



**PUGET  
SOUND  
ENERGY**

April 2, 1998

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

RECEIVED  
REGISTRATION DIVISION  
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STATE OF WASH.  
UTILITY & TRANSPORTATION  
COMM. BOBOL

**Subject: Docket Number UG-920781 (WNG)  
Docket Number UE-911476 (PSP&L)  
Report on Environmental Issues  
for the Period ending December 31, 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 (PSP&L) and the former Washington Natural Gas Company (WNG). To assist your review, I will segregate this report into the following two headings: former WNG sites and former Puget Power sites. Also, we received comments from the WUTC in response to our last update requesting that we include spreadsheets summarizing deferred environmental remediation costs for each quarter. The requested spreadsheet is attached for both the period ending December 31, 1997 and the period ending September 30, 1997. Prospectively, we will continue to provide you the spreadsheets on a quarterly basis as requested.

**1. FORMER WNG SITES**

**A. Tacoma Gas Company Site (Upland Source Control)**

The flux chamber analysis has been successfully completed and PSE will use the results to model the impact of groundwater carried constituents through the sediments in the adjacent waterway. This task will unavoidably overlap with work undertaken in the Thea Foss Waterway to fully assess the impact of the Coal Gas Site on the Waterway, if any. The Washington State Department of Ecology (WDOE) supports this effort and also expects that the results will yield a better picture of the subsurface conditions at the Coal Gas Site and in the sediment in the adjacent Thea Foss Waterway.

Total remedial costs spent through 12/31/97

\$ 225,617.12

*Copy to gas staff  
RNS*



## 2. FORMER PUGET POWER SITES

### A. Northwest Transformer, Mission Pole

PSE stills awaits response from EPA concerning groundwater monitoring, expected in the first quarter of 1998.

Total remedial costs spent through 12/31/97 \$3,699,853.82 (no change)

### B. Northwest Transformer, South Harkness

This site has been deleted from the Federal NPL and there is no change.

Total remedial costs spent through 12/31/97 \$2,390,780.00 (no change)

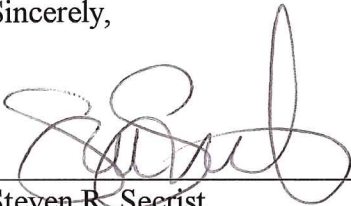
## 3. UNDERGROUND STORAGE TANKS (USTs)

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 12/31/97 \$3,277,668.66

The information provided in this letter represents an update on all significant remedial activity currently in progress by PSE. PSE continues to pursue insurance recoveries for both former WNG and former Puget Power-related remedial activity. PSE filed a lawsuit against the comprehensive general liability and first party property insurance carriers of the former WNG MGP facilities to pursue total recovery of the remedial costs incurred at each of the sites identified in this letter. A copy of the complaint is attached to this letter. Should you have any questions regarding any of the information contained in this letter please let me know.

Sincerely,



Steven R. Seerist  
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  
Jim Murray

## Underground Storage Tank Site Planned Improvements

1997

Site	Action*
<b>ELECTRIC SITES</b>	
Enumclaw SVC	RMV
Olympia SVC	RMD (remediation substantially completed)
Tenino SVC	RMD (remediation substantially completed)
Redmond SVC	Closed in place
<b>GAS SITES</b>	
Auburn Operating Base	RMV
Georgetown	RMV
Kent Operating Base	RMV
Mercer Operating Base	RMV

1998

Site	Action*
<b>ELECTRIC SITES</b>	
Bellevue GO Fuel	RMV-1999
Bremerton SVC	RMV
Cougar Mtn Comm	RPL
Crystal Mtn.	UPGRD
Eastside Comm	RMV
Electron Gen	UPGRD
General Stores	RMV-1999
Fleet SVC	RMV-1999
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-1999
<b>GAS SITES</b>	
Issaquah Operating Base	RMV-1999
Jackson Prairie	RPL
North Operating Base	RMV-1999
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.