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Before the
SURFACE TRANSPORTATION BOARD

STB Docket No. FD 36873

UNION PACIFIC CORPORATION AND UNION PACIFIC RAILROAD COMPANY
- CONTROL –
NORFOLK SOUTHERN CORPORATION AND
NORFOLK SOUTHERN RAILWAY COMPANY

COMMENTS AND REQUESTS FOR CONDITIONS OF OHIO HOLDINGS, INC., MIDWEST TERMINALS OF TOLEDO, INC., MIDWEST TERMINALS OF TOLEDO, INTERNATIONAL, INC. AND MIDWEST TERMINALS - SOUTH END, LLC

(*includes color images*)

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November 18, 2026

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In accordance with Board's Decision No. 30 served in this proceeding on August 18, 2026, Ohio Holdings, Inc. ("OHI") and its subsidiaries Midwest Terminals of Toledo, Inc. ("MWT"), Midwest Terminals of Toledo, International, Inc. ("MWTTI") and Midwest Terminals - South End, LLC ("MTSE") (collectively, the "Midwest Terminals") submit these Comments and Requests for Conditions. These Comments and Requests for Conditions also for the benefit of Toledo Industrial Railroad LLC ("TIR"), a Class III rail carrier subsidiary of MWTTI. Midwest Terminals operates three river terminals along the Maumee River in Toledo, Ohio.

At this time, Midwest Terminals neither supports nor opposes the Union Pacific Corporation ("UP" or "Union Pacific") Application to acquire control of Norfolk Southern Corporation ("NS" or "Norfolk Southern").[1] However, if the Board were to approve the Application, Midwest Terminals respectfully requests that the Board impose Midwest Terminals'

[1] UP's proposal to acquire control of NS is referenced to herein as the "Application" or the "Transaction".

requested conditions to ameliorate the competitive harm that they expect that Transaction will cause to them.

The Application clearly states Union Pacific's position: single-line service is superior to interchanged service because interchanges pose onerous costs and delays.[2] UP has clearly indicated that if the Transaction is approved it will prioritize single-line (including UP-NS) and long-haul traffic over traffic where interchange with unrelated carriers, including short lines, is necessary. This seems to be especially true for traffic moving to and from the "Watershed" (which includes Toledo).[3] If the Transaction were approved, Midwest Terminals worry that this focus will reduce the UP and NS willingness to work with other Class I carriers and would disrupt the joint line routings that they have developed with their customers, leading to a reduction of competitive routings.

In order to ameliorate the potential anticompetitive impacts of the UP/NS Transaction on Midwest Terminals and their customers, Midwest Terminals ask the Board to impose the conditions requested below.

I. Background

TIR serves Ironville as a Class III common carrier (and provides in terminal switching at South and Facility 1). TIR has rights to operate over NS to interchange traffic with NS in NS's Evans Yard.

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[2] APP.VOL. 1, Pg 229.

[3] The Watershed is defined by Applicants as 250 miles from the four key watershed gateways, which are located in Chicago, St. Louis, Memphis, and New Orleans. APP. VOL. 1, Page 13. Similarly, "watershed markets" is defined as an economic region in the U.S. "where UP or NS would haul less than 250 miles before or after interchange. These markets are characterized by short-haul handoff lanes that sit right on the fault lines between the Class I railroad networks." APP.VOL. 1, Pg 228.

Midwest Terminals operates three port terminal facilities in Toledo, Ohio on the Maumee River: Ironville, South End, and Facility 1. An overview of the locations of the terminals and other relevant points referenced herein is attached as Exhibit A. The terminals handle a diversified freight mix of liquid, bulk and industrial commodities using combinations of maritime, rail, truck and pipeline distribution.

