

April 04, 2019

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

Attn: Sean Mayo, Pipeline Safety Director

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

Dear Mr. Mayo,

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, 2018, WSSAP Service Mitigation Plan for 2019, and the Leak Status Report for 2018.

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

WSSAP Mitigation as of December 31, 2018:

This table shows the number of services mitigated through the WSSAP Program during 2018 by mitigation category as well as the number of services mitigated through other activities such as main replacements, system up-grades, main relocates due to public improvement activities, service retirements, additional records review, and other maintenance activities. As indicated in this table, PSE mitigated 4 of the 8 identified Priority Replacements and 10 of the 14 identified Scheduled Replacements by December 31, 2018. PSE's goal is to replace all Priority Replacements in the planned year, in 2018 PSE encountered delays in coordinating some of the construction work. The remaining 4 Priority Replacements are currently in a Right of Way review and/or a Municipal Permit review and will be replaced as soon as possible. All remaining Scheduled Replacement services are planned to be mitigated by December 31, 2019.

WSSAP Mitigation Plan for 2018:

This table shows the number of Priority and Scheduled Replacement services from the 2018 model run remaining to be mitigated as of January 1, 2019. PSE is targeting to mitigate all Priority Replacement services and Scheduled Replacement services in 2019.

Continued on next page

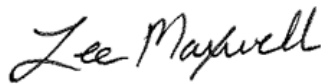
Leak Status Report for 2018:

The leak status report for 2018 shows the active leaks as well as the repaired leaks by cause for each mitigation category. It also shows that the percentage of services with leaks discovered in each of the mitigation categories since the program began in 2007. In 2018, there was one leak discovered in the Priority Replacement category and three leaks discovered in the Scheduled Replacement category. The percent of leaks discovered in the Increased Leak Survey and Standard Mitigation categories remained at about the same percentage as in the previous 5 years.

The WSSAP program is included in PSE's Distribution Integrity Management Program (DIMP). In accordance with the WSSAP program, PSE will replace Priority and Scheduled Replacement services identified by the annual model run. PSE will also replace WSSAP vintage services with an elevated risk based on continual improvement of risk knowledge.

If Staff has any additional questions on any of this information or future plans, please feel free to contact me at 425-462-3575.

Sincerely,

A handwritten signature in cursive script that reads "Lee Maxwell".

Lee Maxwell
Sr. Regulatory Compliance Analyst
Compliance Programs
Puget Sound Energy
Phone: 425-462-3575
Cell: 425-417-5256

WSSAP Mitigation as of December 31, 2018

Mitigation Category	2017 Model Results	Remaining as of January 1, 2018	Mitigated Through WSSAP	Other Mitigation	Total Mitigation	Remaining in Category	Pending Mitigation
Priority Replacement	10	8	3	1	4	4	4
Scheduled Replacement	67	14	6	4	10	4	4
Increased Leak Survey	20,976	20,976	0	1,077	1,077	19,899	0
Standard Mitigation	63,156	63,156	0	785	785	62,371	0
Subtotal	84,209	84,154	9	1,867	1,876	82,278	8

WSSAP Mitigation Plan for 2019

Mitigation Category	2018 Model Results	Remaining as of January 1, 2019	2019 Target
Priority Replacement	15	11	11
Scheduled Replacement	92	23	23
Increased Leak Survey	20,712	N/A	N/A
Standard Mitigation	62,454	N/A	N/A
Subtotal	83,273	34	34

Leak Status Report for 2018

Mitigation Category	# Active Leaks in 2018	# Repaired Leaks in 2018 by Cause	# Leaks Discovered in 2018	% of Services with Leaks Discovered											
				2018	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Priority Replacement	0	1 - Excavation	1	10.0%	0%	8.3%	0	0	1.41%	0	0	0	2.83%	8.3%	0.97%
Scheduled Replacement	0	3 – Excavation	3	4.48%	0%	0	0.25%	0	0.47%	0	0	0	0.47%	0.26%	0.53%
Increased Leak Survey	9	7 – Excavation 2 – Operations 1 – Materials or Welds 8 – Equipment 1 – Outside Force Damage 5 – Non-exposed 4 – Corrosion 28 - Total	18	0.09%	0.10%	0.07%	0.08%	0.12%	0.12%	0.07%	0.12%	0.09%	0.20%	0.13%	0.41%
Standard Mitigation	5	21 – Excavation 1 – Natural Force 1 – Operations 10 – Material or Welds 2 – Other 6 – Equipment 1 – Outside Force Damage 4 – Non-exposed Pipe 6 – Corrosion 52 – Total	41	0.06%	0.08%	0.08%	0.05%	0.06%	0.05%	0.04%	0.05%	0.07%	0.10%	0.07%	0.19%