

U.S. Department of Labor
Occupational Safety and Health Administration
1100 East Campbell Road, Suite 250
Richardson, TX 75081
Phone: 972-952-1330 / Fax: 972-952-1338



Citation and Notification of Penalty

To:
Baze Chemical, Inc.
and its successors
2187 East FM 323
Palestine, TX 75801

Inspection Number: 1051164
Inspection Date(s): 04/01/2015 - 08/28/2015
Issuance Date: 08/31/2015

Inspection Site:
2187 East FM 323
Palestine, TX 75801

The violation(s) described in this Citation and Notification of Penalty is (are) alleged to have occurred on or about the day(s) the inspection was made unless otherwise indicated within the description given below.

This Citation and Notification of Penalty (this Citation) describes violations of the Occupational Safety and Health Act of 1970. The penalty(s) listed herein is (are) based on these violations. You must abate the violations referred to in this Citation by the dates listed and pay the penalties proposed, unless within 15 working days (excluding weekends and Federal holidays) from your receipt of this Citation and Notification of Penalty **you either call to schedule an informal conference (see paragraph below) or** you mail a notice of contest to the U.S. Department of Labor Area Office at the address shown above. Please refer to the enclosed booklet (OSHA 3000) which outlines your rights and responsibilities and which should be read in conjunction with this form. Issuance of this Citation does not constitute a finding that a violation of the Act has occurred unless there is a failure to contest as provided for in the Act or, if contested, unless this Citation is affirmed by the Review Commission or a court.

Posting - The law requires that a copy of this Citation and Notification of Penalty be posted immediately in a prominent place at or near the location of the violation(s) cited herein, or, if it is not practicable because of the nature of the employer's operations, where it will be readily observable by all affected employees. This Citation must remain posted until the violation(s) cited herein has (have) been abated, or for 3 working days (excluding weekends and Federal holidays), whichever is longer.

Informal Conference - An informal conference is not required. However, if you wish to have such a conference you may request one with the Area Director during the 15 working day contest period. During such an informal conference you may present any evidence or views which you believe would support an adjustment to the citation(s) and/or penalty(s).

If you are considering a request for an informal conference to discuss any issues related to this Citation and Notification of Penalty, you must take care to schedule it early enough to allow time to contest after the informal conference, should you decide to do so. Please keep in mind that a written letter of intent to contest must be submitted to the Area Director within 15 working days of your receipt of this Citation. The running of this contest period is not interrupted by an informal conference.

If you decide to request an informal conference, please complete, remove and post the Notice to Employees next to this Citation and Notification of Penalty as soon as the time, date, and place of the informal conference have been determined. Be sure to bring to the conference any and all supporting documentation of existing conditions as well as any abatement steps taken thus far. If conditions warrant, we can enter into an informal settlement agreement which amicably resolves this matter without litigation or contest.

Right to Contest – You have the right to contest this Citation and Notification of Penalty. You may contest all citation items or only individual items. You may also contest proposed penalties and/or abatement dates without contesting the underlying violations. **Unless you inform the Area Director in writing that you intend to contest the citation(s) and/or proposed penalty(s) within 15 working days after receipt, the citation(s) and the proposed penalty(s) will become a final order of the Occupational Safety and Health Review Commission and may not be reviewed by any court or agency.**

Penalty Payment – Penalties are due within 15 working days of receipt of this notification unless contested (See the enclosed booklet and the additional information provided related to the Debt Collection Act of 1982.) Make your check or money order payable to “DOL-OSHA”. Please indicate the Inspection Number on the remittance. You can also make your payment electronically on www.pay.gov. On the left side of the pay.gov homepage, you will see an option to Search Public Forms. Type "OSHA" and click Go. From the results, click on **OSHA Penalty Payment Form**. The direct link is:

<https://www.pay.gov/paygov/forms/formInstance.html?agencyFormId=53090334>.

You will be required to enter your inspection number when making the payment. Payments can be made by credit card or Automated Clearing House (ACH) using your banking information. Payments of \$25,000 or more require a Transaction ID, and also must be paid using ACH. If you require a Transaction ID, please contact the OSHA Debt Collection Team at (202) 693-2170.

OSHA does not agree to any restrictions or conditions or endorsements put on any check, money order, or electronic payment for less than the full amount due, and will process the payments as if these restrictions or conditions do not exist.

Notification of Corrective Action – For each violation which you do not contest, you must provide ***abatement certification*** to the Area Director of the OSHA office issuing the citation and identified above. This abatement certification is to be provided by letter within 10 calendar days after each abatement date. Abatement certification includes the date and method of abatement. If the citation indicates that the violation was corrected during the inspection, no abatement certification is required for that item. The abatement certification letter must be posted at the location where the violation appeared and the corrective action took place or employees must otherwise be effectively informed about abatement activities. A sample abatement certification letter is enclosed with this Citation. In addition, where the citation indicates that ***abatement documentation*** is necessary, evidence of the purchase or repair of equipment, photographs or video, receipts, training records, etc., verifying that abatement has occurred is required to be provided to the Area Director.

Employer Discrimination Unlawful – The law prohibits discrimination by an employer against an employee for filing a complaint or for exercising any rights under this Act. An employee who believes that he/she has been discriminated against may file a complaint no later than 30 days after the discrimination occurred with the U.S. Department of Labor Area Office at the address shown above.

Employer Rights and Responsibilities – The enclosed booklet (OSHA 3000) outlines additional employer rights and responsibilities and should be read in conjunction with this notification.

