

Attachment No. 1
Docket TO-011472

Olympic
Total Company
2001 Forecast
(a)

Revenue			
Transportation	\$	35,119,584	(1)
Transportation			(2)
Interest		80,269	
Miscellaneous		267,189	
Gain/Loss		(2,410,823)	(3)
Total Revenue	\$	33,056,219	

Operating Expenses			
Salaries		7,281,608	
Supplies		1,200,918	
Outside Service		5,995,604	
Rentals		588,798	
Administrative		1,012,883	
Oil Loss		-	
Misc.		3,160,256	(4)
Total Op. Expense		19,240,067	

Power Expense		7,214,453	(5)
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Non-Op Expense			
Insurance		660,613	
Net Casualty		16,227,368	(6)
Property Tax		1,236,085	
Franchise Tax		669,468	
Issuance Expense		5,412	
Interest		8,803,002	(7)
Depreciation		2,545,688	
Tot Non-Op. Expenses		30,147,636	

Total Expenses	<u>56,602,156</u>	
Net Income Before Tax	<u>\$ (23,545,937)</u>	
Fed./State Income Tax	<u>(7,326,168)</u>	(8)
Income After Tax	<u><u>\$ (16,219,769)</u></u>	

Ratebase	<u><u>\$ 111,746,000</u></u>
Rate of Return	-14.5149%

% Equity	82.92%	(9)
Return on Equity	11.73%	

% Increase

- 1) Remove FERC approved t
- 2) Normalize revenues and v
- 3) Adjust Gain/Loss on batch
- 4) Adjust Misc. Expense to P
- 5) Normalize power & DRA c
- 6) Remove Whatcom 1999 e
- 7) Move interest below the lir
- 8) Recalculate Fed. Income t
- 9) To revise capital structure
- 10) Reduce rate base to Origin
- 11) To set equity return at 12%

Income before tax	\$ (23,545,937)
state tax	(83,216)
taxable income	\$ (23,629,153)
FIT	(7,242,953)
tax rate	30.65%

FERC Methodology				STAFF	
				Original Cost Methodology	
Preliminary Staff Adjustments (b)	Adjusted 2001 Forecast (c)	Effect of Interim Rates (d)	Adjusted Forecast w/ Interim Rates (e)	Adjustments to FERC Methodology (f)	Adjusted Original Cost With Interim Rates (g)
\$ (4,600,000)	30,519,584	\$ 10,778,633	\$ 41,298,217	\$ (4,368,463)	\$ 36,929,754
\$ 1,756,860	1,756,860		1,756,860		1,756,860
	80,269		80,269		80,269
	267,189		267,189		267,189
1,860,824	(549,999)		(549,999)		(549,999)
\$ (982,316)	\$ 32,073,903	\$ 10,778,633	\$ 42,852,536	\$ (4,368,463)	\$ 38,484,073
	7,281,608		7,281,608		7,281,608
	1,200,918		1,200,918		1,200,918
	5,995,604		5,995,604		5,995,604
	588,798		588,798		588,798
	1,012,883		1,012,883		1,012,883
	-		-		-
(1,896,867)	1,263,389		1,263,389		1,263,389
(1,896,867)	17,343,200		17,343,200		17,343,200
2,344,231	9,558,684		9,558,684		
	-		-		
	660,613		660,613		660,613
(16,227,368)	-		-		-
	1,236,085		1,236,085		1,236,085
	669,468		669,468		669,468
	5,412		5,412		5,412
(8,803,002)	-		-		-
	2,545,688		2,545,688		2,545,688
(25,030,370)	5,117,266	-	5,117,266		5,117,266

(24,583,006)	32,019,150	-	32,019,150		32,019,150
\$ 23,600,690	\$ 54,753	\$ 10,778,633	10,833,386	\$ (4,368,463)	6,464,923
4,535,878	(2,790,290)	3,303,933	513,643	(1,338,934)	(825,291)
\$ 19,064,812	\$ 2,845,043	\$ 7,474,700	\$ 10,319,743	\$ (3,029,415)	\$ 7,290,329

	<u>111,746,000</u>		<u>111,746,000</u>	(10)	<u>(33,941,000)</u>	<u>77,805,000</u>
	2.5460%		9.2350%			9.3700%
0.3292	50.00%		50.00%			50.00%
	11.73%		11.73%	(11)		12.00%
		33.39%			19.86%	

temporary revenue
 volumes
 hed/interface shipments to PF level
 PF level
 costs to one half PF level
 explosion amounts
 ne
 Taxes
 e to 50/50
 inal Cost Less Depreciation
 %