

**PAIUTE PIPELINE COMPANY
SUMMARY OF STATEMENT C ADJUSTMENTS**

Adjustment Number	Title	Explanation	Effect Upon Rate Base
2	Estimated Plant Additions	Add estimated CWIP additions expected to be closed to Plant in Service prior to August 31, 2009.	\$ 6,959,656
3	Lake Tahoe Expansion Incremental Project Excess Plant	Adjust Gross Plant in Service for capital costs incurred in excess of the agreed-upon project cost cap amount set forth in the related transportation service agreements between Paiute Pipeline Company and the Lake Tahoe Expansion Project shippers.	(3,304,866)

PAIUTE PIPELINE COMPANY
COST OF PLANT SUMMARY
TWELVE MONTHS ENDED NOVEMBER 30, 2008, AS ADJUSTED

Line No.	Description (a)	Account Number (b)	Balance as Recorded at 11/30/07 (c)	Additions (d)	Retirements (e)	Transfers and Adjustments (f)	Balance as Recorded at 11/30/08 (g)	Adjustments (h)	Transfer CWIP To Plant In Service (i)	Balance as Adjusted at 8/31/09 (j)	Line No.
1	Gas Plant in Service	101	\$ 164,821,851	\$ 9,726,185	\$ (1,781,844)	\$ 326,963	\$ 173,093,155	\$ (3,304,866)	[1] \$ 6,959,656	[2] \$ 176,747,945	1
2	Gas Plant Purchased or Sold	102	0	0	0	0	0	0	0	0	2
3	Experimental Gas Plant Unclassified	103	0	0	0	0	0	0	0	0	3
4	Gas Plant Leased to Others	104	0	0	0	0	0	0	0	0	4
5	Gas Plant Held For Future Use	105	0	0	0	0	0	0	0	0	5
6	Completed Construction Not Classified	106	0	0	0	0	0	0	0	0	6
7	Construction Work in Progress - Gas	107	4,603,151	7,097,090	0	(10,875,460)	824,781	[3] 6,134,874	[2] (6,959,656)	0	7
8	Gas Stored Underground - Noncurrent	117.1	0	0	0	0	0	0	0	0	8
9	System Gas	117.2	0	0	0	0	0	0	0	0	9
10	Total Plant		\$ 169,425,002	\$ 16,823,276	\$ (1,781,844)	\$ (10,548,497)	\$ 173,917,936	\$ 2,830,008	\$ 0	\$ 176,747,945	10

[1] Sch C-1 Sh 2 Ln 48 (e)
[2] Sch C-1 Sh 2 Ln 48 (d)
[3] Sch C-2 Pg 3 Ln 24 (g)

PAIUTE PIPELINE COMPANY
SUMMARY OF ADJUSTMENTS TO PLANT IN SERVICE
AT NOVEMBER 30, 2008, AS ADJUSTED

Line No.	Description (a)	Balance as Recorded at 11/30/08 (b)	Estimated Plant Additions Adj. No. 2 [1] (c)	Remove Plant in Excess of Agreement Adj. No. 3 [2] (d)	Allocate Intangible Plant [3] (e)	Allocate General Plant [3] (f)	Balance as Adjusted (g)	Line No.
1	Intangible	\$ 1,779,968	\$ 30,000	\$ 0	\$ (1,809,968)	\$ 0	\$ 0	1
2	Production	0	0	0	0	0	0	2
3	Storage	19,094,379	1,445,083	0	224,027	1,113,345	21,876,835	3
4	Transmission-System	117,580,858	4,891,566	0	1,335,827	6,638,637	130,446,888	4
5	Transmission-Lake Tahoe Expansion	13,756,743	0	(3,304,866)	114,000	566,546	11,132,423	5
6	Transmission-Carson Lateral	2,861,763	0	0	31,214	155,122	3,048,099	6
7	Transmission-2003 Paiute Expansion	7,438,459	0	0	81,133	403,203	7,922,795	7
8	Transmission-Elko Lateral	2,179,024	0	0	23,767	118,114	2,320,905	8
9	General	8,401,961	593,006	0	0	(8,994,967)	0	9
10	Totals	\$ 173,093,155	\$ 6,959,656	\$ (3,304,866)	\$ 0	\$ 0	\$ 176,747,945	10

