

GAS TRANSMISSION NORTHWEST CORPORATION

Docket No. RP06-
Schedule J-1, Workpaper 1
Page 1 of 1Discount Adjustment Worksheet
LTF Discounted Rate Shippers under Rate Schedule FTS-1
For the Twelve Months Ended March 31, 2006, As Adjusted
GTN Mainline

No.	Shipper Name	MDQ	Path	Discounted Rate	Recourse Rate (Reservation Only)	% of Recourse	MDQ Reduction	Dth-Mile Reduction	Non-Mileage Rate Component ²	Mileage Reservation Component ²	Delivery Component ²	Revised Recourse Rate (Full-Path) ³	Change from Previous Iteration
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)
1st Iteration													
1	Sempra	40,000	K-M	\$ 0.045136	\$ 0.382694	11.79%	35,282	21,608,666					
2	Coral	30,000	K-S	\$ 0.056462	\$ 0.198060	28.51%	21,448	5,948,959					
3	Nexen	20,000	K-M	\$ 0.035238	\$ 0.382694	9.21%	18,158	11,121,310					
4	Sacramento Municipal Utility District	20,000	K-M	\$ 0.050000	\$ 0.382694	13.07%	17,387	10,848,811					
5	IGI	17,000	K-S	\$ 0.118836	\$ 0.196060	60.00%	6,800	1,886,116					
6	Sacramento Municipal Utility District	11,742	K-M	\$ 0.050000	\$ 0.382694	13.07%	10,208	6,251,917					
7	Cargill	73,715	K-M	\$ 0.020000	\$ 0.382694	5.23%	69,863	42,788,035					
8	Sempra	40,000	K-M	\$ 0.150000	\$ 0.382694	39.20%	24,322	14,686,066					
9	Discounted IT	6,392	K-M	\$ 0.027339	\$ 0.382694	7.14%	5,935	3,635,175					
10	Discounted IT	7,317	K-S	\$ 0.019737	\$ 0.198060	9.97%	6,588	1,827,268					
11	Discounted IT	1,494	S-M	\$ 0.037602	\$ 0.229864	16.36%	1,250	418,731					
12	Total	267,660					217,240	121,031,254	\$ 0.049821	\$ 0.000614	\$ 0.000037	\$ 0.448532	\$ 0.043177
2nd Iteration													
13	Sempra	40,000	K-M	\$ 0.045138	\$ 0.425871	10.60%	35,760	21,901,821					
14	Coral	30,000	K-S	\$ 0.058462	\$ 0.220126	25.65%	22,305	6,186,752					
15	Nexen	20,000	K-M	\$ 0.035238	\$ 0.425871	8.27%	18,345	11,235,681					
16	Sacramento Municipal Utility District	20,000	K-M	\$ 0.050000	\$ 0.425871	11.74%	17,652	10,811,066					
17	IGI	17,000	K-S	\$ 0.132076	\$ 0.220126	60.00%	6,800	1,888,116					
18	Sacramento Municipal Utility District	11,742	K-M	\$ 0.050000	\$ 0.425871	11.74%	10,363	6,347,177					
19	Cargill	73,715	K-M	\$ 0.020000	\$ 0.425871	4.70%	70,253	43,027,249					
20	Sempra	40,000	K-M	\$ 0.150000	\$ 0.425871	35.22%	25,911	15,869,599					
21	Discounted IT	6,392	K-M	\$ 0.027339	\$ 0.425871	5.982%	5,982	3,863,529					
22	Discounted IT	7,317	K-S	\$ 0.019737	\$ 0.220126	8.97%	6,861	1,847,543					
23	Discounted IT	1,494	S-M	\$ 0.037602	\$ 0.255566	14.71%	1,274	426,967					
24	Total	267,660					221,307	123,203,480	\$ 0.049916	\$ 0.000616	\$ 0.000037	\$ 0.449852	\$ 0.001320
3rd Iteration													
25	Sempra	40,000	K-M	\$ 0.045138	\$ 0.427191	10.57%	35,774	21,909,844					
26	Coral	30,000	K-S	\$ 0.058462	\$ 0.220778	25.57%	22,328	6,193,033					