Notice to Employees – The law gives an employee or his/her representative the opportunity to object to any abatement date set for a violation if he/she believes the date to be unreasonable. The contest must be mailed to the U.S. Department of Labor Area Office at the address shown above and postmarked within 15 working days (excluding weekends and Federal holidays) of the receipt by the employer of this Citation and Notification of Penalty.

Inspection Activity Data – You should be aware that OSHA publishes information on its inspection and citation activity on the Internet under the provisions of the Electronic Freedom of Information Act. The information related to these alleged violations will be posted when our system indicates that you have received this citation. You are encouraged to review the information concerning your establishment at www.osha.gov. If you have any dispute with the accuracy of the information displayed, please contact this office.



NOTICE TO EMPLOYEES OF INFORMAL CONFERENCE

An informal conference has been scheduled with OSHA to discuss the citation(s) issued on 08/27/2015. The conference will be held by telephone or at the OSHA office located at 1100 East Campbell Road, Suite 250, Richardson, TX 75081 on _____ at _____.

Employees and/or representatives of employees have a right to attend an informal conference.

CERTIFICATION OF CORRECTIVE ACTION WORKSHEET

Inspection Number: 1051164

Company Name: Baze Chemical, Inc.
Inspection Site: 2187 East FM 323, Palestine, TX 75801
Issuance Date: 08/31/2015

List the specific method of correction for each item on this citation in this package that does not read "Corrected During Inspection" and return to: **U.S. Department of Labor – Occupational Safety and Health Administration, 1100 East Campbell Road, Suite 250, Richardson, TX 75081**

Citation Number _____ and Item Number _____ was corrected on _____
By (Method of Abatement): _____

Citation Number _____ and Item Number _____ was corrected on _____
By (Method of Abatement): _____

Citation Number _____ and Item Number _____ was corrected on _____
By (Method of Abatement): _____

Citation Number _____ and Item Number _____ was corrected on _____
By (Method of Abatement): _____

Citation Number _____ and Item Number _____ was corrected on _____
By (Method of Abatement): _____

Citation Number _____ and Item Number _____ was corrected on _____
By (Method of Abatement): _____

I certify that the information contained in this document is accurate and that the affected employees and their representatives have been informed of the abatement.

Signature

Date

Typed or Printed Name

Title

NOTE: 29 USC 666(g) whoever knowingly makes any false statements, representation or certification in any application, record, plan or other documents filed or required to be maintained pursuant to the Act shall, upon conviction, be punished by a fine of not more than \$10,000 or by imprisonment of not more than 6 months or both.

POSTING: A copy of completed Corrective Action Worksheet should be posted for employee review



Citation and Notification of Penalty

Company Name: Baze Chemical, Inc.
Inspection Site: 2187 East FM 323, Palestine, TX 75801

Citation 1 Item 1 Type of Violation: **Serious**

29 CFR 1910.37(a)(3): The exit access lead into a dead-end corridor:

a) The signs posted in the control room (building 7), along the exit access, lead employees to a dead-end.

ABATEMENT DOCUMENTATION REQUIRED FOR THIS ITEM

Pursuant to 29 CFR 1903.19 within ten (10) calendar days of the abatement date the employer must submit documentation showing that it is in compliance with this standard, including describing the steps that it is taking to ensure that the each exit route is a continuous and unobstructed path of exit travel from any point within the workplace to a place of safety.

Date By Which Violation Must be Abated:	09/01/2015
Proposed Penalty:	\$4900.00



Citation and Notification of Penalty

Company Name: Baze Chemical, Inc.
Inspection Site: 2187 East FM 323, Palestine, TX 75801

Citation 1 Item 2 Type of Violation: **Serious**

29 CFR 1910.119(c)(1): The employer did not develop a written plan of action regarding the implementation of the employee participation required by 29 CFR 1910.119:

a) On or about March 17, 2015, and at times thereafter, the employer did not ensure that a written plan of action regarding implementation of the employee participation was developed, exposing employees to inhalation, fire, and explosion hazards in the event of an ethylene oxide release.

ABATEMENT DOCUMENTATION REQUIRED FOR THIS ITEM

Pursuant to 29 CFR 1903.19 within ten (10) calendar days of the abatement date the employer must submit documentation showing that it is in compliance with this standard, including describing the steps that it is taking to ensure that written plan of action regarding implementation of the employee participation is developed.

Date By Which Violation Must be Abated:	09/18/2015
Proposed Penalty:	\$4900.00



Citation and Notification of Penalty

Company Name: Baze Chemical, Inc.
Inspection Site: 2187 East FM 323, Palestine, TX 75801

Citation 1 Item 3 Type of Violation: **Serious**

29 CFR 1910.119(d)(2)(i): Information concerning the technology of the process did not include a block flow diagram or simplified process flow diagram:

a) On or about March 17, 2015, and at times thereafter, the employer did not ensure that the information concerning the technology of the process included a block flow diagram or simplified process flow diagram, exposing employees to inhalation, fire, and explosion hazards in the event of an ethylene oxide release.

ABATEMENT DOCUMENTATION REQUIRED FOR THIS ITEM

Pursuant to 29 CFR 1903.19 within ten calendar days of the abatement date the employer must submit documentation showing that it is in compliance with this standard, including describing the steps that it is taking to ensure that the information concerning the technology of the process includes a block flow diagram or a simplified process diagram.

Date By Which Violation Must be Abated:	09/18/2015
Proposed Penalty:	\$4900.00



Citation and Notification of Penalty

Company Name: Baze Chemical, Inc.
Inspection Site: 2187 East FM 323, Palestine, TX 75801

Citation 1 Item 4 Type of Violation: **Serious**

29 CFR 1910.119(d)(2)(i)(C): Information concerning the technology of the process did not include the maximum intended inventory:

a) On or about March 17, 2015, and at times thereafter, the employer did not develop or implement process safety information to include the maximum intended inventory of a highly hazardous chemical, exposing employees to inhalation, fire, and explosion hazards in the event of an ethylene oxide release.

