

planning, and Puget has understood that these customers are no longer core customers. In that regard, attached hereto as Exhibit A is a true and correct excerpt of Puget's 2000-2001 Gas and Electric Least Cost Plan ("LCP").

5. Puget's resource costs, including but not limited to the costs for operating its Whitehorn combustion turbine generation, are not the equivalent of any Dow Jones Mid-Columbia index, or any other market index. Moreover, the benefits from these resources, including but not limited to the Whitehorn combustion turbine generation, are already committed to PSE's core customers and shareholders.

DATED: July ___, 2000.

_____ William A.
Gaines

STATE OF WASHINGTON)

) ss.

COUNTY OF KING)

On this _____ day of _____, 2000, before me, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared William A. Gaines, to me known to be the individual who executed foregoing Affidavit, and acknowledged that he signed the same as his free and voluntary act and deed, for the uses and purposes therein mentioned.

GIVEN UNDER my hand and official seal hereto affixed the day and year in this certificate first above written.

_____ Print Name:
Notary
Public in
and for the
State of
Washingt
on,
residing at

_____ My
commissi
on
expires:



**2000-2001
Gas and Electric
Least Cost Plan**

December 1999

Gaines Aff., Exhibit A

The CCCT prices and performance are based on a 250 MW class industrial units which is the predominate combined-cycle unit currently employed in power plant development. The Council used the Clark Public Utilities River Road power plant as the basis for the capital cost estimates of new CCCT facilities. River Road is a 248 MW General Electric 107FA CCCT plant that entered service in late 1997. As described in previous Council and BPA analyses these prices were adjusted to reflect differences in construction costs among geographic regions as well as anticipated future technological improvements in heat rates and operating costs.

Regional Load Growth

PSE used the 1998 WSCC load as the basis for WSCC load growth. As mentioned above, this data was provided by EPIS Inc. as part of the on-going lease agreement. The long-term average annual growth rate for WSCC loads was assumed to be 1.5 percent based on previous Council studies.

Natural Gas Prices

Natural gas price assumptions are presented later in this Chapter in the natural gas planning discussion.

PSE Loads and Resources

Forecasts of PSE's loads are discussed in Chapter II and the supply portfolio in Chapter IV. The following assumptions were made regarding PSE's portfolio loads and resources over the time horizon of the analyses.

1. Schedule 48 and Special Contract loads were not included in the analysis since PSE is not required to acquire long-term resources to meet these loads.
2. All PSE owned hydro resources continue to operate at current levels of output.
3. The contracts for purchase of power from the Mid-Columbia projects are renewed upon expiration for the same amounts of power. Medium northwest hydro conditions (medium water) are assumed for all years. The impact of critical water planning on these assumptions is evaluated.
4. The lease agreements for the Whitehorn 253 combustion turbines are not renewed when they expire in 2004.
5. PSE retains ownership of its interest in the Colstrip Projects. This assumption is made pending resolution of this issue. (Please see WUTC Docket No. UE-990267 for the