

NOTICE OF AMENDMENT

VIA E-MAIL TO MR. ERIC HIETALA

April 27, 2022

Mr. Eric Hietala
Senior Vice President – West
Signature Flight Support
13485 Veterans Way, Suite 600
Orlando, FL 32827

CPF 5-2022-025-NOA

Dear Mr. Hietala:

From November 8 through 12, 2021, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA), pursuant to Chapter 601 of 49 United States Code, inspected Signature Flight Support's procedures for operations and maintenance of its jet fuel pipelines and breakout tanks in Honolulu, Hawaii.

On the basis of the inspection, PHMSA has identified some apparent inadequacies found within Signature Flight Support's plans or procedures, as described below:

1. **§ 195.402 Procedural manual for operations, maintenance, and emergencies.**
 - (a)
 - (c) ***Maintenance and normal operations.*** The manual required by paragraph (a) of this section must include procedures for the following to provide safety during maintenance and normal operations:
 - (1)
 - (3) **Operating, maintaining, and repairing the pipeline system in accordance with each of the requirements of this subpart and subpart H of this part.**

Signature Flight Support's "Sand Island Procedural Manual," including the revision supplied by the operator after the inspection, was inadequate to assure safe operation of a pipeline facility. Specifically, the "Sand Island Procedural Manual" failed to describe how the operator provides protection against accidental ignitions consistent with API RP 2003, as required by § 195.405(a). In addition, it failed to describe what provisions of API RP 2003 are not necessary for the safety of a particular breakout tank. Page 58 of the revised manual, provided to PHMSA by the operator in a February 2, 2022, email states:

“SFS provides protection against ignitions arising out of static electricity, lightning, and stray currents during operations and maintenance activities involving aboveground breakout tanks in accordance with API RP 2003.”

API RP 2003 describes practices and the use of equipment to reduce the risk of potential accidental ignition. During the inspection, the operator described how it uses some of the recommended practices in API RP 2003 and indicated that other practices described in API RP 2003 do not apply to that facility. However, the operator had not described these practices in its written procedures.

2. § 195.402 Procedural manual for operations, maintenance, and emergencies.

(a)

(c) *Maintenance and normal operations.* The manual required by paragraph (a) of this section must include procedures for the following to provide safety during maintenance and normal operations:

(1)

(3) *Operating, maintaining, and repairing the pipeline system in accordance with each of the requirements of this subpart and subpart H of this part.*

Signature Flight Support's "Sand Island Procedural Manual," including the revision supplied by the operator after the inspection, was inadequate to assure safe operation of a pipeline facility. Specifically, the "Sand Island Procedural Manual" failed to describe which valves are necessary for the safe operation of the pipeline system and how the operator maintains these valves, as required by § 195.420(a). For example, during the inspection the operator was unable to describe how it maintained the "Cla-Val" brand flow control valves on the discharge of the 10-inch pipeline's pump station. These valves control the pressure and flow rates on the 10-inch pipeline system and are necessary for its safe operation and require periodic maintenance to ensure they function as intended. Section 195.420(a) does not prescribe which valves are subject to this requirement, or how often they are to be maintained. Instead, the requirement is for operators to identify and describe how they will maintain valves subject to the requirement.

Response to this Notice

This Notice is provided pursuant to 49 U.S.C. § 60108(a) and 49 C.F.R. § 190.206. Enclosed as part of this Notice is a document entitled *Response Options for Pipeline Operators in Compliance Proceedings*.

Please refer to this document and note the response options. 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).

Following the receipt of this Notice, you have 30 days to submit written comments, revised procedures, or a request for a hearing under §190.211. If you do not respond within 30 days of receipt of this Notice, this constitutes a waiver of your right to contest the allegations in this Notice and authorizes the Associate Administrator for Pipeline Safety to find facts as alleged in this Notice without further notice to you and to issue an Order Directing Amendment. If your plans or procedures are found inadequate as alleged in this Notice, you may be ordered to amend your plans or procedures to correct the inadequacies (49 C.F.R. § 190.206). If you are not contesting this Notice, we propose that you submit your amended procedures to my office within 90 days of receipt of this Notice. This period may be extended by written request for good cause. Once the inadequacies identified herein have been addressed in your amended procedures, this enforcement action will be closed.

It is requested (not mandated) that Signature Flight Support maintain documentation of the safety improvement costs associated with fulfilling this Notice of Amendment (preparation/revision of plans, procedures) and submit the total to Dustin Hubbard, Director, Western Region, Pipeline and Hazardous Materials Safety Administration. In correspondence concerning this matter, please refer to **CPF 5-2022-025-NOA** and, for each document you submit, please provide a copy in electronic format whenever possible.

Sincerely,

Dustin Hubbard
Director, Western Region
Pipeline and Hazardous Materials Safety Administration

Enclosure: *Response Options for Pipeline Operators in Enforcement Proceedings*

cc: PHP-60 Compliance Registry
PHP-500 J. Gano (#21-218959)
Jason Maga, Signature Flight Support (via email)