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**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

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# COMMENTS OF RAIL MODAL GROUP IN OPPOSITION TO THE REVISED APPLICATION

Rail Modal Group opposes the proposed merger of Union Pacific and Norfolk Southern. We believe the transaction presents a substantial risk of reduced competition, less responsive rail service, and higher transportation costs across the rail shipping industry. We respectfully urge the Surface Transportation Board to reject the proposed merger.

As an inland intermodal operator serving agricultural and protein exporters, RMG sees how railroad competition affects the ability of American businesses to reach domestic and international markets. Our concerns extend beyond our own terminals and customers. Producers, manufacturers, distributors, and other rail users depend on a network in which independent railroads compete for freight and have strong incentives to provide reliable service at competitive prices.

Preserving meaningful competition requires more than keeping tracks connected or gateways physically open. Shippers need commercially viable alternatives: routes with competitive rates, dependable schedules, adequate capacity, and workable interchange arrangements. A route that remains available on paper provides little protection if its pricing or service makes it impractical to use.

Today, independent railroads have incentives to work with connecting carriers to compete for shipments that cross their networks. In our view, combining UP and NS would create a stronger incentive to retain freight within the merged system and favor its own routes over competing

interline options. That could weaken competition even for shippers that retain access to more than one railroad. The loss of an effective routing alternative can diminish negotiating leverage throughout a shipper's supply chain.

We believe a more concentrated rail industry would create an environment more conducive to higher pricing. With fewer independent alternatives, shippers could face higher linehaul rates, less favorable contract terms, and increased accessorial charges. Facilities served by a single railroad would be particularly exposed, but the effects could also reach businesses that rely on competing carriers to assemble an economical route. For agricultural exporters and other businesses competing in global markets, higher transportation costs can reduce market access and the prices available to American producers.

We also see a material risk of less service. Reduced competitive pressure could weaken incentives to maintain train frequency, serve smaller markets, provide sufficient equipment, and respond promptly to customer needs. Network consolidation could favor the merged railroad's largest corridors while leaving smaller shipping points, rural communities, and developing markets with fewer practical options. Shippers could face a choice between accepting less frequent service and paying more to obtain service that meets their needs.

These risks are especially consequential because rail users make long-term investments in plants, terminals, storage, and other infrastructure tied to particular locations. Many cannot readily move their facilities or substitute trucking at a comparable cost and scale. The Board should assess the merger's effects over the life of those investments, including whether future shippers would have enough competitive options to justify building new rail-served facilities.

Promises to preserve gateway access should be evaluated against actual commercial outcomes. A commitment to commercially reasonable terms would not, by itself, give shippers confidence that competing routes will remain viable. Any proposed protections must address both pricing and service, be enforceable, and last long enough to protect long-lived shipper investments. A remedy that requires an individual customer to pursue a costly dispute after losing effective competition would offer limited protection against immediate business disruption.

Potential single-line efficiencies deserve scrutiny, but they should not be assumed to produce lower customer prices or better service. Operational savings create a public benefit only to the extent that they translate into meaningful improvements for rail users and the broader supply chain. We do not believe projected efficiencies justify accepting a permanent reduction in independent railroad competition.

The proposed integration also presents a risk of service disruption extending beyond the merging carriers. Rail networks are interconnected, and delays can affect connecting railroads, ports, terminals, and customers across the country. Shippers would bear the commercial consequences of missed deliveries, interrupted production, and lost export opportunities.

For these reasons, RMG believes the proposed UP–NS merger poses an unacceptable risk of higher prices and reduced service across the rail shipping industry. The Board should preserve meaningful competition and the ability of American businesses to choose among viable rail transportation alternatives. We respectfully request that the Board deny the proposed merger.

Respectfully submitted,



Greg Oberting
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Dated: November 18, 2026

## CERTIFICATE OF SERVICE

I, Greg Oberting, certify that I have served a copy of the foregoing comments on all parties of record in this proceeding by electronic mail or, where no email address is listed on the service list, by first-class mail, in accordance with 49 C.F.R. § 1104.12.

Signature: /s/ Greg Oberting
Date: November 18, 2026