[1] Sch C-1 Sh 2 Col (d)

[2] Sch C-1 Sh 2 Col (e)

[3] Allocation percentages on Sch I-1(d) Sh 12

PAIUTE PIPELINE COMPANY
DIRECT GAS PLANT IN SERVICE
AT NOVEMBER 30, 2008, AS ADJUSTED

Line No.	Description (a)	Account Number (b)	Balance as Recorded at 11/30/08 (c)	Estimated Plant Additions Adj. No. 2 [1] (d)	Remove Plant in Excess of Agreement Adj. No. 3 [2] (e)	Balance as Adjusted (f)	Line No.
<u>Intangible</u>							
1	Organization	301	\$ 0	\$ 0	\$ 0	0	1
2	Franchise & Consent	302	60,639	0	0	60,639	2
2	Miscellaneous Intangible	303	1,719,329	30,000	0	1,749,329	2
3	Total Intangible		\$ 1,779,968	\$ 30,000	\$ 0	\$ 1,809,968	3
<u>Production</u>							
4	Other Land & Land Rights	304	\$ 0	\$ 0	\$ 0	0	4
5	Structures - Reno	305.23	0	0	0	0	5
6	Other Power Equipment	307	0	0	0	0	6
7	LPG Equipment - Reno	311.23	0	0	0	0	7
8	Gas Mixing Equipment	319	0	0	0	0	8
9	Other Equipment	320	0	0	0	0	9
10	Total Production		\$ 0	\$ 0	\$ 0	0	10
<u>Storage Plant</u>							
11	Land and Land Rights	360	\$ 78,389	\$ 0	\$ 0	78,389	11
12	Structures	361	3,122,742	225,083	0	3,347,826	12
13	Gas Holders	362	4,506,639	0	0	4,506,639	13
15	Vaporization Equipment	363.2	1,030,306	0	0	1,030,306	15
16	Other Equipment	363.5	10,356,303	1,220,000	0	11,576,304	16
17	Total Storage Plant		\$ 19,094,379	\$ 1,445,083	\$ 0	\$ 20,539,463	17
<u>Transmission</u>							
18	Land and Land Rights	365.1	\$ 661	\$ 0	\$ 0	661	18
19	Rights of Way	365.2	654,676	13,000	0	667,676	19
20	Structures - Compressor Station	366.1	705,418	100,000	0	805,418	20
21	Structures	366.2	70,058	0	0	70,058	21
22	Mains	367	86,103,050	1,596,386	0	87,699,436	22
23	Mains - Lake Tahoe Expansion	367	13,395,242	0	(3,222,314)	10,172,928	23
24	Mains - Carson Lateral	367	2,861,763	0	0	2,861,763	24
25	Mains - 2003 Paiute Expansion	367	7,223,852	0	0	7,223,852	25
26	Compressor Station - System	368	18,326,368	803,814	0	19,130,182	26
27	Compressor Station - Elko Lateral	368	2,179,024	0	0	2,179,024	27
28	Measuring & Regulating Station Equipment	369	8,107,281	2,185,866	0	10,293,148	28
29	Meas/Reg Station Equip. - Lake Tahoe	369	361,501	0	(82,552)	278,949	29
30	Meas/Reg Station Equip. - Paiute Expansion	369	214,607	0	0	214,607	30
31	Communication Equipment	370	3,532,234	192,500	0	3,724,734	31
32	Other Equipment	371	81,112	0	0	81,112	32
33	Total Transmission		\$ 143,816,846	\$ 4,891,566	\$ (3,304,866)	\$ 145,403,546	33
<u>General</u>							
34	Land and Land Rights	389	\$ 288,136	\$ 0	\$ 0	288,136	34
35	Structures & Improvements	390.1	3,123,092	0	0	3,123,092	35
36	Office Furniture & Equipment	391	107,026	8,859	0	115,885	36
37	Computer Equipment	391.1	481,221	9,500	0	490,721	37
38	Transportation Equipment - Light	392.11	1,290,610	328,274	0	1,618,884	38
39	Transportation Equipment - Heavy	392.12	943,556	143,642	0	1,087,198	39
40	Stores Equipment	393	40,580	0	0	40,580	40
41	Tools, Shop, & Garage Equipment	394	585,173	66,000	0	651,173	41
42	Laboratory Equipment	395	58,738	0	0	58,738	42
43	Power Operated Equipment	396	1,430,389	36,731	0	1,467,120	43
44	Communication Equipment	397	26,837	0	0	26,837	44
45	Telemetry Equipment	397.2	0	0	0	0	45
46	Miscellaneous Equipment	398	26,604	0	0	26,604	46
47	Total General		\$ 8,401,961	\$ 593,006	\$ 0	\$ 8,994,967	47
48	Total Plant in Service		\$ 173,093,155	\$ 6,959,656	\$ (3,304,866)	\$ 176,747,945	48

