance metric.[101]

Applicants observed that for *some* Amtrak services, when historical CU was at or above post-merger projections on the single studied sub-segment, the mean hours of delay for the entire route was lower than the mean for all periods. Based on these anecdotal observations, Applicants claimed that "[t]he results support the conclusion that Applicants can maintain current passenger service levels while supporting projected increases in freight traffic."[102]

Applicants' initial analysis inexplicably excluded commuter services altogether, as shown in Applicants' Table PR-1.[103] Had the Applicants included results for the commuter services, including Metra's (for which they had compiled the relevant data), they would have reached the

[100] *Id.*
[101] *Id.* at SUPP. PAGE 173.
[102] *Id.* at SUPP. PAGE 175.
[103] *Id.* at SUPP. PAGE 174.

exact opposite conclusion. For those services, when historical CU was at or above post-merger projections on the studied sub-segment, the mean OTP for the entire route was worse.

The mean OTP for Metra was { [redacted] } percentage points for the 11 historical periods when CU exceeded post-merger projections, and { [redacted] } percentage points for the 31 historical periods when CU was below post-merger projections, a difference of negative { [redacted] } percentage points on OTP.[104]

These observations, using data known to Applicants but excluded from their summary and discussion, support a conclusion that Applicants *cannot* maintain current passenger service levels while supporting projected increases in freight traffic.

D. <u>STRUCTURAL FLAWS</u>

Applicants asked Dr. Zetenyi to assess, based on historical data, whether the projected merger-related increases in CU on selected line segments "are expected to increase delay for the Relevant Passenger Services."[105] For Metra, Dr. Zetenyi compared Metra's monthly OTP on its UP-W Line during months when CU was at or above the level Applicants project after the merger with Metra's OTP during all other months.[106]

Dr. Zetenyi's own results show that Metra's OTP was worse during the busier months. He dismisses that result because it is not "statistically significant," and he then treats the lack of statistical significance as proof that the merger will not harm Metra. That reasoning is incorrect.

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[104] The average OTP for all periods was { [redacted] }. The trend is even more pronounced for Metrolink, whose mean OTP was { [redacted] } for the { [redacted] } historical periods in which CU was above post-merger projections, and { [redacted] } for the { [redacted] } historical periods when CU was below post-merger projections, a difference of { [redacted] }. *See* workpaper "PR-3 STB Supplemental-review.xlsx" at tab Summary, range M36:P37. Metrolink OTP data is missing for { [redacted] } of the 46 months for which historical CU data was developed, which Dr. Zetenyi includes in the count of "Months At/Above Growth Capacity Utilization" in Table PR-1. Note 2: For the ACE service, historical CU exceeded post-merger projections for only 1 out of 88 historical periods, and VRE's historical CU service never exceeded post-merger projections.

[105] *See,* STB Docket Finance Docket 36873, *Applicant's Second Response to Decision No. 21,* July 27, 2026, Verified Statement of Kristof Zetenyi (Zetenyi VS), paragraph 7 at p. 3, SUPP. PAGE 373.

[106] *See,* Zetenyi VS paragraphs 31 to 33 at pp. 20-24, SUPP. PAGE 390-394, and Exhibit 2 at p. 32, SUPP. PAGE 402.

As explained below, Dr. Zetenyi's test was too weak to detect harm of the size his own data indicate, and when Applicants' data are analyzed in ways that correct the flaws in his approach, every analysis confirms that Metra's OTP declines as traffic volume increases.

1. Dr. Zetenyi Treats a Lack of Statistical Significance as Proof That Metra Will Not Be Harmed

Dr. Zetenyi's central conclusion is stated as follows.

> I conclude that the projected merger-related increases in CU for the Selected Segments are not expected to result in statistically significant increases in passenger delay for the Relevant Passenger Services.[107]

He reaches that conclusion because, in his view, the differences in passenger performance he measured "are not statistically significant and thus indistinguishable from no difference at all."[108] With respect to Metra and the other commuter services he analyzed, Dr. Zetenyi states that OTP in the busier months "is statistically indistinguishable from OTP" in the other months, and that this finding "indicates that the historical data do not show a statistically significant relationship between CU and passenger service performance."[109]

These statements misuse the concept of statistical significance. A test of statistical significance asks how likely it is that a difference as large as the one observed in the data could have occurred by chance.[110] By convention, a result is described as statistically significant when there is less than a 5 percent probability that chance alone would produce a difference that large. This is commonly known as the "p-value" of the test. When a result does not meet that standard, the correct conclusion is that the data is not precise enough to confirm the difference. It is not a finding that no difference exists. A result that is not statistically significant may reflect the absence

[107] *See,* Zetenyi VS paragraph 12, at p. 5, SUPP. PAGE 375.
[108] *See,* Zetenyi VS, paragraph 13, at p. 6, SUPP. PAGE 376.
[109] *See,* Zetenyi VS paragraph 33, at p. 23, SUPP. PAGE 393.
[110] *See,* Daniel L. Rubinfeld, "Reference Guide on Multiple Regression," in Federal Judicial Center and National Research Council, *Reference Manual on Scientific Evidence*, Volume 1 of the Fourth Edition (2026), at p. 609.

of any effect, or it may reflect a real effect that was measured with too little data to confirm it. Dr. Zetenyi's statement that his results are "indistinguishable from no difference at all" ignores the second possibility, which is the one his own data support.

Dr. Zetenyi's own Metra result illustrates this point. His Exhibit 2 reports that, after his statistical adjustments, Metra's OTP was 1.8 percentage points lower in months when CU was at or above the projected post-merger level than in other months.[111] Metra's UP-W Line averaged { [redacted] } percent OTP over the 42 months, which means approximately { [redacted] } percent of trains arrived late.[112] A reduction of 1.8 percentage points in OTP therefore represents approximately { [redacted] } percent more late trains. Dr. Zetenyi's own estimate indicates harm to Metra riders, not the absence of harm.[113]

The range of uncertainty that Dr. Zetenyi reports confirms the problem. Statisticians express the uncertainty in an estimate as a "confidence interval," which is the range of values that are reasonably consistent with the data. Dr. Zetenyi's 95 percent confidence interval for Metra runs from 4.30 percentage points worse to 0.72 percentage points better.[114] That range includes a reduction in OTP of 4.3 percentage points, which would mean nearly { [redacted] } percent more late trains on the UP-W Line.[115] Because the range includes both a slight improvement and a substantial deterioration, the data cannot distinguish between them. The data certainly cannot support a finding that there is "no difference at all."

Dr. Zetenyi also used a test that asked whether OTP in the busier months was different from OTP in other months, in either direction. This is not the issue the STB instructed the Applicants to

[111] *See,* Zetenyi VS Exhibit 2, at p. 32, SUPP. PAGE 402.
[112] *See,* workpaper "Analysis of Zetenyi PR-3 STB Supplemental Metra Data.xlsx" tab "Data."
[113] 1.8 percentage point reduction in OTP from Zetenyi's Exhibit 2 ÷ { [redacted] }
[114] *See,* Zetenyi VS Exhibit 2, at p. 32, SUPP. PAGE 402.
[115] 4.3 percent reduction in OTP from Zetenyi's Exhibit 2 95 percent confidence interval ÷ { [redacted] }

address. The question the Board posed, as Dr. Zetenyi himself describes it, is whether Applicants' lines "have sufficient capacity to support projected freight increases while maintaining current passenger service levels."[116] That question concerns only whether service will get worse. As discussed further below, a test designed to answer that question, known as a one-sided test, produces half of the probability he reports. In other words, using Dr. Zetenyi's own data and method, the chance that a deterioration as large as the one he measured would occur by chance alone is less than { } percent.[117]

Finally, Dr. Zetenyi's approach places the burden of proof on Metra and other passenger carriers and not on the Applicants where it belongs. A test that confirms harm only when the harm is both large and clearly established, and that otherwise reports no difference, does not demonstrate that passenger service will be maintained. To demonstrate that existing passenger service levels will be maintained requires evidence that rules out a meaningful deterioration. Dr. Zetenyi's data do not rule out a meaningful deterioration for Metra.

2. Dr. Zetenyi's Test Could Not Detect Harm of the Size His Own Data Indicate

The ability of a statistical test to detect a real effect is called its power.[118] A test with low power will usually report that a result is not statistically significant even when a real effect exists. Power depends on the size of the effect, the amount of data, and the amount of random variation in the data.[119] Dr. Zetenyi's Metra test relies on only 42 months of data, of which only 11 months were at or above the projected post-merger CU level. His statistical model also uses { } separate

[116] *See,* Finance Docket No. 36873, *Union Pacific Corporation and Union Pacific Railroad Company, Control, Norfolk Southern Corporation and Norfolk Southern Railway Company,* Decision No. 21*,* Served May 26, 2026, at 32, as quoted in Zetenyi VS paragraph 6, at pp. 2-3, SUPP. PAGE 372-373.
[117] *See,* workpaper "Analysis of Zetenyi PR-3 STB Supplemental Metra Data.xlsx," tab "Replication," cell G17.
[118] *See,* David H. Kaye and David A. Freedman, "Reference Guide on Statistics and Research Methods," in Federal Judicial Center and National Research Council, *Reference Manual on Scientific Evidence*, Volume 1 of the Fourth Edition (2026), at p. 522.
[119] *Id.*

parameters from those 42 months, { [redacted] }.[120] Figure 29 below summarizes the power of Dr. Zetenyi's Metra test.[121]

Figure 29
Power of Dr. Zetenyi's Metra Test

	Measure (1)	Results (2)
1.	Estimated change in Metra OTP in busier months	-1.8 percent
2.	95% Confidence Interval	-4.30 to +0.72 percent
3.	Two-Sided P-Value	0.154
4.	One-Sided P-Value	{ [redacted] }
5.	Smallest Reduction Statistically Reliable (80 percent power)	{ [redacted] }
6.	Probability the test detects a true reduction of 1.0 point	{ [redacted] }
7.	Probability the test detects a true reduction of 1.8 point	{ [redacted] }

Source: workpaper "Analysis of Zetenyi PR-3 STB Supplemental Metra Data.xlsx" at tab "Table"

As shown in Figure 29 above, Dr. Zetenyi's test could reliably detect a reduction in OTP of about { [redacted] } percentage points or more, which equates to roughly { [redacted] } percent more late trains.[122] If the true effect on Metra is exactly what Dr. Zetenyi's own estimate shows, his test would detect it only { [redacted] } percent of the time.[123] Stated differently, in more than { [redacted] } cases, his test would report no statistically significant difference even though Metra riders

[120] *See,* Zetenyi VS Exhibit 2, at p. 32, SUPP. PAGE 402, and workpaper "Analysis of Zetenyi PR-3 STB Supplemental Metra Data.xlsx," tab "Replication," cells G9, G10, and G11. Dr. Zetenyi's Exhibit 2 does not report the number of values his model estimates. His reported R-squared and adjusted R-squared statistics for Metra, 0.52 and 0.25, respectively, correspond to a model with { [redacted] } explanatory variables plus a constant, or { [redacted] } parameters. These parameters consist of { [redacted] } CU.

