



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

September 28, 2007

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 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 2007 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 99,996 feet of bare steel is scheduled for replacement in 2008. 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, 18,292 feet of PI opportunity footage is currently planned for replacement in 2008. Also as seen in the summary, no field-identified footage has yet been identified for replacement in 2008.

If you have any questions, please call me at 425-462-3734.

Sincerely,

Stephanie Kreshel
Interim Manager, Standards and Compliance

cc: Mike Hobbs
Duane Henderson
Erik Markell
Karl Karzmar
Dave Lykken, WUTC

Enclosures

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Footage by Risk Model		81,704									
"Other" Footage		-									
PI - Opportunity Footage		18,292									
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 (9/28/07)
005	1	10751793	08Model	Development		8/31/2007	600	600	2.142	2008	Released to Service Provider
111	3	10751795	08Model	Development		8/31/2007	950	1550	2.125	2008	Released to Service Provider
193	1	10751799	08Model	Development		8/31/2007	1600	3150	1.587	2008	Released to Service Provider
205	8	10751800	08Model	Development		8/31/2007	250	3400	1.386	2008	Released to Service Provider
064	1	10751833	08Model	Development		8/31/2007	400	3800	1.342	2008	Released to Service Provider
122	4	10751818	08Model	Development		8/31/2007	400	4200	1.312	2008	Released to Service Provider
175	3	10751820	08Model	Development		8/31/2007	1050	5250	1.248	2008	Released to Service Provider
137	1	10745394	08Model	Development		8/31/2007	650	5900	1.184	2008	Released to Service Provider
156	9	10737182	08Model	Development		8/31/2007	8950	14850	0.968	2008	Released to Service Provider
010	4	10751956	08Model	Development		8/31/2007	1300	16150	0.890	2008	Released to Service Provider
102	2	10752042	08Model	Development		8/31/2007	609	16759	0.881	2008	Released to Service Provider
158	9	10752045	08Model	Development		8/31/2007	125	16884	0.849	2008	Released to Service Provider
085	3	10752047	08Model	Development		8/31/2007	4610	21494	0.836	2008	Released to Service Provider
017	3	10752077	08Model	Development		8/31/2007	1500	22994	0.822	2008	Released to Service Provider
130	5	10621430	08Model	Development		8/31/2007	4600	27594	0.804	2008	Released to Service Provider
110	2	10752083	08Model	Development		8/31/2007	3925	31519	0.772	2008	Released to Service Provider
018	1	10752086	08Model	Development		8/31/2007	1250	32769	0.702	2008	Released to Service Provider
078	6	10752088	08Model	Development		8/31/2007	600	33369	0.678	2008	Released to Service Provider
201	3	10752090	08Model	Development		8/31/2007	4600	37969	0.654	2008	Released to Service Provider
025	12	10752112	08Model	Development		9/27/2007	145	38114	0.653	2008	Released to Service Provider
151	3	10752113	08Model	Development		9/27/2007	700	38814	0.652	2008	Released to Service Provider
130	4	10737167	08Model	Development		8/31/2007	4350	43164	0.651	2008	Released to Service Provider
156	18Part	10737168	08Model	Development		8/31/2007	2300	45464	0.641	2008	Released to Service Provider
156	19	10737166	08Model	Development		8/31/2007	1900	47364	0.635	2008	Released to Service Provider
182	5	10752835	08Model	Development		9/27/2007	4128	51492	0.567	2008	Released to Service Provider
102	3	10752836	08Model	Development		9/27/2007	1850	53342	0.563	2008	Released to Service Provider
154	1	10752837	08Model	Development		9/27/2007	2000	55342	0.542	2008	Released to Service Provider
142	8	10752838	08Model	Development		9/27/2007	400	55742	0.540	2008	Released to Service Provider
065	1	10752839	08Model	Development		9/27/2007	300	56042	0.538	2008	Released to Service Provider
Total 2008 Planned Replacement Footage		99,996									
Target 2008 Replacement Footage		99,205									
Planned versus Target		791									
Total Non-Program Footage		-									
Total 2008 Footage		99,996									

