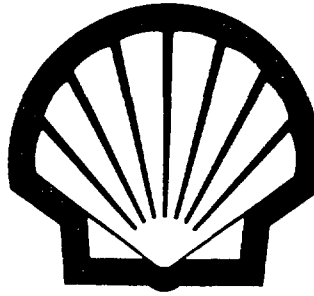


CIRC: ~~EPH~~, ~~RAB~~, ~~DER~~, ~~DWA~~, ~~FR~~, ~~ROT~~, HSB
741.4.1 sat.

**SAFETY
EVERYDAY
Responsibility**



**HEALTH
LIFETIME
Commitment**

MONTHLY HIGHLIGHTS
PRODUCTS HEALTH & SAFETY
OCTOBER 16 - NOVEMBER 15, 1989

PLAINTIFF'S EXHIBIT

SH-3259

OVERVIEW

October performance for the overall Products Organization improved on a total recordable basis while slipping on "days away" case rates. A number of locations continue to work without any "days away" cases in 1989.

The tragic explosion and fire at the Phillips Pasadena Polyethylene Plant was the focus of nationwide attention. The emergency response efforts were largely coordinated by the Channel Industrial Mutual Aid (CIMA) organization. Deer Park personnel responded and served in key roles.

A new precedent was set when Labor Secretary Elizabeth Dole instructed the new head of OSHA, Jerry Scannell, to visit the site the day after the Phillips incident to personally ensure that the investigation would be properly staffed and conducted with diligence. The OSHA investigating team numbers 15+ members. The incident was the subject of a Congressional hearing on November 6, 1989.

Taft Chemical Plant reached one million safe hours worked for the first time on October 27 representing over six years of working safely. Westhollow Research Center reached four million safe hours on October 23, and Anacortes Refinery completed one million safe hours on November 12.

ACHIEVEMENTS

Shell Development Company - Westhollow Research Center

On October 23, 1989, the employees of Westhollow Research Center completed 4,000,000 safe hours worked without a "days away from work" incident. This achievement covers a period starting May 30, 1988, and is supported by a 30% improvement in total recordable incident rates in 1989 compared to 1988.

LAM 016070

BJT8932002

DPMC-12850

REGULATORY INSPECTIONS

Geismar Chemical Plant

An OSHA compliance officer conducted a special emphasis inspection of "industrial gas manufacturing" facilities at the Geismar coldbox (oxygen/nitrogen) facility on November 2, 1989. He reviewed required OSHA records, including the injury/illness log and toured the site. In the closing conference, he was complimentary about operating procedures, emergency procedures, and the general condition of the unit. He said there should be no citations.

REGULATORY ACTIVITIES

OSHA Rule On Controlling Hazardous Energy (Lockout/Tagout) Stayed

The OSHA Rule on "Controlling Hazardous Energy (Lockout/Tagout)" was to take effect on October 31, 1989. This rule has been controversial relative to both content and the short period (60 days) allowed for compliance. On the original effective date OSHA announced they were suspending the rule until January 2, 1990. While electrical lockout/tagout is not a new concept, it will be more difficult to strictly apply the standard to process energy maintenance work. More clarification is expected when OSHA issues their field guidance document. However, the API and others have filed suit challenging several of the process energy lockout requirements. To facilitate compliance efforts, a teleconference was held on November 15, 1989, for representatives from Manufacturing locations.

Asbestos Compliance

Locations currently performing asbestos removal with glove bags should be aware of OSHA's current compliance position. OSHA has issued guidance to field offices instructing them to cite employers or contractors for failure to establish negative pressure enclosures if they conduct multiple glove bag operations using glove bags that do not provide negative pressure containment (most do not). The use of a single, non-negative air glove bag, no more than six feet long, however, is permitted for maintenance operations. This interpretation reflects OSHA's continuing emphasis on the use of expensive negative pressure enclosures regardless of the potential for exposure.

Fivefold Increase In The OSHA Penalty Structure - Defeated

LAM 016071

During October, the Senate defeated a provision in the 1990 budget reconciliation bill that would have revised the OSHA civil penalty structure to increase fine potential in all areas. The maximum penalty for a willful or repeat violation would have been increased from \$10,000 per violation to \$50,000 per violation. This effort was criticized as a piecemeal method of amending the OSHA Act and contrary to that required by the legislative process which would provide for hearings. It was reported that the increased OSHA penalties would have raised \$65 million in revenues during 1990.

OSHA is the \$ making business!

Copy cover

Safety Committee Meetings
S.A.F.E. 130320
741.41 1989

LAM 016069

DPMC 12849.1