December 19, 2002

Sue McLain Puget Sound Energy 805 156th Avenue NE PO Box 90868 Bellevue, Washington 98009

Dear Ms. McLain:

Subject: 2002 Intrastate Gas Anti -Drug and Alcohol Misuse Inspection

The Washington Utilities and Transportation Commission (Commission) has the authority to enforce minimum safety regulations per Chapter 480-93 of the Washington Administrative Code pertaining to the construction, maintenance and operation of pipelines transporting gas in the state of Washington. In addition, the Commission adopts the Code of Federal Regulation (CFR) Title 49 Part 199 and Department of Transportation (DOT) Procedures in Part 40 as the minimum standards for anti-drug and alcohol misuse prevention programs.

On November 13, 2002, Commission staff conducted an on-site standard inspection of PSE's King County system. The inspection included a review of records and PSE's anti-drug and alcohol misuse prevention program.

No violations of state or federal codes were noted as a result of the inspection of PSE's anti-drug and alcohol misuse prevention programs. It should not be assumed that this inspection detected all apparent non-compliances of regulations at this time. It is incumbent upon the operator to review its operation to determine whether or not there are other areas of non-compliance.

Should you have any questions or comments, please contact Joe Subsits, Pipeline Safety Engineer at (360) 664-1322.

Thank you for your cooperation and interest in pipeline safety.

Sincerely,

Douglas Kilpatrick, P.E. Pipeline Safety Director

cc. George Pohndorf, PSE Karen Turner Lee, PSE

JS/mw