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108	5	10751310	08Model	Development		8/31/2007	1550	57592	0.537	2008	Released to Service Provider
066	2	10753057	08Model	Development		9/27/2007	450	58042	0.518	2008	Released to Service Provider
174	1	10752882	08Model	Development		9/27/2007	2400	60442	0.517	2008	Released to Service Provider
090	1	10752884	08Model	Development		9/27/2007	800	61242	0.516	2008	Released to Service Provider
156	26	10752996	08Model	Development		9/27/2007	350	61592	0.509	2008	Released to Service Provider
129	3	10753022	08Model	Development		9/27/2007	1435	63027	0.504	2008	Released to Service Provider
032	3	10753023	08Model				300	63327	0.500	2008	
109	1	10753054	08Model	Development		9/27/2007	1150	64477	0.500	2008	Released to Service Provider
066	1	10753057	08Model	Development		9/27/2007	250	64727	0.490	2008	Released to Service Provider
156	7	10753060	08Model	Development		9/27/2007	1100	65827	0.488	2008	Released to Service Provider
005	2	10753069	08Model	Development		9/27/2007	4200	70027	0.486	2008	Released to Service Provider
153	1	10753076	08Model	Development		9/27/2007	1150	71177	0.484	2008	Released to Service Provider
142	18Rem	10753091	08Model	Development		9/27/2007	5322	76499	0.484	2008	Released to Service Provider
157	1	10753080	08Model				850	77349	0.481	2008	
156	1	10753095	08Model				800	78149	0.456	2008	
024	3	10753097	08Model				1055	79204	0.455	2008	
071	1	10753099	08Model				950	80154	0.448	2008	
023	1		08Model				1550	81704	0.443	2008	
187	20	TBD	08OPP				275	81979	0.423	2008	
076	1	10757092	08OPP	Development		8/31/2007	2510	84489	0.403	2008	Released to Service Provider
077	2	10756345	08OPP	Development		8/31/2007	6797	91286	0.343	2008	Released to Service Provider
187	15	TBD	08OPP				600	91886	0.158	2008	
187	21	TBD	08OPP				750	92636	0.087	2008	
138	2	10752881	08OPP	Development		9/28/2007	100	92736	0.032	2008	Released to Service Provider
119	3	10737161	08OPP	Development		8/31/2007	1020	93756	0.012	2008	Released to Service Provider
187	24	TBD	08OPP				6240	99996	0.000	2008	
078	7						400	100396	0.440	2009	
173	2						800	101196	0.438	2009	
011	4						300	101496	0.430	2009	
156	25						700	102196	0.413	2009	
051	2						400	102596	0.412	2009	
058	1						1100	103696	0.407	2009	
099	2						1300	104996	0.403	2009	
078	3						430	105426	0.401	2009	

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143	1						350	105776	0.393	2009	
158	7						547	106323	0.388	2009	
008	3						3975	110298	0.386	2009	
005	6						800	111098	0.378	2009	
123	1						665	111763	0.375	2009	
142	17						200	111963	0.361	2009	
080	4						5300	117263	0.361	2009	
025	5						4700	121963	0.359	2009	
182	8						1180	123143	0.349	2009	
080	2						2900	126043	0.337	2009	
103	7						1050	127093	0.337	2009	
020	1						3127	130220	0.336	2009	
151	2						700	130920	0.333	2009	
001	4						600	131520	0.322	2009	
052	1						1030	132550	0.305	2009	
142	4Rem						10523	143073	0.302	2009	
034	1						3450	146523	0.290	2009	
177	1						250	146773	0.287	2009	
016	1						6950	153723	0.280	2009	
103	1						9050	162773	0.275	2009	
063	3						650	163423	0.273	2009	
019	7						350	163773	0.272	2009	
130	2						3050	166823	0.267	2009	
173	1						1400	168223	0.265	2009	
031	6						715	168938	0.265	2009	
151	5						2200	171138	0.265	2009	
014	1						1350	172488	0.262	2009	
186	3						1250	173738	0.261	2009	
130	3						1400	175138	0.259	2009	
031	7						3035	178173	0.258	2009	
153	3						4925	183098	0.253	2009	
173	10						1350	184448	0.251	2009	
110	1						7050	191498	0.249	2009	
031	12						600	192098	0.249	2009	

