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

Thank you for your assistance.

Sincerely,

George W. Mayo, Jr.

GWM:jms

cc: All Parties of Record