

**BEFORE THE
SURFACE TRANSPORTATION BOARD**

FINANCE DOCKET NO. 36447

ENTERED
Office of Chief Counsel
June 25, 2026
Part of
Public Record

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

**REPLY OF NORTH LOUISIANA AND ARKANSAS RAILROAD COMPANY TO
JUNE 16, 2026 MOTION TO COMPEL FILED BY DELTA SOUTHERN
RAILROAD, INC.**

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Dated June 25, 2026

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RAILROAD, INC.**

Introduction and Summary

On June 16, 2026, Delta Southern Railroad, Inc. (“DSRR”) filed a Motion to Compel seeking, inter alia, (a) responses to DSRR’s discovery requests served May 6, 2026, (b) year-end consolidated financial statements for 2022, 2023, 2024, and 2025, and (c) financial information further discussed below (nearly all of which is in those consolidated financial statements, from North Louisiana & Arkansas Railroad Company, Inc. (“NLA”)).

By email on June 17, 2026 addressed to Administrative Law Judge Soulikias and DSRR’s counsel, NLA’s counsel has now provided to DSRR’s counsel its Responses to DSRR’s May 6, 2026 discovery requests and NLA’s year-end reviewed financial statements for 2023 and 2024 and has committed to providing NLA’s year-end final financial statement for 2025 when it is available.

Moreover, six of the seven categories of the information DSR seeks¹ are included in the NLA year-end final financial statements are already provided

¹ In the Motion to Compel (at unnumbered page 2 and numbered page 3), DSRR listed the following information it is seeking to compel NLA to produce:

- “• NLA’s cash on hand as of December 31, 2025 [sic: may have meant 2023], as of December 31, 2024, and as of December 31, 2025;
- “• The most amount of cash on hand that NLA has had at the end of a calendar month since 2022;
- “• NLA’s net profit (gross revenues minus expenses) for each of 2022, 2023, 2024, and 2025;
- “• The amount of outstanding debt for which NLA is all or in part responsible;

(for 2023 and 2024) or will be provided soon (for 2025, when it is available).

The only remaining category sought, “the most amount of cash on hand that NLA has had at the end of a calendar month since 2022,” while not included in those statements, is neither relevant nor likely to lead to relevant information herein.

NLA’s bank balances at any given point in time are not relevant, given that NLA’s President explained² that cash in NLA’s account would routinely be swept into the account of ASL (which was owned by NLA’s President and his two brothers but has now been sold to OmniTRAX).³

Accordingly, the Motion to Compel should be determined to be moot (with respect to NLA’s Responses to DSRR’s May 6, 2026 discovery requests)

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- “• Documents sufficient to show NLA’s year-end financial statements for each of 2023, 2024, and 2025;
 - “• Documents sufficient to show NLA’s profit and loss statement for each of 2023, 2024, and 2025; and
 - “• Documents sufficient to show NLA’s balance sheet for each of 2023, 2024, and 2025.”

² NLA’s President answered all of DSRR’s counsel’s questions in his February 26, 2026 deposition herein (Exhibit 1) with respect to, inter alia, NLA’s bank accounts, the bank account of its parent Arkansas Short Line Railroads, Inc. (“ASL”), whether their books are kept on a consolidated basis; and whether the accountants review the financial information of ASL and its-then four subsidiary railroads, including NLA, on a consolidated basis.

³ The other three short line railroads owned by the Robbins Trust (Arkansas Short Line Railroads, Inc. (d/b/a Dardanelle and Russellville Railroad), and DR’s two Class III rail carrier subsidiaries, Camden & Southern Railroad, Inc. , and Ouachita Railroad, Inc., but not NLA itself, were subsequently sold by the Robbins brothers (owners of the Trust) to OmniTRAX, pursuant to an exemption pursuant to the STB’s rules on May 27, 2026. Motion to Compel at 3 & n.2; see STB Notice in FD 36922, served May 13, 2026, at 2 (exemption to take effect on May 27, 2026).

and the year-end financial statements. The remainder of the Motion to Compel should be denied.⁴

I.

