

**U.S. Department of Labor**  
Occupational Safety and Health Administration  
Wilson Plaza West  
606 N Carancahua, Suite 700  
Corpus Christi, TX 78401-0643  
Phone: (361)888-3420 FAX: (361)888-3424



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## Citation and Notification of Penalty

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**To:**  
Citgo Refining & Chemicals Company, L.P.  
and its successors  
1802 Nueces Bay Blvd  
Corpus Christi, TX 78469-0321

**Inspection Number:** 316301720  
**Inspection Date(s):** 03/06/2012-08/15/2012  
**Issuance Date:** 09/05/2012

Attn: Kenny Karl, Safety & Health Manager

**Inspection Site:**  
1802 Nueces Bay Blvd  
Corpus Christi, TX 78469-0321

*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.*

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**Please read the following paragraphs which outline your rights and responsibilities.**

This Citation and Notification of Penalty (this Citation) describes violations of the Occupational Safety and Health Act of 1970. The penalty(ies) 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 mail a notice of contest to the U.S. Department of Labor Area Office at the address shown above. 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. **The penalty dollar amounts need not be posted and may be marked out or covered up prior to posting.**

**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(ies).

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, call our office between 8:00 a.m. and 4:30 p.m. for an appointment at (361) 888-3420. Please **complete, remove and post the page 8 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(ies) within 15 working days after receipt, the citation(s) and the proposed penalty(ies) 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. Make your check or money order payable to "USDOL-OSHA". Please indicate the Inspection Number on the remittance.

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

**Notification of Corrective Action** - For each violation which you do not contest, you are required by 29 CFR 1903.19 to submit an Abatement Certification to the Area Director of the OSHA office issuing the citation and identified above. The certification must be sent by you within 10 calendar days of the abatement date indicated on the citation. For **Willful** and **Repeat** violations, documents (examples: photos, copies of receipts, training records, etc.) demonstrating that abatement is complete must accompany the certification. Where the citation is classified as **Serious** and the citations states that abatement documentation is required, documents such as those described above are required to be submitted along with the abatement certificate. If the citation indicates that the violation was corrected during the inspection, no abatement certification is required for that item. Attached are two fill-in-the-blank form letters for your use in meeting this requirement.

**All abatement verification documents must contain the following information:** 1) Your name and address; 2) the inspection number (found on the front page); 3) the citation and citation item number(s) to which the submission relates; 4) a statement that the information is accurate; 5) the signature of the employer or employer's authorized representative; 6) the date the hazard was corrected; 7) a brief statement of how the hazard was corrected; and 8) a statement that affected employees and their representatives have been informed of the abatement.

The law also requires a copy of all abatement verification documents, required by 29 CFR 1903.19 to be sent to OSHA, also be posted at the location where the violation appeared and the corrective action took place.

**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.

**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.

**Abatement Methods** - The employer is not limited to abatement methods suggested by OSHA; i.e., methods explained are general and may not be effective in all cases. Other methods of abatement may be equally or more appropriate. Ultimate responsibility for determining the most appropriate method rest with the employer, given its superior knowledge of the specific conditions at its worksite.

**PLEASE FILL IN ABATEMENT/CORRECTION METHOD INCLUDING DATE COMPLETED FOR EACH ITEM CITED AND RETURN TO THE AREA DIRECTOR. OSHA STANDARDS REQUIRE CERTIFICATION AND/OR DOCUMENTATION FOR EACH CITED ITEM.** Abatement certification is the employer's statement to OSHA that a violation has been corrected. The certification also describes the date and method of abatement and states that employees and their representatives have been informed of the abatement. Abatement documentation is evidence submitted by the employer that demonstrates that abatement is complete. The evidence will usually be photographic pictures of the abatement, receipts, work orders, or other paper evidence of abatement actions taken. Abatement certification responses are due within three (3) working days after each abatement date. **ANOTHER CITATION WITH MONETARY PENALTY CAN BE ISSUED IF YOU DO NOT PROVIDE CERTIFICATION AND/OR DOCUMENTATION OF ABATEMENT.**

When the item indicates **CORRECTED DURING INSPECTION**, the compliance officer witnessed the abatement/correction during the inspection, and no certification is required.

