



Puget Sound Energy  
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PSE.com

February 2, 2016

Steven V. King  
Executive Director and Secretary  
Washington Utilities & Transportation Commission  
PO Box 47250  
Olympia, WA 98504

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RECORDS MANAGEMENT  
2016 FEB -5 PM 2:23  
STATE OF WASHINGTON  
UTILITY AND TRANSPORTATION  
COMMISSION

Dear Mr. King:

**Subject: Environmental Report for the quarter ending December 31, 2015**

- Docket UG-920781 (WNG)**
- Docket UE-911476 (PSP&L)**
- Docket UE-070724 (PSE)**
- Docket UE-072060 (PSE)**
- Docket UE-081016 (PSE)**

Pursuant to the WUTC Order entered on 10/8/08, PSE now operates both its electric and gas deferred environmental accounting programs with a blanket authorization, provided the requisite criteria is met. This Order was issued under the following Docket Numbers: UE-070724, UE-072060, and UE-081016.

PSE deferred accounting treatment matches the expenses of the remediation of these sites with the recovery of expenses from third parties. The costs for these sites currently exceed third party recoveries.

The attached spreadsheets represent a list of major sites PSE is currently investigating, monitoring and remediating and reflects actual costs at the end of Q4 2015. All additional information is redacted and considered confidential.

Sincerely,

John Rork  
Manager – Environmental Services

Enclosures

cc: Daniel Doyle  
Kathie Barnard  
Lorna Luebbe  
Susan Free  
Eric Englert  
Jeff Thomas  
Jayson Sowers



**PUGET SOUND ENERGY, INC.**  
**Deferred Environmental Cost Summary Electric**  
**December 31, 2015**

September 2000 - forward SAP Order	Liability Acct, SAP Account	Site Description	SAP Account Balance 9/30/2015	Quarterly Activity	SAP Account Balance 12/31/2015	Actual Costs Through 12/31/2015	Future Cost Estimates	Total Cost Estimates (f) = (d) + (e)	Recoveries Through 12/31/2015 (g)
			(a)	(b)	(c) = (a) + (b)	(d)	(e)	(f) = (d) + (e)	(g)
	<b>Project completed - Not included on Ctrly Memo</b>								
18601129	18608171	Env Rem - Everett Asarco Subtotal Everett Asarco Site	212,588.68 212,588.68	-	212,588.68 212,588.68	212,588.68 212,588.68			
18601151	18608211	Env Rem - Pt. Robinson Cable Station Subtotal Pt. Robinson Cable Station	111,880.23 111,880.23	-	111,880.23 111,880.23	111,880.23 111,880.23			
		<b>Subtotal 186</b>	<b>6,561,034.04</b>	<b>171,168.12</b>	<b>6,732,202.16</b>	<b>6,732,202.16</b>			
		<b>Total Asset</b>	<b>9,199,643.12</b>	<b>233,025.47</b>	<b>9,432,668.59</b>	<b>9,432,668.59</b>			
22840081	22840081	Env Rem - Puyallup Garage Site	(550,000.00)		(550,000.00)	14,834.14			
22840131	22840131	Env Rem - Crystal Mountain Generator Station Site	(500,000.00)		(500,000.00)	14,583,472.68			
22840031	22840031	Env Rem - Olympia Service Center UST	(258,000.00)		(258,000.00)	20,528.95			
	22841001	Accum Misc Oper Provi - Unallocated Def Elec Env Rem Recoveries	(4,610,484.08)		(4,610,484.08)	-			
		<b>Total Liabilities</b>	<b>(5,918,484.08)</b>	<b>-</b>	<b>(5,918,484.08)</b>	<b>14,618,835.77</b>			
		<b>Grand Total</b>	<b>3,281,159.04</b>	<b>233,025.47</b>	<b>3,514,184.51</b>	<b>24,051,504.36</b>			

**REDACTED**

Footnotes:  
(A) The total estimated costs for the Crystal Mountain Site of \$15,083,472.68 include PSE Insurance Recoveries of \$11,938,563. Future Cost Estimate of \$500,000 and Expensed amount of \$2,644,909.68 (Actual Costs less Recoveries) through report date.  
Represents allocated proceeds from the insurance recoveries.



**PUGET SOUND ENERGY, INC.**  
**Deferred Environmental Cost Summary Gas**  
**December 31, 2015**

September 1998 - Forward SAP Order Liability	SAP Account	Site Description	SAP Account Balance 9/30/2015	Quarterly Activity	SAP Account Balance 12/31/2015	Actual Costs Through 12/31/2015	Future Cost Estimates	Total Cost Estimates	Recoveries Through 12/31/2015
		<b>SITES</b>							
18230212	22840122	18609682 SWARR STATION (Future Cost Est.)	279,321.20	-	279,321.20	279,321.20	-	-	-
		18237112 SWARR STATION	279,321.20	-	279,321.20	279,321.20	-	-	-
18230210	22840132	18609682 NORTH OPERATING BASE (Future Cost Est.)	-	-	-	-	-	-	-
		18236912 NORTH OPERATING BASE	-	-	-	-	-	-	-
		18237122 (A) SOUTH SEATTLE GATE STATION	169,602.13	-	169,602.13	169,602.13	-	-	-
		18237132 (A) NORTH TACOMA GATE STATION	133,750.43	-	133,750.43	133,750.43	-	-	-
		18237142 (A) NORTH SEATTLE GATE STATION	53,995.63	-	53,995.63	53,995.63	-	-	-
		18237152 (A) COVINGTON GATE STATION	67,987.45	-	67,987.45	67,987.45	-	-	-
			\$ 704,656.84	-	\$ 704,656.84	\$ 704,656.84	-	-	-
		<b>Total</b>	\$ 69,611,815.21	\$ 304,266.69	\$ 69,916,083.90	\$ 69,916,083.90	-	-	-
		<b>TOTAL - GAS STORAGE TANKS AND MANUFACTURED GAS SITES (182.3 and 186.0)</b>	\$ 70,316,472.05	\$ 304,266.69	\$ 70,620,740.74	\$ 70,620,740.74	-	-	-

**REDACTED**

Footnotes:  
(A) Represents sites where no additional remedial actions are planned. Currently anticipating entering into insurance recoveries discussion in 2016.  
(B) Order 18607203 was re-opened in the 3rd Ql of 2010 for posting legal cost related to THEA FOSS WATERWAY.  
(C) -Includes the reimbursement from Seattle Public Utilities for site-wide costs that PSE incurred to support the development of the Remedial Investigation and Feasibility Studies (RIFS) for the Gas Works site, for the period of 12/15/2012 - 6/14/13 (\$185,450.59).  
(D) Represents the legal dispute settlement between WADOT, Pacific and PSE on 10/22/2013.