



## Statement of CSB Chairman Carolyn W. Merritt on BP's Formation of an Independent Refinery Safety Review Panel October 24, 2005

On August 15, 2005, the CSB issued an [urgent safety recommendation](#) to the BP Global Executive Board of Directors, calling on the BP Group to "Commission an independent panel to assess and report on the effectiveness of BP North America's corporate oversight of safety management systems at its refineries and its corporate safety culture."

The Board took this unprecedented step based on evidence of systemic management lapses that contributed to the tragic explosion at BP's Texas City Refinery on March 23, which cost 15 lives and more than 170 injuries. It was the first urgent recommendation issued in the Board's eight-year history.

Last week, the CSB received a number of documents from BP related to the recommendation. These documents included a charter and preliminary operating procedures for the independent panel as well as biographical sketches for ten named panelists, including the panel chairman, former U.S. Secretary of State James A. Baker III.

I commend BP for their efforts to cooperate with the Board's investigation and to constitute this important panel. BP has selected a diverse and distinguished panel and chair to examine its safety culture and oversight of its North American refineries. I anticipate that Secretary Baker, his fellow panelists, and the panel staff will conduct a thorough, impartial, and effective examination of these issues and report their findings to BP and the public.

The scope of the panel review includes all five of BP's North American refineries in Texas City, Texas; Carson, California; Whiting, Indiana; Cherry Point, Washington; and Toledo, Ohio. BP has agreed to fully fund the panel and provide it with the budget and authority to hire any required outside staff, counsel, or expert consultants. The panel is to receive "full and broad access to relevant documents, information, facilities and personnel" including information gathered during BP's own investigation of the March 23 accident.

As recommended by the Board and as chartered by BP, the panelists are to work independently from any outside influence. Panel members are required to disclose, resolve, and make public any material conflicts of interest that would compromise the independence of the panel. According to the panel charter, "Only the Independent Panel acting by a majority vote is authorized to remove a sitting member ... for good cause" and the panel "will be solely responsible for the final content of its written report." While BP may facilitate the panel's operations, its role with respect to the panel's final report is limited to commenting and seeking correction of any factual inaccuracies.

Under the charter, the panel is authorized to conduct public meetings and is required to act by majority vote, subject to a quorum requirement, and is required to make public its operating rules. The final report as well as any and all recommendations of the panel will be made public. These provisions will afford the public an opportunity to understand and examine the effectiveness of the panel.

BP has selected a panel of ten members, including six with documented expertise in process safety or in the safe management of high-risk enterprises outside the petrochemical sector. BP has also conferred with its principal labor union, the United Steelworkers of America, in selecting appropriate panelists. Consistent with the timetable established in the Board's urgent recommendation, BP has asked the panel to "use best efforts to complete its final report within 12 months from its establishment."

BP's overall response describes planned actions that, when faithfully implemented, will satisfy the objective of the Board's recommendation. Accordingly, on October 21, 2005, the Board voted to designate this recommendation as "Open – Acceptable Response."

The Chemical Safety Board will continue to track and monitor the activities of the independent panel throughout its tenure. At the end of the process, the Board will evaluate the entirety of the panel's work and issue a determination whether the CSB recommendation should be designated as "closed" and under what terms, such as "acceptable" or "unacceptable."

When completed, we believe this independent review and report can provide invaluable information to industries that have the potential for catastrophic accidents. We hope that the panel's work will not only benefit the safety of BP facilities but also will serve everyone who works to prevent such accidents. Without BP's cooperation, this vital work could not proceed.

While the panel's work unfolds, the Chemical Safety Board will be continuing its independent root-cause investigation of the March 23 incident. We will be issuing our preliminary findings at a public meeting in Texas City later this week on October 27, and we will be pursuing our efforts thereafter until all the causes of this tragedy are known.

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*The CSB is an independent federal agency charged with investigating industrial chemical incidents. The agency's board members are appointed by the president and confirmed by the Senate. CSB investigations look into all aspects of chemical incidents, including physical causes such as equipment failure, as well as inadequacies in safety management systems. The Board does not issue citations or fines but does make safety recommendations to plants, industry organizations, labor groups, and regulatory agencies such as OSHA and EPA. Visit our website at [www.csb.gov](http://www.csb.gov).*

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