MUCH OF DSRR'S MOTION TO COMPEL IS NOW MOOT.

In its Motion to Compel at (unnumbered page 2 and at page 4), DSRR contends that NLA did not respond to DSRR's discovery requests served May 6, 2026 (Exhibit C to the Motion to Compel). Those Responses, and "reviewed" (i.e., audited) consolidated financial statements for ASL and its then-subsiary railroads (including NLA) for 2023 and 2024, were ready to be served by June 5, 2026. However, counsel for NLA inadvertently neglected to send them to DSRR's counsel at that time. *See* June 17, 2026 email letter to ALJ Soulikias and DSRR's counsel, served herein. NLA served such Responses on ALJ Soulikias and DSRR's counsel on June 17, 2026, the day after receiving DSR's

⁴ Although DSR raises the issue of payment of the purchase price for DSRR's segment of the Lake Providence Branch Line at issue if Applicant Lake Providence Port Commission ("LPPC") is successful herein (Motion to Compel at 3 n.1), that issue is irrelevant to the Motion to Compel, which seeks information only from NLA, not LPPC (which would acquire DSRR's segment). In any event, the evidence and information already provided to DSRR by LPPC in discovery, and about which DSRR asked Mr. Wyly Gilfoil, Lake Providence Port's retired Director, extensive questions about in his February 24, 2026 deposition herein, shows that LPPC, which is presumed financially responsible under Surface Transportation Board ("STB" or "Board") precedent, will have sufficient funds to purchase DSRR's segment if the STB so orders. NLA will be responsible only for payment of operating costs, as the operator over the entire Lake Providence Branch Line, if the Board grants LPPC's Amended Application. NLA now operates over that Line from McGehee, AR to Lake Providence, LA, and has been doing so for several years.

Motion. Accordingly, that part of DSRR's Motion to Compel at page 6, seeking to compel such Responses, is moot.⁵

The undersigned counsel for NLA also informed DSRR's counsel that NLA's final financial results for 2025 would be provided when those were available. *Id.*; see May 26, 2026 email (Exhibit A to the Motion to Compel).⁶ Those final financial results for 2025 are not yet available and, therefore, have not yet been provided to DSRR's counsel.⁷ The production thereof (which

⁵ If DSRR's counsel had not been served with NLA's Responses and NLA's 2023 and 2024 reviewed financial results by June 15, 2026, they should have asked the undersigned why they had not been provided, who would have served them promptly. NLA's counsel and DSRR's counsel were in communication, including a meet-and-confer session, since May 6, 2026 when DSRR's latest discovery requests were served, but DSRR's counsel did not ask NLA's counsel why NLA had not responded to those May 6, 2026 discovery requests (as it now has) before filing the Motion to Compel.

⁶ DSRR's Motion to Compel quoted only a portion of the email from NLA's counsel; NLA's counsel stated "**We will confirm that the audited financial information for 2025 will be provided when they are received. As of this date, they have not been received.**" We continue to take the position that unaudited financial information is irrelevant and immaterial in this proceeding, at least if audited information is available (emphasis added).

⁷ While DSRR may be seeking 2022 financial information about NLA, there is no requirement under 49 U.S.C. § 10907 that the Board consider any **past** financial results of NLA, let alone for four years ago (2022). Compare Motion to Compel at 4, citing 49 U.S.C. § 10907(c)(1)(E) ("the sale of the "line will be likely to result in improved transportation for shippers that transport traffic over such line."), which says nothing about the past financial condition of the proposed operator of the Line. In any event, three years of such consolidated financial information, for 2023-25, as have now been (or, for 2025, will shortly be) provided to DSRR's counsel, ought to be more than sufficient, assuming arguendo NLA's past financial circumstances are relevant. See 49 U.S.C. § 10907(a)(2): "a financially responsible person" is one that "is able to assure that adequate transportation will be provided over such line for a period of not less than 3 years," clearly meaning the **next** three years, not the previous three years).

should be soon), as well as the past production of NLA's financial statements for 2023 and 2024, should entirely moot this issue.⁸

II.

