

Chemical Safety and Hazard Investigation Board

OFFICE OF GENERAL COUNSEL

Memorandum

To: Board Members

From: Christopher M. Lyon

Acting General Counsel

Cc: Amanda Johnson, Recommendations Specialist

Leadership Team

Subject: <u>Board Action Report</u> - Notation Item 2024-13

Date: November 14, 2023

On November 9, 2023, the Board approved Notation Item 2024-13, thereby designating Recommendation 2019-01-I-TX-R4, to the Intercontinental Terminals Company, LLC (from the Intercontinental Terminals Company Tank Fire investigation (2019-01-I-TX)), with the status of Open – Acceptable Response or Alternate Response.

Chris Lyon

Voting Summary – Notation Item 2024-13

Disposition: APPROVED

Disposition date: November 9, 2023

| | Approve | Disapprove | Calendar | Not Participating | Date |
|-------------|---------|------------|----------|-------------------|------------|
| S. Johnson | X | | | | 11/09/2023 |
| S. Owens | X | | | | 11/09/2023 |
| C. Sandoval | X | | | | 11/09/2023 |



U. S. Chemical Safety and Hazard Investigation Board RECOMMENDATION STATUS CHANGE SUMMARY

| Report: | Intercontinental Terminals Company (ITC) Tank Fire |
|-------------------------------|--|
| Recommendation Number: | 2019-01-I-TX-R4 |
| Date Issued: | July 6, 2023 |
| Recipient: | Intercontinental Terminals Company, LLC |
| New Status: | Open – Acceptable Response or Alternate Response |
| Date of Status Change: | November 9, 2023 |

Recommendation Text:

Install remotely operated emergency isolation valves configured to "Fail-Closed" for all atmospheric storage tanks that contain highly hazardous chemicals or liquids with a flammability rating of NFPA-3 or higher at the ITC Deer Park terminal.

Board Status Change Decision:

A. Rationale for Recommendation

On March 17, 2019, a loss of containment and massive fire occurred at the Intercontinental Terminals Company (ITC) terminal facility in Deer Park, Texas. The incident resulted from the seal failure of a pump operating in conjunction with Tank 80-8, an 80,000-barrel (3.36 million gallon) above ground atmospheric storage tank containing a mixture of naphtha and butane.

The incident did not result in any injuries. However, the fire burned for three days and spread from Tank 80-8 to the other fourteen tanks located within the same containment area. All fifteen tanks were destroyed. On March 22, 2019, the containment area wall partially collapsed releasing approximately 500,000 barrels (21 million gallons) of a mixture of petroleum products, firefighting foam, and water into Tucker Bayou and adjacent waterways including the Houston Ship Channel.

The U.S. Chemical Safety and Hazard Investigation Board (CSB) investigated the incident and found several safety issues including ineffective mechanical integrity and maintenance practices for the facility's product transfer pumps, a lack of safety systems at the facility's 80s tank farm, and a lack of regulatory coverage under the Occupational Safety and Health Administration's (OSHA's) Process Safety Management (PSM) standard and the U.S. Environmental Protection Agency's (EPA's) Risk Management Program (RMP) rule for the contents of Tank 80-8 at the time of the incident. As a result of these findings, the CSB issued five recommendations to ITC. This status change summary addresses CSB Recommendation No. 2019-01-I-TX-R4.

B. Response to the Recommendation

ITC notified the CSB that the company is continuing implementation of a phased program to install remotely operated emergency isolation valves for all its atmospheric tanks across the Deer Park terminal. They also provided a timeframe for completion of the program.

C. Board Analysis and Decision

Based upon the information above, the Board voted to change CSB Recommendation No. 2019-01-I-TX-R4 to: "Open – Acceptable Response or Alternate Response."