

September 30, 2008

David W. Danner, Executive Director and Secretary  
Washington Utilities and Transportation Commission  
PO Box 47250  
Olympia, WA 98504-7250

**RE: Bare Steel Replacement Program Annual Risk Assessment (Docket PG-030080 and PG-030128)**

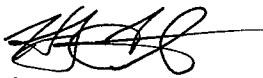
Dear Ms. Soiza;

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 2008 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 98,205 feet of bare steel is scheduled for replacement in 2009. 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, 6,742 feet of PI opportunity footage is currently planned for replacement in 2009. Also seen in the summary, no field-identified footage has yet been identified for replacement in 2009.

If you have any questions, please call me at 425-462-3967.

Sincerely,



Helge Ferchert  
Manager, Gas Compliance & Regulatory Audits

Enc.

Cc: Mike Hobbs  
Karl Karzmer  
Bert Valdman  
Sue McLain  
Duane Henderson  
Dave Lykken, WUTC  
Harry Shapiro

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Footage by Risk Model		91,463		Total 2009 Planned Replacement Footage		98,205					
Cast Iron Coordination Footage		-		Target 2009 Replacement Footage		99,205					
"Other" Footage		-		Planned versus Target		(1,000)					
PI Opportunity Footage		6,742		Total Non-Program Footage		-					
Field Identified Footage		-		Total 2009 Footage		98,205					
UN AREA #	SUB AREA #	Notification #	Prioritization Method	Status	Field Completion Date	Approval Date	BS & WJ Footage	Cumulative Feet	Score /Mile	Planned Replacement Year	Comments (9/26/2008)
123	1	10836574	09Model	Development		9/3/2008	665	105882	1.630	2009	Released to Service Provider
029	8	10836787	09Model	Development		9/5/2008	2350	108232	1.567	2009	Released to Service Provider
173	19	10838059	09Model	Development		9/5/2008	1500	109732	1.325	2009	Released to Service Provider
103	11	10837381	09Model	Development		9/3/2008	2650	112382	1.305	2009	Released to Service Provider
023	1	10838055	09Model	Development		9/26/2008	1550	113932	0.938	2009	Released to Service Provider
157	1	10753080	09Model	Development		9/5/2008	850	114782	0.889	2009	Released to Service Provider
029	1	10837781	09Model	Development		9/5/2008	6580	121362	0.766	2009	Released to Service Provider
063	6	10838173	09Model	Development		9/26/2008	225	121587	0.667	2009	Released to Service Provider
108	8	10838114	09Model	Development		9/26/2008	450	122037	0.531	2009	Released to Service Provider
158	7	10838088	09Model	Development		9/26/2008	547	122584	0.479	2009	Released to Service Provider
080	4	10836813	09Model	Development		9/5/2008	5300	127984	0.440	2009	Released to Service Provider
078	7	10838185	09Model	Development		9/26/2008	400	128284	0.440	2009	Released to Service Provider
173	2	10838203	09Model	Development		9/26/2008	800	129084	0.438	2009	Released to Service Provider
020	1	10837870	09Model	Development		9/26/2008	3127	132211	0.434	2009	Released to Service Provider
156	25	10838511	09Model	Development		9/5/2008	700	132911	0.413	2009	Released to Service Provider
051	2	10838492	09Model	Development		9/26/2008	400	133311	0.412	2009	Released to Service Provider
058	1	10838218	09Model	Development		9/26/2008	1100	134411	0.407	2009	Released to Service Provider
039	1	10837869	09Model	Development		9/26/2008	900	135311	0.402	2009	Released to Service Provider
078	3	10838221	09Model	Development		9/26/2008	430	135741	0.401	2009	Released to Service Provider
103	1	10837386	09Model	Development		9/3/2008	8744	144485	0.391	2009	Released to Service Provider
027	1	10838578	09Model	Development		9/26/2008	400	144885	0.390	2009	Released to Service Provider
187	20	10838609	09Model	Development		9/26/2008	275	145160	0.382	2009	Released to Service Provider
173	10	10838247	09Model	Development		9/26/2008	1350	146510	0.362	2009	Released to Service Provider
142	17	10838560	09Model	Development		9/26/2008	200	146710	0.361	2009	Released to Service Provider
203	1	1838499	09Model	Development		9/26/2008	1000	147710	0.358	2009	Released to Service Provider
094	1	10847256	09Model	Development			400	149510	0.352	2009	
024	1	10837885	09Model	Development		9/26/2008	1571	151081	0.351	2009	Released to Service Provider
130	8	10836586	09Model	Development		9/5/2008	4386	155467	0.351	2009	Released to Service Provider
074	2	10838489	09Model	Development		9/26/2008	300	155767	0.337	2009	Released to Service Provider
080	2	10837264	09Model	Development		9/26/2008	2900	158667	0.337	2009	Released to Service Provider
053	3	10838866	09Model	Development		9/26/2008	600	159267	0.335	2009	Released to Service Provider
151	2	10838799	09Model	Development			700	159967	0.333	2009	
151	5	10838832	09Model	Development			2200	162167	0.331	2009	
001	4	10838939	09Model	Development			600	162767	0.322	2009	

