



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

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September 18, 2006

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

Attn: Alan Rathbun, Pipeline Safety Director

RE: Bare Steel Replacement Program Annual Risk Assessment (Docket No. PG-030080 and PG-030128)

Dear Mr. Rathbun:

Pursuant to the King/Pierce County Settlement Agreement reached under Dockets PG-030080 and PG-030128, Puget Sound Energy (PSE) is required to complete an annual system risk assessment of bare steel pipeline segments utilizing the revised matrix detailed in the Bare Steel Replacement Program document. Please find enclosed a copy of PSE's 2006 Risk Assessment.

For ease of reference, a breakdown and a summary of the planned replacement footage are provided at the top of page 1 of the Risk Assessment. A total of 106,160 feet of bare steel is scheduled for replacement in 2007. The program document specifies that replacement footage based upon public improvement opportunities and field-identified priorities shall be limited to 20% of the annual replacement footage. As seen in the summary, no PI opportunity footage or field-identified footage has been identified yet for replacement in 2007.

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

Sincerely,

Jim Hogan
Manager, Standards and Compliance

Cc: Kimberly Harris
Karl Karzmar
Sue McLain
Booga Gilbertson
Duane Henderson

Enclosures

Annual Risk Assessment
September, 2006

Footage by Risk Model		Total 2007 Planned Replacement Footage									
Cast Iron Coordination Footage		106,160									
"Other" Footage		-									
PI Opportunity Footage		-									
Field Identified Footage		-									
UN AREA #	SUB AREA #	Notification #	Prioritization Method	Status	Field Completion Date	Approval Date	BS & WI Footage	Cumulative Feet	Score /Mile	Planned Replacement Year	Comments
183	2	10640720	Model	Development		9/1/2006	300	300	11.230	2007	Released to Service Provider
187	6	10640735	Model	Development		9/1/2006	850	1150	3.811	2007	Released to Service Provider
090	4	10642099	Model	Development		9/1/2006	60	1210	3.691	2007	Released to Service Provider
053	2	10642100	Model	Development		9/1/2006	400	1610	3.145	2007	Released to Service Provider
156	11	10642203	Model	Development		9/1/2006	1200	2810	2.682	2007	Released to Service Provider
168	1	10643504	Model	Development		9/1/2006	150	2960	2.309	2007	Released to Service Provider
031	8	10643502	Model	Development		9/1/2006	1500	4460	2.160	2007	Released to Service Provider
072	2	10640733	Model	Development		9/1/2006	600	5060	1.990	2007	Released to Service Provider
185	1	10643508	Model	Development		9/1/2006	600	5660	1.990	2007	Released to Service Provider
032	6	10643575	Model	Development		9/1/2006	625	6285	1.851	2007	Released to Service Provider
111	1	10643575	Model	Development		9/1/2006	200	6485	1.732	2007	Released to Service Provider
163	5	10611598	Model	Development		9/1/2006	175	6660	1.624	2007	Released to Service Provider
091	1	10643577	Model	Development		9/1/2006	250	6910	1.540	2007	Released to Service Provider
108	6	10643578	Model	Development		9/1/2006	800	7710	1.375	2007	Released to Service Provider
187	12	10640736	Model	Development		9/1/2006	400	8110	1.360	2007	Released to Service Provider
112	2	10643579	Model	Development		9/1/2006	1450	9560	1.346	2007	Released to Service Provider
142	2	10642204	Model	Development		9/1/2006	650	10210	1.304	2007	Released to Service Provider
205	1	TBD	Model				650	10860	1.304	2007	
030	2	10643786	Model	Development		9/1/2006	1200	12060	1.284	2007	Released to Service Provider
156	5	10642389	Model	Development		9/1/2006	275	12335	1.260	2007	Released to Service Provider
187	14	10640737	Model	Development		9/1/2006	1425	13760	1.197	2007	Released to Service Provider
032	1	10643509	Model	Development		9/1/2006	850	14610	1.195	2007	Released to Service Provider
117	1	10643701	Model	Development		9/1/2006	650	15260	1.149	2007	Released to Service Provider
080	3	10643772	Model	Development		9/1/2006	2850	18110	1.106	2007	Released to Service Provider
034	4	10643703	Model	Development		9/1/2006	150	18260	1.077	2007	Released to Service Provider
156	06Rem	10642389	Model	Development		9/1/2006	23345	41605	1.002	2007	Released to Service Provider
153	6	10643702	Model	Development		9/1/2006	7975	49580	0.956	2007	Released to Service Provider
030	3	10643787	Model	Development		9/1/2006	3750	53330	0.901	2007	Released to Service Provider
175	3	TBD	Model				1050	54380	0.901	2007	

