

**BEFORE THE WASHINGTON STATE
UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of the Application of)	DOCKET PG-060146
)	
PUGET SOUND ENERGY, INC.,)	ORDER 01
)	
For Commission Approval to)	
Operate a Pipeline at Greater Than)	
250 PSIG in Designated Portions of)	ORDER GRANTING APPLICATION
Kittitas County)	WITH CONDITIONS
.....)	

I. Background

- 1 In Docket UG-971136, the Commission granted Puget Sound Energy, Inc. (PSE) a certificate of convenience and necessity to serve certain portions of Kittitas County. The Commission’s original order in that docket was issued on March 18, 1998. In all, the Commission has issued four orders in that docket, adding and changing various conditions regarding the installation and operation of PSE’s pipeline in that area. As part of its application, PSE requests Commission approval for a portion of this new pipeline to be operated up to and including 500 pounds per square inch gauge (psig).
- 2 On December 16, 2005, PSE filed an application requesting Commission approval for PSE to construct and operate a pipeline involved in what PSE has described as “Phase II” of a pipeline PSE is constructing between Thorp and Cle Elum, Washington.

II. Commission Rules

- 3 WAC 480-93-020 is the Commission’s “Proximity Considerations” rule. According to WAC 480-93-020(1)(b), each operator is required to obtain Commission approval before the operator may operate “any gas pipeline at

greater than two hundred fifty psig, up to and including five hundred psig, that is operated within one hundred feet of either of the following places: i) A building that is in existence or under construction prior to the date authorization for construction is filed with the commission, and that is not owned and used by the petitioning operator in its gas operations; or (ii) A high occupancy structure or area that is in existence or under construction prior to the date authorization for construction is filed with the commission.”

- 4 The rule goes on to require that proposed new construction of pipelines that have the characteristics listed in WAC 480-93-020(1)(b), the operator must provide documentation proving that alternative routes avoiding such locations are not practical and that the operator has considered future development in the design of the pipeline to be constructed. WAC 480-93-020(2).

III. Description of the Pipeline being Constructed and Related Matters

- 5 In its December 16, 2005 application, PSE states the route for Phase II is to be constructed substantially within existing road and road rights-of-way. PSE proposes a portion of the pipeline be constructed from Thorp to Cle Elum, Washington adjacent to Washington State Department of Transportation property, County road right-of-way, and on private property, with the majority of the proposed pipeline being constructed on State and County rights-of-way, as depicted on the maps accompanying PSE’s application.
- 6 The Phase II pipeline is approximately 18 miles in length, and it will be within 100 feet of 38 buildings, including 11 residences, two businesses, and 25 barns, sheds, or garages. The pipe will be twelve inches in diameter, compared to previous plans for sixteen inch pipe.
- 7 The Phase II project has two segments. One segment, called the “First Segment” herein, is from Thorp to the Cle Elum Limit Station. The other segment, called the “Second Segment” herein, is from the Cle Elum Limit Station to the Cascade

Substation. PSE is requesting approval under WAC 480-93-020 only for the First Segment.

- 8 The alternative route previously explored by PSE was to route the pipe over private property. According to PSE, this alternative route proved to be impractical due to the large number of individual property owners the Company would need to negotiate with to secure easements from numerous private property owners. In addition, according to PSE, the property owners were concerned that the alternative route would impair future development of their land. As a result, the Phase II route identified by PSE in the current Application is the only practical way for PSE to serve the needs of its customers in the area.

IV. Discussion

- 9 The Commission believes PSE has sufficiently supported its application. The new route reduces the impact on private property and thus mitigates issues that were presented by the prior route under consideration, including concerns of private property owners regarding future development. By using the public right of way and state land for the route, it is reasonable to conclude that future development in the area will respect the existing public property and public rights of way.
- 10 The Commission is also satisfied that the pipeline can be safely operated in the First Segment at pressures up to and including 500 psig, if the following conditions are imposed, applicable to the Phase II project:
- 11 1) PSE will file comprehensive design and construction plans with the Commission 30 days prior to construction and bi-weekly progress reports until project is complete. The plan will comply with all existing state and federal pipeline safety regulations and PSE will follow existing company standards, especially those that pertain to the qualification of welders, and the repair and replacement of defective welds.

- 12 2) PSE will perform quarterly pipeline patrols and conduct leak
detection surveys every three years over the entire length of pipeline.
- 13 3) PSE shall install sufficient pipeline marker signs such that the
pipeline route is adequately delineated and presence of a high pressure gas
pipeline is clearly identified.
- 14 4) PSE will perform 100 percent x-ray inspection of all girth welds.
- 15 5) PSE will backfill the pipeline trench with at least six inches of select
rock-free material which has a large percentage of particles sized less than 1/16
inch in diameter and particles no larger than 1/2 inch diameter above and below
the pipe.
- 16 6) With respect to the First Segment of the Phase II pipeline, between
Thorp and the Cle Elum Limit Station, PSE may operate that segment at
pressures up to an including 500 psig, provided that no portion of the pipeline in
that segment shall exceed 20 percent of specific minimum yield strength (SMYS).
PSE shall operate the Second Segment of the Phase II pipeline, between the Cle
Elum Limit Station to the Cascade Substation, at no greater than 250 psig.
- 17 7) PSE shall install the pipeline with at least four feet of cover.

V. Conclusions of Law and Order

- 18 (1) The Commission has gas pipeline safety jurisdiction over gas companies
pursuant to RCW 80.28.210 and .212 and as implemented in WAC 480-93-
020. PSE is a gas company for purposes of Chapter 80.28 RCW and is
subject to the requirements of WAC 480-93-020.
- 19 (2) PSE has complied with WAC 480-93-020 and therefore the Commission
grants PSE's application dated December 16, 2005, establishing the route
for Phase II of a pipeline to be constructed in Kittitas County, as described

on the maps attached to PSE's Application dated December 16, 2005,
subject to the conditions listed in Paragraphs 11-17 of this Order.

- 20 (3) To the extent the requirements of this Order are different than the
requirements of an order in Docket UG-971136 as to Phase II construction
and operation, this Order will control.
- 21 (4) The Commission retains jurisdiction over the subject matter of any parties
to this proceeding to effectuate the terms of this Order and the other
Orders it has issued in this docket to protect public safety.

DATED at Olympia, Washington, and effective February 22, 2006.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

MARK H. SIDRAN, Chairman

PATRICK J. OSHIE, Commissioner

PHILIP B. JONES, Commissioner

**NOTICE TO PARTIES: This is a final order of the Commission. In addition to
judicial review, administrative relief may be available through a petition for
reconsideration, filed within 10 days of the service of this order pursuant to
RCW 34.05.470 and WAC 480-07-850, or a petition for rehearing pursuant to
RCW 80.04.200 or RCW 81.04.200 and WAC 480-07-870.**