Region 6 News Release: OSHA-06-603-DAL

Wednesday, April 5, 2006

Contact: Diana Petterson or Elizabeth Todd Phone: (214) 767-4776, ext. 222 or 221

OSHA Fines Formosa Plastics Corp. \$148,000 for Alleged Safety and Health Violations

**POINT COMFORT, Texas** -- A Point Comfort, Texas-based petrochemical company's alleged failure to protect employees from flash fire hazards has resulted in proposed penalties totaling \$148,000 from the U.S. Department of Labor's Occupational Safety and Health Administration (OSHA).

OSHA cited Formosa Plastics Corp. with one willful and 13 serious violations following a fire and explosion at the company's Formosa Drive plant that resulted in 12 people being injured, four of whom were hospitalized with severe burns.

"OSHA has inspected Formosa Plastics numerous times for many of the same violations," said John Giefer, OSHA's area director in Corpus Christi. "If the company had followed OSHA standards, it is possible that the injuries sustained by these workers could have been avoided."

The willful citation was issued for failure to provide employees with flame resistant clothing for protection against flash fire hazards. A willful violation is one committed with intentional disregard of or plain indifference to the requirements of the Occupational Safety and Health Act.

Alleged serious violations included failing to: safeguard employees from open manholes; repair stairways to avoid fall hazards; fireproof steel support structures; complete a process safety analysis to address ignition sources; follow safety practices regarding highly flammable liquids; protect employees from electrical hazards. A serious violation is one in which there is substantial probability that death or serious physical harm could result from a hazard about which the employer knew or should have known.

Formosa Plastics Corp., which manufactures plastics, is headquartered in Livingston, N.J. The company employs about 4,500 workers nationwide, about 1,800 of whom work at the Point Comfort facility.

The company has 15 working days from receipt of the citations to comply, request and participate in an informal conference with OSHA's Corpus Christi area director or contest the citations and penalties before the independent Occupational Safety and Health Review Commission.

Employers and employees with questions regarding workplace safety and health standards can call OSHA's Corpus Christi area office at (361) 888-3420 or OSHA's toll-free hotline number, 1-800-321-6742, to report workplace accidents, fatalities or situations posing imminent danger to workers.

Employers are responsible for providing a safe and healthful workplace for their employees. OSHA's role is to assure the safety and health of America's workers by setting and enforcing standards; providing training, outreach, and education; establishing partnerships; and encouraging continual improvement in workplace safety and health. For more information, visit <a href="https://www.osha.gov">www.osha.gov</a>.

#### **Archive**

# Formosa Plastics Fined for Violations that Lead to Fatal Expolsion

OSHA has issued citations and proposed penalties to Formosa Plastics Corp. of Illiopolis, Ill., following its investigation into a massive, April 23 explosion that killed five workers, seriously injured three others and turned much of the facility into rubble.

#### Sandy Smith | Oct 25, 2004

OSHA issued citations for 45 alleged serious violations and three alleged willful violations of federal workplace safety and health regulations. Serious violations included allegations of a wide range of hazards associated with control of flammable liquid and ignition sources, insufficient worker training, electrical and lockout/tagout hazards, insufficient training on emergency response, organization, and equipping of fire brigade personnel, among others. The alleged willful violations charged the company with failing to maintain fire protection equipment, failing to replace or repair defective equipment used in highly hazardous chemical processes, and inadequate inspections and tests of equipment used in processes involving highly hazardous chemicals.

A Formosa spokesman said an internal investigation, which was based on interviews and documentation that survived the blast, points to human error as the cause of the blast and said the company plans to appeal the citations.

"It has shown that it was due to unfortunate and tragic human error," he said. "At this point, I cant talk about what it was."

The explosions, which could be heard from miles away, and subsequent fire caused a large public evacuation, cut power to local communities, and closed an interstate highway. Eighteen workers were on site when an explosion occurred while employees were reportedly mixing vinyl chloride and vinyl acetate.

