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ONE HUNDRED TENTH CONGRESS

U.S. House of Representatives Committee on Energy and Commerce Washington, DC 20515-6115

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June 20, 2007

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Ms. Carolyn Merritt Chair and CEO U.S. Chemical Safety and Hazard Investigation Board 2175 K Street, N.W., Suite 400 Washington, D.C. 20037-1809

Dear Ms. Merritt:

Thank you for appearing before the Subcommittee on Oversight and Investigations on Wednesday, May 16, 2007, at the hearing entitled "2006 Prudhoe Bay Shutdown: Will Recent Regulatory Changes and BP Management Reforms Prevent Future Failures?" We appreciate the time and effort you gave as a witness before the Subcommittee.

Under the Rules of the Committee on Energy and Commerce, the hearing record remains open to permit Members to submit additional questions to the witnesses. Attached are questions directed to you from certain Members of the Committee. In preparing your answers to these questions, please address your response to the Member who has submitted the question(s) and include the text of the Member's question along with your response.

To facilitate the printing of the hearing record, your responses to these questions should be received no later than the close of business **Friday**, **July 6**, **2007**. Your written responses should be delivered to **316 Ford House Office Building** and faxed to **202-225-5288** to the attention of Kyle Chapman, Legislative Clerk. An electronic version of your response should also be sent by e-mail to Mr. Kyle Chapman at **kyle.chapman@mail.house.gov** in a single Word formatted document.

Ms. Carolyn Merritt Page 2

Thank you for your prompt attention to this request. If you need additional information or have other questions, please contact Kyle Chapman at (202) 226-2424.

Sincerely,

OHN D. DINGELL

CHAIRMAN

Attachment

cc: The Honorable Joe Barton, Ranking Member Committee on Energy and Commerce

The Honorable Bart Stupak, Chairman Subcommittee on Oversight and Investigations

The Honorable Ed Whitfield, Ranking Member Subcommittee on Oversight and Investigations

The Honorable Bart Stupak

- 1. The Booz Allen report on Prudhoe Bay speaks of "a 'normalization of deviance' where risk levels gradually crept up due to evolving operating conditions." In the case of the aging Prudhoe Bay lines, the report cites increasing water and sediment levels and decreasing flow as insidious risk factors for corrosion. In your testimony, you stated, "We observed a similar indifference to growing catastrophic risk in our Texas City investigation." Please provide examples of BP's indifference to catastrophic risk at Texas City.
- 2. Your testimony indicates that incentive programs for refinery managers were weighted "in favor of financial performance" and "BP managers increased site bonuses even in the face of three fatalities in 2004." Similarly, Booz Allen found that senior management incentives in Alaska were based on cost and production. How should this type of organizational deficiency be corrected? Should regulators incorporate minimum standards for management compensation incentives as part of the process safety management plans, and disqualify those plans with counterproductive incentives?
- 3. A 2005 BP "Health, Safety and Environment Plan" referenced in the Chemical Safety Board's (CSB's) Investigation Report warns of people being killed in the next 12-18 months if safety was not improved. Was this warning cry heard at the highest levels of the company? Was it heeded?
- 4. Please list the recommendations made by the Chemical Safety Board to the Occupational Safety and Health Administration (OSHA) related to BP's refinery at Texas City. Has OSHA implemented all of these recommendations? If not, what follow up has the CSB undertaken to make the Secretary of Labor and Office of Management and Budget aware of this?
- 5. The Chemical Safety Board recommended that BP "Appoint an additional non-executive member of the Board of Directors with specific professional expertise and experience in refinery operations and process safety." Has this been implemented?
- 6. Are there leading indicators that could warn OSHA, refinery managers, and unions about a breakdown in process safety management before an accident occurs? What are these leading indicators? Should OSHA require new safety indicators for process safety? Has the CSB made specific recommendations to OSHA regarding the need for leading indicators?
- 7. Did OSHA cooperate with the Chemical Safety Board's investigation of the BP Texas City disaster, by furnishing its inspection records and making its personnel available for interviews?
- 8. Did OSHA withhold information from CSB? If so, what was withheld and did OSHA provide CSB with any justification for why this information was withheld?

The Honorable Bart Stupak (continued)

- 9. Do statutory changes need to be made to ensure CSB has unfettered access to information from OSHA during an investigation?
- 10. Are there other statutory changes concerning the Chemical Safety Board that you would recommend? Please provide a list of such recommendations and the justification.