Cost Methodology-- No Federal Dollars Credited	Actual Miles	# of Inspection Days	Average # of Inspection Units	Total # of Inspection Days	Cost of Inspection	Cost of Standard Inspection * # of Units	Percent of Actual Miles	Cost Per Actual Mile	Total For Company
INTERSTATE									
TRANSMISSION--GAS									
KB Pipeline -- NWN	18.00	23	0.5	11.5	$12,220	$6,110	0.7005%	$6,065.20	$12,175.20
PG&E Transmission	304.00	23	1	23	$12,220	$12,220	11.8311%	$102,434.45	$114,654.45
Williams	1,423.00	23	2	46	$12,220	$24,440	55.3804%	$479,487.59	$503,927.59
Williams-LNG		10	1	10	$5,720	$5,720	0.0000%	$0.00	$5,720.00
TRANSMISSION--LIQUIDS									
Trans-Mountain Pipeline	70.00	24	0.5	12	$12,775	$6,388	2.7243%	$23,586.88	$29,974.38
Yellowstone Pipeline--Spokane	32.00	24	0.5	12	$12,775	$6,388	1.2454%	$10,782.57	$17,170.07
Yellowstone Pipeline--Moses Lake	113.00	24	0.5	12	$12,775	$6,388	4.3977%	$38,075.96	$44,463.46
Chevron	175.00	24	0.5	12	$12,775	$6,388	6.8107%	$58,967.20	$65,354.70
Olympic Pipeline	434.50	24	1	24	$12,775	$12,775	16.9099%	$146,407.14	$159,182.14
Olympic Pipeline-Anomaly Digs		100	1	100	$50,775	$50,775	0.0000%	$0.00	$50,775.00
Exxon		13	1	13	$6,890	$6,890	0.0000%	$0.00	$6,890.00
PSE- Jackson Prarie		13	1	13	$6,890	$6,890	0.0000%	$0.00	$6,890.00
Total Interstate	**2,569.50**	**325**	**11**	**289**		**151,370.00**	**1.00**	**865,807.00**	**1,017,177.00**
INTRASTATE									
LDC's									
NW Natural	1,187.00	26	2	52	$13,750	$27,500	6.7395%	$63,038.79	$90,538.79
Avista	2,527.00	26	2	52	$13,750	$27,500	14.3477%	$134,203.05	$161,703.05
Cascade	3,555.00	26	4	104	$13,750	$55,000	20.1844%	$188,797.72	$243,797.72
PSE	10,001.00	26	3	78	$13,750	$41,250	56.7831%	$531,129.69	$572,379.69
MUNICIPAL									
Buckley	32.00	12.5	0.5	6.25	$6,610	$3,305	0.1817%	$1,699.45	$5,004.45
Ellensburg	80.00	12.5	0.5	6.25	$6,610	$3,305	0.4542%	$4,248.61	$7,553.61
Enumclaw	93.00	12.5	0.5	6.25	$6,610	$3,305	0.5280%	$4,939.01	$8,244.01
LIQUIDS--TRANSMISSION									
Prodica	0.80	16	1	16	$8,470	$8,470	0.0045%	$42.49	$8,512.49
Tidewater	2.60	16	1	16	$8,470	$8,470	0.0148%	$138.08	$8,608.08
Arco	5.00	16	1	16	$8,470	$8,470	0.0284%	$265.54	$8,735.54
Kaneb	4.20	16	1	16	$8,470	$8,470	0.0238%	$223.05	$8,693.05
Naval Air Station - Whidbey	10.00	16	1	16	$8,470	$8,470	0.0568%	$531.08	$9,001.08
Olympic Pipeline	41.00	16	0.5	8	$8,470	$4,235	0.2328%	$2,177.41	$6,412.41
McChord Pipeline Co.	14.50	16	1	16	$8,470	$8,470	0.0823%	$770.06	$9,240.06
DIRECT									
Vanalco	0.50	12	1	12	$6,360	$6,360	0.0028%	$26.55	$6,386.55
Prodica	0.80	12	1	12	$6,360	$6,360	0.0045%	$42.49	$6,402.49
Inland Empire Paper Co.	3.60	12	1	12	$6,360	$6,360	0.0204%	$191.19	$6,551.19
Fort James	1.70	12	1	12	$6,360	$6,360	0.0097%	$90.28	$6,450.28
Sumas Cogeneration Co.	4.00	12	1	12	$6,360	$6,360	0.0227%	$212.43	$6,572.43
Weyerhaeuser Paper	9.00	12	1	12	$6,360	$6,360	0.0511%	$477.97	$6,837.97
Arco Western Co.	36.30	12	1	12	$6,360	$6,360	0.2061%	$1,927.81	$8,287.81
Bassin Food	3.62	12	1	12	$6,360	$6,360	0.0206%	$192.25	$6,552.25
STORAGE - LP/LNG/LIQUIDS									
PSE		13	1	13	$6,890	$6,890		$0.00	$6,890.00
PROPANE DISTRIBUTION									
PSE -- LP Gas Distribution		13	1	13	$6,890	$6,890		$0.00	$6,890.00
PSE -- Propane Air		9.5	1	9.5	$5,030	$5,030		$0.00	$5,030.00
TOTAL INTRASTATE	**17,612.62**	**385**	**30**	**540**		**285,910**	**100%**	**$935,365**	**$1,221,275**
TOTAL	**20,182.12**	**710**	**41**	**829**		**437,280**	**100%**	**$1,801,172**	**$2,238,452**
Total Cost of Program including JLARK audit	**$2,238,453**								
Cost of base inspections	**$437,280**								
Inter-41.7% Net Bal.	**$865,807**								
Intra-58.3% of Net Bal.	**$935,365**								

