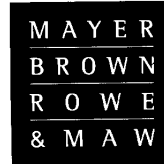


February 3, 2004



Mayer, Brown, Rowe & Maw LLP
1909 K Street, N.W.
Washington, D.C. 20006-1101

Main Tel (202) 263-3000
Main Fax (202) 263-3300
www.mayerbrownrowe.com

BY HAND-DELIVERY

Honorable Vernon A. Williams
Secretary
Surface Transportation Board
1925 K Street, NW
Washington, DC 20423-0001

210009

Robert M. Jenkins III
Direct Tel (202) 263-3261
Direct Fax (202) 263-5261
rmjenkins@mayerbrown.com

ENTERED
Office of Proceedings

FEB - 3 2004

Part of
Public Record

Re: Finance Docket No. 34319
Consolidated Rail Corporation –
Declaratory Order Proceeding

Dear Secretary Williams:

Enclosed for filing in the above-captioned proceeding are an original and ten copies of "Notice of Settlement and Stipulation of Dismissal of Declaratory Order Proceeding with Prejudice." Please date-stamp the extra copy that is enclosed and return it to our representative.

Sincerely yours,

Robert M. Jenkins III

RMJ/bs

Enclosures

BEFORE THE
SURFACE TRANSPORTATION BOARD

FINANCE DOCKET NO. 34319

CONSOLIDATED RAIL CORPORATION --
DECLARATORY ORDER PROCEEDING



ENTERED
Office of Proceedings

FEB - 4 2004

Part of
Public Record

NOTICE OF SETTLEMENT AND STIPULATION OF DISMISSAL OF DECLARATORY
ORDER PROCEEDING WITH PREJUDICE

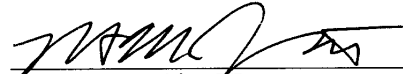
Petitioner Consolidated Rail Corporation ("Conrail") and Respondent AT&T Communications, Inc. ("AT&T") hereby jointly represent that they have reached a mutually-satisfactory settlement that has rendered moot the proceedings before the Board. Simultaneously with the filing of this Notice of Settlement and Stipulation of Dismissal of Declaratory Order Proceeding With Prejudice, AT&T and Conrail have filed with the United States District Court for the Eastern District of Pennsylvania a Stipulation of Dismissal with Prejudice pursuant to Federal Rule of Civil Procedure 41(a). A copy of that Stipulation, which is self-executing under Fed.R.Civ.P. 41(a), is attached hereto.

WHEREFORE, Conrail and AT&T jointly stipulate and request that the Board dismiss this Declaratory Order Proceeding with prejudice, with each party to bear its own costs.

Date: February 3, 2004

Jonathan M. Broder
John K. Enright
CONSOLIDATED RAIL CORPORATION
16th Floor
2001 Market Street
Philadelphia, PA 19103
(202) 263-3261

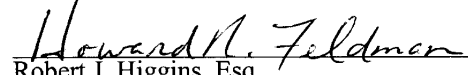
Respectfully submitted,


Robert M. Jenkins III
Brad P. Rosenberg
MAYER, BROWN, ROWE & MAW LLP
1909 K. Street, NW
Washington, DC 20006
(202) 263-3261

Ralph G. Wellington
Nancy Winkelman
SCHNADER HARRISON SEGAL
& LEWIS LLP
1600 Market Street
Suite 3600
Philadelphia, PA 19103
(215) 751-2000

Attorneys for CONSOLIDATED RAIL CORPORATION

Lois J. Lipton
AT&T LAW DIVISION
222 W. Adams Street, Suite 1500
Chicago, IL 60606


Robert J. Higgins, Esq.
Howard N. Feldman, Esq.
Laura H. Hamilton, Esq.
DICKSTEIN SHAPIRO MORIN & OSHINSKY LLP
2101 L Street, N.W.
Washington, D.C. 20037-1526
Telephone: (202) 785 9700
Facsimile: (202)-887 0689

Paul H. Lamboley, Esq.
1701 Pennsylvania Avenue
Suite 300
Washington, D.C. 20006
Telephone: (202) 879-2623
Facsimile: (202) 879-2624

Attorneys for AT&T COMMUNICATIONS, INC.

Robert J. Higgins
Howard N. Feldman
B. Haven Walling, Jr.
Laura H. Hamilton
DICKSTEIN SHAPIRO MORIN &
OSHINSKY LLP
2101 L Street, N.W.
Washington, D.C. 20037-1526
(202) 785-9700

Attorneys for Plaintiff and Counterclaim Defendant AT&T COMMUNICATIONS, INC.

Jonathan M. Broder
John K. Enright
CONSOLIDATED RAIL CORPORATION
16th Floor
2001 Market Street
Philadelphia, PA 19103
(215) 209-5020

By

Robert M. Jenkins III
Brad P. Rosenberg
MAYER, BROWN, ROWE & MAW LLP
1909 K. Street, NW
Washington, DC 20006
(202) 263-3261

Ralph G. Wellington
Nancy Winkelman
SCHNADER HARRISON SEGAL
& LEWIS LLP
1600 Market Street
Suite 3600
Philadelphia, PA 19103
(215) 751-2000

Attorneys for Defendant and Counterclaim Plaintiff CONSOLIDATED RAIL CORPORATION