ABATEMENT DOCUMENTATION REQUIRED FOR THIS ITEM

Pursuant to 29 CFR 1903.19 within ten calendar days of the abatement date the employer must submit documentation showing that it is in compliance with this standard, including describing the steps that it is taking to ensure that process safety information includes the maximum intended inventory of any highly hazardous chemical.

Date By Which Violation Must be Abated:	09/18/2015
Proposed Penalty:	\$4900.00



Citation and Notification of Penalty

Company Name: Baze Chemical, Inc.
Inspection Site: 2187 East FM 323, Palestine, TX 75801

Citation 1 Item 5 Type of Violation: **Serious**

29 CFR 1910.119(d)(2)(i)(D): The information concerning the technology of the process did not include the safe upper and lower limits for temperatures, pressures, flows or compositions:

a) The employer did not ensure that process safety information included the safe upper and lower limits for temperatures and pressures, exposing employees to inhalation, fire, and explosion hazards in the event of an ethylene oxide release.

ABATEMENT DOCUMENTATION REQUIRED FOR THIS ITEM

Pursuant to 29 CFR 1903.19 within ten (10) calendar days of the abatement date the employer must submit documentation showing that it is in compliance with this standard, including describing the steps that it is taking to ensure that process safety information include the safe upper and lower limits.

Date By Which Violation Must be Abated: 09/18/2015
Proposed Penalty: \$4900.00



Citation and Notification of Penalty

Company Name: Baze Chemical, Inc.
Inspection Site: 2187 East FM 323, Palestine, TX 75801

Citation 1 Item 6 Type of Violation: **Serious**

29 CFR 1910.119(d)(3)(i)(B): The employer's piping and instrument diagrams (P&ID) were not accurate:

On or about March 17, 2015, and at times thereafter, the employer did not ensure that P&ID were accurate, exposing employees to inhalation, fire, and explosion hazards. The P&IDs listed below were found to be inaccurate:

a) Ethylene Oxide Storage tank, PID-100-01 (date 10/15/13):

SS-1SC.40/40 Psig Ambient line from Nitrogen header to the storage tank, T-100, the employer must identify P&ID number for Nitrogen Header.

SS-2SC.40/40 Psig Ambient line from Rail Car Unloading Pump to the storage tank, T-100, the employer must identify P&ID number for Rail Car Unloading Pump.

SS-2SC.40/40 Psig Ambient line from Pressure Equalization to the storage tank, T-100, the employer must identify P&ID number for Pressure Equalization.

Chill water line from the Chilled Water System to the storage tank T-100 must be displayed.

b) Reactor R-100, PID-R-100 (date 01/15/14):

2-SCH. 40-MS steam line from the Main Steam Header to the Reactor, R-100, the employer must identify the P&ID number for the Steam Main Header.

2-SCH. 40-MS cooling water line from the Cooling Water Header to the Reactor, R-100, the employer must identify the P&ID number for the Cooling Water Header.

2-SCH. 40-MS return cooling water line from the Reactor, R-100, to the Cooling Water Return, the employer must identify the P&ID number for the Cooling Water Return.

See pages 1 through 4 of this Citation and Notification of Penalty for information on employer and employee rights and responsibilities.



Citation and Notification of Penalty

Company Name: Baze Chemical, Inc.
Inspection Site: 2187 East FM 323, Palestine, TX 75801

2-SCH. 40-MS condensate line from the Cooling Water Header to Condensate Tank, the employer must identify the P&ID number for the Condensate Tank and Condensate Tank number.

c) Reactor R-200, PID-R-200 (date 06/05/14):

2-SCH. 40-MS cooling water line from the Cooling Water Main Feed Header to the Reactor, R-200, the employer must identify the P&ID number for the Cooling Water Main Feed Header.

2-SCH. 40-MS return cooling water line from the Reactor, R-200, to the Cooling Water Main Return Header, the employer must identify the P&ID number for the Cooling Water Main Return Header.

2-SCH. 40-MS condensate line from the Cooling Water Line to Condensate Header, the employer must identify the P&ID number for Condensate Header.

2-SCH. 40-MS High Pressure Steam line from the HP Steam to the Reactor, R-200, the employer must identify the P&ID for HP Steam.

d) Ethylene Oxide Storage tank, PID- T-101-01 (date 05/07/13):

SS-1SC.40/40 Psig Ambient line from Nitrogen header to the storage tank, T-101, the employer must identify P&ID number for Nitrogen Header.

SS-4SC.40/40 Psig Ambient line from Rail Car Unloading Pump to the storage tank, T-101, the employer must identify P&ID number for Rail Car Unloading Pump.

A pipe line from Pressure Equalization to the storage tank, T-101, the employer must identify P&ID number for Pressure Equalization.

See pages 1 through 4 of this Citation and Notification of Penalty for information on employer and employee rights and responsibilities.



Citation and Notification of Penalty

Company Name: Baze Chemical, Inc.
Inspection Site: 2187 East FM 323, Palestine, TX 75801

A pipe line from Pump P-100 Suction to the storage tank, T-101, the employer must identify P&ID number for Pump P-100 Suction.

Chill water line from the Chilled Water System to the storage tank T-101 must be displayed.

- e) P&ID for Chilled Water System must be displayed.
- f) P&ID for a Compressor located in the mechanical room must be displayed.
- g) P&ID for a Hot Oil Heater located in the mechanical room must be displayed.

