

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-100022.

December 1, 2010

Cathy Koch Manager, Gas Compliance and Regulatory Audits Puget Sound Energy PO Box 90868 M/S EST-07W Bellevue, WA 98009-0868

Dear Ms. Koch:

Re: 2010 Natural Gas Standard Inspection - Snohomish County

We are in receipt of Mr. Helge Ferchert's letter dated October 21, 2010, addressing the findings of our inspection conducted at the Puget Sound Energy (PSE), Snohomish County facilities the week of August 16 to August 25, 2010.

We accept PSE's intent to mitigate the items noted in the Areas of Concern. Docket PG-100022 will be closed as of December 1, 2010.

Please refer to the above docket number in any future correspondence regarding this inspection. If you have any questions or need any further assistance, please contact Joe Subsits at (360) 664-1322.

Thank you for your cooperation and interest in pipeline safety.

Sincerely,

David D. Lykken

Pipeline Safety Director

cc: Bert A. Valdman, Executive VP and Chief Operating Officer, PSE Sue McLain, Senior Vice President Operations, PSE Michael G. Hobbs, Director, Compliance & Safety, PSE Duane Henderson, Manager, Gas System Integrity, PSE