At the time of the explosion, Carolyn W. Merritt, chairman of the U.S. Chemical Safety and Hazard is Investigation Board, noted, "This event had a devastating impact on workers and the public." In addition to OSHA investigators, a team from CSB investigated the incident to determine the circumstances and a report is expect from CSB next spring.

Formosa Plastic employed some 136 workers in Illiopolis prior to the blast and approximately 4,000 workers company-wide. Formosa purchased the Illiopolis facility in 2002 and had no previous OSHA inspections at that facility.

The company has had problems at other facilities, however. In December 2000, OSHA cited Formosa's Point Comfort, Texas, facility for nine safety and health violations totaling \$114,000. The OSHA investigation was initiated May 25 when an employee was severely injured in a fire at the plant. OSHA's inspection of the facility resulted in one willful, six serious and two repeat violations.

In September 2002, OSHA proposed fines of \$313,500 against Nan Ya Plastics Corp. America for exposing employees to hazards associated with improper electrical wiring, unguarded machines machines and floor holes, and failure to provide protection against the possible release of stored energy. The facility, located in Bachelor, La., manufactures flexible plastic film, employs about 270 workers at the site, and is privately owned by Formosa Plastics Group, which is headquartered in Taiwan. That inspection was triggered by an employee complaint.

## Formosa Plastics Agrees to Resolve Multiple Environmental Violations at Plants in Texas and Louisiana

Release Date: 09/29/2009

Contact Information: DOJ at 202-514-2007, EPA at 214-665-2200 or r6press@epa.gov

(WASHINGTON – September 29, 2009) Formosa Plastics Corp., Texas, and Formosa Plastics Corp., Louisiana, will spend more than \$10 million on pollution controls to address air, water, and hazardous waste violations at two petrochemical plants in Point Comfort, Texas, and Baton Rouge, Louisiana, the Justice Department and the Environmental Protection Agency (EPA) announced today.

The companies also have agreed to pay a civil penalty of \$2.8 million to resolve violations under the Clean Air Act (CAA), Clean Water Act (CWA), Resource Conservation and Recovery Act (RCRA) and Emergency Planning and Community Right-to-Know Act (EPCRA).

Under the agreement lodged in the U.S. District Court for the Southern District of Texas, both the Texas and Louisiana facilities will implement a comprehensive CAA enhanced leak detection and repair program, which goes beyond regulatory requirements by requiring more stringent leak definitions, more frequent monitoring and monitoring and repair of additional chemical manufacturing equipment. The leak prevention practices agreed to in the settlement include an innovative program to replace valves with new "low leak" valve technology, which will significantly reduce the likelihood of future leaks of air pollutants. The enhanced program also includes requirements for periodic audits of the companies' leak prevention practices to ensure compliance going forward.

The enhanced leak detection and repair program will potentially reduce the annual volatile organic compound (VOC) air emissions from the two Formosa facilities by approximately 6.570,000 pounds per year of VOCs, including hazardous air pollutants such as vinyl chloride.

According to EPA, VOCs can contribute to respiratory disorders such as asthma and reduced lung capacity. They can also cause damage to ecosystems and reduce visibility.

The Formosa facilities also will undertake an innovative enhanced vinyl chloride leak detection and elimination program designed to improve the companies' systems for identifying and addressing leaks of vinyl chloride

Most vinyl chloride is used to make polyvinyl chloride (PVC) plastic and vinyl products. Vinyl chloride is an odorless gas; it is an ozone precursor and known carcinogen that is also linked to neurological disorders.

In addition, the settlement requires both facilities to undertake analyses to prevent future wastewater discharge violations. The Formosa Texas facility will undertake a comprehensive review of its compliance with EPCRA's toxic release reporting requirements, and the Formosa Louisiana facility will cease improper disposal of certain listed hazardous wastes.

