

U.S. Chemical Safety and Hazard Investigations Board

Business Meeting

July 27, 2016

CSB Headquarters Office - Washington, DC

U.S. CHEMICAL SAFETY BOARD MEMBERS PRESENT:

VANESSA ALLEN SUTHERLAND, CHAIR

MANNY EHRLICH, MEMBER

RICK ENGLER, MEMBER

KRISTEN KULINOWSKI, MEMBER

STAFF PRESENT:

KARA WENZEL, ACTING GENERAL COUNSEL

OPERATOR: Welcome to the Chemical Safety Board business meeting conference call. My name is Karen and I'll be your operator for today's call. At this time, all participants are in a listen only mode. Later we will conduct a question and answer session. Please note that this conference is being recorded. I'll now turn the call over to Vanessa Sutherland. Vanessa, you may begin.

VANESSA ALLEN SUTHERLAND: Thank you. Good afternoon to everyone on the phone and in the room. Welcome to this business meeting, our quarterly business meeting, for the U.S. Chemical Safety Board.

Today, we meet in open session, as required by the Government in the Sunshine Act, to discuss the operations and agency activities of the CSB.

As you know, I am Vanessa Allen Sutherland, the Chairperson of the Chemical Safety Board. I am joined today by Member Kulinowski, Member Ehrlich, and Member Engler. Also joining us is our Acting General Counsel, Kara Wenzel, and many of our staff are also present.

The CSB is an independent, non-regulatory federal agency. And part of our primary mandate is to investigate major chemical

accidents at fixed facilities and to make recommendations resulting from those investigations.

The investigations examine all aspects of chemical accidents, including physical causes related to equipment design as well as inadequacies in regulations, industry standards, or safety management systems. Ultimately, when we issue safety recommendations, they are designed to prevent similar accidents in the future.

I will share today's agenda. First, in accordance with our regulations which were completed by the CSB last year, the Board must give an update on investigations, any studies, recommendations and deployments at each quarterly meeting. Next we will provide an overview of old business followed by any new business.

For our new business presentation, we are going to provide an overview of our development of the strategic plan which will span 2016 to 2020 and replace our current plan. And then we will conclude with public questions or comment period and then any closing comments from board members.

If you are in the room and wish to make a public comment, there's a yellow sheet that you may have passed when you walked in, on the table. It's our standard bright orangish-yellow form. Please write your name and we will call the names in the order in

which they are written. For those of you who are on the phone, you may submit a public comment by emailing us at [meeting@csb.gov](mailto:meeting@csb.gov) or when the lines are open, you can simply request that we open the line for you for a question.

Before we begin, I'd like to point out some safety information. When you disembarked from the elevator, you might not have noticed but there are two stairwells there. So in the event of an emergency, go out of the glass doors through which you entered and then go left or right. There are stairwells behind each of the elevators. Please also make a note that if there's a fire alarm we will be leaving the building so please gather your things and meet downstairs in the lobby.

I'd also like to ask you to mute your phone, vibrate. I always joke stun. Something, if it's really urgent, you want to hear that, please just mute those so the proceedings are not disturbed.

With that I would like to thank everyone for attending today. I know it is difficult to get out in the middle of the afternoon, so we really appreciate both the people on the phone and those who made a special effort to travel here today.

I'd like to say that we are really looking forward... The Board Members are looking forward to sharing today our overview of the

status of our new strategic plan that's going to guide the next four-and-a-half or five years' worth of work. And we are very well-immersed, as you can see for those in the room, in our strategic planning updates and developing a new plan. The CSB staff have developed an updated mission and vision statement and are fine tuning the objectives that will be in that plan. I, for one, know that the document is going to be a really helpful tool to focus our activities over the next five years and make sure that we are all in sync.

Additionally, today we will be providing an update on our recent deployment activities. Board Member Kulinowski will be discussing the board's deployment to the June 27, 2016, explosion and fire at the Enterprise Pascagoula Gas Plant in Moss Point, Mississippi. Member Kulinowski accompanied the team on that deployment and has some firsthand knowledge of their activities.

I am also pleased to share that the board recently approved two additional items for its Most Wanted Chemical Safety Improvement Program. The board is trying to redouble its outreach efforts and has decided that a focus on Emergency Planning and Response as well as Preventive Maintenance is critical, based on the findings of our previous investigations. As I will discuss later in the meeting, these issues stem from both numerous

investigations as well as various recommendations that we've made over the years.

Finally, I'd like to note that in two weeks, I will have been at the CSB for exactly one year. It has been a very busy time. Educational, for sure, challenging, exciting, and the irony is my one-year anniversary at the CSB is my birthday. So gifts will be taken, trust me. [laughter] Under \$25. Thank you for the ethics reminder, Kristen.

I would like to offer the floor to my fellow Board Members. I usually go in alphabetical order but because my fellow Member Kulinowski is also soon to celebrate an anniversary here, I'm going to start with you and go out of order.

MEMBER KULINOWSKI: Thank you, Chair Sutherland. I was confirmed by the same vote but took just a little bit longer to get here, arriving a couple weeks after the Chair. And in my first year I have noted the professionalism, dedication, and extremely deep technical expertise of the staff. I appreciate the collegiality and commitment of my fellow Board Members to moving the agency in a positive direction at the Board level. I just want to say that it has been an honor and privilege to have been selected and to serve and I look forward to the next four years.

