



Puget Sound Energy
P.O. Box 97034
Bellevue, WA 98009-9734
PSE.com

October 1, 2015

Steven V. King
Executive Director and Secretary
Washington Utilities & Transportation Commission
PO Box 47250
Olympia, WA 98504

Dear Mr. King:

Subject: Environmental Report with Revised Cover Letter for the quarter ending June 30, 2015

- Docket UG-920781 (WNG)**
- Docket UE-911476 (PSP&L)**
- Docket UE-070724 (PSE)**
- Docket UE-072060 (PSE)**
- Docket UE-081016 (PSE)**

Pursuant to the WUTC Order entered on 10/8/08, PSE now operates both its electric and gas deferred environmental accounting programs with a blanket authorization, provided the requisite criteria is met. This Order was issued under the following Docket Numbers: UE-070724, UE-072060, and UE- 081016.

PSE deferred accounting treatment matches the expenses of the remediation of these sites with the recovery of expenses from third parties. The costs for these sites currently exceed third party recoveries.

There are two versions of the attached spreadsheets representing a list of major sites PSE is currently investigating, monitoring and remediating. One version that PSE requests to be treated as confidential, shows actual costs at the close of the quarter, costs incurred & amortized costs as well as an estimate of future project. **Future cost estimates are confidential pursuant to WAC 480-07-160.**

Attached is a redacted version that only shows actual costs with the future estimates redacted.

Sincerely,

John Rork
Manager – Environmental Services

Enclosures

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RECORDS MANAGEMENT
2015 OCT -5 PM 2:53
STATE OF WASH
UTIL. AND TRANSP
COMMISSION

Puget Sound Energy
Environmental Quarterly Report
October 1, 2015, 2015

cc: Daniel Doyle
Steve Secrist
Lorna Luebbe
Susan Free
Eric Englert
Jeff French
Jeff Thomas
Jayson Sowers

