

Vinson&Elkins

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October 5, 2009

Mark Briggs
Area Director
Houston South Area Office
Occupational Safety and Health Administration
17625 El Camino Real Suite 400
Houston, TX 77058

Dear Mr. Briggs:

On behalf of BP Products North America Inc. (“BP Products” or the “Company”), this responds to OSHA’s August 3, 2009, September 18, 2009 and September 29, 2009, letters (the “OSHA letters”).

Before responding to those letters, it is important to note that before the expiration of the 2005 Settlement Agreement (“Agreement”) on September 22, 2009, BP Products complied with and met each obligation and deadline in the Agreement, including implementing the feasible recommendations issued by the third-party auditors ioMosaic Corporation (“ioMosaic”) and AcuTech Consulting (“AcuTech”) agreed upon by BP Products and OSHA. In so doing, BP Products completed more than 550 abatement actions related to the Agreement. BP Products remains committed to performing work related to five of the auditors’ recommendations consistent with the action plans and the target dates for completing those action plans that the Company provided to OSHA under the Agreement.

The Agreement did not require that all auditor recommendations be completed by September 23, 2009. Submission of written Statements of Action (“SOA”) formed the process by which BP Products and OSHA had agreed in the Agreement to define the actions necessary to implement the auditors’ recommendations. In the SOA submitted by BP Products, the Company detailed the: (1) recommendations that were accepted and the action plans that would be complete by September 22, 2009; (2) recommendations that were accepted and the action plans that would be complete after September 22, 2009; and (3) recommendations that were rejected and the basis for such rejection.

Beginning with at least the SOA that BP Products submitted to OSHA on March 18, 2007 – 2 ½ years before the Agreement expired — BP Products consistently and transparently informed OSHA in writing that the certain actions related to four AcuTech

recommendations¹ were in progress and would be ongoing beyond September 23, 2009. Within the timeframes and process specified in the Agreement, OSHA did not signal any disagreement with the plans BP Products submitted. BP Products therefore pursued the actions plans as outlined in the SOAs submitted to OSHA, including actions plans related to four recommendations that have completion dates beyond September 22, 2009.² It was not until a meeting in late 2008 that OSHA expressed verbally a differing interpretation of the date for completion of auditor recommendations and it was only in the OSHA letter of August 3, 2009 that BP Products first received written indication that OSHA expected all action plans to be complete by September 23, 2009.

In light of this history (most of which occurred before your involvement), BP Products is concerned by the statements in OSHA's September 18, 2009 letter to the effect that BP Products is "now" taking the position that actions required by the Settlement Agreement need not be completed by September 23, 2009, and that OSHA has "maintained throughout the process" that all such actions must be completed by September 23, 2009. BP Products respects OSHA's views as a regulator and would have responded to any objections expressed to the implementation schedule included in BP Products' written SOAs. However, BP Products was not made aware until meetings held in late 2008 (more than eighteen months after BP Products submitted an SOA stating that the four action plans now at issue would be completed after September 22, 2009) that OSHA might view this issue differently. Moreover, to BP Products' knowledge, the August 3, 2009 letter is the first written statement of OSHA's view. Whatever differences may currently exist between BP Products and OSHA regarding the timing for completion of the five remaining action plans, BP Products is sincerely committed to resolving them via the Amended Petition for Modification of Abatement ("Amended PMA").

Moving from an historical perspective to the current situation, BP Products acknowledges that OSHA has expressed concerns regarding the completion of the action plans associated with five of the more than 550 actions or recommendations related to the Settlement Agreement. As a result, despite BP Products' strongly-held view that it has met its obligations as defined by the Agreement, BP Products will agree to the expressly defined obligations (including specific action plans and dates) described in the Amended PMA for

¹ As discussed on page 5, once BP Products performs engineering analysis, including Layer of Protection Analysis (LOPA), on all IPS to identify if an upgrade to a SIS is warranted, BP Products will have completed the work described in its SOA.

² In a similar vein, BP Products' SOA identified 8 recommendations as being rejected and OSHA's lack of objection to that classification was seen by BP Products as reflecting OSHA's agreement that rejecting these few recommendations was consistent with the Settlement Agreement.

those action plans that BP Products has consistently informed OSHA would extend beyond September 22, 2009. It is in this spirit of cooperation that BP Products submits this letter and the Amended PMA.