VANESSA ALLEN SUTHERLAND: Thank you very much. Now going back to alphabetical order, Member Ehrlich, if you have any opening statements or comments.

MEMBER EHRLICH: I do, I do, as always, Madam Chairperson. First of all, thank you all for being here. I've been here 19 months now. I'm the oldest of the Board Members, both chronologically and seniority wise. I love my job. I enjoy what I'm doing. And I'd like to start by saying first thank you to the Chair for the leadership, guidance, and tenacity that you've continued to display as Chair. As you near your one-year anniversary and your birthday—that's not in my notes though, but I got it, I wrote present there—it has become obvious the dedication you have after the success of this agency. Thank you so much.

I'd like next to address some recent actions by the House and Senate that occurred since our last business meeting. This year the CSB requested an increase in its budget from \$11.0 million to \$12.4 million. We sought this increase in order to strengthen our investigative and outreach functions, a goal which I passionately support. In recent weeks, both the House and Senate have developed appropriation bills that would fund the CSB for Fiscal Year 2017 along with other related agencies such as the EPA. The House and Senate bills have kept the Board's funding flat at \$11 million and

have not supported any increase for the CSB. There's still a long way to go in the budget process before our appropriation is finalized for next year and so we'll have to wait for the final results, which I hope will be favorable to the agency.

In any case, I do want to draw the Board's attention to some of the committee report language that Congress has put forward concerning the CSB. In particular, the Senate reported report which is Committee Report #114-281, reads as follows: "The Committee notes that this year's budget request involves funding for safety video productions. The Committee has heard concerns that certain videos produced by the CSB have encouraged members of the public to lobby members of Congress and state legislators on pending or future federal or state legislation. The Board is reminded that the prohibition against this type of advocacy and expects strict adherence to the prohibition." This is what the Senate committee wrote.

Now the CSB's video program is a wonderful initiative that's been placed for ten years and we've produced more than 50 videos released to the public. From my work in the chemical industry, I know how critically important these videos are for educating managers and workers about process hazards. They are marvelous tools. The CSB videos have won many awards in the United States

and overseas and these awards are well deserved in my opinion. I believe it is vital that we do everything possible to sustain this program and certainly do nothing to jeopardize support for this program in Congress. The lives of workers depend on getting the word out on what has caused major accidents. I've received many comments in the outreach that I've done about being careful about lobbying for recommendations that involve other agencies.

Recently there's been discussion inside the agency of producing a new video with a goal of encouraging the State of California to finalize its new regulations concerning refinery safety and perhaps motivating workers and the public to come out in support of these rules. These regulations were presented on July 14<sup>th</sup> for a final round of public input before they're finalized by the State of California. The Board has consistently supported these modernized safety rules which California developed in response to the CSB on the Chevron fires that occurred in 2013, 2014, and 2015 when the reports were issued, when I first joined the Board.

As Chair Sutherland said in a recent news release, we hope this new initiative proves to be a model for the rest of the country. I personally commend California for what the state is trying to achieve and for the open, transparent process the state

has followed. Despite our enthusiasm for what California is pursuing, I believe we are at a point where California leaders and the public need to make their own informed decisions about finalizing the refinery proposal.

We need to focus our resources on investigations and developing sound recommendations which the CSB certainly did in the Chevron case. Clearly we need to continue the safety video program with its educational goals and do nothing to jeopardize its success.

Thank you, Madam Chairperson.

VANESSA ALLEN SUTHERLAND: Thank you, Member Ehrlich. Member Engler?

MEMBER ENGLER: Thank you all for coming. I appreciate your being here. Very briefly, I think I'd just like to follow-up on the comments that Member Ehrlich made about the California Refinery proposed rules. The proposed rules in California, both by the State, EPA, and by the Department of Industrial Relations going through the California State Plant OSHA process, are tremendously important as a potential model for more refinery safety, not only at the 14 refineries in California, but in fact for the many refineries elsewhere in the nation. The CSB, dating a number of years going back, has been in the forefront of advocating—and I use

that word deliberately—advocating for these reforms and am pleased that without any dissent whatsoever among the Board of late, that we have supported those reforms.

Now, the proposed reforms are in the proposal stage which means there is an opportunity still for industry, for labor, for communities, for environmentalists, for public health communities to weigh in on those proposals. CSB is currently developing letters now being drafted by the staff to comment with more precision on where those rules are at and how they might be, if necessary, adjusted based on our extensive investigative experience in oil refineries and in related sectors. So we continue to be involved in that. I am the Board Member who's been designated as the point person for the California Refinery initiative and I appreciate both the Chair's support, Member Ehrlich's support, and the Board's support as a whole for these important developments in California and look forward to seeing the precise proposed comments that will come to the Board for review before they're sent on to California.

One final note which I think is important to understand since Member Ehrlich referenced it. He referenced the Congressional language concerning a video and lobbying. So I would like to set

the record completely straight on this, both for those who may not have been looking at this issue with precision.

