

Northwest Natural Gas Company
Owned Capacity Property Adjustment
For Year Ended 12/31/1999 to Rate Year 6/30/2001

Docket UG-000073
Exhibit No. _____ (MRL-3)
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| <u>Line No.</u> | <u>Description</u> | <u>Amount</u> | <u>Adjustment Factor</u> | <u>Adjustment</u> |
|-----------------|---|----------------------|--------------------------|--------------------|
| 1 | O & M per book | \$167,105 | | |
| 2 | Adj: Mist annualization | 708 | | |
| 3 | Total O & M | <u>\$167,813</u> | 3.44% | (\$5,770) |
| 4 | Depreciation per book | \$203,028 | | |
| 5 | Adj: Mist annualization | 40,876 | | |
| 6 | Total Depreciation | <u>\$243,904</u> | 3.44% | (8,386) |
| 7 | Mist Property tax | \$22,999 | 3.44% | (791) |
| 8 | Total Expenses | | | <u>(\$14,947)</u> |
| 9 | Plant in service | \$7,969,373 | | |
| 10 | Mist | 2,209,520 | | |
| 11 | Total Plant in Service | <u>\$10,178,893</u> | 3.44% | (349,988) |
| 12 | Cushion Gas | \$799,740 | 3.44% | (27,498) |
| 13 | Accumulated Depreciation | (\$2,285,787) | | |
| 14 | Adj: Mist Accumulated Depr. | (20,438) | | |
| 15 | Total Accumulated Depr. | <u>(\$2,306,225)</u> | 3.44% | 79,297 |
| 16 | Deferred Taxes Estimated | (\$445,569) | 3.44% | 15,320 |
| 17 | Total Rate Base | <u>\$8,661,555</u> | | <u>(\$282,869)</u> |
| 18 | Annual Growth Rate | | 2.36% | |
| 19 | Year and Half Growth Rate | | 3.56% | |
| 20 | Adjustment Factor (Line 18 / (100% + Line 18)) | | 3.44% | |