



BUILDING AMERICA®

February 3, 2026

Via email: psc.telecom@nebraska.gov

Nebraska Public Service Commission
Attn: Telecommunications
1200 N. Street, Suite 300
Lincoln, NE 68508

Re: December 16, 2025 Order Opening Docket and Seeking Comment in the
Nebraska Public Service Commission's investigation of standard crossing
fees charged for telecommunications companies to access rights-of-way
controlled by railroad carriers.
Application No. C-5685/PI-259

Dear Commission:

Union Pacific Railroad Company ("Union Pacific") offers the following replies to the
Comments of Black Hills Nebraska Gas, LLC d/b/a Black Hills Energy dated January 21,
2026.

1. Section 3(a) — Application Timelines

Union Pacific received four utility crossing applications from Black Hills Energy, all of which
were submitted in 2019. None required more than 100 days for review or agreement
execution.

2. Section 3(b) — Pipeline Crossing Standards

Black Hills Energy asserts that disagreements frequently arise over pipeline-crossing design.
Union Pacific applies AREMA standards and provides applicants with direct access to these
standards and related engineering guidance on its website.

3. Section 3(c) — Points of Contact

Union Pacific does not outsource applicant negotiations and requires all third-party utility
crossing applications to be submitted through its online portal. Third-party utility applications
are managed directly by the Nebraska Utility Manager or the Director of Utility Contracts,
whose contact information is available on Union Pacific's Real Estate website. Applications
and designs are reviewed with ongoing communication to applicants as needed. Applicants
are required to meet Union Pacific, FRA, and AREMA standards for safe construction and
maintenance within the railroad right-of-way. The permitting process also secures
appropriate compensation for the property right conveyed and preserves a permanent record
of the installed utility infrastructure.

4. Section 3(d) — Valuation of Property Rights

Black Hills Energy asserts that railroad property valuations exceed fair market value and serve as revenue generators. In contrast, Union Pacific's license fees reflect the fair market value of the property right conveyed, not administrative or contractor costs.

5. Section 3(f) — Flagging Fees

Flagging is performed by third-party contractors through a separate agreement between the flagging supplier and applicant.

6. Section 3(g) — Special Circumstances

None of the special circumstances cited by Black Hills Energy apply to the existing Union Pacific–Black Hills Energy projects identified herein.

7. Section 3(h) — Proposed Legislative Expansion

Black Hills Energy proposes expanding Neb. Rev. Stat. § 86-184 to include gas and electric utilities, impose a 30-business-day review period, and cap expedited fees at \$5,000. Union Pacific opposes extending § 86-184 to pipeline or electrical installations because these installations are operationally complex and introduce significant risks to rail infrastructure, train movements, and maintenance activities—risks that are not present with typical telecommunications crossings.

Pipeline and electrical installations across or under railroad tracks can create electrical interference, require substantial excavation, cause track settlement, and risk damage to buried or above-ground railroad infrastructure—each of which directly impacts safe rail operations. Because this work occurs in close proximity to active tracks, it introduces substantial operational-safety risks for train movements and utility crews. For this reason, Union Pacific and FRA safety protocols require flagging for all utility-crossing work to ensure controlled rail operations and protect all personnel on railroad property.

Union Pacific appreciates the opportunity to continue engaging with the Commission and stakeholders in this proceeding. If you have questions about any of the responses we have provided, I can be contacted at (402) 544-8658 or via email at jhild@up.com.

Respectfully submitted,

A handwritten signature in black ink that reads "Jim Hild". The signature is written in a cursive, flowing style.

Jim Hild
Director Utility Contracts – Real Estate