

U.S. Chemical Safety and Hazard Investigations Board

Business Meeting

September 2, 2020

CSB Headquarters Office - Washington, DC

U.S. CHEMICAL SAFETY BOARD MEMBERS PRESENT:

KATHERINE LEMOS, Chairman & CEO

STAFF PRESENT:

Anna Brown, Director of Administration

Stephen Klejst, Executive Director of Investigations &
Recommendations

Tom Goonan, General Counsel

Wills Hougland, Investigator

Lauren Grim, Supervisory Investigator

Chuck Barbee, Director of Recommendations

Amanda Johnson, Recommendations Specialist

1 OPERATOR: Hello, and thank you for joining the Chemical
2 Safety Board public business meeting. At this time, all
3 participants are in a listen-only mode. Later, you will have the
4 opportunity to ask a question in the question and answer session.
5 You may register to ask a question at any time by pressing the
6 star and 1 on your touchtone phone. Please note, this call may
7 be recorded. I will be standing by should you need any
8 assistance. It is now my pleasure to turn this conference over
9 to Chairman Katherine Lemos. Please go ahead.

10 CHAIR LEMOS: Welcome and good morning. We will now call to
11 order this business meeting of the U.S. Chemical Safety and
12 Hazard Investigation Board, referred to as "the CSB."

13 I'll start by introducing myself, Dr. Katherine Lemos. I'm
14 the Chairman and CEO for the agency. As you may know, this is
15 my second public meeting in this role, having started a few days
16 prior to our previous public meeting four months ago. I am
17 honored to serve the agency and the American public in this
18 capacity.

19 So, joining me today in our offices in Washington, D.C., is
20 our senior leadership team. We have the Director of
21 Administration, Anna Brown; Executive Director of Investigations
22 and Recommendations, Stephen Klejst; and our General Counsel, Tom

23 Goonan. Due to COVID-19 pandemic, this is an audio-only meeting
24 and we are maintaining social distancing per CDC guidelines.

25 So, today we meet in open session, as required by the
26 Government in the Sunshine Act, to discuss operations and agency
27 activities. For those of you not familiar with our agency, the
28 CSB is an independent, non-regulatory federal agency that
29 investigates major chemical incidents at fixed facilities.

30 The investigations examine and evaluate a wide range of
31 aspects to include equipment design, regulations, industry
32 standards and guidance, training, operations and procedures, and
33 human and organizational factors. With the facts, we conduct
34 analyses to determine the probable cause and contributing factors
35 for chemical incidents. We also issue safety recommendation or
36 actions that the community can take to prevent similar incidents
37 in the future.

38 Today, we have a full agenda. In the first part of the
39 meeting, I'll review business items to include recent activities
40 and accomplishments, safety products released, audits and
41 financial status, as well as management challenges and
42 priorities. We'll then provide an update on investigations where
43 you'll have the opportunity to hear directly from our experts in
44 investigations and recommendations. And they'll highlight some

45 of the unique accomplishments in this area. I'm really looking
46 forward to that. We'll then take some time for public comment.

47 As the first order of business, I'll start by highlighting
48 our most recent deployment, which has been a large part of this
49 agency's activity this week.

50 So the CSB deployed to the Bio-Lab chemical plant fire that
51 occurred in Westlake, Louisiana this past Thursday, August 27th,
52 at approximately 7:48 a.m. central daylight time. This was
53 following the landfall of Hurricane Laura.

54 On Saturday, CSB investigators arrived onsite at the
55 facility to begin their investigative activities into the
56 incident. Unfortunately, due to site safety concerns – and as
57 you know, safety is our number one priority – the investigation
58 team was initially able to survey the facility perimeter only and
59 we did learn a lot from that work.

60 On Monday the 31st, two days ago, we provided an update to
61 our deployment and we released an initial set of confirmed facts.
62 This information can be found on the first page of our website,
63 csb.gov.

64 As an update, yesterday, the investigation team was finally
65 able to enter the area where the fire actually occurred to begin
66 their inspection of that area.

67 The CSB will provide updates throughout the initial phase of
68 its investigative activities, and you can be assured that the CSB
69 will conduct a thorough and transparent investigation of this
70 incident. I'll discuss the status of other investigations further
71 in the agenda.

72 I'd now like to speak about our accomplishments. Our agency
73 has made significant progress in the first four months of my
74 tenure, and I'm pleased to report some of these accomplishments
75 to you.

76 In terms of staffing, we've been really successful in hiring
77 investigative staff and we've also identified some of the other
78 staffing gaps that will provide the resources that are required
79 for us to fulfill our mission.

80 We've hired seven investigators over the past 12 months and
81 we recently closed a job announcement for several more
82 investigators. After having received a lot of applications, I'm
83 extremely hopeful that multiple candidates will be selected and
84 become excellent additions to the CSB team.

85 I'll say that the investment in recruiting and training is a
86 priority for me and our agency and requires our creating a
87 culture to retain this talent through enhanced communication and
88 engagement.

89 Along with taking the time to understand our business and
90 operations, I've reached out to our federal agency counterparts
91 and stakeholders to build and strengthen our interagency
92 collaborations. I've also reached out to many of our key
93 stakeholders across the chemical industry.

94 For those of you on this call, I want to thank you for
95 taking the time to meet with me, for joining today. And I
96 sincerely look forward to additional meetings scheduled for the
97 coming weeks, especially with those that I have not had the
98 opportunity to speak.

99 Meeting our mission successfully will require strong working
100 relationships and communication. And I am truly energized by
101 the enthusiasm and the support expressed as we work together to
102 drive chemical safety change.