The August 3, 2009 and September 29, 2009 Letters

The August 3 and September 29 letters addressed recommendations issued by two third-party auditors: ioMosaic and AcuTech. As expressly permitted in the 2005 Settlement Agreement, BP Products has more fully addressed the two primary issues raised in your letters by filing a Petition for Modification of Abatement (“PMA”) on September 21, 2009.

In addition, the August 3, 2009, letter included an attachment listing nine issues that in OSHA’s view had not been completed. Since the date of that letter, BP Products has provided information to OSHA demonstrating that each of the nine issues identified in the letter has been resolved. To memorialize the information previously provided to you on these topics, attached is a response to each of those issues. Recently, OSHA verbally acknowledged that those nine issues have now been resolved and the only remaining issues in dispute have been properly identified by BP Products in its PMA. Thus, the balance of this letter will focus on the issues that are the subject of the PMA.

BP Products’ PMA fully describes the steps it has taken and intends to take to further implement actions related to the recommendations of ioMosaic and AcuTech, including express dates for doing so, an explanation of the time needed for this effort, and the interim measures BP Products is currently taking and will take to ensure continued safe operation of the Texas City Refinery. For purposes of clarity and in an effort to fully comply with OSHA’s requests, BP Products reiterates in this letter those steps and files herewith an Amended PMA.

ioMosaic Recommendations

The OSHA letters refer to a recommendation issued by ioMosaic that BP Products should consider applying a safety factor of 2% to the Company’s current inlet pressure loss guideline. The ioMosaic RV Audit Report found “BP’s recommendations to limit the inlet pressure loss to less than the preset factory blowdown but not to exceed 7 % of the set pressure (gauge) are not without merit,” but that “[a] safety margin of 2%, is recommended in order to allow for uncertainties in flow calculations, physical properties, two-phase flow, setting the valve blowdown, and increased surface roughness of piping for older existing installations.”

BP Products has adopted that recommendation and has revised its policies accordingly. ioMosaic did not recommend any further action and BP Products has fully completed its obligations with regard to the ioMosaic report, including modifying the Texas City Refinery's inlet pressure guideline to apply a 2% safety factor. We respectfully disagree with OSHA's interpretation that more is required to complete this recommendation.

Further, we respectfully disagree that BP Products must modify its relief systems beyond applicable industry standards. While OSHA has not provided to BP Products the Agency's written position on this issue, OSHA has intimated to the Company that the Agency believes there is a mandatory standard in the refining industry that prohibits inlet pressure loss exceeding 3% on existing relief valve installations. That is not legally or factually correct; there is no such legal obligation and it is not common refining industry practice to apply 3% to existing relief valves.

In addition to mandatory codes and standards, OSHA recognizes that certain engineering practices that are commonly adopted throughout an industry may constitute "recognized and generally accepted good engineering practices", i.e., RAGAGEP. To constitute RAGAGEP, an engineering practice must be generally accepted by the refining industry. RAGAGEP is not a standard or code; it is a benchmark against which performance can be judged.

There is no mandatory code that governs relief valve inlet pressure loss. With regard to RAGAGEP on inlet pressure loss, the American Petroleum Institute ("API") has issued Recommend Practice ("RP") 520. As a recommended practice, API RP 520 is not a mandatory standard in the refining industry. New relief valve installations should meet API RP 520's recommendation that inlet pressure loss not exceed 3% of the relief valve's set pressure, but most refiners in the United States allow inlet pressure losses on existing relief valve installations in excess of 3% and up to 5%. Therefore, API RP 520's recommended guideline of 3% inlet pressure loss is not RAGAGEP for existing relief valve installations. BP Products will establish, if necessary, through the expected testimony of industry and subject matter experts, that a guideline prohibiting inlet pressure loss in excess of 3% for existing relief valve installations is not RAGAGEP and is not required by the ioMosaic recommendation. BP Products has and will continue to apply the 3% inlet pressure loss guideline to new relief valve installations.

