

53001
EB

SERVICE DATE – MAY 27, 2026

SURFACE TRANSPORTATION BOARD

DECISION

Docket No. FD 36447

LAKE PROVIDENCE PORT COMMISSION—
FEEDER LINE APPLICATION—LINE OF DELTA SOUTHERN RAILROAD LOCATED IN
EAST CARROLL AND MADISON PARISHES, LA.

Digest:¹ The Board directs Lake Providence Port Commission to submit any revisions to its valuation calculations and supporting evidence deemed warranted by the updated information Delta Southern Railroad, Inc., recently produced in discovery and sets a deadline for the completion of discovery.

Decided May 26, 2026

This proceeding involves efforts by the Lake Providence Port Commission (LPPC), a noncarrier political subdivision of the State of Louisiana, to acquire the portion of the McGehee-Tallulah rail corridor owned by Delta Southern Railroad, Inc. (DSRR), a Class III rail carrier, through a feeder line application under 49 U.S.C. § 10907 and 49 C.F.R. part 1151.²

On December 12, 2025, the Board issued a decision that, among other things, assigned and authorized Administrative Law Judge (ALJ) Jenifer Soulikias to address discovery matters in this docket. Lake Providence Port Comm'n—Feeder Line Appl.—Line of Delta S. R.R. Located

¹ The digest constitutes no part of the decision of the Board but has been prepared for the convenience of the reader. It may not be cited to or relied upon as precedent. See Pol'y Statement on Plain Language Digs. in Decisions, EP 696 (STB served Sept. 2, 2010).

² The McGehee-Tallulah rail corridor extends from milepost 408.9 in McGehee, Ark., where it connects with Union Pacific Railroad Company, south to milepost 498.44 in Tallulah, La., where it connects with Canadian Pacific Kansas City Limited (CPKC). DSRR owns and operates the southernmost segment of the corridor, from milepost 471.0 at Lake Providence, La., to the connection with CPKC at milepost 498.44 in Tallulah (the Line).

Ownership and operation of the rest of the corridor are as follows: LPPC owns the segment between milepost 471.0 at Lake Providence and milepost 454.8 at or near the Louisiana/Arkansas border; Southeast Arkansas Economic Development District (SEAEDD), a noncarrier, owns the segment between milepost 454.8 and milepost 433.0 at Lake Village, Ark.; and the northernmost segment, from milepost 433.0 to milepost 408.9, is owned jointly by LPPC and North Louisiana & Arkansas Railroad, Inc. (NLA). NLA holds operating authority over these three segments of the corridor. (See, e.g., Am. Appl. 1, 19-20, 56.)

in E. Carroll & Madison Pars., La. (Dec. 2025 Decision), FD 36447, slip op. at 3 (STB served Dec. 12, 2025).

Between December 31, 2025, and February 27, 2026, the ALJ issued various decisions to address and resolve discovery disputes presented by the parties and non-party witnesses. On March 25, 2026, the Board denied an appeal of the ALJ's most recent decision, issued February 27, 2026, and directed a non-party witness to comply by April 10, 2026, with the subpoena duces tecum issued by the ALJ. On May 5, 2026, LPPC, SEAEDD and NLA reported that those parties had completed their responses to DSRR's most recent discovery requests, (LPPC Letter 3, May 5, 2026); the letter argues that DSRR should not be permitted to seek any further discovery and that the Board should proceed to issue a procedural schedule. (Id. at 3-4.) On May 6, 2026, DSRR replied to LPPC's May 5 letter, indicating that additional discovery would be sought. (DSRR Letter 3-4, May 6, 2026.) On May 7, 2026, DSRR filed a motion for issuance of two deposition subpoenas, directed to representatives of LPPC and SEAEDD, to which LPPC and SEAEDD filed a response in opposition on May 12, 2026; DSRR filed a reply thereto on May 20, 2026, which LPPC and SEAEDD moved to strike on May 21, 2026. The May 7 and May 21 motions are pending before the ALJ.

