



U. S. Chemical Safety and Hazard Investigation Board

RECOMMENDATIONS STATUS CHANGE

SUMMARY

Report:	Chevron Refinery Fire
Recommendation Number(s):	2012-3-I-CA-R25
Date Issued:	November 5, 2014
Recipient:	Contra Costa County, CA, Board of Supervisors
New Status:	Open - Acceptable Response or Alternate Response
Date of Status Change:	August 12 th , 2015

Recommendation Text(s):

Implement a compensation system to ensure the regulator has the ability to attract and retain a sufficient number of employees with the necessary skills and experience to ensure regulator technical competency at all levels of process safety regulatory oversight and policy development in Contra Costa County, California. A market analysis and benchmarking review should be periodically conducted to ensure the compensation system remains competitive with California petroleum refineries.

Board Status Change Decision:

A. Rationale for Recommendation

On August 6, 2012, the Chevron Refinery in Richmond, California, experienced a catastrophic pipe failure in a crude unit, causing the release of flammable hydrocarbon process fluid which partially vaporized into a large cloud. Nineteen Chevron employees engulfed by the vapor cloud escaped, narrowly avoiding serious injury. The ignition and subsequent continued burning of the hydrocarbon process fluid resulted in a large plume of unknown particulates and vapor. Approximately 15,000 people from the surrounding area sought medical treatment in the weeks following the incident. The CSB's investigation found that the pipe failure was caused by sulfidation corrosion, a damage mechanism that causes piping walls to thin over time. The CSB found multiple reasons for the failure of the Richmond refinery, as well as the city's regulatory mechanism, to detect this serious damage to prevent the failure. The CSB found that the Contra Costa Health Services' Hazardous Materials Program (CCHMP) suffered from a lack of resources and funding, limiting its ability to hire additional highly qualified staff to oversee the petroleum refineries in Contra Costa County.

B. Response to the Recommendation

~~Contra Costa County has been proactive in responding to the CSB's recommendations.~~ On June 17, 2014, Contra Costa County amended its Industrial Safety Ordinance (ISO) to incorporate the CSB recommendations. With regards to addressing recommendation 2012-3-I-CA-R25, Contra Costa County added the following language in Section 450-8.026:

450-8.026 Fees.

The department may, upon a majority vote of the board of supervisors, adopt a schedule of fees to be collected from each stationary source subject to the requirements of this chapter. Any review, inspection, audit fee schedule shall be set in an amount sufficient to pay only those costs reasonably necessary to carry out the requirements of this chapter, including costs of staff and/or consultant time or public hearings and administrative overhead. The fee schedule shall include the cost of the ombudsperson position. (Ord. 98-48 § 2).

In addition, the Contra Costa County Board of Supervisors approved a wage increase of 12% effective July 1, 2014, an additional increase of 10% on July 1, 2015 and a final increase of 3% on July 1, 2016, bringing the average annual salary range for engineers on July 1, 2016 between \$96,394 and \$117,168.

In Fiscal year 2013-2014, Contra Costa County collected \$317,823 in fees from regulated refineries.

~~While Contra Costa County has made significant progress towards satisfying the CSB recommendation, in order to close the recommendation, the CSB will request how Contra Costa County intends to make maintain competitive salaries over time. However, Contra Costa County has not yet demonstrated how it intends to maintain competitive salaries over time.~~

C. Board Analysis and Decision

As Contra Costa County, California Board of Supervisors initiated actions to satisfy the CSB Recommendation No. 2012-3-I-CA-R25, the Board voted to change the status of this recommendation to: **“Open - Acceptable Response or Alternate Response.”**