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142	20	10838582	09Model				275	163042	0.312	2009	
173	1	10838292	09Model				1400	164442	0.308	2009	
081	1	10837887	09Model	Development		9/3/2008	2783	167225	0.306	2009	Released to Service Provider
125	1	10838893	09Model				2940	170165	0.299	2009	
177	1	10838838	09Model				250	170415	0.287	2009	
016	1	10838006	09Model	Development		9/26/2008	6950	177365	0.283	2009	Released to Service Provider
019	7	10838051	09Model	Development		9/26/2008	350	177715	0.272	2009	Released to Service Provider
130	3	10836611	09Model	Development		9/5/2008	1400	179115	0.267	2009	Released to Service Provider
031	6	10838879	09Model				715	179830	0.265	2009	
187	4	10838577	09Model	Development		9/26/2008	3100	182930	0.265	2009	Released to Service Provider
130	2	10836589	09Model	Development		9/5/2008	3050	185980	0.264	2009	Released to Service Provider
186	3	10838817	09Model				1250	187230	0.261	2009	
110	1	10838878	09Model				7050	194280	0.249	2009	
031	12	10838880	09Model				600	194880	0.249	2009	
063	3	10838874	09Model				650	195530	0.245	2009	
031	11	10838892	09Model				2350	204320	0.243	2009	
156	1	10830602	09Model	Development		9/5/2008	200	195730	0.057	2009	Released to Service Provider
187	24	10798942	09PI	Development		9/26/2008	6240	201970	0.000	2009	Released to Service Provider
111	5	10845483	09PI	Development		9/19/2008	502	609058	0.000	2009	Released to Service Provider
153	3						4925	209245	0.243	2010	
187	11						1550	210795	0.235	2010	
031	7						3035	213830	0.229	2010	
040	1						2350	216180	0.228	2010	
201	1						1600	217780	0.228	2010	
005	4						1550	219330	0.221	2010	
173	14						2550	221880	0.221	2010	
012	4Rem						7480	229360	0.219	2010	
031	10						540	229900	0.218	2010	
013	2						1210	231110	0.216	2010	
029	12						3205	234315	0.214	2010	
043	3						400	234715	0.214	2010	
129	4						150	234865	0.207	2010	
206	3						300	235165	0.204	2010	
001	3						6790	243105	0.201	2010	
053	1						1250	244355	0.198	2010	
156	17						1250	245605	0.190	2010	
156	14						7975	253580	0.189	2010	
122	2						1050	254630	0.185	2010	
071	2						3800	258430	0.182	2010	

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097	1						1400	259830	0.181	2010	
165	1						2134	261964	0.179	2010	
201	2						2450	264414	0.177	2010	
034	1						3450	267864	0.172	2010	
017	2						879	268743	0.172	2010	
154	4Rem						575	269318	0.165	2010	
186	7						4050	273368	0.165	2010	
156	15						1750	275118	0.159	2010	
051	1						150	275268	0.153	2010	
158	1						450	275718	0.150	2010	
129	1						1600	277318	0.150	2010	
103	4Rem						17963	295281	0.141	2010	
173	3						21765	317046	0.149	2011	
166	1						650	317696	0.147	2011	
025	11						1150	318846	0.143	2011	
038	1						1250	320096	0.136	2011	
034	2						1200	321296	0.135	2011	
008	2						890	322186	0.132	2011	
142	4Rem						31335	353521	0.131	2011	
142	3						1000	354521	0.129	2011	
158	5						27440	381961	0.128	2011	
131	1						5041	387002	0.128	2011	
019	1						6500	393502	0.125	2011	
085	2Rem						4400	397902	0.120	2012	
124	1						4200	402102	0.119	2012	
187	2						800	402902	0.118	2012	
078	1						300	403202	0.115	2012	
163	1						100	403302	0.115	2012	
103	3						5065	408367	0.111	2012	
017	5						600	408967	0.108	2012	
001	2						700	409667	0.107	2012	
173	12						900	410567	0.105	2012	
025	6						1850	412417	0.100	2012	
009	1						2800	415217	0.099	2012	
187	5						700	415917	0.097	2012	
005	3						2850	418767	0.090	2012	
043	4						1200	419967	0.088	2012	
187	13						1900	421867	0.085	2012	
023	3						220	422087	0.084	2012	