Annual Risk Assessment
September, 2006

UN AREA #	SUB AREA #	Notification #	Prioritization Method	Status	Field		BS & WI Footage	Cumulative Feet	Score /Mile	Planned Replacement Year	Comments
					Completion Date	Approval Date					
173	16	TBD	Model				29780	84160	0.892	2007	
205	13	TBD	Model				2250	86410	0.882	2007	
010	4	TBD	Model				1300	87710	0.840	2007	
173	20	TBD	Model				650	88360	0.829	2007	
005	1	TBD	Model				600	88960	0.786	2007	
110	2	TBD	Model				3925	92885	0.762	2007	
158	9	TBD	Model				125	93010	0.758	2007	
124	1Rem	TBD	Model				4200	97210	0.741	2007	
156	9	TBD	Model				8950	106160	0.732	2007	
142	18Rem						22866	129026	0.719	2008	
018	1						1250	130276	0.702	2008	
137	1						650	130926	0.680	2008	
078	6						600	131526	0.678	2008	
201	3						4600	136126	0.666	2008	
182	6						100	136226	0.649	2008	
156	19						1900	138126	0.635	2008	
077	2Rem						6775	144901	0.581	2008	
090	1						800	145701	0.554	2008	
017	3						1500	147201	0.540	2008	
065	1						300	147501	0.538	2008	
066	2						450	147951	0.518	2008	
174	1						2400	150351	0.513	2008	
110	1						7050	157401	0.512	2008	
156	26						350	157751	0.509	2008	
129	3						1435	159186	0.504	2008	
108	5						1550	160736	0.498	2008	
066	1						250	160986	0.490	2008	
156	7						1100	162086	0.488	2008	
005	2						4200	166286	0.483	2008	
157	1						850	167136	0.481	2008	
085	3						4610	171746	0.478	2008	
154	1						2000	173746	0.476	2008	
156	1						800	174546	0.456	2008	
024	3						1055	175601	0.455	2008	

Annual Risk Assessment
September, 2006

UN AREA #	SUB AREA #	Notification #	Prioritization Method	Status	Field		Approval Date	BS & WI Footage	Cumulative Feet	Score /Mile	Planned Replacement Year	Comments
					Completion Date							
078	7							400	176001	0.440	2008	
173	2							800	176801	0.438	2008	
011	4							300	177101	0.430	2008	
187	20							275	177376	0.423	2008	
151	2							700	178076	0.420	2008	
051	1							150	178226	0.408	2008	
058	1							1100	179326	0.407	2008	
130	5							4600	183926	0.405	2008	
051	2							400	184326	0.404	2008	
023	1							1550	185876	0.402	2008	
078	3							430	186306	0.401	2008	
156	25							700	187006	0.396	2008	
008	3							3975	190981	0.383	2008	
005	6							800	191781	0.378	2008	
053	1							2700	194481	0.377	2008	
123	1							665	195146	0.373	2008	
022	2							1000	196146	0.365	2008	
130	2							3050	199196	0.362	2009	
142	17							200	199396	0.361	2009	
080	4							5300	204696	0.361	2009	
102	3							1850	206546	0.359	2009	
099	2							1300	207846	0.357	2009	
076	1							2510	210356	0.355	2009	
193	1							1600	211956	0.347	2009	
025	5							4700	216656	0.347	2009	
119	3							1020	217676	0.344	2009	
001	4							600	218276	0.322	2009	
080	2							2900	221176	0.319	2009	
124	5							1145	222321	0.319	2009	
119	1							265	222586	0.314	2009	
019	7							350	222936	0.305	2009	
103	1							9050	231986	0.304	2009	
198	1							1150	233136	0.301	2009	
173	1							1400	234536	0.301	2009	

