

EXHIBIT NO. _____ (EMM-15HC)
DOCKET NO. _____
2003 POWER COST ONLY RATE CASE
WITNESS: ERIC M. MARKELL

BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,

Complainant,

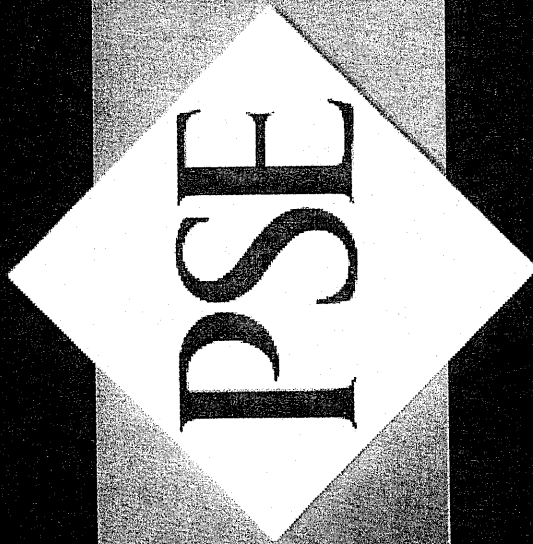
Docket No. _____

v.

PUGET SOUND ENERGY, INC.,

Respondent.

DIRECT TESTIMONY OF
ERIC M. MARKELL
ON BEHALF OF PUGET SOUND ENERGY, INC.



PUGET
SOUND
ENERGY

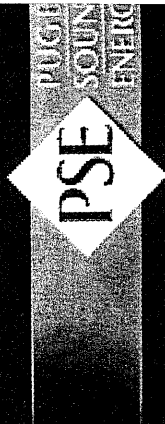
Resource Acquisition Update To The PSE Board Of Directors

April 16, 2003

Agenda

- Recommended Actions
- Tier Two Candidates
- Tier One Comparative Values
- Transaction
 - Deal Structure
 - Attributes
 - Value Components
 - Sources & Uses of Funds
 - Schedule

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INFORMATION REDACTED



Recommended Actions

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- Conduct limited scope review of completion risks for [REDACTED] and [REDACTED]
- Execute non-binding term sheets for [REDACTED]
- Proceed with due diligence efforts on [REDACTED] as priority acquisition candidate
- Continue discussions with [REDACTED] and maintain as a secondary option
- Maintain Frederickson I as a viable candidate that can be quickly pursued if negotiations with priority candidates fall through

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