



Puget Sound Energy, Inc.
P.O. Box 90868
Bellevue, WA 98009-0868

RECEIVED
RECORDS MANAGEMENT

04 DEC 13 AM 8:32

STATE OF WASH.
UTIL. AND TRANSP.
COMMISSION

Orig - Rec Ctr ✓
Joe
File
Alan
David
Sondra

December 10, 2004

Carole J. Washburn, Secretary
Washington Utilities and Transportation Commission
P.O. Box 47250
Olympia, WA 98504-7250

Attn: Alan Rathbun, Pipeline Safety Director

Subject: Incident Investigation and Probable Violation (Docket No. PG-041209)

Dear Mr. Rathbun:

This letter is in response to your correspondence dated November 10, 2004 regarding Docket No. UG-041209. The following information addresses the items of possible noncompliance discussed in your letter and follows our initial report to WUTC Staff on July 1, 2004 as well as supplemental information provided at Staff's request on July 29, 2004.

The work that was being performed on the day of the incident was covered by written standards and field procedures for "purging" and "preventing accidental ignition" that, when followed, allow the work to be done safely. The personnel involved had the qualifications to perform the work and had safely and properly performed a series of purges earlier on the morning of the incident.

The results of the investigation revealed that the root cause of the incident was due to an interruption in the procedure and subsequent miscommunication that resulted in the purge being initiated without confirmation that the purge vent was installed. Terminating the purge without first grounding the PE pipe was a secondary contributor to the incident.

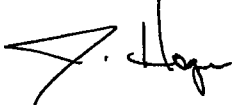
Both PSE and Pilchuck reviewed this incident in detail with gas field personnel during a series of meetings immediately following the incident to highlight the importance of following the applicable procedures.

In addition, the Standards and Compliance department provides ongoing regular communication to employees and service providers regarding standards and procedures and PSE also performs quality assurance audits of fieldwork to confirm that personnel are following company standards and procedures correctly.

Our investigation concluded that this was an isolated incident and that no additional changes to standards, field procedures, training, or auditing processes are warranted at this time.

We appreciate the opportunity to work proactively with Staff to ensure the safety of our personnel, contractors, and the public. We ask that the Commission please consider this matter resolved.

Sincerely,

A handwritten signature in black ink, appearing to read "Jim Hogan". The signature is stylized with a large initial "J" and a cursive "Hogan".

Jim Hogan
Manager, Standards and Compliance

Cc: Aaron Drake
Kaaren Daugherty
Duane Henderson
Booga Gilbertson
Sue McLain
Harry Shapiro