

Exhibit ____ (JL-2)
Peak Credit Calculation

BEFORE THE
WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION

Cause No. UE-920499, UE-921262
Rate Design Phase

PUGET SOUND POWER AND LIGHT COMPANY

Exhibit of

JIM LAZAR
CONSULTING ECONOMIST

On Behalf of
Public Counsel Section
Office of the Attorney General

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION
No. UE-920433; -920499; -921262 Ex. 45v

PEAK CREDIT METHOD FOR 1993 RATE CASE
Combined Cycle Plant

Year	Capital Cost \$/MWH Yr	Fixed O& \$/MWH	Variable O& \$/MWH	Gas \$/MMBT	Gas \$/MWH	Total \$/MWH
1993	\$13.00	\$0.80	\$3.40	\$2.10	\$16.25	\$33.45
1994	\$13.00	\$0.80	\$3.50	\$2.30	\$17.80	\$35.10
1995	\$13.00	\$0.90	\$3.60	\$2.40	\$18.58	\$36.08
1996	\$13.00	\$0.90	\$3.70	\$2.50	\$19.35	\$36.95
1997	\$13.00	\$0.90	\$3.80	\$2.70	\$20.90	\$38.60
1998	\$13.00	\$1.00	\$4.00	\$2.90	\$22.45	\$40.45
1999	\$13.00	\$1.00	\$4.10	\$3.10	\$24.00	\$42.10
2000	\$13.00	\$1.00	\$4.30	\$3.30	\$25.54	\$43.84
2001	\$13.00	\$1.10	\$4.40	\$3.60	\$27.87	\$46.37
2002	\$13.00	\$1.10	\$4.60	\$3.80	\$29.41	\$48.11
2003	\$13.00	\$1.20	\$4.80	\$4.10	\$31.74	\$50.74
2004	\$13.00	\$1.20	\$5.00	\$4.40	\$34.06	\$53.26
2005	\$13.00	\$1.30	\$5.20	\$4.70	\$36.38	\$55.88
2006	\$13.00	\$1.30	\$5.40	\$5.10	\$39.48	\$59.18
2007	\$13.00	\$1.40	\$5.70	\$5.40	\$41.80	\$61.90
2008	\$13.00	\$1.40	\$5.90	\$5.80	\$44.89	\$65.19
2009	\$13.00	\$1.50	\$6.20	\$6.20	\$47.99	\$68.69
2010	\$13.00	\$1.60	\$6.40	\$6.60	\$51.09	\$72.09
2011	\$13.00	\$1.68	\$6.72	\$6.93	\$53.64	\$75.04
2012	\$13.00	\$1.76	\$7.06	\$7.28	\$56.35	\$78.17
2013	\$13.00	\$1.85	\$7.41	\$7.64	\$59.14	\$81.40
2014	\$13.00	\$1.94	\$7.78	\$8.02	\$62.08	\$84.80
2015	\$13.00	\$2.04	\$8.17	\$8.42	\$65.17	\$88.38
2016	\$13.00	\$2.14	\$8.58	\$8.84	\$68.43	\$92.14
2017	\$13.00	\$2.25	\$9.01	\$9.29	\$71.91	\$96.16
2018	\$13.00	\$2.36	\$9.46	\$9.75	\$75.47	\$100.29
2019	\$13.00	\$2.48	\$9.93	\$10.24	\$79.26	\$104.67
2020	\$13.00	\$2.61	\$10.42	\$10.75	\$83.21	\$109.25
2021	\$13.00	\$2.74	\$10.95	\$11.29	\$87.39	\$114.08
2022	\$13.00	\$2.87	\$11.49	\$11.85	\$91.72	\$119.09
	\$142.15	\$13.31	\$54.50	\$46.79	\$362.19	
	\$13.00	\$1.22	\$4.98	\$4.28	\$33.12	
At Company Discount Rate:			PV:			\$472.32
			LEVELIZED COST:			50.10
At Net of Tax Discount Rate:						\$572.15
						\$52.32

At Company Discount Rate

	Combustion Turbine	Peak CT	CC CT	Peak Credit
Levelized Cost \$/mwh:			\$50.10	
Levelized Cost \$/kw/yr	\$88.70	\$57.12	\$351.12	16%