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187	4						3100	195198	0.244	2009	
031	11						2350	197548	0.243	2009	
081	1						2783	200331	0.242	2009	
027	1						400	200731	0.237	2009	
003	1						275	201006	0.236	2009	
156	14						7975	208981	0.229	2009	
201	1						1600	210581	0.228	2010	
029	8						2350	212931	0.223	2010	
005	4						1550	214481	0.221	2010	
173	14						2550	217031	0.221	2010	
156	17						1250	218281	0.220	2010	
029	1						10800	229081	0.220	2010	
031	10						540	229621	0.218	2010	
013	2						1210	230831	0.216	2010	
043	3						400	231231	0.214	2010	
186	2						1650	232881	0.210	2010	
129	4						150	233031	0.207	2010	
103	4						22186	255217	0.205	2010	
040	1						2350	257567	0.201	2010	
071	2						3800	261367	0.198	2010	
165	1						2134	263501	0.192	2010	
001	3						6790	270291	0.191	2010	
097	1						1400	271691	0.181	2010	
201	2						2450	274141	0.177	2010	
012	1						600	274741	0.177	2010	
186	7						4050	278791	0.175	2010	
025	10						1400	280191	0.170	2010	
122	2						1050	281241	0.167	2010	
012	4						8330	289571	0.159	2010	
154	4						1600	291171	0.153	2010	
130	1Rem						24065	315236	0.152	2010	
009	1						2800	318036	0.151	2011	
156	22						2350	320386	0.149	2011	
128	2						420	320806	0.146	2011	

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129	1						1600	322406	0.142	2011	
158	5Rem						21722	344128	0.136	2011	
038	1						1250	345378	0.136	2011	
156	18Rem						7525	352903	0.134	2011	
142	3						1000	353903	0.129	2011	
173	3						21765	375668	0.129	2011	
019	1						6500	382168	0.125	2011	
011	5						1450	383618	0.124	2011	
156	15						1750	385368	0.120	2011	
187	2						800	386168	0.118	2011	
053	1Rem						1900	388068	0.112	2011	
103	3						5065	393133	0.111	2011	
024	1						2050	395183	0.109	2011	
001	2						700	395883	0.107	2011	
173	12						900	396783	0.105	2011	
125	1Rem						3390	400173	0.105	2011	
008	2Rem						1350	401523	0.100	2011	
187	5						700	402223	0.097	2011	
126	1						1250	403473	0.095	2011	
020	2						650	404123	0.094	2011	
043	4						1200	405323	0.088	2011	
025	11						1150	406473	0.087	2011	
023	3						220	406693	0.084	2011	
187	23						4450	411143	0.082	2011	
034	2						1200	412343	0.081	2011	
011	2						800	413143	0.080	2011	
187	13						1900	415043	0.079	2011	
069	1						800	415843	0.076	2012	
134	2						850	416693	0.076	2012	
051	1						150	416843	0.076	2012	
142	20						275	417118	0.075	2012	
017	2						2929	420047	0.074	2012	
188	1						4500	424547	0.072	2012	
005	3						2850	427397	0.069	2012	

