



STATE OF WASHINGTON

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

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Ref. No. Docket PG-070050

CERTIFIED MAIL

December 14, 2007

Bert Valdman
Executive VP and Chief Operating Officer
Puget Sound Energy, Inc.
PO Box 90868 MS: EST-07W
Bellevue, WA 98009-0868

Dear Mr. Valdman:

Subject: 2007 Standard Inspection of Gig Harbor LNG Peak Shaving

We conducted a natural gas inspection from November 27 to 29, 2007 of Puget Sound Energy's (PSE) Gig Harbor Liquefied Natural Gas (LNG) Peak shaving facility. The inspection included a review of the operating and maintenance manual (O&M), emergency operating plan, records, and inspection of the LNG facility. Enclosed is our report noting two recommended changes to the company's LNG O&M manual. Docket PG-070050 will be closed as of December 14, 2007.

We appreciate the cooperation and assistance of Stephanie Kreshel, Chuck Dougherty, Sharon Morgan and Ronda Landress during this inspection. If you have any questions or if we may be of any assistance, please contact Kuang Chu at (360) 664-1182.

Sincerely,

Carole J. Washburn
Executive Secretary

cc: Duane Henderson, PSE

Enclosure



WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION
2007 Liquefied Natural Gas Standard Inspection Report
Puget Sound Energy – Gig Harbor LNG Peak Shaving Facility
Docket No. PG-070050

The inspection included a review of the operating and maintenance manual (O&M), emergency operating plan (EOP), records, and field facility. Two recommendations pertaining to PSE's LNG O&M manual were identified.

RECOMMENDATIONS

1. In Section 17.1.2, the first sentence should be revised to read: The material contained in this plan shall be reviewed once every two calendar years, not to exceed 27 months.
2. In Section 13.10.5, the second sentence should be revised to read: In order to avoid overfilling or overpressure, manually terminate the flow of LNG by closing block valve V-422 before the liquid level reaches 40.8 in. w.c.