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030	7						140	422227	0.082	2012	
156	18Rem						8603	430830	0.081	2012	
203	3						150	430980	0.076	2012	
163	3						155	431135	0.074	2012	
135	2						2700	433835	0.073	2012	
188	1						4500	438335	0.072	2012	
187	7						7960	446295	0.069	2012	
186	5						150	446445	0.068	2012	
019	4						170	446615	0.067	2012	
173	5						1100	447715	0.066	2012	
142	13						350	448065	0.065	2012	
019	5						1100	449165	0.065	2012	
108	9						1370	450535	0.063	2012	
136	2						2599	453134	0.060	2012	
031	14						205	453339	0.058	2012	
190	1						9365	462704	0.058	2012	
151	7						200	462904	0.057	2012	
130	1						15843	478747	0.056	2012	
034	3						450	479197	0.052	2012	
083	1						1920	481117	0.051	2012	
136	3						1900	483017	0.050	2012	
011	6						4679	487696	0.044	2012	
019	2						600	488296	0.044	2012	
036	1						6900	495196	0.042	2012	
130	6						280	495476	0.041	2013	
125	2						466	495942	0.039	2013	
144	1						1900	497842	0.038	2013	
077	4						300	498142	0.038	2013	
155	1						900	499042	0.038	2013	
187	10						300	499342	0.038	2013	
136	1						2900	502242	0.038	2013	
025	2						500	502742	0.037	2013	
126	1Rem						650	503392	0.035	2013	
088	1						340	503732	0.034	2013	
034	5						2200	505932	0.033	2013	
138	2						100	506032	0.032	2013	
005	8						3100	509132	0.032	2013	
130	9						3792	512924	0.030	2013	
156	22						2350	515274	0.029	2013	

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156	10						4811	520085	0.029	2013	
134	2						2350	522435	0.029	2013	
164	1						400	522835	0.029	2013	
111	4						1050	523885	0.027	2013	
019	6						3900	527785	0.026	2013	
029	11						800	528585	0.026	2013	
124	5						1145	529730	0.026	2013	
123	2						450	530180	0.025	2013	
104	1						500	530680	0.023	2013	
022	2						1000	531680	0.018	2013	
020	2						650	532330	0.018	2013	
129	2						1300	533630	0.018	2013	
050	3						700	534330	0.017	2013	
090	3						700	535030	0.017	2013	
122	1						700	535730	0.016	2013	
142	6						200	535930	0.016	2013	
119	3Rem						805	536735	0.015	2013	
069	1						800	537535	0.014	2013	
046	1						900	538435	0.013	2013	
131	7						1500	539935	0.012	2013	
194	2						300	540235	0.011	2013	
131	6						1400	541635	0.010	2013	
153	5						700	542335	0.009	2013	
085	1						1300	543635	0.009	2013	
142	7						450	544085	0.007	2013	
080	5						405	544490	0.006	2013	
151	1						650	545140	0.006	2013	
156	28						600	545740	0.005	2013	
050	5						2275	548015	0.005	2013	
126	2						1370	549385	0.005	2013	
186	9						6000	555385	0.004	2013	
187	23						4450	559835	0.004	2013	
011	2						800	560635	0.004	2013	
181	1						1550	562185	0.004	2013	
132	2						975	563160	0.003	2013	
103	7						1050	564210	0.003	2013	
075	1						1500	565710	0.002	2013	
173	13						200	565910	0.002	2013	
010	2						1250	567160	0.002	2013	



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173	18						1500	568660	0.002	2013	
100	1						785	576245	0.002	2013	
050	2						600	576845	0.001	2013	
071	4						605	577450	0.001	2013	
102	1						750	578200	0.001	2013	
173	6						800	579000	0.001	2013	
024	2						820	579820	0.001	2013	
121	2						850	580670	0.000	2013	
153	2						950	581620	0.000	2013	
186	2						1650	583270	0.000	2013	
134	1Rem						1000	584270	0.000	2013	
003	1						275	584545	0.000	2013	
005	5						300	584845	0.000	2013	
006	1						200	585045	0.000	2013	
010	3						1800	586845	0.000	2013	
012	5						590	587435	0.000	2013	
013	1						350	587785	0.000	2013	
014	1Rem						500	588285	0.000	2013	
016	2						1292	589577	0.000	2013	
017	4						1450	591027	0.000	2013	
019	3						550	591577	0.000	2013	
021	3						100	591677	0.000	2013	
023	2						550	592227	0.000	2013	
025	3						100	592327	0.000	2013	
030	4						1650	593977	0.000	2013	
030	5						400	594377	0.000	2013	
030	6						110	594487	0.000	2013	
031	13						150	594637	0.000	2014	
032	5						550	595187	0.000	2014	
041	7						230	595417	0.000	2014	
045	6						3200	598617	0.000	2014	
050	1						600	599217	0.000	2014	
050	4						3700	602917	0.000	2014	
055	1						150	603067	0.000	2014	
068	1						250	603317	0.000	2014	
074	1						250	603567	0.000	2014	
083	2						400	603967	0.000	2014	
084	1						10	603977	0.000	2014	
087	2						380	604357	0.000	2014	

