



U.S. Department
of Transportation

Pipeline and Hazardous Materials
Safety Administration

12300 W. Dakota Ave., Suite 110
Lakewood, CO 80228

WARNING LETTER

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

October 5, 2009

Jason Mega
Area General Manager
Airport Services International Group
3201 Aolele Street
Honolulu, HI 96819

CPF 5-2009-5035W

Dear Mr. Mega:

On March 26, 2009, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA), pursuant to Chapter 601 of 49 United States Code, inspected the Airport Services International Group's (ASIG) procedures and records of the tanks and pipelines at the Honolulu International Airport in Honolulu, Hawaii.

As a result of the inspection, it appears that you have committed probable violations of the Pipeline Safety Regulations, Title 49, Code of Federal Regulations. The items inspected and the probable violations are:

- § 195.571 What criteria must I use to determine the adequacy of cathodic protection? Cathodic protection required by this subpart must comply with one or more of the applicable criteria and other considerations for cathodic protection contained in paragraphs 6.2 and 6.3 of NACE Standard RP 0169 (incorporated by reference, see § 195.3).**

ASIG failed to provide adequate cathodic protection levels in accordance with NACE standard RP-0169, paragraphs 6.2 and 6.3, for the following breakout tanks and pipelines during the following years:

- Break tanks 1, 2, 3, 4, 5, 6, 7, 14, and 19 at the Sand island facility for the years 2006 and 2007.
- The 10" pipeline (6.0 mile) running from Sand Island to the Honolulu Airport in the years 2006 and 2007.

ASIG's annual cathodic protection reports dated November 2006 (Project number 07013.001) and March 2009 (Project number 1090118) shows that the cathodic protection levels do not meet the NACE criteria.

2. **§ 195.573 What must I do to monitor external corrosion control?**
(a) Protected pipelines. You must do the following to determine whether cathodic protection required by this subpart complies with Sec. 195.571:
(1) Conduct tests on the protected pipeline at least once each calendar year, but with intervals not exceeding 15 months.

ASIG failed to provide records to show that they had conducted tests at least once a year, but with intervals not exceeding 15 months, to demonstrate that adequate cathodic protection levels are in accordance with NACE standard RP-0169, paragraphs 6.2 and 6.3 for the following breakout tanks and pipelines during the following years:

- Break tanks 1, 2, 3, 4, 5, 15, 16, 17, 18, 19 at the Sand island facility for the years 2008 and 2009.
- The 10" pipeline (6.0 mile) running from Sand Island to the Honolulu Airport for the years 2008 and 2009.

Under 49 United States Code, § 60122, you are subject to a civil penalty not to exceed \$100,000 for each violation for each day the violation persists up to a maximum of \$1,000,000 for any related series of violations. We have reviewed the circumstances and supporting documents involved in this case, and have decided not to conduct additional enforcement action or penalty assessment proceedings at this time. We advise you to correct the items identified in this letter. Failure to do so will result in ASIG being subject to additional enforcement action.

No reply to this letter is required. If you choose to reply, in your correspondence please refer to **CPF 5-2009-5035W** and send all responses to my attention at 222 W. 7th Ave. #200, PO Box 37, Anchorage Alaska 99513. Be advised that all material you submit in response to this enforcement action is subject to being made publicly available. If you believe that any portion of your responsive material qualifies for confidential treatment under 5 U.S.C. 552(b), along with the complete original document you must provide a second copy of the document with the portions you believe qualify for confidential treatment redacted and an explanation of why you believe the redacted information qualifies for confidential treatment under 5 U.S.C. 552(b).

Sincerely,



Dennis Hinnah
Deputy Director, Western Region
Pipeline and Hazardous Materials Safety Administration

cc: PHP-60 Compliance Registry
PHP-500 J. Strawn (#123948)