

**OCCUPATIONAL SAFETY
AND HEALTH STANDARDS BOARD**

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**PROPOSED PETITION DECISION OF THE
OCCUPATIONAL SAFETY AND HEALTH STANDARDS BOARD
(PETITION FILE NO. 516)****INTRODUCTION**

The Occupational Safety and Health Standards Board (Board) received a petition on July 8, 2010, from Mr. Jogen Bhalla, Vice President, AMOT, Inc. (Petitioner). The Petitioner requests the Board to amend Title 8, California Code of Regulations, Sections 6554, 6625 and 6651 of the Petroleum Safety Orders – Drilling and Productions, concerning hazards associated with the use of internal combustion engines at oil and gas drilling and production sites. The Petitioner recommends adding a requirement that internal combustion engines be equipped with cyclone type spark arresters and that diesel engines be equipped with automatic air intake shut-off valves. Additionally, the Petitioner requests the Board to amend Sections 6777 and 6874 of the Petroleum Safety Orders – Refining, Transportation and Handling, concerning hazards associated with the use of diesel engines at refineries.

Labor Code section 142.2 permits interested persons to propose new or revised regulations concerning occupational safety and health and requires the Board to consider such proposals and render a decision no later than six months following receipt. Further, as required by Labor Code section 147, any proposed occupational safety or health standard received by the Board from a source other than the Division of Occupational Safety and Health (Division) must be referred to the Division for evaluation, and the Division has 60 days after receipt to submit a report on the proposal.

SUMMARY

The Petitioner's company manufactures and markets controls and monitoring equipment, including the safety devices mentioned above. The Petitioner notes that diesel engines not properly controlled are a dangerous source of ignition when used in areas where accidental releases of combustible gas, vapor or dust exist. The Petitioner cites a recent BP Deepwater rig explosion that resulted in 11 deaths and 17 injuries.

DIVISION'S EVALUATION

The Division's evaluation report dated August 24, 2010, recommends granting the Petitioner's request to the extent an advisory committee be convened to consider the recommended amendments to the Petroleum Safety Orders – Drilling and Productions. The Division does not support the proposed change to the Petroleum Safety Orders – Refining, Transportation and Handling, without convening a separate advisory committee to consider amendment of those

orders. However, the Division believes the convening of such an advisory committee would not be fruitful.

STAFF'S EVALUATION

Current Section 6684(b) in Subchapter 14 mandates that, when an internal combustion engine is being operated within specified hazardous areas near oil and gas well sites, the employer must prevent the discharge of flames or sparks from the exhaust system using a water injection system or other effective device. This standard includes a performance based alternative in contrast to the more prescriptive standard proposed by the Petitioner. The Board has in the past favored performance based requirements unless it could be shown that a more prescriptive requirement would better address the hazard.

Board staff's review of accident data related to runaway diesel engine incidents at oil and gas well sites regulated under Subchapter 14 indicates that employees have been injured and killed as the result of well site explosions ignited by run-away diesel engines. Accident accounts included events where employees were injured or killed while running towards the control switch to activate the air intake shut-off device in an attempt to stop runaway diesel engines and prevent the explosions. Board staff believes that, in those cases, an automatic air-intake shut-off device could have prevented employee injury or death by allowing the employee to leave the hazardous area.

With regard to the Petroleum Safety Orders – Refining, Transportation and Handling, Board staff notes that in Petition File No. 505 (a proposal that all diesel engines operated at the refineries and associated oil and gas facilities be equipped with automatic air intake shut-off valves) was granted by the Board on November 20, 2008, to the extent that a representative advisory committee be convened to consider the proposal. The advisory committee, consisting of representatives from labor, management and the Division was convened on August 27, 2009, and was unable to reach a consensus as to the necessity for such a standard. All representatives of the refineries felt that the current Process Safety Management (PSM) standard in Section 5189 addresses the safety hazards associated with the runaway diesel engines during all operations within the refineries. The point was made that Section 5189 would already require the air-intake shut-off devices in the event administrative controls are ineffective.

Board staff agrees that the PSM standard in Section 5189 includes provisions to address the safety hazards associated with the run-away diesel engines during all operations within the refineries. Because there is no evidence to the contrary, the PSM standard has been effective in controlling this type hazard.

Board staff notes that gas and oil well sites are specifically exempted from the PSM standard in Section 5189(b)(1), and therefore rely primarily on the requirements of Sections 6554(h), 6625(a) and (b), and 6651 to address the hazards associated with the run-away diesel engines. Because there is accident data that indicates Sections 6554(h), 6625(a) and (b), and 6651 may not be effective in controlling this type hazard, Board staff supports convening an advisory committee to explore the development of an effective standard to control hazards associated with

run-away diesel engines at oil and gas well sites and operations subject to Subchapter 14, the Petroleum Safety Orders-Drilling & Production.

Based on information gathered during the course of staff's investigation, Board staff agrees with the Division, that the Petitioner's recommendation to amend the Petroleum Safety Orders – Drilling and Productions, concerning hazards associated with the use of internal combustion engines at oil and gas drilling and production sites has merit. Board staff recommends that the Petition be granted to the extent that an advisory committee be convened by Board staff to consider that recommendation, and if appropriate, develop a rulemaking proposal for presentation to the Board at a future Public Hearing. The Petitioner should be invited to participate in the advisory committee deliberations.

With regard to the Petitioner request to amend Sections 6777 and 6874 of the Petroleum Safety Orders – Refining, Transportation and Handling, concerning hazards associated with the use of diesel engines at refineries, because an advisory committee recently convened to consider amending Subchapter 15 with a similar proposed amendment was unable to reach a consensus as to the necessity for such a standard, Board staff agrees with the Division and does not support considering this proposed change at this time. Therefore, Board staff recommends that the Petitioners proposal to amend Sections 6777 and 6874 be denied.

CONCLUSION AND ORDER

The Occupational Safety and Health Standards Board has considered the petition of Mr. Jogen Bhalla, Vice President, AMOT, Inc., to amend Title 8, California Code of Regulations, Sections 6554, 6625 and 6651 of the Petroleum Safety Orders – Drilling and Productions, concerning hazards associated with the use of internal combustion engines at oil and gas drilling and production sites and Sections 6777 and 6874 of the Petroleum Safety Orders – Refining, Transportation and Handling, concerning hazards associated with the use of diesel engines at refineries. The Board has also considered the recommendations of the Division and Board staff. For reasons stated in the preceding discussion of the Division and Board staff evaluations, the Petitioner's request regarding the Petroleum Safety Orders – Drilling and Productions is GRANTED to the extent that an advisory committee be convened and that the Petitioner be invited to participate in that Advisory Committee's deliberations. Furthermore, for reasons stated in the preceding discussion of the Division and Board staff evaluations, the Petitioner's request to amend Sections 6777 and 6874 of the Petroleum Safety Orders – Refining, Transportation and Handling is DENIED.