

**BEFORE THE WASHINGTON  
UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of

PUGET SOUND ENERGY's

2025 Pipe Replacement Program Plan

DOCKET PG-250403

ORDER 01

APPROVING PUGET SOUND  
ENERGY'S 2025 PIPE REPLACEMENT  
PROGRAM PLAN

**BACKGROUND**

1 On December 31, 2012, the Washington Utilities and Transportation Commission (Commission) issued its Policy on Accelerated Replacement of Pipeline Facilities with Elevated Risk (Policy Statement).<sup>1</sup> As required by the Policy Statement, each investor-owned gas pipeline utility company filed a Master Plan for replacing pipe that represents an elevated risk of failure in 2013.

2 The Policy Statement also requires each investor-owned gas pipeline utility company to file a pipeline replacement plan (PRP) every two years for replacing pipes that represent an elevated risk of failure, beginning June 1, 2013.<sup>2</sup> Each company's plan must include:<sup>3</sup>

- 1) a Master Plan for replacing all facilities with an elevated risk of failure.
- 2) a Two-Year Plan that specifically identifies the pipe replacement program goals for the upcoming two-year period; and, if applicable,
- 3) a Pipe Location Plan for identifying the location of pipe or facilities that present an elevated risk of failure.

Each Plan must also: (1) target pipe or facilities that pose an elevated risk of failure; (2) be a measured and reasonable response in relation to the elevated risk without unduly burdening ratepayers, and (3) be in the public interest.<sup>4</sup> Finally, each Plan should contain

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<sup>1</sup> Docket UG-120715 (December 31, 2012).

<sup>2</sup> *Id.* ¶ 43. Subsequent PRP filings should be filed by June 1 every two years thereafter (*i.e.*, June 1, 2015, 2017, 2019, etc.).

<sup>3</sup> *Id.* ¶ 42.

<sup>4</sup> *Id.* ¶¶ 44-56.

a section analyzing its impact on rates.<sup>5</sup> Companies seeking to recover costs must simultaneously file a proposed Cost Recovery Mechanism (CRM) with their Plan.

3 On May 30, 2025, Puget Sound Energy (PSE or Company) filed with the Commission a  
“Pipeline Replacement Plan” for 2025-2027 (2025 Two-Year Plan).

4 Consistent with the Commission’s policy statement, PSE also submitted information for a  
CRM with its 2025 Two-Year Plan. Commission staff (Staff) will present the CRM in a  
separate filing.

5 PSE’s 2025 Two-Year Plan contains a Master Plan, a Two-Year Plan, and a Pipe  
Identification (Location) Plan for each of the components in the replacement program.

6 PSE’s 2025 Two-Year Plan indicates that the following types of pipe with an elevated  
risk of failure are present within its natural gas service area: DuPont Aldyl “HD” Plastic  
Pipe (DuPont pipe), Buried Meters, and Sewer Cross Bores.

7 PSE implemented a Pipe Identification Plan in 2013. This plan is designed to locate older  
Aldyl “HD” (Aldyl) polyethylene pipe. This pipe is prone to “brittle-like cracking” due to  
slow crack growth (SCG) and failure, resulting from secondary loads such as rock  
impingement or squeeze-off.<sup>6</sup> In its Plan, PSE planned to replace approximately 245  
miles of larger diameter DuPont Aldyl “HD” plastic pipe within the first 10 years of the  
20-year plan beginning in 2013. The pipe replacement in the first 10 years targets the  
population with a history of brittle-like cracking and fusion failures. To date, PSE has  
replaced 210 miles of DuPont pipe. In 2022, the Master Plan was reviewed to determine  
the appropriate replacement schedule for the remaining pipe in service. As a result, PSE  
plans to replace an additional 190 miles of Aldyl HD pipe over the next 10 years. For the  
remaining eight years of the 20-year plan, approximately 185 miles of pipe will be retired  
or replaced. PSE continues to secure valuable contractor resources to keep a normalized  
workload while reducing overall risk.

8 Buried meters are determined through annual leak surveys and continuing surveillance.  
The current list is approximately 40,000 buried meters in PSE’s system with 5,000 new  
reports each year. To date, PSE has remediated 24,476 buried meters. The original master  
plan will be completed in 2025, remediating over 40,000 buried meters in six years since  
2020. Based on current risk knowledge, PSE has established a new master plan, referred

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<sup>5</sup> *Id.* ¶ 55.

<sup>6</sup> PE pipe is designed to be squeezed shut with a mechanical device during operations,  
maintenance, and emergency response.

to as Phase 2, to remediate an additional 55,000 buried meters within six years beginning in 2026, at an estimated rate of 2,500 new reports per year over the next six years.

9 Sewer cross bores are identified through the use of PSE's public awareness program and a service provider to perform physical inspections of post-construction sewer inspections near new gas trenchless installations, and sewers near legacy gas trenchless installations. The awareness program targets plumbers, other utility contractors, municipalities, and customers to call PSE before clearing a blocked sewer. PSE has identified 8,500 sewer cross bore locations with a high consequence and 51,500 with lower consequences. Since 2013, more than 1,100 sewer cross bores have been discovered in PSE's system.

10 Staff concludes that the 2025 Two-Year Plan, analyzed in conjunction with PSE's Distribution Integrity Management Program (DIMP), is measured and its continuation is a reasonable response in relation to the elevated risks identified. PSE's plan adequately addresses facilities with an elevated risk of failure. Staff have previously audited PSE's DIMP, most recently in 2023, and found that it addresses known threats and implements accelerated actions that adequately address those threats.

11 Staff recommends that the Commission approve PSE's 2025-2027 Two-Year Plan filed on May 30, 2025.

### **DISCUSSION**

12 The Commission agrees with Staff's recommendation and approves PSE's 2025 Two-Year Plan.

13 We agree with Staff that the Company's 2025 Two-Year Plan is consistent with our Policy Statement.

### **FINDINGS AND CONCLUSIONS**

14 (1) The Commission is an agency of the state of Washington vested by statute with the authority to regulate the rates, rules, regulations, and practices of public service companies, including natural gas companies.

15 (2) PSE is a natural gas company and a public service company subject to Commission jurisdiction.

16 (3) PSE filed its 2025 Two-Year Plan with the Commission on May 30, 2025.

- 17       (4)       PSE's 2025 Two-Year Plan is a reasonable and measured approach to replace pipeline facilities with an elevated risk of failure.

**ORDER**

**THE COMMISSION ORDERS:**

- 18       (1)       Puget Sound Energy's 2025 Two-Year Plan is approved.
- 19       (2)       Puget Sound Energy should file an updated Pipeline Replacement Program Plan for 2027-2029 no later than June 1, 2027.

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

DATED at Lacey, Washington, and effective August 7, 2025.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

JEFF KILLIP  
Executive Director and Secretary