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Final report on 2012 Chevron refinery fire calls for reform in corporate safety culture

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RICHMOND - The U.S. Chemical Safety Board Wednesday night unanimously approved its third and final report on the 2012 pipe failure and fire at the Chevron oil refinery in Richmond, approving a number of recommendations that point to industry standards, emergency response measures and Chevron's culture of safety as focal points for reform.

CSB Chairman Rafael Moure-Eraso called the conflagration and subsequent regulatory response "an important milestone in industrial chemical safety."

"California authorities at all levels are poised to modernize their process safety rules and put this state at the forefront of the nation's accident prevention efforts," Moure-Eraso said. "To that, I say, 'God speed.'"

Moure-Eraso called on federal regulators to closely study the progress underway in California and said he believed it would serve as a model for the whole country to emulate.

On Aug. 6, 2012, sulfur in the oil gradually corroded a pipe at the refinery until it started to leak, according to the report. A vapor cloud engulfed 19 workers who were attending to the leak and within two minutes, had ignited into what witnesses called "a wall of flames," according to the report.

A half dozen employees were treated for minor injuries and some 15,000 residents later sought medical assistance for symptoms that ranged from trouble breathing to chest pain, sore throats and headaches.

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The draft report, released on Thursday, calls on Chevron to develop an auditable method for identifying and tracking industry best practices that will ensure safety in all processes and for all employees.

Chevron officials contested the CSB's depiction of the refinery's safety culture and characterized it as "inaccurate."

"The refinery continues to move forward on a wide range of actions in response to the August 2012 incident," Chevron officials said in a statement. "These will only build on our prior efforts aimed at a stronger, more transparent safety culture throughout our refinery network."

Some Chevron workers disagreed. Several dozen workers staged a demonstration outside of the meeting before it began and said they didn't always feel empowered to stop work if they felt the conditions were unsafe.

Jim Payne, a representative of Local 5, said the issue is so important to workers that they've proposed absolute stop work authority as part of collective bargaining negotiations.

"We agree with (the board) that while all of the industry says the workers have stop work authority, our members question it when they get second-guessed and pressured not to exercise it," Payne said. "The management's rational response is that's management rights and they're unwilling to discuss it."

Braden Reddall, a spokesman for Chevron, refuted that workers did not have that right. He said internal surveys showed that 93 percent of workers feel empowered to use their stop work authority and workers get rewarded when they do, "regardless of what the outcome turns out to be."

Don Holmstrom, director of the CSB's western regional office who led the investigation team, said the report identified areas where Chevron did not effectively implement its own recommendations to help prevent pipe failures due to corroding pipes.

Chevron was already aware that the pipes were subject to corrosion and some employees had previously recommended a one-time inspection of the piping, but those recommendations were not implemented effectively, according to the report.

"We think there needs to be more corporate oversight and accountability in terms of applying their own standards and technical findings internally," Holmstrom said.

At one point during the meeting, board member Mark Griffon asked Holmstrom if he thought Chevron had a poor safety culture.

Many people in the audience laughed out loud, eager for Holmstrom's response.

"The way we approach this is to identify specific areas for improvement," Holmstrom said.

To that end, Holmstrom said the report calls for the city and county to establish an oversight committee tasked with monitoring the culture of safety at Chevron and implementing any changes identified in periodic safety culture surveys of Chevron employees.

Holmstrom said the committee would establish a more rigorous safety culture review process.

Currently, the city of Richmond and the county require safety culture surveys every five years, and Holmstrom said they could do it more frequently, but the oversight committee would be tasked with following up on findings from the surveys.

The oversight committee would include community representatives and Chevron workers or their representatives and city and county officials, Holmstrom said.

The report also looked at Chevron's emergency response on Aug. 6, 2012 and said Holmstrom said that response placed more people than necessary at risk. Too many people were near the leaking pipe, which Holmstrom said should have been limited to essential personnel.

"If they knew there was a potential for catastrophic release, it wouldn't have resulted in 19 workers being engulfed in a vapor cloud," Holmstrom said. "(The workers) escaped that cloud just before the hydrocarbons ignited into flames."

Richmond Mayor Tom Butt told Bay City News the city would likely seek to amend its Industrial Safety Ordinance to reflect the CSB's new recommendations.

Contra Costa County Board of Supervisors Chairman John Gioia said the report's findings regarding Chevron's culture of safety are "not really surprising."

"Issues like the fire are the result often on lapses in safety culture processes," Gioia said. "When equipment fails, it fails for a reason. That doesn't just happen."

Gioia said the oversight committee could help establish more regular intervals for Chevron to replace aging equipment.

"We know that equipment deteriorates over time. It's about anticipating that and having the proper processes in place," Gioia said. "Corrosion is a chemical reaction that happens. It's how do you replace equipment before it reaches the point of failure."

Representatives from Chevron said the company conducted its own investigation of the pipe failure and fire of 2012 and initially developed more than a dozen recommendations to address the root cause and factors that contributed to the incident.

They have since inspected over 140 piping circuits, representing 12,000 individual piping components, company representatives said.

"Whatever disagreements we may have with particular findings in the CSB report, there should be no doubt about our commitment to work cooperatively with the CSB and other oversight agencies on the shared goal of effective and efficient regulation designed to enhance the safety and reliability of refinery operations across the entire industry," Chevron officials said.

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