

STATE OF WASHINGTON

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

1300 S. Evergreen Park Dr. S.W., P.O. Box 47250 • Olympia, Washington 98504-7250 (360) 664-1160 • TTY (360) 586-8203

Ref. No. Docket PG-100020

May 21, 2010

Helge Ferchert Manager, Gas Compliance and Regulatory Audits Puget Sound Energy PO Box 90868 MS: EST-07W Bellevue, WA 98009-0868

Dear Mr. Ferchert:

RE: 2010 Natural Gas Standard Inspection-Swarr Propane-Air Plant

Thank you for your letter dated May 17, 2010, addressing the findings of our inspection conducted in the Puget Sound Energy (PSE), Swarr Facility from March 29, 2010 to March 30, 2010.

We accept PSE's proposals to include a reference to 49 CFR § 192.11 in the 2011 update of the PSE Swarr O&M Manual, and enhancements to annual corrosion survey reports. Docket number PG-100020 will be closed as of May 21, 2010.

Staff would like to thank PSE's personnel for their cooperation and assistance during this inspection. If you have any questions, or if we may be of any assistance, please contact Joe Subsits at (360) 664-1322.

Sincerely,

David D. Lykken Pipeline Safety Director

cc. Bert Valdman, PSE Sue McLain, PSE Michael Hobbs, PSE Duane Henderson, PSE