

Woodard, Marina (UTC)

From: Hong, Darryl F <darryl.hong@pse.com>
Sent: Monday, March 28, 2011 11:43 AM
To: Lykken, David (UTC); Woodard, Marina (UTC)
Cc: Subsits, Joe (UTC); Henderson, Duane A; Secrist, Steve; McLain, Sue; Tada, Jennifer R; Koch, Cathy
Subject: Wrapped Steel Services Assessment Program Annual Status Report (Docket PG-041624)
Attachments: 2011 WUTC WSSAP annual report.pdf

Dear Mr. Lykken,

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. This status report includes information on WSSAP Service Mitigation as of December 31, 2010, WSSAP Service Mitigation Plan for 2011, Leak Status Report for 2010, and a review of the Electrical Survey findings.

The following is a brief summary of each report in the attachment.

WSSAP Mitigation as of December 31, 2010:

This table shows the number of services mitigated through the WSSAP Program through 2010 by mitigation category as well as the number of services mitigated through other activities such as bare steel main replacement, main relocates due to public improvement activities, service retirement, and additional records review.

As indicated in this table, PSE mitigated all 31 of the priority services from the 2009 model run that were remaining as of January 1, 2010. PSE was also able to mitigate all but 18 of the 920 scheduled replacement services. The scheduled replacement services that were not able to be mitigated in 2010 were due to permit issues and/or customer issues. As of March 14, 2011 seven of these services have been mitigated and the remaining 11 will be replaced after permits are obtained and customer issues resolved.

WSSAP Mitigation Plan for 2011:

This table shows the number of services PSE is targeting to mitigate through WSSAP in 2011 relative to the 2010 model results.

As indicated in this table, all the priority services and scheduled replacement services remaining as of January 1, 2011 are planned to be mitigated in 2011 through a combination of WSSAP and other activities.

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Leak Status Report for 2010:

The leak status report for 2010 shows the active leaks as well as the repaired leaks by cause for each mitigation category. It also shows that the number of leaks discovered on services in each of the mitigation categories has declined since the program began in 2007.

Electrical Survey Findings:

PSE met with Staff in December of 2010 to review the results of the more than 1,000 electrical surveys that were performed on services from the increased leak survey and standard mitigation categories. PSE and Staff agreed that the results did not indicate any adjustments were needed to the WSSAP model. Staff also indicated support for PSE's plan to continue running the model annually and replacing services that migrate into the priority and scheduled replacement categories. PSE and Staff also discussed the concept of migrating WSSAP into Distribution Integrity Management Program (DIMP) and agreed to pursue this approach after PSE has drafted our written DIMP.

Please refer to the attached document for the detailed report.

If Staff has any additional questions on any of this information or future plans, please feel free to contact me at 425-462-3911.

Sincerely,

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WSSAP Mitigation as of December 31, 2010

Mitigation Category	2009 Model Results	Remaining as of January 1, 2010	Mitigated Through WSSAP	Other Mitigation	Total Mitigation	2010 Target Mitigation Not Completed
Priority	79	31	5	26	31	0
Scheduled Replacement	2,077	920	658	244	902	18*
Increased Leak Survey	22,760	NA	90	546	636	NA
Standard Mitigation	68,280	NA	188	428	616	NA
Subtotal	93,196	951	941	1,244	2,185	18

* By the end of 2010, all but 18 of the scheduled replacement services had been mitigated. These were all due to permit or customer issues.

WSSAP Mitigation Plan for 2011

Mitigation Category	2010 Model Results	Remaining as of January 1, 2011	2011 Target
Priority	91	77	77
Scheduled Replacement	303	24	24
Increased Leak Survey	22,731	NA	NA
Standard Mitigation	67,658	NA	NA
Subtotal	90,783	101	101

Leak Status Report for 2010 –

Mitigation Category	# Active Leaks	# Repaired Leaks by Cause	# Leaks Discovered in 2009	% of services with leak discovered in 2010	% of services with leak discovered in 2009	% of services with leak discovered in 2008	% of services with leak discovered in 2007
Priority	0	0	0	0	2.83%	8.3%	0.97%
Scheduled replacement	0	0	0	0	0.47%	0.26%	0.53%
Increased Leak Survey	11	3 – Corrosion 3 – Excavation 4 – Other 10 – Total	21	0.09%	0.2%	0.13%	0.41%
Standard Mitigation	12	7 – Corrosion 6 - Construction/material defect 5 – Excavation 16 – Other 34 – Total	46	0.07%	0.10%	0.07%	0.19%