



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

Report:	BP America Refinery Explosion, Texas City
Recommendation Number:	2005-4-I-TX-R11
Date Issued:	March 23, 2007
Recipient:	BP Global Executive Board of Directors
New Status:	Closed – Acceptable Alternative Action
Date of Status Change:	May 25, 2016

Recommendation Text(s):

Appoint an additional non-executive member of the Board of Directors with specific professional expertise and experience in refinery operations and process safety. Appoint this person to be a member of the Board Ethics and Environmental Assurance Committee.

Board Status Change Decision:

A. Rationale for Recommendation

On March 23, 2005, the BP Texas City refinery experienced severe explosions and a fire in an isomerization unit (ISOM) that resulted in 15 deaths, 180 injuries and significant economic losses. The accident occurred when a raffinate splitter tower overfilled during startup. The overfilling caused pressure relief devices to open and dump flammable liquid into a blowdown drum and stack that vented directly to the atmosphere. When the drum and stack also overfilled, flammable liquid and gas were released into the surrounding area, contacted an ignition source, and ignited, resulting in the explosions and fire.

The CSB concluded that among the many causes of the disaster were organizational and safety deficiencies at all levels of the BP Corporation. In its investigation report, the CSB noted the “BP Chief Executive and the BP Board of Directors did not exercise effective safety oversight. Decisions to cut budgets were made at the highest levels of BP Group¹ despite serious safety deficiencies at Texas City. BP executives directed Texas City to cut expenditures in the 2005 budget by an additional 25 percent despite three major accidents at the refinery in 2004.” The report also noted that: “BP has a Board Ethics and Environment Assurance committee that monitors safety issues; however, no board member has designated health and safety leadership responsibilities or a background in refinery operations or process safety.”

B. Response to the Recommendation

BP agreed with the spirit of this recommendation, which was to ensure that their Board has both the responsibility to monitor process safety management and safety performance within BP's refinery operations and the capability to do so. BP took a number of affirmative steps to meet

¹ Global business operations, including the Refining and Marketing group, headquartered in London

this goal, including implementation of a robust process for the Safety, Ethics and Environment Assurance Committee (SEEAC)² and senior management to monitor process safety regularly, by, for example, evaluating thoroughly a range of leading and lagging safety indicators. The Board also added several directors with backgrounds and expertise related to the effective oversight of process safety in BP's refinery and other businesses. BP is also using an independent refinery process safety expert to advise the SEEAC on the Refining and Marketing group's goal of becoming an industry leader in process safety; and its progress in bringing BP's Operating Management System (OMS) to life (including process safety risk assessments, process safety culture, and trending process safety performance).

C. Board Analysis and Decision

Based on a review of the alternative measures submitted by BP, the intent of CSB Recommendation No. 2005-4-I-TX-R11 appears to have been met and the Board voted to change its status to: “**Closed—Acceptable Alternative Action.**”

² The Board Ethics and Environmental Assurance Committee was reconstituted as the SEEAC in 2006.