This will be the eighth settlement in a series of cases developed as part of EPA's enforcement effort to ensure environmental compliance in the PVC manufacturing industry. Since the first PVC civil case was concluded in 2004, EPA has addressed noncompliance across media (air, water, waste) at 13 PVC manufacturing facilities, and will reduce vinyl chloride emissions by a total of 152,000 pounds per year.

"Today's settlement requires Formosa to institute a comprehensive enhanced leak detection program designed to address serious violations of environmental regulations," said John C. Cruden, Acting Assistant Attorney General for the Justice Department's Environment and Natural

Resources Division. "We are pleased that Formosa worked cooperatively with DOJ and EPA to address the violations at issue and agreed to institute innovative programs that will result in significant pollution reductions."

"This case shows that when a company fails to control leaks of hazardous pollutants, EPA will vigorously enforce the law," said EPA Acting Regional Administrator Lawrence E. Starfield. "Pollution controls put in place as a result of this more than \$10 million settlement will benefit the people living nearby."

The case was initiated as a result of inspections conducted by EPA's National Enforcement Investigations Center at Formosa's Point Comfort and Baton Rouge facilities. During the inspections, EPA identified extensive Clean Air Act leak detection and repair violations, including failing to properly monitor leaking components, failing to include chemical manufacturing equipment in its leak detection and repair program, and failing to timely repair leaking equipment. Inspectors also identified a variety of hazardous waste violations at both facilities.

In addition, the inspectors found that Formosa had violated wastewater discharge limits under its CWA permits, and, at the Texas facility, had failed to comply with the CAA benzene waste operations requirements and to submit correct toxic release reporting information to EPA.

The consent decree is subject to a 30-day comment period and final approval by the court. A copy of the consent decree is available on the Justice Department Web site at <a href="http://www.usdoj.gov/enrd/Consent\_Decrees.htm">http://www.usdoj.gov/enrd/Consent\_Decrees.htm</a>

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For being the self-proclaimed "Jewel of the Texas Gulf Coast," <u>Formosa Plastics</u> isn't doing so hot. Lucky for us, Hurricane Rita, initially packing 185 mph winds and headed straight for Formosa's ill-prepared and sprawling 1,800-acre PVC plant in Point Comfort, Texas, decided to turn north at the last minute. Formosa dodged a bullet.

No bullet-dodging last week: On October 6, at 3:30pm and after 30 minutes of obnoxious chemical fumes that drove Point Comfort citizens into the streets to wonder what ill wind was blowing their way, Formosa Plastics blew, sending a Nagasaki-style mushroom cloud and three, four, and five explosions thundering over the blistering Texas landscape. Formosa Plastics and neighboring Alcoa plant workers ran for their lives, many throwing themselves into nearby Lavaca Bay, host to one of the nation's largest underwater mercury Superfund sites. But for those workers, the mercury was the lesser of two evils. The worst was Formosa's explosion, which sent 11 workers to the hospital, two with serious burns.

Formosa Plastics' self-congratulatory "jewelness" has nothing to do with its hourly plant workers or Calhoun County's commercial and sports fishermen or the once jewel-like bays. That's just Y.C. Wang, aka Chairman Wang, aka El Presidenti, patting Formosa on the back. And he can do that because he owns the company, part of his family dynasty dating back to the late '40s and the good ole Taiwan Kuomintang days.

You gotta know that it's important for Chairman Wang to have one "jewel" of a plant, because his other U.S. plants, in Delaware, Illinois, and Louisiana, have either blown up or had serious environmental problems. (In Delaware, the courts finally served a summons by dropping it into the plant from the governor's helicopter; Formosa wouldn't let them onto the grounds to serve the summons.) So for everybody's peace of mind, and chiefly the chairman's, it's important that the parent company claim that Formosa Plastics Texas is "the Jewel" they built from scratch, 'cause the rest of their U.S. plants — why, those was just junk plants they bought and made profitable.

