

Exhibit No. 1909 (MLT-9)
Docket No. TO-011472
Witness: Maurice L. Twitchell

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

Washington Utilities and)
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 – WASHINGTON
TOTAL PRO FORMA ADJUSTMENTS
TWELVE MONTHS ENDING DECEMBER 31, 2001**

May 24, 2002

WUTC DOCKET NO. TO-011472
EXHIBIT NO. 1909
ADMIT W/D REJECT
007975

Olympic Pipe Line Company - Washington
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 (J)
1	Revenue									
2	Transportation Revenue	\$ 3,270,843	\$ 3,270,843							
3	WUTC									
4	Other Revenue	\$ 3,270,843	\$ 3,270,843							
5	Total Revenue	\$ 3,270,843	\$ 3,270,843							
6	Operations and Maintenance									
7	Salaries & Wages (300)	\$ (32,992)		\$ (21,943)						
8	Materials and Supplies (310)	\$ (6,700)						2,416		
9	Outside Services (320)	\$ 704,151		\$ (93,996)		862,180				
10	Operating Fuel and Power (330)	\$ (921,575)							(921,575)	
11	Oil Losses and Shortages (340)									
12	Rentals (350)									
13	Other Expenses (390)									
14	Total Operations & Maintenance Exp	\$ (257,116)		\$ (115,939)		\$ 862,180		\$ 2,416	\$ (921,575)	
15	General									
16	Salaries & Wages (500)	\$ (119,039)								
17	Materials and Supplies (510)	\$ (6,043)		\$ (79,173)						
18	Outside Services (520)	\$ (19,662)						2,179		
19	Rentals (530)	\$ (111,195)		\$ (308,852)						
20	Depreciation & Amortization (540)									
21	Employee Benefits (550)	\$ 294,336								
22	Insurance (560)									
23	Casualty & Other Losses (570)	\$ 62,996	62,996							
24	Pipeline Taxes (580)	\$ 101,393	\$ 62,996	\$ (388,024)				\$ 2,179		
25	Other Expenses (590)	\$ (155,723)	\$ 62,996	\$ (503,963)		\$ 862,180		\$ 4,596	\$ (921,575)	
26	Total General Expenses	\$ 1,712,776	\$ 1,122,746	\$ 176,387						
27	Total Operating Expenses	\$ 1,557,053	\$ 1,185,742	\$ (327,576)						
28	Net Operating Income	\$ 1,713,790	\$ 2,085,101	\$ 327,576						
29	Rate Base (Average)	\$ 642,672	\$ -	\$ (8,393,347)						
30	Plant in Service (Average)	\$ 642,672	\$ -	\$ (8,393,347)						
31	AFUDC (Average)	\$ -	\$ -	\$ -						
32	Total	\$ -	\$ -	\$ -						
33	Working Capital	\$ (1,279,144)	\$ -	\$ 952,293						
34	Less:									
35	Acc. Depreciation (Average)	\$ 475,144								
36	Acc. Amort. AFUDC (Average)	\$ (804,000)								
37	Acc. Def. Income Tax (EOP)	\$ (161,328)								
38	Total Deductions	\$ (1,279,144)								
39	Total Rate Base (AMA)	\$ -	\$ -	\$ -						
39	Rate of Return									

Olympic Pipe Line Company - Washington Total Pro Forma Adjustments Twelve Months Ending December 31, 2001										Exhibit No. (MLT- 9) Docket No. TO-011472 Witness: M. L. Twitchell Page 4 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	\$ 3,270,843	\$ 3,270,843	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
2	Expenses	(155,723)	62,996	(503,963)	-	862,180	-	4,596	(921,575)	-	
3	Interest Expense	(1,467,080)	-	-	-	-	-	-	-	-	
4	Schedule M Adds	(111,195)	-	(308,852)	-	-	-	-	-	-	
5	Book Depreciation	-	-	-	-	-	-	-	-	-	
6	Miscellaneous	-	-	-	-	-	-	-	-	-	
7	Amortization of AFUDC Equity	-	-	-	-	-	-	-	-	-	
8	Amort of FASB 96/109	-	-	(308,852)	-	-	-	-	-	-	
9	Total Sch. M Adds	\$ (111,195)	\$ -	\$ (308,852)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
10	Tax Depreciation	\$ (111,195)	\$ -	\$ (308,852)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
11	Miscellaneous	\$ (111,195)	\$ -	\$ (308,852)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
12	Total Sch. M Deductions	\$ 4,893,646	\$ 3,207,847	\$ 503,963	\$ -	\$ (862,180)	\$ -	\$ (4,596)	\$ 921,575	\$ -	
13	Taxable Income	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.35	
14	Tax Rate	\$ 1,712,776	\$ 1,122,746	\$ 176,387	\$ -	\$ (301,763)	\$ -	\$ (1,608)	\$ 322,551	\$ -	
15	Federal Income Tax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
16	Amort of FASB 96/109	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
17	Total Current Tax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
18	Deferred Tax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
19	Total FIT	\$ 1,712,776	\$ 1,122,746	\$ 176,387	\$ -	\$ (301,763)	\$ -	\$ (1,608)	\$ 322,551	\$ -	
20		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (1,608)	\$ 322,551	\$ -	

