

Gas Transmission Northwest Corporation

Docket No. RP06-
Statement H-2
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Depreciation, Depletion and Amortization Expense
For the Twelve Months Ended March 31, 2006, As Adjusted

Line No.	Description (a)	Adjusted Depreciable Plant December 31, 2006 (b) \$	Current Rate (c) %	Depreciation Expense Per Books March 31, 2006 (d) \$	Proposed Rate (e) %	Adjustment (f) \$	Total as Adjusted (g) \$
Account No. 403 - Depreciation Pre-Expansion Mainline							
1	Pre-Expansion Mainline	1,463,244,779	2.302%	33,226,771	2.760%	7,158,785	40,385,556
2	Negative Salvage - Pre-Expansion Mainline		0.050%	725,571	0.740%	10,102,441	10,828,011
3	Total Pre-Expansion Mainline	1,463,244,779		33,952,342		17,261,226	51,213,567
Account No. 403 - Incremental Transmission							
4	Medford Lateral	44,056,980	3.333%	1,468,286	3.333%	133	1,468,419
5	Coyote Lateral	9,255,576	4.000%	367,283	4.000%	2,940	370,223
6	1998 Expansion	6,095,899	2.302%	140,328	2.760%	27,919	168,247
7	Negative Salvage - 1998 Expansion	0	0.050%	3,048	0.740%	42,062	45,110
8	2002 Expansion	129,190,556	2.302%	2,973,967	2.760%	591,693	3,565,659
9	Negative Salvage - 2002 Expansion	0	0.050%	64,595	0.740%	891,415	956,010
10	Total Incremental Transmission	188,599,010		5,017,506		1,556,162	6,573,668
General Plant							
11	Office Furniture and Equipment	4,933,629	7.303%	360,303	6.670%	-31,230	329,073
12	Computer Equipment	18,391,626	7.303%	1,085,098	33.330%	5,044,831	6,129,929
13	Transportation Equipment	2,498,855	7.303%	209,630	18.000%	240,164	449,794
14	Stores Equipment*	68,021	0.000%	414	0.000%	0	0
15	Tools, Shop, Garage Equipment	4,806,041	7.303%	348,014	4.000%	-155,772	192,242
16	Power Operated Equipment	699,661	7.303%	138,572	4.000%	-110,585	27,986
17	Communications Equipment	1,808,531	7.303%	131,149	10.000%	49,705	180,853
18	Miscellaneous Equipment*	35,953	0.000%	213	0.000%	0	0
19	Total General Plant	33,242,316		2,273,393		5,037,111	7,309,877
20	Total Depreciation	1,685,086,106		41,243,241		23,854,499	65,097,113
Account No. 404 - Amortization							
21	Intangible Plant - Organization	2,086	0.000%	0	0.000%	0	0
22	Intangible Plant - Franchises and Consents	1,117,756	0.000%	0	0.000%	0	0
23	Intangible Plant - Computer Software - 303.0	0	0.000%	569,895	0.000%	0	0
24	Intangible Plant - Computer Software - 303.1	5,463,778	20.000%	1,088,364	20.000%	4,391	1,092,756
25	Intangible Plant - Computer Software - 303.2	151,488	7.303%	11,063	20.000%	19,234	30,298
26	Intangible Plant - Computer Software - 303.3	7,039,771	0.000%	0	0.000%	0	0
27	Intangible Plant - Kingsgate Launcher Receiver Access - 303.4	626,353	0.000%	0	2.760%	17,287	17,287
28	Leasehold Improvements - Pre-Expansion Mainline	980,899	10.000%	97,692	10.000%	398	98,090
29	Computer Software - 1998 Expansion*	35	20.000%	0	0.000%	0	0
30	Total Amortization	15,382,166		1,767,015		41,311	1,238,430
31	Non-Depreciable Gas Plant	546,411	0.000%	0	0.000%	0	0
32	Total	1,701,014,684		43,010,255		23,895,810	66,335,543

*Fully depreciated; not studied

Notes:

"Original System" excludes laterals and expansion projects

Adjusted Depreciable Plant at November 30, 2006

Depreciation Expense - actual - March 05 - February 06

Added separate line for "Non-Depreciable Gas Plant"

Negative Salvage currently applied to original system and expansion transmission assets

Medford & Coyote - unclear whether proposed depreciation rates apply to laterals; schedule uses current rates