[1] Sch C-2, Col (d)

[2] Sch C-2, Col (g)

PAUTE PIPELINE COMPANY
WORK ORDERS CLAIMED IN RATE BASE
FOR THE PERIOD ENDED NOVEMBER 30, 2008, AS ADJUSTED

Line No.	Work Order Number (a)	Description (b)	Docket Number (c)	Plant Account No. (d)	Balance At 11/30/2008 (e)	Additional Costs 12/08 - 8/09 (f)	Balance As Adjusted (g)	Line No.
1	0029W0000064	EMRS Conflation Project		303.01	-	30,000	30,000	1
2	0029C8523726	LNG Vehicle Building		361	107,683	17,400	125,083	2
3	Not Assigned	Repair Trenches		361	-	100,000	100,000	3
4	Not Assigned	Spare Pumps, P-5 & P-16		363.5	-	150,000	150,000	4
5	0029C8524457	LNG E-2 Replacement		363.5	115,478	159,522	275,000	5
6	Not Assigned	C-3 Compressor Valves		363.5	-	30,000	30,000	6
7	Not Assigned	Turbine Demister		363.5	-	15,000	15,000	7
8	Not Assigned	Replace Compressor Pneumatic Controls		363.5	-	170,000	170,000	8
9	0029C8525270	FACC Replacement		363.5	18,607	16,393	35,000	9
10	0029W0958069	Handheld Radios		363.5	-	5,000	5,000	10
11	Not Assigned	Security Equipment		363.5	-	20,000	20,000	11
12	Not Assigned	Tools/Tool Chest Control Room Improvements		363.5	-	10,000	10,000	12
13	0029C8524062	Generator Control Replacement		363.5	-	480,000	480,000	13
14	Not Assigned	CO2 Analyzers		363.5	-	30,000	30,000	14
15	0029W0000057	Right-of-Way		365.2	-	13,000	13,000	15
16	0029W0931552	Storage Shed		366.1	-	100,000	100,000	16
17	0029C8702298	Prefab V&T Relo		367	(600)	600	0	17
18	0029C8525738	Replace Groundbed at Swingle B		367	-	76,339	76,339	18
19	Not Assigned	Mainline ILI - Launcher/Recvr - Winn CS to RPCS		367	94,393	600,000	694,393	19
20	Not Assigned	Mainline ILI - Humboldt Rvr Ftg Replacement		367	-	350,000	350,000	20
21	Not Assigned	Anode Bed Replacement - Lahontan Rectifier		367	-	75,000	75,000	21
22	Not Assigned	Dry Lakes Valve Assembly - Installation		367	85,654	165,000	250,654	22
23	Not Assigned	Johnson Lane Valve Assembly - Improvement		367	-	65,000	65,000	23
24	Not Assigned	Palisade Valve Assembly - Improvement		367	-	65,000	65,000	24
25	Not Assigned	3/4-in Steel Settlemeier Ranch		367	-	12,000	12,000	25
26	Not Assigned	Auto Wreckers PLRA		367	-	8,000	8,000	26
27	0029C8525607	Purchase and Install MCC Panel		368	38,814	20,000	58,814	27
28	Not Assigned	Winnemucca CS - Centaur Turbine Overhaul		368	-	230,000	230,000	28
29	Not Assigned	Paradise CS - Centaur Turbine Overhaul		368	-	340,000	340,000	29
30	Not Assigned	Elko CS - Murphy Controls Panel - Purchase and Install		368	-	15,000	15,000	30
31	Not Assigned	Paradise CS - Security Improvements		368	-	30,000	30,000	31
32	Not Assigned	Winnemucca CS - Security Improvements		368	-	26,000	26,000	32
33	Not Assigned	Rye Patch CS - Security Improvements		368	-	26,000	26,000	33
34	Not Assigned	Lovelock CS - Security Improvements		368	-	26,000	26,000	34
35	Not Assigned	Battle Mtn CS - Security Improvements		368	-	26,000	26,000	35
36	Not Assigned	Elko CS - Security Improvements		368	-	26,000	26,000	36