103 In terms of products, during this time, we have also been
104 working diligently on our investigations and safety products to
105 meet the mission of our agency. As a highlight, in June, we
106 closed a significant recommendation to the chemical...sorry, the
107 Center for Chemical Process Safety, or CCPS, that came out of the
108 Arkema Chemical Plant fire investigation. The recommendation
109 focused on guidance for actions facilities should take to prevent
110 catastrophic failures during extreme weather events. We've

111 produced a short video and press release to reiterate the safety
112 lessons and alerts that are especially relevant this time of
113 year. And once again, we commend CCPS for their contribution to
114 our community with this quality product.

115 In a few minutes, after these business items, our team will
116 be speaking about three other safety products we've recently
117 completed. There's been a release for a Safety Spotlight for
118 Airgas, highlighting the company's actions following a 2016
119 Nitrous Oxide Explosion. There's also been a release of the
120 Factual for Aghorn, an accident involving the release of hydrogen
121 sulfide. And we've also closed three additional safety
122 recommendations that came out of the Pryor Trust gas well blowout
123 and fire investigation.

124 I also would like to point out the advocacy efforts we've
125 invested in over the past month for the recommendations from our
126 West Texas event involving ammonium nitrate, which closed in
127 2016. The tragedy in Beirut caused much needed attention to the
128 handling and storage of ammonium nitrate.

129 Finally, in our list of recent accomplishments, I am proud
130 to report that the CSB received the Silver TELLY Award for the
131 animation of the 2018 Explosion and Fire at the Husky Refinery in
132 Superior, Wisconsin. I've heard numerous comments from everyone

133 I speak to about our animations. And I really can't say enough
134 about the impact that they have on our industry and community and
135 learning and making significant safety changes moving forward. So
136 I want to extend a special thanks to our public affairs and
137 animations team members for this well-deserved achievement. You
138 can find information about that on our website.

139 Moving on to audits, as of the end of July, the CSB is
140 currently working with the Office of Inspector General to provide
141 documents as requested for both the annual Financial and Federal
142 Information Security Management Act audits. Both of these audits
143 are expected to be completed in November.

144 As for our financial update, currently the CSB is operating
145 under FY20 appropriated funding with a total of \$12-million. The
146 House Committee on Appropriations has funded the agency again,
147 for 12 million, for fiscal year '21. Now, we still have a way
148 to go in the budget process, but I'd like to express our
149 gratitude towards Congress for continuously funding the agency
150 so that we may continue to keep our nation safe from chemical
151 disasters.

152 I also know that many of our stakeholders had a role in
153 advocating for our agency and we really appreciate your
continued support. It is not unnoticed.

154 I'd like to turn now to a few of our most pressing
155 challenges as an agency. It's important for you to know, from my
156 perspective, we are addressing our issues head-on – not just me,
157 but our senior team and all of our agency members – to take a
158 proactive approach to move our agency forward to meet our
159 mission.

160 The most pressing issue currently facing the CSB is the need
161 for more board members, as you may know was highlighted by the
162 EPA Inspector General's report last month.

163 I can't reiterate enough that our top priority is to execute
164 and fulfill our mission. We currently have 14 open
165 investigations and 141 open safety recommendations. Some of
166 these might require urgent action. A board vote is required to
167 approve investigative reports, new safety recommendations, and
168 status changes to existing safety recommendations. That is the
169 purpose of the board.

170 So, although the current situation is not ideal, our
171 current regulatory language allows the board to vote with a
172 Quorum of One. And we have full support from our legal team on
173 this. So, until more board members are appointed, we are
174 pressing forward with our investigations and safety products.

175 As a reminder, the technical integrity of our safety
176 products comes from our highly qualified team of investigators.
177 And fortunately, the CSB has an amazing and growing number of
178 technical staff that continues to impress me every day. They
179 have diverse backgrounds and are located across the country. And
180 It is their findings and recommendations that are presented to
181 board members. They are the ones that are fully versed in the
182 investigation's technical details.

183 So, certainly I look forward to the day when we also have a
184 diverse team of board members, because they can provide
185 technical input to our safety products. And most importantly,
186 they can work with me and outreach to advance the message of
187 safety and close on recommendations.

188 In summary of this topic, there is no question about the
189 legality of the board acting with a quorum of one. The situation
190 is certainly unique. We are one of several federal agencies with
191 the regulatory language that supports this. However, we find
192 ourselves in a position that we have never been called on to
193 exercise this option. It's a call to duty. The CSB serves a
194 critical mission for our nation and it's our duty to put forth
195 the needed findings, learnings, and recommended actions that will
196 continue to protect and serve our nation and people.

197 Another issue we're addressing at the management level is
198 board efficiency and engagement. And that stems from our current
199 governance structure regarding what the board member roles and
200 responsibilities. And for those of you familiar with the IG
201 report, this is highlighted and has been. It's interesting that
202 our current policies run counter to our statute, which clearly
203 defines board members as technical experts.

204 So, in response to this, our leadership team, in
205 consultation with other federal safety agencies, are working to
206 align our internal policy with the CSB's enabling statute and
207 the governance structure that provides clarity and will enhance
208 efficiency, productivity, and engagements.

209 The end result is that staff will be empowered to execute on
210 business decisions. And board members will more vigorously be
211 able to pursue the agency's mission through technical reviews,
212 stakeholder collaboration, and community outreach.

213 As you can see, we've been diligently focused on addressing
214 the management challenges presented by the EPA Inspector
215 General's office and we look to have these changes in place by
216 the end of this fiscal year.

217 Now, I've been asked many times over the past four months,
218 "What are the top three short-term priorities for the agency?"