[121] Power is calculated using the standard approximation based on the t distribution, with Dr. Zetenyi's robust standard error and { [redacted] } degrees of freedom. Late-train percentages are relative to Metra's average late-train share of { [redacted] } percent.

[122] { [redacted] }

[123] *See,* workpaper "Analysis of Zetenyi PR-3 STB Supplemental Metra Data.xlsx," tab "Replication," cell G20.

were in fact experiencing about { [redacted] } percent more late trains.[124] A test with those characteristics cannot support a finding that Metra will not be harmed.

3. Other Flaws in Dr. Zetenyi's Approach

In addition to the issues with his description of the results of his regression analysis, there are other issues with Dr. Zetenyi's analysis.

a. Unverified Data

Dr. Zetenyi states that he relied on the data "as provided by the Applicants and [has] not independently verified the underlying operational inputs, including segment selection, capacity calculations, train volume data, and Operating Plan projections."[125] As a result, each of the deficiencies in Applicants' capacity analysis discussed in Section V above, including the understatement of Metra's weekday train volumes and the exclusion of local and work trains, carries directly into Dr. Zetenyi's results.

b. Incongruent Line Segments

As discussed in Section VI.B above, Dr. Zetenyi used the Geneva to West Chicago segment, where Applicants project an increase of approximately five trains per day, rather than the Proviso to Kedzie segment, where Applicants project an increase of 14 trains per day and where the Proviso and Global 2 yard complex is located.[126] His analysis therefore says nothing about the segment where the merger's effect on Metra will be greatest.

c. Imprecise Measurements Hide the Effect of Traffic

Dr. Zetenyi's measure of traffic is the average number of trains per day over an entire month on a single line segment. Metra's OTP, by contrast, reflects the performance of Metra's trains over

[124] 1.8 percentage point reduction in OTP from Zetenyi's Exhibit 2 ÷ { [redacted] }
[125] *See,* Zetenyi VS paragraph 8, at p. 3, SUPP. PAGE 373.
[126] *See,* Zetenyi workpaper "PR-3 STB Supplemental.xlsx," tab "UP Line of Road," segments 001-03 and 001-05.

the entire route, most of which operate on weekdays and during peak commuting periods. The monthly average therefore measures only roughly the congestion that Metra's trains face. It combines weekdays with weekends, peak periods with off-peak periods, and one segment with the rest of the route. The relationship between the monthly average and the congestion Metra's weekday trains experience changes from month to month with, for example, the number of weekdays and holidays in the month and the distribution of freight trains across the week. When a statistical analysis relies on such an imprecise measure, the estimated effect is systematically biased toward zero, a well-recognized statistical property known as attenuation bias.[127] As a result, Dr. Zetenyi's analysis tends to understate the effect of traffic on Metra's OTP, which favors his conclusion of no effect.

d. Falling Train Counts

The Applicants measure CU by the number of trains that actually operated each month. In months with severe weather, service outages, or congestion, the issue impacts not only UP, but also impacts Metra. A large snowstorm that reduces the number of trains UP operates may also likely impact Metra's OTP over the same period. However, those months which impact both UP and Metra's operations appear in Dr. Zetenyi's data as lower-traffic months with poor OTP, which further masks the relationship between traffic and OTP.

e. Impact of Fixed Effect Adjustments

Dr. Zetenyi adjusted his data for fixed effects for each calendar month and each calendar year.[128] The month adjustments compare each month with the typical level for that calendar month, so that a January observation is compared with other January observations and a July observation

[127] *See,* Jeffrey M. Wooldridge, *Introductory Econometrics: A Modern Approach*, at p. 322.
[128] *See,* Zetenyi VS paragraphs 27 to 28, at pp. 15-16, SUPP. PAGES 385-386, and Exhibit 2, at p. 32, SUPP. PAGE 402.

with other July observations. Those adjustments remove predictable seasonal patterns, such as winter weather, and are reasonable. The year adjustments, however, remove each calendar year's average level of both traffic and OTP, so that busier months are compared only with other months in the same year. Dr. Zetenyi justifies the year adjustments as a means of accounting for broad changes such as "macroeconomic trends, regulatory changes, or a global pandemic."[129] For Metra, the year adjustments also absorb a change in Metra's own operations. In December 2022, Metra restored its pre-pandemic train schedule,[130] and the average train volumes on the selected segment increased by about { [redacted] } trains per day.[131]

Because CU counts Metra's own trains as well as freight trains, Metra's schedule change alone accounts for { [redacted] } percent of the month-to-month variation in CU over the 42 months in Dr. Zetenyi's data.[132] Removing the effect of Metra's schedule change is appropriate, because the merger will add freight trains, not Metra trains. Dr. Zetenyi's year adjustments, however, remove far more than Metra's schedule change. In the 37 months after Metra restored its schedule, when Metra's service was unchanged, the month and year adjustments still account for { [redacted] } percent of the month-to-month variation in CU, and the year adjustments alone account for { [redacted] } percent.[133] During those months, that variation largely reflects changes in freight traffic. Dr. Zetenyi's adjustments therefore remove much of the variation in freight traffic that his test was meant to evaluate, which is a principal reason his test has so little power.

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[129] *See,* Zetenyi VS paragraph 27, at p. 15, SUPP. PAGE 385.
[130] *See,* Trains.com article *Metra adds trains to Union Pacific-West schedule*, dated November 23, 2022, available at https://www.trains.com/trn/news-reviews/news-wire/metra-adds-trains-to-union-pacific-west-schedule/.
[131] *See,* Zetenyi workpaper "PR-3 STB Supplemental.xlsx," tab "Metra (UP)," column D.
[132] *See,* workpaper "Analysis of Zetenyi PR-3 STB Supplemental Metra Data.xlsx," tab "Variation Analysis," cell J6.
[133] *See,* workpaper "Analysis of Zetenyi PR-3 STB Supplemental Metra Data.xlsx," tab "Variation Analysis," cells J7 and J8.

4. Revised Analyses of Applicants' Data

To test whether Dr. Zetenyi's conclusion withstands scrutiny, we reanalyzed the same Metra data that Applicants provided. We first reproduced Dr. Zetenyi's Metra result exactly. We then performed additional analyses that address the problems discussed above. Each analysis uses Dr. Zetenyi's method of calculating the range of uncertainty.[134]

The results are presented in the same terms Dr. Zetenyi used. "Busier months" are months when CU on the Geneva to West Chicago segment was at or above the level Applicants project after the merger, and "normal months" are all other months. Each analysis produces an estimate of how many percentage points lower Metra's OTP was in busier months than in normal months, together with a 95 percent range of uncertainty and the probability that a difference that large would occur by chance alone, for both the two-sided test Dr. Zetenyi used and the one-sided test that matches the Board's question.

a. Replication of Dr. Zetenyi's Test

Using data contained in the UP/NS' Second Response to Decision No. 21, we recreated Dr. Zetenyi's method and obtained the same result he reports. Metra's OTP was 1.8 percentage points lower in busier months, with a range of uncertainty, *i.e.*, two-sided confidence interval, from 4.3 points worse to 0.7 points better. Because the replication is exact, there is no dispute about the data or the arithmetic, only about what the results signify.[135]

b. Impact of The Change in Metra Schedules

The data show train volumes on the segment increasing in December 2022, consistent with Metra returning to pre-pandemic schedules. In place of Dr. Zetenyi's separate adjustment for each

[134] *See,* workpaper "Analysis of Zetenyi PR-3 STB Supplemental Metra Data.xlsx." Dr. Zetenyi states only that he used "robust standard errors." *See,* Zetenyi VS Exhibit 2, note 3, at p. 32, SUPP. PAGE 402. His Exhibit 2 results are reproduced exactly using the most common form of robust standard error, known as HC1, which we use throughout the Reply analyses.

[135] *See,* workpaper "Analysis of Zetenyi PR-3 STB Supplemental Metra Data.xlsx," tab "Replication."

calendar year, this analysis uses a single adjustment that separates the months before the change in passenger train schedules from the months after it, while retaining Dr. Zetenyi's adjustment for calendar months. Metra's OTP was { [redacted] } percentage points lower in busier months or about { [redacted] } percent more late trains.[136] Accounting for Metra's schedule change with a single adjustment, rather than with a separate adjustment for each year, therefore produces essentially the same result as Dr. Zetenyi's test.[137]

c. <u>Post Metra Schedule Change</u>

These analyses exclude the five months before Metra returned to its pre-pandemic schedule and compare only the 37 months from December 2022 through December 2025, when Metra's operations were the same. Because Metra's own service was unchanged during those months, differences in CU between busier and normal months largely reflect differences in freight traffic, which is the traffic the merger will add.

We first ran the analysis assuming only the monthly fixed effects used by Dr. Zetenyi. With the monthly adjustment, Metra's OTP was { [redacted] } percentage points lower in busier months, or about { [redacted] } percent more late trains, which is statistically significant on the one-sided test with a probability of { [redacted] }.[138]

We next used both Dr. Zetenyi's year and month adjustments. This produced OTP { [redacted] }percentage points lower in busier months, or about { [redacted] } percent more late trains, which is also statistically significant on the one-sided test, with a probability of { [redacted] }.[139]

[136] *See,* workpaper "Analysis of Zetenyi PR-3 STB Supplemental Metra Data.xlsx," tab "Break December 22."
[137] *See,* workpaper "Analysis of Zetenyi PR-3 STB Supplemental Metra Data.xlsx", tab "Schedule Change December 22."
[138] *See,* workpaper "Analysis of Zetenyi PR-3 STB Supplemental Metra Data.xlsx," tab "Post Completion Months."
[139] *See,* workpaper "Analysis of Zetenyi PR-3 STB Supplemental Metra Data.xlsx," tab "Post Schedule Month and Year."

Finally, without any adjustment, the difference is { [redacted] } percentage points, or about { [redacted] } percent more late trains.[140] That is the weakest of the results because it does not account for seasonal effects, but it shows the same pattern.

d. <u>CU Measured on a Continuous Scale</u>

The revised analyses described above evaluated passenger service during historical months when the CU equaled or exceeded the CU projected by the Applicants. The problem with this approach is there may be only a few months in which CU meets or exceeds the projected CU. To avoid the problem of too few data points, Dr. Zetenyi also applied a different approach for certain Amtrak routes but not the commuter services, including Metra. This different approach, which Dr. Zetenyi described as "more comprehensive and statistically informative," measures each month's actual level of traffic rather than classifying months as busy or not busy based on the proposed CU.[141] In other words, this approach uses the entire observed range of historic CU rather than only a subset of the historic data.

