



U.S. Chemical Safety and Hazard Investigation Board

OFFICE OF GENERAL COUNSEL

Memorandum

To: Board Members

From: Christopher M. Lyon *Christopher M. Lyon*
Acting General Counsel

Cc: Amanda Johnson
Adam Henson
Leadership Team

Subject: Board Action Report – Notation Item 2024-76

Date: May 22, 2024

On May 21, 2024, the Board approved Notation Item 2024-76, thereby designating Recommendation 2018-02-I-WI-R12, to the Environmental Protection Agency, from the Husky Energy Superior Refinery Explosion and Fire investigation (2018-02-I-WI), with the status of Open – Acceptable Response or Alternate Response.

Voting Summary – Notation Item 2024-76

Disposition: APPROVED

Disposition date: May 21, 2024

| | Approve | Disapprove | Calendar | Not Participating | Date |
|-------------|---------|------------|----------|-------------------|-----------|
| S. Johnson | X | | | | 5/21/2024 |
| S. Owens | X | | | | 5/21/2024 |
| C. Sandoval | X | | | | 5/21/2024 |



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

| | |
|-------------------------------|---|
| Report: | Husky Energy Superior Refinery Explosion and Fire |
| Recommendation Number: | 2018-02-I-WI-R12 |
| Date Issued: | December 29, 2022 |
| Recipient: | Environmental Protection Agency (EPA) |
| New Status: | Open – Acceptable Response or Alternate Response |
| Date of Status Change: | May 21, 2024 |

Recommendation Text:

Develop a program that prioritizes and emphasizes inspections of FCC units in refineries that operate HF alkylation units (for example, under EPA's National Compliance Initiative called Reducing Risks of Accidental Releases at Industrial and Chemical Facilities). As part of this program, verify FCC unit safeguards that prevent explosions during transient operation (including startup, shutdown, standby, and emergency procedures). At a minimum the program will verify the following specific safeguards:

- a) Implementation of the reactor steam barrier, or a similar inert gas flow, to maintain an inert barrier at an elevated pressure between the main column (containing hydrocarbon) and the regenerator (containing air);*
- b) Purging the main column with a non-condensable gas as needed to prevent a dangerous accumulation of oxygen in the main column overhead receiver;*
- c) Monitoring to ensure that there is a sufficient non-condensable gas purge of the main column to prevent a dangerous accumulation of oxygen in the main column overhead receiver (either through direct measurement of the oxygen concentration and/or through engineering calculation);*
- d) Monitoring of critical operating parameters for flows, pressures, pressure differences, and catalyst levels;*
- e) Documentation of consequences of deviating from the transient operation safe operating parameters and of predetermined corrective actions; and*
- f) Inclusion of the above items in the appropriate FCC operator training curricula.*

This recommendation is in addition to the recommendations to EPA relating to hydrofluoric acid outlined in the CSB's report on the 2019 fire and explosions at the Philadelphia Energy Solutions refinery. In that report, the CSB recommended (1) that the EPA prioritize inspections of refinery HF alkylation units to ensure units are complying with API good practice guidance, (2) to require petroleum refineries with HF alkylation units to evaluate inherently safer technology, and (3) to initiate prioritization and, as applicable, risk evaluation of HF under the Toxic Substances Control Act.

Board Status Change Decision:

A. Rationale for Recommendation

On the morning of April 26, 2018, the primary and sponge absorber of the Husky Energy Superior Refinery exploded during the planned shutdown of the facility's fluidized catalytic cracking (FCC) unit. Debris from the explosion struck an asphalt storage tank approximately 200 feet away. Asphalt leaked from the damaged tank and over the containment wall spreading into the FCC and crude unit operating areas before eventually catching fire. Husky Superior Refinery reported that 39,000 pounds of a flammable hydrocarbon vapor mixture as well as approximately 17,000 barrels of asphalt were released during the incident.

36 refinery and contract workers received medical treatment as the result of the incident. Of those 36 injuries, 11 met the criteria to be considered OSHA recordable. None of the injuries suffered were deemed life-threatening. It was reported that the explosion shook buildings up to a mile away. The plume from the burning asphalt was visible from neighboring communities. An evacuation order was issued by county officials to protect the public from the smoke plume and as a precaution for fear the incident would escalate.

As a result of the incident the facility was destroyed. The incident resulted in \$550 million of on-site and \$110,000 of off-site property damage. This incident was recorded as having the 33rd largest adjusted property damage loss in the hydrocarbon extraction, transport, and processing industry since 19741. In September 2019 a permit was issued to rebuild the refinery and construction began soon after. Husky Energy merged with Cenovus Energy, Inc., a Canadian oil and natural gas company, on January 1, 2021. The refinery is expected to resume operations in 2023 as Cenovus Superior Refinery.

The U.S. Chemical Safety and Hazard Investigation Board (CSB) investigated the incident and found several safety issues including ineffective transient operation safeguards, a lack of process knowledge, ineffective process safety management systems, a lack of available industry knowledge and guidance, and failures in emergency preparedness. As a result of these findings, the CSB issued one recommendation to the Environmental Protection Agency (EPA). This status change summary addresses CSB Recommendation No. 2018-02-I-WI-R12.

B. Response to the Recommendation

The EPA announced their FY 2024 – 2027 National Enforcement and Compliance Initiatives. The Chemical Accident Risk Reduction initiative was continued from the previous cycle with an emphasis on addressing noncompliance at facilities using hydrogen fluoride (HF). The EPA cites recent incidents involving the release or potential release of HF and the potentially catastrophic consequences of such releases as justification for focusing on these facilities¹. Further, the EPA provided their plan for addressing the requirements of the recommendation and a timeline for its completion.

¹ According to a memo from David M. Uhlmann, Assistant Administrator, EPA dated August 17, 2023. Accessed on April 11, 2024 at <https://www.epa.gov/system/files/documents/2023-08/fy2024-27necis.pdf>

C. Board Analysis and Decision

The Board commends the leadership and staff of the EPA for their efforts thus far in implementing this important chemical safety recommendation. Based upon the information above, the Board voted to change CSB Recommendation No. 2018-02-I-WI-R12 to: “Open – Acceptable Response or Alternate Response.”