



U.S. Department of Transportation
Pipeline and Hazardous Materials
Safety Administration

1200 New Jersey Ave, S.E.
Washington, D.C. 20590

JUL 14 2010

Mr. Leroy H. Frank
Vice President of Operations
Norgasco, Inc.
4341 B Street, Suite 306
Anchorage, AK 99503

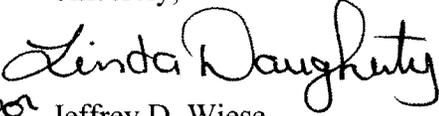
Re: CPF No. 5-2009-0021

Dear Mr. Frank:

Enclosed please find the Final Order issued in the above-referenced case. It makes a finding of violation and finds that Norgasco, Inc. 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,


for Jeffrey D. Wiese
Associate Administrator
for Pipeline Safety

Enclosure

cc: Mr. Chris Hoidal, Director, Western Region, PHMSA
Mr. Dennis Hinnah, Deputy Director, Western Region, PHMSA

CERTIFIED MAIL – RETURN RECEIPT REQUESTED[7005 1160 0001 0039 0690]

§ 192.805 Qualification program.

Each operator shall have and follow a written qualification program. The program shall include provisions to:

- (a) Identify covered tasks;
- (b) Ensure thorough evaluation that individuals performing covered tasks are qualified;
- (c) Allow individuals that are not qualified pursuant to this subpart to perform a covered task if directed and observed by an individual that is qualified;
- (d) Evaluate an individual if the operator has reason to believe that the individual's performance of a covered task contributed to an incident as defined in Part 191;
- (e) Evaluate an individual if the operator has reason to believe that the individual is no longer qualified to perform a covered task;
- (f) Communicate changes that affect covered tasks to individuals performing those covered tasks; and
- (g) Identify those covered tasks and the intervals at which evaluation of the individual's qualifications is needed.

The Notice alleged that Norgasco violated § 192.805 by failing to have an adequate written OQ program. Specifically, it alleged that Norgasco's OQ program failed to: (1) include a complete list of covered tasks; (2) address contract personnel performing covered tasks; (3) address non-qualified individuals performing covered tasks under the direction and observation of qualified individuals; (4) address how the operator's personnel would be trained; (5) address qualification records; (6) address how changes in covered tasks would be communicated to individuals performing them; and (7) address the notification of PHMSA about significant changes to the OQ plan. Respondent did not contest this allegation of violation. Accordingly, based upon a review of all the evidence, I find that Norgasco violated 49 C.F.R. § 192.805 by failing to have an adequate written OQ program.

COMPLIANCE ORDER

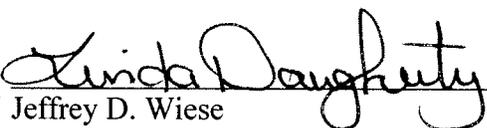
The Notice proposed a compliance order with respect to Item 1 in the Notice for a violation of § 192.805. Under 49 U.S.C. § 60118(a), each person who engages in the transportation of hazardous liquids or who owns or operates a pipeline facility is required to comply with the applicable safety standards established under chapter 601. The Director has indicated that Respondent has taken the following actions specified in the proposed compliance order:

With respect to Item 1, Norgasco has updated its written OQ procedures by: (1) including a complete list of the covered tasks; (2) addressing contract personnel performing covered tasks; (3) addressing non-qualified individuals performing covered tasks while being directed and observed by a qualified individual; (4) addressing training for operator's personnel to recognize and react to abnormal operating conditions; (5) addressing qualification records; (6) addressing how changes in covered tasks would be communicated to individuals performing them; and (7) addressing the notification to

PHMSA about significant changes to the OQ plan. Norgasco submitted an updated copy of its OQ manual that reflects these changes.

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.

for 
Jeffrey D. Wiese
Associate Administrator
for Pipeline Safety

JUL 14 2010
Date Issued