We began by using Dr. Zetenyi's analysis that takes into consideration both the month and year fixed effects discussed earlier. The analysis showed that each { [redacted] } increase in CU reduced Metra's OTP by { [redacted] } percentage points.[142] The Applicants project that the merger will add { [redacted] } trains per day to the Geneva to West Chicago segment, which would increase CU on this segment by { [redacted] } points.[143] Applied to that increase, the result indicates that the merger would reduce Metra's OTP by about { [redacted] } percentage points.[144] This result is statistically

[140] *See,* workpaper "Analysis of Zetenyi PR-3 STB Supplemental Metra Data.xlsx," tabs "Post Schedule Raw."
[141] *See,* Zetenyi VS paragraph 34, at pp. 24-25, SUPP. PAGES 394-395.
[142] *See,* workpaper "Analysis of Zetenyi PR-3 STB Supplemental Metra Data.xlsx," tab "Continuous CU Months and Year," cell G4.
[143] *See,* Zetenyi workpaper "PR-3 STB Supplemental.xlsx," tab "UP Line of Road," segment 001-05 (Growth Plan of { [redacted] } trains per day less Base Volume of { [redacted] } trains per day, compared with fluid capacity of { [redacted] } trains per day).
[144] *See,* workpaper "Analysis of Zetenyi PR-3 STB Supplemental Metra Data.xlsx," tab "Continuous CU Months and Year," cell G18.

significant on both the two-sided test, with a p-value of { [redacted] }, and the one-sided test, with a p-value of { [redacted] }.[145] The entire confidence interval, or range of uncertainty, shows harm to Metra with OTP expected to range from { [redacted] } percentage points worse.[146] Even the most favorable value consistent with the data on a one-sided test shows a loss of { [redacted] } percentage points of OTP.[147]

5. Conclusions Regarding Dr. Zetenyi's Analysis

The appropriate conclusion is that the data presented by UP/NS cannot rule out meaningful harm to Metra's passengers, and that the better-designed analyses indicate such harm. Dr. Zetenyi's analysis therefore does not demonstrate that Applicants can accommodate the projected increase in freight traffic while maintaining Metra's current service levels.

E. OTHER CITED STUDIES

Applicants' conclusion results from the faulty structure of the analysis and inputs as described above. This conclusion defies common sense, which should have led to reexamination of the model construct and inputs. It also directly contradicts studies cited by Dr. Zetenyi.

> Krier et al. (2014**)** *estimate a positive relationship between CU and Amtrak delay* using data from a different set of rail lines and operating conditions. [The] empirical model controls for important delay determinants, including the capacity utilization rate, an indicator of the degree of congestion on a rail network. *Dingler et al. (2009) performed a simulation-based study and showed that increases in traffic volume increase rail delays.* We constructed a capacity utilization variable based on traffic volume and capacity, using an approach similar to that of Cambridge Systematics (2007), and *found that increases in capacity utilization add to Amtrak train delays.*[148]

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[145] *See,* workpaper "Analysis of Zetenyi PR-3 STB Supplemental Metra Data.xlsx," tab "Continuous CU Months and Year," cells G16-17.

[146] *See,* workpaper "Analysis of Zetenyi PR-3 STB Supplemental Metra Data.xlsx," tab "Continuous CU Months and Year," cells G19-20.

[147] *See,* workpaper "Analysis of Zetenyi PR-3 STB Supplemental Metra Data.xlsx," tab "Continuous CU Months and Year," cells G21.

[148] *Id.* at p. 7, SUPP. PAGE 377, *emphasis added*.

The cited Krier report found that increases in capacity utilization added to Amtrak train delays, which confirmed a prior Dingler study that uses simulation to show that increases in traffic volume increase rail delays.

VII. NO PLANNED INVESTMENT IN CHICAGO

Applicants acknowledge that proposed changes in traffic patterns resulting from their merged operations will reduce network fluidity in several areas and propose to spend $923 million on infrastructure projects elsewhere to expand capacity. This investment covers both mainline and yard expansion projects.

> To accommodate projected merger-related traffic growth reflected in the Growth Plan, Applicants anticipate that the combined railroad will invest approximately $480 million on main lines where train counts are projected to increase.[149]

This mainline investment is committed to 28 separate projects, as shown at Figure 46 and Table 9 as included in Applicants' OP.[150]

> To accommodate projected merger-related growth reflected in the Growth Plan, Applicants anticipate that the combined railroad will invest approximately $443 million to expand yard and terminal capacity where the projected activity levels exceed existing capacity.[151]

This yard and terminal investment is committed to 11 separate projects, as shown at Figure 47 and Table 10 as included in Applicants' OP.[152]

Applicants allocate none of their nearly $1 billion in infrastructure funding to Global 2/Proviso complex or surrounding mainlines, despite their acknowledgement that Global 2 activity will see some of the largest increases in daily handlings among all of their combined intermodal hubs, and West Chicago will also see increased yard activity.

> Five intermodal terminals with a Base Plan workload of more than 150 lifts per day will see activity increases of 25 or more lifts per day: Marion, Global 2 (Chicago), 47th Street (Chicago), Toledo Airline, and Rutherford (Pennsylvania).[] And there will be additional activity at seven automotive

[149] *See*, Gehringer/Orr paragraph 279, p. 138, APP. VOL. 2 at p. 748.
[150] *See*, Gehringer/Orr paragraph 281-282, pp. 138-140, APP. VOL. 2 at pp. 748-750.
[151] *See*, Gehringer/Orr paragraph 286, p. 142, APP. VOL. 2 at p. 752.
[152] *See*, Gehringer/Orr paragraph 288-289, pp. 143-144, APP. VOL. 2 at pp. 753-754.

terminals: Centerville (St. Louis), Phoenix, West Chicago, Reisor, Baton Rouge, Hegewisch (Chicago), and Voltz (Kanas City).

VIII. CONDITIONS ARE REQUIRED TO ENSURE METRA'S SERVICE IS PROTECTED

Metra already experiences more freight train interference and worse OTP on the UP-W Line than its other lines, despite its substantial recent investment in the third mainline. Applicants have failed to demonstrate their claims that they could add up to 14 additional daily through freight trains over UP's Geneva Subdivision and through NS's Ashland Avenue Yard without any decrease in Metra's UP-W Line service. The Board should reject the Application.

If the Board considers approving the proposed merger, Metra's operating staff has identified two infrastructure projects that it believes are required to alleviate capacity constraints at two known pinch points that will become even more congested when Applicants add supplemental trains to the UP-W line. For reasons articulated in the VS of David Kralik, Metra believes building a flyover to separate the freight traffic entering and exiting Proviso Yard from eastbound Metra train traffic on the North UP-W mainline, and creating grade separation for passenger traffic crossing the CN (EJ&E interlocking) on the UP-W line at West Chicago are needed to maintain current Metra service levels.

If Applicants believe there are other capital improvements that would have the same mitigating effect as the two projects proposed by Metra, they should undertake an RTC analysis in collaboration with Metra to quantify the relative impacts of available infrastructure solutions.

> The second key ingredient is collaboration. Once the model is done, the parties need to work together to settle on the right infrastructure solutions. We can use the RTC model to test different ideas, but you need collaboration between the parties to settle on the most cost-effective way to add the new passenger trains without harming existing service.[153]

[153] *See*, FD 36496 April 4 Hearing comments of Ray Atkins, transcript at pp. 28-29.

In fact, the RTC simulation required to quantify the impacts of Applicants' proposed OP and Metra's proposed infrastructure solution is already in development. UP commissioned an RTC-based study in 2023-24 that quantified the impact of freight traffic volume increases over the UP-W Line, and further quantified the mitigating effect of adding a flyover track at Proviso that would allow passenger trains to bypass the yards and provide freight trains with improved access to the receiving and departure tracks.[154] {{ [redacted][155] [redacted].[156] }} As a result, the previously conducted RTC analysis appears to support Metra's contention that the Proviso flyover is a well-tailored remedy for incremental passenger train delay that will result when Applicants' proposed freight train volume increase over the Geneva Subdivision materializes.

[154] *See,* workpapers "G2 Flyover Study Dec 7 2023 v3.pdf" and "G2 Flyover Study Update Meeting - Nov 2 2023.pdf"
[155] *See*, UP_3377682, included in workpaper UP_3377668.pdf.
[156] *See*, UP_3377674, included in workpaper UP_3377668.pdf.

VERIFICATIONS

I, Robert D. Mulholland, verify under penalty of perjury that I have read this Verified Statement on behalf of Metra, that I know the contents thereof, and that the same are true and correct. Further, I certify that I am qualified and authorized to file this statement.



Robert D. Mulholland

Executed on 11/18/26

* * *

I, Allison C. Reid, verify under penalty of perjury that I have read this Verified Statement on behalf of Metra, that I know the contents thereof, and that the same are true and correct. Further, I certify that I am qualified and authorized to file this statement.



Allison C. Reid

Executed on 11/18/26

ROBERT D. MULHOLLAND
STATEMENT OF QUALIFICATIONS

My name is Robert D. Mulholland. I am the Executive Vice President of the economic consulting firm of L. E. Peabody & Associates (LEPA). The firm's offices are located at 901 North Stuart Street, Suite 1120, Arlington, Virginia 22203 and 760 E. Pusch View Lane, Suite 150, Tucson, Arizona 85737.

I am a graduate of George Mason University's School of Public Policy, from which I obtained a Master's degree in Transportation Policy, Operations & Logistics, and Bowdoin College, from which I obtained a Bachelor of Arts degree in Government and Legal Studies. I have been employed by LEPA. since 2008 and from 1995 to 2004. From 2004 to 2006, I was the staff economist for the Office of Freight Management and Operations of the Federal Highway Administration (FHWA) of the United States Department of Transportation (USDOT). From 2006 to 2008, I worked for ICF International as a consultant in the transportation group.

LEPA specializes in analyzing matters related to the rail transportation of passengers and freight. As a result of my extensive consulting experience since 1995 and my participation in and support of maximum-rate, rail merger, service dispute, reasonable practices, and rule-making proceedings before the Surface Transportation Board (STB), I have become thoroughly familiar with the major freight and passenger rail carriers in the United States. This familiarity extends to subjects of railroad operations, traffic prioritization, capacity, service, costs, rate setting, shared use of assets, maintenance, and contract and tariff terms that govern the movement of commodities by rail.

As a consultant, I have directed and conducted economic and operations studies and prepared reports for passenger and freight carriers, shippers, federal agencies, the United States Congress, associations, and other stakeholders dealing with transportation and related economic

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issues. Examples of studies I have participated in include organizing and directing rail facilities analyses, quantifying the impact of service disruptions on shippers, evaluating shared use of rail facilities by passenger and freight traffic, evaluation of traffic and operating factors in connection with single and multiple car movements and unit train operations for various commodities, rail operations simulations, rate and revenue division analyses, fuel consumption and cost analyses, and other studies dealing with transportation markets for many commodities over various surface modes throughout the United States. Through these studies I have become familiar with railroad costing and operating practices.

