U.S. Department of Labor
Occupational Safety and Health Administration
Dr. A.H. McCoy Federal Bldg. 100 West Capitol Street
Suite 749
Jackson, MS 39269
Phone: 601-965-4606 Fax: 601-965-4610

Citation and Notification of Penalty

To:
Mississippi Phosphates Corporation and its successors
PO Box 848
Pascagoula, MS 39567

Inspection Site:
601 Industrial Rd.
Pascagoula, MS 39581

Inspection Number: 506258
Inspection Date(s): 06/12/2012 – 11/19/2012
Issuance Date: 11/20/2012

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(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. 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(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, 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(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. (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.

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 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 11/20/2012. The conference will be held at the OSHA office located at Dr. A.H. McCoy Federal Bldg. 100 West Capitol Street, Suite 749, Jackson, MS 39269 on ____________ at _______________. Employees and/or representatives of employees have a right to attend an informal conference.
CERTIFICATION OF CORRECTIVE ACTION WORKSHEET

Company Name: Mississippi Phosphates Corporation
Inspection Site: 601 Industrial Rd., Pascagoula, MS 39581
Issuance Date: 11/20/2012

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, Dr. A.H. McCoy Federal Bldg. 100 West Capitol Street, Suite 749, Jackson, MS 39269

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): ________________________________________________________________
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Citation Number _____ and Item Number _____ was corrected on ________________________________
By (Method of Abatement): ________________________________________________________________
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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: Mississippi Phosphates Corporation
Inspection Site: 601 Industrial R.d., Pascagoula, MS 39581

Citation 1 Item 1 Type of Violation: Serious

29 CFR 1910.23(a)(5):

Every pit and trapdoor floor opening, infrequently used, shall be guarded by a floor opening cover of standard strength and construction. While the cover is not in place, the pit or trap opening shall be constantly attended by someone or shall be protected on all exposed sides by removable standard railings:

(a) Yard area - On or about June 14, 2012 employees were exposed to fall hazards from open pit of molten sulfur through the unguarded 18 X 18 inch opening.

(b) Yard area - On or about July 18, 2012 employees were exposed to fall hazards from open pit of molten sulfur through the unguarded 18 X 18 inch opening.

ABATEMENT DOCUMENTATION REQUIRED FOR THIS ITEM

Date By Which Violation Must be Abated: 11/27/2012
Proposed Penalty: $3600.00
Citation and Notification of Penalty

Company Name: Mississippi Phosphates Corporation
Inspection Site: 601 Industrial Rd., Pascagoula, MS 39581

Citation 1  Item 2  Type of Violation: Serious

29 CFR 1910.24(h):

Standard railings shall be provided on the open sides of all exposed stairways and stair platforms. Handrails shall be provided on at least one side of closed stairways preferably on the right side descending. Stair railings and handrails shall be installed in accordance with the provisions of 1910.23:

(a) DAP plant - On or about June 26, 2012 employees were using stairs on the Drag Flight deck without standard railings.

(b) Low Pressure Storage tank - On or about June 27, 2012 employees were using stairs to a platform without a mid-rail.

ABATEMENT DOCUMENTATION REQUIRED FOR THIS ITEM

Date By Which Violation Must be Abated: 11/29/2012
Proposed Penalty: $2700.00

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: Mississippi Phosphates Corporation
Inspection Site: 601 Industrial Rd., Pascagoula, MS 39581

Citation 1 Item 3   Type of Violation: Serious


The employer shall perform an initial process hazard analysis (hazard evaluation) on processes covered by this standard.

(a) Phosphoric Acid plant - On or about June 12, 2012 the process hazard analysis (PHA) was not conducted for Phosphoric Acid Plant.