PAIUTE PIPELINE COMPANY
WORK ORDERS CLAIMED IN RATE BASE
FOR THE PERIOD ENDED NOVEMBER 30, 2008, AS ADJUSTED

Line No.	Work Order Number (a)	Description (b)	Docket Number (c)	Plant Account No. (d)	Balance At 11/30/2008 (e)	Additional Costs 12/08 - 8/09 (f)	Balance As Adjusted (g)	Line No.
1	0029C8524144	Marlette Lake Tap		369	(23,803)	23,803	0	1
2	0029C8525463	NDOT Yard - Regulators/Filter		369	25,902	23,858	49,760	2
3	0029C8525464	Sansinena Ranch P1ra Replacement		369	17,777	13,922	31,698	3
4	0029C8525465	Horseshoe Ranch P1ra Replacement		369	36,413	11,340	47,753	4
5	0029C8525715	Replace Spring Mine Tap - Filter/Meter		369	29,262	3,352	32,615	5
6	0029C8525758	Site Upgrades for Bristol Controls		369	21,878	6,587	28,465	6
7	0029C8525777	Purchase 3 Gas Chromatographs		369	2,733	15,739	18,472	7
8	0029C8525970	Purchase Chromatographs		369	22,102	-	22,102	8
9	0029C8702293	Prefab Jones Road Reg Set		369	144	(144)	0	9
10	0029C8702294	Prefab NDOT Yard Reg Set		369	(1,260)	1,260	0	10
11	0029C8702296	Prefab Fallon City Gate 2		369	8	(8)	0	11
12	0029C8702299	Prefab LNG Plant		369	27	(27)	0	12
13	0029C8702301	Prefab Twin Creeks Reg		369	(485)	486	0	13
14	0029C8702302	Prefab Marlette Tap		369	4,446	(4,447)	(0)	14
15	0029C8702357	Prefab Springer Mine Tap		369	100	(100)	0	15
16	Not Assigned	Paradise PLS - MAOP Improvement		369	-	290,000	290,000	16
17	Not Assigned	Ridgeview 2 City Gate - MAOP Improvement		369	-	70,000	70,000	17
18	Not Assigned	CA Check Meter - Turbine Mtr Mod Repl - Obsolete Equip		369	-	25,000	25,000	18
19	Not Assigned	Ft. Churchill Power Plant - Obsolete Equip		369	-	300,000	300,000	19
20	Not Assigned	Incline City Gate #2 - Obsolete Equip		369	-	120,000	120,000	20
21	Not Assigned	North Tahoe PLS - Obsolete Equip		369	-	290,000	290,000	21
22	Not Assigned	Herbig Res Foothill Road - Obsolete Equip		369	-	40,000	40,000	22
23	Not Assigned	Turner Res Foothill Road - Obsolete Equip		369	-	40,000	40,000	23
24	Not Assigned	Wadsworth PLS - Htr Reg Station		369	-	25,000	25,000	24
25	Not Assigned	Shafer Valve Replacement (2) - Tracy Power Plant MSA		369	-	40,000	40,000	25
26	Not Assigned	Twin Creeks MSA - Replacement		369	-	140,000	140,000	26
27	Not Assigned	Winnemucca CS - Moisture/H2S Detector		369	-	50,000	50,000	27
28	Not Assigned	Wadsworth PLS - Gas Quality Improvements		369	-	277,000	277,000	28
29	Not Assigned	Carson PLS - Clamp-on US Check Meters (2)		369	-	70,000	70,000	29
30	Not Assigned	Mark Twain CG- Fencing Improvements		369	-	10,000	10,000	30
31	Not Assigned	Fernley CG- Fencing Improvements		369	-	10,000	10,000	31
32	Not Assigned	Reno CG1 - Bldg Replacement		369	-	16,000	16,000	32
33	Not Assigned	Carson PLS - Bldg Replacement		369	-	16,000	16,000	33
34	Not Assigned	NWP Border Station - Bldg Replacement		369	-	16,000	16,000	34
35	Not Assigned	Wadsworth PLS - Security Improvements		369	-	70,000	70,000	35
36	Not Assigned	Jungo Road PLS - Security Improvements		369	-	40,000	40,000	36

