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



WARNING LETTER

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

August 21, 2008

Mr. Thomas Mushovic General Manager Aircraft Service International Group 6000 DeHavilland Drive Anchorage, AK 99502-0246

CPF 5-2008-5025W

Dear Mr. Mushovic:

On August 11-14, 2008, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA), pursuant to Chapter 601 of 49 United States Code, inspected Aircraft Services International Group's (ASIG) facilities and records in Anchorage, Alaska.

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

- 1. §195.505 Qualification program.
 - (b) Ensure through evaluation that individuals performing covered tasks are qualified;

ASIG failed to follow their own internal procedure for re-evaluation and re-qualification of individuals performing covered tasks on the 12" Cross Town pipeline. ASIG's procedures manual (OQ Qualification manual, Page 9, Rev 12-02-03) requires that

individuals be re-qualified annually. Records indicate that one of ASIG's employees (Employee # 60398) was last qualified on 4/17/07. Therefore, ASIG's is required to requalify the employee by 4/17/08. ASIG did not provide records to PHMSA to confirm that this employee had received his re-qualification training by 4/17/08.

{Evidence} ASIG's OQ Qualification manual, Page, 9, Rev 12-02-03.

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 item 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 5-2008-5025W. 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,

Chris Hoidal

Director, Western Region

Pipeline and Hazardous Materials Safety Administration

cc:

PHP-60 Compliance Registry PHP-500 J. Strawn (#120675)