Cost Methodology-- Federal Dollars Credited	Actual Miles	# of Inspection Days	Average # of Inspection Units	Total # of Inspection Days	Cost of Inspection	Cost of Standard Inspection * # of Units	Percent of Actual Miles	Cost Per Actual Mile	Total For Company
INTERSTATE									
TRANSMISSION--GAS									
KB Pipeline--NWN	18.00	23	0.5	11.5	$12,220	$6,110	0.7005%	$4,313.88	$10,423.88
PG&E Transmission	304.00	23	1	23	$12,220	$12,220	11.8311%	$72,856.71	$85,076.71
Williams	1,423.00	23	2	46	$12,220	$24,440	55.3804%	$341,036.53	$365,476.53
Williams -- LNG		10	1	10	$5,720	$5,720	0.0000%	$0.00	$5,720.00
TRANSMISSION--LIQUIDS									
Trans-Mountain Pipeline	70.00	24	0.5	12	$12,775	$6,388	2.7243%	$16,776.22	$23,163.72
Yellowstone Pipeline - Spokane	32.00	24	0.5	12	$12,775	$6,388	1.2454%	$7,669.13	$14,056.63
Yellowstone Pipeline - Moses Lake	113.00	24	0.5	12	$12,775	$6,388	4.3977%	$27,081.61	$33,469.11
Chevron	175.00	24	0.5	12	$12,775	$6,388	6.8107%	$41,940.54	$48,328.04
Olympic Pipeline	434.50	24	1	24	$12,775	$12,775	16.9099%	$104,132.38	$116,907.38
Olympic Anomaly Digs		100	1	100	$50,775	$50,775	0.0000%	$0.00	$50,775.00
Exxon		13	1	13	$6,890	$6,890	0.0000%	$0.00	$6,890.00
PSE - Jackson Prarie		13	1	13	$6,890	$6,890	0.0000%	$0.00	$6,890.00
Total Interstate	**2,569.50**	**325**	**11**	**289**		**151,370.00**	**100%**	**$615,807**	**$767,177**
INTRASTATE									
LDC's									
NW Natural	1,187.00	26	2	52	$13,750	$27,500	6.7395%	$41,135.46	$68,635.46
Avista	2,527.00	26	2	52	$13,750	$27,500	14.3477%	$87,573.14	$115,073.14
Cascade	3,555.00	26	4	104	$13,750	$55,000	20.1844%	$123,198.46	$178,198.46
PSE	10,001.00	26	3	78	$13,750	$41,250	56.7831%	$346,584.46	$387,834.46
MUNICIPAL									
Buckley	32.00	12.5	0.5	6.25	$6,610	$3,305	0.1817%	$1,108.96	$4,413.96
Ellensburg	80.00	12.5	0.5	6.25	$6,610	$3,305	0.4542%	$2,772.40	$6,077.40
Enumclaw	93.00	12.5	0.5	6.25	$6,610	$3,305	0.5280%	$3,222.91	$6,527.91
LIQUIDS--TRANSMISSION									
Agrium	0.80	16	1	16	$8,470	$8,470	0.0045%	$27.72	$8,497.72
Tidewater	2.60	16	1	16	$8,470	$8,470	0.0148%	$90.10	$8,560.10
Arco	5.00	16	1	16	$8,470	$8,470	0.0284%	$173.27	$8,643.27
Kaneb	4.20	16	1	16	$8,470	$8,470	0.0238%	$145.55	$8,615.55
Naval Air Station - Whidbey	10.00	16	1	16	$8,470	$8,470	0.0568%	$346.55	$8,816.55
Olympic Pipeline	41.00	16	0.5	8	$8,470	$4,235	0.2328%	$1,420.85	$5,655.85
McChord Pipeline Co.	14.50	16	1	16	$8,470	$8,470	0.0823%	$502.50	$8,972.50
DIRECT									
Vanalco	0.50	12	1	12	$6,360	$6,360	0.0028%	$17.33	$6,377.33
Agrium	0.80	12	1	12	$6,360	$6,360	0.0045%	$27.72	$6,387.72
Inland Empire Paper Co.	3.60	12	1	12	$6,360	$6,360	0.0204%	$124.76	$6,484.76
Fort James	1.70	12	1	12	$6,360	$6,360	0.0097%	$58.91	$6,418.91
Sumas Cogeneration Co.	4.00	12	1	12	$6,360	$6,360	0.0227%	$138.62	$6,498.62
Weyerhaeuser Paper	9.00	12	1	12	$6,360	$6,360	0.0511%	$311.89	$6,671.89
Arco Western Co.	36.30	12	1	12	$6,360	$6,360	0.2061%	$1,257.98	$7,617.98
Bassin Food	3.62	12	1	12	$6,360	$6,360	0.0206%	$125.45	$6,485.45
STORAGE - LP/LNG/LIQUIDS									
PSE		13	1	13	$6,890	$6,890		$0.00	$6,890.00
PROPANE DISTRIBUTION									
PSE -- LP Gas Distribution		13	1	13	$6,890	$6,890		$0.00	$6,890.00
PSE -- Propane Air		9.5	1	9.5	$5,030	$5,030		$0.00	$5,030.00
TOTAL INTRASTATE	**17,612.62**	**385**	**30**	**540**		**285,910**	**100%**	**$610,365**	**$896,275**
TOTAL	**20,182.12**	**710**	**41**	**829**		**437,280**	**100%**	**$1,226,172**	**$1,663,452**
Total Cost of Program including JLARK audit	**$2,238,453**								
Cost of base inspections	**$437,280**								
Program Balance	**$1,801,173**								
Inter-41.7% Net Bal. and Less Fed $250,000	**$615,807**								
Intra-58.3% of Net Bal. Less Fed Grant $325,000	**$610,365**								