ABATEMENT DOCUMENTATION REQUIRED FOR THIS ITEM

Pursuant to 29 CFR 1903.19 within ten (10) calendar days of the abatement date the employer must submit documentation showing that it is in compliance with this standard, including describing the steps that it is taking to ensure that piping and instrument diagrams (P&IDs) are accurate.

Date By Which Violation Must be Abated:	09/18/2015
Proposed Penalty:	\$4900.00



Citation and Notification of Penalty

Company Name: Baze Chemical, Inc.
Inspection Site: 2187 East FM 323, Palestine, TX 75801

Citation 1 Item 7 Type of Violation: **Serious**

29 CFR 1910.119(d)(3)(i)(C): Information concerning the technology of the process did not include the Electrical Classification:

(a) On or about March 17, 2015, and at times thereafter, the employer's process safety information did not include electrical classification for equipment used in the processing of ethylene oxide, exposing employees to inhalation, fire, and explosion hazards.

ABATEMENT DOCUMENTATION REQUIRED FOR THIS ITEM

Pursuant to 29 CFR 1903.19 within ten calendar days of the abatement date the employer must submit documentation showing that it is in compliance with this standard, including describing the steps that it is taking to ensure that process safety information includes the electrical classification of equipment.

Date By Which Violation Must be Abated: 09/18/2015
Proposed Penalty: \$4900.00



Citation and Notification of Penalty

Company Name: Baze Chemical, Inc.
Inspection Site: 2187 East FM 323, Palestine, TX 75801

Citation 1 Item 8 Type of Violation: **Serious**

29 CFR 1910.119(d)(3)(i)(H): Process safety information pertaining to the equipment in the process did not include safety systems (e.g. interlocks, detection or suppression system):

On or about March 17, 2015, and at times thereafter, the employer exposed employees to inhalation, fire, and explosion hazards when it did not document the process safety information for equipment safety systems such as, but are not limited to the following:

- a) Ethylene Oxide sensors
- b) Deluge system
- c) Flare
- d) EM-100
- e) LAHH-100
- f) PAHH-100
- g)TAHH-100
- h) EM-101
- i) LAHH-101
- j) PAHH-101
- k)TAHH-101

ABATEMENT DOCUMENTATION REQUIRED FOR THIS ITEM

Pursuant to 29 C.F.R. 1903.19, within (10) calendar days of the abatement date the employer must submit documentation showing that it is in compliance with the standard, including describing the steps that it is taking to ensure that process safety information pertaining to the equipment in the process includes safety systems.

Date By Which Violation Must be Abated: 09/18/2015
Proposed Penalty: \$4900.00

See pages 1 through 4 of this Citation and Notification of Penalty for information on employer and employee rights and responsibilities.



Citation and Notification of Penalty

Company Name: Baze Chemical, Inc.
Inspection Site: 2187 East FM 323, Palestine, TX 75801

Citation 1 Item 9 Type of Violation: **Serious**

29 CFR 1910.119(d)(3)(i)(F): Information pertaining to the equipment in the process did not include design codes and standards employed:

On or about March 17, 2015, and at times thereafter, the employer exposed employees to inhalation, fire, and explosion hazards when it did not include design codes and standards employed in the information pertaining to the ethylene oxide process equipment. Design codes and standards include, but are not limited to NFPA 15 (Standard for Water Spray Fixed Systems for Fire Protection), NEC (National Electrical Code), API 537 (Flare Details for General Refinery and Petrochem Service), ANSI (American National Standards Institute), ASME (American Society of Mechanical Engineers) Boiler & Pressure Vessel Code. The equipment includes but is not limited to:

- a) Ethylene Oxide Storage Tank, T-100 (P&ID: PID-100-01, date 10/15/13)
- b) Ethylene Oxide Storage Tank, T-101(P&ID: PID-T-101-01, date 05/07/13)
- c) Reactor Tank, R-100 (P&ID: PID-R-100, date 01/15/14)
- d) Reactor Tank, R-200 (P&ID: PID-R-200, date 06/05/14)
- e) SS-2-SC.40 (from an EO railcar through the pump P-101 to Storage Tanks, T-100 and T-101 listed on the P&ID: PRO, T-100-02 date 11/16/14)
- f) SS-4-SC.40 (from Storage Tanks, T-100 and T-101 through the pump P-100 to Reactor R-100 and Reactor R200 listed on the P&IDs: PRO, T-100-02 date 11/16/14, PID-R-100, date 01/15/14 and PID-R-200, date 06/05/14)
- g) Flare system
- h) Deluge system/sprinkler

See pages 1 through 4 of this Citation and Notification of Penalty for information on employer and employee rights and responsibilities.

U.S. Department of Labor
Occupational Safety and Health Administration

Inspection Number: 1051164
Inspection Date(s): 04/01/2015 - 08/28/2015
Issuance Date: 08/31/2015



Citation and Notification of Penalty

Company Name: Baze Chemical, Inc.
Inspection Site: 2187 East FM 323, Palestine, TX 75801

ABATEMENT DOCUMENTATION REQUIRED FOR THIS ITEM

Pursuant to 29 CFR 1903.19 within ten (10) calendar days of the abatement date the employer must submit documentation showing that it is in compliance with this standard, including describing the steps that it is taking to ensure that process equipment complies with recognized and generally accepted good engineering practices (RAGAGEP).

Date By Which Violation Must be Abated: 09/18/2015
Proposed Penalty: \$4900.00

See pages 1 through 4 of this Citation and Notification of Penalty for information on employer and employee rights and responsibilities.