219 In concert with our leadership team, there are three top
220 resounding priorities.

221 The first one is to continue delivering safety products to
222 the community. The second is to drive efficiency of operations.
223 And that comes through meeting our staffing demands to support
224 these products as well as by addressing the IG's, the Inspector
225 General's, recommendations regarding roles and responsibilities
226 for a more efficient, productive, and accountable agency. And
227 finally, to leverage and strengthen our stakeholder
228 relationships. And I'm being very broad in that use of the word
229 "stakeholder" to include our federal agencies, our counterparts,
230 our colleagues, industry, and associations. Together we can
231 improve the safety of the chemical industry.

232 So, now moving onto our investigation update. As I
233 highlighted, the CSB deployed to the Bio-Lab incident this past
234 week. And I am pleased to announce that our team has been
235 working diligently to move our open investigations forward.

236 The investigation into the Kuraray incident, which occurred
237 on May 19th in 2018 in Pasadena, Texas, that involved 23
238 workers and a discharge of ethylene, is in the final review
239 stage.

240 In addition, we released the factual update focusing on our
Aghorn investigation in July. Today, we will have our lead

241 investigator for our Aghorn incident, Investigator Houglan,
242 provide an overview of our factual update. So at this time,
243 Investigator Houglan, please proceed with your presentation.

244 INVESTIGATOR HOUGLAND: Thank you, Chairman. On Saturday,
245 October 26th, 2019, a release of water containing hydrogen
246 sulfide, a toxic gas, occurred at a facility called a water flood
247 station. The release fatally injured an employee and his wife.
248 This facility is operated by Aghorn Operating, Inc., and I'll
249 refer to that as Aghorn throughout the rest of this presentation.

250 A water flood station is used during the recovery of crude
251 oil from underground reservoirs, and the water flooding process
252 increases the amount of oil companies can extract from the
253 ground. Water flooding happens when water is pumped under high
254 pressure into an oil reservoir and, thus, increases the pressure
255 underground. The additional pressure in the reservoir pushes
256 more crude oil to the surface.

257 On the evening of Saturday, October 26th, 2019, a component
258 on a pump in the water flood station failed, causing water
259 containing hydrogen sulfide to spill from the pump.

260 At 6:43 p.m., while an Aghorn employee was at home, he
261 received a phone call notifying him that a process alarm was
262 triggered at the water flood station. As a part of his normal

263 duties, he drove to the facility to determine what had caused the
264 alarm. After the employee arrived at the facility, and while he
265 was working on the pump, he was overcome by the hydrogen sulfide
266 gas.

267 Several hours later, the employee's wife became worried that
268 the employee had not returned home. She loaded their two
269 children into her personal vehicle and together they drove to the
270 facility. After she arrived at the facility, and while searching
271 for her husband, she was also overcome by the hydrogen sulfide
272 gas. Just after 10:00 p.m., emergency responders arrived at the
273 water flood station and were able to rescue the two children who
274 were still in the vehicle the employee's wife drove to the
275 facility.

276 On Sunday, October 27th, 2019, the release of water from the
277 pump was stopped when a valve on piping leading to the pump was
278 closed.

279 The CSB sent a two-person investigation team to the facility
280 after the incident. During its examination of the Water Flood
281 Station, we determined one of the plungers, the part on the pump
282 that pressurizes the water to be injected into the reservoir,
283 shattered. The broken plunger is a likely release point of the
284 water.

285 There is also a hydrogen sulfide detection system installed
286 at this facility. When we tested the system, the results showed
287 that it may not have been performing as expected. And when we
288 spoke to eye witnesses who were at the water flood station on the
289 night of the incident, none of them saw the warning light that
290 the alarm system was set to turn on if hydrogen sulfide was
291 detected.

292 The CSB released the factual update related to this incident
293 on July 27th of this year. We are planning to release the final
294 report by the end of the calendar year. Thank you.

295 CHAIR LEMOS: Thank you, Investigator Hougland. A question
296 for you. What are the next steps for this investigation?

297 INVESTIGATOR HOUGLAND: The team is working to complete
298 several different investigation activities. And we are also
299 currently in the process of drafting the final report. We plan
300 to continue to examine physical evidence from the scene as well
301 as reviewing documentation provided to us by Aghorn and other
302 companies, as well as other government organizations. Right now,
303 we're on schedule to release that final report before the end of
304 the calendar year 2020.

305 CHAIR LEMOS: Thank you so much. I really appreciate that,
306 Investigator Hougland.

307 The second presentation is from Supervisory Investigator
308 Lauren Grim, who will provide an overview of the key findings
309 from the agency's Pryor Trust investigation. This will be
310 followed by our Director of Recommendations, Mr. Chuck Barbee,
311 who will be discussing the Pryor Trust Recommendations. Then the
312 final presentation from Ms. Amanda Johnson, Recommendations
313 Specialist, will be discussing a recent advocacy document.

314 Supervisory Investigator Grim, please proceed with your
315 presentation.

316 INVESTIGATOR GRIM: Thank you, Chairman. I'll begin by
317 describing the Pryor Trust incident, and then I will describe
318 some of the causal factors that led to the three recommendations
319 from Patterson that we're highlighting today. And then I'll
320 turn it over to Recommendations Director Chuck Barbee to discuss
321 how Patterson has implemented these recommendations.

322 On January 22nd, 2018, a blowout and rig fire occurred at
323 the Pryor Trust gas well, which is located in Pittsburg County,
324 Oklahoma. The rig fire caused fatal injuries to five workers who
325 were inside the driller's cabin on the rig floor. The well was
326 operated by the company Red Mountain Operating, and Red Mountain
327 contracted with Patterson-UTI, or Patterson, to drill the well.

