

## 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-060215

May 23, 2011

Sue McLain Senior Vice President, Delivery Operations Puget Sound Energy PO Box 90868 M/S PSE-12N Bellevue, WA 98009-0868

Dear Ms. McLain:

On March 1-4, 2011, we conducted additional follow up of Puget Sound Energy's (PSE) implementation of certain programs required under the Utilities and Transportation Commission's Order 02 in Docket PG-060215.

Processes and a random sampling of records were reviewed with respect to PSE and Pilchuck Contractors, Inc. (Pilchuck) repair and leak surveillance activities, leak records system, and Quality Control/Quality Assurance plans and audit practices.

I am pleased to report that staff's review finds there were no apparent issues noted as a result of this follow-up inspection.

Staff would like to thank PSE and Pilchuck Contractors personnel for their cooperation during this inspection and for their diligence in ensuring continued compliance with the terms of the agreement.

If you have any questions, please contact Lex Vinsel at (360) 664-1319.

Sincerely,

David D. Lykken

Pipeline Safety Director

cc: Cathy Koch, Compliance Director, PSE

Carol Wallace, Gas Operations Director, PSE

Duane Henderson, Gas System Integrity Manager, PSE