

STB FD

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(Sub 85)

10-22-97

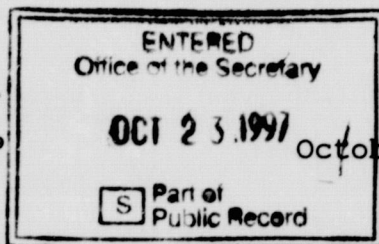
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**HOGAN & HARTSON**  
L.L.P.

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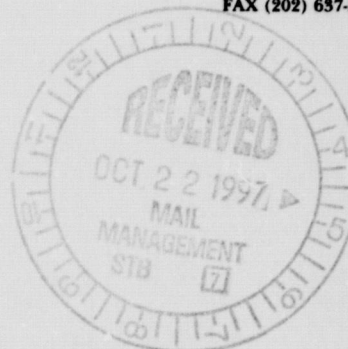


October 22, 1997

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BY HAND DELIVERY

The Honorable Vernon A. Williams  
Secretary, Surface Transportation Board  
Case Control Branch  
ATTN: STB Finance Docket No. 33388  
Surface Transportation Board  
1925 K Street, N.W.  
Washington, DC 20423-0001



Re: Finance Docket No. 33388 (Sub-No. 85), CSX  
Corporation and CSX Transportation, Inc.,  
Norfolk Southern Corporation and Norfolk  
Southern Railway Company -- Control and  
Operating Leases/Agreements -- Conrail Inc.  
and Consolidated Rail Corporation

Dear Secretary Williams:

On Tuesday, October 21, 1997, the Canadian Pacific  
Railway Company, Delaware and Hudson Railway Company, Inc.  
("D&H"), Soo Line Railroad Company, and St. Lawrence & Hudson  
Railway Company Limited (collectively, the "Canadian Pacific  
Parties") concluded a settlement with the Applicants in this  
proceeding, Norfolk Southern Corporation and Norfolk Southern  
Railway Company (collectively, "NS"), and CSX Corporation and  
CSX Transportation, Inc. ("CSX").

As a consequence of the settlement, the Canadian  
Pacific Parties now support Board approval of the Primary

BRUSSELS LONDON MOSCOW PARIS\* PRAGUE WARSAW

BALTIMORE, MD BETHESDA, MD COLORADO SPRINGS, CO DENVER, CO McLEAN, VA

\\DC - 66673/1 - 0377213.11

\*Affiliated Office

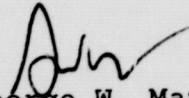
HOGAN & HARTSON L.L.P.

The Hon. Vernon A. Williams  
October 21, 1997  
Page 2

Application, and will not seek protective conditions related to that Application.

Thank you for your assistance.

Sincerely,



George W. Mayo, Jr.  
Attorney for Canadian  
Pacific Railway Company,  
Delaware and Hudson  
Railway Company, Inc., Soo  
Line Railroad Company, and  
St. Lawrence & Hudson  
Railway Company Limited

GWM:jms

cc: All Parties of Record