The terminals are geographically proximate to one another but divided by railroad service and operating boundaries. With respect to rail service to and from the terminals, Ironville and South End are served by Norfolk Southern, while Facility 1 is served by CSX Transportation, Inc. (CSX). TIR performs first- and last-mile railroad functions at Ironville and interchanges with NS via existing operating rights at NS's nearby Evans Yard. Attached as Exhibit B is a chart showing the car counts by commodity and terminal facility for the years 2024 – September 2026.

The present fragmentation already constrains the ability to move traffic and equipment efficiently among related port terminal facilities as these short local movements are impractical or uneconomic under existing Class I service arrangements. Consequently, the facilities cannot be managed as a fully integrated rail-served port complex, notwithstanding their proximity and the greater flexibility available for movements by highway and maritime options. As a result, Midwest Terminals has had to move cargo by truck between Facility 1 and Ironville. Midwest Terminals see its rail component as a competitive advantage and has invested in rail-served terminal capacity seeking to generate additional rail traffic through improved service and expanded industrial development.

Although each terminal is served directly by one Class I carrier, the O/D pairs for the rail traffic are highly diversified. See Exhibit C. Traffic from Facility 1 (F1) (served by CSX) has traffic moving to and from Conrail, BNSF, CN, CPKC, CSX, UP and NS; traffic from Ironville

(IV) and South End (SE) (both served by NS) have traffic moving to and from BNSF, CN, CPKC, WLE, UP, IAIS, NS and CSX. Interestingly, currently much of the CSX traffic for F1 moves to or from UP. If as expected, a merged UP-NS would favor their "single-line" moves and would present potential downstream competitive consequences in the form of network foreclosure / gateway closing, further operational fragmentation, and larger barriers to intermodal competition. The merger as proposed will definitively reduce competition between Class I railroads and further entrench operating restrictions limiting access to connecting carriers. This outcome takes away from the Midwest Terminals ability to expand service and effectively compete in diverting freight from highway to rail, an offering that differentiates Midwest Terminals

II. Legal Standard

A. Criteria for Approving the Transaction

The acquisition by a Class I rail carrier of another Class I rail carrier requires Board approval under 49 U.S.C. § 11323(a). Because the proposed transaction in this proceeding involves the merger or control of two or more Class I railroads, the Board examines the Application under 49 U.S.C. § 11324(b), which directs the Board to consider:

(1) the effect of the proposed transaction on the adequacy of transportation to the public;

(2) the effect on the public interest of including, or failing to include, other rail carriers in the area involved in the proposed transaction;

(3) the total fixed charges that result from the proposed transaction;

(4) the interest of rail carrier employees affected by the proposed transaction; and

(5) whether the proposed transaction would have an adverse effect on competition among rail carriers in the affected region or in the national rail system.

Although the Board must consider each of these factors, the ultimate statutory inquiry is whether the transaction is consistent with the public interest.[4] In approving a transaction, the Board may impose conditions governing the transaction, including the divestiture of parallel tracks or the granting of trackage rights and access to other facilities, to alleviate anticompetitive effects.[5]

B. Public Interest Test

In 2001, the Board revised its regulations governing major rail consolidations to impose "a heavier burden to show that a major rail combination is consistent with the public interest" ("2001 Rule").[6] The 2001 Rule requires an applicant "to provide a plan for enhancing competition" so that the Board may "remedy every competitive harm that would stem from any proposal that [it] decide[s] to approve."[7]

In determining whether a proposed transaction is consistent with the public interest, the Board considers criteria set out in the governing statute using a balancing test to weigh numerous factors as established in the 2001 Rule.[8] Specifically, the Board must weigh the goals of effective competition, carrier safety and efficiency, adequate service for shippers, environmental safeguards, and fair working conditions for employees.[9] The Board must also ensure than a transaction would promote a competitive, efficient, and reliable national rail system.[10] Accordingly, a merger serves the public interest only where substantial and demonstrable gains in important public benefits, including improved service and safety, enhanced competition, and