27	Nexen	20,000	K-M	\$ 0.035238	\$ 0.427191	8.25%	18,350	11,238,793					
28	Sacramento Municipal Utility District	20,000	K-M	\$ 0.050000	\$ 0.427191	11.70%	17,659	10,815,510					
29	IGI	17,000	K-S	\$ 0.132466	\$ 0.220776	60.00%	6,800	1,886,116					
30	Sacramento Municipal Utility District	11,742	K-M	\$ 0.050000	\$ 0.427191	11.70%	10,368	6,349,786					
31	Cargill	73,715	K-M	\$ 0.020000	\$ 0.427191	4.68%	70,264	43,033,800					
32	Sempra	40,000	K-M	\$ 0.150000	\$ 0.427191	35.11%	25,955	15,896,260					
33	Discounted IT	6,392	K-M	\$ 0.027339	\$ 0.427191	6.40%	5,983	3,664,306					
34	Discounted IT	7,317	K-S	\$ 0.019737	\$ 0.220776	8.94%	6,663	1,848,078					
35	Discounted IT	1,494	S-M	\$ 0.037602	\$ 0.256331	14.87%	1,275	427,187					
36	Total	267,660					221,418	123,262,712	\$ 0.049918	\$ 0.000616	\$ 0.000037	\$ 0.449854	\$ 0.000002
4th Iteration													
37	Sempra	40,000	K-M	\$ 0.045138	\$ 0.427193	10.57%	35,774	21,909,856					
38	Coral	30,000	K-S	\$ 0.058462	\$ 0.220778	25.57%	22,328	6,193,052					
39	Nexen	20,000	K-M	\$ 0.035238	\$ 0.427193	8.25%	18,350	11,238,797					
40	Sacramento Municipal Utility District	20,000	K-M	\$ 0.050000	\$ 0.427193	11.70%	17,859	10,815,517					
41	IGI	17,000	K-S	\$ 0.132467	\$ 0.220778	60.00%	6,800	1,886,116					
42	Sacramento Municipal Utility District	11,742	K-M	\$ 0.050000	\$ 0.427193	11.70%	10,368	6,349,790					
43	Cargill	73,715	K-M	\$ 0.020000	\$ 0.427193	4.68%	70,264	43,033,810					
44	Sempra	40,000	K-M	\$ 0.150000	\$ 0.427193	35.11%	25,955	15,896,300					
45	Discounted IT	6,392	K-M	\$ 0.027339	\$ 0.427193	6.40%	5,983	3,664,307					
46	Discounted IT	7,317	K-S	\$ 0.019737	\$ 0.220778	8.94%	6,663	1,848,080					
47	Discounted IT	1,494	S-M	\$ 0.037602	\$ 0.256333	14.87%	1,275	427,188					
48	Total	267,660					221,418	123,262,812	\$ 0.049918	\$ 0.000616	\$ 0.000037	\$ 0.449854	\$ -

Billing Determinant Adjustment Related to Discount Adjustment

	Description	Reference	Reservation		Delivery
			MDQ	Dth-Mile	Annual Dth-Mile
49	Net Billing Determinants for Rate Design	Sch I-3, WP 1, line 21	2,357,176	1,176,064,274	327,067,818,932
50	Discount Adjustment	Sch J-1, WP 1, line 48	221,418	123,262,812	0
51	Discount Adjusted Billing Determinants for Rate Design	line 49 - line 50	2,135,758	1,052,801,462	327,067,818,932

¹Initial full-path recourse rate utilized in the discount adjustment is calculated as follows:

Description	Reference	Reservation		Delivery	Total
		Non-Mileage	Mileage		
Net FTS-1 Cost of Service for Rate Design	Stmt J, line 21	\$36,914,042	\$ 236,561,869	\$ 12,158,484	\$287,634,396
Sch I-3, WP1, line					
Net Billing Determinants for Rate Design 21		2,357,176	1,176,064,274	327,067,818,932	
		\$ 0.045229	\$ 0.000551	\$ 0.000037	\$ 0.405356

²The iterative process and resulting discount adjusted rate utilize the same cost of service described in footnote 1.