Citation and Notification of Penalty

Company Name: Baze Chemical, Inc.
Inspection Site: 2187 East FM 323, Palestine, TX 75801

Citation 1 Item 10 Type of Violation: **Serious**

29 CFR 1910.119(e)(1): The employer did not perform an initial process hazard analysis (hazard evaluation) on processes covered by this standard. The process hazard analysis was not appropriate to the complexity of the process and did not identify, evaluate, and control the hazards involved in the process. Employers shall determine and document the priority order for conducting process hazard analyses based on a rationale which includes such considerations as extent of the process hazards, number of potentially affected employees, age of the process, and operating history of the process:

a) On or about March 17, 2015, and at times thereafter, the employer did not conduct a process hazard analysis for the evaluation and control of the hazards involved in the process, exposing employees to inhalation, fire, and explosion hazards.

ABATEMENT DOCUMENTATION REQUIRED FOR THIS ITEM

Pursuant to 29 CFR 1903.19 within ten calendar days of the abatement date the employer must submit documentation showing that it is in compliance with this standard, including describing the steps that it is taking to ensure that it has conducted a process hazard analysis for the evaluation and control of the hazards involved in the process.

Date By Which Violation Must be Abated: 09/18/2015
Proposed Penalty: \$7000.00

See pages 1 through 4 of this Citation and Notification of Penalty for information on employer and employee rights and responsibilities.



Citation and Notification of Penalty

Company Name: Baze Chemical, Inc.
Inspection Site: 2187 East FM 323, Palestine, TX 75801

Citation 1 Item 11 Type of Violation: **Serious**

29 CFR 1910.119(f)(1): The employer did not develop and implement written operating procedures that provided clear instructions for safely conducting activities involved in each covered process consistent with the process safety information and addressing at least steps for each operating phase, safe operating limits, safety and health considerations, and safety systems and their functions as outlined by this paragraph:

On or about March 17, 2015, and at times thereafter, the employer does not ensure that written operating procedures for ethylene oxide processes were developed and implemented, exposing employees to inhalation, fire, and explosion hazards. The written operating procedures must include, but not be limited to the following elements:

- a) Steps for each operating phase including Initial startup.
- b) Steps for each operating phase including Normal operations.
- c) Steps for each operating phase including Temporary operations.
- d) Steps for each operating phase including Emergency shutdown and including the conditions under which emergency shutdown is required, and the assignment of shutdown responsibility to qualified operators to ensure that emergency shutdown is executed in a safe and timely manner.
- e) Steps for each operating phase including Emergency Operations.
- f) Steps for each operating phase including Normal shutdown.
- g) Steps for each operating phase including Startup following a turnaround, or after an emergency shutdown.
- h) Operating limits.
- i) Consequences of deviation.

See pages 1 through 4 of this Citation and Notification of Penalty for information on employer and employee rights and responsibilities.



Citation and Notification of Penalty

Company Name: Baze Chemical, Inc.
Inspection Site: 2187 East FM 323, Palestine, TX 75801

- j) Steps required to correct or avoid deviation.
- k) Safety and health considerations including Properties of, and hazards presented by, the chemicals used in the process.
- l) Safety and health considerations including Precautions necessary to prevent exposure, including engineering controls, administrative controls, and personal protective equipment.
- m) Safety and health considerations including Control measures to be taken if physical contact or airborne exposure occurs.
- n) Safety and health considerations including Quality control for raw materials and control of hazardous chemical inventory levels.
- o) Safety and health considerations including Any special or unique hazards.
- p) Safety systems and their functions.

ABATEMENT DOCUMENTATION REQUIRED FOR THIS ITEM

Pursuant to 29 CFR 1903.19 within ten (10) calendar days of the abatement date the employer must submit documentation showing that it is in compliance with this standard, including describing the steps that it is taking to ensure that written operating procedures are developed and implemented.

Date By Which Violation Must be Abated:	09/18/2015
Proposed Penalty:	\$7000.00

See pages 1 through 4 of this Citation and Notification of Penalty for information on employer and employee rights and responsibilities.



Citation and Notification of Penalty

Company Name: Baze Chemical, Inc.
Inspection Site: 2187 East FM 323, Palestine, TX 75801

Citation 1 Item 12 Type of Violation: **Serious**

29 CFR 1910.119(f)(4): The employer did not develop and implement safe work practices to provide for the control of hazards during operations such as entrance into a facility by maintenance, contractor, laboratory, or other support personnel:

(a) The employer exposed employees to inhalation, fire, and explosion hazards when it did not ensure that safe work practices were developed and implemented for the control over entrance into the ethylene oxide process area by maintenance, contractor and other support personnel.

ABATEMENT DOCUMENTATION REQUIRED FOR THIS ITEM

Pursuant to 29 C.F.R. 1903.19, within ten (10) calendar days of the abatement date the employer must submit documentation showing it is in compliance with the standard, including describing the steps it is taking to ensure that safe work practices are developed and implemented for the control over entrance into the ethylene oxide process area by employees, maintenance, contractors, and other support personnel.

Date By Which Violation Must be Abated:	09/18/2015
Proposed Penalty:	\$7000.00



Citation and Notification of Penalty

Company Name: Baze Chemical, Inc.
Inspection Site: 2187 East FM 323, Palestine, TX 75801

Citation 1 Item 13 Type of Violation: **Serious**

29 CFR 1910.119(g)(1)(i): Each employee presently involved in operating a process, and each employee before being involved in operating a newly assigned process, was not trained in an overview of the process and in the operating procedures as specified in paragraph (f) of this section. The training should include emphasis on the specific safety and health hazards, emergency operations including shutdown, and safe work practices applicable to the employee's job tasks:

a) On or about March 17, 2015, and at times thereafter, the employer did not ensure that each employee involved in the processing of ethylene oxide was trained in the operating procedures as specified in paragraph (f), exposing employees to inhalation, fire, and explosion hazards.