But high-sounding labels mean nothing in a county that once ranked No. 1 in the nation for toxic disposal, and where the recent explosion is an increasingly familiar sight. Trophies mean nothing, either. In 1991, a few scant months after receiving the "Safest Plant in Texas" award from the Texas Chemical Council, Union Carbide Seadrift (a few miles southwest of Formosa) blew up, killing one worker and injuring 32 others. Debris as big as automobiles was hurled into the night.

Formosa Plastics Texas, the shiny new chemical plant on the block and the pride of Texas politicians, businessmen, and economic development types, was heralded as the county's savior (never mind the tax abatements) when construction got under way on the mammoth \$1.3-billion-plus PVC plant. But by the mid '90s it had already earned the rank of worst among a dozen Texas PVC-related facilities. In 1991, Formosa was fined a record \$3.7 million by the EPA for hazardous waste violations related to the discovery of massively contaminated groundwater under the facility. Violations included failures to comply with the most rudimentary hazardous-waste regulation — storing waste in leaking containers, lack of adequate employee training, and illegal discharges of wastes.

In 1990, the company was fined \$244,00 for 54 water-quality violations, then again in 1992, after a ten thousand pound release of hydrochloride gas that sent neighbors and cows bawling into the night, Formosa was fined \$330,000 for worker-safety violations. OSHA inspection found that vinyl chloride levels were not monitored, flammable liquids were not handled properly, and general procedure for maintenance and repair were not followed.

In July '97, two workers were found asphyxiated and floating in a barge of EDC (ethylene dichloride) at the Formosa loading docks. In December '98, an explosion containing EDC injured 26 workers, rattled windows 35 miles away, and contaminated a back waterway into the bay with levels up to 400 ppm of EDC. In April 2004, Formosa's plant in Illinois exploded, killing 6 workers and injuring many more.

Vinyl chloride causes liver, stomach, and brain cancer. An abnormally high number of spontaneous abortions have been reported among the spouses of workers exposed to vinyl chloride, and increased rates of birth defects have been reported in areas where vinyl chloride plants are located. In spite of those alarming findings, little is done to protect the health of the people. In the '80s, when Formosa released 140,000 pounds of vinyl chloride in one day across the street from an elementary school, the PVC plant received less than a slap on the wrist, fined far less money than one unit made in a single day.

And regardless of Formosa's assurances of "no toxic emissions" to the surrounding community, it is worth noting that in 2000 the U.S. EPA criminal division and the FBI subpoenaed Formosa's wastewater documents for suspected criminal misconduct of the plant's wastewater reports. But I'll be darned if the investigation wasn't suddenly dropped after a record 8,000 pages, 12 years in the making.

Sometimes our so-called "jewels" need the equivalent of a Texas-luvin' death penalty. Adios, Formosa.

Home

# Formosa reaches agreement of PVC plant complaints with EPA

By:
PlasticsToday Staff
Business
October 01, 2009

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Formosa Plastics' Texas and Louisiana units will spend more than \$10 million on pollution controls to address air, water, and hazardous-waste violations at two petrochemical plants in Point Comfort, TX, and Baton Rouge, LA—the eighth settlement in a series of PVC manufacturing enforcement cases going back to late 2003. Steve Rice, manager of corporate communications with Formosa Plastics (Livingston, NJ), told **PlasticsToday** that its inspection occurred in the late 2003, early 2004 time period, adding that the fact it has taken this long to reach an agreement displays "just how complex some of these issues were." In spite of the deal, Rice said Formosa hasn't fully accepted all of the agency's findings. "[Formosa] still disputes many, many of the claims and allegations," Rice said, adding that the company believed a lengthy court case, even though it deemed it winnable, would be too costly.

The U.S. Dept. of Justice and Environmental Protection Agency (EPA) said Formosa agreed to pay a civil penalty of \$2.8 million for infractions of the Clean Air Act (CAA), Clean Water Act (CWA), Resource Conservation and Recovery Act (RCRA), and Emergency Planning and Community Right-to-Know Act (EPCRA). Rice said these monies will be paid out over the next several months and that the fines are in line with those imposed on other companies the EPA has reached agreements with.