First of all, what Member Ehrlich talked about was a draft video on refinery safety pertaining to the new rules in California. The draft has undergone multiple reviews. There's been ample opportunity over the last few months for comments by all Board Members. And most Board Members have presented specific comments that have been helpful in revising that video. There is no lobbying contained in the video whatsoever because, in fact, in California what is being talked about are regulatory changes. Fundamental difference between statutory or changes in the underlying law, and regulatory changes. So the CSB's position on this is no different than commenting on a proposed OSHA change to the Process Safety Management Standard or as we recently did to the EPA on its Risk Management Proposal.

So our draft video which, of course, would be publicly released when it's approved by the Board, will indicate what the CSB position is on this. It does not constitute in any way lobbying on a pending piece of legislation, either at a state or federal level. And I think it's important to have that record be crystal clear on that matter.

VANESSA ALLEN SUTHERLAND: Other opening comments?

MEMBER ENGLER: No. Thank you.

VANESSA ALLEN SUTHERLAND: Thank you all for those opening comments. Just as a minor point of clarification, I think it's always difficult with Congressional language to know what [inaudible] or why it's written. Having gone through many, many budget cycles and many regulatory cycles, many statutory reauthorizations at agencies that are reauthorized every few years, it is difficult to attribute thinking, intent analysis to the people who write them. So I say that in the sense that both Members Ehrlich and Engler have identified a perspective on the language which is written. I think you read that verbatim.

MEMBER EHRLICH: I did.

VANESSA ALLEN SUTHERLAND: Is written [inaudible] but it's hard to tell if it was about a particular item or a particular set of items. But with that said, I very much appreciate both of the comments. We have been very active as an agency in supporting California's reform and pretty public about hoping that other states and national level agencies will take a look at that and hopefully adopt many of the ongoing changes there. So in that regard, I will give an in absentia thank you to California for taking that on and actually moving it forward pretty effectively.

With that, we're going to move to open investigations. At this time, I would like to ask Member Engler to discuss the CSB's ongoing Exxon-Mobil investigation, speaking of California.

MEMBER ENGLER: Thank you. This will be very brief because it's simpler at this point. It's not that there aren't new developments in terms of the staff work and investigation by the Denver-based team on this incident. But the process is ongoing so I don't have a lot more to say that's not reflected in the transcript of the last public meeting.

But just in recap, in February of 2015 there was an explosion in the electrostatic precipitator at the Exxon Mobil refinery in Torrance, California. Four workers were injured. They were all contract workers. The incident caused significant property damage to multiple refinery process units and results in offsite accidental release of catalyst dust. During this explosion, there was also a near miss release of hydrofluoric acid when a large piece of debris fell very near a storage vessel storing thousands of gallons of hydrofluoric acid in a nearby alkylation unit.

The investigation team is developing and editing the report. The team continues to work with the Department of Justice to enforce subpoenas to Exxon so that a full all-cause investigation can be conducted. The report focusing on the causes of the

explosion is now under internal review and will henceforth follow the normal CSB process of external expert review and eventual Board consideration and public release.

The new owners, by the way, of the refinery is PBF which is also the same owners of Delaware City Refinery where we have another investigation that's ongoing. And there's been continued coverage of this issue in the...of not only the CSB investigation but also community worker concerns and the intentions of the new management at the Torrance site that's been covered in the press pretty extensively, including on the increase in California gas prices from the...that's been ascertained, not by CSB but from independent reports by the Rand Corporation and others.

So I mention that only if you were interested in further background about the incident. But we do anticipate Board action on this over the coming months.

VANESSA ALLEN SUTHERLAND: Thank you. Member Kulinowski, can you please provide an update on Enterprise's gas plant explosion and Williams?

MEMBER KULINOWSKI: Thank you, Chair Sutherland. I'll start with Williams Geismar in Louisiana. This is also, as Member Engler did with Exxon, a brief update as we have provided information on this in previous public meetings. But on June 13<sup>th</sup>, 2013, over

30,000 pounds of flammable hydrocarbon was released at the Williams Olefins plant in Geismar, Louisiana. Two workers were killed and over 100 other employees and contractors were injured as a result of the incident which occurred when a distillation column heat exchanger catastrophically failed.

As I mentioned in the last public meeting, a draft report was circulated to the Board and the team is responding to comments that the Board provided in March of this year. Subsequent to the Board providing its comments, the team went back and has been responding to those comments and is also sending it out for further technical editor reviews and expert reviews. We are also producing animation to better understand the immediate sequence of events and communicate that to external stakeholders.

So we anticipate that Williams is close to the finish line and hope to have more to say in the near future.

With regard to the incident that Chair Sutherland mentioned at the open of this meeting, we did deploy to Pascagoula...Moss Point, Mississippi, more correctly, in response to an incident that occurred on the evening of June 27<sup>th</sup> of this year. Explosions and fire occurred at the Enterprise Pascagoula Gas Plant.

The incident occurred in one of three process lines which they call trains within the Enterprise facility. One of the cryogenic

process trains was involved in this event. Essentially, the cryogenic process takes deep water natural gas received via pipeline from the Gulf and separates the gas into natural gas liquids and residual natural gas. The natural gas liquid, propane, butane, and other small chain hydrocarbons are commercially sold and transferred through another pipeline. The natural gas goes in a different direction. Enterprise assumed full ownership of the site just four weeks prior to the incident. Prior to that, the site was majority owned and operated by BP.