**Inspection Activity Datas** - 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, but no sooner than 30 calendar days after the Citation Issuance Date. You are encouraged to review the information concerning your establishment at [www.OSHA.gov](http://www.OSHA.gov) If you have any dispute with the accuracy of the information displayed, please contact this office.

**ABATEMENT CERTIFICATION**

**In the Matter Of:** Citgo Refining & Chemicals Company, L.P.  
1802 Nueces Bay Blvd  
Corpus Christi, TX 78469-0321

**Inspection No:** 316301720

**PLEASE FILL IN ABATEMENT/CORRECTION METHOD INCLUDING DATE COMPLETED FOR EACH ITEM CITED AND RETURN TO THE AREA DIRECTOR.** Supporting documentation shall be included: e.g., drawings/photographs, purchase/work orders, air sampling results, or any other related information to show corrections. Abatement verification must be posted and certified as being true and correct. Responses are due **within 10 calendar days** from each abatement date and must be postmarked within the 10 calendar day period.

When the item indicates **QUICK FIX** or **CORRECTED DURING INSPECTION**, the compliance officer witnessed the abatement/correction during the inspection, and no response is required.

Citation 1 Item 1 Type of Violation: Serious

29 CFR 1910.119(d)(3)(i)(B): Process safety information pertaining to the equipment in the process did not include the piping and instrument diagrams (P&ID'S):

- a. At the East Plant Alkylation Unit, P&IDs used to conduct the September 2011 Process Hazard Analysis (PHA) for the Alkylation unit were inaccurate and not updated to reflect current equipment, piping and instrumentation. The employer conducted the 2011 unit PHA without complete process safety information (PSI). This condition could lead to catastrophic release of flammable and toxic chemicals.
- b. On or about April 26, 2012, inside the Control Room in the East Plant Alkylation Unit, P&IDs used by operators for daily operations were inaccurate and not updated to reflect current equipment, piping and instrumentation for process related activities. This condition could lead to catastrophic release of flammable and toxic chemicals.

**DESCRIBE CORRECTIVE ACTION TAKEN & PROVIDE DATE CORRECTED:**

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Citation 1 Item 2 Type of Violation: Serious

29 CFR 1910.119(e)(1): The process hazard analysis was not appropriate to the complexity of the process and did not identify, evaluate, and address the control of the hazards involved in the process:

The employer did not ensure the Alkylation unit Process Hazard Analysis was appropriate to the complexity of the Alkylation unit processes. The September 2011, Alkylation Unit Process Hazard Analysis conducted by the employer failed to analyze all appropriate hazards such as those associated with high temperature of the stream from the Depropanizer Feed Condenser, 083E10A/B to the Depropanizer Feed Settler, 083V013.

**DESCRIBE CORRECTIVE ACTION TAKEN & PROVIDE DATE CORRECTED:**

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Citation 1 Item 3 Type of Violation: Serious

29 CFR 1910.119(f)(3): The employer did not certify annually that the operating procedures are current and accurate:

On or about April 26, 2012, and times prior there to, in the Alkylation Unit, the employer did not ensure the Alkylation Unit operators were operating the unit with operating procedures that were annually certified.

**DESCRIBE CORRECTIVE ACTION TAKEN & PROVIDE DATE CORRECTED:**

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Citation 1 Item 4 Type of Violation: Serious

29 CFR 1910.119(j)(5): The employer did not correct deficiencies in equipment that were outside acceptable limits defined by the process safety information before further use or in a safe and timely manner when necessary means were taken to assure safe operation:

On or about March 6, 2012, and times prior thereto, the employer failed to follow RAGAGEP, ASME section VIII, Division 2, 9.A.3, when the employer did not correct the inlet piping pressure drop deficiencies for pressure relief valves, 83-PSV-046 and 83-PSV-047.