Annual Risk Assessment
September, 2006

UN AREA #	SUB AREA #	Notification #	Prioritization Method	Status	Completion Date	Approval Date	BS & WI Footage	Cumulative Feet	Score /Mile	Planned Replacement Year	Comments
052	1						1030	235566	0.295	2009	
034	1						3450	239016	0.290	2009	
177	1						250	239266	0.287	2009	
016	1						6950	246216	0.269	2009	
031	6						715	246931	0.265	2009	
151	5						2200	249131	0.265	2009	
182	5						4128	253259	0.264	2009	
031	11						2350	255609	0.264	2009	
186	3						1250	256859	0.261	2009	
205	8						250	257109	0.260	2009	
153	3						4925	262034	0.256	2009	
173	10						1350	263384	0.251	2009	
031	12						600	263984	0.249	2009	
031	7Rem						3280	267264	0.247	2009	
014	1						1350	268614	0.245	2009	
102	2						4385	272999	0.239	2009	
031	10						540	273539	0.239	2009	
027	1						400	273939	0.237	2009	
005	4						1550	275489	0.229	2009	
201	1						1600	277089	0.228	2009	
125	1						3700	280789	0.225	2009	
173	14						2550	283339	0.221	2009	
153	1						1150	284489	0.218	2009	
013	2						1210	285699	0.216	2009	
103	4Rem						22522	308221	0.214	2009	
043	3						400	308621	0.214	2010	
130	1Rem						42840	351461	0.209	2010	
136	2Rem						2412	353873	0.207	2010	
143	1						350	354223	0.207	2010	
129	4						150	354373	0.207	2010	
156	12						300	354673	0.204	2010	
017	1						1150	355823	0.203	2010	
187	4						3100	358923	0.202	2010	
040	1						2350	361273	0.201	2010	

Annual Risk Assessment
September, 2006

GN#	AREA #	SUB AREA #	Notification #	Prioritization Method	Status	Field		Approval Date	BS & WI Footage	Cumulative Feet	Score /Mile	Planned Replacement Year	Comments
						Completion Date	Date						
165		1							2134	363407	0.197	2010	
130		4							4350	367757	0.194	2010	
081		1							2783	370540	0.189	2010	
151		3							700	371240	0.184	2010	
097		1							1400	372640	0.179	2010	
201		2							2450	375090	0.177	2010	
012		1							600	375690	0.177	2010	
025		10							1400	377090	0.177	2010	
186		7							4050	381140	0.175	2010	
156		17							1250	382390	0.171	2010	
122		2							1050	383440	0.167	2010	
029		1Rem							10162	393602	0.167	2010	
156		14							7975	401577	0.166	2010	
182		8							1180	402757	0.165	2010	
071		2							3800	406557	0.160	2010	
142		4Rem							44166	450723	0.160	2011	
187		15							600	451323	0.158	2011	
154		4							1600	452923	0.153	2011	
158		7Rem							1400	454323	0.152	2011	
109		1							1150	455473	0.152	2011	
129		1							1600	457073	0.140	2011	
205		9							450	457523	0.136	2011	
038		1							1250	458773	0.136	2011	
024		1							2050	460823	0.134	2011	
131		1							6915	467738	0.134	2011	
009		1							2800	470538	0.133	2011	
142		3							1000	471538	0.129	2011	
019		2							600	472138	0.126	2011	
019		1							6500	478638	0.125	2011	
156		15							1750	480388	0.120	2011	
187		2							800	481188	0.118	2011	
103		3							5065	486253	0.111	2011	
019		3							550	486803	0.111	2011	
119		2							600	487403	0.108	2011	