The August 3, 2009, letter voiced a concern regarding a relief valve with inlet pressure loss as high as 27%. The accurate inlet pressure loss for that valve is 5.9%. Before OSHA notified BP Products about this particular valve in its August 3 letter, BP Products' internal quality control system had already identified this apparent issue and initiated a review of the valve. BP Products determined that the third-party relief system consultant engaged to

perform the inlet pressure loss calculations at the Texas City Refinery inadvertently used an incorrect input when performing the calculations. The calculations were corrected and BP Products previously produced to OSHA documentation demonstrating the accurate inlet pressure loss of the valve. OSHA verbally acknowledged receipt of the accurate calculations and has not raised any further concern about this valve.

BP Products firmly believes it has implemented ioMosaic recommendation to apply a 2% safety factor to its inlet pressure loss guideline. To demonstrate to OSHA that the Texas City Refinery is properly managing its relief systems and its inlet pressure loss guideline, BP Products proposes in its Amended PMA definitive actions and a time table to perform supplemental analysis on its relief valves.

AcuTech Recommendations

Through its PMA, BP Products addresses the primary issues identified in your letters regarding AcuTech recommendations including a detailed description of how BP Products has implemented the substantive work described in AcuTech recommendations PHM-TCR-2006-005-048, PHM-TCR-2006-005-049, PHM-TCR-2006-005-064, and PHM-TCR-2006-005-067. For the past 30 months, BP Products has consistently informed OSHA that additional efforts related to the implementation of ANSI/ISA S84.00.01 and its application to all life cycles of instrumented systems would be long-term, multi-year work that would not be completed by September 23, 2009. In an effort to re-confirm to OSHA BP Products' long-term plans around these activities, the Company provided OSHA with supplemental written updates, in the form of statements of action in September 2008 and May 2009, that were not required by the Settlement Agreement. OSHA's first written correspondence to BP Products on this issue was received August 3, 2009.

BP Products has not, as described in the August 3, 2009, letter, "identified a large number of uncontrolled or unmitigated hazards involving instrumentation...throughout the refinery." On the contrary, the Texas City Refinery has mitigated, as your letter correctly mentions, potentially significant hazards through the installation of twenty-one safety instrumented systems and sixty-four safety instrumented functions. The Texas City Refinery, as a prudent and safe operator, is conducting further evaluation of potential process safety issues and has identified potential hazards that are currently being mitigated through existing active instrumentation or passive hardware but which may require additional work to increase the reliability of such instrumentation or add additional layers of protection. The Texas City Refinery has not failed to address uncontrolled or unmitigated hazards as stated in the letter.

In its PMA, BP Products has specified the tasks and the time needed to create an SIS Management Manual so to increase the rigor of the Texas City Refinery management system that applies ANSI/ISA S84.00.01 to the entire life cycle of safety instrumented systems, including the hazard identification and risk evaluation phases referred to above as well the maintenance, operation and decommissioning of safety instrumented systems. By using and applying the SIS Management Manual, BP Products will demonstrate to OSHA how it manages the implementation of ANSI/ISA S84.00.01 throughout all life cycles of safety instrumented systems at the Texas City Refinery.

BP Products' position on how it intends to complete additional actions related to AcuTech's recommendations is consistent with what BP Products has told OSHA over the past 30 months and what the Company described in its most recent statement of action submitted to OSHA five months ago on May 11, 2009. In that statement of action, BP Products stated:

BP Texas City currently tests and inspects critical instruments and controls. BP Texas City will create a register of all instrumented protective systems (IPS), including both systems that do and do not meet the ANSI/ISA S84.01 guidance document. Each instrumented system will be classified as IPS (meaning it does not meet ANSI/ISA S84.01) or SIS (meaning it meets ANSI/ISA S84.01) and a cause/effect table for each system will be developed. IPS and SIS will be placed on an inspection/preventative maintenance schedule that will maintain its current reliability and safe operation. Then BP Texas City will perform engineering analysis, including Layer of Protection Analysis (LOPA), on all IPS to identify if an upgrade to a SIS is warranted. **At that time, this recommendation will be complete.** The results of the engineering analysis will be used to schedule any SIS upgrades in the future.

(emphasis added). The Company stated it would perform these actions by December 31, 2011.

The 2005 Settlement Agreement provides that OSHA has fifteen days to respond to BP Products' statement of action on how the Company will address AcuTech's recommendations. OSHA has not objected to any of BP Products' statements of action within fifteen business days and, therefore, OSHA has waived its right to object to the Company's planned actions. Nonetheless, BP Products will complete the SIS related actions identified in its May 11, 2009 statement of action by December 31, 2011.

