



STATE OF WASHINGTON
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

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Ref. No. Docket PG-090030

CERTIFIED MAIL

September 02, 2009

Bert A. Valdman
Executive VP & Chief Operating Officer
Puget Sound Energy
PO Box 90868 MS: EST-07W
Bellevue, Washington 98009-0868

Dear Mr. Valdman:

Re: 2009 Standard Natural Gas Inspection of West King County

Thank you for your letter dated August 07, 2009, concerning our inspection of the Puget Sound Energy West King County (PSE) natural gas system conducted in April through July, 2009. We have reviewed your response and accept your remedy proposals for each of the three areas of non-compliance noted in our report. We also commend PSE's actions thus far on taking steps for resolution prior to this letter.


The purpose of this letter is to clearly outline the commitment that PSE made to resolve the findings from the West King County standard inspection. The attachment (1) compiles our findings, actions taken and the commitments that PSE has made to further address the probable violations found during the inspection. These commitments will be subject to verification as part of follow-up inspections scheduled for 2010. If, during follow-up inspections we find items that are not resolved, we reserve the right to seek issuance of a complaint by the commission. We understand PSE reserves the right to contest a complaint if one is issued.



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Please review the attached document carefully and if you agree that it accurately reflects your actions and commitments in your letter of intent dated August 7, 2009, sign where indicated below and forward it to me for my signature. I will send you a copy of the signed document. If you disagree with any terms or commitments in the attachment please contact me to work out the issue.

Sincerely,



Anne F. Soiza
Pipeline Safety Director

cc. Mike Hobbs, PSE
Duane Henderson, PSE
Helge Ferchert, PSE

Enclosure

Puget Sound Energy

Anne Soiza
Pipeline Safety Director
Washington Utilities and
Transportation Commission

Attachment (1)

Probable Violation Citation Number	Staff Probable Violation Report July 7, 2009	PSE Letter of Intent August 7, 2009	PSE Commitments from the August 7, 2009 Letter of Intent	Staff Action
<p>49 CFR 192.355(b)(1) Meters and Regulators, protection from damage.</p>	<p>1. Staff identified 3 locations where regulator relief vents did not have proper screening installed to prevent debris and insects from entering and plugging the regulator relief.</p>	<p>PSE agreed with our findings and immediately remediated the 3 locations identified by staff.</p>	<p>PSE investigated the circumstances of the missing vent screens and has agreed that vent screen verification will be part of their atmospheric corrosion and leak survey programs. PSE contractors are already trained to identify missing screens and record this data as an abnormal or unusual operating condition (AOC) for use in their continuing surveillance program. <u>Screens that are missing will be remediated ASAP but no later than 90 days after they are found by PSE personnel. Added by Staff.</u></p>	<p>Staff field verified that the 3 locations identified during the inspection have been remediated.</p> <p>Staff commends PSE's actions taken so far and for their proposals in ensuring that vent screens will be inspected during other required maintenance such as atmospheric corrosion and leak surveys and that this data will be recorded. <u>Staff agrees that any missing vent screens will be replaced ASAP but no later than 90 days after they are found missing. Added by Staff.</u> We will review this data during future inspections scheduled in 2010.</p>
Probable Violation Citation Number	Staff Probable Violation Report July 7, 2009	PSE Letter of Intent August 7, 2009	PSE Commitments from the August 7, 2009 Letter of Intent	Staff Action
<p>WAC 480-93-188(3)(d) Gas Leak Surveys</p>	<p>2. PSE's annual report indicates that they have 332 copper services in their distribution system. PSE was unable to provide documentation that any of these copper services have been leak surveyed twice annually as required.</p>	<p>PSE agreed with our findings that the copper services have not been leak surveyed twice annually as required.</p>	<p>PSE has investigated the circumstances regarding copper service lines and why they have not been properly identified for leak survey. PSE has discovered that plant accounting of these services may not be accurate and that they may have been over reporting the actual number of these facilities in their system. PSE has developed a process for finding all copper services and has committed to completing this process by the end of 2009 and begin surveying copper services twice annually within 60 days of discovery. PSE has already found 10 copper services and will have these leak surveyed by the end of August, 2009</p>	<p>Staff accepts PSE's proposals to find all copper services by the end of 2009 and to begin leak surveying them within 60 days of discovery and twice annually thereafter.</p>

Attachment (1)

Probable Violation Citation Number	Staff Probable Violation Report July 7, 2009	PSE Letter of Intent August 7, 2009	PSE Commitments from the August 7, 2009 Letter of Intent	Staff Action
<p>WAC 480-93-188(2) Gas Leak Surveys- Requirements for testing gas detection equipment at specified intervals.</p>	<p>3. Gas detection equipment not calibrated at required intervals.</p>	<p>PSE agrees with our findings that the noted gas detection instruments were not calibrated monthly as required. PSE believes that this is due to a misapplication of the WAC requirement related to the maximum timeframe of 45 days. PSE personnel interpreted this to mean they could calibrate the equipment every 45 days instead of monthly, not to exceed 45 days. PSE also acknowledged that some instruments in remote locations were not calibrated monthly as required.</p>	<p>PSE has reprogrammed SAP's instrument calibration scheduling tool to facilitate the monthly calibration requirement. PSE has also improved scheduling by calibrating the instruments earlier in the month to provide time at the end of each month for instruments that are not readily available. PSE has also committed to work with their contractors in ensuring that instruments are better tracked and that calibration frequencies are met.</p>	<p>Staff agrees with PSE's contention that the WAC was being misapplied and we brought up this issue during the records review.</p> <p>Staff accepts PSE's proposals to ensure that gas detection instruments are better tracked and that calibration frequencies are met.</p>