I testified in the STB proceeding regarding the merger between Canadian Pacific Railway Limited (CP) and the Kansas City Southern Railway Company (KCS) that formed the Canadian Pacific Kansas City Limited (CPKC). I have presented written testimony before the STB related to rail traffic volume and revenue forecasts, cross-over traffic revenue divisions, and train operations in several maximum reasonable rate proceedings on behalf of coal and chemicals shippers. I developed evidence related to rail fuel consumption and cost determinations in an STB unreasonable practice proceeding. I presented written testimony before the STB in Ex Parte proceedings related to proposed changes to the Uniform Railroad Costing System (URCS), Class I railroad capital and operating expenditure reporting requirements related to Positive Train Control (PTC) implementation, the revenue allocation formula applied to "crossover" traffic in STB maximum reasonable rate proceedings, and other matters.

I have conducted field studies of short line rail systems and rail spurs, and industry-owned rail facilities, and developed Verified Statements and other reports assessing their capacity to accommodate various projected operating scenarios and traffic levels. I have

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inspected and studied railroad terminal facilities used in handling various commodities to collect data that were used as a basis for the determination of traffic and operating characteristics for specific movements handled by rail.

I have supported the negotiation of transportation contracts between shippers and railroads. Specifically, I have conducted studies concerning transportation rates based on market conditions and carrier competition, movement-specific service commitments, and various cost-based rate adjustment provisions. I have developed numerous variable cost calculations utilizing the formulas employed by the STB for the development of variable costs for common carriers, with particular emphasis on the basis and use of URCS. I have utilized URCS costing principles in studies since the beginning of my career with L. E. Peabody & Associates Inc. in 1995.

I have conducted economic analyses regarding rail transportation matters for dozens of electric utility companies located in all parts of the United States, and for major associations, including the Chlorine Institute, the American Chemistry Council, the Chemical Manufacturers Association, the National Industrial Transportation League, and the Western Coal Traffic League. In addition, I have assisted numerous government agencies in analyzing and solving various transportation-related problems.

In the Western rail merger that resulted in the creation of the present Union Pacific Railroad Company (UP), I reviewed the railroads' applications including their supporting traffic, cost and operating data and developed detailed evidence supporting requests for conditions designed to maintain the competitive rail environment that existed before the proposed merger.

While employed at FHWA, I was a member of the USDOT inter-agency working group that drafted the National Freight Policy. In addition, I served on the USDOT Freight Gateway

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Team, a group headed by the Undersecretary for Policy and composed of one representative from each of the surface modal agencies.

While employed at ICF International, I directed and conducted numerous analyses of the rail and trucking industries for federal transportation agencies including the Federal Railroad Administration (FRA), the Federal Motor Carrier Safety Administration (FMCSA), and the FHWA, including analyses of then-current rail and trucking industry data and forecasts of future trends in both industries.

ALLISON C. REID
STATEMENT OF QUALIFICATIONS

My name is Allison C. Reid. I am an economist and an Assistant Vice President of the economic consulting firm of L. E. Peabody & Associates (LEPA). The firm's offices are located at 901 N. Stuart Street, Suite 1120, Arlington, Virginia 22203 and 760 E. Pusch View Lane, Suite 150, Tucson, Arizona 85737.

I received a Bachelor of Arts degree in International Affairs and Economics (cum laude) from Florida State University in 2010. I joined LEPA as an intern in 2009 and have been employed full-time by the firm since June 2010.

LEPA specializes in analyzing matters related to rail transportation. During my tenure with the firm I have conducted economic, operational, and statistical analyses involving railroad costing, competitive access, rail line valuation, rail infrastructure investment, and passenger and freight rail operations. Through this work, I have become familiar with the costs, revenues, and operating practices of freight and passenger railroads in the United States.

I have worked extensively with the Uniform Railroad Costing System (URCS), the general-purpose costing system used by the Surface Transportation Board (STB) to develop variable costs for common carriers. I developed the firm's in-house URCS model, which allows the firm to replicate and fully evaluate the STB's annual URCS filings and develop annual URCS costs in advance of the STB's release. I manage the yearly update of this model.

I have assisted in developing various components of stand-alone cost (SAC) evidence in STB proceedings concerning the calculation of maximum reasonable rail transportation rates for rail shippers. This work included calculating variable costs of service, developing rail routes using train event data in combination with railroad timetables and track charts, developing the return on

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road property investment realized by Class I railroads, and reviewing Interstate Commerce Commission engineering reports used to develop railroad road property investment.

I have conducted field inspections of rail lines and facilities to determine their existing and potential operating and economic conditions, as well as desktop inspections using satellite imagery to estimate the net liquidation value for use in negotiation and litigation. I have also conducted studies of the costs associated with constructing new rail lines for the purposes of competitive access, and I have developed requests for proposals for rail line maintenance contracts and monitored spending and contract compliance.

My work has included collection, processing, validation, and analysis of large and complex datasets containing transactional and operational data for Class I railroads, passenger railroads and major intermodal trucking companies, including railroad waybill, car and train movement, train density, and other operational data.

I have provided analytical support for expert reports and written testimony presented before the STB, federal courts, state courts, and arbitration panels in matters involving Class I railroads, passenger rail agencies, rail shippers, and other transportation stakeholders. These matters covered railroad rates and costing, revenue divisions between connecting carriers, fuel provisions in transportation contracts, railroad operating practices, and the effects of Class I railroad mergers on passenger and freight rail service. My responsibilities have included preparing quantitative analyses, developing exhibits, and managing discovery and workpaper productions.

I have developed analytical frameworks to support the evaluation of capacity consumption, delay attribution, and dispatching priority in matters related to Amtrak's use of Class I freight railroad tracks.

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I have developed market analyses supporting annual rail transportation rate and mine mouth fuel price reports for US coal shippers in various western Federal Energy Regulatory Commission (FERC) regions, including comparative analyses of captive facility rates and competitively served facility rates.

On-Time Performance by UP Subdivision

UP Subdivision	2H 2022	2023	2024	2025	Average
(1)	(2)	(3)	(4)	(5)	(6)
1. Geneva (UP-W)	92.5%	91.8%	88.9%	92.6%	91.3%
2. Harvard (UP-NW)	94.1%	92.0%	93.6%	93.2%	93.1%
3. Kenosha (UP-N)	94.9%	93.8%	93.2%	95.2%	94.2%

Source: workpaper "UP Passenger Benchmarking - w charts.xlsx"

Restated Applicants Trains Per Day on Metra UP-W Segments
(Full UP-W Subsegments, Base Case)

	Segment		Trains Per Day													
	Start	End	Weekday Metra Trains 1/	UP Through Freight Trains 2/	UP Local/ Yard/ Shuttle Trains 2/	Foreign Trains 2/	UP Work Trains/ Light Engines 3/	Peak Period Added Trains 4/	UP Claimed Trains Per Day 5/	Corrected Trains Per Day 6/	Corrected Trains Per Day Less Passenger 7/	Peak Period Corrected Trains Per Day 8/	Peak Period Corrected Trains Per Day Less Passenger 9/	UP Claimed Mid-Point Fluid Capacity 10/	UP Claimed High Fluid Capacity 10/
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
1.	Elburn	LaFox	52.00	{				}	{{		}}	{	}	{{		}}
2.	LaFox	Geneva	52.00	{				}	{{		}}	{	}	{{		}}
3.	Geneva	Washington St	57.00	{				}	{{		}}	{	}	{{		}}
4.	Washington St	West Chicago	57.00	{				}	{{		}}	{	}	{{		}}
5.	West Chicago	Wheaton	58.00	{				}	{{		}}	{	}	{{		}}
6.	Wheaton	Proviso	58.00	{				}	{{		}}	{	}	{{		}}
7.	Proviso	Global 2	58.00	{				}	{{		}}	{	}	{{		}}
8.	Global 2	Provo Jct	58.00	{				}	{{		}}	{	}	{{		}}
9.	Provo Jct	Keeler Ave	58.00	{				}	{{		}}	{	}	{{		}}
10.	Keeler Ave	Kedzie	58.00	{				}	{{		}}	{	}	{{		}}
11.	Kedzie	Clinton St	58.00	{				}	{{		}}	{	}	{{		}}

1/ Sourced from workpaper "Metra Trains Per Week.xlsx"
2/ Sourced from Gehringer/Orr workpaper "C-Link Density T1 vFinal.xlsx" tab "T1_Corridor Details"
3/ Sourced from workpaper "UP Train Events_Selected Segments.xlsx"
4/ Sourced from workpaper "Slack Capacity Restatement Demonstrative.xlsx" tab "Peak Period Statistics"
5/ Sourced from Gehringer/Orr workpaper "C-Link Density T1 vFinal.xlsx" tab "T1_Corridor"
6/ Sum of Column (3) to Column (6).
7/ Column (10) - Column (3) .
8/ Sum of Column (3) to Column (8).
9/ Column (12) - Column (3) .
10/ Sourced from Gehringer/Orr workpaper "UP Line-Of-Road Volume-Capacity Summary.xlsx"

Restated Applicants Trains Per Day on Metra UP-W Segments
(Full UP-W Subsegments, Future Case)

Segment		Trains Per Day												
Start	End	Weekday Metra Trains 1/	UP Through Freight Trains 2/	UP Local/ Yard/ Shuttle Trains 2/	Foreign Trains 2/	UP Work Trains/ Light Engines 3/	Peak Period Added Trains 4/	UP Claimed Trains Per Day 5/	Corrected Trains Per Day 6/	Corrected Trains Per Day Less Passenger 7/	Peak Period Corrected Trains Per Day 8/	Peak Period Corrected Trains Per Day Less Passenger 9/	UP Claimed Mid-Point Fluid Capacity 10/	UP Claimed High Fluid Capacity 10/
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
1. Elburn	LaFox	52.00	{{											}}
2. LaFox	Geneva	52.00	{{											}}
3. Geneva	Washington St	57.00	{{											}}
4. Washington St	West Chicago	57.00	{{											}}
5. West Chicago	Wheaton	58.00	{{											}}
6. Wheaton	Proviso	58.00	{{											}}
7. Proviso	Global 2	58.00	{{											}}
8. Global 2	Provo Jct	58.00	{{											}}
9. Provo Jct	Keeler Ave	58.00	{{											}}
10. Keeler Ave	Kedzie	58.00	{{											}}
11. Kedzie	Clinton St	58.00	{{											}}

1/ Sourced from workpaper "Metra Trains Per Week.xlsx"
2/ Sourced from Gehringer/Orr workpaper "C-Link Density T1 vFinal.xlsx" tab "T1_Corridor Details"
3/ Sourced from workpaper "UP Train Events_Selected Segments.xlsx"
4/ Sourced from workpaper "Slack Capacity Restatement Demonstrative.xlsx" tab "Peak Period Statistics"
5/ Sourced from Gehringer/Orr workpaper "C-Link Density T1 vFinal.xlsx" tab "T1_Corridor"
6/ Sum of Column (3) to Column (6).
7/ Column (10) - Column (3) .
8/ Sum of Column (3) to Column (8).
9/ Column (12) - Column (3) .
10/ Sourced from Gehringer/Orr workpaper "UP Line-Of-Road Volume-Capacity Summary.xlsx"

Restated Applicants Trains Per Day on Metra UP-W Segments
(Segment 10238, Geneva to Global 3)