Produced in the U.S. District Court for the Southern District of Texas, the Justice Department release said the agreement includes a leak-detection and repair program, which could potentially reduce the annual volatile organic compound (VOC) air emissions, including vinyl chloride, from the two Formosa facilities by more than 6 million lb/yr.

Rice said Formosa was taken aback by the EPA's potential emission reduction figure. "We've never seen that number before," Rice said. "We have no idea where they got that." For the concerned facilities, Formosa says the relevant figure is actually 16,000 lb/yr, with the EPA's number four times larger than all of the Formosa's emissions company wide.

Rice also noted that the \$10 million would not represent any equipment investment, rather it's the money the company will have to pay in man hours for additional monitoring that will actually go beyond the agency's requirements. The leak rate the company is required to test to is 500 ppm, but Formosa will monitor down to 250 ppm.

During inspections, the EPA said it identified "extensive" Clean Air Act leak-detection and repair violations, including the failure to properly monitor leaking components, include chemical manufacturing equipment in its leak-detection and repair program, and repair leaking equipment in a timely manner. Inspectors also identified a variety of hazardous-waste violations at both facilities.

In a release, John C. Cruden, acting assistant attorney general for the Justice Department's Environment and Natural Resources Division, said, "We are pleased that Formosa worked cooperatively with DOJ and EPA to address the violations at issue and agreed to institute innovative programs that will result in significant pollution reductions." A copy of the consent decree, which is subject to a 30-day comment period and final approval by the court, is <u>available</u> on the Justice Department website.

In its own release, Formosa said the EPA's inspection revealed there was no evidence of any harm to human health or the environment, adding that the agency only recently issued the formal Notice of Complaint and many of the corrective actions were implemented immediately following inspections. Formosa also stated that this agreement will not interrupt facility operations or production. This resolution is part of a larger EPA effort that's focused on the U.S. petroleum refining and petrochemical industries, according to Formosa, with about two-thirds of the other participants in the petrochemical industry having

already signed agreements and the other third currently in negotiations with the agency. — <a href="mailto:mpweditorial@cancom.com">mpweditorial@cancom.com</a>

Victims of the explosions and fires that ripped through the Formosa Plastics plastic resins and petrochemical manufacturing plant at Point Comfort, Texas, on October 6, 2005 filed suit in the County Court of Law, Calhoun County, Texas on December 1, 2006.

The law firms of Christian, Smith & Jewell, and D. Miller & Associates, PLLC of Houston, Texas, and Marek, Griffin & Knaupp, LLP of Victoria, Texas, represent the plaintiffs.

The petition alleges Formosa failed to provide appropriate safety equipment and enforce adequate safety programs; it allowed vehicles to travel through the plant without specific routes, without restrictions and without regard to protruding piping filled with volatile gases.

"The lack of safety was a constant weight on the minds of Formosa employees and their families," said attorney Wes Christian, "The American worker should not be asked to assume unnecessary risks that put their lives in danger. We believe it's wrong, and at the very least, irresponsible."

According to the US Chemical Safety and Hazard Investigation Board (CSB), 16 people were injured when a forklift snagged a pipe, setting off a blast which would burn for days at the Olefins II Unit of the Formosa Drive Plant, filling the air with toxic matter and creating a further hazard to the health of workers and people in the environs.

"OSHA has inspected Formosa Plastics numerous times for many of the same violations," said John Giefer, OSHA's area director in Corpus Christi. "If the company had followed OSHA standards, it is possible that the injuries sustained by these workers could have been avoided."

These comments were made in an OSHA news release issued in April, 2006 titled "OSHA Fines Formosa Plastics Corp. \$148,000 for Alleged Safety and Health Violations."

CSB had issued several formal recommendations: "Formosa Plastics Corp. USA, the Point Comfort plant, was urged to revise its policies and procedures for analyzing hazards, to include vehicle impact dangers, fireproofing of structural steel and mechanisms for controlling chemical releases such as remotely controlled isolation valves."