I had the opportunity to go out to the site twice since...immediately after the incident and then just last week. And got a chance to witness the damage firsthand. The resulting damage was...is significant. And determining the potential sources for the explosion requires complex tasks. The team, the investigation team, has spent the last several weeks working with the company to assess and photo-document the incident scene. Multiple piping and vessel rupture points have been identified and the site continues to be examined in full. Evidence selection, site preservation, and equipment testing are being completed.

So the team is fully on task and working with the company in terms of interviewing company personnel, emergency responders, community members, and so forth. They've made eight production

requests for records and information including the board...for the control board system data which will help them understand what was happening in the plant at the time of the incident. And I'm pleased to report and witnessed first-and and also heard from the team that Enterprise corporate staff and plant staff have been fully cooperative with CSB's investigation.

So we're very much looking forward to the field phase of this coming to a close in the near future, in which case then the data will be brought back in house and fully analyzed so that we can produce a report.

The importance of this stems from the fact that there are many installations similar to the Pascagoula Gas Plant across the country. This type of gas processing facility is common in many regions of the country where oil and gas are produced. So determining the causal factors of the explosion at the gas plant may yield broad lessons for the industry nationwide. And I know from talking with them personally, members of the community are very interested in understanding more fully what happened as they were shaken, literally and figuratively, in the middle of the night by this accident.

So we look forward to providing future updates in future business meetings as we gain more information about the cause of this incident.

VANESSA ALLEN SUTHERLAND: Thank you, Member Kulinowski. And Member Ehrlich, can you give us an update on DuPont?

MEMBER EHRLICH: Certainly. Thank you, Chair Sutherland. Very much like Exxon Mobil, there's not been a lot of change. You'll recall that unfortunately on November 15<sup>th</sup>, 2014, nearly 24,000 pounds of methyl mercaptan was released at the DuPont Chemical manufacturing facility in LaPorte, Texas. The release resulted in the deaths of three operators and a shift supervisor inside an enclosed manufacturing building. Additionally, three other workers were injured from their exposure to methyl mercaptan and at least three more workers experienced methyl mercaptan exposure symptoms.

Investigation team has completed responding to the Board Member comments on the investigation scope and is continuing to gather investigative data, conduct interviews, and develop a robust causal analysis to guide completion of the investigation. The team is following up on a number of outstanding record requests with DuPont. With the announced closure of the LaPorte facility, the

final investigation report will focus on broader issues learned through the process.

Thank you, Chair Sutherland.

VANESSA ALLEN SUTHERLAND: Thank you. I will provide an overview of our remaining investigations, which are Tesoro Martinez, Freedom Industries, and the Delaware City Refining Company that Member Engler alluded to a moment ago.

For Tesoro Martinez which was based in California, on February 12, 2014, two employees at their refinery in Martinez, California, suffered first degree and second degree chemical burns when they were splashed with concentrated sulfuric acid following the failure of a 3/4-inch tubing connector at a sampling station in the refinery's alkylation unit. Approximately 84,000 pounds of sulfuric acid were released during that incident.

Then, on March 10, 2014, just shy of a month later, two contract workers were sprayed with sulfuric acid while conducting planned maintenance work to remove piping in the refinery's alkylation unit. The sulfuric acid sprayed on the two workers when they cut into the piping using a portable band saw.

The status update on this particular investigation is that the report has been completed and approved by the Board. The release of

the report and a press conference will be occur actually a week from today, August 2, 2016, in Emeryville, California.

For Freedom Industries, which occurred in Charleston, West Virginia, you may recall that on January 9, 2014, an above-ground storage tank owned by Freedom Industries containing methylcyclohexane-methanol leaked its content into the Elk River. The release disrupted the delivery of water to more than 300,000 consumers in the Charleston service area when the MCHM was drawn into the intake system for West Virginia American Water system and a do-not-use order was initiated by the governor which lasted a few days.

The status update on that investigation and report is that the team is currently addressing Board comments on the final draft and is preparing the draft for a final CBI review, confidential business information review. The team is planning for meetings with recommendation recipients as well as working with public affairs to develop a related video that will identify pictorially what happened during that event. And we are looking forward to returning to Charleston, West Virginia, and holding a public meeting in late September or later this year to make sure that the release of that product is...and video is done with the Board following its vote and compilation of comments.

And lastly, Delaware City Refining Company is a draft document that's based on a December 3, 2015 event, or series of events, more specifically. We were concerned that after a series of seemingly unrelated incidents that occurred at the Delaware City Refining Company—I'm going to use DCRC, it's shorter—over a four month period of time, that there may be implications about process safety management issues. So a four person investigative team was dispatched to meet with DCRC managers following their most recent event in November of 2015 and to discuss with those managers, supervisors, hourly workers and representatives from the USW what might be attributable to those seemingly unrelated events.

The status update is that there is a first review of a bulletin, safety bulletin, that is being circulated internally for review and comment. And we are planning a release of that bulletin after internal and external review is complete. So that is the status for that.

Moving to recommendations, our overall recommendations portfolio is that we've issued 780 recommendations. Currently, we have a ratio of 75%, which is 588 are closed and 25% remain open, which is 192. The status of all of our recommendations can actually be found on our website at [csb.gov/recommendations](http://csb.gov/recommendations).