328 On January 11, 2018, 11 days before the incident, Patterson
329 began drilling the well. At the time of the incident, the well
330 had been drilled to a metric depth of over 13,000 feet. In our
331 investigation of the incident, we found that during the drilling
332 operation, the well had become "underbalanced," which means the
333 fluid, called "mud", inside the well bore could not prevent gas
334 from entering the well.

335 For conventional drilling operations like this one, the goal
336 is to prevent gas from entering the well during drilling. Gas in
337 the well during conventional drilling operations is dangerous
338 and it can lead to a blowout if the gas is not detected and
339 controlled.

340 The rig was not equipped to perform an underbalanced
341 drilling operation. The rig workers were not trained to drill
342 underbalanced. And Red Mountain's drilling plans did not plan
343 for drilling underbalanced.

344 The CSB issued a total of 19 recommendations to eight
345 separate entities, including Red Mountain Operating, Patterson-
346 UTI, Pason Systems, National Oilwell Varco, the American
347 Petroleum Institute, the International Association of Drilling
348 Contractors, the State of Oklahoma, and the Occupational Safety
349 and Health Administration, all with the goal of preventing
future drilling incidents.

350 Three of the recommendations we're highlighting today are
351 recommendations the CSB made to Patterson. We are highlighting
352 these recommendations specifically because we determined
353 Patterson took great strides to learn from this incident and to
354 make safety changes.

355 The first recommendation we are highlighting today is
356 related to "tripping," which is the operation to remove drill
357 pipe from the well. In our investigation, we found that the on-
358 shift driller was confused by the data he was seeing during the
359 tripping operation before the incident because the equipment was
360 aligned differently than what he was used to. This contributed
361 to him not realizing that gas was entering the well before the
362 blowout.

363 The CSB recommended that Patterson develop tripping
364 procedures that detail the required equipment configuration for
365 tripping operations. To help prevent future confusion regarding
366 the well data, we recommended that rig personnel visually verify
367 their equipment is lined up as specified in the procedure before
368 beginning the tripping operation. We also recommended that
369 Patterson specify well-monitoring requirements for when they
370 were tripping wet, which is when the drill pipe is full of mud,

371 or when they're tripping dry, which is when the drill pipe is
372 empty.

373 The second recommendation we're highlighting today relates
374 to testing drillers' influx detection skills. We found that the
375 drillers working on the rig before the incident missed several
376 significant indications that there was gas in the well before the
377 blowout. We felt that the likely contributor to this was that,
378 before the incident, Patterson did not effectively conduct drills
379 to test that its drillers could detect signs of gas in the well.
380 We therefore recommended that Patterson develop a policy requiring
381 the regular testing of their drillers' influx detection and
382 response skills through formalized drills.

383 And the final recommendation we're highlighting today relates
384 to "flow checks," which are tests the drilling crews perform to
385 determine if there is gas in the well, which, again, is a
386 dangerous condition. In our investigation, we found that crew
387 members did not perform basic critical flow checks before the
388 blowout.

389 Contributing to this, we found that Patterson did not
390 effectively monitor as drilling crews performed flow checks as
391 required by their policies. And one reason for the lack of
392 monitoring was that Patterson, at the time, did not require flow

393 checks to be documented either electronically or on paper. So
394 we, therefore, made a recommendation to Patterson that they
395 develop and implement a policy requiring that flow checks be
396 documented. We recommended that they document the operations
397 during which the flow check was performed, the method used, and
398 the length of the flow check.

399 And I'll now turn this over to Recommendations Director
400 Chuck Barbee to discuss the actions that Patterson took to
401 implement these recommendations.

402 CHAIR LEMOS: Thank you.

403 DIRECTOR BARBEE: Thank you very much.

404 CHAIR LEMOS: Thank you, Lauren. Prior to turning it over
405 to Chuck Barbee, a question is...for you is what are the key
406 takeaways from this investigation? Or at least one key takeaway.

407 INVESTIGATOR GRIM: Oh, certainly. So in this
408 investigation, we discovered some significant industry-wide gaps
409 relating to the safe performance of the drilling operations. And
410 in our investigation and report, we were able to communicate to
411 the industry the gaps that we found. And gaps that we uncovered
412 include: the lack of a regulatory framework governing drilling
413 safety; a lack of industry safety guidance, for example, relating

414 to alarms management and tripping guidance; and weaknesses with
415 the interface drillers use when configuring alarms at that point.

416 We're seeing a positive response by the industry to our
417 findings and recommendations. As we see here, and that Director
418 Barbee will discuss, Patterson has made some great strides to
419 improve facets of their drilling operations to improve safety.
420 So we're looking forward to additional positive improvement from
421 the industry resulting from our investigation and
422 recommendations.

423 CHAIR LEMOS: Thank you so much, Lauren Grim. That's super
424 helpful. Director Barbee, I think it would be appropriate now
425 for you to continue with your presentation.

426 DIRECTOR BARBEE: Thank you, Chairman Lemos. Good morning.
427 As was said, my name is Chuck Barbee and I'm the Director of
428 Recommendations. I oversee the staff on activities of the Office
429 of Recommendations, which is responsible for the recommendations
430 program as well as the advocacy program. In that vein, I'm going
431 to advocate just a little bit for the Pryor Trust investigation.

432 In my view, this is one of the best investigative reports
433 that the CSB has produced. It addresses a loss of control of a
434 land-based gas well, which resulted in a blowout, which, as we
435 know, is the uncontrolled release of hydrocarbons. These

436 hydrocarbons eventually found a heat source and ignited and
437 resulted in the death of five workers.