NLA'S PRESIDENT DANIEL ROBBINS TESTIFIED IN HIS FEBRUARY 26, 2026 DEPOSITION ABOUT NLA'S BANK BALANCES, AND EXPLAINED THAT FUNDS FROM NLA'S ACCOUNT WERE OFTEN SWEEPED INTO THE ASL ACCOUNT, BECAUSE ASL WAS THE PARENT COMPANY OF NLA AND THE OTHER SHORT-LINE RAILROADS IT THEN OWNED.

In his February 26, 2026 deposition (at pp. 55-60), Mr. Robbins answered all questions from DSRR's counsel about NLA's bank balances. Exhibit 1. He explained that those balances were often minimal, because cash on hand not needed for NLA's operations would typically be swept into the ASL account if the accountants determined that to be appropriate to pay bills. Simply stated, the sweeping of cash from NLA into the ASL bank account is a consistent practice of many small, family-owned-corporations which routinely move funds from one account to another as needed. The cash balances on hand in NLA's bank account at any arbitrarily determined (i.e., end-of-month)

⁸ DSRR asserts (Motion to Compel at 5), without substantiation, that "OmniTRAX was unwilling to buy NLA, presumably because of its financial weaknesses...." Contrary to DSRR's baseless assertion, we are assured by NLA that the reason that OmniTRAX decided not to acquire NLA had nothing to do with its supposed "financial weaknesses," but rather because OmniTRAX, like most railroad owners and operators, did not want to become involved in a feeder-line proceeding such as this one. DSRR also asserted (*id.*) that "the fact that NLA no longer has the financial support of a parent company or affiliates to prop up its financial weaknesses, NLA's financial information is relevant and likely to lead to admissible evidence." The fact that OmniTRAX has acquired the other three short-line railroads owned by the Robbins family, for a very substantial sum of money that has been paid to the Robbins family by OmniTRAX, only provides added financial support for NLA's operations if needed, precisely the opposite of DSRR's argument for its discovery at issue.

date are, therefore, not indicative of NLA's financial condition. The cash balance in NLA's account depends on when revenues come in, when obligations are paid, and when available cash is swept into the ASL account.⁹ The cash on hand in NLA's bank account proves nothing about NLA's financial ability to support operations on the Lake Providence Branch Line (which, of course, NLA has been doing for more than a decade, from McGehee, AR to Lake Providence, LA). Therefore, the bank balances themselves for NLA's account at the end of a month (or any other arbitrary point in time) are neither relevant to NLA's ability to pay operating expenses during 2023-25 (when such expenses were paid) or in 2026 or for future years. Presentation of such information as probative of NLA's financial condition would actually serve to mislead the parties and the Board.

Plainly, it is the overall, final financial results for each given year that determine NLA's financial condition, not its own bank balance at any arbitrary point in time. Because such final consolidated results for ASL and its four subsidiary short line railroads, including NLA, for 2023-25 either have been

⁹ In this respect, those year-end balances are no different than balances at other point in time. Just as with the bank accounts of most people and businesses, the balance in one's bank account at any given point in time may increase at times when income is received and decline when obligations are paid or surplus funds are transferred to other accounts for other reasons. But the precise cash balance in one's bank account on any given day is simply not relevant to whether a person's financial circumstances are strong or otherwise. If someone has, say, a \$1 balance in one's bank checking account at the end of any given month, because one's bills have been paid and any additional amounts swept into an interest-bearing or investment account, the \$1 balance in the checking account proves nothing about one's financial circumstances (other than, ironically, that one in such circumstances would be a very astute manager of one's money).

provided (or in the case of 2025 will have been provided to DSRR in a matter of days), DSRR will not be impacted by waiting a few more days for NLA's final financial results for 2025, especially when NLA has no control of the date when its outside assistance will complete the final document.

