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A Compliance Check Newsletter

OSHA Fines BP \$2.4 Million for Safety and Health Violations

Inspection Initiated under Enhanced Enforcement Program

The U.S. Department of Labor's Occupational Safety and Health Administration (OSHA) recently fined BP Products North America, Inc. more than \$2.4 million for unsafe operations at the company's Oregon, Ohio refinery. OSHA's inspection identified a number of violations similar to those found during an investigation of the fatal explosion at BP's Texas City, Texas, refinery that claimed the lives of 15 workers and injured more than 170 others.

"It is extremely disappointing that BP Products failed to learn from the lessons of Texas City to assure their workers' safety and health," said Edwin Foulke, Jr., OSHA assistant secretary. "Our Enhanced Enforcement Program (EEP) exists for companies like this who, despite our enforcement and outreach efforts, ignore their obligations under the law and continually place their employees at risk."

OSHA's Toledo Area Office initiated an inspection at the Ohio refinery in response to an alert issued by OSHA under the EEP. The inspection resulted in 32 per-instance willful citations, with penalties of more than \$2.2 million. OSHA cited BP for locating people in vulnerable buildings among the processing units; failing to correct de-pressurization deficiencies; failing to correct deficiencies with gas monitors; and failing to prevent the use of non-approved electrical equipment in locations in which hazardous concentrations of flammable gases or vapors may exist.

BP was fined an additional \$140,000 for two willful violations. The company neglected to develop shutdown procedures and designate responsibilities, and failed to establish a system to promptly address and resolve recommendations made after an incident when a large feed pump failed. Three years later those recommendations had still not been implemented.

Another \$35,000 in penalties was issued for five serious violations, including failure to develop operating procedures for a unit that removes sulfur compound; failure to ensure that operating procedures reflect current operating practice in the Isocracker Unit; failure to resolve process hazard analysis recommendations; failure to resolve process safety management compliance audit items in a timely manner; and failure to periodically inspect pressure piping systems.

The Focus

BP Products North America, Inc. has 15 working days to contest the citations and proposed penalties before the independent Occupational Safety and Health Review Commission.

EEOC Settles Lawsuit on Behalf of Hispanic Employees

The U.S. Equal Employment Opportunity Commission (EEOC) has settled its national origin discrimination lawsuit against the successor of U S WEST Communications, Qwest Communications International Inc., for \$400,000. The EEOC achieved the settlement on behalf of a group of Hispanic employees who the EEOC alleged were denied promotions to management jobs at company's Portland, Oregon, facilities from 1998 through 2001. The company has denied these allegations.

The company agreed to a two-year consent decree in which it agreed to pay the group \$400,000. Qwest will maintain its annual employment discrimination training and continue to provide training to hiring managers in Portland, Oregon. It will provide annual reports to the EEOC for the duration of the decree.

"We are committed to fighting discrimination in all its forms and in every jurisdiction. This settlement represents a fair and equitable resolution of the disputed issues in the case," said EEOC San Francisco Regional Attorney William R. Tamayo.

"Employers cannot make promotion decisions that discriminate on the basis of national origin," said EEOC San Francisco District Office Director Joan Ehrlich. "Employers should not only avoid discrimination, but should find ways to build on the assets diversity brings."

Qwest's Oregon president Judy Pepler said, "Valuing diversity and treating fellow Qwest team members with respect and trust have long been and remain central to our corporate values."