Segment		Trains Per Day													
Start	End	Weekday Metra Trains 1/	UP Through Freight Trains 2/	UP Local/ Yard/ Shuttle Trains 2/	Foreign Trains 2/	UP Work Trains/ Light Engines 3/	Peak Period Added Trains 4/	UP Claimed Trains Per Day 5/	Corrected Trains Per Day 6/	Corrected Trains Per Day Less Passenger 7/	Peak Period Corrected Trains Per Day 8/	Peak Period Corrected Trains Per Day Less Passenger 9/	UP Claimed Mid-Point Fluid Capacity 10/	UP Claimed High Fluid Capacity 10/
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
A. Base Case														
1. Global 3	Rochelle	0.00	{{											}}
2. Rochelle	Dekalb	0.00	{{											}}
3. Dekalb	Elburn	0.00	{{											}}
4. Elburn	LaFox	52.00	{{											}}
5. LaFox	Geneva	52.00	{{											}}
B. Future Case														
6. Global 3	Rochelle	0.00	{{											}}
7. Rochelle	Dekalb	0.00	{{											}}
8. Dekalb	Elburn	0.00	{{											}}
9. Elburn	LaFox	52.00	{{											}}
10. LaFox	Geneva	52.00	{{											}}
C. Growth 11/														
11. Global 3	Rochelle	0.00	{{											}}
12. Rochelle	Dekalb	0.00	{{											}}
13. Dekalb	Elburn	0.00	{{											}}
14. Elburn	LaFox	0.00	{{											}}
15. LaFox	Geneva	0.00	{{											}}
D. Percent Change 12/														
16. Global 3	Rochelle	xxx	{{											}}
17. Rochelle	Dekalb	xxx	{{											}}
18. Dekalb	Elburn	xxx	{{											}}
19. Elburn	LaFox	0.0%	{{											}}
20. LaFox	Geneva	0.0%	{{											}}

1/ Sourced from workpaper "Metra Trains Per Week.xlsx"
2/ Sourced from Gehringer/Orr workpaper "C-Link Density T1 vFinal.xlsx" tab "T1_Corridor Details"
3/ Sourced from workpaper "UP Train Events_Selected Segments.xlsx"
4/ Sourced from workpaper "Slack Capacity Restatement Demonstrative.xlsx" tab "Peak Period Statistics"
5/ Sourced from Gehringer/Orr workpaper "C-Link Density T1 vFinal.xlsx" tab "T1_Corridor"
6/ Sum of Column (3) to Column (6).
7/ Column (10) - Column (3) .
8/ Sum of Column (3) to Column (8).
9/ Column (12) - Column (3) .
10/ Sourced from Gehringer/Orr workpaper "UP Line-Of-Road Volume-Capacity Summary.xlsx"
11/ Section B - Section A
12/ Section B ÷ Section A - 1

Restated Applicants Trains Per Day on Metra UP-W Segments
(Segment 10237, Geneva to West Chicago)

Segment		Trains Per Day												
Start	End	Weekday Metra Trains 1/	UP Through Freight Trains 2/	UP Local/ Yard/ Shuttle Trains 2/	Foreign Trains 2/	UP Work Trains/ Light Engines 3/	Peak Period Added Trains 4/	UP Claimed Trains Per Day 5/	Corrected Trains Per Day 6/	Corrected Trains Per Day Less Passenger 7/	Peak Period Corrected Trains Per Day 8/	Peak Period Corrected Trains Per Day Less Passenger 9/	UP Claimed Mid-Point Fluid Capacity 10/	UP Claimed High Fluid Capacity 10/
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
A. Base Case														
1. Geneva	Washington St	57.00	{{			}}	{{		}}	{{		}}	{{													

Restated Applicants Trains Per Day on Metra UP-W Segments
(Segment 10236, West Chicago to Proviso)

Segment		Trains Per Day													
Start	End	Weekday Metra Trains 1/	UP Through Freight Trains 2/	UP Local/ Yard/ Shuttle Trains 2/	Foreign Trains 2/	UP Work Trains/ Light Engines 3/	Peak Period Added Trains 4/	UP Claimed Trains Per Day 5/	Corrected Trains Per Day 6/	Corrected Trains Per Day Less Passenger 7/	Peak Period Corrected Trains Per Day 8/	Peak Period Corrected Trains Per Day Less Passenger 9/	UP Claimed Mid-Point Fluid Capacity 10/	UP Claimed High Fluid Capacity 10/
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
A. Base Case														
1. West Chicago	Wheaton	58.00	[redacted]											
2. Wheaton	Proviso	58.00	[redacted]											
B. Future Case														
3. West Chicago	Wheaton	58.00	[redacted]											
4. Wheaton	Proviso	58.00	[redacted]											
C. Growth 11/														
5. West Chicago	Wheaton	0.00	[redacted]											
6. Wheaton	Proviso	0.00	[redacted]											
D. Percent Change 12/														
7. West Chicago	Wheaton	0.0%	[redacted]											
8. Wheaton	Proviso	0.0%	[redacted]											

1/ Sourced from workpaper "Metra Trains Per Week.xlsx"
2/ Sourced from Gehringer/Orr workpaper "C-Link Density T1 vFinal.xlsx" tab "T1_Corridor Details"
3/ Sourced from workpaper "UP Train Events_Selected Segments.xlsx"
4/ Sourced from workpaper "Slack Capacity Restatement Demonstrative.xlsx" tab "Peak Period Statistics"
5/ Sourced from Gehringer/Orr workpaper "C-Link Density T1 vFinal.xlsx" tab "T1_Corridor"
6/ Sum of Column (3) to Column (6).
7/ Column (10) - Column (3) .
8/ Sum of Column (3) to Column (8).
9/ Column (12) - Column (3) .
10/ Sourced from Gehringer/Orr workpaper "UP Line-Of-Road Volume-Capacity Summary.xlsx"
11/ Section B - Section A
12/ Section B ÷ Section A - 1

Restated Applicants Trains Per Day on Metra UP-W Segments
(Segment 10235, Proviso to Kedzie)

Segment		Trains Per Day												
Start	End	Weekday Metra Trains 1/	UP Through Freight Trains 2/	UP Local/ Yard/ Shuttle Trains 2/	Foreign Trains 2/	UP Work Trains/ Light Engines 3/	Peak Period Added Trains 4/	UP Claimed Trains Per Day 5/	Corrected Trains Per Day 6/	Corrected Trains Per Day Less Passenger 7/	Peak Period Corrected Trains Per Day 8/	Peak Period Corrected Trains Per Day Less Passenger 9/	UP Claimed Mid-Point Fluid Capacity 10/	UP Claimed High Fluid Capacity 10/
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
A. Base Case														
1. Proviso	Global 2	58.00	{{				}}	{{						}}
2. Global 2	Provo Jct	58.00	{{				}}	{{						}}
3. Provo Jct	Keeler Ave	58.00	{{				}}	{{						}}
4. Keeler Ave	Kedzie	58.00	{{				}}	{{						}}
B. Future Case														
5. Proviso	Global 2	58.00	{{				}}	{{						}}
6. Global 2	Provo Jct	58.00	{{				}}	{{						}}
7. Provo Jct	Keeler Ave	58.00	{{				}}	{{						}}
8. Keeler Ave	Kedzie	58.00	{{				}}	{{						}}
C. Growth 11/														
9. Proviso	Global 2	0.00	{{				}}	{{						}}
10. Global 2	Provo Jct	0.00	{{				}}	{{						}}
11. Provo Jct	Keeler Ave	0.00	{{				}}	{{						}}
12. Keeler Ave	Kedzie	0.00	{{				}}	{{						}}
D. Percent Change 12/														
13. Proviso	Global 2	0.0%	{{				}}	{{						}}
14. Global 2	Provo Jct	0.0%	{{				}}	{{						}}
15. Provo Jct	Keeler Ave	0.0%	{{				}}	{{						}}
16. Keeler Ave	Kedzie	0.0%	{{				}}	{{						}}

1/ Sourced from workpaper "Metra Trains Per Week.xlsx"
2/ Sourced from Gehringer/Orr workpaper "C-Link Density T1 vFinal.xlsx" tab "T1_Corridor Details"
3/ Sourced from workpaper "UP Train Events_Selected Segments.xlsx"
4/ Sourced from workpaper "Slack Capacity Restatement Demonstrative.xlsx" tab "Peak Period Statistics"
5/ Sourced from Gehringer/Orr workpaper "C-Link Density T1 vFinal.xlsx" tab "T1_Corridor"
6/ Sum of Column (3) to Column (6).
7/ Column (10) - Column (3) .
8/ Sum of Column (3) to Column (8).
9/ Column (12) - Column (3) .
10/ Sourced from Gehringer/Orr workpaper "UP Line-Of-Road Volume-Capacity Summary.xlsx"
11/ Section B - Section A
12/ Section B ÷ Section A - 1

Restated Applicants Trains Per Day on Metra UP-W Segments

(Segment 10234, Kedzie to Chicago Clinton St)

Segment		Trains Per Day												
Start	End	Weekday Metra Trains 1/	UP Through Freight Trains 2/	UP Local/ Yard/ Shuttle Trains 2/	Foreign Trains 2/	UP Work Trains/ Light Engines 3/	Peak Period Added Trains 4/	UP Claimed Trains Per Day 5/	Corrected Trains Per Day 6/	Corrected Trains Per Day Less Passenger 7/	Peak Period Corrected Trains Per Day 8/	Peak Period Corrected Trains Per Day Less Passenger 9/	UP Claimed Mid-Point Fluid Capacity 10/	UP Claimed High Fluid Capacity 10/
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
A. Base Case														
1. Kedzie	Clinton St	58.00	{ [redacted]	[redacted]	[redacted] }	{{ [redacted]	[redacted] }}	{ [redacted] }	{{ [redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted] }}
B. Future Case														
2. Kedzie	Clinton St	58.00	{ [redacted]	[redacted]	[redacted] }	{{ [redacted]	[redacted] }}	{ [redacted] }	{{ [redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted] }}
C. Growth 11/														
3. Kedzie	Clinton St	0.00	{ [redacted]	[redacted]	[redacted] }	{{ [redacted]	[redacted] }}	{ [redacted] }	{{ [redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted] }}
D. Percent Change 12/														
4. Kedzie	Clinton St	0.0%	{ [redacted]	[redacted]	[redacted] }	{{ [redacted]	[redacted] }}	{ [redacted] }	{{ [redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted] }}

1/ Sourced from workpaper "Metra Trains Per Week.xlsx"
2/ Sourced from Gehringer/Orr workpaper "C-Link Density T1 vFinal.xlsx" tab "T1_Corridor Details"
3/ Sourced from workpaper "UP Train Events_Selected Segments.xlsx"
4/ Sourced from workpaper "Slack Capacity Restatement Demonstrative.xlsx" tab "Peak Period Statistics"
5/ Sourced from Gehringer/Orr workpaper "C-Link Density T1 vFinal.xlsx" tab "T1_Corridor"
6/ Sum of Column (3) to Column (6).
7/ Column (10) - Column (3) .
8/ Sum of Column (3) to Column (8).
9/ Column (12) - Column (3) .
10/ Sourced from Gehringer/Orr workpaper "UP Line-Of-Road Volume-Capacity Summary.xlsx"
11/ Section B - Section A
12/ Section B ÷ Section A - 1

EXHIBIT NO. 5

FULLY REDACTED

EXHIBIT NO. 6

FULLY REDACTED

EXHIBIT NO. 7

FULLY REDACTED

EXHIBIT NO. 8

FULLY REDACTED

EXHIBIT NO. 9

FULLY REDACTED

EXHIBIT NO. 10

FULLY REDACTED

EXHIBIT NO. 11

FULLY REDACTED

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

Verified Statement of David Kralik

1. I am David Kralik. I am Director of Planning & Programming with the Commuter Rail Division of the Northern Illinois Transit Authority d/b/a Metra (Metra) with offices at 547 W. Jackson Blvd., Chicago, IL 60661.