The Petition for Modification of Abatement

BP Products' PMA meets the requirements of 29 C.F.R. § 1903.14a(b)(1)-(5). In response to the concerns noted in OSHA's September 29, 2009, letter and in the spirit of continued cooperation with OSHA, BP Products will submit an Amended PMA that more fully describes the actions the Company has taken and will take to complete actions related to the auditor recommendations associated with the 2005 Settlement Agreement, including express dates for doing so, an explanation of the time needed for this effort, and the interim measures BP Products is currently taking and will take to ensure continued safe operation of the Texas City Refinery.

(1) BP Products is fully implementing the recommendations

The Company's PMA expressly states the actions BP Products will perform related to the ioMosaic and AcuTech recommendations addressed in the PMA. OSHA is incorrectly assessing the PMA's proposed actions by misinterpreting the recommendations issued by ioMosaic and AcuTech and unilaterally imposing erroneous interpretations of what is required to implement the recommendations.

Specifically, the inclusion in the September 29, 2009, letter of the undefined phrase "full compliance" is inconsistent with the Settlement Agreement and the audit recommendations issued by ioMosaic and AcuTech, which both require implementation of the recommendations. Previous communications indicate that OSHA contends that BP Products cannot fully comply with the 2005 Settlement Agreement until the Company installs and is operating an undesignated number of safety instrumented systems in each process unit at the Texas City Refinery. That interpretation directly contradicts the AcuTech audit recommendation to identify existing, not potential future control functions at the Texas City Refinery:

[I]mplement the standard for safety instrumented systems (SIS) (ANSI/ISA S84.01-2004) as soon as possible to properly identify those control functions in the site that are critical emergency shutdown (ESD) functions and need to be designated in DOCUMINT as SIS/ESD.

(emphasis added; see Amended PMA, pp. 18). Further, as Michael Hazzan, one of the lead auditors for AcuTech stated, it was never the intent of the recommendation to mandate that the Texas City Refinery must install safety instrumented systems by a particular deadline:

The intent of AcuTech recommendations PHM-TCR-2006-005-048, PHM-TCR-2006-005-049, PHM-TCR-2006-005-064, and PHM-TCR-2006-005-067 was for the Texas City Refinery to identify its existing safety instrumented systems and to ensure that the functions allocated to those safety instrumented systems are tested and maintained to the necessary safety integrity level. In addition, those recommendations were intended for the Texas City Refinery to identify all non-SIS (i.e., non-emergency shutdown) devices (such as interlocks, trips and alarm functions) that are critical to process safety and to ensure that they are tested and/or maintained periodically...The reference in the AcuTech recommendations to ANSI/ISA S84.00.01-2004 was intended to recommend that existing and future safety instrumented systems be managed in accordance with this standard. The audit team understood that projects already underway at the Refinery such as the ABF Program would result in the future installation of additional safety instrumented systems and control systems devices. The intent of these four recommendations was not to establish a deadline by which the Texas City Refinery must install safety instrumented system(s) or additional controls systems device(s), but that when such equipment is designed, installed and maintained, that it should comply with ANSI/ISA S84.00.01-2004.

(emphasis added; see Amended PMA, pp. 17).

Similarly, ioMosaic did not intend that its recommendation on inlet pressure loss would require that BP Products make physical modifications to equipment. Rather, ioMosaic intended that the Company modify its inlet pressure loss guideline and apply the new guideline going forward. The intent of both auditors is clear: modify your management system and implement it going forward. The auditors' reports focus on recommendations to improve management systems and systemic guidelines; the reports do not include language that can be construed to require BP Products to make physical modifications to equipment, relief valves or connected piping before a recommendation is considered implemented and complete.

(2) The PMA and Amended PMA specifies time frames

BP Products' PMA amply explains why the Texas City Refinery proposes specific time frames to complete actions related to the ioMosaic and AcuTech recommendations. BP Products' Amended PMA will supplement that explanation with additional detail.