**OSHA News Brief:** [04/14/2015]

Contact Name: Diana Petterson or Juan Rodriguez

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Release Number: 15-0606-DAL

## OSHA cites Formosa Plastics Corp., 6 subcontractors for exposing workers to chemical hazards at Point Comfort, Texas, worksite

#### Combined penalties for five incidents total \$96,300

**Employer names:** Formosa Plastics Corp. Texas; Infinity Maintenance; Maxim Crane Works; APRM Inc., doing business as, Plant Maintenance Services; Clark Constructors LLC, Process Service Specialist and Turner Industrial Group

Site: Point Comfort, Texas

**Date initiated:** The Occupational Safety and Health Administration began investigating the natural gas processing facility in October 2014 after the facility experienced five incidents involving potential chemical releases in three days, resulting in worker injuries.

**Investigation findings:** OSHA proposed \$50,000 in penalties for Formosa Plastics Corp. for eight safety and health violations, including:

- not having adequate permits or conducting preventative maintenance;
- improper maintenance of equipment contributed to the release of sulfuric acid and chlorine;
- not providing face shields to workers who removed sulfuric acid from storage tanks; and
- not requiring employees to wear respiratory protection when exposed to a chlorine vapor cloud.

**Infinity Maintenance and Maxim Crane Works:** The employers were each cited for one serious violation for not providing adequate training to the workers who sustained chemical burns from sulfuric acid. Each violation carries a \$7,000 proposed penalty. Infinity Maintenance was also cited for not keeping accurate OSHA 300 recordkeeping forms, with a penalty of \$5,000.

**APRM Inc.**, Clark Constructors LLC, Process Service Specialist and Turner Industrial Group: The employers were each cited for one serious safety violation for exposing employees to a hydrochloric vapor cloud without providing adequate training on the possible hazards they could encounter. Combined proposed penalties total \$27,300.

A serious violation occurs when there is substantial probability that death or serious physical harm could result from a hazard about which the employer knew or should have known.

Combined proposed penalties: \$96,300

**Quote:** "Inhaling corrosive chemicals such as hydrochloric acid and chlorine can cause serious, even deadly, injuries," said Michael Rivera, OSHA's area director in Corpus Christi. "To send workers into that environment without personal protective equipment or proper training is unacceptable."

**Information:** The company has 15 business days from receipt of its citations to comply, request an informal conference with OSHA's area director, or contest the citations and penalties before the independent Occupational Safety and Health Review Commission.

To ask questions, obtain compliance assistance, file a complaint or report workplace hospitalizations, fatalities or situations posing imminent danger to workers, the public should call OSHA's toll-free hotline at 800-321-OSHA (6742) or the agency's Corpus Christi Area Office at 361-888-3420.

Under the Occupational Safety and Health Act of 1970, employers are responsible for providing safe and healthful workplaces for their employees. OSHA's role is to ensure these conditions for America's working men and women by setting and enforcing standards, and providing training, education and assistance. For more information, visit <a href="http://www.osha.gov">http://www.osha.gov</a>.

#### January 18 2013

The U.S. Department of Justice has filed a proposed amended consent decree with Formosa Plastics Corp., imposing penalties for violations of a 2010 consent decree. <u>United States v. Formosa Plastics Corp.</u>, No. 6:09-cv-00061 (S.D. Tex. 1/2/13). The 2010 consent decree required Formosa to implement a Leak Detection and Repair (LDAR) program at two separate facilities under the Clean Air Act. Acting under reporting requirements of the 2010 decree, Formosa reported in 2011 that it had failed to include some equipment in its LDAR programs.

Under the new settlement, Formosa agrees to pay \$1.475 million in stipulated penalties and to retain a consultant to evaluate the plants' piping and instrumentation to verify whether specific items are covered by the LDAR program—i.e., are in volatile organic compound or organic hazardous air pollutant service. The plants will identify additional LDAR testing points as necessitated by the review. The amended consent decree will be available for public comment until February 8, 2013.