At Net of Tax Discount Rate

	Combustion Turbine	Peak CT	CC CT	Peak Credit
Levelized Cost \$/mwh:			\$52.32	
Levelized Cost \$/kw/yr	\$90.55	\$58.78	\$366.69	16%

PEAK CREDIT METHOD FOR 1993 RATE CASE
Combined Cycle Plant

Year	Capital Cost \$/MWH Yr	Fixed O& \$/MWH	Variable O& \$/MWH	Gas \$/MMBT	Gas \$/MWH	Total \$/MWH
1993	\$13.00	\$0.80	\$3.40	\$2.10	\$16.25	\$33.45
1994	\$13.00	\$0.80	\$3.50	\$2.30	\$17.80	\$35.10
1995	\$13.00	\$0.90	\$3.60	\$2.40	\$18.58	\$36.08
1996	\$13.00	\$0.90	\$3.70	\$2.50	\$19.35	\$36.95
1997	\$13.00	\$0.90	\$3.80	\$2.70	\$20.90	\$38.60
1998	\$13.00	\$1.00	\$4.00	\$2.90	\$22.45	\$40.45
1999	\$13.00	\$1.00	\$4.10	\$3.10	\$24.00	\$42.10
2000	\$13.00	\$1.00	\$4.30	\$3.30	\$25.54	\$43.84
2001	\$13.00	\$1.10	\$4.40	\$3.60	\$27.87	\$46.37
2002	\$13.00	\$1.10	\$4.60	\$3.80	\$29.41	\$48.11
2003	\$13.00	\$1.20	\$4.80	\$4.10	\$31.74	\$50.74
2004	\$13.00	\$1.20	\$5.00	\$4.40	\$34.06	\$53.26
2005	\$13.00	\$1.30	\$5.20	\$4.70	\$36.38	\$55.88
2006	\$13.00	\$1.30	\$5.40	\$5.10	\$39.48	\$59.18
2007	\$13.00	\$1.40	\$5.70	\$5.40	\$41.80	\$61.90
2008	\$13.00	\$1.40	\$5.90	\$5.80	\$44.89	\$65.19
2009	\$13.00	\$1.50	\$6.20	\$6.20	\$47.99	\$68.69
2010	\$13.00	\$1.60	\$6.40	\$6.60	\$51.09	\$72.09
2011	\$13.00	\$1.68	\$6.72	\$6.93	\$53.64	\$75.04
2012	\$13.00	\$1.76	\$7.06	\$7.28	\$56.35	\$78.17
2013	\$13.00	\$1.85	\$7.41	\$7.64	\$59.14	\$81.40
2014	\$13.00	\$1.94	\$7.78	\$8.02	\$62.08	\$84.80
2015	\$13.00	\$2.04	\$8.17	\$8.42	\$65.17	\$88.38
2016	\$13.00	\$2.14	\$8.58	\$8.84	\$68.43	\$92.14
2017	\$13.00	\$2.25	\$9.01	\$9.29	\$71.91	\$96.16
2018	\$13.00	\$2.36	\$9.46	\$9.75	\$75.47	\$100.29
2019	\$13.00	\$2.48	\$9.93	\$10.24	\$79.26	\$104.67
2020	\$13.00	\$2.61	\$10.42	\$10.75	\$83.21	\$109.25
2021	\$13.00	\$2.74	\$10.95	\$11.29	\$87.39	\$114.08
2022	\$13.00	\$2.87	\$11.49	\$11.85	\$91.72	\$119.09
	\$142.15	\$13.31	\$54.50	\$46.79	\$362.19	
	\$13.00	\$1.22	\$4.98	\$4.28	\$33.12	
At Company Discount Rate:			PV:			\$472.32
			LEVELIZED COST:			50.10
At Net of Tax Discount Rate:						\$572.15
						\$52.32

At Company Discount Rate

	Combustion Turbine	Peak CT	CC CT	Peak Credit
Levelized Cost \$/mwh:			\$50.10	
Levelized Cost \$/kw/yr	\$76.63	\$45.06	\$351.12	13%

At Net of Tax Discount Rate

	Combustion Turbine	Peak CT	CC CT	Peak Credit
Levelized Cost \$/mwh:			\$52.32	
Levelized Cost \$/kw/yr	\$77.78	\$46.01	\$366.69	13%