With regard to the ioMosaic recommendation, the foremost justification is that BP Products did not receive the recommendation from ioMosaic until the last weeks of 2008. That timing was agreed to in the Letter of Understanding between OSHA and BP Products which stated that ioMosaic's report must be provided to BP Products and OSHA no later than December 31, 2008. BP Products then conducted a rigorous review of the recommendation, thoroughly analyzed the basis for its then-current guideline, provided a detailed written explanation to OSHA of its guideline and participated in several months of dialogue with the Agency on the benefits of the recommendation. It is simply impossible for BP Products to complete the recommended action (as interpreted by OSHA) within nine months of receiving the ioMosaic report.

BP Products accepted the recommendation and modified the Texas City Refinery's inlet pressure loss guideline prior to filing its PMA on September 21, 2009. Those actions fully implemented the ioMosaic recommendation. Though not required by the Agreement, BP Products believes that it is appropriate to do more and, therefore, the Company is requesting time in its Amended PMA to perform engineering analyses that will enhance the management of relief system inlet pressure loss at the Texas City Refinery. This work will extend beyond September 22, 2009, so BP Products proposed definitive actions and timelines which are detailed in the Amended PMA.

The specified time is also necessary for BP Products to create and implement a SIS Management Manual that will govern the implementation of ANSI/ISA S84.00.01 throughout the Refinery. Over the previous four years, BP Products has tested and maintained its existing instrumentation to ensure proper operation of its equipment and safety systems. It has also identified high consequence risks and mitigated them through the design, construction, installation and operation of twenty-one safety instrumented systems and sixty-four safety instrumented functions at the Texas City Refinery. The Texas City Refinery used third party, industry recognized SIS expert consultants in its installation of those safety instrumented systems and safety instrumented functions with the intent that they would be consistent with ANSI/ISA S84.00.01. BP Products will use the SIS Management Manual, to improve the rigor of its SIS program, implement ANSI/ISA S84.00.01 through all life cycles of safety instrumented systems and continue to reduce risk across the Texas City Refinery.

As discussed above, when OSHA did not object to the schedules included in its SOA's, BP Products relied upon OSHA's lack of objection in developing its abatement plans for these items. Thus, additional time is needed to complete the proposed work because BP Products only recently came to understand OSHA's view regarding the deadline and the scope of work that OSHA contends is required by the SIS recommendations.

(3) The PMA and Amended PMA describe interim mitigation measures

To ensure the continued safe operation of the Texas City Refinery, as described more fully in its Amended PMA, BP Products continues to keep current its testing and maintenance of instruments, both safety instrumented systems and instrumented protective systems, at the Texas City Refinery. This ensures the safe and reliable operation of its instruments and mitigates risks to potentially affected workers.

BP Products has been engaged in a multi-year effort to evaluate, fully document, and improve our relief systems. Inlet pressure loss is one issue that is evaluated. If such evaluations reveal a potential risk to employees, interim mitigations are put in place to protect the workforce until permanent modifications can be made. In addition, BP Products has discussions with and trains employees regarding the associated hazards.

Although no significant risk to the safety of employees has been identified in relation to inlet pressure drop, BP Products is taking immediate interim actions to physically mark the location of those relief valves that are currently documented to have inlet pressure loss exceeding the Refinery's guideline and to provide communication and training to employees on identifying and responding to hazards related to inlet pressure loss. BP Products will also take continued interim measures to mitigate the risk of inlet pressure loss in excess of the Refinery's guidelines by performing, on a prioritized basis, further evaluation of affected relief valves.

Within 15 days of confirming through further evaluation that a particular relief valve requires additional interim mitigation, a mitigation plan with express deadlines will be put in place to protect employees from potential hazards associated with relief system releases potentially caused by inlet pressure losses. Additional interim mitigation will be commensurate with the credible process consequences and the degree of inlet pressure loss. Such measures may include additional warning alarms, additional monitoring, procedure changes, operating changes, and administrative modifications.

Conclusion

BP Products believes that this letter and the Amended PMA address all of the issues identified in the OSHA letters. Though the OSHA September 29 letter alludes to other unidentified "deficiencies" in the PMA, we do not believe there are any such deficiencies. BP Products is convinced that the amended PMA provides a productive path forward that will enhance the safe, compliant and reliable operation of the Texas City Refinery and the

Company looks forward to working with OSHA as it implements the work specified in the Amended PMA. If you have any questions or concerns, please do not hesitate to contact me.

