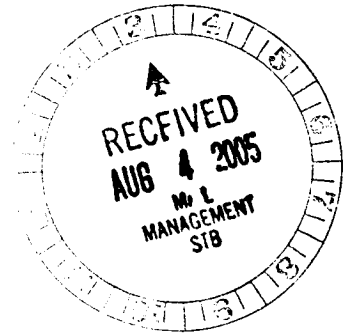


August 4, 2005

214481



Via Hand Delivery

The Honorable Vernon A. Williams
Secretary
Surface Transportation Board
1925 K St. N.W.
Washington, D.C. 20423

RE: STB Docket No. 42071, *Otter Tail Power Company v. The Burlington Northern and Santa Fe Railway Company*

Dear Secretary Williams:

Enclosed for filing in the above-captioned matter are an original and ten (10) copies of the slides used in Otter Tail Power Company's presentation during the July 27, 2005 oral argument before the Board (Public version).

An extra copy of this letter is enclosed for stamping and returning to our offices.

Should you have any questions regarding the foregoing, please do not hesitate to contact the undersigned.

Sincerely,

Nicholas J. DiMichael
Jeffrey O. Moreno
Counsel for Complainant

ENTERED
Office of Proceedings

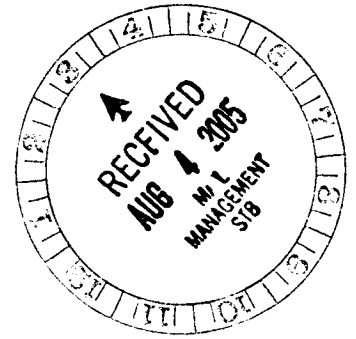
AUG 04 2005

Part of
Public Record

cc: Counsel for Defendant

214481

Public Version - Highly Confidential Material Redacted



SURFACE TRANSPORTATION BOARD

STB Docket No. 42071

OTTER TAIL POWER COMPANY

v.

BNSF RAILWAY COMPANY

OTTER TAIL POWER COMPANY

ORAL ARGUMENT HANDOUTS

ENTERED
Office of Proceedings

AUG 04 2005

**Part of
Public Record**

George Koeck, Esq.
General Counsel
Otter Tail Corporation
4334 18th Avenue, SW, Suite 200
Fargo, ND 58103
(701) 451-3567