ABATEMENT DOCUMENTATION REQUIRED FOR THIS ITEM

Date By Which Violation Must be Abated: 01/07/2013
Proposed Penalty: $4500.00
Citation and Notification of Penalty

Company Name: Mississippi Phosphates Corporation
Inspection Site: 601 Industrial Rd., Pascagoula, MS 39581

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


At least every five (5) years after the completion of the initial process hazard analysis, the process hazard analysis shall be updated and revalidated by a team meeting the requirements in paragraph (e)(4) of this section, to assure that the process hazard analysis is consistent with the current process:

(a) PSM covered areas of the plant - On or about June 12, 2012 the process hazard analysis (PHA) was not conducted for chlorine in the cooling tower since 2006; for ammonia in the DAP plant since 2005; and for the low pressure storage tank since 2005.

**ABATEMENT DOCUMENTATION REQUIRED FOR THIS ITEM**

Date By Which Violation Must be Abated: 12/13/2012
Proposed Penalty: $4500.00
Citation and Notification of Penalty

Company Name: Mississippi Phosphates Corporation
Inspection Site: 601 Industrial Rd., Pascagoula, MS 39581

Citation 1 Item 5  Type of Violation: Serious


Employers shall certify that they have evaluated compliance with the provisions of this section at least every three years to verify that the procedures and practices developed under the standard are adequate and are being followed:

(a) PSM covered areas of the plant - On or about June 12, 2012 the compliance audit was not conducted in 2010 as required by the standard. The last compliance audit was conducted May 22-23, 2007 by William Zolczer with Global Risk and Mississippi Phosphate Corp employees.

ABATEMENT DOCUMENTATION REQUIRED FOR THIS ITEM

Date By Which Violation Must be Abated: 12/13/2012
Proposed Penalty: $4500.00
Citation and Notification of Penalty

Company Name: Mississippi Phosphates Corporation
Inspection Site: 601 Industrial Rd., Pascagoula, MS 39581

The alleged violations below have been grouped because they involve similar or related hazards that may increase the potential for injury or illness.

Citation 1 Item 6 a Type of Violation: Serious


Work rests shall be kept adjusted closely to the wheel with a maximum opening of one-eighth inch to prevent the work from being jammed between the wheel and the rest, which may cause wheel breakage. The work rest shall be securely clamped after each adjustment. The adjustment shall not be made with the wheel in motion:

(a) General Plant Maintenance shop - On or about June 28, 2012 employee were using a bench grinder with the work rest adjusted to 0.5 inches from the wheel.

ABATEMENT DOCUMENTATION REQUIRED FOR THIS ITEM

Date By Which Violation Must be Abated: 11/27/2012
Proposed Penalty: $2700.00

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: Mississippi Phosphates Corporation
Inspection Site: 601 Industrial Rd., Pascagoula, MS 39581

Citation 1 Item 6 b Type of Violation: Serious


The distance between the wheel periphery and the adjustable tongue or the end of the peripheral member at the top shall never exceed one-fourth inch:

(a) General Plant Maintenance Shop - On or about June 28, 2012 employees were using a bench grinder without tongue guards.

ABATEMENT DOCUMENTATION REQUIRED FOR THIS ITEM

Date By Which Violation Must be Abated: 11/27/2012
Citation and Notification of Penalty

Company Name: Mississippi Phosphates Corporation
Inspection Site: 601 Industrial Rd., Pascagoula, MS 39581

Citation 1 Item 7  Type of Violation: Serious

29 CFR 1910.242(b):

Compressed air used for cleaning. Compressed air shall not be used for cleaning purposes except where reduced to less than 30 p.s.i. and then only with effective chip guarding and personal protective equipment:

(a) South loading dock - On or about June 20, 2012 employees were using compressed air at 70 psi to remove debris from their clothes off.

(b) North Dock - On or about June 20, 2012 employees were using compressed air at 70 psi to remove debris from their clothes off.

(c) Material handling maintenance shop - On or about June 21, 2012 employees were using compressed air at 80 psi to remove debris from their clothes off.

