

Exhibit No. 1906 (MLT-6)
Docket No. TO-011472
Witness: Maurice L. Twitchell

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

Washington Utilities and) DOCKET NO. TO-011472
Transportation Commission,)
)
Complainant,)
)
v.)
)
Olympic Pipe Line Company, Inc.,)
)
Respondent)
)
_____)

EXHIBIT OF

MAURICE L. TWITCHELL

STAFF OF
WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION

OLYMPIC PIPE LINE COMPANY - TOTAL
TOTAL PRO FORMA ADJUSTMENTS
TWELVE MONTHS ENDING DECEMBER 31, 2001

May 24, 2002

WUTC DOCKET NO. TO-011472
EXHIBIT NO. 1906
ADMIT W/D REJECT
007962

Olympic Pipe Line Company - Total
Total Pro Forma Adjustments
Twelve Months Ending December 31, 2001

Line No.	Description (A)	Total Pro Forma Adj. (B)	P-1 Revenues @ 108,323,000 Bbls Throughput (C)	P-2 Removal of Bayview inv. & Expenses (D)	P-3 Remove FERC Interim Rates (E)	P-4 Power & DRA (F)	P-5 Oregon Income Taxes (G)	P-6 Management O/H Fee (H)	P-7 Normalized Oil Loss (I)	P-8
1	Revenue									
2	Transportation Revenue	\$ (259,314)	\$ 5,282,461	\$ -	\$ (5,541,775)	\$ -	\$ -	\$ -	\$ -	\$ -
3	WUTC	3,270,843	3,270,843	-	-	-	-	-	-	-
4	Other Revenue	-	-	-	-	-	-	-	-	-
5	Total Revenue	\$ 3,011,529	\$ 8,553,304	\$ -	\$ (5,541,775)	\$ -	\$ -	\$ -	\$ -	\$ -
6	Operations and Maintenance									
7	Salaries & Wages (300)	\$ (91,056)	\$ -	\$ (60,548)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
8	Materials and Supplies (310)	(18,489)	-	(259,372)	-	-	-	6,667	-	-
9	Outside Services (320)	1,943,023	-	-	-	2,379,085	-	-	-	-
10	Operating Fuel and Power (330)	(2,542,978)	-	-	-	-	-	-	(2,542,978)	-
11	Oil Losses and Shortages (340)	-	-	-	-	-	-	-	-	-
12	Rentals (350)	-	-	-	-	-	-	-	-	-
13	Other Expenses (390)	-	-	-	-	-	-	-	-	-
14	Total Operations & Maintenance Exp	\$ (709,481)	\$ -	\$ (319,920)	\$ -	\$ 2,379,085	\$ -	\$ 6,667	\$ (2,542,978)	\$ -
15	General									
16	Salaries & Wages (500)	\$ (221,592)	\$ -	\$ (147,380)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
17	Materials and Supplies (510)	(11,250)	-	-	-	-	-	-	-	-
18	Outside Services (520)	(36,600)	-	-	-	-	-	4,057	-	-
19	Rentals (530)	(306,600)	-	(852,240)	-	-	-	-	-	-
20	Depreciation & Amortization (540)	-	-	-	-	-	-	-	-	-
21	Employee Benefits (550)	547,907	-	-	-	-	-	-	-	-
22	Insurance (560)	-	62,996	-	-	-	-	-	-	-
23	Casualty & Other Losses (570)	62,996	-	-	-	-	-	-	-	-
24	Pipeline Taxes (580)	-	-	-	-	-	-	-	-	-
25	Other Expenses (590)	-	-	-	-	-	-	-	-	-
26	Total General Expenses	\$ 34,632	\$ 62,996	\$ (999,620)	\$ -	\$ -	\$ -	\$ 4,057	\$ -	\$ -
27	Total Operating Expenses	\$ (674,849)	\$ 62,996	\$ (1,319,540)	\$ -	\$ 2,379,085	\$ -	\$ 10,724	\$ (2,542,978)	\$ -
28	Other expenses and Taxes									
29	Amortized AFUDC	-	-	-	-	-	-	-	-	-
30	Income Taxes	2,772,661	2,971,608	461,839	(1,939,621)	(832,680)	65,547	(3,753)	890,042	-
31	Total Other and Taxes	\$ 2,772,661	\$ 2,971,608	\$ 461,839	\$ (1,939,621)	\$ (832,680)	\$ 65,547	\$ (3,753)	\$ 890,042	\$ -
32	Total Operating Expenses & FERC Exp.	\$ 2,097,813	\$ 3,034,604	\$ (857,701)	\$ (1,939,621)	\$ 1,546,405	\$ 65,547	\$ 6,971	\$ (1,652,936)	\$ -
33	Net Operating Income	\$ 913,716	\$ 5,518,700	\$ 857,701	\$ (3,602,154)	\$ (1,546,405)	\$ (65,547)	\$ (6,971)	\$ 1,652,936	\$ -
34	Rate Base (Average)	\$ 1,773,378	\$ -	\$ (23,160,449)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
35	Plant in Service (Average)	-	-	-	-	-	-	-	-	-
36	AFUDC (Average)	\$ 1,773,378	\$ -	\$ (23,160,449)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
37	Total	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
38	Working Capital									
39	Less:									
40	Acc. Depreciation (Average)	\$ (3,529,647)	\$ -	\$ 2,627,740	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
41	Acc. Amort. AFUDC (Average)	1,311,103	-	-	-	-	-	-	-	-
42	Acc. Def. Income Tax (EOP)	\$ 2,218,544	\$ -	\$ 2,627,740	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
43	Total Deductions	\$ (445,166)	\$ -	\$ (20,532,709)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
44	Total Rate Base (AMA)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
45	Rate of Return									

