

'Industry Talk' & Other Ramblings

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Disclaimer

- ◆ Ideas and opinions expressed by Steve Feller in this presentation may not necessarily reflect PSE's ideas and opinions.



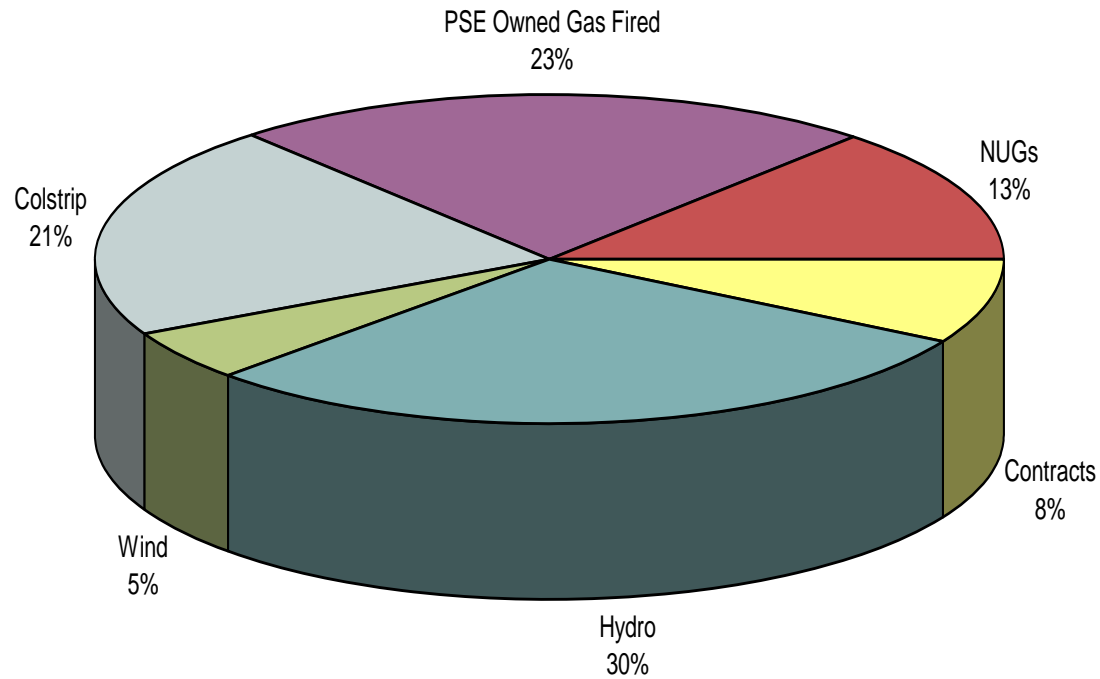
About Puget Sound Energy (PSE)

- ◆ Washington state's oldest and largest energy utility dating back to 1886
- ◆ 6,000-square-mile service area stretching across 11 counties
- ◆ more than 1 million electric customers and 735,000 natural gas customers
- ◆ For more information, visit www.PSE.com

