

Congress of the United States
House of Representatives
Washington, DC 20515

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The Honorable Martin J. Oberman
Chairman
Surface Transportation Board
395 E Street, SW
Washington, DC 20423

**Re: FD No. 36447, Lake Providence Port Commission—Feeder Line Application—
Line of Delta Southern Railroad Located in East Carroll and Madison Parishes,
Louisiana**

Dear Chairman Oberman:

We are writing to draw your attention to a matter of pressing importance regarding the Lake Providence Rail Line, a rail service line that is key to the economic viability of southern Arkansas and northeast Louisiana – some of the most underserved and impoverished regions in our nation.

It has come to our attention that the Lake Providence Port Commission (LPPC) filed an application to acquire a portion of the Lake Providence Rail Line from Delta Southern Railroad, Inc. (DSR) on November 12, 2020. However, due to delays and complications, this critical interstate rail line's restoration has been hindered, affecting local businesses and communities.

We understand that the Surface Transportation Board has been diligently working on this case, and that initial steps were taken. However, progress has been slow, and we respectfully urge you to expedite the resolution of this matter. It's crucial to note that the proper functioning of this rail line has far-reaching implications for the economy and transportation in the region – which is in dire need of assets like these that will catalyze economic development.

Our constituents have shared the procedural details of this matter and relayed their concerns about the delays and disruptions caused by this issue as follows:

- The Board unanimously determined that the application was complete and established a procedural schedule, but DSR never filed a verified response after the Board suspended the schedule on March 9, 2021. Instead of establishing a new schedule, the Board ordered LPPC to mediate with DSR and its owner, West Gate Intermediate Holdings, Inc. (West Gate), which was established by Golden Gate Capital, a private equity firm in San Francisco, CA. As the Board's docket indicates, mediation failed to resolve the controversy.
- On March 4, 2022, LPPC filed a motion to file a supplemental application to acquire the entire Lake Providence Line from DSR between MP 471.0 and MP 491.0. The Board

granted that motion on August 23, 2022. However, before LPPC could file its supplemental application, West Gate entered into an agreement to sell the shares of DSRR to Patriot Rail Company LLC. Over LPPC's objections, the Board's Director of Proceedings, by decision dated December 20, 2022, allowed the transaction to be consummated without conducting an investigation.

- On January 4, 2023, LPPC filed its supplemental application. In response, DSRR filed a motion requesting the Board to reject the supplemental application on the grounds that the supplemental application assertedly is not complete. LPPC responded to DSRR's request, disputing DSRR's assertion that the supplemental application is not complete. Although the Board's regulation at 49 C.F.R. § 1151.2(b) provides that "the Board, through the Director of the Office of Proceedings, will either accept as complete or reject as incomplete a feeder line application in a decision served no later than 30 days after the application is filed," the Board, by decision dated February 2, 2023, waived that regulation.
- As of this date, the Board has not yet reached a decision on whether to accept the supplemental application. It is understood that the Board was required by statute to focus in February and March 2023 on the Canadian Pacific Railroad's acquisition of the Kansas City Southern Railway, which also impacts Louisiana, but that acquisition was approved in March 2023.

While we are aware that the Board also has a substantial number of pending proceedings, we believe that the public interest favors the restoration of the entire rail corridor between McGehee, Arkansas and Tallulah, Louisiana to provide for improved and more efficient rail service. Given that objective, which is consistent with the Department of Transportation's 2019 decision to award an INFRA Grant to restore the entire Line for the benefit of all shippers in both Louisiana and Arkansas who wish to ship over the Line, we urge the Board to decide expeditiously whether the supplemental petition is complete.

Thank you for your attention to this important issue and for your continued work on this case. We urge you to give every appropriate consideration to these concerns and welcome your reply as soon as possible.

Sincerely,



Bruce Westerman
Member of Congress



Troy Carter
Member of Congress