ABATEMENT DOCUMENTATION REQUIRED FOR THIS ITEM

Pursuant to 29 CFR 1903.19 within ten (10) calendar days of the abatement date the employer must submit documentation showing that it is in compliance with this standard, including describing the steps that it is taking to ensure that each employee presently involved in operating a process, and each employee before being involved in operating a newly assigned process, is trained in an overview of the process and in the operating procedures as specified in paragraph (f) of this section. The training shall include emphasis on the specific safety and health hazards, emergency operations including shutdown, and safe work practices applicable to the employee's job tasks.

Date By Which Violation Must be Abated: 09/18/2015
Proposed Penalty: \$4900.00



Citation and Notification of Penalty

Company Name: Baze Chemical, Inc.
Inspection Site: 2187 East FM 323, Palestine, TX 75801

Citation 1 Item 14 Type of Violation: **Serious**

29 CFR 1910.119(h)(2)(i): The employer, when selecting a contractor, did not obtain and evaluate information regarding the contract employer's safety performance and programs.

On or about March 17, 2015, and at times thereafter, the employer did not obtain and evaluate the contract employers' safety performance and programs, exposing employees to inhalation, fire, and explosion hazards. Contractors selected and who had performed tasks in the facility, included but were not limited to:

- (a) Mark Henderson Electric, Inc.
- (b) Coherent Technologies, Inc.
- (c) Greg Industrial Insulators

ABATEMENT DOCUMENTATION REQUIRED FOR THIS ITEM

Pursuant to 29 C.F.R. 1903.19, within ten (10) calendar days of the abatement date the employer must submit documentation showing it is in compliance with the standard, including describing the steps it is taking to ensure that when selecting a contractor it obtains and evaluates the contract employers safety performance and programs.

Date By Which Violation Must be Abated:	09/18/2015
Proposed Penalty:	\$4900.00



Citation and Notification of Penalty

Company Name: Baze Chemical, Inc.
Inspection Site: 2187 East FM 323, Palestine, TX 75801

Citation 1 Item 15 Type of Violation: **Serious**

29 CFR 1910.119(i)(1): The employer did not perform a pre-startup safety review for new facilities:

a) On or about March 17, 2015, and at times thereafter, the employer did not ensure that a pre-startup safety review was completed, exposing employees to inhalation, fire, and explosion hazards from releases of ethylene oxides that were used in a batch manufacturing process.

ABATEMENT DOCUMENTATION REQUIRED FOR THIS ITEM

Pursuant to 29 C.F.R. 1903.19, within ten (10) calendar days of the abatement date the employer must submit documentation showing it is in compliance with the standard, including describing the steps it is taking to ensure a pre-startup safety review is conducted for new or modified facilities.

Date By Which Violation Must be Abated:	09/18/2015
Proposed Penalty:	\$7000.00



Citation and Notification of Penalty

Company Name: Baze Chemical, Inc.
Inspection Site: 2187 East FM 323, Palestine, TX 75801

Citation 1 Item 16 Type of Violation: **Serious**

29 CFR 1910.119(j)(2): The employer did not establish and implement written procedures to maintain the on-going mechanical integrity of process equipment:

On or about March 17, 2015, and at times thereafter, the employer exposed employees to inhalation, fire, and explosion hazards when it did not establish and implement written procedures for the on-going mechanical integrity for process equipment which include, but are not limited to:

- a) Ethylene Oxide storage T-100
- b) Ethylene Oxide storage T-101
- c) Ethylene Oxide storage T-102
- d) Reactor R-100
- e) Reactor R-200
- f) SV-100A
- g) SV-100B
- h) SV-101a
- i) SV-101
- j) Valve GL-104
- k) Valve GL-101-5
- l) Pump P-100

See pages 1 through 4 of this Citation and Notification of Penalty for information on employer and employee rights and responsibilities.



Citation and Notification of Penalty

Company Name: Baze Chemical, Inc.
Inspection Site: 2187 East FM 323, Palestine, TX 75801

m) Pump P-101

ABATEMENT DOCUMENTATION REQUIRED FOR THIS ITEM

Pursuant to 29 C.F.R. 1903.19, within ten (10) calendar days of the abatement date the employer must submit documentation showing it is in compliance with the standard, including describing the steps it is taking to ensure written procedures are established and implemented to maintain the on-going integrity of the process equipment.

Date By Which Violation Must be Abated:	09/18/2015
Proposed Penalty:	\$7000.00

See pages 1 through 4 of this Citation and Notification of Penalty for information on employer and employee rights and responsibilities.



Citation and Notification of Penalty

Company Name: Baze Chemical, Inc.
Inspection Site: 2187 East FM 323, Palestine, TX 75801

Citation 1 Item 17 Type of Violation: **Serious**

29 CFR 1910.119(j)(4)(iv): The employer did not document each inspection and test that has been performed on process equipment:

On or about March 17, 2015, and at times thereafter, the employer exposed employees to inhalation, fire, and explosion hazards when it did not document hydrostatic testing performed on process equipment. There was no documentation maintained to identify the date of the test, the name of person performing test, serial number or other identifier of the equipment tested, description of test performed, and results of test. Equipment includes but is not limited to the following:

- a) Ethylene Oxide Storage Tank, T-100 (P&ID: PID-100-01, date 10/15/13).
- b) Ethylene Oxide Storage Tank, T-101(P&ID: PID-T-101-01, date 05/07/13)R-100.
- c) Reactor Tank, R-100 (P&ID: PID-R-100, date 01/15/14).
- d) Reactor Tank, R-200 (P&ID: PID-R-200, date 06/05/14).
- e) Deluge System.
- f) Ethylene Oxide Sensors.
- g) GL-104 on P&ID: PID-100-01 (date 10/15/13).
- h) GL-101-5 on P&ID: PID-T-101-01 (date 5/07/13).
- i) P-100 on P&ID: PROC. T-100-01 (date 11/16/14).
- j) P-101 on P&ID: PROC. T-100-01 (date 11/16/14).
- k) EM-100 on the P&ID (PID-100-01 date 10/15/13).

