State of California  
Division of Occupational Safety and Health  
Cal/OSHA High Hazard Unit (0950662;4502)  
2000 East McFadden Street, Suite 111  
Santa Ana, CA 92705  

Inspection Number: 312317241  
Inspection Dates: 05/26/2010 - 05/28/2010  
Issuance Date: 11/17/2010  
CSHO ID: X9249  
Optional Inspection Nbr: 039-10

Citation and Notification of Penalty

Company Name: NATIONAL STEEL AND SHIPBUILDING COMPANY  
Inspection Site: 2798 E HARBOR DR, SAN DIEGO, CA 91286

Citation 1 Item 1  Type of Violation: Willful Serious Repeat

T8 CCR §4991(a). Travel.  
The travel of cranes or boom-type excavators shall be controlled so as to avoid collision with persons, material, and equipment. The cabs of units (of the revolving type) traveling under their own power shall be turned so as to provide the least obstruction to the operator's vision in the direction of travel, unless receiving signals from someone with an unobstructed view.

On May 20, 2010, gantry crane #15 and gantry crane #16 were conducting a two crane lift operation. The employer willfully failed to control crane #15 during its travel so as to avoid collision with material and/or equipment. Crane #15 collided with a sandblast hopper, causing it to fall.

This is a Repeat Violation of Citation number 3, Item number 1, Inspection number 309149896, Report number 001-08, Region 6 District 2, Issued on 01/03/2008. This citation became a final Order of the Board on 09/30/2008.

This is a Repeat Violation of Citation number 4, Item number 1, Inspection number 309152478, Report number 019-08, Region 6 District 2, Issued on 04/10/2008: This citation became a final Order of the Board on 02/27/2009.

This is a Repeat Violation of Citation number 1, Item number 1, Inspection number 309152882, Report number 042-08, Region 6 District 2, Issued on 07/08/2008. This citation became a final Order of the Board on 03/13/2009.

Date By Which Violation Must be Abated: 11/24/2010  
Proposed Penalty: $70000.00

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: NATIONAL STEEL AND SHIPBUILDING COMPANY
Inspection Site: 2798 E HARBOR DR, SAN DIEGO, CA 91286

Citation 2 Item 1 Type of Violation: Willful Serious

T8 CCR §4994(e). Hoisting.
When two or more cranes are used to lift one load, a qualified person, other than the operators, shall direct the operation. This person shall analyze the operation and instruct all personnel involved in the proper positioning, rigging of the load, and the movements to be made. A qualified person shall be in direct audible communication with both crane operators at all times to direct the lifting operation. Where two cranes or more are used to lift one load, the rating chart shall be reduced on each crane by not less than 25 percent, unless equalizer or other acceptable provisions assure safe distribution of both vertical and horizontal load to the cranes involved, in which case a lesser reduction may be applied.

On May 20, 2010, gantry crane #15 and gantry crane #16 were conducting a two crane lift. Gantry crane #15 collided with a sandblast hopper, causing it to fall. Prior to the operation, the employer willfully failed to cause sufficient analysis of and/or instruction about the movement to be made as required by this section. As a result, the sandblast hopper was struck and fell.

Date By Which Violation Must be Abated: 11/24/2010
Proposed Penalty: $ 67500.00

Compliance Officer/District Manager /
NOTICE OF PROPOSED PENALTIES

Company Name: NATIONAL STEEL AND SHIPBUILDING COMPANY

Inspection Site: 2798 E HARBOR DR, SAN DIEGO, CA 92128
Mailing Address: PO BOX 85278, SAN DIEGO, CA 92186

Issuance Date: 11/17/2010
Reporting ID: 0950662
Index Code: 4502

Summary of Penalties for Inspection Number 312317241

Citation 1, Willful = $ 70000.00
Citation 2, Willful = $ 67500.00
TOTAL PROPOSED PENALTIES = $ 137500.00

Penalties are due within 15 working days of receipt of this notification unless contested. If you are appealing any item of this citation, remittance is still due on all items that are not appealed. Enclosed for your use is a Penalty Remittance Form.

If you are paying electronically: Please have this form on-hand when you are ready to make your payment. The company name, index code, reporting ID and Citation number(s) will be required to ensure that the payment is accurately posted to your account. Please go to www.dir.ca.gov/dosh to access the secure payment processing site.

If you are paying by check: Mail this Notice of Proposed Penalties, the Penalty Remittance Form, along with a copy of the Citation and Notification of Penalty to:

DEPARTMENT OF INDUSTRIAL RELATIONS
CASHIER, ACCOUNTING OFFICE
P. O. BOX 420603
SAN FRANCISCO, CA 94142-0603
CAL/OSHA does not agree to any restrictions, conditions or endorsements on any check or money order for less than the full amount due, and will cash the check or money order as these restrictions, conditions or endorsements do not exist.