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Chief of Case Administration
Office of Chief Counsel
Surface Transportation Board
395 E Street SW
Washington, DC 20423-0001

RE: Docket No. FD 36873—NFU Opposition to the Proposed Union Pacific Railroad Company (UP) and Norfolk Southern Railway Company (NS) Merger

On behalf of National Farmers Union (NFU), America's family farm organization, thank you for the opportunity to comment on the proposed UP/NS rail merger. Founded in 1902, NFU is a grassroots organization representing American family farmers, ranchers, and their communities nationwide, working to enhance and support their economic well-being and quality of life. For the reasons detailed below, NFU opposes the proposed UP/NS merger and requests the Surface Transportation Board (STB) to reject the merger application in its entirety.

Family farmers and ranchers are facing immense financial challenges. Low commodity prices, combined with soaring input costs, unpredictable trade policy, and skyrocketing transportation expenses all contribute to the farm crisis. Rail mergers have only added to these pressures by further consolidating our country's already-weakened rail network. Farmers are left without options, and the lack of competition allows railroads to continue raising rates while reaping higher profits, with no incentive to improve service. American shippers must now pay increasingly high rates for unreliable and unpredictable rail service.

Decades of mergers have left four railroads carrying about 90% of U.S. freight rail traffic.[1] Adjusted for inflation, rail rates have also increased by more than 40% over the past 20 years[2], leaving many shippers

[1] Rail Customer Coalition, "Rail Customers Say Competition Must Come First in UP–NS Merger Review," December 19, 2025, https://www.americanchemistry.com/chemistry-in-america/news-trends/press-release/2025/rail-customers-say-competition-must-come-first-in-up-ns-merger-review.
[2]"Economic Analysis: Consolidation and Increasing Freight Rail Rates," July 2021, https://www.freightrailreform.com/wp-content/uploads/2021/07/Economic-Analysis-Consolidation-and-Increasing-Freight-Rail-Rates.pdf.

dependent on a single railroad that can continue raising shipping costs due to a lack of competition. The proposed merger between UP and NS is deeply concerning and will have significant consequences for family farmers who depend on these rail lines to keep their operations viable. If approved, the UP/NS merger would give a single railroad control over roughly 40% of U.S. rail freight.[3] It would also be the largest rail merger in U.S. history, valued at about $85 billion when announced.[4]

NFU's rail policy, developed by its family farm and ranch members, opposes any merger between major railroad carriers and supports greater STB rail oversight. The STB's ongoing review of the UP/NS merger application presents an important opportunity to prioritize rail competition and protect American farmers, shippers, and consumers from the harmful effects further consolidation will bring to our rail system and food supply chain. Therefore, NFU recommends several actions beyond rejecting this merger that can protect existing competition in the rail shipping market and even bolster competitiveness in the future.

NFU supports increasing the STB's oversight authority, so it can more effectively address competition challenges and hold railroads accountable. The STB has played a very important role in overseeing the rail industry; however, it faces several regulatory limitations that restrict its ability to effectively oversee and prevent anti-competitive rail practices. Its authority over rail operations and pricing is limited by federal legislation dating back to the Staggers Act of 1980, which deregulated the rail industry and allowed major railroad companies considerable control over their businesses. Since then, railroads have largely set their own prices.

Expanding the STB's oversight authority would enable the Board to establish clear, enforceable performance standards and hold railroads accountable when they fail to meet those requirements. These standards should include requirements for railroads to provide advance notice of rate increases and service delays, giving shippers adequate time to adjust their operations, plan accordingly, and mitigate potential financial losses. Additionally, the STB should have the authority, upon request, to remove contractual restrictions that prevent short-line railroads from transferring or delivering shipments to other connecting rail carriers. This would allow short-line railroads to connect agricultural shippers with additional transportation providers, expand access to the national rail network, and encourage greater competition among major railroads. These measures would help reduce transportation costs, improve market access, and provide farmers with more reliable and affordable shipping options.

NFU also supports strengthening antitrust enforcement in the railroad industry to prevent further consolidation and preserve competition among rail carriers. As the industry becomes increasingly concentrated, shippers have fewer options, leaving them vulnerable to higher shipping rates and limited bargaining power. For example, when a merged railroad controls both sides of a gateway, it can favor its

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[3] "Union Pacific Announces Landmark $85B Deal to Buy Norfolk Southern," *SupplyChainBrain*, citing *The New York Times*, https://www.supplychainbrain.com/logistics/rail-intermodal/article/15880472/union-pacific-announces-landmark-85b-deal-to-buy-norfolk-southern.

[4] Union Pacific, "Union Pacific and Norfolk Southern to Create America's First Transcontinental Railroad," July 29, 2025, https://www.up.com. See also Rail Customer Coalition, "Rail Customers Say Competition Must Come First in UP–NS Merger Review," December 19, 2025.

own lines over connecting carriers, leaving farmers with fewer routes. Railroads can then impose higher freight charges and accessorial fees and provide inadequate service, with no competitor to check them. Congress can strengthen antitrust enforcement by passing legislation to establish stricter limitations for all future railroad mergers. Congress should also require more rigorous reviews of proposed mergers, acquisitions, and consolidations. The STB should use its existing authority to reject proposed mergers that substantially reduce competition or further concentrate control of our rail network.

Furthermore, NFU recommends establishing reciprocal switching requirements within railroad terminals and extending them an appropriate distance beyond terminal boundaries to encourage competition among rail carriers. Reciprocal switching would allow farmers and other agricultural shippers located on a single railroad network to reach competing rail carriers when their primary railroad provides uncompetitive rates or inadequate service. For example, a farmer who relies on one major railroad could request access to another carrier through reciprocal switching, creating additional transportation options, and greater negotiating power over shipping rates. Expanding this access would reduce transportation costs and improve service reliability not only for farmers but for all U.S. shippers. [5] NFU urges the Board to finish that work so reciprocal switching becomes a usable remedy for agricultural shippers.

A competitive and reliable rail system is vital to the success of American agriculture. Family farmers and ranchers have long relied on rail transportation to move their products to market, and that reliability is at risk under the proposed UP/NS merger. For this reason, we urge the STB to reject this merger application, and we ask Congress and the STB to establish stronger antitrust enforcement measures and safeguards to prevent any further consolidation within our rail industry. NFU believes a fair, transparent, and accountable rail system is essential to ensuring family farmers and ranchers can continue growing, producing, and delivering the food, fuel, and fiber our nation depends on.

Thank you again for the opportunity to submit comments. We appreciate your consideration and look forward to continuing to work with you. If you have any questions or would like any additional information please contact Layla Soberanis, NFU Senior Government Relations Representative at LSoberanis@nfu.org.

Sincerely,



Rob Larew,
President

[5] *Grand Trunk Corp. v. Surface Transportation Board*, No. 24-1811 (7th Cir. July 8, 2025); *Eliminating Regulatory Barriers to Competition: Review of Part 1144*, STB Docket No. EP 788, 91 Fed. Reg. 945 (January 9, 2026).

CERTIFICATE OF SERVICE

I hereby certify that I have caused this document to be served electronically or by first-class mail, postage pre-paid, on the Secretary of Transportation, the Attorney General of the United States, Applicants' representatives, Administrative Law Judge Jenifer Soulikias, and all parties of record in this proceeding.

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Respectfully submitted,

/s/ Layla Soberanis
National Farmers Union
Date: November 18, 2026