Formosa's 1,600 acre petrochemical complex, on the Gulf Coast between Corpus Christi and Houston, was one of the newer as well as larger U.S. petrochemical plants, at the time of its construction. Since the original VCM/PVC plant went online in 1983, around \$3 billion more has been spent expanding the site in the 1990s and early 2000s. In 2014, a proposed \$2 billion expansion was apporved by state and federal regulators. The site now has 13 production units, making many common plastics and feedstocks including LLDPE, HDPE, Chlor-alkali, ethylene dichloride, and polypropylene. At full capacity, the plant employs almost 2,000 people. In 2005, a propylene release and explosion caused a fire which burned for five days, injuring a number of workers. A subsequent OSHA investigation found Formosa guilty of a number of violations, resulting in a \$148,000 fine. Formosa, a privately held company based in New Jersey, has two other plants in the USA, at Delaware City, Delaware and in Baton Rouge, Louisiana. The company is a unit of the Formosa Plastics Group of Taiwan, which employs over 103,000 people in plastics production worldwide. Across from the Formosa Plant in Point Comfort is a massive Alcoa alumina plant.

# The History of Plant Incidents at Formosa Plastics and Past Safety Violations

#### Posted By Arnold & Itkin LLP | 3-May-2013

Formosa Plastics Corporation, U.S.A. (otherwise known as Formosa Plastics) was founded in 1978 and is a large supplier for petrochemicals and plastic resins. This company is quickly expanding and currently brings in annual revenue of \$5 billion between their three current plants in Point Comfort, Texas; Delaware City, Delaware; and Baton Rouge, Louisiana; with their company headquarters located in Livingston, New Jersey. While this company seeks to demonstrate is commitment and dedication to the communities they are involved in, Formosa still holds a history of plant incidents that resulted in the injuries of their employees; accidents, which could have likely been prevented.

Formosa had a chemical plant in Iliopoulos, Illinois and in April, 2004, there was an explosion on their site, leading to the death of five workers and the injuries of many others; three of which were hospitalized for critical injuries. Reports show that the explosion was very severe and the entire site was shut down as a result of the incident and the flames burned for days. This specific site manufactured polyvinyl chloride (PVC) plastic, and there was concern that the production of the chemicals somehow involved an error, resulting in a release of vinyl chloride into the PVC-1 production unit. Once these highly flammable chemicals collided, the explosion was a likely result. Investigators listed the aforementioned as one of many possibilities to the explosion on the site, along with numerous concerns for the proper functioning of the sites safety system.

Another incident occurred in at the Point Comfort location just one year later in October 2005, resulting in the injuries of many people on the site. Reports from the incident show that nine of the victims injured in the blast were treated and then released from the hospital, whereas one man was listed in fair condition though with burn wounds, and the final victim with one third of his body covered in severe <a href="burns">burns</a>; he was in critical condition. One worker at the scene of the explosion said that there were at least five different explosions, and big fireballs being sent into the sky with gas escaping into the air.

The April leading up to the 2005 Texas explosion, the Point Comfort facility was fined \$150,000 by the Texas Commission on Environmental Quality for pollution violations because of the vinyl chloride and other chemicals being released into he air at an unsafe level. Sadly, not much changed at the site because just a few months later the October blast occurred. As a result of this explosion in Texas, the U.S. Chemical Safety Board (CSB) issued a case study on the Point Comfort site in order to determine what hazards there were that may have prevented the incidents from occurring. What they found was more than they expected, realizing that there were a number of safety violations involved that lead to the explosion.

The case study shows that what initially led to the disaster was when a forklift (which was carrying loaded cylinders of breathing air) snagged a valve as it drove past, causing it to be pulled out of the system. The air then mixed with the propane as it released from the broken valve, causing the first initial fire which injured 14 people initially. CSB notes that the site was using the wrong valves, and had system been properly equipped with the automated shut down valves, the flow of the chemical would have ceased, therefore decreasing the size of the fire significantly. However, because this was not the case, the room quickly filled with smoke and operators were unable to shut down the system manually.

