



U. S. Chemical Safety and Hazard Investigation Board

RECOMMENDATIONS STATUS CHANGE

SUMMARY

Report:	BP Texas City Refinery Explosions and Fire
Recommendation Numbers:	2005-04-I-TX-R9
Date Issued:	March 20, 2007
Recipient:	Occupational Safety and Health Administration (OSHA)
New Status:	Open – Unacceptable Response
Date of Status Change:	July 25, 2013

Recommendations Text:

Amend the OSHA PSM standard to require that a management of change (MOC) review be conducted for organizational changes that may impact process safety including:

- a) Major organizational changes such as mergers, acquisitions, or reorganizations;*
- b) Personnel changes, including changes in staffing levels or staff experience; and*
- c) Policy changes, such as budget cutting.*

Board Status Change Decision:

A. Rationale for Recommendation

The CSB investigation of the 2005 BP Texas City explosions and fire revealed that poorly managed corporate mergers, leadership and organizational changes, and budget cuts greatly increased the risk of catastrophic accidents at the site. The CSB also noted that a 2002 survey revealed that organizational change was assessed in the Management of Change (MOC) programs of only forty-four percent (44%) of chemical processing companies. While OSHA's Process Safety Management (PSM) standard requires MOC analyses for changes to "process chemicals, technology, equipment, procedures; and, changes to facilities that affect a covered process", it does not require explicitly that employers conduct MOCs for organizational, personnel and policy changes that could affect process safety. Consequently, the CSB recommended that OSHA amend the PSM standard to clarify that MOC reviews must be conducted for organizational, personnel, and policy changes that may impact process safety

B. Response to the Recommendation

OSHA stated that the PSM standard already requires employers to develop and implement MOC reviews to determine the adequacy of all contemplated changes with respect to their safety and health impacts as they relate to process chemicals, technology, equipment, procedures, and facilities, including the types of changes described in the CSB recommendation. OSHA committed to providing compliance officers with guidance on the application of 29 CFR 1910.119 (I) to organizational changes in the form of a memorandum to Regional Administrators.

C. Board Analysis and Decision

As a memorandum to OSHA Regional Administrators is a much less permanent policy change than that envisioned by the Board (e.g., amending the actual language of the PSM standard

through notice and public comment) coupled with the Board's concerns that OSHA's interpretation may fail to give fair warning of the conduct that the standard requires and thus may be judged upon contest/appeal as improper rulemaking, the status of this recommendation is changed to: "Open – Unacceptable Response."