[4] *See* 49 U.S.C. § 11324(c).
[5] *Id*.
[6] *Major Rail Consolidation Procedures*, STB Ex Parte No. 582 (Sub-No. 1), slip op. at 9 (served June 11, 2001) [hereinafter *2001 Rule*].
[7] *Id*. at 20.
[8] *Id*. at 16; 49 C.F.R. §1180.1(b)-(c); 49 U.S.C. §§10101, 11324(b).
[9] *Id*. at 14; 49 C.F.R. §1180.1(b)
[10] *Id*.

greater economic efficiency, outweigh the transaction's anticompetitive effects, potential service disruptions, or other merger-related harms.[11] In making this analysis the Board recognized the risk that with a railroad combination the merged carrier would acquire and exploit increased marked power, including with end-to-end mergers. Accordingly, the Board determined that it would "require applicants to present an effective plan to keep open major existing gateways, and [would] impose conditions on any transaction that [they] approve to ensure that result."[12] In response to broad proposals for determining when a gateway would be deemed economically closed, the Board decided they would make such decisions on a case-by-case basis.[13]

The 2001 Rule requires applicants to offset potential harms of the proposed merger by proposing conditions "that would not simply preserve but also enhance competition."[14] If a proposed merger is not, on its face, consistent with the public interest, the Board "will either deny it or impose sufficient conditions to ensure that it is in the public interest."[15]

C. Treatment of Class II and III Railroads

The Board gives particular consideration to the effect of major rail consolidations on Class II and Class III railroads and identifies their interests as a key component of merger review and the balancing test in determining public interest.[16] Applicants must explain "how they would preserve competitive options for shippers and for Class II and III rail carriers."[17] Under the 2001 Rule,

> [A]pplicants must address the anticipated effects of a proposed merger on regional and shortline railroads, identify any benefits that

[11] *Id*. §1180.1(c).
[12] *2001 Rule*, at 25. *See also*, 49 C.F.R. §1180.1(c)(2)(i).
[13] *2001 Rule,* at 25.
[14] *Id*. §1180.1(d).
[15] *2001 Rule*, at 13.
[16] *Id*. at 27.
[17] 49 C.F.R. §1180.6(b)(10)(i).

> those small railroads and their customers would realize as a result of the proposed transaction, and develop suggested remedies for any anticipated harms to the public interest by virtue of a merger's adverse impacts on regional and shortline railroads and ports.[18]

Consistent with this approach, the Board places "greater emphasis to the role of Class II and Class II carriers and ports in the broader transportation infrastructure" in conducting its balancing test.[19] Where competitive or other merger-related harms to Class II or Class III remain, the Board will impose necessary conditions "to ameliorate or redress those harms". [20]

The Board has looked closely at the adverse effects of rail consolidations on regional and short line railroads. The Board has previously noted:

> In our merger decisions …, we have given special consideration to shortline interests, generally providing protections similar to those afforded shippers. For example, if a merger would cause a short line to lose one of its two Class I connections, it has been our practice to impose conditions where feasible, to preserve a second connection. Similarly, if a shortline carrier has a build-out option to reach a second Class I carrier, we have attempted[sic] to preserve that option as well. …
>
> We are keenly aware that shortlines are an important part of the national rail transportation system. They provide a valuable service in gathering and distributing traffic that generally flows over the lines of the Class I carriers, and they are usually able to provide this type of service at a lower cost than the larger carriers can achieve. … Nevertheless, where conditions are warranted to protect the interests of particular shortlines, or shortlines in general, from the adverse impacts of this transaction, we will impose them as appropriate.[21]

Therefore, where the criteria for imposing conditions are satisfied, the Board has imposed appropriate conditions to protect short lines from merger-related harms.

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[18] *2001 Rule*, at 27.
[19] *Id*. at 15.
[20] *See id*. at 27.
[21] *CSX Corp., et al.–Control and Operating Leases/Agreements–Conrail Inc., et al.*, STB Finance Docket No. 33388, Decision No. 89, slip op. at 76 (served July 20, 1998).

