

STATE OF WASHINGTON

UTILITIES AND TRANSPORTATION COMMISSION

1300 S. Evergreen Park Dr. S.W., P.O. Box 47250 • Olympia, Washington 98504-7250 (360) 664-1160 • TTY (360) 586-8203

Sent via email and Electronic Return Receipt

Oct. 26, 2018

Booga K. Gilbertson Sr. VP Operations Puget Sound Energy 355 110th Avenue NE, M/S EST11W Bellevue, WA 98004 bk.gilbertson@pse.com

RE: 2018 Natural Gas Standard Inspection – Puget Sound Energy, King County West (Insp. No. 7550)

Dear Ms. Gilbertson:

Staff from the Washington Utilities and Transportation Commission (staff) conducted a standard distribution system inspection from Jul. 23-26 and Sept. 25-28, of Puget Sound Energy (PSE), King County West. The inspection included a records review and inspection of the pipeline facilities.

Our inspection indicates **one** area of concern as noted in the enclosed report, which unless corrected, could potentially lead to future violation of state and/or federal pipeline safety rules.

Your response needed

Please review the attached report and respond in writing by Nov. 28. The response should include how and when you plan to bring each area of concern into full compliance.

What happens after you respond to this letter?

The attached report presents staff's decision on the areas of concern and does not constitute a finding of probable violation by the staff at this time. If this issue is not resolved within 120 days of discovery, this matter may result in the issuance of a notice of probable violation.

Puget Sound Energy 2018 Natural Gas Standard Inspection King County West Oct. 26, 2018 Page 2

If you have any questions or if we may be of any assistance, please contact Dave Cullom at (360) 664-1141. Please refer to the subject matter described above in any future correspondence pertaining to this inspection.

Sincerely,

Sean C. Mayo

Pipeline Safety Director

Enclosure

cc: Harry Shapiro, Director, Gas Operations, PSE harry.shapiro@pse.com
Cheryl McGrath, Manager, Compliance Programs, PSE cheryl.mcgrath@pse.com
Duane Henderson, Manager Gas System Integrity, PSE duane.henderson@pse.com
Cara Peterman, Director, Enterprise Risk Mgmt. & Compliance, PSE cara.peterman@pse.com

UTILITIES AND TRANSPORTATION COMMISSION 2018 Natural Gas Pipeline Safety Standard Inspection Puget Sound Energy – King County West

The following area of concern of WAC 480-93 was noted as a result of the 2018 inspection of the Puget Sound Energy – King County West. The inspection included a random selection of records, operation and maintenance (O&M), emergency response, inventory, and field inspection of the pipeline facilities.

AREA OF CONCERN

1. WAC 480-93-110 Corrosion control

(2) Each gas pipeline company must complete remedial action within ninety days to correct any cathodic protection deficiencies known and indicated by any test, survey, or inspection. An additional thirty days may be allowed for remedial action if due to circumstances beyond the gas pipeline company's control the company cannot complete remedial action within ninety days. Each gas pipeline company must be able to provide documentation to the commission indicating that remedial action was started in a timely manner and that all efforts were made to complete remedial action within ninety days. (Examples of circumstances allowing each gas pipeline company to exceed the ninety-day time frame include right of way permitting issues, availability of repair materials, or unusually long investigation or repair requirements.)

Finding:

During the field portion of the inspection, we obtained a low reading at the following location:

9/28/2018 TS-052826 NE 65th ST and 24 Ave NE -826 mV CSE PSP (galvanic system)

If uncorrected within 120 days from the discovery date indicated above in the findings, these conditions could lead to probable violations. PSE's compliance department recently provided documentation that they have started the process in a timely manner which will allow for an additional 30 days beyond the standard 90 day deadline for remediation due to potential local permitting issues.