PAIUTE PIPELINE COMPANY
WORK ORDERS CLAIMED IN RATE BASE
FOR THE PERIOD ENDED NOVEMBER 30, 2008, AS ADJUSTED

Line No.	Work Order Number (a)	Description (b)	Docket Number (c)	Plant Account No. (d)	Balance At 11/30/2008 (e)	Additional Costs 12/08 - 8/09 (f)	Balance As Adjusted (g)	Line No.
1	Not Assigned	Bristol Controlwave Improvements		370	-	175,000	175,000	1
2	Not Assigned	Remote CP Monitoring Unit - Sheep Camp		370	-	7,500	7,500	2
3	Not Assigned	VSAT Replacement - (3) Sites		370	-	10,000	10,000	3
4	0029C8702336	Purchase 2 HP Servers		391	8,859	-	8,859	4
5	0029W0000032	Purchase Xerox Plotters		391.1	-	4,500	4,500	5
6	Not Assigned	Addl. Workstation for Doc Scanning		391.1	-	5,000	5,000	6
7	0029C7523619	1 - Chevrolet K3500		392.1	40,274	-	40,274	7
8	0029W0936472	1 - Ford F-350		392.1	-	42,000	42,000	8
9	0029W0936475	1 - Ford F-250		392.1	-	26,000	26,000	9
10	0029W0936486	1 - Ford F-350		392.1	-	42,000	42,000	10
11	0029W0936487	1 - Chevrolet K1500		392.1	-	24,000	24,000	11
12	0029W0936488	2 - Chevrolet K3500		392.1	-	70,000	70,000	12
13	0029W0936502	1 - Ford F-350		392.1	-	42,000	42,000	13
14	0029W0936504	1 - Ford F-350		392.1	-	42,000	42,000	14
15	0029C7523621	1 - Freightliner Dump Truck		392.12	143,642	-	143,642	15
16	Not Assigned	PPC Bldg - Storage Unit/Container		394	-	5,000	5,000	16
17	Not Assigned	Boom Truck Cable Respooling/Lift Increase		394	-	6,000	6,000	17
18	Not Assigned	Dry Block Calibrator		394	-	4,000	4,000	18
19	Not Assigned	Portable Moisture Analyzer		394	-	10,000	10,000	19
20	Not Assigned	Torque Wrench/Large Tap Fittings		394	-	26,000	26,000	20
21	Not Assigned	Boreoscope		394	-	15,000	15,000	21
22	0029C8524138	1 - Trail King Truck		396	32,906	-	32,906	22
23	0029C8524140	Attachment - Snow Plow Power Angle		396	3,825	-	3,825	23
24	Total				\$ 824,781	\$ 6,134,874	\$ 6,959,656	24

Sch C-1B
Ln 48, Col (d)

PAIUTE PIPELINE COMPANY
GAS PLANT IN SERVICE - LAKE TAHOE EXPANSION INCREMENTAL PROJECT
FOR THE PERIOD ENDED NOVEMBER 30, 2008, AS ADJUSTED

