

**WARNING LETTER**

**CERTIFIED MAIL - RETURN RECEIPT REQUESTED**

August 21, 1998

Mr. Tom J. Mushovic  
General Manager  
Signature Flight Support  
6000 De Haviland Drive  
Anchorage, Alaska 99519-0246

**CPF NO. 58525w**

Dear Mr. Mushovic:

On May 19, 1998, a representative of the Western Region, Office of Pipeline Safety (OPS), pursuant to Chapter 601 of 49 United States Code, conducted an onsite pipeline safety inspection of the Signature Flight Support (Signature) facilities in Anchorage, Alaska. As part of that inspection, we evaluated and verified Signature's responses to our September 11, 1997 letter request for specific information (LFSI). That LFSI had been issued as a result of our May 14 and 15, 1997 inspection, and Signature formally responded on November 6 and 25, 1997. As a result of these inspections, in conjunction with submitted information, it appears that you have committed probable violations, as noted below, of pipeline safety regulations, Title 49, Code of Federal Regulations (CFR), Part 195. The probable violations are:

1. **§195.303 requires that each pressure test conducted under Subpart E be maintained throughout the part of the system being tested for at least 4 continuous hours at a pressure equal to 125 percent, or more, of the maximum operating pressure and, in the case of a pipeline that is not visually inspected for leakage during the test, for at least an additional 4 continuous hours at a pressure equal to 110 percent, or more, of the maximum operating pressure.**

In 1996, Signature extended the Crosstown Pipeline from the CTP Booster Pump to the new airport storage facility and was therefore required to comply with 49 CFR Part 195, Subpart E testing requirements.

Signature can not produce records that the buried pipeline section between the booster pump and the new tank farm was tested for the required 8-hour period. Based on records provided, it appears that the pipeline extension was tested at 150% of the maximum operating pressure (MOP) for only 4 hours. We understand that the maximum operating pressure of the Crosstown Pipeline extension is 1440 psi, however, it operates below the booster pump relief valve set point of 200 psi. We also understand that Signature does not intend to increase the operating pressure, and, in fact is planning to decommission the entire Crosstown Pipeline within the next year.

Considering these facts, OPS must be informed immediately if Signature is considering changing the operating conditions or decommission schedule. If they do, OPS will require a new pressure test on the Crosstown pipeline extension. In the future, Signature must ensure that all DOT-regulated pipelines meet the pressure testing requirements of 49 CFR Part 195, Subpart E.

2. **\$195.428 requires that each operator at intervals not exceeding 15 months, but at least once each calendar year, inspect and test each pressure limiting device, relief valve, pressure regulator, or other item of pressure control equipment to determine that it is functioning properly, is in good mechanical condition, and is adequate from the standpoint of capacity and reliability of operation for the service in which it is used.**

At the time of our May 19, 1998 inspection, three mainline relief valves had exceeded the required inspection and testing interval. The two relief valves at Plant #1 (PSV-199 Pump #1 and PSV-199 Pump #2) were tested on January 29 and 30, 1997, respectively. The relief valve at the Mid-Point pump station (PRV 509) was tested on February 13, 1997. We understand that Signature did not reinspect and test these three valves until June 4, 1998. As a result, the annual testing of the two PRVs at Plant #1 are approximately 5 weeks overdue, and the PRV at the Mid-Point Pump station is approximately 3 weeks overdue. Signature must ensure that they verify that all relief valves are set to and function at the correct set point at intervals not to exceed 15 months, but at least once each calendar year.

Under 49 United States Code, §60122, you are subject to a civil penalty not to exceed \$25,000 for each violation for each day the violations persists up to a maximum of \$500,000 for any related series of violations. We have reviewed the circumstances and supporting documents involved in this case, and have decided not to assess you a civil penalty. We advise you, however, that should you not correct the circumstances leading to the violations or those violations reoccur, we will take enforcement action when and if the continued violations come to our attention.

You will not hear from us again with regard to the noted inspection and our subsequent action. Because of the good faith that you have exhibited up to this time, we expect that you will act to bring your pipeline and your operations into compliance with pipeline safety regulations.

Sincerely,

Edward J. Ondak  
Director

C:\OPS\docs\loc-wrns\58525w.wpd