



STATE OF WASHINGTON
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

CERTIFIED MAIL

June 18, 2012

Sue McLain
Senior Vice President Operations
Puget Sound Energy
PO Box 90868 M/S PSE-12N
Bellevue, WA 98009-0868

Dear Ms. McLain:

RE: 2012 Natural Gas Standard Inspection – Puget Sound Energy - Snohomish County

Staff from the Washington Utilities and Transportation Commission (staff) conducted a standard inspection from April 24-27, May 8-10, and May 17, 2012 of Puget Sound Energy's (PSE), Snohomish County pipeline facilities. The inspection included a records review and inspection of the pipeline facilities.

Our inspection indicates two probable violations as noted in the enclosed report.

Your response needed

Please review the attached report and respond in writing by July 20, 2012. The response should include how and when you plan to bring the probable violations into full compliance.

What happens after you respond to this letter?

The attached report presents staff's decision on probable violations and does not constitute a finding of violation by the commission at this time.

After you respond in writing to this letter, there are several possible actions the commission, in its discretion, may take with respect to this matter. For example, the commission may:

- Issue an administrative penalty under RCW 81.88.040, or
- Institute a complaint, seeking monetary penalties, changes in the company's practices, or other relief authorized by law, and justified by the circumstances, or
- Consider the matter resolved without further commission action.



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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,



David D. Lykken
Pipeline Safety Director

Enclosure

cc. Carol Wallace, Director, Gas Operations
Cathy Koch, Director, Compliance
Duane A. Henderson, Manager, Gas System Integrity
Cheryl McGrath, Manager, Gas Compliance and Regulatory Audits

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION
2012 Natural Gas Pipeline Safety Inspection
Puget Sound Energy – Snohomish County Inspection

The following probable violations of WAC 480-93 were noted as a result of the 2012 inspection of the Puget Sound Energy – Snohomish County. The inspection included a random selection of records, operation and maintenance, emergency response, inventory and field inspection of the pipeline facilities.

PROBABLE VIOLATIONS

1. **WAC 480-93-018 Records.**

- (5) *Each gas pipeline company must update its records within six months of when it completes any construction activity and make such records available to appropriate company operations personnel.*

Finding(s):

There are several pre-2010 service installations handwritten on PSE maps Q158081 and Q160070 that were never recorded from the time of installation until they were identified during a routine Heath leak survey. The changes were not updated on the master copy.

2. **WAC 480-93-188 Gas leak surveys.**

- (3) *Each gas pipeline company must conduct gas leak surveys according to the following minimum frequencies:*
- (a) *Business districts - at least once annually, but not to exceed fifteen months between surveys. All mains in the right of way adjoining a business district must be included in the survey;*

Finding(s):

- a. In 2009, one service was incompletely leak surveyed, 100ft of main on the leak survey was missed, and two services were missed during the leak survey on sheet Q164089.
- b. In 2010, the business leak survey was not performed for sheet Q156084.
- c. In 2010, the business leak survey was not performed for sheet Q156089. PSE has indicated that it will be scheduled for July 2012.