Line No.	Description (a)	Account (b)	Balance as Recorded at at 11/30/08 (c)	Remove Plant in Excess of Agreement Adj. No. 3 (d)	Balance as Adjusted (e)	Line No.
	<u>Transmission - Lake Tahoe Expansion</u>					
1	Mains	367.01	\$ 13,395,242	\$ (3,222,314)	\$ 10,172,928	1
2	Measuring & Regulating Station Equipment	369.01	361,501	(82,552)	278,949	2
3	Total Plant in Service		<u>\$ 13,756,743</u>	<u>\$ (3,304,866)</u>	<u>\$ 10,451,877</u>	3

Explanation:

This adjustment removes from Gross Plant capital costs incurred in excess of the agreed-upon project cost cap amount set forth in the related transportation service agreements between Paiute Pipeline Company and the Lake Tahoe Expansion Project shippers.

**PAIUTE PIPELINE COMPANY
LIQUEFIED NATURAL GAS STORAGE**

H. G. Laub LNG Storage Facility

This facility, located near Lovelock, Nevada, commenced operation in 1982. The LNG Plant was specifically designed and constructed for the purpose of meeting high priority, peak day demands on Paiute's system. The LNG Plant consists essentially of (1) liquefaction facilities which can liquefy natural gas supplies at a design rate of 5,500 Mcf per day; (2) an above-ground storage tank with a total capacity equivalent to approximately 1,000,000 Mcf of natural gas, of which approximately 924,000 Mcf is working inventory gas; and (3) vaporization facilities with a design sendout rate of 70,000 Mcf per day of natural gas.

On December 29, 2004, Paiute purchased the LNG facility and approximately 61 miles of 20-inch diameter loop pipeline between the LNG Storage Facility and the Wadsworth Junction. Prior to purchasing the facility and pipeline, Paiute had leased the facilities from their prior owner.

Paiute renders gas storage service from the LNG Facility to certain of its customers under Rate Schedule LGS-1. For additional detail refer to Paiute Pipeline Company FERC Gas Tariff, Second Revised Volume No. 1-A.

Capital costs associated with the LNG Storage Facility are shown on Schedule C-1. Operation and maintenance expenses for the LNG Storage Facility are shown on Statement H-1.

PAIUTE PIPELINE COMPANY
LNG STORAGE QUANTITIES (Dth)
TWELVE MONTHS ENDED NOVEMBER 30, 2008, AS ADJUSTED

Line No.	Description (a)	Liquefaction (b)	Vaporization (c)	Month End Balance (d)	Customer Inventory (e)	Cushion Gas [1] (f)	Line No.
1	November 2007	0	15,951	1,001,858	919,148	82,710	1
2	December	0	40,112	961,746	879,036	82,710	2
3	January 2008	0	22,758	938,988	856,278	82,710	3
4	February	0	14,080	924,908	842,198	82,710	4
5	March	0	15,336	909,572	826,862	82,710	5
6	April	38,811	10,027	938,356	855,646	82,710	6
7	May	97,466	11,930	1,023,892	941,182	82,710	7
8	June	0	15,926	1,007,966	925,256	82,710	8
9	July	0	15,066	992,900	910,190	82,710	9
10	August	0	13,240	979,660	896,950	82,710	10
11	September	0	14,203	965,457	882,747	82,710	11
12	October	76,163	15,046	1,026,574	943,864	82,710	12
13	November	0	14,782	1,011,792	929,082	82,710	13
14	13 Month Total	212,440	218,457				14
15	Base Period Balance			1,011,792	929,082	82,710	15

[1] Supporting Schedule E-3A Col (k)

**PAIUTE PIPELINE COMPANY
METHODS AND PROCEDURES USED IN CAPITALIZING
ALLOWANCE FOR FUNDS USED DURING CONSTRUCTION
AND OTHER CONSTRUCTION OVERHEADS
TWELVE MONTHS ENDED NOVEMBER 30, 2008, AS ADJUSTED**

No change in method or procedure has been made since Paiute's last FERC Form 2-A filing.

**PAIUTE PIPELINE COMPANY
COST OF GAS PLANT IN SERVICE
NOT BEING USED IN RENDERING GAS SERVICE
TWELVE MONTHS ENDED NOVEMBER 30, 2008, AS ADJUSTED**

No change has occurred since Paiute's last FERC Form 2-A filing.