

September 25, 2009

David W. Danner, Executive Director and Secretary  
Washington Utilities and Transportation Commission  
PO Box 47250  
Olympia, WA 98504-7250

**RE: Bare Steel Replacement Program annual Risk Assessment (Docket PG-030080 and PG-030128)**

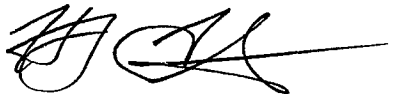
Dear Ms. Soiza;

Pursuant to the King/Pierce County Settlement Agreement reached under Dockets PG-030080 and PG-030128, Puget Sound Energy (PSE) is required to complete an annual system risk assessment of bare steel pipeline segments utilizing the revised matrix detailed in the Bare Steel Replacement Program document. Please find enclosed a copy of PSE's 2009 Risk Assessment.

For ease of reference, a breakdown and a summary of the planned replacement footage are provided at the top of page 1 of the Risk Assessment. A total of 100,757 feet of bare steel is scheduled for replacement in 2010. The program document specifies that replacement footage based upon public improvement opportunities and field-identified priorities shall be limited to 20% of the annual replacement footage. As seen in the summary 4,700 feet of PI opportunity footage is currently planned for replacement in 2010. Also seen in the summary, no field-identified footage has yet been identified for replacement in 2010.

If you have any questions, please call me at 425-462-3967.

Sincerely,



Helge Ferchert  
Manager, Gas Compliance & Regulatory Audits

Enc.

Cc: Mike Hobbs  
Karl Karzmer  
Bert Valdman  
Sue McLain  
Duane Henderson  
Dave Lykken, WUTC  
Harry Shapiro

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COMMISSION

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REGULATORY MANAGEMENT

Initial Risk Assessment  
For 2010 Bare Steel Program Replacement Jobs

Footage by Risk Model		96,057	Total 2010 Planned Replacement Footage	100,757							
"C1" Coordination Footage	-	Target 2010 Replacement Footage	99,205								
"Other" Footage	-	Planned versus Target	1,552								
PI Opportunity Footage	4,700	Total Non-Program Footage	-								
Field Identified Footage	-	Total 2010 Footage	100,757								
UN AREA #	SUB AREA #	Notification #	Prioritization Method	Status	Field Completion Date	Approval Date	BS & W1 Footage	Cumulative Feet	Score /Mile	Planned Replacement Year	Comments
129	4	10891849	Model			9/1/2009	150	93652	7.363	2010	Sent to Service Provider
136	4	10891850	Model			9/1/2009	450	94102	4.930	2010	Sent to Service Provider
032	5	10892508	Model				550	94652	4.885	2010	Sent to Service Provider
025	11	10892526	Model				1150	95802	4.456	2010	80%
154	2	10891852	Model			9/1/2009	250	96052	4.294	2010	Sent to Service Provider
142	12	10891853	Model			9/1/2009	300	96352	3.578	2010	Sent to Service Provider
156	35	10891856	Model			9/1/2009	590	96942	3.258	2010	Sent to Service Provider
158	11	10855857	Model			9/8/2009	9910	106852	2.848	2010	Sent to Service Provider
151	7	10891871	Model				200	107052	2.741	2010	80%
187	18	10891873	Model				400	107452	2.684	2010	80%
999	6	10763641	Model			9/8/2009	3500	110952	2.650	2010	Sent to Service Provider
013	2	10891982	Model			9/1/2009	1210	112162	2.434	2010	Sent to Service Provider
146	1	10892115	Model			9/1/2009	1350	113512	2.385	2010	Sent to Service Provider
142	20	10838582	Model				275	113787	2.263	2010	80%
015	1	10891986	Model			9/1/2009	1800	115587	2.128	2010	Sent to Service Provider
009	1	10892031	Model			9/1/2009	2800	118387	2.029	2010	Sent to Service Provider
151	5	10838832	Model				2200	120587	2.023	2010	80%
130	1	10891875	Model			9/1/2009	4880	125467	1.959	2010	Sent to Service Provider
151	2	10838799	Model				700	126167	1.883	2010	80%
156	33	10891857	Model			9/1/2009	575	126742	1.879	2010	Sent to Service Provider
077	4	10892643	Model				300	127042	1.827	2010	80%
142	4Rem	10891854	Model			9/1/2009	6632	133674	1.779	2010	Sent to Service Provider
025	2	10892527	Model				500	134174	1.732	2010	80%
071	2Rem	10892751	Model				3250	137424	1.666	2010	80%
151	1	10891872	Model				650	138074	1.657	2010	80%
186	2	10891876	Model				1650	139724	1.627	2010	80%
186	3	10838817	Model				1250	140974	1.626	2010	80%
045	2	10892233	Model			9/1/2009	1350	142324	1.595	2010	Sent to Service Provider
142	13	10891855	Model				350	142674	1.571	2010	80%
043	3	10892686	Model				400	143074	1.556	2010	80%
031	10	10892711	Model				540	143614	1.233	2010	80%
156	15	10891858	Model				1750	145364	1.220	2010	80%

