CERTIFIED MAIL - RETURN RECEIPT REQUESTED

December 29, 2008

Mr. Mark Sidran
Chairman
Washington Utilities and Transportation Commission
1300 South Evergreen Park Drive SW
Olympia, WA 98502

Dear Mr. Sidran:

Between March 31, 2008 and July 25, 2008, representatives of the Pipeline and Hazardous Materials Safety Administration (PHMSA) evaluated the Pipeline Safety Program administered by the Washington Utilities and Transportation Commission (WUTC) for calendar year 2007. During this on-site evaluation, my state liaison validated performance information submitted on your pipeline safety program as part of the Washington Utilities and Transportation Commission’s Annual Certification under Section 60105(a), Title 49, United States Code. Thank you for the courtesies extended to him by your staff.

Based on both the evaluation and validation of your Certification information, it appears that the Washington Utilities and Transportation Commission is generally complying with the Pipeline Safety Program requirements. I commend the WUTC for attaining a perfect score on your Natural Gas Pipeline Safety Program and your Hazardous Liquids Pipeline Safety Program field evaluations.

I am pleased the Washington Utilities and Transportation Commission selected Ms. Anne Soiza to lead its pipeline program. Strong staff qualifications positively influence our pipeline safety evaluation and program funding. The additional expertise will be particularly important as the WUTC continues its oversight of each gas transmission operator as they implement their Integrity Management Program (IMP). Your staff will also help position the WUTC so it can implement the new Distribution Integrity Management Program (DIMP) regulations that are expected to be issued shortly.

As reported in the past, the Common Ground Alliance (CGA) succeeded in obtaining a three-digit national one call number (811) and is now implementing an educational campaign. I commend the
WUTC for supporting the CGA efforts. Also, I am glad that you have or will apply for a One Call grant to advertise damage prevention and the new 811 One Call phone number.

PHMSA continues to advocate for increased grant funding for the Nation’s State Pipeline Safety Programs. In addition to each state’s unique safety issues, I would ask you to join us in continuing to consider the following issues as priorities for the rest of 2008 and into 2009:

1. Operator Qualification – Field validation of OQ compliance.
2. Inspection Integration (II) Compliance Activities – Participation in II inspection opportunities.
3. Public Education and Damage Prevention – Field validation of damage prevention program requirements, particularly the use of proper locating methods. Liaison with other state governmental agencies involved in public outreach activities, including the State Fire Marshal.
4. Corrosion – Field and record review to ensure corrosion protection levels are maintained and problem coatings identified and addressed.

Thank you for continuing to allow Ms. Soiza and Mr. Lykken to serve as active participants in the National Association of Pipeline Safety Representatives (NAPSR) at both the national and regional levels. Ms. Soiza and Mr. Lykken are to be congratulated for their continuing strong efforts to promote pipeline safety at the National level and in Washington.

Ms. Anne Soiza, Mr. David Lykken and their fellow engineers are strong assets to both the Washington and Federal Pipeline Safety Programs. I appreciate your support of Washington’s Pipeline Safety Program Manager by allowing her to continue to train your pipeline engineers in the latest pipeline safety technologies and regulations. Together they can provide more thorough pipeline inspections throughout the large state of Washington. Your continuing interest and cooperation in the Pipeline Safety Program is highly valued.

Sincerely,

[Signature]

Chris Hoidal
Director, Western Region
Pipeline and Hazardous Materials Safety Administration

cc: Ms. Anne Soiza, Pipeline Safety Program Manager,
    Washington Utilities and Transportation Commission
    PHP-50
    PHP-500 T. Finch