



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-070179

CERTIFIED MAIL

January 3, 2008

Stephanie Kreshel
Interim Manager
Compliance and Regulatory Audits, Gas
Puget Sound Energy
PO Box 90868 MS: XRD-LL
Bellevue, Washington 98009-0868

Dear Ms. Kreshel:

Subject: 2007 Standard Inspection of King County Distribution System

Thank you for the December 17, 2007, response to the findings identified during the natural gas inspection of Puget Sound Energy's (PSE) King County District. We accept PSE's response to each of the items address in our findings letter however we request additional information regarding Item 1 as stated below. In addition, we would like to further clarify our concern regarding cathodic protection systems as noted under Item 4.

Item #1 - Your response stated in part that PSE engineers reviewed the installation and based on an analysis of the unique features of the building including the roof design and openings to the building's interior, PSE engineers concluded that the vent location would allow gas to discharge into the atmosphere without undue hazard. Please provide the commission a copy of this analysis.

Item #4 - We concur that the anode bed was inspected 6 times per calendar year and provided adequate protection for the system until the inspection performed on June 14, 2007. Typically a rectifier will fail over a period of time with the indication of increased output voltage and amperes to compensate for the failing anode bed. PSE had information from the bi-monthly inspection that indicated a problem but did not act until the rectifier could no longer provide adequate cathodic protection. Measures such as those identified in your letter of intent should be part of a continuing surveillance program as opposed to waiting for these systems to fail completely.



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Your response needed

Please respond in writing to the data request for the engineering analysis noted under Item 1 by January 18, 2008. We expect to close this docket upon receipt of this analysis. A closure letter will be sent to PSE once the docket is closed.

If you have any questions, or if we may be of any assistance, please contact Al Jones at (360) 664-1321. Please refer to Docket PG-070179 in any future correspondence regarding this inspection.

Sincerely,



Carole J. Washburn
Executive Secretary

cc: Bert A. Valdman, PSE
Sue McLain, PSE
Mike Hobbs, PSE