Annual Risk Assessment
September, 2006

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					Completion Date							
001	2							700	488103	0.107	2011	
173	12							900	489003	0.105	2011	
111	3							950	489953	0.105	2011	
011	5							1450	491403	0.104	2011	
156	18							10825	502228	0.104	2011	
012	4							8330	510558	0.102	2012	
005	3							2850	513408	0.090	2012	
187	21							750	514158	0.087	2012	
025	11							1150	515308	0.087	2012	
126	1							1250	516558	0.086	2012	
023	3							220	516778	0.084	2012	
034	2							1200	517978	0.081	2012	
071	1							950	518928	0.079	2012	
187	13							1900	520828	0.079	2012	
142	5							300	521128	0.076	2012	
029	8							2350	523478	0.076	2012	
142	20							275	523753	0.075	2012	
188	1							4500	528253	0.075	2012	
085	2Rem							4489	532742	0.074	2012	
173	3Rem							21650	554392	0.073	2012	
186	5							150	554542	0.068	2012	
019	4							170	554712	0.067	2012	
158	5Rem							30620	585332	0.067	2012	
083	1							2950	588282	0.066	2012	
019	5							1100	589382	0.065	2012	
017	2							3424	592806	0.063	2012	
005	8							3100	595906	0.062	2012	
108	9							1370	597276	0.061	2012	
010	1							620	597896	0.059	2012	
190	1							9365	607261	0.058	2013	
050	4							3700	610961	0.058	2013	
156	22							2350	613311	0.055	2013	
187	11							1550	614861	0.054	2013	
108	8							450	615311	0.053	2013	

Annual Risk Assessment
September, 2006

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					Completion Date	Date						
063	3							615961	0.051	2013		
136	3						1900	617861	0.050	2013		
011	6						4679	622540	0.044	2013		
025	6						1850	624390	0.039	2013		
036	1						7150	631540	0.039	2013		
155	1						900	632440	0.038	2013		
187	10						300	632740	0.038	2013		
136	1						2900	635640	0.038	2013		
111	4						1050	636690	0.038	2013		
001	3						6790	643480	0.037	2013		
034	5						2200	645680	0.033	2013		
138	2						100	645780	0.032	2013		
142	8						400	646180	0.030	2013		
019	6						3900	650080	0.026	2013		
034	3						450	650530	0.026	2013		
123	2						450	650980	0.025	2013		
187	7Rem						13597	664577	0.025	2013		
205	11						550	665127	0.021	2013		
100	1						7585	672712	0.018	2013		
166	1						650	673362	0.018	2013		
156	10						4400	677762	0.017	2013		
090	3						700	678462	0.017	2013		
130	3						1400	679862	0.017	2013		
142	6						200	680062	0.016	2013		
102	1						750	680812	0.016	2013		
187	23						4450	685262	0.015	2013		
069	1						800	686062	0.014	2013		
103	7						1050	687112	0.014	2013		
025	2						500	687612	0.014	2013		
046	1						900	688512	0.013	2013		
173	5						1100	689612	0.010	2013		
043	4						1200	690812	0.010	2013		
153	5						700	691512	0.009	2013		
172	1						350	691862	0.009	2013		