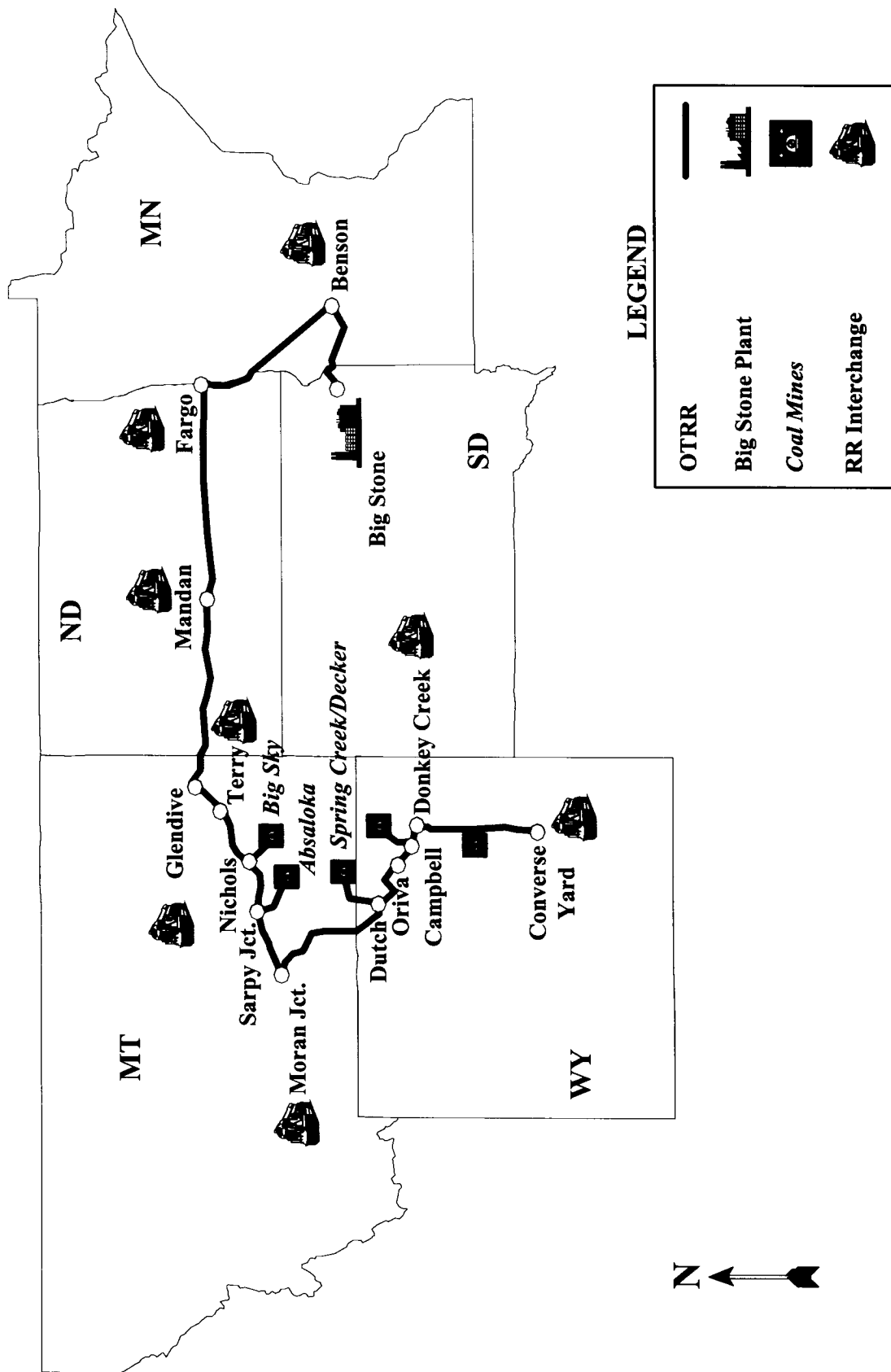
Nicholas J. DiMichael, Esq.
Jeffrey O. Moreno, Esq.
Thompson Hine LLP
1920 N Street, N.W., Suite 800
Washington, DC 20036
(202) 331-8800

