



Statement of Chevron U.S.A. Inc.
Chemical Safety Board Public Meeting, Richmond, California
April 19, 2013

Chevron U.S.A. Inc. (CUSA) appreciates the opportunity to submit this statement to the Chemical Safety Board (CSB) public meeting on the draft Interim Report. Ongoing proceedings prevent us from participating directly this evening.

Prior to the issuance of this report, we have met many times with representatives of the CSB, various oversight agencies, and other parties in connection with the incident and the many ongoing investigations. We will continue to engage in, and seek to support, these efforts.

We acknowledge the extensive efforts of the CSB investigators. We will continue our cooperation with them, and will carefully consider the recommendations directed to CUSA. That said, we respectfully disagree with several significant findings in the Interim Report.

We also note that the CSB has released an animation with respect to the events of August 6, 2012. After we previewed the animation, we strongly urged the CSB not to release it. We informed the CSB that the animation contains numerous, material factual inaccuracies, the impact of which is to oversimplify, and in some instances trivialize, decisions that were made on that day. The animation also focuses on the actions of specific individuals, which we believe has the effect, surely not intended, of demeaning the challenges faced by the responding personnel. The reasons behind the incident are far more complex than depicted in the animation and we are disappointed with the CSB's decision to go forward with this unfair depiction.

At the refinery itself, we are moving forward on a wide range of actions in response to the August 2012 incident, all of which address issues raised by the CSB. These actions, and others we have taken, will help to build on our prior efforts aimed at a stronger, more transparent safety culture throughout our refinery network. We have laid out our implementation of these actions with the CSB, federal, state and local regulatory agencies since late last year and will continue to report on our progress.

These efforts include several changes to the Process Hazard Analysis (PHA) program that address the CSB's recommendation to CUSA, and we are strengthening the Richmond Refinery's reliability program for piping and equipment in a way designed to further ensure coverage of potential damage mechanisms applicable to those systems.

The Refinery has also begun to implement an enhanced damage mechanism review for each unit and piping circuit designed to further efforts to evaluate known damage mechanisms, to better identify the potential consequences of a failure, and to provide additional safeguards to mitigate piping failures and other potential risks. PHA procedures are also being modified to expand the ability to consider known corrosion threats/mechanisms.

Details on our progress implementing the full range of actions we are taking are available at <http://richmond.chevron.com/home/news/incidentresponse.aspx>.

With respect to the Interim Report's discussion of regulatory oversight, we would note that all of these efforts are informed by our extensive work and communication with representatives of the CSB, the U.S. Environmental Protection Agency, the California Division of Occupational Safety and Health (Cal/OSHA), Contra Costa Health Services, and the Bay Area Air Quality Management District as they have conducted multiple investigations into the incident and inspections of our process safety management systems. Most recently, Cal/OSHA completed a detailed audit of our pre-startup safety review process before they allowed us to move towards the restart of the No. 4 Crude Unit. We will also soon begin discussions with Contra Costa Health Services in preparation for a proposed review of the Refinery's safety culture, process safety management systems, and human factors associated with our operations.

Whatever disagreements we may have with particular findings, or matters like the CSB animation, there should be no doubt of our commitment to work cooperatively with the CSB and other oversight agencies on the shared goal of effective and efficient regulation designed to enhance the safety and reliability of refinery operations across the entire industry.