April 28, 2009

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

Attn: Cheryl A Zakrzewski, Assistant City Attorney

RE: Wrapped Steel Services Assessment Program Annual Status Report for Bellevue (Docket PG-041624)

Dear Ms. Zakrzewski,

Pursuant to Docket PG-041624 (Wrapped Steel Services Assessment Program Second Settlement Agreement (WSSAP)), Puget Sound Energy (PSE) is providing an Annual Status Report for the WSSAP Program for the services within the City of Bellevue. This status report includes information on WSSAP Service Mitigation as of December 31, 2008 and the Leak Status Report for 2008.

The following is a brief summary of each of the attachments.

WSSAP Service Mitigation as of December 31, 2008:

This table shows the number of services mitigated through the WSSAP Program in 2008 in the city of Bellevue by mitigation category as well as the number of services mitigated through other activities such as main replacement, system upgrades, service retirement, additional records review, and other maintenance activities.

As indicated in this table, there was no specific target for mitigating services in Bellevue for 2008 as there were no priority services identified in the 2007 model run. This table also shows that the total number of WSSAP services in the city of Bellevue has decreased from 7,500 to 7,454.

Leak Status Report for 2008:

The leak status report for 2008 reflects that the services with the lowest priority for mitigation have the lowest percent of services with leaks discovered. It also shows that the number of leaks discovered on services in the standard mitigation category is 0.05% which is significantly below the historic rate of 0.46%.

If you have any additional questions on any of this information or future plans, please feel free to contact me at 425-462-3967.

Sincerely,

Helge Ferchert

Manager, Gas Compliance and Regulatory Audits

cc:

Mike Hobbs

Erik Markell

Bert Valdman

Karl Karzmar

Duane Henderson

Sue McLain

Dave Lykken, WUTC



WSSAP Mitigation as of December 31, 2008

Mitigation Category	2007 Model Results	Mitigated Through WSSAP	Other Mitigation	Total Mitigation	Pending Mitigation/ Remaining in Category
Priority	0	0	' 0	0	0
Scheduled Replacement Increased Leak	200	12	3	15	185
Survey	859	0	5	5	854
Standard Mitigation	6,441	0	26	26	6,415
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Subtotal	7,500	12	34	46	7,454



Leak Status Report for 2008 –

Mitigation Category	# Active Leaks	# Repaired Leaks by Cause	# Leaks Discovered in 2007	% of services with leak discovered
Priority	0	Ö	0	0%
Scheduled replacement	0	1 – Corrosion 1 – Other 2 - Total	2	1.00%
Increased Leak Survey	2	1 – Equipment 1 – Other 2 - Total	4	0.46%
Standard Mitigation	0	1 – Excavation 2 – Other 3 – Total	3	0.05%