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122	2	10892118	Model			9/1/2009	1050	146414	1.207	2010	Sent to Service Provider
156	31	10891859	Model				975	147389	1.137	2010	80%
189	1	10891879	Model				550	147939	1.033	2010	80%
031	6	10838879	Model				715	148654	1.032	2010	80%
187	5	10891874	Model				700	149354	1.016	2010	80%
001	3	0892078	Model			9/1/2009	6740	156094	0.939	2010	Sent to Service Provider
186	1	10891877	Model				650	156744	0.826	2010	80%
181	3	10891880	Model				970	157714	0.793	2010	80%
186	4	10891878	Model				750	158464	0.716	2010	80%
173	12	10891881	Model				900	159364	0.702	2010	80%
010	2	10892033	Model			9/1/2009	1250	160614	0.695	2010	Sent to Service Provider
173	1	10838292	Model				1400	162014	0.692	2010	80%
173	6	10902979	Model				800	162814	0.671	2010	80%
155	1	10891882	Model				900	163714	0.635	2010	80%
110	1	10838878	Model			9/1/2009	7050	170764	0.630	2010	Sent to Service Provider
209	5	10892186	Model				1400	172164	0.620	2010	80%
136	3	10892186	Model				1900	174064	0.615	2010	80%
999	7		Model				885	174949	0.606	2010	20%
031	7		Model				3035	177984	0.583	2010	20%
158	5Rem		Model				11575	189559	0.579	2010	20%
142	3	10871771	PI			3/31/2009	1000	194259	0.156	2010	Sent to Service Provider
209	1	10890908	PI			9/8/2009	3700	351667	0.151	2010	Sent to Service Provider
097	1						1400	195659	0.573	2011	
011	6						4679	200338	0.523	2011	
187	16						250	200588	0.520	2011	
186	8						5850	206438	0.515	2011	
045	1						1550	207988	0.512	2011	
142	1						1050	209038	0.511	2011	
207	1						150	209188	0.479	2011	
034	1						3450	212638	0.477	2011	
008	2						890	213528	0.476	2011	
034	5						2200	215728	0.464	2011	
173	14						2550	218278	0.457	2011	
019	6						3900	222178	0.439	2011	
040	1						2350	224528	0.429	2011	
156	14Rem						6887	231415	0.422	2011	
129	2						1300	232715	0.384	2011	
012	4						6875	239590	0.381	2011	