And those recommendations that have been recently voted on can be found on that same page under Recent Recommendations Status Update. Each recommendation has a Status Change Summary that describes the rationale for the Board vote and a brief reminder of what the incident was that led to the recommendations.

For sort of an update on where we are in general, outside of the broad statistical numbers, the recommendations for closure for FY...for Fiscal Year 2016, are as follows: the CSB has closed 26 recommendations in Fiscal Year 2016 so far. 21 of those were closed acceptably, one was closed exceeded our recommendation, two were closed unacceptably and two were closed as reconsidered/superseded.

Recommendations that have been advanced or changed in their status thus far in Fiscal Year 2016, have been that the Board voted to move 19 recommendations to the status Open, Acceptable Action. And in total, the Board has voted on the status of 45 recommendations. So if you remove the 19, the others had a status change which wouldn't be Open, Acceptable but some other status as in unacceptable, etc., etc.

Under our Most Wanted program, which is related to those recommendations, the Board also recently voted to add two new issues to its program. Currently, we had Combustible Dust and Modernization of Process Safety Management regulatory reform. We

have added Preventive Maintenance and Emergency Planning and Response based on the staff's review of many of our open investigations and determination by the staff and the Board that those areas require additional attention and we think it would be very helpful to have more strategic outreach and response on those two topics.

The Most Wanted Safety Improvement Program is based on recommendations that have resulted directly from our investigations. So those areas are based on our expertise and our common themes and findings throughout our history of investigations. The goal of the program is to pursue implementation of changes that are most likely to achieve important national-level safety improvements. Sometimes they may result in the California state level reforms which can serve as a model for others. But the goal of the program is to see broader national chemical safety change.

In describing the two items that are on the list, I will first say that for both of these items it doesn't mean by adding Preventing Maintenance or Emergency Planning and Response that we're going to detract from the current two. It simply means that as we think about outreach, various stakeholder initiatives, deployment, etc., that we will now be also considering Preventive

Maintenance and Emergency Planning and Response equally with the other two. So by adding the two, I just want to make sure that we don't imply that we're going to be sort of superseding the ones that are on the list. All four will be considered equally.

The first issue that the Board voted to add was Preventive Maintenance. We found that inadequate mechanical integrity programs, delayed or deferred preventive maintenance, and the aging infrastructure of equipment at chemical facilities has been a recurring root cause of accidents or incidents.

The CSB has investigated 11 incidents with 17 open resulting recommendations to address gaps in facility, corporate, regulatory programs and industry standards aimed to ensure that damage mechanisms are prompted...are properly identified and prevented, and equipment upgrades and replacements are not delayed, and most notably that equipment is not made to last beyond its integrity operating window.

The full justification for adding Preventive Maintenance to the Most Wanted list can be found on the CSB website that I mentioned a moment ago.

Next, Emergency Planning and Response was also voted on and added because we felt that there was a need for better and more coordinated Emergency Planning and Response to both mitigate the

consequences of incidents but to also make sure that communities were prepared in the event of an incident.

Emergency response, often inadequate or poor emergency planning or response, has been a recurring finding in our CSB investigations as well. To date, 14 of our investigations and 46 resulting recommendations have been aimed to address deficiencies found in a community's, facility's or emergency responder's planning and response programs in the event of an incident at a chemical facility.

Most recently... I know many of you are very familiar with our recent publication of West. But that explosion and fire which occurred in April of 2013, resulted in the death of 15 people, 12 of which were first responders and identified many of the same seven themes that we had been seeing in Emergency Planning and Response issues in previous investigations.

There are several initiatives already underway to improve emergency planning and response in that particular investigation, including recommendation recipients of the West investigation already beginning to implement better training practices, develop grant programs, and work on training curriculum for first responders.

The EPA issued a Proposed Rule entitled "Accident Release Prevention Requirements: Risk Management Programs Under the Clean Air Act, Section 112(r)(7)." That is in fact the full title. Which, as proposed, includes more robust requirements for information sharing, communication and coordination on emergency planning between facilities and local emergency response officials.

OSHA has also drafted a new regulation which is not currently proposed, but it would replace the fire brigade rule with a more broad rule, tentatively entitled "Emergency Responder Preparedness Program Standard".

So we hope in future meetings we will have more updates regarding those.

At the state level, California has proposed two new rules for refineries in its California Accidental Release Prevention Program, which would require better coordination between emergency response and refineries and unified program agencies. So the full justification for that addition is also on our website.

So a lot of work there and I am...I know that the Board, my fellow Board Members are all committed to trying to do as much outreach as possible to continue to keep the lessons of our previous investigations alive and discuss.

So on the more operational side, we have IG Updates. As of July 25th, the CSB is currently working with the Office of Inspector General, the IG, on four audits. The status of the audits are as follows:

The first is FISMA for the Fiscal Year 2015. The CSB reviewed and provided comments back in October of 2015 to the EPA's draft report of our compliance with the Federal Information Security Modernization Act, or FISMA, for FY 2015. There were a total of seven recommendations from the IG. One recommendation has been closed and the CSB is now working diligently to close the remaining recommendations by the close of this fiscal year. One delay to closure is the installation of a PIV reader on the Denver LAN room. For those who are in the federal government PIV card, I know you know what that is. For everyone else, it's just your ID with a little [unintelligible] chip in it. For access control which is a central component to the closure of several recommendations. GSA approved our work authorization and we continue to work with a GSA project manager to consult leaders to help us close out that particular recommendation. And the OIG is working on their final report to be issued, I believe, soon.

