STATE OF NEBRASKA
Office of the Attorney General
2115 STATE CAPITOL BUILDING
LINCOLN, NE 68509-8920
(402) 471-2682
TDD (402) 471-2682
FAX (402) 471-3297 or (402) 471-4725

MIKE HILGERS
ATTORNEY GENERAL

September 10, 2026

Hon. Patrick Fuchs
Chair
Surface Transportation Board
395 E Street, NW
Washington, DC 20423

VIA EMAIL

Re: Proposed Merger of Union Pacific and Norfolk Southern (FD 36873)

Dear Chair Fuchs, Vice Chair Schultz, Member Kloster, and Member Hedlund:

The undersigned Attorneys General of Nebraska, Georgia, and West Virginia, on behalf of our respective States, write to reaffirm and supplement our prior submission to the Surface Transportation Board dated November 20, 2025, in support of the merger of Union Pacific and Norfolk Southern (collectively, "Applicants"). As we explained in that letter, the proposed merger would strengthen America's freight rail system by creating, for the first time, an end-to-end single-line network spanning the country from west to east. Since we submitted our prior comment, Applicants have filed detailed reports and data with this Board showing that their combination will likely lower supply-chain costs to shippers, result in lower prices for consumers, and create more jobs at the combined company due to increased demand. We write again now to highlight some of these findings. We hope the Board will give regulatory approval to the merger in a timely fashion.

Today, a cross-country rail shipment often changes hands at an interchange point, and sometimes more than once. Each handoff adds delay, cost, and uncertainty. Eliminating those handoffs would let freight move more directly and predictably, reducing costs for shippers and consumers alike.

The combination of Union Pacific and Norfolk Southern would provide shippers the single-line service they prefer—one that connects eastern and western United States with low-cost, reliable movement from a single carrier. When single-line and interline services compete on the same lane, single-line captures more traffic 72 percent of the time[1] and is consistently less expensive.[2]

The merger's projected benefits are substantial. Integrating Union Pacific and Norfolk Southern would convert an estimated 10,000 existing interline lanes into single-line service[3] and open additional rail opportunities for customers currently relying on trucking to move freight.

The merger's competitive benefits will be complemented by Committed Gateway Pricing (CGP), which gives BNSF and CSX haulage-like access across thousands of lanes and allows them to quote through-rates without requiring concurrence from Union Pacific or Norfolk Southern. CGP therefore extends some benefits of single-line service to customers and routes that would not otherwise benefit directly from the merger.

CGP is a new competitive option that complements existing routing, service, and commercial alternatives; shippers retain access to all current pricing options. Claims that a Union Pacific–Norfolk Southern merger would raise CGP rates make little economic sense. If the merged railroad priced CGP above competitive levels, shippers could turn to competing railroads, putting thousands of shipments—and the associated revenue—at risk.

Our States are home to diverse industries that rely on dependable freight rail and would benefit from the merger's single-line efficiencies. Nebraska's corn, soybean, and beef industries, together with its ethanol producers and food processors, rely on rail to move agricultural commodities, feedstocks, and finished products to markets across the country. West Virginia's coal mines, natural gas producers, chemical manufacturers, and timber and forestry businesses likewise rely on rail to transport bulk commodities, inputs, and products. In Georgia, poultry, pecan, peach, and cotton producers, automotive manufacturers, logistics and distribution operations, and forest-products companies depend on efficient rail connections to reach suppliers and customers. Eliminating interline handoffs would reduce transit times and uncertainty and lower costs for these industries, strengthening the competitiveness of our States' businesses and benefiting consumers.

---

1 Hunt Verified Statement at 26, Exhibit 3-3 (App. Vol. 2, p. 413).

2 Hunt Verified Statement at 27–28, Exhibit 3-5 (App. Vol. 2, p. 414–15).

3 Applicants' Second Response to Decision No. 21, at 7 (July 27, 2026).

In short, for the reasons discussed here and in our previous letter, the proposed merger will benefit shippers, consumers, workers, and our States. By eliminating wasteful handoffs and expanding single-line rail service, the combined network is expected to generate approximately $3.5 billion in annual shipper savings from truck-to-rail conversions,[4] with benefits flowing through supply chains to consumers. Increased rail demand should also support employment.

The merger will benefit our individual States and the Nation as a whole. On behalf of our States, we urge the Board to approve the proposed merger of Union Pacific and Norfolk Southern.

Sincerely,

Mike Hilgers
Nebraska Attorney General

J.B. McCuskey
West Virginia Attorney General

Chris Carr
Georgia Attorney General

[4] Hunt Verified Statement at 95 (App. Vol. 2, p. 482).

CERTIFICATE OF SERVICE

I hereby certify that this day of September 10, 2026, 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/ Zachary B. Pohlman

ZACHARY B. POHLMAN
Principal Deputy Solicitor General
zachary.pohlman@nebraska.gov

Nebraska Department of Justice
1445 K Street, Room 2115
Lincoln, Nebraska 68508
Tel.: (402) 471-2683
Fax: (402) 471-3297

Counsel for State of Nebraska