III. Criteria for Imposing Conditions

Under 49 U.S.C. §11324(c), the Board has "broad authority to impose conditions" on a Class I merger transaction to preserve and enhance competition.[22] The Board may issue conditions when a proposed merger would reduce competition, harm essential rail services, or result in transitional service disruptions or other service problems.[23] The Board may exercise its conditioning authority whenever appropriate conditions would protect the public interest without unduly diminishing the public benefits of the proposed transaction.[24]

IV. Requested Conditions

Midwest Terminals requests that if the Application is approved, the Board impose the following conditions to address potential harm to the Ohio Parties, and to preserve and enhance competition in the port area and promote the public interest.

A. Port Terminal Interoperability

The merger as proposed will definitively reduce competition between Class I railroads and further entrench operating restrictions limiting access to connecting carriers. This outcome takes away from the Midwest Terminals ability to expand service and effectively compete in diverting freight from highway to rail. It is the access to many downstream Class I carriers (alternative competitive routes) that differentiates Midwest Terminals. Midwest Terminals' investments in this competitive advantage will be constrained given reduced routing flexibility absent the appropriate access protections and operating arrangements requested as conditions herein to preserve and enhance their ability to compete. The following requested arrangements are intended to convert these investments and customer opportunities into sustainable rail volumes.

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[22] 49 C.F.R. §1180.1(d).
[23] *Id*. §1180.1(c)(i)-(iii).
[24] *See id*. §1180.1(d).

In order to develop this framework, Midwest Terminals requests that the Board impose appropriate, narrowly tailored conditions, or that the Applicants agree to negotiate corresponding voluntary commitments, to preserve and enhance competitive transportation options and enable coordinated first- and last-mile service at the Port of Toledo. The precise property rights, operating authority, interchange obligations, compensation, dispatching arrangements, and safety protections would be defined in implementing agreements and, where required, regulatory approvals.

The central objective is to permit TIR to operate the geographically proximate Ironville, South End, and Facility 1 terminals as a more integrated local rail system, reducing unnecessary intermediate movements (including some truck moves of cargo between Facility 1 and Ironville) while preserving Class I line-haul opportunities. Midwest Terminals identifies the following two related conditions:

1. NS to grant TIR access to CSX at the Ironville Diamond.

NS to provide or facilitate the necessary crossing, connection, and operating rights at or near the Ironville Diamond to permit TIR to reach CSX-served Facility 1 from its existing operating territory.

Currently TIR operates over the NS line between Ironville and NS's Evans Yard to perform interchange with NS. The Ironville Diamond is located where CSX's tracks cross NS's tracks. This access would enable direct, coordinated local movement of railcars and equipment between Midwest Terminals facilities without requiring separate Class I terminal moves where operationally avoidable. The expected public benefits include improved equipment utilization, more reliable service, and additional traffic that can be handled economically by rail. It would also

allow Midwest Terminals to shift traffic between the terminals to offset any downstream gateway closings or network foreclosure.

2. NS to grant TIR access over the Maumee Branch to South End

NS to provide or facilitate TIR operating rights over the relevant NS Maumee Branch trackage from Evans Yard to the South End terminal, including necessary switching and access rights. As noted above, TIR already operates to Evans Yard to interchange with NS. These additional rights would allow TIR to coordinate South End service with Ironville operations, reduce fragmented local switching and improve customer responsiveness while preserving NS opportunities to handle line-haul traffic. This would also allow South End to receive more frequent service than NS currently provides without affecting NS's line-haul traffic.

B. Preserving UP O/D pairs to Facility 1

CSX currently partners with UP on traffic moving to and from Facility 1. If the Application is approved, UP will be incentivized to try to shift traffic away from CSX to an NS alternative site through pricing actions that would affect the relationship with CSX and harm Midwest's customers at Facility 1. Midwest Terminals seeks a condition to ensure that the transaction does not impair existing commercially available routing options for Facility 1 traffic moving to or from UP-served markets as Facility 1 is in the "watershed" as identified by Union Pacific and Norfolk Southern, by requiring Union Pacific to maintain competitive pricing on traffic moving to and from CSX / Facility 1.