2. I have worked in progressively responsible positions at Metra for nearly 25 years. My professional career has focused on transportation planning, transit-oriented development planning, strategic planning, capital planning and programming, discretionary grant pursuits, and other aspects of transit planning. In my current and previous roles at Metra, I have managed planning and feasibility studies, rail line capacity analysis, and planning for capital investment projects. A copy of my resume is attached to this statement.

3. In my roles at Metra, I have been engaged in the study, planning, and implementation of a number of projects, including on rail lines hosted by freight railroads. These include the Suburban Transit Access Route (STAR) Line, the Kendall Rail Extension, Metra Service to Rockford, and Metra's Systemwide Network Plan.

4. The operating plan that Union Pacific Railroad Company (UP) and Norfolk Southern Railway Company (NS) (together, Applicants) submitted with their rail merger application proposes to add up to 14 freight trains per day over Metra's UP-West (UP-W) Line. As described in the Verified Statement of Robert D. Mulholland and Allison C. Reid, such substantial freight rail increases threaten serious service degradation over lines that already have significant capacity constraints. Metra is opposing the transaction as contrary to the public interest.

5. If, however, the Board ultimately decides that the transaction is in the public interest, Metra's operating staff have identified two infrastructure projects at important "choke" points on the UP-W Line that are necessary to help ameliorate the service harms that would otherwise occur. The purpose of my Verified Statement is to describe these important projects and explain how they will mitigate at least some of the capacity constraints and service degradation concerns presented by the proposed merger. As reflected in Metra's Comments, these infrastructure protections should be supplemented by Rail Traffic Controller (RTC) modeling and an enforceable on-time performance requirement for the UP-W Line and the SouthWest Service Line, backed by ongoing monitoring and corrective measures. Collectively, these conditions would permit Applicants to pursue the asserted benefits of increased freight operations while protecting Metra's essential commuter service and its riders from the resulting congestion, delay, and service risks.

6. Specifically, I am submitting this Verified Statement to explain (a) why a grade-separated flyover at UP's Proviso Yard is needed to reduce interference between freight trains and passenger trains on Metra's UP-W Line, and (b) why a dedicated, grade-separated passenger main track is needed beneath the UP/Canadian National Railway (CN) interlocking in West Chicago, commonly referred to as JD Tower (CP Y30), where CN's Elgin, Joliet & Eastern Railway (EJ&E) corridor crosses the UP-W Line.

I. Proviso Flyover

7. Today, freight trains leaving Proviso Yard must cross over all three UP-W main tracks to reach the southern (westbound) track. The Geneva Subdivision track charts reflecting (a) the Proviso Yard and (b) the adjacent UP-W three mainline tracks are attached as **Exhibit DK-1**.

8. While that move is occurring, the freight train blocks all three mains.

9. A long, slow freight train making this move acts as a temporary barrier until the last car clears the interlocking. The blockage can last 30 minutes. The resulting delay can impact up to eight passenger trains that immediately follow and another 16-18 trains that traverse the area again on their "flip." The resulting delay adversely impacts UP-W reliability and on-time performance.

10. In about 2022-2023, UP approached Metra about building a flyover at Proviso (**Exhibit DK-2**). UP first proposed a flyover with a 3.25% grade.

11. The parties met to discuss it. After reviewing conditions and the study of the braking effects of the grade, Metra proposed a 2.0% grade instead (**Exhibit DK-3**).

12. Active discussions continued through the first part of 2024, when they were paused without final resolution. Metra is interested in resuming them.

13. The flyover would physically separate freight movements into and out of Proviso Yard from a single dedicated passenger main track. Freight trains could then enter or leave the yard without occupying the passenger main, allowing for parallel moves and eliminating freight interference with passenger operations at this location. Eliminating a source of delays is better than any dispatching solution, which can only put the conflicting moves in sequence, but cannot remove the underlying conflict or the delays it creates, or create additional capacity.

14. The flyover lets the existing third main track deliver its intended value. As part of the Chicago Region Environmental and Transportation Efficiency (CREATE) Program, the Union Pacific Third Mainline – Proviso Yard (B2) project, https://www.createprogram.org/projects/union-pacific-third-mainline-proviso-yard/, built a 3.5-mile third main so that more trains could move at once, with Metra running on two mains while freight used the third. The third main has been developed incrementally over a number of years and now extends for more than eight miles, with the most recent segment, from Kress (CP Y032) to Peck (CP Y038), completed in July 2025. Metra has invested over $47 million in the Third Main project.

15. The intended benefit of the third main track is not realized as long as freight operations entering or leaving the west end of Proviso yard must cross all three mains. Each train that has to cross the mains eliminates the capacity provided by the B2 grade separation built on the east end of the yard. The Proviso flyover would preserve that benefit and protect commuter operations against growth in freight traffic. Additional UP freight trains will make the blockages more frequent. The Proviso flyover would allow for freight growth without imposing operational impacts and costs onto the Metra passenger operation and its riders in the form of additional delays.

16. The flyover would also benefit UP by affording UP freight trains more fluidity within the terminal. Freight trains could cross under the passenger main with no impact to Metra operations regardless of the time of day. The lack of interference would reduce delays for freight trains entering and leaving the yard, overall dwell time, and the dispatching complexity to move freight and balance the passenger operations.

17. In 2022–2023, UP estimated the flyover would cost $125-150 million. Adjusted for construction cost escalation, Metra estimates this will cost about $160-180 million in present day dollars.

18. Metra asks the Board to order construction of the Proviso flyover as a condition of any approval of the transaction. Metra is willing to negotiate an equitable expense allocation with UP, along with the Federal Railroad Administration and the State of Illinois, as plans progress, and requests that the

Board conduct continuing oversight to assist and resolve any issues or disputes over costs and expenses or other matters that may arise, with the right to order reasonable cost sharing between the parties if they cannot reach agreement.

II. West Chicago/EJ&E Interlocking Grade Separation

19. UP plans to operate an additional 10 to 12 freight trains per day on CN's EJ&E corridor from West Chicago toward Indiana.

20. These trains would enter and leave the east end of UP's West Chicago Yard on an existing low-speed connection track. The track sits in the northwest quadrant of the interlocking between UP's Geneva Subdivision and CN's EJ&E corridor. It joins the EJ&E corridor less than 100 yards north of the UP/CN JD Tower (CP Y30) interlocking. The Geneva Subdivision track charts reflecting this interlocking are attached as **Exhibit DK-4**.

21. Metra train delays at the interlocking have been steadily climbing under existing conditions. UP proposes to route all of these additional UP freight trains through the interlocking. Rerouting of this proposed traffic onto the EJ&E would replace what is today a parallel move in line with the Metra operations with a conflicting movement on the EJ&E. This new crossing move would block all three UP-W main tracks and prevent Metra passenger trains, as well as any UP east-west freight trains, from passing through the interlocking in either direction during that time.

22. Maximum speed on the connection track and into or out of the interlocking is estimated at 10 mph. At that speed, a two-mile-long train would take about 12 minutes to pass a fixed point under ideal conditions.

23. Allowing for train length, actual speed, and the time needed to clear the interlocking, Metra estimates that each train would block the mainline for 20 minutes.

24. For 10 to 12 additional trains, that means the UP-W mainline could be unavailable for up to four hours. That would come on top of the blockage caused by existing and future CN freight traffic using the interlocking.

25. Metra paid 38% of the total cost (over $47 million of the total $124 million) for the third main track on the UP-W to benefit passenger service. However, UP is now running more freight trains within this corridor and, as a result, Metra trains are experiencing more delay despite the added capacity.

26. Based on my review of the Application, UP appears to rely on this same added capacity to show that the UP-W can absorb the additional daily freight trains. App. Vol. 2, p. 710 at ¶ 203.

27. Metra seeks a merger condition that UP add a grade separation for one dedicated passenger main track by lowering the southernmost UP-W main track below grade and routing it beneath the UP/CN interlocking in West Chicago. A photograph of the proposed location is attached as **Exhibit DK-5**.

28. The location presents multiple constraints to the yard and freight operations, including yard location, geometric layout, and operational windows

governing the operation of trains within the corridor with conflicting movements. The site constraints make the grade separation the most feasible way to address the problems that the proposed traffic reroute creates for passenger rail operations at this location without introducing any undue impacts to the community or local roadway network. A freight flyover is less feasible and significantly more impactful to the community at this location.

29. The West Chicago grade separation would eliminate any crossing freight interference with Metra passenger service and reduce the associated delays.

30. While only preliminary estimates have been calculated, Metra estimates the cost at approximately $200 million in present day dollars.

31. As with the framework of the Proviso flyover project, Metra asks the Board to order project implementation as a condition of any approval of the transaction, and intends to negotiate an equitable cost-share allocation with UP once designs mature, with the Board retaining active oversight to manage and resolve issues or disagreements over reasonable cost sharing or other project matters.

I, David Kralik, declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge. Further, I certify that I am qualified and authorized to file this Verified Statement.



