

EL PASO NATURAL GAS COMPANY Transmission Retirement Experience

Line No.	Particulars (a)	2005 (b)	2006 (c)	2007 (d)
1	GPIS - Transmission	\$2,928,884,846	\$3,027,396,166	\$3,119,507,246
2	Book Cost of Plant Retired	\$78,626,144	\$27,681,933	\$19,426,534
3	Storage	(\$2,071,907)	(\$1,016,816)	(\$227,364)
4	General & Intangible Plant	(\$13,335,599)	(\$2,166,758)	(\$977,042)
5	Net Plant Retired - Transmission	\$63,218,638	\$24,498,359	\$18,222,128
6	Cost of Removal - Transmission	8,184,452	4,242,505	\$3,438,800
7	Salvage	(2,643,237)	(781,788)	(966,516)
8	Subtotal Salvage less Spin-down	5,541,215	3,460,717	2,472,284
9	Cost of Removal as a Percent of Plant Retired	8.8%	14.1%	13.6%
10				<u>3 Year Average</u>
11	3-Year Average Cost of Removal (2005-2007)			\$ 3,824,739
12	Test Period Gross Transmission Plant			\$ 3,207,169,472
13	Negative Salvage Rate			0.12%
14				<u>2005-2007</u>
15	Gross Transmission Plant Retired			\$105,939,125
16	Cost of Removal - Transmission			11,474,216
17	Cost of Removal as a % of Gross Plant Retired			10.8%