V. Conclusion

For the foregoing reasons, Midwest Terminals request that the Board impose the conditions requested herein.

Respectfully submitted,

/s/ Eric M. Hocky

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Dated: November 18, 2026

VERIFICATION

I, Diane Weber, Treasurer of Ohio Holdings, Inc., Midwest Terminals of Toledo, Inc., Midwest Terminals of Toledo, International, Inc. and Midwest Terminals - South End, LLC verify under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file the foregoing document.

Executed on November 18, 2026

Diane Weber

CERTIFICATE OF SERVICE

I hereby certify that on this 18th day of November 2026, the foregoing document was served by first-class mail or email upon all parties of record on the service list and the administrative law judge in this proceeding.

/s/ Eric M. Hocky

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Eric M. Hocky

EXHIBIT A

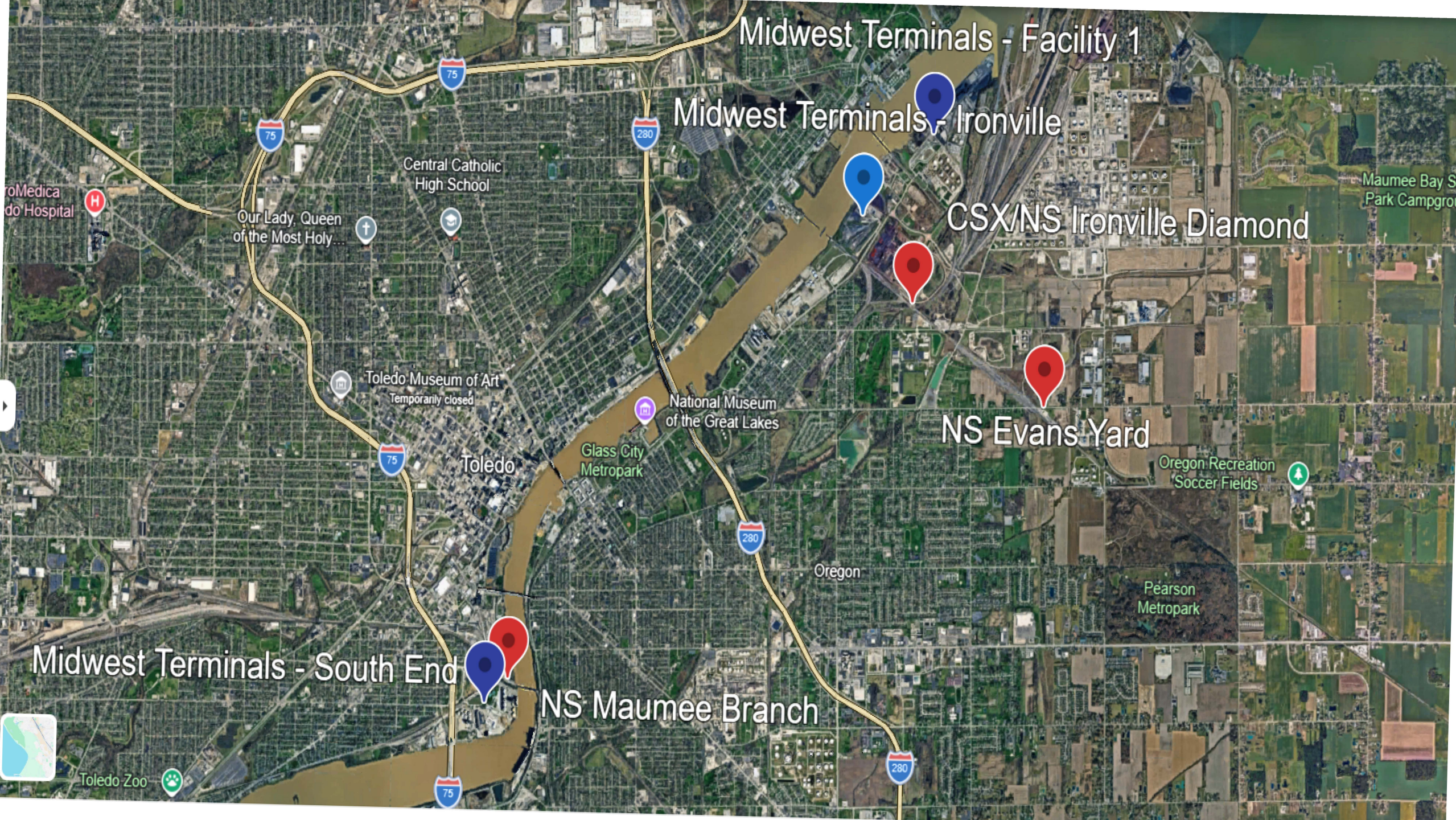
Midwest Terminals - Facility 1
Midwest Terminals - Ironville
CSX/NS Ironville Diamond
NS Evans Yard
Midwest Terminals - South End
NS Maumee Branch
Central Catholic High School
Our Lady, Queen of the Most Holy...
Toledo Museum of Art
Temporarily closed
National Museum of the Great Lakes
Glass City Metropark
Toledo
Oregon
Oregon Recreation Soccer Fields
Pearson Metropark
Toledo Zoo
Maumee Bay S Park Campgrou
75
280

