

EXHIBIT NO. \_\_\_\_\_ (WAG-2)  
DOCKET NO. \_\_\_\_\_  
2003 POWER COST ONLY RATE CASE  
WITNESS: WILLIAM A. GAINES

**BEFORE THE  
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

WASHINGTON UTILITIES AND  
TRANSPORTATION COMMISSION,

Complainant,

Docket No. \_\_\_\_\_

v.

PUGET SOUND ENERGY, INC.,

Respondent.

**DIRECT TESTIMONY OF  
WILLIAM A. GAINES  
ON BEHALF OF PUGET SOUND ENERGY, INC.**

**PUGET SOUND ENERGY, INC.  
QUALIFICATIONS OF WILLIAM A. GAINES**

**Current Position and Relevant Work Experience**

I am currently employed as Vice President, Engineering & Contracting at Puget Sound Energy, Inc. ("PSE" or the "Company"). I served as Vice President, Energy Supply at PSE for approximately seven years from February 1997 until October 2003, when I assumed my current position. In my position as Vice President, Energy Supply I was responsible for all aspects of planning and management of the Company's power and natural gas supply portfolios. For approximately twenty years preceding these assignments, I held positions of increasing responsibility in the Company's Power Supply unit (the company was then known as Puget Sound Power & Light Company). My responsibilities during that time included power supply planning and operations, including both short- and long-term planning, production cost modeling, economic analysis of supply alternatives, supply and transmission contracting, inter-utility transactions, hydroelectric coordination, power scheduling, trading and risk management, and regulatory analysis and support at both the retail and wholesale levels. Because of this background and my prior position as Vice President, Energy Supply, I am familiar with the institutional, legal, regulatory, physical and economic relationships in the Pacific Northwest energy industry. I also am familiar with the management of PSE's electric supply portfolio, the planning processes and analyses that gave rise to PSE's recent generation acquisition decision and rate case filing; and developments that have driven changes to PSE's power costs since the PCA Mechanism was implemented.

**Education and Professional Activities**

In 1978 I received the Bachelor of Science degree in Electrical Engineering (with a concentration in Power Systems) from Washington State University. In 1984 I received the Master of Business Administration degree (with a concentration in Finance) from the

University of Puget Sound. In 2003 I completed the Stanford Executive Program in the Graduate School of Business at Stanford University.

I am a member of the Board of the Pacific Northwest Utilities Conference Committee (PNUCC), the Board of the Northwest Gas Association (NGA), and a member of the Executive Committee of the Western Systems Power Pool (WSPP). I also serve on the Advisory Board for the College of Engineering at Washington State University.