Olympic Pipe Line Company - Total Total Pro Forma Adjustments Twelve Months Ending December 31, 2001										Exhibit No. (MLT- 6)
										Docket No. TO-011472
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										Page 2 of 4
Line No.	Description (A)	Total Pro Forma Adj. (B)	P-1 Revenues @ 108,323,000 Bbls Throughput (C)	P-2 Removal of Bayview inv. & Expenses (D)	P-3 Remove FERC Interim Rates (E)	P-4 Power & DRA (F)	P-5 Oregon Income Taxes (G)	P-6 Management O/H Fee (H)	P-7 Normalized Oil Loss (I)	P-8 (J)
Federal Income Tax Calculation										
1	Revenues	\$ 3,011,529	\$ 8,553,304	\$ -	\$ (5,541,775)	\$ -	\$ -	\$ -	\$ -	\$ -
2	Expenses	(674,849)	62,996	(1,319,540)	-	2,379,085	-	10,724	(2,542,978)	-
3	Interest Expense	(4,048,234)	-	-	-	-	-	-	-	-
4	Schedule M Adds	(306,829)	-	(852,240)	-	-	-	-	-	-
5	Book Depreciation	-	-	-	-	-	-	-	-	-
6	Miscellaneous	-	-	-	-	-	-	-	-	-
7	Amortization of AFUDC Equity	-	-	-	-	-	-	-	-	-
8	Amort of FASB 96/109	-	-	(852,240)	-	-	-	-	-	-
9	Total Sch M Adds	\$ (306,829)	\$ -	\$ (852,240)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
10	Schedule M Deductions	\$ (306,829)	\$ -	\$ (852,240)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
11	Tax Depreciation	-	-	-	-	-	-	-	-	-
12	Miscellaneous	-	-	(852,240)	-	-	-	-	-	-
13	Total Sch M Deductions	\$ (306,829)	\$ -	\$ (852,240)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
14	Taxable Income	\$ 7,794,611	\$ 8,490,308	\$ 1,319,540	\$ (5,541,775)	\$ (2,379,085)	\$ -	\$ (10,724)	\$ 2,542,978	\$ -
15	Tax Rate	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.35
16	Federal Income Tax	\$ 2,707,114	\$ 2,971,608	\$ 461,839	\$ (1,939,621)	\$ (832,680)	\$ -	\$ (3,753)	\$ 890,042	\$ -
17	Amort of FASB 96/109	-	-	-	-	-	-	-	-	-
18	Total Current Tax	\$ 2,707,114	\$ 2,971,608	\$ 461,839	\$ (1,939,621)	\$ (832,680)	\$ -	\$ (3,753)	\$ 890,042	\$ -
19	Deferred Tax	-	-	-	-	-	-	-	-	-
20	Total FIT	\$ 2,707,114	\$ 2,971,608	\$ 461,839	\$ (1,939,621)	\$ (832,680)	\$ -	\$ (3,753)	\$ 890,042	\$ -

Olympic Pipe Line Company - Total
Total Pro Forma Adjustments
Twelve Months Ending December 31, 2001