**DESCRIBE CORRECTIVE ACTION TAKEN & PROVIDE DATE CORRECTED:**

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Citation 2 Item 1 Type of Violation: Repeat

29 CFR 1910.119(l)(1): The employer did not establish and implement written procedures to manage changes to process chemicals, technology, equipment, and procedures; and, changes to facilities that affect a covered process:

The employer did not establish and implement written procedures to manage changes to process chemicals, technology, equipment, and procedures in the Alkylation Unit when it increased the production capacity of alkylate from the original design capacity of 15,915 barrels per day (BPD) to the present production capacity of 26,800 barrels per day (BPD).

**DESCRIBE CORRECTIVE ACTION TAKEN & PROVIDE DATE CORRECTED:**

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**In the Matter of:** Citgo Refining & Chemicals Company, L.P.  
1802 Nueces Bay Blvd  
Corpus Christi, TX 78469-0321

**Inspection No:** 316301720

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

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Typed or Printed Name



## NOTICE TO EMPLOYEES OF INFORMAL CONFERENCE

An informal conference has been scheduled with OSHA to discuss the citation(s) issued on 09/05/2012. The conference will be held at the OSHA office located at Wilson Plaza West, 606 N Carancahua, Suite 700, Corpus Christi, TX, 78401-0643 on \_\_\_\_\_ at \_\_\_\_\_. Employees and/or representatives of employees have a right to attend an informal conference.



**Citation and Notification of Penalty**

Company Name: Citgo Refining & Chemicals Company, L.P.  
Inspection Site: 1802 Nueces Bay Blvd, Corpus Christi, TX 78469-3321

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

29 CFR 1910.119(d)(3)(i)(B): Process safety information pertaining to the equipment in the process did not include the piping and instrument diagrams (P&ID'S):

- a. At the East Plant Alkylation Unit, P&IDs used to conduct the September 2011 Process Hazard Analysis (PHA) for the Alkylation unit were inaccurate and not updated to reflect current equipment, piping and instrumentation. The employer conducted the 2011 unit PHA without complete process safety information (PSI). This condition could lead to catastrophic release of flammable and toxic chemicals.
- b. On or about April 26, 2012, inside the Control Room in the East Plant Alkylation Unit, P&IDs used by operators for daily operations were inaccurate and not updated to reflect current equipment, piping and instrumentation for process related activities. This condition could lead to catastrophic release of flammable and toxic chemicals.

**CERTIFICATION AND DOCUMENTATION OF ABATEMENT REQUIRED**

Date By Which Violation Must be Abated:	10/01/2012
Proposed Penalty:	\$ 7000.00

See pages 1 through 8 of this Citation and Notification of Penalty for information on employer and employee rights and responsibilities.



**Citation and Notification of Penalty**

**Company Name:** Citgo Refining & Chemicals Company, L.P.  
**Inspection Site:** 1802 Nueces Bay Blvd, Corpus Christi, TX 78469-3321

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

29 CFR 1910.119(e)(1): The process hazard analysis was not appropriate to the complexity of the process and did not identify, evaluate, and address the control of the hazards involved in the process:

The employer did not ensure the Alkylation unit Process Hazard Analysis was appropriate to the complexity of the Alkylation unit processes. The September 2011, Alkylation Unit Process Hazard Analysis conducted by the employer failed to analyze all appropriate hazards such as those associated with high temperature of the stream from the Depropanizer Feed Condenser, 083E10A/B to the Depropanizer Feed Settler, 083V013.

**CERTIFICATION AND DOCUMENTATION OF ABATEMENT REQUIRED**

Date By Which Violation Must be Abated:	10/22/2012
Proposed Penalty:	\$ 7000.00

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

29 CFR 1910.119(f)(3): The employer did not certify annually that the operating procedures are current and accurate:

On or about April 26, 2012, and times prior there to, in the Alkylation Unit, the employer did not ensure the Alkylation Unit operators were operating the unit with operating procedures that were annually certified.