Annual Risk Assessment
September, 2006

DN AREA #	SUB AREA #	Notification #	Prioritization Method	Status	Field		BS & WI Footage	Cumulative Feet	Score /Mile	Planned Replacement Year	Comments
					Completion Date	Approval Date					
085	1						1300	693162	0.009	2013	
142	7						450	693612	0.007	2013	
080	5						405	694017	0.006	2013	
151	1						650	694667	0.006	2013	
156	28						600	695267	0.005	2013	
158	1						450	695717	0.005	2013	
187	5						700	696417	0.005	2013	
144	1						750	697167	0.004	2013	
011	2						800	697967	0.004	2014	
138	1						1300	699267	0.002	2014	
075	1						1500	700767	0.002	2014	
173	13						200	700967	0.002	2014	
010	2						1250	702217	0.002	2014	
063	6						225	702442	0.002	2014	
173	18						1500	703942	0.002	2014	
173	19						1500	705442	0.002	2014	
134	1						1650	707092	0.001	2014	
032	3						300	707392	0.001	2014	
164	1						400	707792	0.001	2014	
050	2						600	708392	0.001	2014	
071	4						605	708997	0.001	2014	
050	3						700	709697	0.001	2014	
173	6						800	710497	0.001	2014	
024	2						820	711317	0.001	2014	
121	2						850	712167	0.000	2014	
039	1						900	713067	0.000	2014	
142	21						950	714017	0.000	2014	
153	2						950	714967	0.000	2014	
186	2						1650	716617	0.000	2014	
142	10Rem						300	716917	0.000	2014	
003	1						275	717192	0.000	2014	
005	5						300	717492	0.000	2014	
006	1						200	717692	0.000	2014	
010	3						1800	719492	0.000	2014	

Annual Risk Assessment
September, 2006

UN AREA #	SUB AREA #	Notification #	Prioritization Method	Status	Field		Approval Date	BS & WI Footage	Cumulative Feet	Score /Mile	Planned Replacement Year	Comments
					Completion Date							
012		5						590	720082	0.000	2014	
013		1						350	720432	0.000	2014	
016		2						1292	721724	0.000	2014	
020		2						650	722374	0.000	2014	
021		3						100	722474	0.000	2014	
023		2						550	723024	0.000	2014	
025		3						100	723124	0.000	2014	
030		1						150	723274	0.000	2014	
030		4						1650	724924	0.000	2014	
030		5						400	725324	0.000	2014	
030		6						110	725434	0.000	2014	
031		13						150	725584	0.000	2014	
032		2						600	726184	0.000	2014	
032		4						150	726334	0.000	2014	
032		5						550	726884	0.000	2014	
041		7						230	727114	0.000	2014	
050		1						600	727714	0.000	2014	
050		5						2275	729989	0.000	2014	
050		6						2420	732409	0.000	2014	
050		7						565	732974	0.000	2014	
055		1						150	733124	0.000	2014	
064		1						400	733524	0.000	2014	
068		1						250	733774	0.000	2014	
074		1						250	734024	0.000	2014	
077		4						300	734324	0.000	2014	
078		1						300	734624	0.000	2014	
081		2						400	735024	0.000	2014	
084		1						10	735034	0.000	2014	
087		2						380	735414	0.000	2014	
088		1						340	735754	0.000	2014	
095		2						300	736054	0.000	2014	
096		1						500	736554	0.000	2014	
100		2						650	737204	0.000	2014	
102		4						220	737424	0.000	2014	

Annual Risk Assessment
September, 2006

UN AREA #	SUB AREA #	Notification #	Prioritization Method	Status	Field		BS & WI Footage	Cumulative Feet	Score /Mile	Planned Replacement Year	Comments
					Completion Date	Approval Date					
103		6					500	737924	0.000	2014	
103		8					340	738264	0.000	2014	
103	10						850	739114	0.000	2014	
104	1						500	739614	0.000	2014	
104	4						200	739814	0.000	2014	
107	1						300	740114	0.000	2014	
108	1						500	740614	0.000	2014	
108	2						250	740864	0.000	2014	
111	8						510	741374	0.000	2014	
112	3						200	741574	0.000	2014	
118	1						300	741874	0.000	2014	
120	1						800	742674	0.000	2014	
122	1						700	743374	0.000	2014	
122	3						450	743824	0.000	2014	
122	4						400	744224	0.000	2014	
127	1						300	744524	0.000	2014	
128	2						420	744944	0.000	2014	
132	2						975	745919	0.000	2014	
133	2						700	746619	0.000	2014	
134	2						850	747469	0.000	2014	
137	2						500	747969	0.000	2014	
139	1						950	748919	0.000	2014	
141	1						150	749069	0.000	2014	
142	1						1050	750119	0.000	2014	
142	9						550	750669	0.000	2014	
142	12						300	750969	0.000	2014	
142	13						350	751319	0.000	2014	
147	1						50	751369	0.000	2014	
151	4						550	751919	0.000	2014	
151	6						150	752069	0.000	2014	
151	7						200	752269	0.000	2014	
152	1						1200	753469	0.000	2014	
152	2						150	753619	0.000	2014	
153	4						600	754219	0.000	2014	