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186	5						150	427547	0.068	2012	
019	4						170	427717	0.067	2012	
083	1						2950	430667	0.066	2012	
019	5						1100	431767	0.065	2012	
010	1						620	432387	0.064	2012	
187	7						7960	440347	0.064	2012	
108	9						1370	441717	0.063	2012	
050	4						3700	445417	0.061	2012	
136	2						2599	448016	0.060	2012	
190	1						9365	457381	0.058	2012	
181	1						1550	458931	0.054	2012	
187	11						1550	460481	0.054	2012	
108	8						450	460931	0.053	2012	
136	3						1900	462831	0.050	2012	
011	6						4679	467510	0.044	2012	
019	2						600	468110	0.044	2012	
085	2						4475	472585	0.040	2012	
155	1						900	473485	0.038	2012	
156	12						300	473785	0.038	2012	
187	10						300	474085	0.038	2012	
136	1						2900	476985	0.038	2012	
111	4						1050	478035	0.038	2012	
025	2						500	478535	0.037	2012	
131	1						6915	485450	0.033	2012	
036	1						6900	492350	0.033	2012	
182	9						350	492700	0.033	2012	
034	5						2200	494900	0.033	2012	
156	10						4400	499300	0.032	2012	
005	8						3100	502400	0.032	2012	
022	2						1000	503400	0.028	2012	
019	6						3900	507300	0.026	2012	
034	3						450	507750	0.026	2012	
123	2						450	508200	0.025	2012	
124	5						1145	509345	0.023	2012	

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173	5						1100	510445	0.021	2012	
205	11						550	510995	0.021	2012	
166	1						650	511645	0.018	2012	
050	3						700	512345	0.017	2012	
090	3						700	513045	0.017	2012	
122	1						700	513745	0.016	2012	
142	6						200	513945	0.016	2012	
119	2						600	514545	0.016	2012	
046	1						900	515445	0.013	2013	
025	6						1850	517295	0.013	2013	
203	1						1000	518295	0.011	2013	
153	5						700	518995	0.009	2013	
085	1						1300	520295	0.009	2013	
142	7						450	520745	0.007	2013	
080	5						405	521150	0.006	2013	
151	1						650	521800	0.006	2013	
156	28						600	522400	0.005	2013	
158	1						450	522850	0.005	2013	
186	9						6000	528850	0.004	2013	
138	1						1300	530150	0.002	2013	
075	1						1500	531650	0.002	2013	
173	13						200	531850	0.002	2013	
010	2						1250	533100	0.002	2013	
063	6						225	533325	0.002	2013	
173	18						1500	534825	0.002	2013	
173	19						1500	536325	0.002	2013	
134	1						1650	537975	0.001	2013	
100	1						7585	545560	0.001	2013	
164	1						400	545960	0.001	2013	
124	1Rem						4200	550160	0.001	2013	
050	2						600	550760	0.001	2013	
071	4						605	551365	0.001	2013	
102	1						750	552115	0.001	2013	
173	6						800	552915	0.001	2013	

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024	2						820	553735	0.001	2013	
121	2						850	554585	0.000	2013	
039	1						900	555485	0.000	2013	
142	2						950	556435	0.000	2013	
153	2						950	557385	0.000	2013	
005	5						300	557685	0.000	2013	
006	1						200	557885	0.000	2013	
010	3						1800	559685	0.000	2013	
012	5						590	560275	0.000	2013	
013	1						350	560625	0.000	2013	
016	2						1292	561917	0.000	2013	
019	3						550	562467	0.000	2013	
021	3						100	562567	0.000	2013	
023	2						550	563117	0.000	2013	
025	3						100	563217	0.000	2013	
030	4						1650	564867	0.000	2013	
030	5						400	565267	0.000	2013	
030	6						110	565377	0.000	2013	
031	13						150	565527	0.000	2013	
032	2						600	566127	0.000	2013	
032	4						150	566277	0.000	2013	
032	5						550	566827	0.000	2013	
041	7						230	567057	0.000	2013	
050	1						600	567657	0.000	2013	
050	5						2275	569932	0.000	2013	
050	7						565	570497	0.000	2013	
055	1						150	570647	0.000	2013	
068	1						250	570897	0.000	2013	
074	1						250	571147	0.000	2013	
077	4						300	571447	0.000	2013	
078	1						300	571747	0.000	2013	
084	1						10	571757	0.000	2013	
087	2						380	572137	0.000	2013	
088	1						340	572477	0.000	2013	