In any event, we have consulted with financial experts who have confirmed that all of the information DSRR listed in six of the seven bullet points at pages 2-3 of the Motion to Compel (and set out in footnote 1 *supra*) is already in DSRR's possession for 2023 and 2024, and will be for 2025, except bullet point 2 (concerning the cash balance in NLA's account). Moreover, they have also agreed that the cash balances in NLA's bank account at the end of any given calendar month since 2022 are simply not relevant to NLA's overall financial condition to cover the future cost of operating over the entire rail corridor between the point of interchange with UP at McGehee, AR and the point of interchange with CPKC at Tallulah, LA.

Conclusion

Administrative Law Judge Soulikias should deny DSRR's June 16, 2026 Motion to Compel, because the NLA has now responded to DSRR's discovery requests served May 6, 2026 and has provided audited financial results for NLA and its parent ASL for 2023 and 2024, and will provide final results of 2025 as soon as they are available, and because NLA's President answered DSRR's questions about its bank balances for 2023, 2024, and 2025 in his deposition taken by DSRR's counsel on February 26, 2026. Moreover, the largest amount of cash in NLA's bank account for any calendar month since

2022 is irrelevant and would not lead to discovery of relevant information, because such amounts of cash in those accounts prove nothing about NLA's past or future financial condition.

Respectfully submitted,

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/s/Michael F. McBride

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CERTIFICATE OF SERVICE

I, Richard H. Streeter, do hereby certify that, on June 25, 2026, a true copy of the foregoing with attachment was served on the following Parties of Record, via email:

ALJ Jenifer Soulikias:
alj.soulikias.inbox@stb.gov.

Delta Southern Railroad, Inc. c/o John M. Scheib
scheib@gentrylocke.com.

Noah P. Sullivan
NSullivan@gentrylocke.com

William L. Spotswood Spotswood@gentrylocke.com

Timothy Crowley at tim@lepeabody.com

Thomas D. Crowley at tc@lepeabody.com

In addition, true copies were served, consistent with 49 C.F.R. § 1152.1(a) on the following: (1) All rail patrons who originated and/or received

traffic on the line during the 12-month period preceding the month in which the amended Application was filed:

mark.marionneaux@keanmiller.com bryant.bremer@keanmiller.com

Counsel for Helena Chemical/South Delta Fertilizer

Dan Militaru
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Jerry J. Melton
Complex Chemical.com
jmelton@complexchemical.com

Neil Martin Terral River Service, Inc.
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(2) The designated State agency of the State where the property is located: Louisiana Department of Transportation and Development
andrew.barry@la.gov sanettria.pleasant2@la.gov 2

(3) County governments where the line is located: East Carroll Parish
Police Jury Kendall Thompson, President Ecpj400@att.net

Madison Parish Police Jury Jane Sanders, President
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Richard H. Streeter /s/

Richard H. Streeter

Counsel to the North Louisiana & Arkansas Railroad Company

Attachment 1 to NLA Reply To Motion to Compel

Filed June 25, 2026

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1 projects going on. I'm trying to recall off of memory, but I
2 think about 1.2-million dollars.

3 Q And so what was the free cash flow for North Louisiana &
4 Arkansas in 2025?

5 A Again, I don't actually have that number. It's going to
6 be probably somewhere around \$100,000 net cash flow loss.

7 Q And how much was spent on CapEx by North Louisiana &
8 Arkansas in 2025? Let me rephrase that. How much was spent by
9 North Louisiana & Arkansas on capital expenditures in 2025?