David Kralik

Executed on November 17, 2026

David Kralik

526 S. Highland Ave.
Oak Park, IL 60304
(312) 545-7527
djkralik@gmail.com

Work Experience

January 2002 - present Metra Chicago, Illinois

Director, Planning & Programming: March 2023-present

Department Head, Long Range Planning: April 2009 – March 2023

Section Manager, New Starts & Corridor Planning: January 2007 - April 2009

New Start Project Leader: January 2005 - January 2007

Planning Analyst: January 2002 - January 2005

- Managed team of planning professionals representing Metra's interests in a variety of planning studies and carrying out various analyses to support planning decision making for the agency
- Directed Metra participation in over 100 station area, corridor and county-wide planning studies including directly serving on the technical and steering committees of over 30 studies
- Led development of Metra's first two strategic plans and Metra's Systemwide Network Plan including coordinating public outreach, mission/vision setting, and stakeholder feedback
- Directed agency preparation of discretionary grant applications resulting in over $700M in awards 2021-2026.
- Led agency involvement in planning and design efforts at Chicago Union Station including development of master plan and completion of preliminary engineering
- Led planning for proposed expansions of Metra commuter service into Kendall County and state supported intercity service to Rockford, IL.
- Headed up Metra involvement in various high speed intercity passenger rail studies including expansions of service into seven Midwestern states
- Coordinated application for entry into Preliminary Engineering for Metra Union Pacific West and Union Pacific Northwest projects under Federal Transit Administration's New Starts program
- Managed Alternatives Analysis studies for four proposed New Starts expansion projects including the Suburban Transit Access Route (STAR) Line leading Travel Demand Forecasting and alternatives analyses with direct oversight of project consultant teams and related agency staff
- Participated in review & oversight NEPA efforts for the UP-W and UP-NW Upgrades as well as other projects
- Prepared agency comments on pending rules, guidance and regulations
- Directed data collection and analysis for multiple triennial Title VI Programs
- Coordinated agency annual service statistics reporting efforts for the National Transit Database
- Designed, managed implementation, and analyzed results of Origin-Destination Surveys
- Other duties include: spatial and numeric data analysis, map creation, report review, legislative outreach support, grant application development, RFP formulation, proposal review, staff recruitment and hiring, presentation preparation and delivery to various audiences including community leaders, state/federal legislators, Metra Board of Directors, and the general public

August 2001 – January 2002 UIC Urban Transportation Center Chicago, Illinois

Research Assistant

- Completed comprehensive analysis of rural transit funding sources throughout the State of Illinois as a part of a transportation funding database

May 2001 - July 2001 Chicago Transit Authority Chicago, Illinois

Data Services Intern

- Updated system for projecting future system-wide ridership for budget purposes
- Completed analysis of paratransit trip distances to determine optimal service standards

Education

August 1999 – May 2003 University of Illinois Chicago, Illinois

Master of Urban Planning & Policy - 2003

- Specializations in Transportation Planning and Community Development
- Completed Master's Project titled *When Will It Get Here? A Study of Transit Bus Reliability*

Master of Science in Applied Mathematics - 2001

- Served as lecturer and teaching assistant in Mathematics department during studies

August 1994 – May 1998 Washington University St. Louis, Missouri

Bachelor of Science in Physics and Bachelor of Arts in Mathematics - 1998

- Graduated with College Honors, Langsdorf Fellowship and Tau Beta Pi (honorary)

Professional Memberships

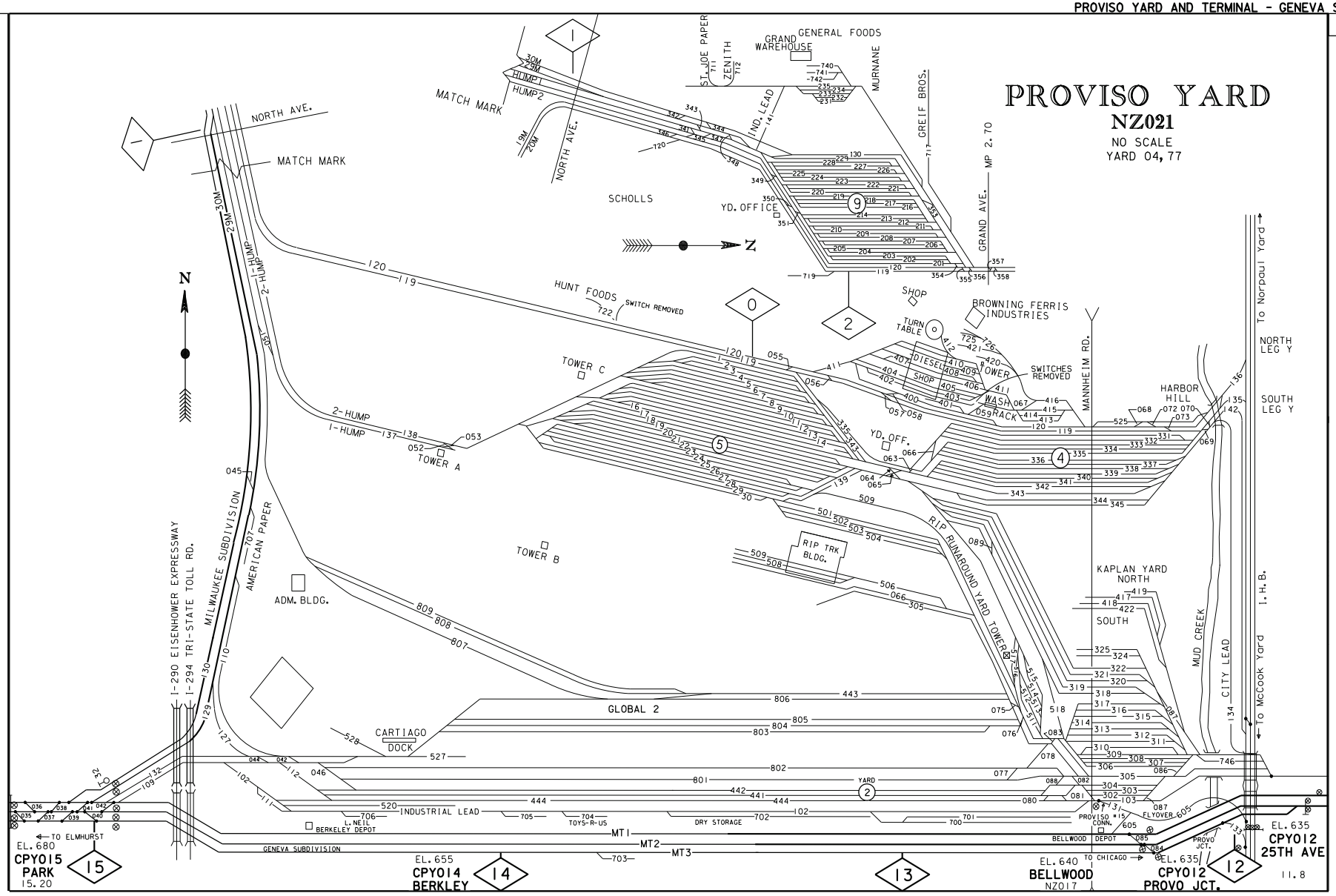
American Institute of Certified Planners, 2014-present

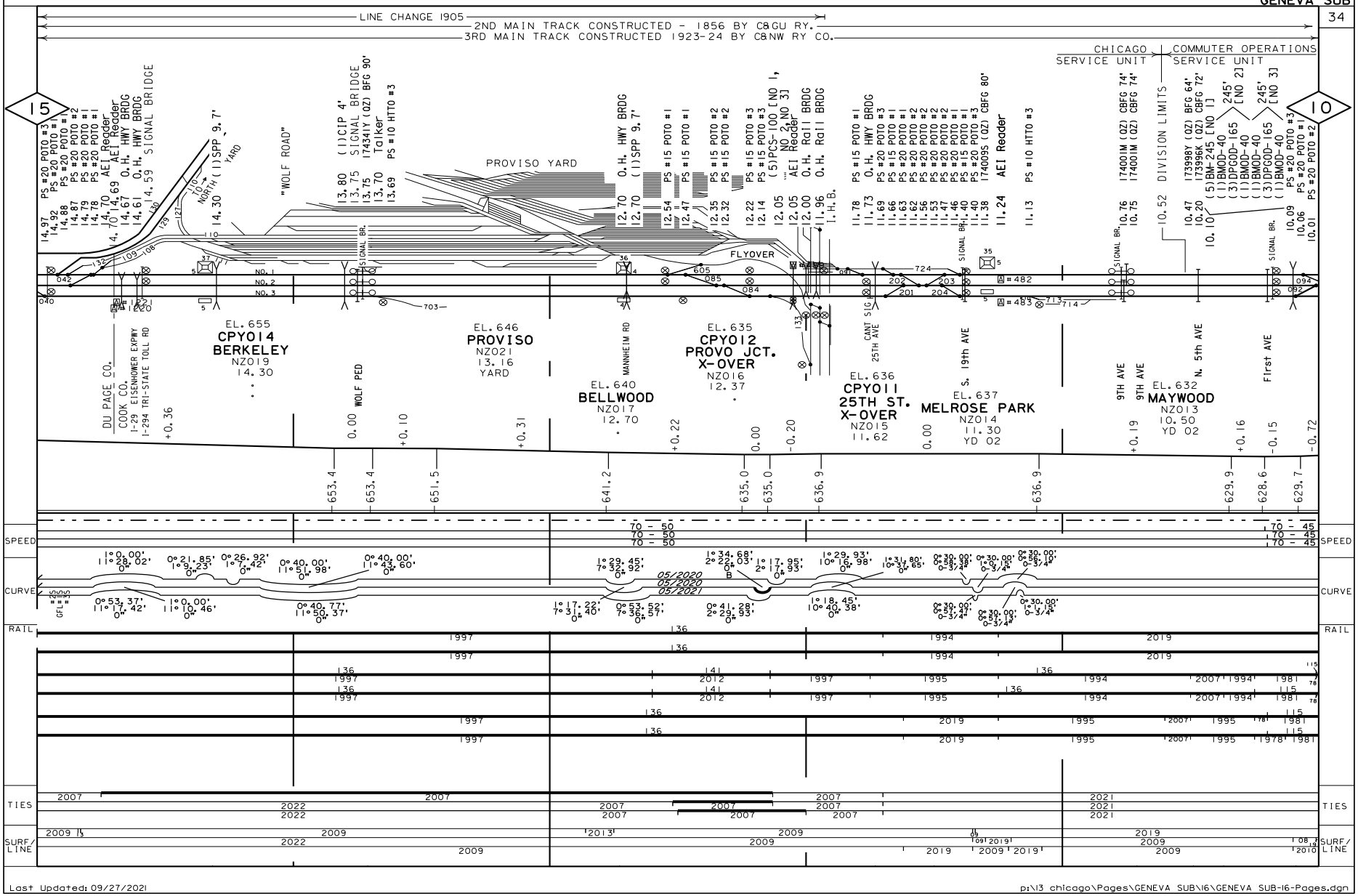
American Planning Association, Member 2002-present

Transport Chicago Steering Committee, Member 2003-7; Vice-President 2004-6

UIC College of Urban Planning and Public Affairs Alumni Association Board 2003-2008