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

Line No.	Description (A)	P-9 Plant In Service 2001 - NIRP (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 - NIRP (O)	P-14 (P)	P-15 (Q)	P-16 (R)	P-17 (S)
1	Revenue									
2	Transportation Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3	WUTC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4	Other Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Total Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5	Operations and Maintenance									
6	Salaries & Wages (300)	\$ -	\$ -	\$ (11,049)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
7	Materials and Supplies (310)	\$ -	\$ -	\$ (9,117)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
8	Outside Services (320)	\$ -	\$ -	\$ (64,032)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
9	Operating Fuel and Power (330)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
10	Oil Losses and Shortages (340)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
11	Rentals (350)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
12	Other Expenses (390)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
13	Total Operations & Maintenance Exp	\$ -	\$ -	\$ (84,198)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
14	General									
15	Salaries & Wages (500)	\$ -	\$ -	\$ (39,867)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
16	Materials and Supplies (510)	\$ -	\$ -	\$ (8,223)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
17	Outside Services (520)	\$ -	\$ -	\$ (19,662)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
18	Rentals (530)	\$ -	\$ -	\$ (62,853)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
19	Depreciation & Amortization (540)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
20	Employee Benefits (550)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
21	Insurance (560)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
22	Casualty & Other Losses (570)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
23	Pipeline Taxes (580)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
24	Other Expenses (590)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
25	Total General Expenses	\$ 67,268	\$ 294,336	\$ (130,604)	\$ -	\$ 193,242	\$ -	\$ -	\$ -	\$ -
26	Total Operating Expenses	\$ 67,268	\$ 294,336	\$ (214,802)	\$ -	\$ 193,242	\$ -	\$ -	\$ -	\$ -
27	Other expenses and Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
28	Amortized AFUDC	\$ (23,544)	\$ (103,017)	\$ 75,181	\$ 513,478	\$ (67,635)	\$ -	\$ -	\$ -	\$ -
29	Income Taxes	\$ (23,544)	\$ (103,017)	\$ 75,181	\$ 513,478	\$ (67,635)	\$ -	\$ -	\$ -	\$ -
30	Total Other and Taxes	\$ 43,724	\$ 191,318	\$ (139,621)	\$ 513,478	\$ 125,607	\$ -	\$ -	\$ -	\$ -
31	Total Operating Expenses & FERC Exp.	\$ (43,724)	\$ (191,318)	\$ 139,621	\$ (513,478)	\$ (125,607)	\$ -	\$ -	\$ -	\$ -
32	Net Operating Income	\$ 2,970,907	\$ -	\$ (2,469,526)	\$ -	\$ 8,534,638	\$ -	\$ -	\$ -	\$ -
33	Rate Base (Average)	\$ 2,970,907	\$ -	\$ (2,469,526)	\$ -	\$ 8,534,638	\$ -	\$ -	\$ -	\$ -
34	Plant in Service (Average)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
35	AFUDC (Average)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
36	Total	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
37	Working Capital	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
38	Less:	\$ (521,321)	\$ -	\$ (1,516,874)	\$ -	\$ (193,242)	\$ -	\$ -	\$ -	\$ -
39	Acc. Depreciation (Average)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
40	Acc. Amort. AFUDC (Average)	\$ -	\$ -	\$ 475,144	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
41	Acc. Def. Income Tax (EOP)	\$ (521,321)	\$ -	\$ (1,041,730)	\$ -	\$ (193,242)	\$ -	\$ -	\$ -	\$ -
42	Total Deductions	\$ 2,449,586	\$ -	\$ (3,511,256)	\$ -	\$ 8,341,396	\$ -	\$ -	\$ -	\$ -
43	Total Rate Base (AMA)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
44	Rate of Return	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

		Olympic Pipe Line Company - Washington Total Pro Forma Adjustments Twelve Months Ending December 31, 2001										Exhibit No. (MLT - 9) Docket No. TO-011472 Witness: M. L. Twitchell Page # 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	\$ 67,268	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
2	Expenses	-	294,336	(214,802)	-	193,242	-	-	-	-				
3	Interest Expense	-	-	-	(1,467,080)	-	-	-	-	-				
4	Schedule M Adds	-	-	-	-	-	-	-	-	-				
5	Book Depreciation	67,268	-	(62,853)	-	193,242	-	-	-	-				
6	Miscellaneous	-	-	-	-	-	-	-	-	-				
7	Amortization of AFUDC Equity	-	-	-	-	-	-	-	-	-				
8	Amort of FASB 96/109	-	-	(62,853)	-	193,242	-	-	-	-				
9	Total Sch M Adds	\$ 67,268	\$ -	\$ (62,853)	\$ -	\$ 193,242	\$ -	\$ -	\$ -	\$ -				
10	Schedule M Deductions	\$ 67,268	\$ -	\$ (62,853)	\$ -	\$ 193,242	\$ -	\$ -	\$ -	\$ -				
11	Tax Depreciation	\$ 67,268	\$ -	\$ (62,853)	\$ -	\$ 193,242	\$ -	\$ -	\$ -	\$ -				
12	Miscellaneous	\$ (67,268)	\$ (294,336)	\$ 214,802	\$ 1,467,080	\$ (193,242)	\$ -	\$ -	\$ -	\$ -				
13	Total Sch M Deductions	\$ (67,268)	\$ (294,336)	\$ 214,802	\$ 1,467,080	\$ (193,242)	\$ -	\$ -	\$ -	\$ -				
14	Taxable Income	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.35				
15	Tax Rate	(23,544)	(103,017)	75,181	513,478	(67,635)	-	-	-	-				
16	Federal Income Tax	\$ (23,544)	\$ (103,017)	\$ 75,181	\$ 513,478	\$ (67,635)	\$ -	\$ -	\$ -	\$ -				
17	Amort of FASB 96/109	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
18	Total Current Tax	\$ (23,544)	\$ (103,017)	\$ 75,181	\$ 513,478	\$ (67,635)	\$ -	\$ -	\$ -	\$ -				
19	Deferred Tax	-	-	-	-	-	-	-	-	-				
20	Total FIT	\$ (23,544)	\$ (103,017)	\$ 75,181	\$ 513,478	\$ (67,635)	\$ -	\$ -	\$ -	\$ -				