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State of Washington UTC Pipeline Safety Program

September 12, 2012

Washington Utilities & Transportation Commission Pipeline Safety Section 1300 S. Evergreen Park Drive S.W. PO Box 47250 Olympia, WA 98504-7250

Attn: Dave Lykken, Pipeline Safety Director

RE: Wrapped Steel Service Assessment Program 2012 Risk Model Results
(Dockets-PG-041624)

Dear Mr. Lykken,

Attached are the results of the 2012 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 a slight increase in the number of this vintage and type (pre-1972 wrapped and cathodically protected steel) since the model was run in 2011. This increase is due to services being added when they are identified through ongoing map reviews.

Priority Replacement

A total of 71 services have been identified for priority replacement and will be included in the 2013 replacement effort. These priority replacement services are mostly the result of either active leakage discovered in 2012.

Scheduled Replacement

A total of 211 services have been identified for scheduled replacement. The majority of these services are off of bare steel mains and will be replaced in conjunction with the main replacements that will be completed in 2014. The remainder of them are mostly new scheduled replacement services due to a leak repair or updated data.

Increased Leak Survey

This category has seen a slight increase 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

Manger, Gas Compliance and Regulatory Audits

cc:

Tom DeBoer

Booga Gilbertson

Cheryl A. Mr. II th

Sue McLain

Steve Secrist

Jennifer Tada

Catherine Koch

Duane Henderson

2012 WSSAP Model Results

Mitigation Category	2006 Model Results	2007 Model Results	2008 Model Results	2009 Model Results	2010 Model Results	2011 Model Results	2012 Model Results
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Priority	516	216	212	79	91	120	71
Scheduled Replacement	8,470	8,092	4,682	2,077	303	266	211
Increased Leak Survey	23,100	23,258	22,913	22,760	22,731	22,240	22,372
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Standard Mitigation	69,281	69,742	68,660	68,280	67,658	66,719	66,698
Subtotal	101,367	101,308	96,467	93,196	90,783	89,345	89,352