The second audit is the FY2016-2017 Audit of CSB's Protection of Systems with Access to National Security or Personally

Identifiable Information. The IG provided a draft discussion document for our review on July 14th. CSB found the draft document to be accurate and met with the IG for the Exit Conference on July 20<sup>th</sup> so that should be closing out as well.

Number three is an Audit of CSB's Purchase Card. CSB received the draft report which was entitled "CSB Has Improved Its Controls Over Purchase Cards" on July 7<sup>th</sup>. We reviewed the draft document and provided a response with comments on July 13<sup>th</sup> and an Exit Conference is scheduled for next week, August 3<sup>rd</sup>. And a final report will be supplement to that.

Lastly, FY2016 Financial Statement Audit. The audit was initiated on July 5<sup>th</sup>. A new firm contracting with the IG is conducting the audit and we have met with them. We hope to have that completed by November 15<sup>th</sup>. I think we will surely have it completed by November 15<sup>th</sup>. And we are in the process of providing them with documents that they can review. So that is moving along very swiftly as well.

So that is it for the IG updates. For a finance update, there are just over two months remaining in Fiscal Year 2016. The Board will be working diligently to make sure that by September 30<sup>th</sup>, which is the close of our fiscal year, we are coordinating all of our final spending decisions between now and then to make sure that

we are efficient and effective in our annual appropriation. And this is a busy time of year in the federal government so we will be very focused on that.

CSB, like the rest of the government, is awaiting final action on its FY2017 appropriation. The House and Senate support keeping CSB's funding at its current \$11 million level. So we will assume that it may end up being the same as previous years.

With that, that is the operational updates. I will now turn to new business. We didn't have anything that was calendared or old business from the previous meeting. But I would like Member Kulinowski to share with you our overview of the CSB's 2016-2020 Strategic Plan, on which we have spent a lot of time.

MEMBER KULINOWSKI: We have spent a lot of time. Over the next four years, we will strive to create organizational consistency within the CSB with a special focus on organizational health. And the Strategic Plan is a vital part of that.

Our efforts to build trust internally and externally and increase productivity within the organization will hopefully serve as the foundation for the successful execution of our strategic goals and core mission work. And this plan, the Strategic Plan, will provide guidance as the CSB strives to complete timely

investigations of chemical incidents and influence chemical safety for the better.

So the news is that with our new Strategic Plan we have, as an agency, decided to refine our mission and vision statements and we hope that these will endure long after we depart, meaning the Board Members.

Our vision for the Chemical Safety Board is a nation safe from chemical disasters. And our mission is to drive chemical safety change through independent investigations to protect people and the environment.

Along with these mission and vision statements, we have three strategic goals to which we will strive toward decisions. Goal 1: to prevent recurrence of significant chemical incidents through independent investigations. Goal 2: advocate safety and achieve change through recommendations, outreach and education. Goal 3: create and maintain an engaged, high-performing workforce

With the successful execution of our mission and goals, the CSB will continue to share critical and timely safety lessons with industry, workers, and the public to help us reach our shared responsibility of creating a nation safe from chemical disasters.

I would like to add that a working group on the staff was instructed and has been working diligently on this plan for months

now, with engagement from the Board and input from the staff last summer...input from the public in a public meeting last summer. I look forward to seeing the direct plan in the near future, as I'm sure my fellow Board Members do, and commend the staff for their hard work on this effort.

VANESSA ALLEN SUTHERLAND: Thank you. Because the Most Wanted and the Strategic Plan are two things that are fairly new...the two additional items, I should say, to the Most Wanted, I would open it up also to Members Engler and Ehrlich for any comments or thoughts before I share my final new business item on the action.

MEMBER: [inaudible]

VANESSA ALLEN SUTHERLAND: Well, thank you Member Kulinowski for that. One thing that I would add in addition to the team's really fantastic work in getting everybody engaged in the strategic planning process...if you're in the room, you can see some of our posters. But this has been a several-week-long exercise of focus groups and looking at the past strategic plans. And trying to reach a consensus no matter how big your agency, whether it's 40 people or 10,040, requires a lot of diligence and requires a lot of commitment. And we have a team leading that along with a lot of other people who are contributing, and it has been really fantastic how quickly they have distilled everyone's comments and helped us

put together a document that's pretty close to review. I think it's actually with the leadership team at this point. That has been really, really fantastic to see. And a lot of great ideas and innovation coming out of that.

So lastly, under new business, as we are required to by our CFR 1600.5... Did I get that right? Oh, great, thank you. We also share updates periodically on the action plan which flows from our previous strategic plan. I mentioned already the current status of our open recommendations, the current status of our investigations, which we led with. We also had a goal of updating at least 25% of our Board Orders to correct stale or inaccurate information and made significant progress on updating our internal practices. We are making significant progress on that. We have a total of 45—one actually is a [inaudible] 44—and over the last six-and-a-half months, we have updated eight of those and are continuing to update more.