See pages 1 through 4 of this Citation and Notification of Penalty for information on employer and employee rights and responsibilities.



Citation and Notification of Penalty

Company Name: Baze Chemical, Inc.
Inspection Site: 2187 East FM 323, Palestine, TX 75801

- l) LAHH-100 on the P&ID (PID-100-01 date 10/15/13).
- m) TAHH- 100 on the P&ID (PID-100-01 date 10/15/13).
- n) PAHH-100 on the P&ID (PID-100-01 date 10/15/13).
- o) EM-101 on the PI&D (PID-T-101-01 date 5/07/13).
- p) LAHH-101 on the P&ID (PID-T-101-01 date 5/07/13).
- q) PAHH-101 on the P&ID (PID-T-101-01 date 5/07/13).
- r) TAHH-101 on the P&ID (PID-T-101-01 date 5/07/13).
- s) SS-2-SC.40 (from an EO railcar through the pump P-101 to Storage Tanks, T-100 and T-101 listed on the P&ID: PRO, T-100-02 date 11/16/14).
- t) SS-4-SC.40 (from Storage Tanks, T-100 and T-101 through the pump P-100 to Reactor R-100 and Reactor R200 listed on the P&IDs: PRO, T-100-02 date 11/16/14, PID-R-100, date 01/15/14 and PID-R-200, date 06/05/14).

ABATEMENT DOCUMENTATION REQUIRED FOR THIS ITEM

Pursuant to 29 CFR 1903.19 within ten (10) calendar days of the abatement date the employer must submit documentation showing that it is in compliance with this standard, including describing the steps that it is taking to ensure that each inspection and test on process equipment has been documented.

Date By Which Violation Must be Abated: 09/18/2015
Proposed Penalty: \$7000.00

See pages 1 through 4 of this Citation and Notification of Penalty for information on employer and employee rights and responsibilities.



Citation and Notification of Penalty

Company Name: Baze Chemical, Inc.
Inspection Site: 2187 East FM 323, Palestine, TX 75801

Citation 1 Item 18 Type of Violation: **Serious**

29 CFR 1910.119(k)(1) The employer did not issue a hot work permit for hot work operations conducted on or near a covered process:

a) On or about March 31, 2015, hot work permits were not issued when employees performed welding operations in the facility where ethylene oxide was present, exposing employees to inhalation, fire, and explosion hazards.

ABATEMENT DOCUMENTATION REQUIRED FOR THIS ITEM

Pursuant to 29 CFR 1903.19 within ten calendar days of the abatement date the employer must submit documentation showing that it is in compliance with this standard, including describing the steps that it is taking to ensure that hot work permits are issued when employees perform welding operations in the facility where ethylene oxide is present.

Date By Which Violation Must be Abated: 09/18/2015
Proposed Penalty: \$7000.00



Citation and Notification of Penalty

Company Name: Baze Chemical, Inc.
Inspection Site: 2187 East FM 323, Palestine, TX 75801

Citation 1 Item 19 Type of Violation: **Serious**

29 CFR 1910.119(n) The employer did not establish and implement an emergency action plan for the entire plant in accordance with the provisions of 29 CFR 1910.38:

On or about March 17, 2015, and at times thereafter, the employer exposed employees to inhalation, fire, and explosion hazards when it did not to establish and implement an emergency action plan to ensure that each employee working at the facility was protected from emergencies involving ethylene oxide. The emergency action plan must include, but is not limited to the following:

- a) Procedures for reporting a fire or other emergency.
- b) Procedures for emergency evacuation, including type of evacuation and exit route assignments.
- c) Procedures to be followed by employees who remain to operate critical plant operations before they evacuate.
- d) Procedures to account for all employees after evacuation.
- e) Procedures to be followed by employees performing rescue or medical duties.
- f) The name or job title of every employee who may be contacted by employees who need more information about the plan or an explanation of their duties under the plan.
- g) Employee alarm system with a distinctive signal for each purpose.
- h) Employee training.
- i) Review of emergency action plan with each employee covered by the plan.
- j) Procedures for handling small releases.

See pages 1 through 4 of this Citation and Notification of Penalty for information on employer and employee rights and responsibilities.



Citation and Notification of Penalty

Company Name: Baze Chemical, Inc.
Inspection Site: 2187 East FM 323, Palestine, TX 75801

ABATEMENT DOCUMENTATION REQUIRED FOR THIS ITEM

Pursuant to 29 CFR 1903.19 within ten (10) calendar days of the abatement date the employer must submit documentation showing that it is in compliance with this standard, including describing the steps that it is taking to ensure that the employer establishes and implements an emergency action plan for the entire plant in accordance with the provisions in 1910.38. The emergency action plan must include, but is not limited to the following:

- (a) Procedures for reporting a fire or other emergency;
- (b) Procedures for emergency evacuation, including type of evacuation and exit route assignments;
- (c) Procedures to be followed by employees who remain to operate critical plant operations before they evacuate;
- (d) Procedures to account for all employees after evacuation;
- (e) Procedures to be followed by employees performing rescue or medical duties;
- (f) The name or job title of every employee who may be contacted by employees who need more information about the plan or an explanation of their duties under the plan;
- (g) Employee alarm system with a distinctive signal for each purpose
- (h) Employee training;
- (i) Review of emergency action plan with each employee covered by the plan;
- (j) Procedures for handling small releases.

