



PUGET SOUND ENERGY

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June 29, 2012

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Washington Utilities and Transportation Commission
Pipeline Safety Section
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JUN 29 2012
State of Washington
UTC
Pipeline Safety Program

Dear Ms. Johnson,

RE: 2011 Public Awareness Inspection of Puget Sound Energy

We are pleased to submit our revised Public Awareness Program Plan, Revision 5, effective July 1, 2012, which addresses the 17* Areas of Concern cited as a result of your November 2011 inspection of Puget Sound Energy's program. This revised plan replaces Puget Sound Energy's revised Public Awareness Program Plan, dated April 2009.

While the Washington Utilities and Transportation Commission's inspection report from its November 2011 review noted that PSE's implemented program obtained mostly "satisfactory" scores the report did underscore the need for the program plan to specify processes and procedures as well as provide more thorough documentation, as described in API Recommended Practice 1162, WAC 480-93-180 Plan and Procedures, 49 CFR §§ 191, 192 and chapter 480-93 WAC.

We believe the July 1, 2012 updated Public Awareness Program Plan addresses each of the concerns identified in the inspection report. In conjunction with updating the PAP plan, we are building out an organized and detailed internal processes and procedures document as well as comprehensive evidence binders, which we believe will serve as helpful resources for future inspections.

We appreciate having the time to identify the needed development of processes and procedures so they can be reflected with the implementation of the Public Awareness Program.

Also, we greatly appreciate your helpful feedback and guidance during your review.

***Please note:** We believe AOC 14 and AOC 15 are duplicate AOCs.

Below is a summary of our responses to the listed Areas of Concern.

1. Implement, document and verify improvements recommended in its 4 year evaluation (Form 21 question 4.07)

PSE response: PSE has enhanced section 9 to give more details on this requirement.

2. Use evaluation results and data to determine if the stakeholders have demonstrated the intended learned behaviors (Form 21 question 4.05)

PSE response: PSE has enhanced section 9 to give more details on this requirement.

3. Determine whether appropriate prevention behaviors have been understood by the stakeholder audiences (found in PAP II Section 8) (Form 21 question 4.05)

PSE response: PSE has enhanced section 9 to give more details on this requirement.

4. Evaluate data to assess the percentage of the intended stakeholder audience that understood and retained the key information in each PAP message. (Form 21 question Form 21 question 4.04)

PSE response: PSE has enhanced section 9 to give more details on this requirement.

5. Determine the statistical sample size and margin-of-error for each of the four intended stakeholder audiences. (Form 21 question 4.03)

PSE response: PSE has enhanced section 9 to give more details on this requirement.

6. Estimate the percentage of individuals or entities actually reached within each intended stakeholder audience group. (Form 21 question 4.03)

PSE response: PSE has enhanced section 9 to give more details on this requirement.

7. Track the number of individuals or entities reached within each intended stakeholder audience group (Form 21 question 4.02)

PSE response: PSE has enhanced section 9 to give more details on this requirement.

8. Conducting the 4 year evaluation. (Form 21 question 4.01)

PSE response: PSE has enhanced section 9 of the plan "Periodic Effectiveness Evaluations" to give more detail about the requirements for documentation during an effectiveness evaluation. PSE will maintain evidence of these evaluations in evidence binders moving forward.

9. Assess the results of its annual PAP audit/review then develop and implement changes in its program (Form 21 question 3.03)

PSE response: PSE has incorporated changes to its plan throughout the years as a result of the annual audits. PSE will maintain records of these changes moving forward in evidence binders. In addition PSE has added a records section to the plan detailing that records of plan revisions shall be maintained.

10. Conduct annual audits/reviews of its PAP. (Form 21 question 3.02)

PSE response: PSE has conducted several annual audits of the plan including third party reviews and internal audits. Documentation has been maintained in the evidence binders. PSE notes that in addition to internal audits/reviews of the Public Awareness Program Plan that there are reviews by third-party contractors, such as Oleksa and Associates and insurance carriers, as stated during the inspection. Based on these reviews, PSE revised the plan four different times and submitted the updated revision to PHMSA/UTC.

