

APR 22 2010

Mr. Keith P. Ryan
President
Aircraft Service International Group
201 S. Orange Avenue, Suite 1100-A
Orlando, FL 32801

Re: CPF No. 5-2007-5012

Dear Mr. Ryan:

Enclosed please find the Final Order issued in the above-referenced case. It makes findings of violation and finds that Aircraft Service International Group has completed the actions specified in the Notice to comply with the pipeline safety regulations. Therefore, this case is now closed. Service of the Final Order by certified mail is deemed effective upon the date of mailing, or as otherwise provided under 49 C.F.R. § 190.5.

Thank you for your cooperation in this matter.

Sincerely,

Jeffrey D. Wiese
Associate Administrator
for Pipeline Safety

Enclosure

cc: Mr. Chris Hoidal, Director, Western Region, PHMSA

Mr. Jason Maga
Area General Manager of Maintenance & Operations
Hawaii Fueling Facilities Corporation
3201 Aolele Street
HFFC Airport Facility
Honolulu, HI 96819

CERTIFIED MAIL – RETURN RECEIPT REQUESTED [7009 1410 0000 2472 5248]

**U.S. DEPARTMENT OF TRANSPORTATION
PIPELINE AND HAZARDOUS MATERIALS SAFETY ADMINISTRATION
OFFICE OF PIPELINE SAFETY
WASHINGTON, D.C. 20590**

_____)	
In the Matter of)	
)	
Aircraft Service International)	CPF No. 5-2007-5012
Group,)	
)	
Respondent.)	
_____)	

FINAL ORDER

On May 11, 2006, pursuant to 49 U.S.C. § 60117, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA), Office of Pipeline Safety (OPS), conducted an on-site pipeline safety inspection of the facilities and records of Aircraft Service International Group (ASIG or Respondent) in Honolulu, Hawaii. According to the OPS Violation Report, ASIG operates approximately 6 miles of regulated hazardous liquid pipelines that transport jet fuel in and around the Honolulu International Airport.¹

As a result of the inspection, the Director, Western Region, OPS (Director), issued to Respondent, by letter dated March 5, 2007, a Notice of Probable Violation and Proposed Compliance Order (Notice). In accordance with 49 C.F.R. § 190.207, the Notice proposed finding that Respondent had violated 49 C.F.R. § 195.452(f)(3) and proposed ordering Respondent to take certain measures to correct the alleged violation.

Respondent responded to the Notice by letter dated April 5, 2007 (Response). Respondent did not contest the allegations of violation and stated that it would comply with the terms of the proposed compliance order. Respondent did not request a hearing and therefore has waived its right to one.

FINDING OF VIOLATION

In its Response, ASIG did not contest the allegation in the Notice that it violated 49 C.F.R. Part 195, as follows:

Item 1: The Notice alleged that Respondent violated 49 C.F.R. § 195.452(f)(3), which states:

¹ "ASIG is a wholly owned subsidiary of BBA Aviation, a publicly held corporation traded on the London stock exchange providing Flight Support and Aftermarket Services and Systems to the commercial, business and general aviation, and military aviation markets." <http://www.asig.com/aboutus/> (accessed Apr. 20, 2010).

§ 195.452 Pipeline integrity management in high consequence areas.

(a) . . .

(f) *What are the elements of an integrity management program?* An integrity management program begins with the initial framework. An operator must continually change the program to reflect operating experience, conclusions drawn from results of the integrity assessments, and other maintenance and surveillance data, and evaluation of consequences of a failure on the high consequence area. An operator must include, at minimum, each of the following elements in its written integrity management program:

(1) . . .

(3) An analysis that integrates all available information about the integrity of the entire pipeline and the consequences of a failure (see paragraph (g) of this section)

The Notice alleged that ASIG did not perform an analysis that integrated all available information about the integrity of its entire pipeline, including valves and other appurtenances connected to line pipe, pumping units and associated fabricated assemblies, metering and delivery stations and associated fabricated assemblies, and breakout tanks, and the consequences of a failure as required by 49 C.F.R. § 195.452(f)(3). Respondent did not contest this allegation of violation. Accordingly, based upon a review of all of the evidence, I find that Respondent violated 49 C.F.R. § 195.452(f)(3) by failing to perform an analysis that integrates all available information about the integrity of its entire pipeline and the consequences of a failure.

This finding of violation will be considered a prior offense in any subsequent enforcement action taken against Respondent.

COMPLIANCE ORDER

The Notice proposed a compliance order with respect to Item 1 in the Notice for a violation of 49 C.F.R. § 194.452(f)(3). Under 49 U.S.C. § 60118(a), each person who engages in the transportation of hazardous liquids or who owns or operates a pipeline facility is required to comply with the applicable safety standards established under chapter 601. The Director has indicated that Respondent has taken the following actions specified in the proposed compliance order:

During a March 24, 2009 Integrity Management Inspection of ASIG's pipeline facilities, OPS confirmed that Respondent had satisfied the terms of the proposed compliance order.

Accordingly, I find that compliance has been achieved with respect to this violation. Therefore, the compliance terms proposed in the Notice are not included in this Order.

The terms and conditions of this Final Order are effective upon receipt of service.

Jeffrey D. Wiese
Associate Administrator
for Pipeline Safety

Date Issued