

MAOP of 960 psig. The regulator station was originally tested to 696 psig and will be retested to 870 psig to qualify the piping for an MAOP of 580 psig. PSE proposes to operate the inlet side of the regulator station at an MOP of 562 psig. The inlet piping will operate at less than 20 percent SMYS at an MOP of 562 psig. The Gate Station is classified as a Class 3 Location. PSE has designed, constructed, and operates the odorizer and regulator station facilities in accordance to a higher standard of Class 4 location. The odorizer unit and RS 2302 are located within a secured fence enclosure.

5 PSE distributed notices to each of the identified property owners, communicated project details and alerted them to the scheduled open meeting. Six property owners were identified within the 500 foot distance to the Gate Station. The Commission considered the petition at its regular open meeting of July 25, 2007.

6 The Commission has adopted the Code of Federal Regulation, Title 49, Part 192 and chapter 480-93 of the Washington Administrative Code as minimum standards for natural gas pipeline construction. The most restrictive natural gas pipeline safety rules specify that pipelines in a highly populated area (Class 4 Location) be operated at pressures producing a hoop stress of no greater than 50 percent of the specified minimum yield strength (SMYS) of the pipe. PSE proposes to operate the odorizer inlet piping at 960 psig and the injection side at 562 psig. PSE will operate the inlet piping to RS 2302 at 562 psig. All piping will operate at a hoop stress less than 20 percent SMYS.

7 Commission Staff finds PSE's safety and design measures for the operation of the South Tacoma Gate Station Odorizer and RS 2302 provide added safety to the public. Staff recommends authorization be granted for the proposed project subject to the specified conditions:

(a) **Filings and Notices:**

Notify the Commission 48 hours prior to the commencement of operating the odorizer and RS 2302 above 458 psig pressure.

(b) **Design and Testing:**

Pressure testing of the RS 2302 piping will be performed at 1.5 times the MAOP in accordance with the submitted written uprate plan dated July 17, 2007. Any

leak identified during the retest of RS 2302 will be repaired and the pressure test shall be restarted.

(c) **Operations and Maintenance:**

1. The operating pressure of the South Tacoma Gate Station Odorizer at the injection side of the odorizer and of the inlet piping to RS 2302 will not exceed an MOP of 562 psig without Commission approval.
2. PSE will continue to provide a 24-hour Supervisory Control and Data Acquisition system to monitor the system operating pressures.
3. Leak surveys will continue to be conducted in accordance with PSE Operating Standard 2625.1100. The survey is to be conducted annually, not to exceed 15 months, unless additional surveys are required by Commission rules.

FINDINGS AND CONCLUSIONS

- 8 (1) The Washington Utilities and Transportation Commission is an agency of the state of Washington vested by statute with the authority to regulate public service companies, including every person or corporation transporting natural gas by pipeline, or having for one or more of its principal purposes the construction, maintenance or operation of pipelines for transporting natural gas.
RCW 80.28.210.
- 9 (2) PSE is a public service company subject to the jurisdiction of the Commission under the provisions of RCW 80.28.210 and WAC 480-93.
- 10 (3) PSE is engaged in the construction, maintenance, and operation of pipelines used for transporting natural gas in this state. It proposes to increase the operating pressure at the existing odorizer facility for the South Tacoma Gate Station and at the existing district regulator station RS 2302 co-located at the Gate Station. Additional capacity is needed to serve the South Tacoma Town Border Station. PSE exceeds the minimum regulatory requirements by increasing the design strength of the pipe, and by utilizing remote monitoring equipment.

- 11 (4) After examination of the petition and giving consideration to all relevant matters and for good cause shown, the Commission finds it is consistent with the public interest to grant PSE's request to operate above 500 psig, subject to conditions in Paragraph 7 of this order.
- 12 (5) This matter was brought before the Commission at its regularly scheduled meeting on July 25, 2007.

ORDER

THE COMMISSION ORDERS:

- 13 (1) After the effective date of this Order, the petition of Puget Sound Energy for authorization to operate a pipeline above 500 psig is granted, in accordance with WAC 480-93-020.
- 14 (2) This authorization is conditioned on the provisions stated in Paragraph 7 of this order.
- 15 (3) The Commission retains jurisdiction over the subject matter and Puget Sound Energy to effectuate the provisions of this Order.

The Commissioners, having determined this Order to be consistent with the public interest, directed the Secretary to enter this Order.

DATED at Olympia, Washington, and effective July 25, 2007.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

CAROLE J. WASHBURN, Executive Secretary