We have also, as we mentioned, worked on the Strategic Plan, which is also part of our action plan and we just received an update on that, as well as closing out our audit recommendations. We said we would close out 50% of those; we are on track to do that. And then finally, continuing to examine and work on organizational health issues such as our Code of Conduct which was

issued in December, training, and an identification of a tool. We ended up using a 360 model to commence with reviews of staff 360s so that people could tailor their training or any individual growth based on those 360-degree feedback loops.

So on the action plan, we are doing well based on our 2012-2016 Strategic Plan. We, of course, will be developing another one every year with our new...the issuance of our new Strategic Plan. So stay tuned for that. When we issue our new Strategic Plan, we will do the first one-year action plan to carry out various metrics and goals for that. So we should have an update later this year on that.

So at this point we would open the meeting up for public comment, questions, statements. Thank you. Based on any of the operational updates that we provided or new business or anything else that we have not covered that you may have a question about or operational activity at the CSB.

So, Operator, you can open the line up for any questions and place them in the queue. Anyone who has been on the line can continue to e-mail us at [meeting@csb.gov](mailto:meeting@csb.gov) while we are listening to other comments. I do have one e-mail comment but I will see if anyone in the room has any questions. Or actually, Amy, is anyone on the orange sheet or yellow sheet?

AMY: No.

VANESSA ALLEN SUTHERLAND: Okay. Doesn't foreclose you from asking a question sort of impromptu but if anyone signed up we would give them first preference. Before we take questions from the line, I will start with one that was e-mailed. This is, "I heard in the CSB meeting today that there is a public meeting being held in Emeryville, California on the Tesoro Martinez Refinery sulfuric acid incident that occurred in February and March of 2013 next Tuesday, August 2<sup>nd</sup>. If that is correct, can we please receive information on the meeting, stating the time and location of the meeting?" Absolutely. We are going to be hosting that and distributing it to our stakeholders through the e-mail addresses that we've already collected. We have been fine tuning the location and making sure that we are sensitive to traffic. I know that sounds crazy in D.C. but apparently San Francisco's worse. For us, worse than...at commuting than we are, that's hard to believe. So we wanted to make sure it wasn't too early. It will be tentatively around 10:00 a.m. but we will absolutely make sure that both on the website and for anyone who has signed up for receipt of our e-mail updates that we will get that.

[UNIDENTIFIED]: It's a news conference, not a public meeting.

VANESSA ALLEN SUTHERLAND: News conference, thank you. Just received actually a very important clarification. The question said public meeting. It is in fact a news conference. So hopefully that will make sure that everyone gets the information and the location as well. But it will be 10:00, 10:00 a.m.

Operator, are there questions on the phone?

OPERATOR: Thank you. We will now begin the question and answer session. If you have a question, please press \* then 1 on your touchtone phone. If you wish to be removed from the queue, please press the pound sign or the hash key. There will be a delay before the first question is announced. If you are using a speaker phone, you may need to pick up the handset first before pressing the numbers. Once again, if you have a question, please press \* then 1 on your touchtone phone.

And our first question comes from Richard Rusarra. Go ahead, your line is open.

RICHARD RUSARRA: Hello. I was also on the call yesterday that...for the Division of Chemical Health & Safety that Vanessa, you gave a very nice presentation on for the... Just wanted to compliment you on that. And one question I did have pertained to several meetings ago you had decided to look into having a site survey study. This related to, for instance, the West explosion

and the fact that the neighborhood had crept closer to the facility. And I haven't heard anything since then on that. I would like to see if there's any updates.

VANESSA ALLEN SUTHERLAND: Thank you for that question for follow-up, Richard. Member Kulinowski?

MEMBER KULINOWSKI: Yes, so what we were calling a Land Use Study has...was initially conceived as a broader look at land use issues and after further consideration, we've actually scaled that back to where we are going to be looking potentially at information that we already have in house and understanding from our own investigations what land use issues have come up in the past and perhaps doing a meta-analysis of our existing data and our existing investigations. So that's going to be an internal effort and the timeline for that now is unclear, uncertain with the other priorities that we're juggling.

VANESSA ALLEN SUTHERLAND: Thank you. And on that, regarding the investigations that we've done, it's also unclear what type of product that will be. So I know I've had a couple of questions independently. Is it going to be just a summary? Is it going to be a paper? I don't think we know the format yet either because of everything that Member Kulinowski said about collecting the data. But I do think you may hear from us, each of the Board Members, as

we go out and do outreach, about encroachment issues or things that are related to West that we've highlighted and that continue to highlight the safety issues. I think as the community focuses on emergency planning and response, this is certainly a subset of that, having them communicate and understand risk associated with the facilities that many are moving closer and closer to.

RICHARD RUSARRA: Okay, thank you.

VANESSA ALLEN SUTHERLAND: You're welcome.

OPERATOR: Once again, if you have a question, please press \* then 1 on your touchtone phone. And we have no further questions at this time.

VANESSA ALLEN SUTHERLAND: Okay.