(d) East Side of Machine Shop - On or about June 13, 2012 employees were exposed to tearing skin and/or embolisms while using the following 1/4 inch diameter stainless steel air nozzle extensions to clean machined parts:

(1) 15 3/8" x 1/4" OD Stainless Steel tubing being used as extension for a NAPA Air Nozzle, and
(2) 15 1/2" x 1/4" OD Stainless Steel tubing being used as extension for a NAPA Air Nozzle

ABATEMENT DOCUMENTATION REQUIRED FOR THIS ITEM

Date By Which Violation Must be Abated: 11/27/2012
Proposed Penalty: $4500.00
Citation and Notification of Penalty

Company Name: Mississippi Phosphates Corporation
Inspection Site: 601 Industrial Rd., Pascagoula, MS 39581

The alleged violations below have been grouped because they involve similar or related hazards that may increase the potential for injury or illness.

Citation 1 Item 8 a Type of Violation: Serious


Building and facility owners shall determine the presence, location, and quantity of ACM and/or PACM at the work site:

(a) DAP plant, Steam pipes near the old vaporizer - On or about June 5, 2012 employees were working on steam pipes that contained 40% amosite asbestos without a determining if asbestos was present.

ABATEMENT DOCUMENTATION REQUIRED FOR THIS ITEM

Date By Which Violation Must be Abated: 11/27/2012
Proposed Penalty: $3600.00

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: Mississippi Phosphates Corporation
Inspection Site: 601 Industrial Rd., Pascagoula, MS 39581

Citation 1 Item 8 (b) Type of Violation: Serious


Labeling. Warning labels shall be affixed to all raw materials, mixtures, scrap, waste, debris, and other products containing asbestos fibers, or to their containers.

(a) DAP plant, Steam pipes near the old vaporizer - On or about June 5, 2012 employees were working on steam pipes that contained 40% amosite asbestos without warning labels.

ABATEMENT DOCUMENTATION REQUIRED FOR THIS ITEM

Date By Which Violation Must be Abated: 11/27/2012
Citation and Notification of Penalty

Company Name: Mississippi Phosphates Corporation
Inspection Site: 601 Industrial Rd., Pascagoula, MS 39581

Citation 1 Item 9   Type of Violation: Serious


Eating, drinking, smoking, applying cosmetics or lip balm, and handling contact lenses are prohibited in work areas where there is a reasonable likelihood of occupational exposure:

(a) First aid trailer - On or about June 29, 2012 employees were eating and drinking and storing food items in the same area where blood and other body fluids were maintained.

ABATEMENT DOCUMENTATION REQUIRED FOR THIS ITEM

Date By Which Violation Must be Abated: 11/27/2012
Proposed Penalty: $2700.00
Citation and Notification of Penalty

Company Name: Mississippi Phosphates Corporation  
Inspection Site: 601 Industrial Rd., Pascagoula, MS 39581

The alleged violations below have been grouped because they involve similar or related hazards that may increase the potential for injury or illness.

Citation 1 Item 10a  
Type of Violation: Serious


The employer did not ensure that each container of hazardous chemical in the workplace was labeled, tagged or marked with the identity of the hazardous chemical(s) contained therein:

(a) Machine shop - On or about June 13, 2012 employees were exposed to unlabeled container of hydraulic oil.

(b) Electrical shop - On or about June 13, 2012 employees were exposed to unlabeled container of oil.

(c) I & E shop - On or about June 13, 2012 employees were exposed to unlabeled container of unknown substance.

(d) Dock area - On or about June 21, 2012 employees were exposed to unlabeled containers of oil.

(e) DAP plant - On or about June 26, 2012 employees were exposed to unlabeled container of caustic soda.

(f) DAP plant - On or about June 26, 2012 employees were exposed to unlabeled containers of acid.

(g) DAP plant - On or about June 26, 2012 employees were exposed to tanks of 42% phosphoric acid without the specific hazard warning.

(h) Low Pressure Storage - On or about June 27, 2012 employees were exposed to unlabeled container of coolant.

