

March 4, 2008

Anne K. Quinlan, Secretary
Secretary
Surface Transportation Board
395 E Street S.W.
Washington, D.C. 20423

Re: STB Finance Docket No. 35081, *Canadian Pacific Railroad Company, et al – Control – Dakota, Minnesota & Eastern Railroad Corp., et. al*

Dear Secretary Quinlan:

This letter is to express the support of the National Industrial Transportation League ("League") of the Railroad Control Application filed by Canadian Pacific Railway Corporation (CP), Soo Line Holding Company ("Soo Holding"), Dakota, Minnesota & Eastern Railroad Corporation (DM&E), and Iowa, Chicago & Eastern Railroad Corporation ("IC&E"), seeking approval for the acquisition of control of DM&E and IC&E by Soo Holding (and, indirectly, by CP). In that application, the applicants ask the Board to authorize the proposed acquisition of control.

The proposed transaction would appear to have significant transportation benefits. The transaction would create new single-system rail options where none currently exist. CP's plan to invest \$300 million in capital improvements on DM&E's and IC&E's existing lines would enhance safety and the efficiency of their operations. The transaction would restore CP's direct access to the Kansas City gateway, enhancing its ability to compete effectively for rail traffic moving between CPR's current network and points in the U.S. Southwest and Mexico.

More importantly, the League has, for many years before the STB and before other Federal agencies, supported the proposed extension of the DME into the Powder River Basin. That proposed extension, the League believes, would provide both increased capacity to that critical area and to the railroad system as a whole, and increased competitive options. The League believes that the proposed merger of DME with CP will provide the financial and organizational resources to bring that project to fruition.

In that connection, the League would note that, under the law, the Board has continuing jurisdiction over, and oversight of, this transaction. The League's support of this transaction is conditioned on the full independence of the merged entity in the future. Should further consolidation of the rail industry occur, the League would need to revisit this matter, and further review by the Board could be appropriate.

Sincerely,



Nicholas J. DiMichael
Counsel

The National Industrial Transportation League

CERTIFICATE OF SERVICE

I hereby certify that I have on this 4th day of March, 2008, served a copy of the foregoing Letter of Support on all parties of record, by first-class mail, postage prepaid.



Nicholas J. D. Michael