438 Why do I believe this investigation was so important?
439 Because it addressed a myriad of causal factors spanning all
440 possible topics. At the organizational level, we discovered gaps
441 in policy as far as how the different contractors and
442 subcontractors work together. We found gaps in policy in
443 operations and training. There were unclear, confusing, and
444 sometimes unfollowed operational policies, as well as mismatches
445 between the human element and the technology they were using.

446 To address these gaps, the CSB, as we said, issued 19
447 recommendations. Four of those went to companies that provided
448 some of that technology in the control panels, alarm systems--
449 that kind of thing. Nine recommendations went to the three
450 companies that were directly involved in the drilling
451 operations. And six of those recommendations went to the
452 standard-developing organizations in the trade association.

453 One thing to keep in mind: The American Petroleum Institute
454 is one of our...our stakeholders that we work very well with and
455 they're developing those standards. But those standards are
456 voluntary. This in...this industry is largely unregulated, so we
457 issued two more very big recommendations: one to the State of

458 Oklahoma to regulate within the State of Oklahoma, but again,
459 that is limited by the state boundaries; and the other to OSHA to
460 regulate this industry at the federal level. So, those are big
461 recommendations that I'm strongly advocating for and I'll let you
462 read the specifics on them on our website.

463 Now, as we said, nine of the recommendations went to the
464 three companies that were directly involved in operations. And
465 five of them went to Patterson-UTI. Today, I've been given the
466 opportunity to discuss them and how Patterson-UTI addressed them.

467 So, keep in mind that this report and the recommendations
468 were issued in July of 2019. Two months later, Patterson-UTI set
469 up a conference call with the recommendations staff and we
470 addressed any questions that they had and they let us know the
471 progress that they were making. And they were making significant
472 progress.

473 Then, nine months after the investigation and
474 recommendations were issued, they sent us a comprehensive letter
475 detailing how they addressed the nine recommendations they were
476 issued and exactly what they did to...to address them. In short,
477 it...it was pretty outstanding. Pretty amazing.

478 They established a Well Control Steering Committee that
479 consisted of: the President; Senior Vice President of Operations;

480 Vice President of Operations, Technology, and Strategic Services;
481 and several subject matter experts, and of course, their legal
482 counsel.

483 This committee then formed the Well Control Assurance Team
484 that had over 30 years of experience in operational drilling.
485 This team, then, both provided and developed hands-on training.
486 They reviewed policy revisions, as well as put forward some of
487 the new policies. They conducted audits and they did Management
488 Of Change reviews.

489 Additionally, Patterson-UTI brought in a third party to
490 develop and implement training on underbalanced drilling
491 operations. And at the time that they issued the letter back in
492 March, they had deployed this training to approximately 1,500
493 employees.

494 Like I said, this is an amazing response by one of our
495 recommendation recipients. In addition to being fully
496 transparent, they have been very cooperative, very
497 communicative--and that is critical to making sure that the
498 recommendations that we issue are addressed. But more
499 importantly, they took a comprehensive systems approach to change
500 in their operations. And I cannot say enough about that. And
with that, I will

501 say "Great job, Patterson-UTI. Keep up the good work." And I will
502 hand things back over to Chairman Lemos. Thank you very much.

503 [UNIDENTIFIED]: Well, thank you, Director Barbee. I would
504 like to ask a question about the presentation. How would you
505 characterize the overall impact of the closing of the
506 recommendations that you discussed?

507 DIRECTOR BARBEE: Ah. I am... I'm glad you asked me that
508 question. I have to say, if you read the report, up front it
509 talks about the footprint of Patterson-UTI on the industry.
510 They're a significant portion of the drilling operations that are
511 out there. As a matter of fact, in March of 2019, they had 171
512 active land-based rigs in the U.S. and Canada. Now, with that
513 large of a footprint, these policies and procedures that they are
514 implementing is going to positively impact a significant amount
515 of the land-based gas well drilling industry.

516 So, these are very, very significant and the reactions of
517 Patterson-UTI in getting these done has been just phenomenal. I
518 cannot... Like I say, I cannot speak highly enough about it.
519 Thank you very much for that question.

520 CHAIR LEMOS: Thank you, Director Barbee. That was... Every
521 time I hear those words "impact" and "significant" and, after
522 reviewing the materials myself, every single one of them in those

523 recommendation status changes, I was equally impressed. And it
524 just makes me proud of our agency and the work we're
525 accomplishing.

526 Ms. Johnson, can you please proceed with your presentation?

527 SPECIALIST JOHNSON: Thank you, Chairman, and good morning.

528 My name is Amanda Johnson, and I am a recommendations specialist
529 within the CSB's Office of Recommendations.

530 The CSB recently released a Safety Spotlight to highlight
531 the actions of Airgas Incorporated, and Air Liquide subsidiary.
532 A "Safety Spotlight" is an advocacy product that highlights the
533 activities or innovations of those entities, to include
534 recommendation recipients, that positively drive chemical safety
535 change.

536 On October 28, 2016, a nitrous oxide trailer truck exploded
537 at the Airgas Manufacturing Facility in Cantonment, Florida. The
538 explosion fatally injured one Airgas employee and heavily damaged
539 the facility. Airgas is the largest producer of nitrous oxide in
540 North America.

541 Three months before the incident, Airgas became a subsidiary
542 of Air Liquide, which has a business footprint that includes
543 68,000 personnel spanning across 80 countries.

544 Following the investigation, the CSB determined that the
545 most probable cause of the incident was, that during the initial
546 loading of a trailer truck, a pump heated nitrous oxide above its
547 safe operating limits. This likely started a nitrous oxide
548 decomposition reaction that propagated from the pump into the
549 trailer truck, causing the explosion.

