

**Portland Natural Gas Transmission System
Capital Structure**

Line No.	Description (a)	<u>per Books</u> <u>December 31, 2007</u> (b)	<u>Adjustments</u> (c)	<u>September 30, 2008</u> <u>as Adjusted</u> (d)	<u>Capitalization</u> <u>Percent</u> (e)	<u>Rate</u> (f)	<u>Weighted</u> <u>Cost</u> (g)
1	Debt	210,945,000	(11,424,000)	199,521,000	52.24%	6.046%	3.16%
2	Equity	182,374,263	0	182,374,263	47.76%	14.75%	7.04%
3	Total	393,319,263	(11,424,000)	381,895,263	100.00%		10.20%