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187	8						300	239890	0.365	2011	
104	7						4365	244255	0.350	2011	
156	13						175	244430	0.349	2011	
173	3Rem						19865	264295	0.344	2011	
153	3Rem						4525	268820	0.341	2011	
045	3						1650	270470	0.332	2011	
001	4	10838939					600	271070	0.322	2011	
177	1	10838838					250	271320	0.287	2011	
208	1						250	271570	0.287	2011	
137	5						1086	272656	0.281	2011	
103	8						340	272996	0.279	2011	
125	1	10838893					2940	275936	0.277	2011	
053	1						1250	277186	0.274	2011	
143	1						350	277536	0.271	2011	
208	3						5307	282843	0.255	2011	
208	2						1525	284368	0.252	2011	
156	10						4811	289179	0.251	2011	
031	12	10838880					600	289779	0.249	2011	
031	11	10838892					2350	292129	0.248	2011	
188	1						4500	296629	0.247	2011	
187	13						1900	298529	0.242	2011	
136	2						2599	301128	0.236	2011	
029	12						3200	304328	0.235	2011	
156	18Rem						2989	307317	0.232	2011	
201	1						1600	308917	0.228	2011	
063	3	10838874					650	309567	0.228	2011	
126	1						725	310292	0.224	2011	
206	3						300	310592	0.216	2011	
131	1	10858340					5041	315633	0.214	2011	
187	10						300	315933	0.204	2011	
050	10						3060	318993	0.200	2011	
154	4						482	319475	0.197	2011	
086	2						1250	320725	0.196	2011	
131	8						320	321045	0.191	2011	
017	2						879	321924	0.185	2011	
201	2						2450	324374	0.178	2011	
030	4						6610	330984	0.168	2011	
209	4						2275	333259	0.166	2011	
103	4Rem						17168	350427	0.156	2012	

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007		1					1090	351517	0.154	2012	
051		1					150	351667	0.153	2012	
999	1Rem						16200	367867	0.150	2012	
158		1					450	368317	0.150	2012	
130		9					3792	372109	0.148	2012	
050		9					1410	373519	0.147	2012	
209		2					4420	377939	0.146	2012	
124		5					1145	379084	0.142	2012	
085		2					3875	382959	0.142	2012	
038		1					1250	384209	0.136	2012	
019		1					6500	390709	0.135	2012	
187		2					800	391509	0.118	2012	
163		1					100	391609	0.115	2012	
121		2					850	392459	0.112	2012	
187		1					1700	394159	0.112	2012	
135		3					1200	395359	0.108	2012	
001		2					700	396059	0.107	2012	
163		6					110	396169	0.104	2012	
025		6					1850	398019	0.100	2012	
103		3					5065	403084	0.096	2012	
158		10					140	403224	0.094	2012	
034		2					1200	404424	0.091	2012	
135		2					2077	406501	0.089	2012	
036		1					6900	413401	0.084	2012	
023		3					220	413621	0.084	2012	
030		7					140	413761	0.082	2012	
142		24					140	413901	0.082	2012	
120		1					800	414701	0.081	2012	
005	3Rem						2600	417301	0.078	2012	
078		1					300	417601	0.076	2012	
203		3					150	417751	0.076	2012	
187		11					1145	418896	0.075	2012	
163		3					155	419051	0.074	2012	
186		5					150	419201	0.068	2012	
019		4					170	419371	0.067	2012	
019		5					1100	420471	0.065	2012	
206		1					100	420571	0.064	2012	
190		1					6215	426786	0.063	2012	
108		9					1370	428156	0.063	2012	