**CERTIFICATION AND DOCUMENTATION OF ABATEMENT REQUIRED**

Date By Which Violation Must be Abated:	10/01/2012
Proposed Penalty:	\$ 7000.00

See pages 1 through 8 of this Citation and Notification of Penalty for information on employer and employee rights and responsibilities.



**Citation and Notification of Penalty**

**Company Name:** Citgo Refining & Chemicals Company, L.P.  
**Inspection Site:** 1802 Nueces Bay Blvd, Corpus Christi, TX 78469-3321

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

29 CFR 1910.119(j)(5): The employer did not correct deficiencies in equipment that were outside acceptable limits defined by the process safety information before further use or in a safe and timely manner when necessary means were taken to assure safe operation:

On or about March 6, 2012, and times prior thereto, the employer failed to follow RAGAGEP, ASME section VIII, Division 2, 9.A.3, when the employer did not correct the inlet piping pressure drop deficiencies for pressure relief valves, 83-PSV-046 and 83-PSV-047.

**CERTIFICATION AND DOCUMENTATION OF ABATEMENT REQUIRED**

<b>Date By Which Violation Must be Abated:</b>	<b>10/01/2012</b>
<b>Proposed Penalty:</b>	<b>\$ 7000.00</b>



**Citation and Notification of Penalty**

**Company Name:** Citgo Refining & Chemicals Company, L.P.  
**Inspection Site:** 1802 Nueces Bay Blvd, Corpus Christi, TX 78469-3321

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

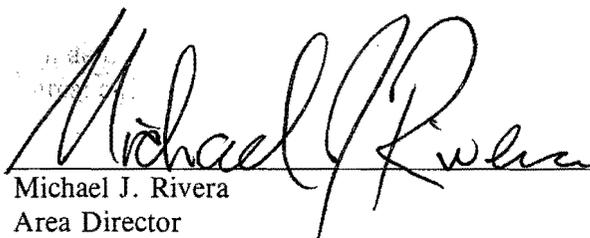
29 CFR 1910.119(l)(1): The employer did not establish and implement written procedures to manage changes to process chemicals, technology, equipment, and procedures; and, changes to facilities that affect a covered process:

The employer did not establish and implement written procedures to manage changes to process chemicals, technology, equipment, and procedures in the Alkylation Unit when it increased the production capacity of alkylate from the original design capacity of 15,915 barrels per day (BPD) to the present production capacity of 26,800 barrels per day (BPD).

The Citgo Refining and Chemicals Company, L.P. was previously cited for a violation of this occupational safety and health standard or its equivalent standard 29 CFR 1910.119(l)(1), which was contained in OSHA Inspection number 313467136, Citation number 01, Item number 006 and was affirmed as a final order on March 25, 2011, with respect to a workplace located at 1802 Nueces Bay Blvd, Corpus Christi, Texas.

**CERTIFICATION AND DOCUMENTATION OF ABATEMENT REQUIRED**

Date By Which Violation Must be Abated:	10/01/2012
Proposed Penalty:	\$ 38500.00

  
Michael J. Rivera  
Area Director

**U.S. Department of Labor**  
Occupational Safety and Health Administration  
Wilson Plaza West  
606 N Carancahua, Suite 700  
Corpus Christi, TX 78401-0643  
Phone: (361)888-3420 FAX: (361)888-3424



Reply to the Attention of: MJR:

## INVOICE/ DEBT COLLECTION NOTICE

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**Company Name:** Citgo Refining & Chemicals Company, L.P.  
**Inspection Site:** 1802 Nueces Bay Blvd, Corpus Christi, TX 78469-0321  
**Issuance Date:** 09/05/2012

**Summary of Penalties for Inspection Number 316301720**

<b>Citation 1, Serious</b>	= \$	<b>28000.00</b>
<b>Citation 2, Repeat</b>	= \$	<b>38500.00</b>
<b>TOTAL PROPOSED PENALTIES</b>	= \$	<b>66500.00</b>

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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.

OSHA does not agree to any restrictions or conditions put on any check or money order 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 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.

  
Michael J. Rivera  
Area Director

September 5, 2012  
Date