Date By Which Violation Must be Abated:
Proposed Penalty:

09/18/2015
\$7000.00

See pages 1 through 4 of this Citation and Notification of Penalty for information on employer and employee rights and responsibilities.



Citation and Notification of Penalty

Company Name: Baze Chemical, Inc.
Inspection Site: 2187 East FM 323, Palestine, TX 75801

Citation 1 Item 20 Type of Violation: **Serious**

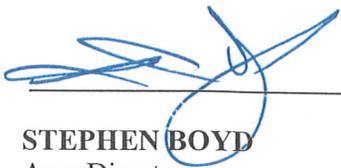
29 CFR 1910.178(l)(1)(ii): Prior to permitting an employee to operate a powered industrial truck (except for training purposes), the employer did not ensure that each operator had successfully completed the training required by 29 CFR 1910.178(l):

a) Employees operated forklift trucks without having first completed training consisting of formal instruction, practical training, and an evaluation of the operator's performance in the workplace.

ABATEMENT DOCUMENTATION REQUIRED FOR THIS ITEM

Pursuant to 29 C.F.R. 1903.19, within ten (10) calendar days of the abatement date the employer must submit documentation showing it is in compliance with the standard, including describing the steps it is taking to ensure that employees are trained prior to operating a forklift truck

Date By Which Violation Must be Abated: 09/18/2015
Proposed Penalty: \$4900.00



STEPHEN BOYD
Area Director

U.S. Department of Labor
Occupational Safety and Health Administration
1100 East Campbell Road, Suite 250
Richardson, TX 75081
Phone: 972-952-1330 / Fax: 972-952-1338



INVOICE / DEBT COLLECTION NOTICE

Company Name: Baze Chemical, Inc.
Inspection Site: 2187 East FM 323, Palestine, TX 75801
Issuance Date: 08/31/2015

Summary of Penalties for Inspection Number	1051164
Citation 1, Serious	\$114800.00
TOTAL PROPOSED PENALTIES	\$114800.00

To avoid additional charges, please remit payment promptly to this Area Office for the total amount of the uncontested penalties summarized above. Make your check or money order payable to: "DOL-OSHA". Please indicate OSHA's Inspection Number (indicated above) on the remittance. You can also make your payment electronically on www.pay.gov. On the left side of the pay.gov homepage, you will see an option to Search Public Forms. Type "OSHA" and click Go. From the results, click on **OSHA Penalty Payment Form**. The direct link is <https://www.pay.gov/paygov/forms/formInstance.html?agencyFormId=53090334>. You will be required to enter your inspection number when making the payment. Payments can be made by credit card or Automated Clearing House (ACH) using your banking information. Payments of \$25,000 or more require a Transaction ID, and also must be paid using ACH. If you require a Transaction ID, please contact the OSHA Debt Collection Team at (202) 693-2170.

OSHA does not agree to any restrictions or conditions or endorsements put on any check, money order, or electronic payment for less than the full amount due, and will cash the check or money order as if these restrictions or conditions do not exist.

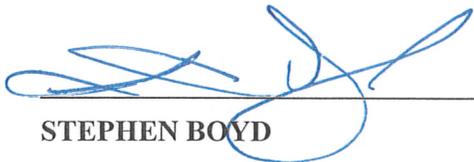
If a personal check is issued, it will be converted into an electronic fund transfer (EFT). This means that our bank will copy your check and use the account information on it to electronically debit your account for the amount of the check. The debit from your account will then usually occur within 24 hours and will be shown on your regular account statement. You will not receive your original check back. The bank will destroy your original check, but will keep a copy of it. If the EFT cannot be completed because of insufficient funds or closed account, the bank will attempt to make the transfer up to 2 times.

Pursuant to the Debt Collection Act of 1982 (Public Law 97-365) and regulations of the U.S. Department of Labor (29 CFR Part 20), the Occupational Safety and Health Administration is required to assess interest, delinquent charges, and administrative costs for the collection of delinquent penalty debts for violations of the Occupational Safety and Health Act.

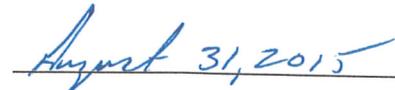
Interest: Interest charges will be assessed at an annual rate determined by the Secretary of the Treasury on all penalty debt amounts not paid within one month (30 calendar days) of the date on which the debt amount becomes due and payable (penalty due date). The current interest rate is one percent (1%). Interest will accrue from the date on which the penalty amounts (as proposed or adjusted) become a final order of the Occupational Safety and Health Review Commission (that is, 15 working days from your receipt of the Citation and Notification of Penalty), unless you file a notice of contest. Interest charges will be waived if the full amount owed is paid within 30 calendar days of the final order.

Delinquent Charges: A debt is considered delinquent if it has not been paid within one month (30 calendar days) of the penalty due date or if a satisfactory payment arrangement has not been made. If the debt remains delinquent for more than 90 calendar days, a delinquent charge of six percent (6%) per annum will be assessed accruing from the date that the debt became delinquent.

Administrative Costs: Agencies of the Department of Labor are required to assess additional charges for the recovery of delinquent debts. These additional charges are administrative costs incurred by the Agency in its attempt to collect an unpaid debt. Administrative costs will be assessed for demand letters sent in an attempt to collect the unpaid debt.



STEPHEN BOYD
Area Director



Date