

**BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

**Docket Nos. PG-030080 & PG-030128**

**Puget Sound Energy, Inc.'s  
Petition for an Order Amending Order 03 and Granting  
An Exemption from the Provisions of WAC 480-93-110(2)**

**BENCH REQUEST NO. 02**

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As PSE's petition is the second request to extend deadlines related to completing work required under the Isolated Facilities Program, what assurances can the company provide that it will meet the proposed new deadlines (December 31, 2010, for eleven work elements and December 31, 2014, for the remaining three work elements)?

**Response:**

The proposed completion dates presented in Puget Sound Energy, Inc.'s ("PSE") Petition to Amend Order 03 ("Petition") were determined after careful consideration of the entire scope of work that remains to be completed. PSE now knows with great certainty the full extent of the work that remains and has worked closely with its service provider to arrive at a thorough understanding of the resource requirements to complete the work. PSE has also recently agreed with Commission Staff to set more definitive deadlines than those provided in PSE's Petition with respect to the above-ground regulator and mobile home park assessments and remediation work.

PSE is fully committed to timely completion of the program by the requested dates and will continue to dedicate the resources needed to successfully achieve the proposed new deadlines.

In the case of mobile home park assessments, PSE will complete the initial assessment of services by December 31, 2010.

In the case of above-ground regulators, where PSE has recently identified areas that could require remediation outside the scope of the settlement agreement, PSE commits to performing an initial evaluation, including Pipe-to-Soil Potential reads, atmospheric corrosion assessments and any other pertinent information helpful in planning for full remediation. PSE believes that this Phase 1 assessment process will require 18 months (December 31, 2010). PSE is committed to completing any remediation work identified as a result of this assessment by December 31, 2014. However, should there

be extenuating circumstances beyond the Company's control that would preclude the completion of work by said date ("hard case exception"), PSE will provide Staff with a schedule for completion of the work and will report semi-annually on progress until the work is completed. See Exhibit B to Petition at 12.

Please note that the petition filed by PSE on June 12, 2009 is PSE's first request to extend the deadline for completion of the Isolated Facilities Program. The Joint Motion to Amend Order 02, filed April 12, 2006 ("2006 Joint Motion") did not alter or extend the July 1, 2009 completion date for the Isolated Facilities Program. See 2006 Joint Motion at ¶ 13. In the 2006 Joint Motion, PSE agreed to double the reports (from annual to semiannual) that PSE would provide to the Commission. See Order No. 3 at ¶ 6. The 2006 Joint Motion was the result of a mutual agreement between WUTC Staff and PSE to better align the reporting deadline for periodic status updates with other reports already being provided to the Commission. As described in the Joint Motion,

The Isolated Facilities Program and the Bare Steel Replacement Program prescribe various dates by which PSE is to file certain progress reports. Based on the experience of the Parties to date, some of those dates should be clarified and/or refined to reflect more specific dates by which PSE will complete and submit these reports to the Commission.

See 2006 Joint Motion at ¶ 6.