As relevant here, on January 16, 2026, the ALJ granted a motion by LPPC to compel DSRR to provide updated valuation discovery and ordered DSRR to provide updated responses on or before March 15, 2026. Lake Providence Port Comm'n—Feeder Line Appl.—Line of Delta S. R.R. Located in E. Carroll & Madison Pars., La. (Jan. 2026 Decision), FD 36447, slip op. at 4-5 (STB served Jan. 16, 2026). In its request for this evidence, LPPC stated that such information was necessary due to the length of time that had passed since its experts submitted their valuation testimony. (LPPC Mot. to Compel 2, Dec. 16, 2025.) LPPC stated that it needed DSRR's "most recent records and data relevant to the valuation determination that DSRR may provide[] for its Rebuttal to DSR[R]'s Response and (presumed) expert valuation testimony." (Id.) Noting the "passage of time," the ALJ granted LPPC's request. Jan. 2026 Decision, FD 36447, slip op. at 4.

There has been a considerable lag between LPPC's submission of valuation evidence in July 2024³ and the updated valuation information provided by DSRR in March 2026, due to unanticipated delays in this proceeding.⁴ Accordingly, LPPC will be given an opportunity to

³ (See L.E. Peabody & Associates, Crowley / Nielsen V.S. (filed July 5, 2024) and supporting evidence (filed July 26, 2024).)

⁴ Most notably, soon after LPPC submitted its valuation evidence in July 2024, the Board placed the proceeding in abeyance given pending litigation in Louisiana state court regarding whether LPPC possessed the necessary authority under state law to pursue the feeder line application. See Lake Providence Port Comm'n—Feeder Line Appl.—Line of Delta S. R.R. Located in E. Carroll & Madison Pars., La., FD 36447, slip op. at 1 (STB served Aug. 2, 2024). Issues pertaining to LPPC's authority were not resolved until June 2025, with the passage of a new state law that expressly clarified LPPC's authority and prompted new filings in this docket. See Lake Providence Port Comm'n—Feeder Line Appl.—Line of Delta S. R.R. Located in E. Carroll & Madison Pars., La., FD 36447, slip op. at 2-5 (STB served Sept. 25, 2025); see also id. at 7 (addressing the June 2025 filings).

submit any revisions to its valuation calculations and supporting evidence that it believes are warranted based on the updated discovery responses DSRR recently provided. This will also ensure that DSRR will have an opportunity to address in its responsive submission any updated evidence LPPC may present. LPPC is cautioned that it may not use this opportunity to change the methodologies underlying its valuation calculations or present new approaches; instead, the purpose here is to allow LPPC to revise its calculations and supporting evidence based on DSRR's recently produced information. LPPC must, by June 16, 2026, either file any such revisions or notify the Board that no such changes are necessary.

Discovery will close on July 6, 2026, after which notice of LPPC's amended application will be published in the Federal Register and a schedule for filing the pleadings specified in 49 C.F.R. § 1151.2(c), (e), and (f) will be set.⁵ The additional 40 days will enable the parties to complete any final discovery before the Board sets the schedule for responsive submissions and replies.

Finally, in its November 19, 2025 motion proposing a procedural schedule, DSRR requests "clarification" from the Board that entities that ship on the Line and did not submit verified statements will be presumed to be receiving adequate rail service, "since they are not part of the evidence filed with the Amended Application." (DSRR Mot. for Procedural Schedule 7, Nov. 19, 2025.) DSRR's request will be denied, as verified statements may be submitted by interested parties following notice of acceptance of a feeder line application and establishment of a procedural schedule. See 49 C.F.R. § 1151.2(e).

It is ordered:

1. LPPC must, by June 16, 2026, either file any revisions to its valuation calculations and supporting evidence that it believes are warranted based on the updated discovery responses DSRR recently provided or notify the Board that no such revisions are necessary.
2. Discovery will close on July 6, 2026.
3. DSRR's request that entities that ship on the Line and did not submit verified statements in connection with the amended application are presumed to be receiving adequate service is denied.
4. This decision is effective on its service date.

By the Board, Board Members Fuchs, Hedlund, and Schultz.

⁵ The December 2025 Decision indicated that a deadline for completing discovery would be set in the decision establishing a procedural schedule. Based on subsequent events, however, the Board finds it would be more efficient to set the procedural schedule after discovery is complete.