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080	6						1100	429256	0.059	2012	
031	14						205	429461	0.058	2012	
131	7						1500	430961	0.057	2012	
094	1						1392	432353	0.057	2012	
129	1						1600	433953	0.056	2012	
156	30						220	434173	0.052	2012	
034	3						450	434623	0.052	2012	
083	1						1920	436543	0.051	2012	
005	8						3600	440143	0.051	2012	
190	3						3150	443293	0.049	2012	
187	7						7960	451253	0.046	2012	
104	1						500	451753	0.046	2012	
103	12						3340	455093	0.045	2012	
125	2						466	455559	0.039	2012	
124	1						4150	459709	0.038	2012	
136	1						2900	462609	0.038	2012	
166	1						650	463259	0.035	2012	
165	4						350	463609	0.033	2012	
123	2						450	464059	0.033	2012	
138	2						100	464159	0.032	2012	
134	2						2350	466509	0.029	2012	
137	3						400	466909	0.029	2012	
164	1						400	467309	0.029	2012	
019	2						600	467909	0.027	2012	
128	2						420	468329	0.027	2013	
111	4						1050	469379	0.027	2013	
029	11						800	470179	0.026	2013	
198	2						375	470554	0.026	2013	
205	11						550	471104	0.021	2013	
134	1						950	472054	0.019	2013	
022	2						1000	473054	0.018	2013	
119	3						805	473859	0.018	2013	
020	2						650	474509	0.018	2013	
103	7						1050	475559	0.017	2013	
090	3						700	476259	0.017	2013	
999	2						700	476959	0.017	2013	
122	1						700	477659	0.016	2013	
142	6						200	477859	0.016	2013	
069	1						800	478659	0.014	2013	

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100	1	1					7585	486244	0.013	2013	
194	2	2					300	486544	0.011	2013	
153	5	5					700	487244	0.009	2013	
085	1	1					1300	488544	0.009	2013	
187	23	23					4450	492994	0.008	2013	
142	7	7					450	493444	0.007	2013	
047	1	1					1700	495144	0.007	2013	
156	34	34					575	495719	0.006	2013	
050	8Rem						5385	501104	0.006	2013	
156	28	28					600	501704	0.005	2013	
126	2	2					1370	503074	0.005	2013	
156	36	36					85	503159	0.005	2013	
102	1	1					750	503909	0.005	2013	
144	1	1					2625	506534	0.004	2013	
156	22	22					2350	508884	0.004	2013	
011	2	2					800	509684	0.004	2013	
181	1	1					1550	511234	0.004	2013	
208	4	4					920	512154	0.004	2013	
132	2	2					975	513129	0.003	2013	
044	1	1					4250	517379	0.003	2013	
186	9	9					6000	523379	0.002	2013	
131	6	6					1400	524779	0.002	2013	
075	1	1					1500	526279	0.002	2013	
173	13	13					200	526479	0.002	2013	
173	18	18					1500	527979	0.002	2013	
050	2	2					600	528579	0.001	2013	
071	4	4					605	529184	0.001	2013	
014	1	1					626	529810	0.001	2013	
024	2	2					820	530630	0.001	2013	
153	2	2					950	531580	0.000	2013	
001	1	1					140	531720	0.000	2013	
003	1	1					275	531995	0.000	2013	
005	5	5					300	532295	0.000	2013	
006	1	1					200	532495	0.000	2013	
010	3	3					1800	534295	0.000	2013	
012	5	5					590	534885	0.000	2013	
013	1	1					350	535235	0.000	2013	
016	2	2					1292	536527	0.000	2013	
017	4	4					1450	537977	0.000	2013	

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017	5						600	538577	0.000	2013	
019	3						550	539127	0.000	2013	
021	3						100	539227	0.000	2013	
023	2						550	539777	0.000	2013	
025	3						100	539877	0.000	2013	
029	10						220	540097	0.000	2013	
030	5						400	540497	0.000	2013	
030	6						110	540607	0.000	2013	
031	13						150	540757	0.000	2013	
033	1						220	540977	0.000	2013	
041	7						230	541207	0.000	2013	
046	1						900	542107	0.000	2013	
050	1						600	542707	0.000	2013	
055	1						150	542857	0.000	2013	
068	1						250	543107	0.000	2013	
074	1						250	543357	0.000	2013	
083	2						400	543757	0.000	2013	
084	1						10	543767	0.000	2013	
085	4						600	544367	0.000	2013	
086	3						200	544567	0.000	2013	
087	2						380	544947	0.000	2013	
088	1						340	545287	0.000	2013	
095	2						300	545587	0.000	2013	
096	1						500	546087	0.000	2013	
100	2						650	546737	0.000	2013	
102	4						220	546957	0.000	2013	
103	6						500	547457	0.000	2013	
103	10						439	547896	0.000	2013	
104	4						200	548096	0.000	2013	
104	5						950	549046	0.000	2013	
104	6						214	549260	0.000	2013	
107	1						300	549560	0.000	2013	
108	1						500	550060	0.000	2013	
108	2						250	550310	0.000	2013	
111	8						510	550820	0.000	2013	
111	9						340	551160	0.000	2013	
118	1						300	551460	0.000	2013	
122	3						450	551910	0.000	2013	
127	1						300	552210	0.000	2013	