Very truly yours,

A handwritten signature in black ink, appearing to read "Thomas H. Wilson". The signature is fluid and cursive, with a long horizontal stroke at the beginning.

Thomas H. Wilson

cc: Clara Saafir
U.S. Dept. of Labor
Office of the Solicitor
525 Griffin Street, Suite 501
Dallas, TX 75202

Attachment

This chart memorializes the information previously provided to OSHA that explains how each issue identified in the August 3, 2009, letter has been resolved. OSHA has not objected to these resolutions. BP Products does not agree with OSHA's contention that the issues identified in the August 3, 2009, letter necessarily arise from an AcuTech recommendation.

OSHA Preliminary Findings From Its August 3, 2009 Letter	BP Products' Response
Electrical hazardous area classifications have not been completed. BP Products plans to complete it by 9/1/2009.	As of August 28, 2009, the Refinery has finished updating the site hazardous area classification drawings with a common nomenclature. The updated drawings have been placed in the Texas City Refinery's document management system that is available for use by employees. All legacy drawings have been voided and removed. This action satisfies the Acutech recommendation and fully addresses OSHA's concern.
GP 48-03 "Layer of Protection Analysis (LOPA)" references GDP 31-00-01 on page 5. GDP 31-00-01 (Doc Req. 155) was re-numbered to GDP 3.1-0001, and it is in "implementation draft" meaning it was issued for 12 months from the issue date. This procedure was issued 30 January 2008 and revision date 30 January 2009.	As the Texas City Refinery Compliance Manager explained to OSHA on 8/20/09, "Implementation Draft" is a BP Group term for a document that is issued and made effective for immediate use, but also is expected to be revised pending field feedback of results of implementation. The document contains a paragraph under the words "Implementation Draft" that clearly defines the reach and intent of the document including the meaning of the words "Implementation Draft". Despite "draft" being included in the title of the document, this document is in use and is not a "draft" as the term is often used to describe "non-final" or non-binding. This concern requires no further action and the above explanation fully addresses OSHA's concern.

<p>Alky 3 unit had written operating procedures addressing startup following a hurricane (SU-2525), which were available to operators via computer. OSHA was not initially provided a copy of these procedures. In addition, it was not on the list of procedures certified on 3/31/2009. A request to provide the missing procedures was requested 6/26/09. The dates on the procedure are issued June 2005 and revised September 2008.</p>	<p>BP Products reviewed all operating procedures at the Texas City Refinery and confirms that all units have normal shutdown procedures. The particular Alky3 procedure in question, SU-2525, was a procedure for operating during a Category 1 hurricane. Per Company policy enacted prior to this OSHA inspection, the Refinery no longer operates during that weather condition. Therefore, the procedure in question was eliminated. This explanation completely addresses OSHA's concerns. No further action is required.</p>
<p>Alky's NOP B-04 addressed all known safe operating limits. It and Comprehensive Operating Limits Table (COLT) have consequence of deviation and means to correct. Written Operating Procedures were obtained for Alky 3. They included "Safe Operating Limits" (critical limits that can lead to upset or equipment damage), but all operating limits were included only in COLT. COLT was indicated to be a reference for operators and for training. COLT was NOT part of the Alky 3 operating procedures provided by BP at the time of the request. Request made for completed and implemented COLTs for all units on 6/24/2009. According to company officials, no other units have completed their COLT table sufficient for use.</p>	<p>BP Products reviewed all operating procedures at the Texas City Refinery and confirms that all process units have safe operating procedures and safe operating limits that include consequences and corrective actions. Additionally all units have normal operating limits. This meets the PSM and industry standards on operating procedures and limits. As a continuous improvement effort, Comprehensive Operating Limits Table (COLT) is being piloted at the Alky3 with a plan to expeditiously implement COLTs on each process unit. Nevertheless, the improvements made at each of the Refinery's units to existing tables completely satisfy the AcuTech recommendations regarding operating limits tables. This clarification completely addresses OSHA's concerns.</p>