Exhibit DK-1


PROVISO YARD
NZ021
NO SCALE
YARD 04, 77
NORTH AVE.
MATCH MARK
HUMP 1
HUMP 2
SCHOLLS
YD. OFFICE
GRAND AVE. MP 2.70
GREIF BROS.
MURNANE
ST. JOE PAPER
ZENITH
GRAND WAREHOUSE
GENERAL FOODS
IND. LEAD
HUNT FOODS
SWITCH REMOVED
SHOP
BROWNING FERRIS INDUSTRIES
TURN TABLE
DIESEL SHOP
TOWER
SWITCHES REMOVED
WASH RACK
MANNHEIM RD.
HARBOR HILL
NORTH LEG Y
SOUTH LEG Y
To Norpaul Yard
To McCook Yard
I. H. B.
TOWER C
TOWER A
TOWER B
YD. OFF.
ADM. BLDG.
RIP TRK BLDG.
RIP RUNAROUND YARD TOWER
KAPLAN YARD NORTH
SOUTH
MUD CREEK
CITY LEAD
GLOBAL 2
CARTIAGO DOCK
INDUSTRIAL LEAD
L. NEIL BERKELEY DEPOT
TOYS-R-US
DRY STORAGE
YARD
PROVISO "15" CONN.
FLYOVER
BELLWOOD DEPOT
PROVO JCT.
TO CHICAGO
TO ELMHURST
I-290 EISENHOWER EXPRESSWAY
I-294 TRI-STATE TOLL RD.
MILWAUKEE SUBDIVISION
AMERICAN PAPER
GENEVA SUBDIVISION
MT1
MT2
MT3
EL. 680
CPY015
PARK
15.20
EL. 655
CPY014
BERKLEY
EL. 640
BELLWOOD
NZ017
EL. 635
CPY012
25TH AVE
PROVO JCT.
11.8



Last Updated: 09/27/2021

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Exhibit DK-2

Proviso Flyover Concept
UP West Line / Geneva Subdivision

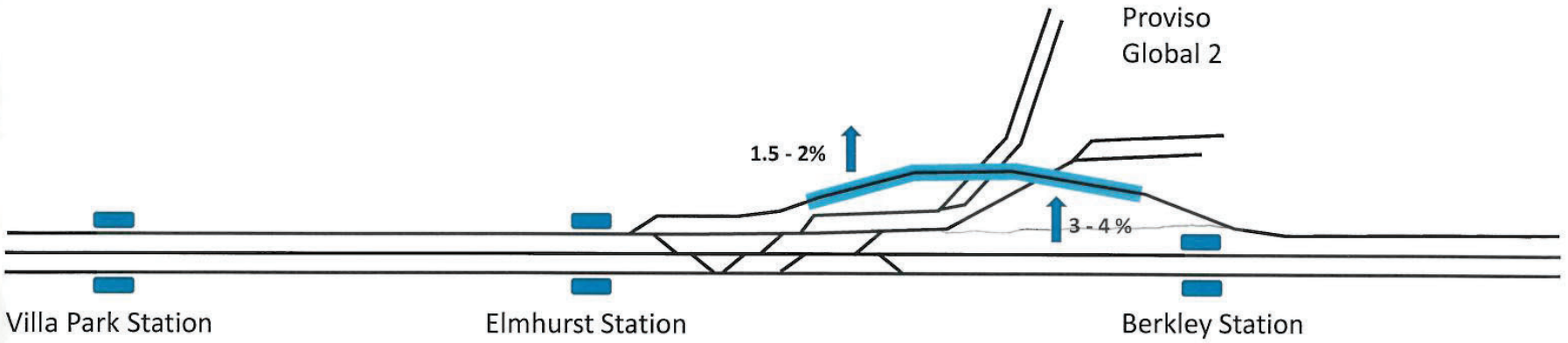
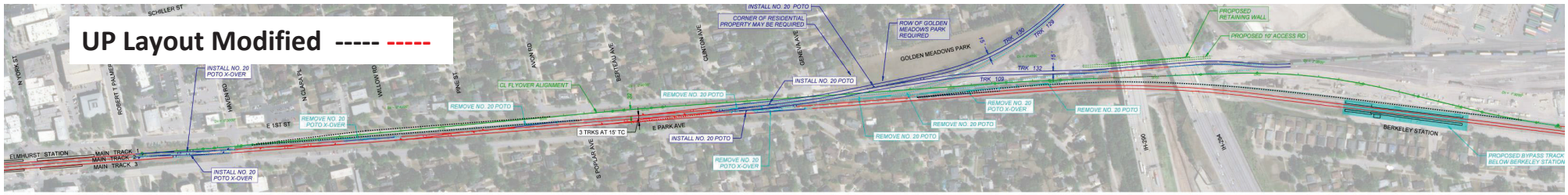
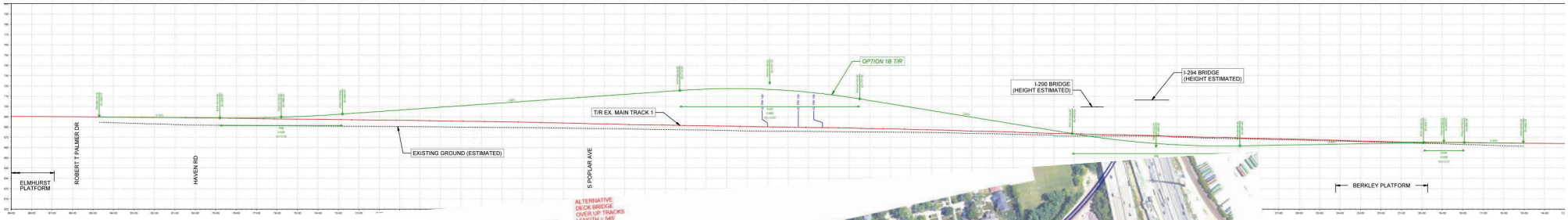


Exhibit DK-3





Metra Layout Modified ---- ----



Metra layout purpose is to reduce the 3.25% grade down to 2%

Exhibit DK-4

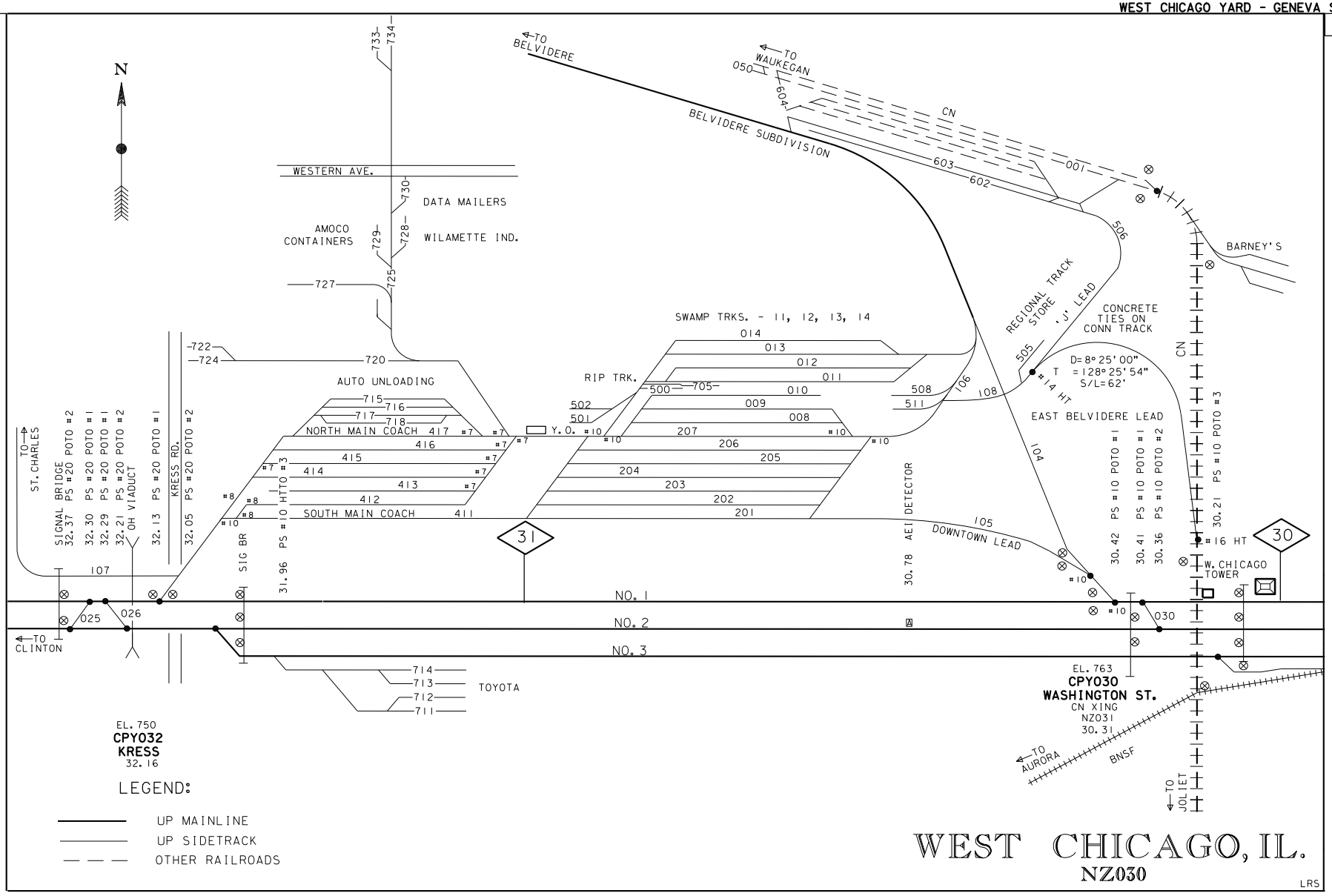

N
TO BELVIDERE
TO WAUKEGAN
050
604
CN
BELVIDERE SUBDIVISION
603
602
001
506
BARNEY'S
733
734
WESTERN AVE.
730
DATA MAILERS
AMOCO CONTAINERS
729
728
WILAMETTE IND.
725
727
722
724
720
AUTO UNLOADING
715
716
717
718
NORTH MAIN COACH 417
416
415
414
413
412
SOUTH MAIN COACH 411
SWAMP TRKS. - 11, 12, 13, 14
014
013
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008
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202
201
RIP TRK.
500
705
502
501
Y.O.
REGIONAL TRACK STORE
'J' LEAD
CONCRETE TIES ON CONN TRACK
505
D=8°25'00"
T =128°25'54"
S/L=62'
#14 HT
508
511
106
108
EAST BELVIDERE LEAD
104
105
DOWNTOWN LEAD
AEI DETECTOR
30.78
CN
30.21 PS #10 POTO #3
30.42 PS #10 POTO #1
30.41 PS #10 POTO #1
30.36 PS #10 POTO #2
#16 HT
W. CHICAGO TOWER
30
31
TO ST. CHARLES
SIGNAL BRIDGE 32.37 PS #20 POTO #2
32.30 PS #20 POTO #1
32.29 PS #20 POTO #1
32.21 PS #20 POTO #2
OH VIADUCT
32.13 PS #20 POTO #1
KRESS RD.
32.05 PS #20 POTO #2
SIG BR
31.96 PS #10 HTTO #3
107
025
026
NO. 1
NO. 2
NO. 3
030
TO CLINTON
714
713
712
711
TOYOTA
EL. 750
CPY032
KRESS
32.16
EL. 763
CPY030
WASHINGTON ST.
CN XING
NZ031
30.31
TO AURORA
BNSF
TO JOLIET
LEGEND:
UP MAINLINE
UP SIDETRACK
OTHER RAILROADS
WEST CHICAGO, IL.
NZ030
LRS

Exhibit DK-5