SAP Order	September 2000 - forward	Liability Account	SAP Account	Site Description	SAP Account Balance 3/31/2015	Quarterly Activity (b)	SAP Account Balance (c) = (a) + (b)	Actual Costs Through 6/30/2015 (d)	Future Cost Estimates (e)	Total Cost Estimates (f) = (d) + (e)	Recoveries Through 6/30/2015 (g)
18230039	22940021	18232221	18232221	Env Rem - White River/Buckley Phase II Burn Pile and Wood Debris (Future Cost Est.)	2,142,000.11	308.28	2,142,308.38	2,142,305.38	-	-	-
18230039	22940021	18232231	18232231	Env Rem - White River/Buckley Phase II Burn Pile and Wood Debris Subtotal White River/Buckley Phase II Burn Pile and Wood Debris Site	2,142,000.11	308.28	2,142,308.38	2,142,305.38	-	-	-
18230021	22940221	18232261	18232261	Env Rem - Lower Duwamish Waterway (Future Cost Est.)	94,350.80	284,174.81	348,525.61	348,525.61	-	-	-
18230021	22940221	18232271	18232271	Env Rem - Lower Duwamish Waterway Subtotal Lower Duwamish Waterway Site	94,350.80	284,174.81	348,525.61	348,525.61	-	-	-
22940051	18230311	18230311	18230311	Env Rem - Whiteley Service Center UST (Future Cost Est.)	30,000.00	-	30,000.00	-	-	-	-
22940111	18230361	18230361	18230361	Env Rem - Poulsbo Service Center UST (Future Cost Est.)	20,000.00	-	20,000.00	-	-	-	-
22940091	18230321	18230321	18230321	Env Rem - Poulsbo Service Center UST Subtotal Poulsbo Service Center UST	20,000.00	-	20,000.00	-	-	-	-
18230041	18230391	18230391	18230391	Env Rem - Tenino Service Center UST (Future Cost Est.)	198,092.16	-	198,092.16	198,092.16	-	-	-
18230041	18230391	18230391	18230391	Env Rem - Tenino Service Center UST Subtotal Tenino Service Center UST	198,092.16	-	198,092.16	198,092.16	-	-	-
				Subtotal 1823	254,480.08		2,738,923.13	2,988,923.13			
18601120	22940161	18609011	18609011	Env Rem - Lower Baker Power Plant (Future Cost Est.)	404,497.63	2,402.25	406,899.88	406,899.88	-	-	-
18601120	22940161	18609001	18609001	Env Rem - Lower Baker Power Plant Subtotal Lower Baker Power Plant Site	404,497.63	2,402.25	406,899.88	406,899.88	-	-	-
18601121	22940171	18609031	18609031	Env Rem - Snoqualmie Hydro Generation (Power Plant) (Future Cost Est.)	2,254,508.17	-	2,254,508.17	2,254,508.17	-	-	-
18601121	22940171	18609021	18609021	Env Rem - Snoqualmie Hydro Generation (Power Plant) Subtotal Snoqualmie Hydro Generation Site	2,254,508.17	-	2,254,508.17	2,254,508.17	-	-	-
18601122	22940181	18609051	18609051	Env Rem - Ballinghram South State Street MGP (Former Blvd Park) (Future Cost Est.)	2,151,072.56	10,005.49	2,170,138.05	2,170,138.05	-	-	-
18601122	22940181	18609041	18609041	Env Rem - Ballinghram South State Street MGP (Former Blvd Park) Subtotal Ballinghram South State Street MGP (Former Blvd Park) Site	2,151,072.56	10,005.49	2,170,138.05	2,170,138.05	-	-	-
18601125	22940191	18609111	18609111	Env Rem - Election Flume (Future Cost Est.)	699,654.59	-	699,654.59	699,654.59	-	-	-
18601125	22940191	18609091	18609091	Env Rem - Election Flume Subtotal Election Flume Site	699,654.59	-	699,654.59	699,654.59	-	-	-
18601128	22940231	18609151	18609151	Env Rem - Talbot Hill Substation and Switchyard (Future Cost Est.)	224,879.76	-	224,879.76	224,879.76	-	-	-
18601128	22940231	18609141	18609141	Env Rem - Talbot Hill Substation and Switchyard Subtotal Talbot Hill Substation & Switchyard Site	224,879.76	-	224,879.76	224,879.76	-	-	-
18601130	22940231	18609181	18609181	Env Rem - Semanah Substation (Future Cost Est.)	400,495.47	-	400,495.47	400,495.47	-	-	-
18601130	22940231	18609191	18609191	Env Rem - Semanah Substation Subtotal Semanah Substation Site	400,495.47	-	400,495.47	400,495.47	-	-	-
18601161	22940301	18609221	18609221	Env Rem - City of Olympia v PSE Plum Street Station (Future Cost Est.)	231,566.74	8,807.93	240,256.67	240,256.67	-	-	-
18601161	22940301	18609231	18609231	Env Rem - City of Olympia v PSE Plum Street Station Subtotal City of Olympia v PSE Plum Street Station	231,566.74	8,807.93	240,256.67	240,256.67	-	-	-
18601171	22940311	18609241	18609241	Env Rem - Whitehorn UST Remediation (Future Cost Est.)	-	695.75	695.75	695.75	-	-	-
18601171	22940311	18609251	18609251	Env Rem - Whitehorn UST Remediation Subtotal Whitehorn UST	-	695.75	695.75	695.75	-	-	-
18601151	18609171	18609171	18609171	Env Rem - Everett Asarco	212,588.68	-	212,588.68	212,588.68	-	-	-
18601151	18609211	18609211	18609211	Env Rem - Everett Asarco Subtotal Everett Asarco Site	212,588.68	-	212,588.68	212,588.68	-	-	-
22940081	22940081	22940081	22940081	Env Rem - Pt. Robinson Cable Station	111,890.23	-	111,890.23	111,890.23	-	-	-
22940081	22940081	22940081	22940081	Env Rem - Pt. Robinson Cable Station Subtotal Pt. Robinson Cable Station	111,890.23	-	111,890.23	111,890.23	-	-	-
22940131	22940131	22940131	22940131	Env Rem - Crystal Mountain Generator Station Site	(500,000.00)	-	(500,000.00)	-	-	-	-
22940031	22940031	22940031	22940031	Env Rem - Olympia Service Center UST	(258,000.00)	-	(258,000.00)	-	-	-	-
22941001	22941001	22941001	22941001	Accum Miso Oper Prow - Unallocated Def Elec Env Rem Recoveries	(4,610,494.09)	-	(4,610,494.09)	-	-	-	-
				Total Liabilities	(5,916,494.09)		(5,916,494.09)	14,610,935.77			
				Grand Total	732,661.75	295,331.48	3,902,436.30	23,999,756.15			

Footnote:
 (A) The total allocated costs for the Crystal Mountain Site of \$15,093,472.69 include PSE Insurance Recoveries of \$11,939,563. Future Cost Estimate of \$500,000 and Expensed amount of \$2,644,909.69 (Actual Costs less Recoveries) through report date.
 Represents allocated proceeds from the Insurance recoveries.

