

Ref. No. Docket PG-041624

November 1, 2005

Duane Henderson, P.E  
Director of Safety and Operations Services  
Puget Sound Energy, Inc.  
P.O. Box 97034  
Bellevue, WA 98009-9734

Dear Mr. Henderson:

**Subject: Revised Settlement Agreement in Docket No. PG-041624**

As you know, the Agreement resulting from the Bellevue incident requires collaboration between PSE and Commission Staff. In order to make this effort as effective as possible, we ask that you share with us your company's project plan for the risk assessment of coated steel services. Hopefully, this plan identifies mileposts and planned completion dates for each portion of the study.

We understand that PSE is likely still in the data gathering stage. Staff anticipates becoming involved during the evaluation of this data, including trend identification and review of protocols (Agreement ¶15).

The Agreement also includes the requirement to deliver a status report to the Commissioners (¶17) as well as quarterly updates to staff, Commissioners and the City of Bellevue (¶29).

Please contact me at (360) 664-1254 if you should have any questions concerning this request.

Sincerely,

Alan E. Rathbun  
Pipeline Safety Director

cc: Sue McLain, Senior Vice President Operations  
Cheryl Zakrzewski, Bellevue City Attorney