550 The CSB found that Airgas did not have an effective safety
551 management system that identified, evaluated, and controlled
552 process safety-related hazards like those that led to the
553 explosion. As a result of our findings, the CSB issued Airgas an
554 extensive recommendation with 17 key components, each with
555 multiple subparts, relating to its nitrous oxide operations.

556 Following the incident, and before the CSB completed its
557 investigation, Airgas had already quickly begun a comprehensive
558 initiative to review its safety program for nitrous oxide
559 production facilities, trucking fleet, and cylinder filling
560 operations. They were very communicative during this process.

561 The scope of the safety initiative included 17 different
562 areas for process safety improvements including, but not limited
563 to, an inherently safer design, hazard analysis, applying
564 lessons learned from previous incidents, Management Of Change,
565 and process safety information.

566 The Safety Spotlight itself includes a link that provides
567 information on the scope of this initiative as well as Airgas'
568 status of implementation at the time the recommendation was
569 issued.

570 The CSB wanted to take an opportunity to highlight the
571 proactive and positive actions taken by Airgas following the
572 incident. The company created a new industrial Risk Management
573 Program, a Process Hazard Analysis methodology, a Management of
574 Change procedure, and project design authority within the
575 company. These are all now included in written programs that
576 have been added to the company's safety manual and incorporated
577 into company operations.

578 In nine of the 17 components of this recommendation, Airgas
579 exceeded what we asked for. Those areas are safety management
580 systems, hazard analysis, applying lessons from previous
581 incidents, applying industry standards, technical staffing, audit
582 programs, safety interlock testing, run-dry safety interlock, and
583 operations.

584 Airgas also strengthened its facility operations by adding
585 technical and hourly staffing, applying more appropriate transfer
586 pumps for nitrous oxide service, upgrading maintenance
587 requirements for flame arrestors, updating procedures and

588 training for drivers and operators during transfer operations,
589 and issuing personal gas monitors to personnel to help eliminate
590 or mitigate potential exposure to nitrous oxide.

591 In conclusion, the CSB recognized Airgas's efforts to
592 promote safety in response to the CSB investigation and
593 recommendations. These efforts will advance chemical safety and
594 have broadly applicable lessons for the entire compressed gas
595 industry. Thank you.

596 CHAIR LEMOS: Thank you so much, Ms. Johnson. And for all
597 those on the phone and in the room here, by listening to these
598 experts, you can see why I feel so fortunate to be leading this
599 amazing agency in the critical mission that we have.

600 So...with that, I would like to open the floor for public
601 comments related to the CSB's activities. If you're on the phone
602 and wish to make a public comment, please follow the operator's
603 cues and the operator will unmute your line.

604 In addition to this, which is not really live activity, you
605 can also submit public comments by e-mail to Meeting@csb.gov to
606 be included in the official record.

607 So, when you are making comments via our live conference line
608 with Raquel, please present your comments within three minutes.

609 And, so, now let's go to the phone to see if we have any public
610 comments.

611 OPERATOR: Certainly. And at this time, if you have any
612 comments, please press the star and 1 on your touchtone phone.
613 You may withdraw your comments at any time by pressing the pound
614 key. Once again, for any comments, please press the star and 1
615 on your touchtone phone. And we'll pause a moment to allow
616 participants to queue. I will take our first comment from Steve
617 Solomon, your line is open.

618 STEVE SOLOMON: Thank you. And thank you for the
619 opportunity to be able to participate in the meeting. And I
620 wanted to thank Dr. Lemos and all of the staff for what you do.

621 My first comment, and then I have a question.. My comment is
622 we would appreciate having a much better advance notice about
623 when the public meetings will be. So if there's anything that
624 you can do to help get that word out sooner, it's greatly
625 appreciated so that people can plan their calendars as
626 stakeholders.

627 And, to finish my comment about stakeholders, Dr. Lemos,
628 I noticed when you were talking about the top three short-term
629 items, you had mentioned that you had been reaching out to
630 stakeholders. And, specifically, you had mentioned that it

631 involved actual industry, other government people. And I think
632 maybe this was just a simple omission, but I know that we have
633 talked and I would appreciate, in the future, to include labor in
634 those comments. That when you do talk about stakeholders, we
635 would greatly appreciate it as the Steelworkers, and I'm sure
636 that many other unions would appreciate that as well.

637 And then my question is what is the CSB doing about the big
638 Maine April 15th explosion at the paper mill owned by Pixelle?
639 With that, I will send it back to you. Thank you for the
640 opportunity.

641 CHAIR LEMOS: Thank you, Steve. The reception was a little
642 bit muted, but I will just reiterate. I believe you made a
643 comment about having more advance notice. I know that after the
644 technical challenges we had last month, we did put a notice, you
645 know, for this date. But we didn't put it into the fed...Federal
646 Register until, you know, the 10 days' notice. We will do a
647 better job; certainly we can do a better job, and I'll...I'll...
648 say something now that I was going to mention later, as we
649 fully anticipate for our next meeting, at the end of October,
650 to have video capability, which will make it easier for us to
651 communicate some of the information we are doing only via
652 phone. So I look forward to that. We're working out those

653 technical issues that I know most agencies and companies are
654 also struggling with.

655 In terms of stakeholders, absolutely. I include labor in
656 that mix, but I will be more than happy to call it out
657 specifically. In fact, I have even more meetings with additional
658 labor representatives. It's a super important entity. And of
659 the mix, I didn't call out, say, EPA, OSHA, labor... I didn't call
660 all the specific stakeholders out, but I certainly recognize the
661 importance of, you know, the entities that are representing the
662 worker. That's critical, in my perspective, to a comprehensive
663 investigation and I appreciate your comment.

