



Puget Sound Energy
P.O. Box 97034
Bellevue, WA 98009-9734
PSE.com

RECEIVED

SEP 14 2011

State of Washington
UTC
Pipeline Safety Program

September 13, 2011

Mr. Dave Danner, Executive Director
Washington Utilities and Transportation Commission
P.O. Box 47250
Olympia, WA 98504-7250

Attn: Dave Lykken, Pipeline Safety Director

**RE: Wrapped Steel Service Assessment Program 2011 Risk Model Results
(Dockets PG-041624)**

Dear Mr. Lykken,

Attached are the results of the 2011 risk model run for PSE's Wrapped Steel Service Assessment Program (WSSAP). This information is provided in accordance with the requirements of the settlement agreement contained in docket PG-041624. Provided below is a brief discussion of some of the major drivers to the changes in the number of services reported.

Overall we have seen a decrease of more than 1,400 services of this vintage and type (pre-1972 wrapped and cathodically protected steel) since the model was run in 2010. This decrease has been achieved both by replacement, either directly a result of the WSSAP effort or other activities (such as our bare steel replacement effort), as well as through more detailed review of available records.

Priority Replacement

A total of 120 services have been identified for priority replacement and will be included in the 2012 replacement effort. These priority replacement services are mostly the result of either active leakage discovered in 2011 or new reports of disbanded coating.

Scheduled Replacement

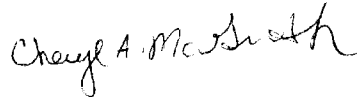
A total of 266 services have been identified for scheduled replacement and will be included in the 2012 replacement effort. Approximately 80 of these services already have a notification to be replaced due to their ranking in 2010. The remainder of them is mostly new scheduled replacement services due to a leak repair or updated data.

Increased Leak Survey

This category has seen a slight decrease in the number services, due to the method used to define this category (top 25% of the remaining services).

PSE appreciates the opportunity to continue to work with Staff on this program. Should you have any additional questions, please call me at (425) 462-3207.

Sincerely,



Cheryl McGrath
Manager, Gas Compliance and Regulatory Audits

cc: Sue McLain
Steve Secrist
Booga Gilbertson
Catherine Koch
Jennifer Tada
Tom DeBoer.
Duane Henderson

2011 WSSAP Model Results

Mitigation Category	2006 Model Results	2007 Model Results	2008 Model Results	2009 Model Results	2010 Model Results	2011 Model Results
Priority	516	216	212	79	91	120
Scheduled Replacement	8,470	8,092	4,682	2,077	303	266
Increased Leak Survey	23,100	23,258	22,913	22,760	22,731	22,240
Standard Mitigation	69,281	69,742	68,660	68,280	67,658	66,719
Subtotal	101,367	101,308	96,467	93,196	90,783	89,345