<p>In addition, Colt has multiple entries with NOLs (Normal Operating Limits) with potential consequences including equipment damage and other consequences which indicate that they are Safe Operating Limits (SOLs) and not NOLs as referenced.</p> <p>COLTS were expected to be implemented (table available for reference and training for the operators) by September.</p>	
<p>TCS PS-4.0 for "Process Safety Policy Operating Procedures" (Doc Req. 34a) has the intent "to provide and use up-to-date and accurate operating procedures that address all modes of operation." It has a list of References and Attachments on page 4 of 5 and 5 of 5. The list does not include PSM 4.3. The written policies have multiple methods. The site procedure for reviewing and certifying operating procedures (PSM 4.3) allows for the Superintendent to sign 1 document with a list of the procedures to certify the procedures.</p> <p>SD-1510 for continued operation of Alky 3 during a Category 1 hurricane was provided to OSHA as a certified operating procedure, plus it was available to the operators as of 6/23/09.</p>	<p>Annually, consistent with guidance provided in the Refinery's PS 4.0.1, each unit's superintendent certifies that the unit's operating procedures are accurate and any modifications to the procedures during the past year have been included. Though a superintendent signs one document to certify all procedures, BP Products has implemented comprehensive procedures to assure those procedures have been evaluated. To supplement the new procedure, BP Products has implemented a continuous three-year review of all unit operating procedures. Every month, the unit engineer, unit training coordinator, and an operator review a set of procedures in order to determine whether the procedures remain current, are still necessary, or require modifications. Over the course of three years, all unit procedures will be reviewed in addition to the annual review that applies to all operating procedures.</p> <p>As explained to the OSHA inspectors on site at the Refinery, when the Alky 3 Hurricane procedure, SD-2510, was certified, annual certification of operating procedures was controlled by PSM-4.3. BP Products erroneously left SD-1510 on the list of available procedures. Since then, BP Products has removed this procedure from that list. BP Texas City will provide training on the new certification practice to ensure proper use. This action fully addresses OSHA's concerns.</p>

<p>PR-1 is Doc Req 35. According to the procedure it was “revised/reviewed” July 28, 2006, April 28, 2008, and July 28, 2008. A potential concern is the program allows entry into confined space with up to 10% of the LEL. Health hazards are of concern with this level of exposure (Example: 10% of the LEL for Anhydrous Ammonia is 2.8% (aka 26,000 pp, NOTE: LEL for anhydrous ammonia is 28%) which appear to be involved in the FCCUs for amine treater). Another example is benzene has an LEL = 1.2%, so 10 percent would be 1200 ppm benzene.</p>	<p>As the Texas City Refinery Compliance Manager explained to OSHA on 8/20/09, OSHA misunderstood the Refinery’s policy. The Refinery’s PR-1 Confined Space Entry procedure and form (a copy has been previously provided to OSHA) reflects a multi-hazard check. That is, that both flammable LEL testing and industrial hygiene testing for breathable atmosphere (O2) and toxins (typically H2S, CO, TOC, and Benzene, but others may be specifically listed) are performed prior to permitting confined space entry. A comprehensive view of the Refinery’s PR-1 Confined Space Entry procedure provides clear assurance that numerous tests are required to ensure that employees are not exposed to a hazardous environment. This item requires no further action and the clarification fully addresses OSHA’s concerns.</p>
<p>The following are critical trips not tracked/listed in Documint (aka Loveland database).</p> <p>Alky 3 LALL-1403 Isostripper Low-Level Trip Is Interlock to Activate C-1005 page 53 of 78 of NOP B-02. Doc Req 257 response states they don’t have any information.</p> <p>Alky HS-1920 Clean Seal Flush Skid Trip Function on page 63 of 78 of NOP B-02. Doc Req 262 (all critical alarms and trips) does not have 1920 listed. Doc Req</p>	<p>All SIFs were placed in the Loveland database (aka Documint) and SAP for the purpose of scheduling testing.</p> <p>In addition, all IPLs identified as safety critical in a LOPA were reviewed and compared to the Loveland database, and all necessary additions or modifications to the Loveland database have been made.</p> <ol style="list-style-type: none"> 1. The physical device tag, LSSL-1403 Isostripper low Level trip, not the alarm tag LALL-1403, resides in Documint. The tag is marked both “shutdown” and “OSHA”. The last test date entry is shown as January 30, 2008. 2. HS-1920 Clean Seal Flush Skid. This skid and its associated manual shutdown button were installed as a capital project during the 2008 Alky3 TAR. To date the