Dated: August 4, 2005

*Attorneys for Complainant
Otter Tail Power Company*

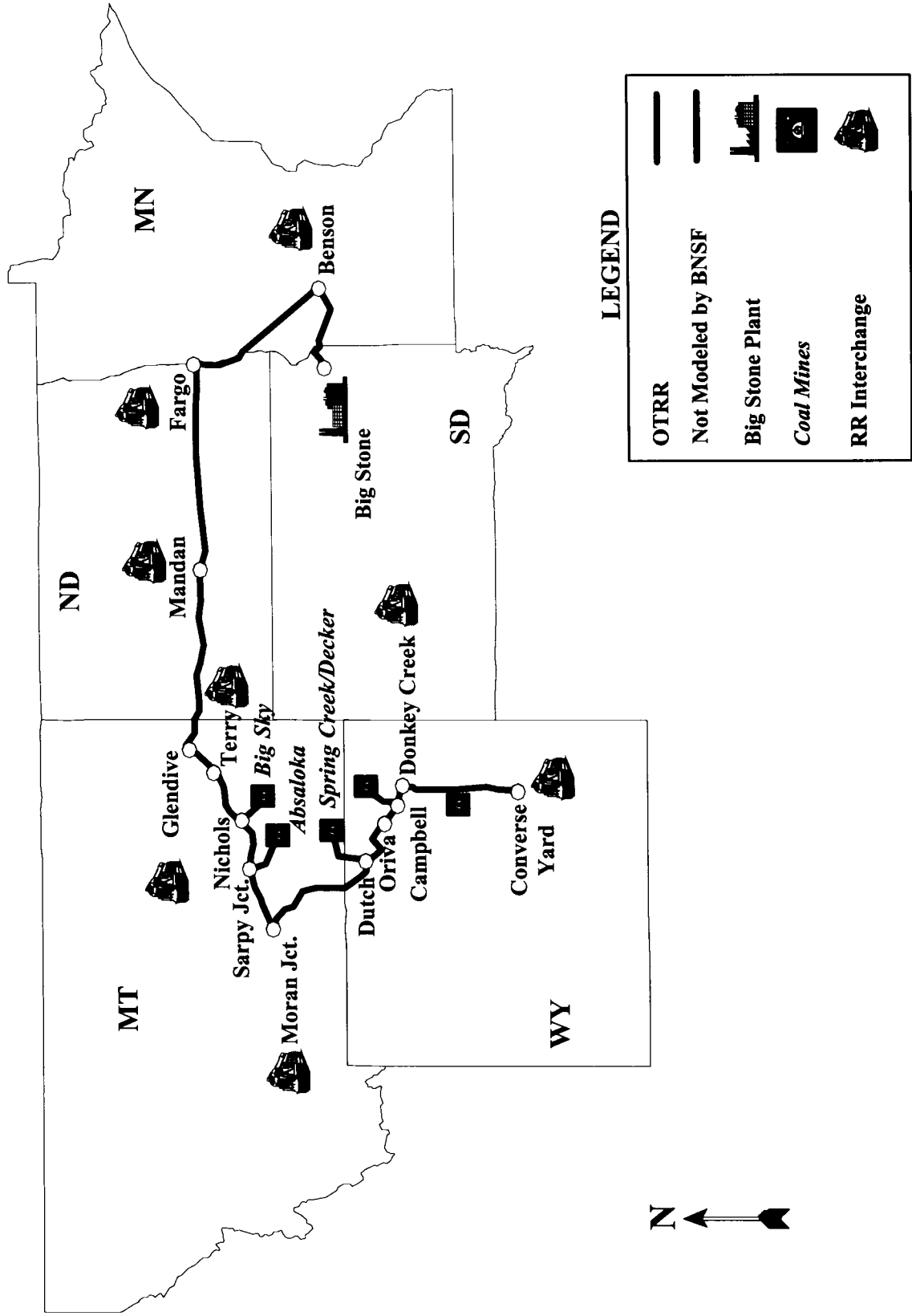
SCHEMATIC OF THE OTTER TAIL RAILROAD

(Excluding Glendive to Snowden)



SCHEMATIC OF THE OTTER TAIL RAILROAD - SEGMENTS NOT MODELED BY BNSF

(Excluding Glendive to Snowden)



Sources of Productivity Gains for the OTRR

A. Locomotives

1. Fuel Efficiency
2. Microprocessors
3. Management Systems (Performance Tracking and GPS)
4. Positive Train Control

B. Railcars

5. Electronic Braking Systems
6. Improved Suspensions, Wheels and Side Bearings
7. Lighter Composite Material
8. Improved Wayside Defect Detectors
9. 315,000 lbs. Gross Weight on Rail (“GWR”)

C. Maintenance of Way

10. Top-of-Rail Lubrication
11. Rail Performance Maintenance Software
12. Real-Time Track Geometry Inspection
13. Improved Rail Inspection Systems
14. Improved Thermite Welds
15. Synthetic Tie Plugs
16. Improved Tie Preservative Treatments
17. Improved Bridge Joints

D. Information Technology and Communications

18. Improved Computer Software and Hardware
19. Improved Telecommunications Equipment and Capabilities

MOW Benchmarks

Average Route Miles per Field Person			
OTP's OTRR	WRPI	BNSF's OTRR	Real-World BNSF
6.4 miles ¹	5.8 miles ²	2.6 miles ³	3.8 ⁴
Operating Maintenance Cost per Track Mile			
OTP's OTRR	BNSF's OTRR	Real-World BNSF	
\$14,500 ⁵	\$40,546 ⁶	\$14,247 ⁷	
Spot Maintenance Percentage			
OTP's OTRR	BNSF's OTRR	Real-World BNSF	
21.9%	46.5% ⁸	25.6% ⁹	

¹ OTP Rebuttal at III-D-122.

² *Id.*

³ *Id.*

⁴ BNSF 2002 Wage Form A & B and BNSF 2002 R-1 Annual Report.

⁵ OTP Rebuttal at III-D-145; OTP Rebuttal electronic workpaper "Track Maint per mile.123."

⁶ OTP Rebuttal at III-D-146.

⁷ OTP Rebuttal at III-D-146; BNSF 2002 R-1 Annual Report.

⁸ BNSF Errata electronic worksheet, "III-D-4 maintenance-of-way_Errata.xls."

⁹ OTP Rebuttal Narrative III-D-145; OTP Rebuttal Electronic workpaper "BNSF spot.xls," based on information from BNSF 2002 R-1 Annual Report.

REDACTED

REDACTED