Annual Risk Assessment
September, 2006

UN AREA #	SUB AREA #	Notification #	Prioritization Method	Status	Field		Approval Date	BS & WI Footage	Cumulative Feet	Score /Mile	Planned Replacement Year	Comments
					Completion Date							
154	2							250	754469	0.000	2014	
156	3							200	754669	0.000	2014	
156	4							300	754969	0.000	2014	
156	13							175	755144	0.000	2014	
156	21							1050	756194	0.000	2014	
163	1							100	756294	0.000	2014	
163	3							155	756449	0.000	2014	
163	4							125	756574	0.000	2014	
171	1							225	756799	0.000	2014	
173	7							400	757199	0.000	2014	
173	8							400	757599	0.000	2014	
173	9							250	757849	0.000	2014	
173	11							450	758299	0.000	2014	
173	15							300	758599	0.000	2014	
173	17							250	758849	0.000	2014	
173	23							900	759749	0.000	2014	
173	24							2000	761749	0.000	2014	
176	1							125	761874	0.000	2014	
178	1							750	762624	0.000	2014	
181	1							1550	764174	0.000	2014	
181	2							175	764349	0.000	2014	
182	1							450	764799	0.000	2014	
182	3							700	765499	0.000	2014	
182	4							300	765799	0.000	2014	
182	9							350	766149	0.000	2014	
183	3							115	766264	0.000	2014	
184	1							150	766414	0.000	2014	
186	1							650	767064	0.000	2014	
186	4							750	767814	0.000	2014	
186	6							350	768164	0.000	2014	
187	3							375	768539	0.000	2014	
187	8							300	768839	0.000	2014	
187	9							300	769139	0.000	2014	
187	16							250	769389	0.000	2014	

Annual Risk Assessment
September, 2006

SUN	AREA #	SUB AREA #	Notification #	Prioritization Method	Status	Field		Approval Date	BS & WI Footage	Cumulative Feet	Score /Mile	Planned Replacement Year	Comments
						Completion Date							
187		18							400	769789	0.000	2014	
189		1							550	770339	0.000	2014	
191		1							700	771039	0.000	2014	
194		1							300	771339	0.000	2014	
195		3							350	771689	0.000	2014	
195		4							400	772089	0.000	2014	
196		1							200	772289	0.000	2014	
197		1							250	772539	0.000	2014	
197		2							50	772589	0.000	2014	
198		2							375	772964	0.000	2014	
199		1							225	773189	0.000	2014	
199		2							650	773839	0.000	2014	
200		2							400	774239	0.000	2014	
201		4							725	774964	0.000	2014	
201		5							100	775064	0.000	2014	
201		7							950	776014	0.000	2014	
203		1							1000	777014	0.000	2014	
203		3							150	777164	0.000	2014	
204		2							1300	778464	0.000	2014	
204		6							200	778664	0.000	2014	
205		3							250	778914	0.000	2014	
205		4							100	779014	0.000	2014	
205		5							650	779664	0.000	2014	
205		6							350	780014	0.000	2014	
205		7							300	780314	0.000	2014	
205		10							150	780464	0.000	2014	
205		12							300	780764	0.000	2014	
020		1Rem							3110	783874	0.000	2014	
111		5Rem							550	784424	0.000	2014	
107		2Rem							300	784724	0.000	2014	