10 A Okay. Corporately?

11 Q By North Louisiana & Arkansas?

12 A NLA itself in conjunction with Arkansas probably three
13 million. So we're just under that.

14 Q At the end of 2025, how much cash on hand did NLA have?

15 A I do not know.

16 Q Are NLA's books kept at a consolidated level with the
17 other subsidiaries of Arkansas Short Line Railroad, Inc.?

18 A We file a consolidated tax return, yes.

19 Q Do you account for each subsidiary separately?

20 A Yes. They do.

21 Q So the numbers you have given me in response to my
22 questions about 2025 relate solely to North Louisiana &
23 Arkansas?

24 A That is correct.

25 Q Okay. Am I correct to assume the books are closed on

1 2024?

2 A Yes, they are.

3 Q Okay. What were the gross operating revenues of North
4 Louisiana & Arkansas in 2024?

5 A Honestly, I do not remember it. I would have to go look
6 at the Hoffman & Brobst report.

7 Q Would you also need to consult that report to know what
8 the operating expenses of NLA were in 2024?

9 A I would.

10 Q Do you recall what the free cash flow was for NLA in 2024?

11 A I do not.

12 Q Do you know how much money NLA spent on capital
13 expenditures in 2024?

14 A I do not.

15 Q Do you know how much cash on hand NLA had at the end of
16 2024?

17 A I do not know that.

18 Q How much cash is in NLA's bank account today?

19 A I don't know.

20 Q Is it \$100,000?

21 A I really don't know. We have accounts for all the
22 railroads plus ASL. I know accumulatively how much is total
23 cash in the bank, but I don't know how much is in just the NLA
24 account.

25 Q So for all Arkansas Short Line Railroad, Inc. entities,

1 how much cash is in the bank today?

2 A Currently about \$500,000.

3 Q Have you ever had a time when, for all subsidiaries
4 combined, you've had more than \$500,000 in cash in the bank?

5 A Maybe. I don't recall, but maybe.

6 Q Would you say that ordinarily NLA has more or less than
7 \$500,000 in cash in the bank?

8 A Well, considering \$500,000 is ASL cash in the bank, I
9 would say less.

10 Q You said NLA has its own bank account also?

11 A That is correct.

12 Q Does NLA generally keep more or less than \$100,000 in its
13 bank account?

14 A Probably less because of the way that the accounting
15 people operate. They sweep things to the master ASL accounts
16 to pay a lot of bills.

17 Q Does NLA have any debt outstanding?

18 A It is, along with the other corporations, got a bond with
19 the Arkansas Development Finance Authority.

20 Q Is there any outstanding debt solely in NLA's name?

21 A I don't think so.

22 Q How much debt is outstanding by -- for Arkansas Short Line
23 Railroad, Inc.?

24 A Approximately 2.1-million dollars.

25 Q What are the financing terms on that debt?

1 A 30-year bond for -- the majority of it's on the ADFA bond,
2 which is 30-year, two-and-a-half-percent bond. And then
3 there's two SBAs, which are disaster relief loans from when the
4 Arkansas River flooded here in 2019.

5 Q What are the terms of the SBA loans?

6 A They're low interest. That's -- I don't know how low.

7 Q Okay. Are there any other outstanding debt?

8 A Just vendors, you know, like, Ford Motor Credit for a
9 truck or, say, John Deere for a tractor.

10 Q Okay.

11 A Oh, and First State Bank.

12 Q Is that a line of credit with First State Bank?

13 A No. But -- and actually that's not NLA's. But we do have
14 a -- so, yeah. Actually, that's Ouachita Railroad, so I don't
15 guess you care about that, do you? Sorry.

16 Q It's all right. The bonds that are valued at 2.1-million
17 dollars in debt, are they in Arkansas Short Line Railroad's
18 name solely?

19 A No. All of our subsidiaries are on there. And our total
20 indebtedness between SBA and the bonds is about 2.1 million.
21 The bonds are about 1.08 million that's left on those.

22 Q Thank you for that clarification. Are there any
23 outstanding lines of credit?

24 A We do not have any lines of credit, no.

25 Q Okay. I wanted to follow up on Ms. Courtwright. If Ms.