

CERTIFIED MAIL

November 10, 2004

Jim Hogan
Manager - Standards and Compliance
Puget Sound Energy
P.O. Box 90868 MS: XRD-LL
Bellevue, Washington 98009-0868

Dear Mr. Hogan:

Subject: Incident Investigation and Probable Violation

The Washington Utilities and Transportation Commission Pipeline Safety staff (Staff) conducted an investigation of an incident that occurred on June 22, 2004, located at 35th Avenue West and West Smith Road in Seattle. As a result of the incident an employee of Pilchuck, Puget Sound Energy's (PSE) contractor, was hospitalized.

Staff reviewed PSE's Incident Report dated July 1, 2004, and supplemental information provided on July 29, 2004. As a result of the investigative review, it appears that your contractor committed a probable violation, as noted below, of the pipeline regulations Title 49, Code of Federal Regulations, Part 192. The probable violation is:

49 CFR Part 192.605(a)

(a) "Each operator shall prepare and follow a manual of written procedures for conducting operations and maintenance activities..."

Findings:

The project involved the installation of 3500 feet of 6-inch polyethylene (PE) pipe. At the time of the incident the Pilchuck crew was working on a 2-inch tie-in for the new 6-inch PE main. The crew should have been following the 2004 PSE Gas Operating Standards Part 2525.3400, which addresses purging. Based on an evaluation of the information provided by Pilchuck, the following procedures were not followed:

- 1. The valve on the tee was not shut down.**
- 2. No purge riser had been installed.**
- 3. The pipe was not grounded.**

PSE is ultimately responsible for ensuring that work conducted on their system meets the requirements of 49 CFR Part 192.

The foregoing findings of probable violations constitute Staff's position at this time, based on its investigation. These findings of probable violations do not constitute Commission findings of violations.

There are several possible actions the Commission, in its discretion, may take with respect to this matter. For example, the Commission may consider the matter resolved without further Commission action. Or, the Commission may issue an administrative penalty under RCW 80.04.405. Or, the Commission may institute a complaint, seeking monetary penalties, changes in the company's practices, or other relief authorized by law, and justified by the circumstances. This list of possible actions is not intended to be exhaustive, but it is intended to give the normal range of actions the Commission typically considers.

Regardless what actions the Commission decides to take, if any, the company will have the opportunity to present its position on the merits of the matters involved. As of this date, the Commission has made no decision regarding what appropriate action it will take in this matter.

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Staff requests a response to this letter by December 13, 2004, indicating how the findings outlined above will be addressed by PSE. Direct all inquiries to the attention of Joe Subsits, Pipeline Safety Engineer, and refer to docket number PG-041209 in any future correspondence regarding this investigation.

If you have any questions, please contact Joe Subsits at (360) 664-1322.

Sincerely,

Alan E. Rathbun
Pipeline Safety Director

The Washington Utilities and Transportation Commission (Commission) has the authority to enforce the minimum safety regulations per Chapter 480-93 of the Washington Administrative Code (WAC) pertaining to the construction, maintenance and operation of pipelines transporting natural gas in the state of Washington. In addition, the Commission adopts the Code of Federal Regulations (CFR) Title 49, Part 191 and 192.