



STATE OF WASHINGTON

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

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Ref. No. Docket PG-070176

CERTIFIED MAIL

May 23, 2007

Jim Hogan
Standards and Compliance Manager
Puget Sound Energy
PO Box 90868 MS: XRD-LL
Bellevue, Washington 98009-0868

Dear Mr. Hogan:

Subject: 2007 Alcohol Misuse Prevention and Anti-Drug Programs

We conducted an inspection of Puget Sound Energy's (PSE) alcohol misuse prevention and anti-drug programs during the week of May 7, 2007 at your Bellevue headquarters. The inspection included a review of PSE draft policies with respect to Title 49 of the Code of Federal Regulations for Parts 40 and 199, field visits to Laboratory Corporation of America clinic in Bellevue and the laboratory located at Swedish Hospital in Seattle.

Our inspection indicates three areas of concern, which unless corrected, could potentially lead to future violations of state and/or federal pipeline safety rules.

Your response needed

We are concerned that PSE is operating from a plan that is not approved by PSE management and the final plan was not available at the time of the inspection. A similar circumstance with a draft O & M manual for the Gig Harbor LNG inspection resulted in a misunderstanding with the availability of documents and operating the plant without approved procedures.

We are also concerned with PSE's liberal policy allowing employee's, randomly selected for drug testing, up to two hours, plus driving time, to report to the nearest collection facility.

We thank PSE staff, especially Keith Kaufman, efforts to organize program documents since the last inspection in 2002.



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Please review the attached report and respond in writing by June 25, 2007. The response should include how and when the areas of concern will be addressed. As we have done in the past, we welcome the opportunity for a meeting to discuss your response to our findings.

If you have any questions, or if we may be of any assistance, please contact Al Jones at (360) 664-1321. Please refer to docket number PG-070176 in any future correspondence regarding this inspection.

Thank you for your cooperation and interest in pipeline safety and integrity.

Sincerely,

A handwritten signature in black ink, appearing to read "Alan E. Rathbun", with a long horizontal line extending to the right.

Alan E. Rathbun
Pipeline Safety Director

Enclosure

UTILITIES AND TRANSPORTATION COMMISSION
2007 Alcohol Misuse Prevention and Anti-Drug Program Inspection
Puget Sound Energy - Headquarters
Docket No. PG-070176

AREA OF CONCERN

1. **Part 199.201 Alcohol Misuse Plan.**

Each operator must maintain and follow a written alcohol misuse plan that conforms to the requirements of this part and DOT Procedures concerning alcohol testing programs.

Finding:

During the inspection, PSE's draft plan for the alcohol misuse program was available, the final plan was not.

2. **Part 199.101 Anti-drug Plan.**

Each operator shall maintain and follow a written anti-drug plan that conforms to the requirements of this part and DOT Procedures.

Finding:

During the inspection, PSE's draft plan for the anti-drug program was available, the final plan was not.

3. **Part 199.105(c)(5) Drug Tests Required.**

Each operator shall conduct the following drug tests for the presence of a prohibited drug: (c) Random Testing. (5) The selection of employees for random drug testing shall be made by a scientifically valid method,...

Finding:

PSE's draft plan for the anti-drug program states the employee shall report to the collecting site within 2 hours, plus travel time, once notified by the supervisor. The DOT guidance for drug test recommends the employee report immediately to the collection site or within 30 minutes, plus travel time, once notified by a company official for a random drug test. PSE uses Laboratory Corporation of America for analysis of specimen, who recommends the employee report immediately to prevent the possibility of specimen dilution by hydration. A diluted specimen is likely to be rejected.