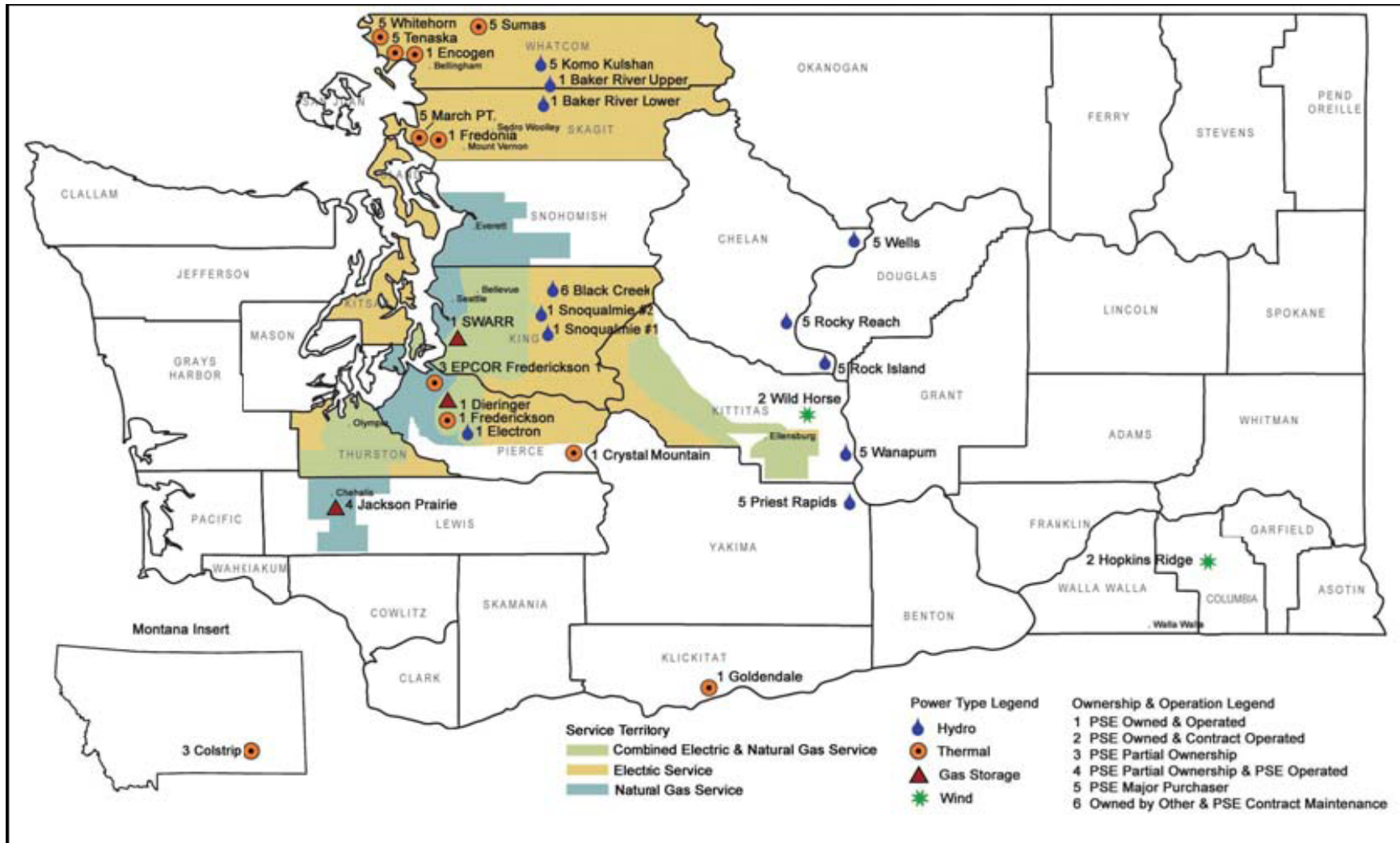


Electric Supply Mix—2008

Expected Supply-Side Resources for 2008



Supply Side Resources Map



Existing Hydro Resources (2008)



Plant	Capacity(MW)
Upper Baker River	105
Lower Baker River	85
Snoqualmie Falls	43
Electron	25
Total PSE-Owned	258

Existing Hydro Resources (2008) continued

Plant	Owner	PSE %	Capacity*	Expiration Date
Wells	Douglas Co. PUD	29.9	251	3/31/18
Rocky Reach	Chelan Co. PUD	38.9	493	11/1/11
Rock Island I & II	Chelan Co. PUD	50.0	272	6/7/12
Priest Rapids	Grant Co. PUD	4.31	39	Will tie to new FERC license
Wanapum	Grant Co. PUD	10.8	106	Will tie to new FERC license
Mid-Columbia Total			1420	Mid-Columbia Total

*Nameplate capacity reflects PSE's share only.

Existing Resources - Coal



Plant	PSE %	Capacity (MW)*
Colstrip 1 & 2	50%	310
Colstrip 3 & 4	25%	370
Total Coal		680

*Nameplate capacity reflects PSE's share only.

Existing Resources – Combined Cycle Combustion Turbine Plants



Plant	PSE %	Capacity (MW)
Goldendale	100%	277
Encogen	100%	170
Frederickson1	49.85%	133*
Total CCCT		570

*Nameplate capacity reflects PSE's share only.

Existing Resources – Wind



Plant	PSE %	Capacity (MW)*
Hopkins Ridge	100%	149
Wild Horse	100%	229
Total Wind		378

Existing Resources – Simple Cycle Combustion Turbine Plants



Plant	Capacity (MW)*
Fredonia 1 & 2	202
Fredonia 3 & 4	110
Whitehorn 2 & 3	147
Frederickson	147
Total	606

PSE has acquired over 700 MW in the last two years



PSE's 2007 Integrated Resource Plan

- Need 700 aMW by 2011
- Need 1650 aMW by 2015
- Need 2570 aMW by 2025
- Equivalent of powering a city the size of Seattle for 20 years!



PSE's 2007 Integrated Resource Plan

- Equivalent to adding a 'Goldendale' (277 MW) and a 'Wild Horse' (229 MW) every other year for the next 20 years



PSE's 2007 Integrated Resource Plan

- What does this mean to Steve and others in PSE's CT Compliance Group?
- Plan for more Source Tests in the Future...



Why Test?

- Permit Compliance
- Process or Production Change
- Engineering tests to evaluate equipment, processes or controls

Source Test Planning

- Minimum 3 months lead time, usually 1 year a head of time
- Check permit for testing terms, any other test coming up to combine with?
- Check with plant for outages, unit availability, other projects or problems
- Solicit proposal from testing firms
- Purchasing, contracts and other 'fun accounting work'
- Submit Test proposal to appropriate agency, revisions, confirm approval

Source Test Preparation – week before

- Confirm Testing plan details with plant, ie ‘friendly reminder’
- If the plant/unit hasn’t been run in a while, schedule test run
- Have Testers set up one-day a head of time/site safety orientation
- Have inventory of spare parts/frequently replaced items – fuses, filters, etc.

Source Test – Day of Test

- Insure pre-test meeting/safety tailgate between plant crew and testers happens and/or site safety orientation
- Access Limitations/security restrictions
- Review Test Plan details
- Plan for additional runs if needed
- Operators, lines of communication, operational data

Source Test – Day of Test

- Hit the Bakery before going to the plant. Happy stomachs make happy operators & testers
- Expect the unexpected
- Plan for operational & process problems
- Emission Upsets, Water Injection Upsets
- Equipment Failure, yours & theirs
- Agency Visits
- Requests for process data, agency & testers
- Extra Testing Days
- Possibility of rescheduling tests