



Puget Sound Energy, Inc.
P.O. Box 90868
Bellevue, WA 98009-0868

January 18, 2007

Carole J. Washburn, Secretary
Washington Utilities and Transportation Commission
PO Box 47250
Olympia, WA 98504-7250

Attn: Alan Rathbun

RE: Cast Iron Replacement Program 2006 Annual Report (Docket UG-920487)

Dear Mr. Rathbun:

Pursuant to Docket UG-920487, Puget Sound Energy (PSE) is required to submit semi-annual status reports reflecting the progress of the cast iron retirement program. This letter provides the status for cast iron retirement footage for 12 months ending December 31, 2006 and the cumulative retirement footage since the inception of the program.

In 2006, PSE completed the retirement of 79,275 feet of cast iron. Minor differences in the estimated length of specific projects versus the actual retirement footage account for the 725 foot variance from the proposed target of 80,000 feet. For easy reference, the footages are itemized in the attached table.

The program remains on target for completion in the first six months of 2007. The remaining cast iron as of the end of 2006 is estimated to be 36,340. This is a reduction in footage from previous estimates. Also attached is an updated schedule indicating the planned annual retirement for the remaining six months of the program based upon this most current estimate of the remaining footage.

If you have any questions, please call me at 425-462-3957.

Sincerely,

Jim Hogan
Manager, Standards and Compliance

Attachment

Cc: Kimberly Harris
Karl Karzmar
Sue McLain
Duane Henderson

Alan R.
Dave L.
Scott R.
Rec.ctr
RECEIVED
RECORDS MANAGEMENT
07 JAN 25 AM 8:03
STATE OF WASH.
UTIL. AND TRANSP.
COMMISSION

Annual Status Report

YEAR	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	TOTAL
FORMER SCHEDULE - (July 31, 1997)																
DOWNTOWN REPLACEMENT	10,504	10,663	11,668	10,210	8,423	0	0	5,100	0	0	0	0	0	0	0	56,568
DOWNTOWN ABANDONMENT	7,127	7,314	4,415	3,090	1,140	0	0	0	0	0	0	0	0	0	0	23,086
TOTAL DOWNTOWN SEATTLE	17,631	17,977	16,083	13,300	9,563	0	0	5,100	0	0	0	0	0	0	0	79,654
REMAINING SEATTLE BUSINESS AREA	43,966	34,296	45,748	42,885	35,235	50,435	49,975	48,500	50,240	0	0	0	0	0	0	401,280
TOTAL WITHIN SEATTLE BUSINESS AREA	61,597	52,273	61,831	56,185	44,798	50,435	49,975	53,600	50,240	0	0	0	0	0	0	480,934
TOTAL OUTSIDE SEATTLE BUSINESS AREA	75,092	45,660	82,044	61,643	66,111	50,301	49,150	44,550	51,970	97,047	97,047	97,047	97,047	97,047	97,044	1,108,800
TOTAL CAST-IRON REPLACEMENT	136,689	97,933	143,875	117,828	110,909	100,736	99,125	98,150	102,210	97,047	97,047	97,047	97,047	97,047	97,044	1,589,734
CUMULATIVE REPLACEMENT	136,689	234,622	378,497	496,325	607,234	707,970	807,095	905,245	1,007,455	1,104,502	1,201,549	1,298,596	1,395,643	1,492,690	1,589,734	

CURRENT SCHEDULE - As of December 31, 2006																
DOWNTOWN REPLACEMENT	10,504	10,663	11,668	10,210	8,423	0	0	4,920	0	0	0	0	0	0	0	56,388
DOWNTOWN ABANDONMENT	7,127	7,314	4,415	3,090	1,140	0	0	0	0	0	0	0	0	0	0	23,239
TOTAL DOWNTOWN SEATTLE	17,631	17,977	16,083	13,300	9,563	0	0	4,920	0	0	0	0	0	0	0	79,627
REMAINING SEATTLE BUSINESS AREA	43,966	34,296	45,748	42,885	35,235	41,714	60,788	46,546	43,830	3,600	153	0	0	0	0	398,608
TOTAL WITHIN SEATTLE BUSINESS AREA	61,597	52,273	61,831	56,185	44,798	41,714	60,788	51,466	43,830	3,600	153	0	0	0	0	478,235
TOTAL OUTSIDE SEATTLE BUSINESS AREA	75,092	45,660	82,044	61,643	66,111	64,471	38,098	41,106	67,213	91,439	121,201	105,079	62,539	79,275	36,340	1,037,311
TOTAL CAST-IRON REPLACEMENT	136,689	97,933	143,875	117,828	110,909	106,185	98,886	92,572	111,043	95,039	121,354	105,079	62,539	79,275	36,340	1,515,546
CUMULATIVE REPLACEMENT	136,689	234,622	378,497	496,325	607,234	713,419	812,305	904,877	1,015,920	1,110,959	1,232,313	1,337,392	1,399,931	1,479,206	1,515,546	
ACTUAL																
TARGET																

CAST-IRON RETIREMENT
Semiannual Status Report
12 Months Ending 12/31/06

	2006 SETTLEMENT YEAR	CUMULATIVE RETIREMENT		
	PLANNED RETIREMENT* FOR SETTLEMENT YEAR	ACTUAL RETIREMENT ENDING 12/31/06	INCEPTION (JUNE 18, 1992) TO DATE	ACTUAL RETIREMENT ENDING 12/31/06
SEATTLE BUSINESS AREA				
-Downtown Seattle Abandoned	0	0	23,239	23,239
-Downtown Seattle Replaced	0	0	56,388	56,388
<i>SUBTOTAL: Retirement in Downtown Seattle</i>	0	0	79,627	79,627
-Retirement in remaining Seattle Business Area	0	0	398,608	398,608
<i>TOTAL: Retirement in Seattle Business Area</i>	0	0	478,235	478,235
OUTSIDE SEATTLE BUSINESS AREA				
<i>TOTAL: Retirement Outside Seattle Business Area</i>	80,000	79,275	1,001,696	1,000,971
TOTAL CAST-IRON RETIREMENT	80,000	79,275	1,479,931	1,479,206

* These retirement footages are based on the schedule submitted to the WUTC in the 2002 Annual Status Report.