

97 DEC -3 AN 8: 18

December 1, 1997

Mr. Steve McLellan, Secretary Washington Utilities & Transportation Commission P.O. Box 47250 Olympia, WA 98504-7250

Subject:

Docket Number UG-920781 (WNG)

Docket Number UE-911476 (PSP&L)

Report on Environmental Issues

for the Period ending September 30, 1997

Dear Mr. McLellan:

The following report is submitted in accordance with the above-referenced docket numbers to update the WUTC on environmental matters undertaken by Puget Sound Energy. Please note that for ease of communication, this report will combine remedial activity for both the former Puget Sound Power & Light and the former Washington Natural Gas Company. However, to assist your review, I will segregate this report into the following two headings: Former WNG sites and Former Puget Power sites.

Should you have any questions or comments regarding this new format, please let me know. Otherwise, all future updates will be provided in a similar fashion.

1. FORMER WNG SITES

A. Tacoma Gas Company Site (Upland Source Control)

Recontamination modeling is under development for the site to assist in the determination if any contamination from this property is an ongoing source of contamination to the Thea Foss Waterway. PSE's consultant, Black & Veatch, is performing this work and anticipates results by the end of December 1997. At that time, PSE and the other potentially liable parties (PLPs) will be able to commence negotiations with Washington State Department of Ecology (WDOE) to determine the appropriate remedial activity for the site, if any.

Total Remedial Costs Spent through 9/30/97

\$ 218,918.08

B. Thea Foss Waterway

The City of Tacoma, as the lead PRP for this project, is preparing a new proposed remedial option report. In its final form, it is anticipated that the City will propose a remedial option which combines dredging, natural recovery, and capping.

Total Remedial Costs Spent through 9/30/97

\$ 60,195.78

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C. Everett, Washington

PSE has submitted permit applications for the containment wall it has proposed as the appropriate remedial option for this site. Final permits are expected by the end of December 1997 and implementation of remediation is tentatively scheduled for Spring of 1998.

Total Remedial Costs Spent through 9/30/97

\$ 509,301.53

D. Chehalis, Washington - Gas Site

PSE continues to collect groundwater monitoring data to assess whether any additional remedial activity is required at this site.

Total Remedial Costs Spent through 9/30/97

\$1,734,772.60

E. Gas Works Park

PSE and the City of Seattle have completed negotiations on a budget for a focused feasibility study and have retained Parametrix for this phase of the project. It is currently projected that this study will be completed in Fall 1998.

Total Remedial Costs Spent through 9/30/97

\$ 80,752.72

2. FORMER PUGET POWER SITES

A. Northwest Transformer, Mission Pole

PSE is currently awaiting response from EPA concerning ground water monitoring which is expected in the first quarter of 1998.

Total Remedial Costs Spent through 9/30/97

\$3,699,853.00

B. Northwest Transformer, South Harkness

EPA has deleted the site from the Federal NPL because of reduced risk to the public following completion of 1996 groundwater monitoring review. The site was delisted September 1998.

Total Remedial Costs Spent through 9/30/97

\$2,390,780.00

C. Coal Creek

There has been no change at this site and it is not currently anticipated that PSE will incur any future costs at this site. Therefore, no further updates will be provided regarding the site unless the situation changes.

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3. UNDERGROUND STORAGE TANKS

The attached spreadsheet shows current and projected activity for PSE USTs. Current projections for remedial costs associated with USTs are \$1.1 million, but could change depending upon the level and impact of contamination found.

Total Remedial Costs Spent through 9/30/97

\$3,277,902.49

The information provided in this letter represents an update on all significant remedial activity currently in progress by PSE. PSE is also continuing to pursue insurance recoveries for both former WNG and former Puget Power related remedial activity. If you have any questions regarding this information, please let me know.

Sincerely,

Steven R. Secrist

Director - Environmental Services

Attachment

CC:

Tim Hogan

Jim Eldredge

Mel Walters

Barry Lombard

Gary Reid

Mike Main

Karl Karzmar

Steve Marshall

Steve McKeon

Chuck Gordon

David Brenner

Underground Storage Tank Site Planned Improvements

1997

Site	Action •
ELECTRIC SITES Enumclaw SVC Olympia SVC Tenino SVC	RMV RMD (remediation substantially completed) RMD (remediation substantially completed)
GAS SITES Auburn Operating Base Georgetown Kent Operating Base Mercer Operating Base	RMV RMV RMV RMV

1998

Site	Action ⁶
ELECTRIC SITES	
Bellevue GO Fuel	RMV
Bremerton SVC	RMV
	RPL
Cougar Mtn Comm	
Crystal Mtn. Eastside Comm	UPGRD
	RMV
Electron Gen	UPGRD
General Stores	RMV
Fleet SVC	RMV
Green Mt Comm	RPL
Kittitas SVC	UPGRD
Lynden SVC	RMV
Olympia SVC	RMD
Pt. Orchard	RMV
Puyallup SVC	RMV
Rattlesnake Comm	RPL
Vashon SVC	RMV
Whidbey SVC	RMV
GAS SITES	
	RMV
Issaquah Operating Base Jackson Prairie	RPL
North Operating Base	RMV
Totem Lake Operating Base	RMV

^{*}Action Code Definitions:

INST - Installation - Does not include removal, remediation or restoration.

RMD - Remediation - Includes only remediation of contamination, restoration, and reporting.

RMV - Removal - Includes removal, remediation, and restoration but not UST installation.

RPL - Replacement - Includes removal, remediation, installation, and restoration.

UPGRD - Upgrade - Not remediation estimated as necessary for improvement.