Line No.	Description (A)	P-9 Plant In Service 2001 - NRP (K)	P-10 Insurance Expense (L)	P-11 Remove Sea-Tac & impacts (M)	P-12 Proforma Interest Expense (N)	P-13 Plant In Service 2002 - NRP (O)	P-14 (P)	P-15 (Q)	P-16 (R)	P-17 (S)
1	Revenue									
2	Transportation Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3	WUTC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4	Other Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5	Total Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6	Operations and Maintenance									
7	Salaries & Wages (300)			(30,488)						
8	Materials and Supplies (310)			(25,156)						
9	Outside Services (320)			(176,690)						
10	Operating Fuel and Power (330)									
11	Oil Losses and Shortages (340)									
12	Rentals (350)									
13	Other Expenses (390)									
14	Total Operations & Maintenance Exp	\$ -	\$ -	\$ (232,334)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
15	General									
16	Salaries & Wages (500)									
17	Materials and Supplies (510)			(74,212)						
18	Outside Services (520)			(15,307)						
19	Rentals (530)			(36,600)						
20	Depreciation & Amortization (540)	185,617		(173,435)		533,229				
21	Employee Benefits (550)									
22	Insurance (560)		547,907							
23	Casualty & Other Losses (570)									
24	Pipeline Taxes (580)									
25	Other Expenses (590)									
26	Total General Expenses	\$ 185,617	\$ 547,907	\$ (299,554)	\$ -	\$ 533,229	\$ -	\$ -	\$ -	\$ -
27	Total Operating Expenses	\$ 185,617	\$ 547,907	\$ (531,888)	\$ -	\$ 533,229	\$ -	\$ -	\$ -	\$ -
28	Other expenses and Taxes									
29	Amortized AFUDC									
30	Income Taxes	(64,966)	(191,767)	186,161	1,416,882	(186,630)				
31	Total Other and Taxes	\$ (64,966)	\$ (191,767)	\$ 186,161	\$ 1,416,882	\$ (186,630)	\$ -	\$ -	\$ -	\$ -
32	Total Operating Expenses & FERC Exp.	\$ 120,651	\$ 356,140	\$ (345,727)	\$ 1,416,882	\$ 346,599	\$ -	\$ -	\$ -	\$ -
33	Net Operating Income	\$ (120,651)	\$ (356,140)	\$ 345,727	\$ (1,416,882)	\$ (346,599)	\$ -	\$ -	\$ -	\$ -
34	Rate Base (Average)	\$ 8,197,866	\$ -	\$ (6,814,365)	\$ -	\$ 23,550,326	\$ -	\$ -	\$ -	\$ -
35	Plant in Service (Average)	\$ 8,197,866	\$ -	\$ (6,814,365)	\$ -	\$ 23,550,326	\$ -	\$ -	\$ -	\$ -
36	AFUDC (Average)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
37	Total	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
38	Working Capital	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
39	Less:									
40	Acc. Depreciation (Average)	\$ (1,438,523)	\$ -	\$ (4,185,635)	\$ -	\$ (533,229)	\$ -	\$ -	\$ -	\$ -
41	Acc. Amort. AFUDC (Average)									
42	Acc. Def. Income Tax (EOP)			1,311,103						
43	Total Deductions	\$ (1,438,523)	\$ -	\$ (2,874,531)	\$ -	\$ (533,229)	\$ -	\$ -	\$ -	\$ -
44	Total Rate Base (AMA)	\$ 6,759,343	\$ -	\$ (9,688,897)	\$ -	\$ 23,017,097	\$ -	\$ -	\$ -	\$ -
45	Rate of Return									

		Olympic Pipe Line Company - Total Total Pro Forma Adjustments Twelve Months Ending December 31, 2001											Exhibit No. (MLT - 6) Docket No. TO-011472 Witness: M. L. Twitchell Page 4 of 4				
Line No.	Description (A)	P-9 Plant In Service 2001 - NRP (K)	P-10 Insurance Expense (L)	P-11 Remove Sea-Tac & impacts (M)	P-12 Proforma Interest Expense (N)	P-13 Plant In Service 2002 - NRP (O)	P-14 (P)	P-15 (Q)	P-16 (R)	P-17 (S)							
	Federal Income Tax Calculation																
1	Revenues	\$ 185,617	\$ 547,907	\$ (531,888)	\$ (4,048,234)	\$ 533,229	\$ -	\$ -	\$ -	\$ -							
2	Expenses	-	-	-	-	-	-	-	-	-							
3	Interest Expense	-	-	-	-	-	-	-	-	-							
4	Schedule M Adds	-	-	-	-	-	-	-	-	-							
5	Book Depreciation	185,617	-	(173,435)	-	533,229	-	-	-	-							
6	Miscellaneous	-	-	-	-	-	-	-	-	-							
7	Amortization of AFUDC Equity	-	-	-	-	-	-	-	-	-							
8	Amort of FASB 96/109	-	-	-	-	-	-	-	-	-							
9	Total Sch M Adds	\$ 185,617	\$ -	\$ (173,435)	\$ -	\$ 533,229	\$ -	\$ -	\$ -	\$ -							
10	Schedule M Deductions	\$ 185,617	\$ -	\$ (173,435)	\$ -	\$ 533,229	\$ -	\$ -	\$ -	\$ -							
11	Tax Depreciation	\$ 185,617	\$ (547,907)	\$ 531,888	\$ 4,048,234	\$ (533,229)	\$ -	\$ -	\$ -	\$ -							
12	Miscellaneous	-	0.35	0.35	0.35	0.35	-	-	-	-							
13	Total Sch M Deductions	\$ (185,617)	\$ (547,907)	\$ 531,888	\$ 4,048,234	\$ (533,229)	\$ -	\$ -	\$ -	\$ -							
14	Taxable Income	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.35							
15	Tax Rate	-	-	-	-	-	-	-	-	-							
16	Federal Income Tax	\$ (64,966)	\$ (191,767)	\$ 186,161	\$ 1,416,882	\$ (186,630)	\$ -	\$ -	\$ -	\$ -							
17	Amort of FASB 96/109	-	-	-	-	-	-	-	-	-							
18	Total Current Tax	\$ (64,966)	\$ (191,767)	\$ 186,161	\$ 1,416,882	\$ (186,630)	\$ -	\$ -	\$ -	\$ -							
19	Deferred Tax	-	-	-	-	-	-	-	-	-							
20	Total FIT	\$ (64,966)	\$ (191,767)	\$ 186,161	\$ 1,416,882	\$ (186,630)	\$ -	\$ -	\$ -	\$ -							