11. Make its emergency response plan available; identified the operator's expectations for emergency responders and identified whether the expectations are the same for all locations; identify how the operator determined the affected emergency response organizations have adequate and proper resources to respond; identify how the operator ensures that information was communicated to emergency responders that did not attend training/information sessions by the operator, (Form 21 question 2.06)

PSE response: While PSE, in its implemented program, does make the emergency response plan available, the April 2009 Public Awareness Program Plan did not specify the plan. In the July 1, 2012 revised PAP plan, availability of the plan is noted in Table III.

12. Determine relevant factors to determine the need for supplemental program enhancements as described in API RP 1162 for each stakeholder audience (Form 21 question 2.05)

PSE response: PSE has created a new PAP plan process, "Annual Program Review" which will consist of a two part review. The first part will include an implementation review to ensure all required activities have taken place annually, and the second will include a review of the relevant factors to determine if changes to the plan are warranted. PSE has updated the PAP section 8 to reference the new process.

13. Document and track delivered messages to the individual stakeholder groups. (Form 21 question 1.05)

PSE response: PSE has revised Section 7 to detail recordkeeping requirements including "records of messages delivered to stakeholder audiences". PSE has created evidence binders and will store evidence of the messages that were delivered to stakeholders.

14. Identify how the operator determines stakeholder notification areas and distance on either side of the pipeline the procedure and process used to determine the data source used to identify each stakeholder audience. (Form 21 question 1.04)

PSE response: PSE has documented the procedure used to determine stakeholder notification areas in a new department process called "Determining Stakeholder Notification Areas." PSE refers to this process in the plan in Table III.

Note: AOC 14 and 15 appear to be duplicates.

15. Identify how the operator determines stakeholder notification areas and distance on either side of the pipeline? (Form 21 question 1.04)

PSE response: See above.

Note: AOC 14 and 15 appear to be duplicates.

16. Determine the process and/or data source used to identify each stakeholder audience in the plan (Form 21 question 1.04)

PSE response: A new Public Awareness Program plan process, "Identifying Stakeholder Audiences" has been created and will give details on how PSE identifies stakeholder audiences. PSE has updated Section II-2 of the Plan to reference the new process.

17. Address where unique attributes in each system are (Form 21 question 1.03)

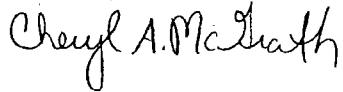
PSE response: PSE's April 2009 Plan Section 4 titled "Pipeline Assets included in the program" listed out the assets that are covered by the Plan. PSE has expanded this section to include more detail on the asset types. New sections 4.1-4.5 provide more detail on PSE's assets including the distribution system, the LNG facility, the Swarr Propane-Air facility, the Jackson Prairie Gas storage facility, and Sumas Pipeline.

18. Determine how management participates in the PAP; to verify resources provided to implement public awareness are in the PAP; to determine how many employees involved with the PAP and what their roles are and to determine if the operator uses external support resources for any implementation or evaluation efforts. (Form 21 question 1.02)

PSE response: PSE covers management support of the PAP in the foreword by Senior Vice President Sue McLain as well as in Section 2 Management Commitment and Support. PSE has expanded section 2 to include a new requirement for the Manager Customer Communications to hold an annual meeting with executives, directors, and managers in order to present the current status of the PAP, ensure ongoing visibility of the program, and reaffirm management support for implementation of the program. In addition, PSE has clarified the responsibilities in Section 3, and expanded them to include more detail.

Please contact me by email at cheryl.mcgrath@pse.com or by phone at 425-462-3207 if you have any questions or concerns about the revised plan or our response to the AOCs.

Sincerely,



Cheryl McGrath
Manager-Compliance and Regulatory Audits

cc. David Lykken, Pipeline Safety Director,
Joe Subsits, Pipeline Safety Chief Engineer
Dorothy Bracken, Customer Communication Manager
Shamish Patel, Standards Manager