(i) Automotive shop - On or about June 27, 2012 employees were exposed to unlabeled container of diesel.

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: Mississippi Phosphates Corporation
Inspection Site: 601 Industrial Rd., Pascagoula, MS 39581

ABATEMENT DOCUMENTATION REQUIRED FOR THIS ITEM

Date By Which Violation Must be Abated: 12/06/2012
 Proposed Penalty: $3600.00
Citation and Notification of Penalty

Company Name: Mississippi Phosphates Corporation
Inspection Site: 601 Industrial Rd., Pascagoula, MS 39581

Citation 1 Item 10 b  Type of Violation: Serious


The employer did not ensure that each container of hazardous chemicals in the workplace was labeled, tagged or marked with the appropriate hazard warnings:

(a) Machine shop - On or about June 13, 2012 employees were exposed to container of hydraulic oil without specific hazard warning.

(b) Electrical shop - On or about June 13, 2012 employees were exposed to container of oil without specific hazard warning.

(c) I & E shop - On or about June 13, 2012 employees were exposed to container of unknown substance without specific hazard warning.

(d) Dock area - On or about June 21, 2012 employees were exposed to containers of oil without specific hazard warning.

(e) DAP plant - On or about June 26, 2012 employees were exposed to container of caustic soda without specific hazard warning.

(f) DAP plant - On or about June 26, 2012 employees were exposed to containers of acid without specific hazard warning.

(g) DAP plant - On or about June 26, 2012 employees were exposed to tanks of 42% phosphoric acid without the specific hazard warning.

(h) Low Pressure Storage - On or about June 27, 2012 employees were exposed to container of coolant without specific hazard warning.

(i) Automotive shop - On or about June 27, 2012 employees were exposed to container of diesel without specific hazard warning.

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: Mississippi Phosphates Corporation
Inspection Site: 601 Industrial Rd., Pascagoula, MS 39581

ABATEMENT DOCUMENTATION REQUIRED FOR THIS ITEM

Date By Which Violation Must be Abated: 12/06/2012
Citation and Notification of Penalty

Company Name: Mississippi Phosphates Corporation  
Inspection Site: 601 Industrial Rd., Pascagoula, MS 39581

Citation 2 Item 1  Type of Violation: Repeat

MISSISSIPPI PHOSPHATES CORPORATION WAS PREVIOUSLY CITED FOR A VIOLATION OF THIS OCCUPATIONAL SAFETY AND HEALTH STANDARD OR ITS EQUIVALENT STANDARD 29 CFR 1910.22(A)(1) WHICH WAS CONTAINED IN OSHA INSPECTION NUMBER 311419295 CITATION NUMBER 1 ITEM NUMBER 1, ISSUED ON 05/12/09 WITH A FINAL ORDER DATE OF 09/15/09 WITH RESPECT TO THE WORKPLACE LOCATED AT 601 INDUSTRIAL ROAD, PASCAGOULA, MISSISSIPPI

29 CFR 1910.22(a)(1): All places of employment, passageways, storerooms, and service rooms shall be kept clean and orderly and in a sanitary condition.

(a) Phosphoric acid plant - on or about June 14, 2012 employees were exposed to tripping hazards from hoses and trash on blower deck.

ABATEMENT DOCUMENTATION REQUIRED FOR THIS ITEM

Date By Which Violation Must be Abated: 11/29/2012  
Proposed Penalty: $12600.00

Clyde P. Payne  
Area Director
Company Name: Mississippi Phosphates Corporation  
Inspection Site: 601 Industrial Rd., Pascagoula, MS 39581  
Issuance Date: 11/20/2012

| Summary of Penalties for Inspection Number | 506258 |
| Citation 1, Serious | $36900.00 |
| Citation 2, Repeat | $12600.00 |
| TOTAL PROPOSED PENALTIES | $49500.00 |

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.

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 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.

\[\text{Signature} \quad \text{11/26/2012}\]

Clyde P. Payne
Area Director