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095	2						300	572777	0.000	2013	
096	1						500	573277	0.000	2013	
100	2						650	573927	0.000	2013	
102	4						220	574147	0.000	2013	
103	6						500	574647	0.000	2013	
103	8						340	574987	0.000	2013	
103	10						850	575837	0.000	2013	
104	1						500	576337	0.000	2013	
104	4						200	576537	0.000	2013	
107	1						300	576837	0.000	2013	
108	1						500	577337	0.000	2013	
108	2						250	577587	0.000	2013	
111	5						502	578089	0.000	2013	
111	8						510	578599	0.000	2013	
112	3						200	578799	0.000	2013	
118	1						300	579099	0.000	2013	
120	1						800	579899	0.000	2013	
122	3						450	580349	0.000	2013	
127	1						300	580649	0.000	2013	
132	2						975	581624	0.000	2013	
133	2						700	582324	0.000	2013	
137	2						500	582824	0.000	2013	
139	1						950	583774	0.000	2013	
141	1						150	583924	0.000	2013	
142	1						1050	584974	0.000	2013	
142	5						300	585274	0.000	2013	
142	9						550	585824	0.000	2013	
142	12						300	586124	0.000	2013	
142	13						350	586474	0.000	2013	
144	1						750	587224	0.000	2013	
147	1						50	587274	0.000	2013	
151	4						550	587824	0.000	2013	
151	6						150	587974	0.000	2013	
151	7						200	588174	0.000	2013	

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152	1						1200	589374	0.000	2013	
152	2						150	589524	0.000	2013	
153	4						600	590124	0.000	2013	
154	2						250	590374	0.000	2013	
156	4						300	590674	0.000	2013	
156	13						175	590849	0.000	2013	
156	21						1050	591899	0.000	2013	
163	1						100	591999	0.000	2013	
163	3						155	592154	0.000	2013	
163	4						125	592279	0.000	2013	
171	1						225	592504	0.000	2013	
172	1						350	592854	0.000	2013	
173	7						400	593254	0.000	2013	
173	8						400	593654	0.000	2013	
173	9						250	593904	0.000	2013	
173	11						450	594354	0.000	2013	
173	15						300	594654	0.000	2013	
173	17						250	594904	0.000	2013	
173	23						900	595804	0.000	2013	
173	24						2000	597804	0.000	2013	
176	1						125	597929	0.000	2013	
178	1						750	598679	0.000	2013	
182	1						450	599129	0.000	2013	
182	3						700	599829	0.000	2013	
182	4						300	600129	0.000	2013	
182	6						100	600229	0.000	2013	
183	3						115	600344	0.000	2013	
184	1						150	600494	0.000	2013	
186	1						650	601144	0.000	2013	
186	4						750	601894	0.000	2013	
186	6						350	602244	0.000	2013	
187	3						375	602619	0.000	2013	
187	8						300	602919	0.000	2013	
187	9						300	603219	0.000	2013	

2007 Risk Assessment
 Created in May '07 Updated in Sept '07

UN AREA #	SUB AREA #	Notification #	Prioritization Method	Status	Field Completion Date	Approval Date	BS & WI Footage	Cumulative Feet	Score /Mile	Planned Replacement Year	Comments (9/28/07)
187	16						250	603469	0.000	2013	
187	18						400	603869	0.000	2013	
189	1						550	604419	0.000	2013	
191	1						700	605119	0.000	2013	
194	1						300	605419	0.000	2013	
196	1						200	605619	0.000	2013	
197	1						250	605869	0.000	2013	
197	2						50	605919	0.000	2013	
198	1						1150	607069	0.000	2013	
198	2						375	607444	0.000	2013	
199	1						225	607669	0.000	2013	
199	2						650	608319	0.000	2013	
200	2						400	608719	0.000	2013	
201	4						725	609444	0.000	2013	
201	5						100	609544	0.000	2013	
201	7						950	610494	0.000	2013	
203	3						150	610644	0.000	2013	
204	2						1300	611944	0.000	2013	
205	3						250	612194	0.000	2013	
205	4						100	612294	0.000	2013	
205	5						650	612944	0.000	2013	
205	6						350	613294	0.000	2013	
205	7						300	613594	0.000	2013	
205	9						450	614044	0.000	2013	
205	10						150	614194	0.000	2014	
205	12						300	614494	0.000	2014	
107	2Rem						300	614794	0.000	2014	