

EXHIBIT NO. _____ (CJB-21)
DOCKET NO. _____
2003 POWER COST ONLY RATE CASE
WITNESS: CHARLES J. BLACK

BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,

Complainant,

v.

PUGET SOUND ENERGY, INC.,

Respondent.

Docket No. _____

DIRECT TESTIMONY OF
CHARLES J. BLACK
ON BEHALF OF PUGET SOUND ENERGY, INC.

Exhibit CJB-21
 Eight Portfolio Planning Levels, April 2003 Least Cost Plan¹

Planning Level Summary

PLANNING LEVEL	ENERGY	CAPACITY
Do Nothing	Current deficit grows with demand	Current deficit grows with demand
Status Quo	2003 deficit level maintained	2003 deficit level maintained
Level A1	Meets Nov-Feb customer needs	2003 deficit level maintained
Level A2	Meets Nov-Feb customer needs	Meets 19 Degree F hour at SEA-TAC
Level B1	Meets highest deficit month needs	Meets 23 Degree F hour at SEA-TAC
Level B2	Meets highest deficit month needs	Meets 16 Degree F hour at SEA-TAC
Level C1	Meets the highest deficit month, plus 10% of the deficit	Meets 13 Degree F hour at SEA-TAC
Level C2	All months are at least 110% of the total monthly load	Meets 13 Degree F hour at SEA-TAC

Under the "Do Nothing" planning level, PSE allows the current energy and capacity deficit to grow with demand, and adds no new resources. The status quo level maintains the deficit level for energy and capacity at 2003 levels. In addition to these first two levels, PSE examines a mix of four energy and four capacity levels. The four various energy levels include:

- **Meet Nov-Feb Customer Needs (levels A1 and A2).** This energy planning level averages the energy deficit on an aMW basis for the months of November through February – generally the highest energy deficit months.
- **Meet Highest Deficit Month (levels B1 and B2).** This energy planning level meets the highest deficit on a monthly basis, with the highest deficit month occurring generally in December.
- **Meet Highest Deficit Month + 10 percent (level C1).** This energy planning level first meets the highest deficit on a monthly basis and then adds 10 percent of the highest month's deficit. Again, the highest deficit month occurs in December.
- **All Months Meet 110 percent of Load (level C2.)** This energy planning level ensures that PSE meets all deficits, plus 10 percent of the total customer load on a monthly basis.

PSE also examines four different capacity planning levels. These various levels of capacity meet needs based on weather observed at the Seattle-Tacoma International Airport (SEA-TAC). These four levels include:

- 23 Degree F hour at SEA-TAC
- 19 Degree F hour at SEA-TAC
- 16 Degree F hour at SEA-TAC
- 13 Degree F hour at SEA-TAC

¹ Source: April 2003 Least Cost Plan, Chapter XI, p. 2.