[UNIDENTIFIED]: I have a question if no one else. I'm curious. The OIG came out with another report at the end of June and among other things, it raised questions about the disparity between the number of accidents that could have been investigated or by statute, their interpretation, should have been investigated and the small number that were investigated. They also brought up a question about the part of...I think in the statute as well as the requirement is CSB delineates how accidents are selected and make that approval process.

I'm curious. It hinted at, if I remember...I didn't bring the study with me unfortunately. But if I remember right, it hinted that this might be reflected in the Strategic Plan for you guys, in terms of what you're developing. Is there going to be any kind of a statement in the Strategic Plan that might sort of rectify these two issues?

VANESSA ALLEN SUTHERLAND: Probably not as explicitly as that, meaning to reconcile them. For the former piece, I'll certainly invite our Acting General Counsel to weigh in on that as well because we've had a lot of discussion with the IG on the statutory interpretation, etc. So I'll pass it to her in a moment.

But I don't think that the Strategic Plan is going to explicitly say this is...we're only going to investigate accidents... I don't know that it's going to be as definitive. What I think we are working on in the second part of your question is deployment criteria, deployment protocol which we have, which we're updating, and a related investigation protocol that allows us to keep in mind that we have 20-ish people dedicated to investigation and recommendations, \$11 million, and roughly 5-10 incidents that happen every day around the country. And so I think the discussion in a moment, which I'll turn over to Kara Wenzel, has been working with the IG that while their interpretation is that we have the

statutory authority, maybe a stronger mandate, to investigate every incident that happens in the United States, I think we have to come to grips as an agency with our resource constraints. If we can't investigate every one of them, how do we investigate the ones that are going to have significant impact, lasting impact, take into account injuries, deaths, environmental damage, and then an analysis that we hope will also bring broad change to an industry sector or to a type of practice that's being practiced across sectors?

So that's the second part of your question. The first part?

KARA WENZEL: So just a very, very quick overview. The Clean Air Act does say that the agency should investigate certain types of accidents that perhaps [inaudible] among other things. But to delineate the severity of the incidents that Congress wanted us to look at, they picked three things—serious injury, property damage, or environment...or death. So the statute, though, is not so explicit that it says you shall or you must investigate all, each and every one of those. There's a bit of ambiguity there. Since 1998, the agency has interpreted it to choose those incidents that we feel have the most potential for lessons learned for the preventive impact that our mission is meant to achieve. And all of our investigative protocols, our internal...the way that we choose

what to look at has supported that throughout the whole history of the agency.

[UNIDENTIFIED]: But those parameters, will they be reflected in the Strategic Plan or in some document? I have written on this subject for 15 years and the OIG regularly makes these kind of...and others, these kinds of criticisms and they don't really care if you don't have enough money. So I'm just wary of writing the same stories over and over again. So I'm just curious if there's any actual response to it. The OIG seems to have a lot of time on its hands. So I'm just curious if there's any way of making this...bringing this to a head in some manner. Maybe not.

KARA WENZEL: You actually will see some information in the new [unintelligible] when it is really set that does speak to that. I think...I hope you will be pleased. [laughter]

[UNIDENTIFIED]: It's really not... I shouldn't [inaudible] that way.

VANESSA ALLEN SUTHERLAND: I think to make sure that we as an agency are focused on the same thing and have agreement about how we're going to move forward and allocate resources and evaluate broad safety change, not only is our goal one going to address some of that. I think the way that we communicate the Strategic Plan when it comes out is probably going to be very critical as well in

helping people understand how we got to the new mission, the new vision, and that goal which will provide some level of response or reaction to the IG's position. But certainly it's got to be done between now and September 30<sup>th</sup> so we will definitely be revisiting the content of the Strategic Plan between now and the end of the fiscal year. Thank you for that.

Any other questions? And then, Operator, we have no other questions in the room. Are there other questions in the queue?

OPERATOR: No further questions at this time.

VANESSA ALLEN SUTHERLAND: Well, then, I'd like to thank the staff in particular. They clearly take time out of their day to do all of the work that you hear about. And then they help us get prepared for this meeting and it's not an easy lift. So I want to thank them for their continued nimble perspective on how we do the work. And I also want to thank my fellow Board Members for their contributions on a day-to-day basis but at these meetings too. It can be really very stale if you all weren't so engaged. I like the fact that you're so engaged. All of us share an interest in preventing chemical accidents in the future and I think you see that in how we interact. So I thank them for that too.

I'd also like to thank everybody who attended on the phone and in person. We really appreciate your comments. I've said this

before and I just realized in looking at my travel schedule, I've been here 11-and-a-half-ish months and I think I have attended 56 or so stakeholder meetings and panels. I don't know how, but apparently that's the number. Is that right? I've really been that many places? Okay. Well, like I said, I welcome engaging with you. Apparently, I really welcome engaging and I look forward to continuing to come to these meetings. Because it's important for us to share the work that the staff is doing and it's really important for us to see that you're interested.

The CSB is going to be holding its next regularly-scheduled business meeting, which is in our regulations, in October. We are required to do it in October. But given the amount of things we just told you about, investigations that we think are nearing close, the Strategic Plan that's coming out, etc., we are likely to have a meeting prior to October, which would be our regularly-scheduled business meeting.

But in the meantime, please check CSB.gov for additional details on the location and agenda for the business meetings. We will continue to push those out if we have one before October.