

Peter W. Denton
202 429 6445
pdenton@step toe.com

310885

Step toe

1330 Connecticut Avenue, NW
Washington, DC 20036-1795
202 429 3000 main
www.step toe.com

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BNSF-17

VIA E-FILING

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

**Re: STB Docket No. FD 36873, Union Pacific Corporation, et al.—
Control—Norfolk Southern Corporation, et al.**

Dear Chief of Case Administration:

Enclosed please find a letter regarding the proposed transaction in the above-referenced proceeding from TUCO Inc.

Respectfully submitted,

/s/ Peter W. Denton

Peter W. Denton
Attorney for BNSF Railway Company



January 18, 2026

The Honorable Patrick Fuchs
The Honorable Michelle Schultz
The Honorable Karen Hedlund
Surface Transportation Board
395 E Street, NW
Washington, DC 20423

Re: TUCO Inc. Concerns with UP-NS Proposed Merger

Dear Chairman Fuchs, Vice Chairman Schultz, and Member Hedlund,

TUCO Inc. believes that Union Pacific and Norfolk Southern's proposed merger presents significant risk for businesses like ours and the U.S. economy. We are concerned the merger will harm shippers and their customers by eliminating competition, disrupting service, weakening the U.S. supply chain, and increasing transportation rates. This would lead to higher costs for American businesses, making it harder for America to compete in global markets and harder for everyday Americans to afford basic necessities.

Given these high stakes, we respectfully ask the Board to carefully consider the following concerns as it scrutinizes whether any form of the transaction (including any conditions intended to remedy competitive harms or enhance rail-to-rail competition) is capable of meeting the appropriately rigorous standards set forth in the Board's governing statutes and regulations:

- ***Reduced Competition and Rate Increases.*** A combined UP-NS would dominate key freight markets and shared rail industry assets, giving it unmatched power over shippers, suppliers, and rail workers. Less competition means higher costs for everyone. UP recognized this dynamic itself when it opposed the much smaller CPKC merger just a few years ago. UP said there would be "enormous post-merger pressure" to eliminate interline moves and implement "anticompetitive strategies" like "raising rates shippers must pay for interline service or degrading the quality of service shippers receive when using interline service."¹
- ***Service Degradations and New Supply-Chain Vulnerabilities.*** As seen with prior rail mergers, the proposed transaction would likely cause service disruptions and congestion. While the UP-SP merger is the best-known example of that unfortunate history because of its widespread and severe impacts to the U.S. supply chain, you need only look back to earlier this year to see history repeating itself. Given the size and scope of the proposed

¹ UP Feb. 28, 2022 Comments and Request for Conditions, Canadian Pacific Railway—Control—Kansas City Southern, STB Docket No. FD 36500, at p. 26.

merger, even relatively minor disruptions could cripple rail service across the country, with ripple effects across the rest of the US supply chain and our economy. UP would also gain control of key facilities and terminal railroads, having incentives to favor its own trains while creating bottlenecks and service problems for others.

- ***UP's Promises Are Undercut by Its Track Record.*** UP has a history of failing to honor the competitive remedies granted to shippers in the last major round of mergers. Over the past 25 years, UP has raised rates and shed traffic instead of expanding service, signaling that it values profits over growth. This history strongly suggests that a merger with NS will only shrink the rail network further. Even if UP really does want to chart a new course towards growth, it's unclear why a merger that will risk the U.S. supply chain is needed, given collaboration opportunities that can already be pursued today.
- ***Resilience and Optionality.*** The merger would permanently lock in UP's dominance, eliminating alternative routes and creating single points of failure across the rail network. Resilience depends on shippers having multiple choices and a rail network that can shift to changes in supply, demand, and shipping patterns.

We appreciate the opportunity to raise these concerns with the Board, and we appreciate the Board's attention to the risks the merger poses to the businesses, workers, suppliers and everyday Americans who rely on our nation's rail network to bring competitively priced goods to and from U.S. markets.

Sincerely,



Todd Weddington
Its Vice President

CERTIFICATE OF SERVICE

I hereby certify that I have caused the foregoing letter 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.

/s/ Onika K. Williams

Onika K. Williams
Attorney for BNSF Railway Company

February 18, 2026