Puget Sound Energy, Inc. P.O. Box 90868 Bellevue, WA 98009-0868

September 27, 2007

City Attorney's Office City of Bellevue P.O. Box 90012 Bellevue, WA 98009-9012

Attn: Cheryl A Zakrzewski, Assistant City Attorney

RE: Puget Sound Energy Wrapped Steel Services Assessment Program Risk Model Results (Docket PG-041624)

Dear Ms. Zakrzewski,

Pursuant to Docket PG-041624 (Wrapped Steel Services Assessment Program Second Settlement Agreement), Puget Sound Energy (PSE) is providing you the results of the 2007 risk model run for those services within the City of Bellevue. The attached table summarizes the population of services within each mitigation category based upon the risk results.

There are no services that fall within the Priority Replacement mitigation category based upon the 2007 model run. The 24 services that were identified based upon the 2006 model run will be replaced by December 31, 2007.

The change in population in the Scheduled Replacement; Increased Leak Survey; and Standard Mitigation categories is due to:

- a) A revised methodology for extracting services within the City of Bellevue from the overall project population;
- b) Services removed from the population because of replacements through this program as well as normal O&M activities.
- c) Data updates resulting in revised mitigation plans.

If you have any questions, please call me at 425-462-3734.

Sincerely,

Stephanie Kreshel

Interim Manager, Standards & Compliance

Enclosure

Cc:

Mike Hobbs

Duane Henderson

Erik Markell Karl Karzmar

Dave Lykken, WUTC

Summary of Wrapped Steel Service Assessment Mitigation Categories for the City of Bellevue based on 2007 WSSAP risk model results

Mitigation Category	Action	Approximate Number of Services – 2007	Approximate Number of Services – 2006
Priority Replacement	Service Replacement	0	24
Scheduled	Identify Replacement Projects and	200	151
Replacement	Twice Annual Leak Survey (until service is replaced)		
Increased Leak Survey	Annual Leak survey	859	898
Standard Mitigation	No Additional Action Required	6,441	6,434
Total		7,500	7,507