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129	5						180	552390	0.000	2013	
130	7						300	552690	0.000	2013	
130	10	10855822					115	552805	0.000	2013	
131	9						160	552965	0.000	2013	
133	2						700	553665	0.000	2013	
137	2						500	554165	0.000	2013	
137	4						175	554340	0.000	2013	
141	1						150	554490	0.000	2013	
142	5						300	554790	0.000	2013	
142	9	10855727					550	555340	0.000	2013	
142	23						800	556140	0.000	2013	
142	25						200	556340	0.000	2013	
142	26						680	557020	0.000	2013	
147	1						50	557070	0.000	2013	
151	4						550	557620	0.000	2013	
151	6						150	557770	0.000	2013	
152	2						150	557920	0.000	2013	
153	4						600	558520	0.000	2013	
156	29						100	558620	0.000	2013	
156	32						800	559420	0.000	2013	
160	1						300	559720	0.000	2013	
162	1						310	560030	0.000	2013	
163	4						125	560155	0.000	2013	
168	2						765	560920	0.000	2013	
171	1						225	561145	0.000	2013	
173	5						1100	562245	0.000	2013	
173	7						400	562645	0.000	2013	
173	8						400	563045	0.000	2013	
173	9						250	563295	0.000	2013	
173	11						450	563745	0.000	2013	
173	15						300	564045	0.000	2013	
173	17						250	564295	0.000	2013	
173	23						900	565195	0.000	2013	
173	24						2000	567195	0.000	2013	
173	25						104	567299	0.000	2013	
176	1						125	567424	0.000	2013	
182	3						700	568124	0.000	2013	
182	5						300	568424	0.000	2013	
182	6						100	568524	0.000	2013	

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UN AREA #	SUB AREA #	Notification #	Prioritization Method	Status	Field Completion Date	Approval Date	BS & W/L Footage	Cumulative Feet	Score Mile	Planned Replacement Year	Comments
184	1						150	568674	0.000	2013	
186	6						350	569024	0.000	2013	
186	10						70	569094	0.000	2013	
187	3						375	569469	0.000	2013	
187	9						300	569769	0.000	2013	
187	25						21	569790	0.000	2013	
187	26						80	569870	0.000	2013	
190	2						700	570570	0.000	2013	
191	1						700	571270	0.000	2013	
194	1						300	571570	0.000	2013	
196	1						200	571770	0.000	2013	
197	1						250	572020	0.000	2013	
197	2						50	572070	0.000	2013	
198	1						1150	573220	0.000	2013	
199	1						225	573445	0.000	2013	
199	2						650	574095	0.000	2013	
200	2						400	574495	0.000	2013	
201	4						725	575220	0.000	2013	
201	5						100	575320	0.000	2013	
201	7						950	576270	0.000	2013	
204	2						1300	577570	0.000	2013	
205	3						250	577820	0.000	2013	
205	4						100	577920	0.000	2013	
205	5						650	578570	0.000	2013	
205	6						350	578920	0.000	2013	
205	7						300	579220	0.000	2013	
205	10						150	579370	0.000	2013	
205	12						300	579670	0.000	2013	
206	2						100	579770	0.000	2013	
208	5						600	580370	0.000	2013	
209	3						1021	581391	0.000	2013	
999	3						4391	585782	0.000	2013	