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095	2						300	604657	0.000	2014	
096	1						500	605157	0.000	2014	
100	2						650	605807	0.000	2014	
102	4						220	606027	0.000	2014	
103	6						500	606527	0.000	2014	
103	8						340	606867	0.000	2014	
103	10						439	607306	0.000	2014	
104	4						200	607506	0.000	2014	
107	1						300	607806	0.000	2014	
108	1						500	608306	0.000	2014	
108	2						250	608556	0.000	2014	
111	8						510	609568	0.000	2014	
111	9						340	609908	0.000	2014	
118	1						300	610208	0.000	2014	
120	1						800	611008	0.000	2014	
122	3						450	611458	0.000	2014	
127	1						300	611758	0.000	2014	
128	2						420	612178	0.000	2014	
130	7						300	612478	0.000	2014	
133	2						700	613178	0.000	2014	
135	3						1200	614378	0.000	2014	
137	2						500	614878	0.000	2014	
141	1						150	615028	0.000	2014	
142	1						1050	616078	0.000	2014	
142	5						300	616378	0.000	2014	
142	9						550	616928	0.000	2014	
142	12						300	617228	0.000	2014	
142	23						800	618028	0.000	2014	
146	1						1350	619378	0.000	2014	
147	1						50	619428	0.000	2014	
151	4						550	619978	0.000	2014	
151	6						150	620128	0.000	2014	
152	2						150	620278	0.000	2014	
153	4						600	620878	0.000	2014	
154	2						250	621128	0.000	2014	
156	13						175	621303	0.000	2014	
156	21						1050	622353	0.000	2014	
158	10						140	622493	0.000	2014	
162	1						310	622803	0.000	2014	



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163	4						125	622928	0.000	2014	
171	1						225	623153	0.000	2014	
173	7						400	623553	0.000	2014	
173	8						400	623953	0.000	2014	
173	9						250	624203	0.000	2014	
173	11						450	624653	0.000	2014	
173	15						300	624953	0.000	2014	
173	17						250	625203	0.000	2014	
173	23						900	626103	0.000	2014	
173	24						2000	628103	0.000	2014	
176	1						125	628228	0.000	2014	
178	1						750	628978	0.000	2014	
182	3						700	629678	0.000	2014	
182	6						100	629778	0.000	2014	
184	1						150	629928	0.000	2014	
186	1						650	630578	0.000	2014	
186	4						750	631328	0.000	2014	
186	6						350	631678	0.000	2014	
187	3						375	632053	0.000	2014	
187	8						300	632353	0.000	2014	
187	9						300	632653	0.000	2014	
187	16						250	632903	0.000	2014	
187	18						400	633303	0.000	2014	
189	1						550	633853	0.000	2014	
190	2						700	634553	0.000	2014	
191	1						700	635253	0.000	2014	
194	1						300	635553	0.000	2014	
196	1						200	635753	0.000	2014	
197	1						250	636003	0.000	2014	
197	2						50	636053	0.000	2014	
198	1						1150	637203	0.000	2014	
198	2						375	637578	0.000	2014	
199	1						225	637803	0.000	2014	
199	2						650	638453	0.000	2014	
200	2						400	638853	0.000	2014	
201	4						725	639578	0.000	2014	
201	5						100	639678	0.000	2014	
201	7						950	640628	0.000	2014	
204	2						1300	641928	0.000	2014	

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205	3						250	642178	0.000	2014	
205	4						100	642278	0.000	2014	
205	5						650	642928	0.000	2014	
205	6						350	643278	0.000	2014	
205	7						300	643578	0.000	2014	
205	9						450	644028	0.000	2014	
205	10						150	644178	0.000	2014	
205	11						550	644728	0.000	2014	
205	12						300	645028	0.000	2014	
206	1						100	645128	0.000	2014	
206	2						100	645228	0.000	2014	
207	1						150	645378	0.000	2014	
029	10						220	645598	0.000	2014	