



PUGET SOUND ENERGY

Puget Sound Energy
P.O. Box 97034
Bellevue, WA 98009-9734
PSE.com

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Pipeline Safety Program

October 1, 2013

David Lykken
Pipeline Safety Director
Washington Utilities and Transportation Commission
Pipeline Safety Section
1300 S. Evergreen Park Drive S.W.
PO Box 47250
Olympia, WA 98504-7250

Dear Mr. Lykken,

RE: 2013 Intrastate Propane/Air Peak Shaving System Standard Inspection-Puget Sound Energy-D.W. Swarr Propane-Air Plant

PSE has received and reviewed your letter dated August 13, 2013 regarding the "2013 Intrastate Propane/Air Peak Shaving System Standard Inspection-Puget Sound Energy-D.W. Swarr Propane Air Plant" and pursuant to your request is submitting the following response, including actions taken to address the noted findings.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION
AREA OF CONCERN

Section 2675.1200 of the PSE Operating Standards Manual (Effective on 03/01/13) – Propane Leakage Program Section 3.2, reads in part, "When conducting tests for leakage on buried propane gas systems, it is essential that samples be taken at or near the pipe, in the bottom of ditch lines, and at the low point of substructures."

Staff observed PSE leak survey contractor Survey & Analysis personnel performing a propane bar hole test only 12 inches below the ground surface. The propane pipeline is greater than 12 inches deep so the requirement for propane detection that "samples be taken at or near the pipe", was not met.

Propane leakage surveys were performed by excavating with a vacuum truck to just below and to the side of the buried pipeline. Permanent test wells have since been installed at these locations that will allow for proper leak sampling going forward.

PSE Response:

PSE agrees with Staff's observation that the sample locations should be deeper than 12" in order to be "at or near the pipe" and to fully meet PSE's Operating Standards. Soon following this discovery, the Company investigated factors contributing to this deviation from standards and as a result took the following actions:

- New permanent test wells were installed to facilitate leakage detection during future surveys.
- A second leakage survey was conducted to the new depth within a couple days of the initial survey. No leakage was detected.
- Procedures for leakage detection surveys at the facility were reviewed with Surveys and Analysis for their greater understanding of the site conditions.

PSE understands that actions taken fully address Staff's concern. The Company respects the Commission's responsibilities in auditing and enforcing pipeline safety regulations and we continue our efforts to construct, operate and maintain a safe gas pipeline system that meets high standards of excellence.

Sincerely,



Booga Gilbertson
Vice President, Operations

CC: Harry Shapiro, Director Gas Operations
Wayne Gould, Director Sourcing, Contracts & Contractor Management
Cathy Koch, Director Compliance
Beth Rogers, Manager Contractor Management
Shamish Patel, Manager Standards
Paul Riley, Manager System Controls and Protection
Cheryl McGrath, Manager Compliance and Regulatory Audits - Gas