664 In terms of the explosion in Maine, I believe this came up..
665 I'm going to turn this over to the Director of Investigations
666 and Recommendations, Director Steve Klejst. Because I believe
667 this occurred prior to my joining the agency in February,
668 perhaps.

669 DIRECTOR KLEJST: Yes, thank you, Chairman. If I remember
670 correctly, the incident, Steve, that you're referring to took
671 place at a paper mill facility in Maine. And the information
672 that we received with regard to the material released, and the
673 consequence of that, at the time, did not meet the industry...the
674 agency's threshold for deployment. But we were able to do the
initial follow-up to determine the significance of the event as

675 it was reported. But the CSB did not deploy to that incident.
676 Thank you.

677 OPERATOR: And as a reminder, if you have any comments or
678 questions, that is star and 1 on your touchtone phone.

679 CHAIR LEMOS: Raquel, while we're waiting maybe for some
680 other comments or questions, I did have a few follow-up
681 questions for Ms. Johnson on the Airgas Safety Spotlight. Maybe
682 right now would be a good time just to insert that. So, do we
683 have..SPECIALIST JOHNSON: Sure.

684 CHAIR LEMOS: Do we have Amanda Johnson?

685 SPECIALIST JOHNSON: Yes, I'm here.

686 CHAIR LEMOS: Great, thank you. So sorry.

687 SPECIALIST JOHNSON: [multiple voices] Yes.

688 CHAIR LEMOS: Can you describe why the CSB found Airgas's
689 response went above and beyond the expectations of the CSB?

690 SPECIALIST JOHNSON: Sure. So Airgas was...Airgas was very
691 proactive and began a wide-ranging initiative to review its
692 safety programs for its nitrous oxide production facilities
693 before the CSB even completed its investigation. Not only that,
694 Airgas was extremely communicative during the process, and the
695 CSB investigation team met with them many times during that
process

696 to discuss gaps...the gaps that they were finding during their
697 review.

698 Airgas also aggressively pursued actions to close out the
699 recommendations that the CSB did issue them. So, in a little
700 more than two years, Airgas re-engineered its entire approach to
701 managing process safety in its nitrous oxide business. And these
702 actions resulted in an approach that actually now exceeds the
703 quality of a number of similar company safety programs where
704 operations are covered by the OSHA PSM standard.

705 So, as I stated before, on 9 of the 17 items that the CSB
706 recommended, they actually exceeded what the CSB asked for. And
707 I think I mentioned before, but they created a new industrial
708 Risk Management Program, a Process Hazard Analysis methodology,
709 a Management Of Change procedure, and project design authority
710 within the company. And these are now all included in written
711 programs that they have added to their safety manual and
712 incorporated into their company operations.

713 CHIEF LEMOS: That's excellent. Thank you so much, Ms.
714 Johnson.

715 SPECIALIST JOHNSON: Sure.

716 CHIEF LEMOS: Do you have a message for other recommendation
717 recipients based on the response from Airgas?

718 SPECIALIST JOHNSON: So, the CSB hopes that, by highlighting
719 these positive actions taken by recommendation recipients such
720 as Airgas, we can communicate to industry what "good" looks like
721 in terms of learning from chemical incidents that may happen at
722 their facilities, sharing and learning from lessons learned..
723 Sharing lessons learned, communication, strong communication, and
724 improving efforts and good safety practices.

725 CHIEF LEMOS: That's super helpful, Amanda. So, Raquel, I'm
726 not sure if we have any additional questions from folks on the
727 line, or if anything has come into the...the e-mail, if we're able
728 to monitor that simultaneously.

729 OPERATOR: Sure. We do actually have a question. We'll
730 take our next question from Tony Thurick. Your line is open.

731 TONY THURICK: Hi. Thank you. This question is for
732 Investigator Hougland on the Aghorn incident. And my question is:
733 Was there design guidance from the company about common...I'd say
734 common guidance for locations of the light...the detection light
735 and audible detection sounds that would be, you know, within the
736 facility? That may include common...oh, things like making model
737 suitable locations for the light and wiring diagrams and
738 drawings?

739 DIRECTOR KLEJST: Thank you very much for the question.
740 This is Steve Klejst with the Office of Investigations and
741 Recommendations. We'll be looking at a number of items and
742 issues with regard to standards guidance, either on the
743 regulatory site or as far as industry guidance that's produced by
744 the various groups that have an impact on the industry. So the
745 factual update that we've prepared for today is really...today's
746 discussion and included in the original release, did not include
747 that level of information.

748 The report itself will be a comprehensive report as the IIC
749 Hougland described in that it will include all of the related
750 factors. And if there was a standard that was applicable or
751 guidance, the investigation team will certainly address that.
752 But thank you for the question.

753 TONY THURICK: Okay. Thank you. That answers my question,
754 thank you.

755 CHAIR LEMOS: Okay, so we did receive one question via e-
756 mail regarding an update on the ITC, or Intercontinental Terminal
757 fire investigation. We are going to be posting any updates, but
758 really, there have been no changes to the status. We continue to
759 work all of our investigations. There is no formal public data,
760 additional data, that we can release on that, which is...which is

761 why I didn't review any changes in our last public meeting.