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SAP Order	Liability	SAP Account	Site Description	SAP Account Balance	Quarterly Activity	SAP Account Balance	Actual Costs Through	Future Cost Estimates	Total Cost Estimates	Recoveries Through
198 - forward				3/31/2015		6/30/2015	6/30/2015		(f) = (d) + (e)	6/30/2015
(a)				(b)	(c) = (a) + (b)	(d)	(e)	(f)	(g)	
FORMER MANUFACTURED GAS SITES:										
22840012		18609572	Tacoma Gas Company (Upload Source Control) (Future Cost Est.)	-	-	-	-	-	-	-
18606102		18608612	Tacoma Gas Company (Upload Source Control) (Remediation Costs)	776,531.80	-	776,531.80	776,531.80	-	-	-
			Subtotal Tacoma Gas Company	776,531.80	-	776,531.80	776,531.80	-	-	-
22840022		18609592	Thra Foss Waterway (Future Cost Est.)	-	-	-	-	-	-	-
18607102		18609712	Thra Foss Waterway (Remediation Costs)	4,066,999.10	1,291,521.19	5,358,520.29	5,358,520.29	-	-	-
18607103		18609722	Thra Foss Waterway (WADOT Settlement)	(3,488,999.10)	-	(3,488,999.10)	(3,488,999.10)	-	-	-
18607203		18609742	Thra Foss Waterway (Future Cost Est.)	-	-	-	-	-	-	-
			Subtotal Thra Foss Waterway	577,999.00	1,291,521.19	1,869,520.19	1,869,520.19	-	-	-
22840032		18609592	Everett Washington (Future Cost Est.)	-	-	-	-	-	-	-
18602102		18608712	Everett Washington (Remediation Costs)	1,460,848.90	1,388.00	1,461,846.90	1,461,846.90	-	-	-
			Subtotal Everett Washington	1,460,848.90	1,388.00	1,461,846.90	1,461,846.90	-	-	-
22840042		18609602	Charlottesville Washington (Future Cost Est.)	-	-	-	-	-	-	-
18603102		18608312	Charlottesville Washington (Remediation Costs)	3,949,046.03	-	3,949,046.03	3,949,046.03	-	-	-
			Subtotal Charlottesville Washington	3,949,046.03	-	3,949,046.03	3,949,046.03	-	-	-
22840092		18609622	Quendall Terminal (Future Cost Est.)	-	-	-	-	-	-	-
18612102		18609312	Quendall Terminal (Remediation Costs)	27,871.55	27,871.55	27,871.55	27,871.55	-	-	-
			Subtotal Quendall Terminal	27,871.55	27,871.55	27,871.55	27,871.55	-	-	-
22840092		18609652	Tacoma Tar Pits (Future Cost Est.)	-	-	-	-	-	-	-
18601102		18609412	Post-June 1989 Tacoma Tar Pits (Remediation Costs)	3,898,458.43	44,080.65	3,940,539.08	3,940,539.08	-	-	-
18601102		18609412	Pre-Nov 2012 Gas Works Park (Remediation Costs)	34,881,222.38	-	34,881,222.38	34,881,222.38	-	-	-
18614102		18609312	Subtotal Tacoma Tar Pits	38,779,680.81	44,080.65	38,822,961.46	38,822,961.46	-	-	-
			Bay Station (Future Cost Est.)	-	-	-	-	-	-	-
			Subtotal Bay Station	231,599.84	-	231,599.84	231,599.84	-	-	-
22840102		18609662	Olympia Columbia Street MGP (Future Cost Est.)	-	-	-	-	-	-	-
18614402		18609542	Olympia Columbia Street MGP (Remediation Costs)	1,242,611.72	11,529.35	1,254,241.07	1,254,241.07	-	-	-
			Subtotal Olympia Columbia Street MGP	1,242,611.72	11,529.35	1,254,241.07	1,254,241.07	-	-	-
			Verbeek Autowrecking (Future Cost Est.)	-	-	-	-	-	-	-
			Subtotal Verbeek Autowrecking	2,050,122.67	-	2,050,122.67	2,050,122.67	-	-	-
			Verbeek Autowrecking (Reimbursement of Remed Cost from 3rd Party)	(1,114,592.67)	-	(1,114,592.67)	(1,114,592.67)	-	-	-
			Subtotal Verbeek Autowrecking	935,530.00	-	935,530.00	935,530.00	-	-	-
22840162		18608112	Downriver Property (Future Cost Est.)	-	-	-	-	-	-	-
18607104		18608302	Downriver Property (Remediation Costs)	122,668.10	44,151.76	166,819.86	166,819.86	-	-	-
			Subtotal Downriver Property	122,668.10	44,151.76	166,819.86	166,819.86	-	-	-
22840122		18609882	Unallocated Insurance and Third Party Recoveries GAS UNDERGROUND STORAGE TANKS AND OTHER SITES	-	-	-	-	-	-	-
18230212		18237112	SWARR STATION (Future Cost Est.)	279,321.20	-	279,321.20	279,321.20	-	-	-
			Subtotal Swarr Station	279,321.20	-	279,321.20	279,321.20	-	-	-
22840192		18609892	NORTH OPERATING BASE (Future Cost Est.)	-	-	-	-	-	-	-
18230210		18236912	NORTH OPERATING BASE	-	-	-	-	-	-	-
18237122	(A)	18237122	SOUTH SEATTLE GATE STATION	169,602.13	-	169,602.13	169,602.13	-	-	-
18237142	(A)	18237142	NORTH SEATTLE GATE STATION	134,750.43	-	134,750.43	134,750.43	-	-	-
18237152	(A)	18237152	COVINGTON GATE STATION	53,995.63	-	53,995.63	53,995.63	-	-	-
			Subtotal Pre-Costs	67,987.45	-	67,987.45	67,987.45	-	-	-
			Pre-Costs Subtotal	67,987.45	-	67,987.45	67,987.45	-	-	-
			TOTAL - GAS STORAGE TANKS AND MANUFACTURED GAS SITES (1823 and 1860)	1,893,427.66	1,893,427.66	3,786,855.31	3,786,855.31	-	-	-

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