<p>259 response states they don't have any inspection history information.</p> <p>Alky 3 FSLL-1128 – P-1002 Low-Level Flow Trip on page 39 of 78 of NOP B-02. Doc Req. 262 (all critical alarms and trips) does not have 1128 listed. Doc Req. 260 response also states they don't have any inspection history information.</p> <p>Alky 3 HS-1815A – C-1006 Isolation on page 66 of 78 of NOP B-02. Doc. Req. 262 (all critical alarms and trips) does not have 1815 listed. Doc. Req. 261 response also informed OSHA that BP does not have any inspection history for the critical trip.</p> <p>The above critical trips are NOT listed in the Appendix A critical trip list. Alky 3 TALL-1410 is listed on NOP B-04 (p 16) as a 100 degree F trip. NOP B-02 (p 78) has it defined as a critical trip to be tested during TARs. This trip is not listed on Appendix A critical trip list nor on Doc Req 262. FAL-1127 and FSLL-1127 P-1001 Low Discharge Flow TRIP from NOP B-02 is also not listed in Documint database per Doc</p>	<p>skid is still not in service. The hand switch was added to the NOP B-2 procedure during the TAR, but was not tested by operations. This hand switch will be defined as "critical" and added to Documint prior to commissioning the skid.</p> <p>3. There is no physical device tag called FSLL-1128. The NOP B-2 Test Procedure has been modified to reflect the actual device tags: FT-1128A, 1128B, and 1128C. The transmitter tags are in Documint and marked critical.</p> <p>4. HS-1815A C-1006 Isolation- This manual isolation hand switch is critical and has been added to Documint as "OSHA" critical for consistency with other hand switches on the unit.</p> <p>5. The C-1005 Isostripper Tower bottoms temperature is measured by a multipoint (4 element) thermocouple. One of the points, tagged TE-1410, provides a signal to the control board and activates a critical alarm TAL-1410. The TE-1410 element is identified in Documint as "OSHA" critical. It has a 1 year test interval, and was last tested in April 2009.</p> <p>A second point on the 4 element thermocouple, tagged TE-1410B on the P&D, provides its signal to a transmitter, which in turn sends a signal to the shutdown system to generate a TALL-1410 shutdown alarm, and to activate the Isostripper heat input/bottoms trip. Both TE-1410B and TT-1410B transmitter are part of a critical shutdown loop, and have been added to the Documint database. The critical temperature loop and subsequent trip activation is tested per NOP-B2.</p> <p>6. There is no physical device tag called FSLL-1127. The NOP B-2 Test Procedure has been modified to reflect the actual device tags: FT-1127A, 1127B, and 1127C. The transmitter tags are in Documint and</p>
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<p>Req 262. Doc Req 282 has requested any information on this flow information, but response not received as of July 2009.</p>	<p>marked critical. FAL-1127 is tested as part of the transmitter test procedure and not included in Document per Refinery practice.</p> <p>These corrections or actions fully address OSHA's concerns.</p>
<p>Identification of all critical utility systems, create an isometric drawing for each piping unit, and conduct visual inspection of each piping unit per API 570 has not been completed. BP plans to complete it by 9/1/2009.</p>	<p>As of August 26th, 2009, BP Products has surveyed the Texas City Refinery and has identified all critical utility systems, developed isometric drawings for each system and placed those drawings in the Refinery's knowledge management system. The Refinery has also performed all necessary baseline API 570 external visual inspections. 100% of the API 570 external visual inspection records have been entered in PCMS. These actions fulfill the AcuTech recommendations and fully address OSHA's concerns.</p>
<p>Information requested 5/19/2009 and reviewed 5/28/2009. Overdue inspections and preventative maintenance tasks have not been completed as of 4/30/2009 and 3/31/2009. See Attachment 2 for a listing.</p>	<p>BP Products has reviewed all overdue inspections and preventative maintenance tasks at the Texas City Refinery. It is BP policy to timely resolve any overdue inspection, testing and preventative maintenance tasks. BP maintains numerous databases that identify when inspections are due, and it reviews the status of overdue inspection and maintenance testing activities on a monthly basis. Inspections are conducted on an on-going basis. The Refinery's on-time inspection performance exceeds 99.9%. The closure of overdue inspection items and the continuous improvement in BP's on-time inspection performance fully addresses OSHA's concern. No additional action is required.</p>