762 Director Klejst, do you have anything else to add about that
763 particular investigation?

764 DIRECTOR KLEJST: Thank you, Chairman. The investigation is
765 still a work-in-progress. The IIC is still leading the
766 development of the investigation along with the report. Our
767 target is within the first quarter of 2000...the calendar year,
768 that is, 2021, to have the report completed based on our
769 current schedule and our open investigations. But it's still
770 very much an active investigation with regard to the...working
771 with the ITC team to bring the investigation to closure.

772 CHAIR LEMOS: Thank you, Director Klejst. Any other
773 questions, Raquel? Or others that might have come in via e-mail?

774 OPERATOR: We'll take our next question from Danielle
775 Kaeding. Your line is open.

776 DANIELLE KAEDING: Hi, thank you. I was just wondering, I
777 might have missed it at the beginning, but I heard you mention
778 the investigation at Husky in Superior, Wisconsin. And I was
779 just wondering what the status of the investigation is there and
780 the timeline.

781 CHAIR LEMOS: Thank you. I'm sorry, I didn't catch your
782 name.

783 DANIELLE KAEDING: Sorry, my name is Danielle Kaeding. I'm
784 a reporter with Wisconsin Public Radio.

785 CHAIR LEMOS: Got it.

786 DANIELLE KAEDING: [multiple voices] Yeah.

787 CHAIR LEMOS: Thank you so much. Yes, I will pass that over
788 to Director Klejst again regarding the status of that particular
789 investigation.

790 DIRECTOR KLEJST: Thank you, Chairman. The Husky
791 investigation, we were fortunate enough to use one of the
792 recently hired new investigative staff members to take the lead
793 on that investigation. So it is, again, currently a work-in-
794 progress with the new Investigator-In-Charge assuming the lead
795 in that investigation. This investigation, also, we have a
796 targeted completion date in the first quarter of calendar year
797 2021.

798 CHAIR LEMOS: Thank you, Director Klejst. Any other
799 questions we might have?

800 OPERATOR: We'll take our next question from Jeff Johnson.
801 Your line is open.

802 JEFF JOHNSON: Hi. I'm with Chemical and Engineering News.
803 I'm just wondering, I...I...I [inaudible] your approach in terms of
804 rewarding chemical companies that have made changes, and that's
wonderful. But, of course, they made these changes because an

805 incident occurred that probably was their fault, so it's
806 important to remember that part of it.

807 My questions really pertain to...have you made outreaches to
808 the communities that are near these chemical companies? Because
809 they, as well as the workers, and that came up from the USW guy
810 who asked a question about that in terms of your list of people
811 you've turned to, to include workers. But have you made any
812 inroads to communities that are also strongly affected by the
813 location of chemical companies near where they live?

814 The other question is can you give me just an update on what
815 the status is of hiring more investigators? Those two questions,
816 if you could. Thank you.

817 CHAIR LEMOS: Thank you, Jeff. You cut out a little bit
818 there, but I think I got your questions. In terms of outreach to
819 stakeholders, certainly I...I've reached across the gamut of not
820 just our...as I mentioned, our federal colleagues, similar
821 agencies, as well as some of the regulatory authorities to make
822 sure that we have really good working relationships on the ground
823 floor when incidents do occur and we can work together seamlessly
824 throughout that process. I...I've also reached out to have
825 meetings with labor. We have, you know, academic associations
826 as well as industry associations.

827 And, as you can imagine, it's been four months. I had a
828 four-day overlap with my predecessor, so it's been quite a busy
829 time. But I look forward to working with and reaching out to the
830 communities, and that's an excellent point that you brought up.
831 Absolutely. That is my role as a board member and it's critical
832 that we do that, so I appreciate you making that...that
833 comment/question. But I'm getting there. Yeah, I'm getting
834 there. Slowly but surely, but we're getting there. And it is
835 critical.

836 And obviously, as you know, we have a lot of events in one
837 particular state, but then the rest are spread out. And I...I have
838 been educating myself on...in the public meetings we've had in the
839 past on some of the open investigations so I can understand the
840 sentiment and the impact. And that is of prime priority to me.

841 In terms of hiring, again, we've hired seven investigators
842 over the past year. As you may be aware, we've had quite a bit
843 of turnover at all levels of this agency. And we are definitely
844 on our way up and energized about that. We received 350
845 applications for the two openings that went out last month. And
846 we are in the process of narrowing those down and getting the
847 interviews. We're almost at the interview process. And we have

848 a number of other positions that are ready to be posted in early
849 September. So thank you for that question.

850 JEFF JOHNSON: Thank you.

851 OPERATOR: And it appears we have no more questions at this
852 time, but as a reminder it is star and 1 to ask a question or any
853 comments. It appears we have no more questions at this time.

854 CHAIR LEMOS: All right. So, I want to thank everyone who's
855 provided a comment here today, or those that have been e-mailed
856 in. And...you know, obviously, you can send those and they will be
857 included to the official record. It doesn't have to be during
858 this hour.

859 In closing, I want to thank everybody for attending today's
860 meeting. I urge you to continue monitoring our website. And if
861 you haven't already done so, please sign up for the CSB news
862 alerts. That's where we really get our information out. And our
863 team does a great job at putting everything on that website.

864 So this concludes our business meetings for the fiscal year
865 '20. Our next business meeting will be in October and I believe
866 it is the final week in October. We've placed that such that we
867 would have enough space between this meeting and the next to
868 provide some product to you. Per the comment earlier, we will

869 make sure to have that date posted as soon as possible. And...and
870 we hope that it's...we look forward to using virtual technology.

871 So, all of us share a strong interest in preventing
872 chemical incidents in the future and we...we need to work
873 together as a community to do so. So, I thank you for your
874 attendance, your support, your interest, your comments, and
875 your honesty. And with that, this meeting is adjourned.