EXHIBIT B

Facility / Commodity	2024	2025	YTD Sep 2026
Facility 1	**3,423**	**4,388**	**3,291**
Alkylate		22	534
Aluminum	807	728	203
ATB		60	
Auto Frames		503	332
Black Oil	768	708	347
Caustic	219	227	179
Coke	1,581	2,035	1,585
Lumber	16	72	73
Methanol	23	33	15
Pig Iron			23
Scrap	8		
Steel Plate	1		
Ironville	**12,134**	**11,454**	**8,910**
Aluminum			1
ATB		22	
Ballast	545	383	
Biodiesel	400		
Black Magic		6	13
Black Oil		157	58
Butane	152	59	32
HBI	8,957	9,420	8,147
Iron Ore Fines	502		
Lime	173	245	329
Millscale	539	292	
Nonene	111	69	
Nut Coke	195	395	144
Pentane	66	23	
Plastic Pellets	51	49	53
Propylene	391	235	80
Tomatoes	52	99	53
South End*		**254**	**160**
Alfalfa		26	-
Canola		22	22
Cottonseed		15	-
ESN		59	17
MAP			15
Oats		132	106
Grand Total	**15,557**	**16,096**	**12,361**

**Data for South End not available for 2024 and Jan-May 2025*

EXHIBIT C

COMMODITY	F1 (CSX)	IV/SE (NS)	O/D RR	VOLUME	%		YEAR
Alkylate	X		CONRAIL	556	1%		2024
Aluminum	X	X	BNSF/CN/CPKC	1739	4%		2025
Auto Frames	X		CSX	917	2%		2026 YTD
Ballast		X	WLE	938	2%		
Black Oil	X	X	CN/UP	1397	3%		
BioDiesel		X	CN/IAIS/NS/UP	600	1%		
Butane		X	NS	243	1%		
Caustic	X		BNSF/UP	625	1%		
PCoke	X	X	BNSF/CSX	5201	12%		
HBI		X	CN/NS	26524	61%		
Lime		X	UP	747	2%		
Misc. Bulk Liquid	X	X	BNSF/UP	481	1%		
Lumber	X		CN	161	0%		
Millscale		X	CSX/NS	831	2%		
NCoke		X	UP	734	2%		
Propylene		X	NS	706	2%		

VOLUME
14,789
15,842
12,550
43,181