

SERVICE DATE

DEC 22 1994

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

WASHINGTON UTILITIES AND)	
TRANSPORTATION COMMISSION,)	
)	DOCKET NO. UG-920487
Complainant,)	
)	
v.)	SECOND SUPPLEMENTAL ORDER
)	
WASHINGTON NATURAL GAS COMPANY,)	INTERPRETING PROVISION OF
)	SETTLEMENT AGREEMENT
Respondent.)	
.....)	

PROCEEDINGS: The Washington Natural Gas company seeks a Commission interpretation of paragraph 3K of a settlement agreement previously approved by the Commission. The Commission Staff supports the company interpretation.

COMMISSION: The Commission approves the interpretation of paragraph 3K sought by the company.

APPEARANCES: Washington Natural Gas Company ("respondent" or "the company") is represented by John J. Kozyrski, vice-president - Engineering, Seattle. The staff of the Washington Utilities and Transportation Commission ("Commission Staff") is represented by Robert D. Cedarbaum, assistant attorney general, Olympia.

MEMORANDUM

On May 1, 1992, the Washington Utilities and Transportation Commission served the respondent with a Complaint and Order to Show Cause Why Penalties Should Not Be Assessed and Why Corrective Action Should Not Be Ordered. On June 19, 1992 the Commission entered its First Supplemental Order Accepting Settlement and Operating Agreement. On December 7, 1994, the respondent filed a Petition seeking Commission interpretation of paragraph 3K of the Settlement and Operating Agreement. On December 15, 1994, the Commission Staff filed an answer supporting the company's interpretation of paragraph 3K.

The Commission, in its First Supplemental Order, retained jurisdiction to ensure compliance with the provisions of the Settlement and Operating Agreement approved therein. The Commission has reviewed the company's proposed interpretation of paragraph 3K, and finds it to be reasonable and consistent with the original intent of that paragraph. We agree with the Commission Staff that, so long as the company diligently applies its Operating Standard 7.10 and its cast iron Program of Operations, Maintenance and Replacement, the overall safety of the company's system will be enhanced. The petition will be granted.

ORDER

THE COMMISSION ORDERS That for the purpose of interpreting Paragraph 3K of the Settlement and Operating Agreement which the Commission accepted in its First Supplemental Order dated June 18, 1992, the 100-foot replacement requirement for cast iron pipe applies exclusively to construction which occurs parallel to the company's facilities and is not necessary in order to maintain safety and cast iron integrity for construction which crosses the company's facilities transversely, or for normal company construction or maintenance activities. The Commission retains jurisdiction to ensure compliance with the provisions of the Settlement and Operating Agreement.

DATED at Olympia, Washington, and effective this 22nd day of December 1994.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

Sharon L. Nelson
SHARON L. NELSON, Chairman

Richard Hemstad
RICHARD HEMSTAD, Commissioner

Wm. R. Gillis
WILLIAM R. GILLIS, Commissioner