

**EXHIBIT NO. \_\_\_\_\_ (EMM-19)**  
**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.**

September 16, 2002

Re: Request for Expression of Interest for Generation Facility

Dear:

Puget Sound Energy (the "Company") is currently conducting its bi-annual Least Cost Planning ("LCP") process to evaluate its long-term power supply resource requirements. The Company recognizes that recent developments in the energy sector may create near-term opportunities to acquire or partner with owners of electric generation facilities in service, or in the latter stages of development. The purpose of this letter is to identify project owners interested in initiating discussions to pursue such opportunities with the Company.

The Company has preliminarily identified an initial need for incremental baseload resources in the 200-300 MW range beginning in the fall of 2003. The Company will consider projects with additional expansion potential or later in-service dates that will help it meet load requirements later in the decade. Facilities should be able to interconnect with the Company or have cost competitive electric transmission arrangements which will promote reliability and economy in the Company's power supply portfolio. While all alternatives (buy, build, renewables, etc.) will be considered in the course of the Company's ongoing LCP and resource planning processes, the purpose of this solicitation is to identify resources in which the Company could acquire full or partial ownership of a facility, and have a significant role in its management.

The Company's objective is to reliably meet its existing and projected load requirements and to provide stable, low cost rates to its ratepayers. Any acquisition of resources resulting from these discussions is expected to supplement, accommodate and be consistent with the parallel identification and evaluation of resource alternatives underway with the ongoing LCP program.

Interested parties should respond in writing by September 30<sup>th</sup> with a one page outline of their project. The outline should include, but not be limited to, major project attributes such as technology, fuel type and arrangements, in-service date, location and interconnection points, and be sent to:

W. A. "Bill" Gaines  
Vice President, Energy Supply  
Puget Sound Energy  
P.O. Box 97034, OBC-15  
Bellevue, WA 98009-9734

or Eric Markell  
Vice President Corporate Development  
Puget Sound Energy  
P.O. Box 97034, OBC-15  
Bellevue, WA 98009-9734

If additional information is required to respond to this letter, please contact John Dingle (Navigant Consulting) at 978-649-0730, Eric Markell at 425-462-3595 or Bill Gaines at 425-462-3145.

Sincerely yours,

William A. Gaines  
Vice President, Energy Supply

Eric Markell  
Vice President Corporate Development