There were a number of safety hazards and violations on this site including the fact that the trailer which hit the valve was not properly guarded nor where the steel supports fireproofed, causing a collapses after the flames. The lead CSB investigator Robert Hall, shares that the facility was not properly updated to protect

it from major fires, and not only that, but the employees were not properly protected with fire retardant clothing.

It is safe to assume that had this company been implementing the standard of health and safety on their facility grounds, many workers would have had their lives spared, or their bodies uninjured. Sadly, the case study of 2005 did little to improve the site at Point Comfort, as this week there was another plant fire that ignited and caused the injury of 16 workers as a result. If you were one of these victims injured in the Formosa plant fire this week, contact <a href="Arnold & Itkin">Arnold & Itkin</a> today to discuss your case and we will help you fight for the compensation you deserve!

### Formosa Plastics to pay for violations

Published 7:00 pm, Tuesday, October 26, 2004

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The Texas Commission on Environmental Quality ordered Formosa Plastics on Wednesday to pay \$150,000 for emission violations at the company's Point Comfort plastic and petrochemical plant in Calhoun County.

The air violations included failure to prevent unauthorized emissions of volatile organic compounds, including vinyl chloride and heptane, carbon monoxide, nitrogen oxides, and hydrogen chloride.

Violations also include failing to prevent visible emissions, to meet reporting requirements regarding emissions events, to comply during emissions testing and with emissions limits for particulate matter during emissions testing, the TCEQ said.

According to the TCEQ, eight investigations and 11 record reviews were conducted between July 2000 and November 2002, resulting in the issuance of 27 violations.

The fine includes funds for a Supplemental Environmental Project to install an ambient fence line air monitoring project.

## Diane Wilson: Diatribe on Formosa Plastics Act now!

- News
- <u>Greeting / Livestream of the foundation congress 2015</u>
- Projects/ Actions/ Campaigns
- <u>Body</u>

- Idea and concept
- Foundation meetings
  - o Stiftungstagung 2017 [de]
  - o Stiftungstagung 2016 [de]
  - Stiftungstagung 2014/2015 [de]
  - Foundation meeting 2013
  - o Foundation meeting 2012
  - o Foundation meeting 2011
  - o Foundation meeting 2010
  - o Foundation meeting 2009
  - Foundation meeting 2008
  - Foundation meeting 2007
  - Foundation meeting 2006
  - o Foundation meeting 2004
- <u>Declarations</u>
- Booklets
- Archive

#### Systemically and Viciously

Greetings to Ethecon Foundation members, awardees, and honored guests. My name is Diane Wilson and in 2006 I was awarded Ethecon's first Blue Planet Award. I was extremely honored and pleased at that time to have received the Blue Planet Award that highlighted my environmental work in Texas on behalf of the bays and estuaries along the Gulf of Mexico and the fishing communities who live there and also my work as an antiwar activist.

Today, I am as delighted and probably more so because the Wang family, Lee Chih-tsuen, and the responsible management of the international polluter, Formosa Plastics Corporation, has been awarded Ethecon Foundations 'baddest award': the Black Planet Award for destructive environmental and economic practices causing wreckage, havoc, and death upon our home, the blue planet Earth.

I am a fourth generation fisherwoman from the Texas Gulf Coast who has been on a boat since I was eight years old, inheriting my love of the sea from my father and grandfather, who was a Native American Indian. In 1995 I attempted to sink my own fortytwo foot shrimp boat upon the illegal discharge of Formosa plastics in the waters of the Gulf of Mexico. The reason was simple enough. The PVC giant, Formosa Plastics, was systemically and viciously destroying the bays where my family had been fishing for generations.

PVC is a controversial industrial product, for which production and disposal have been cited by the US EPA, the German EPA, and various international agencies for damage to human health and the environment. The manufacture of PVC utilizes highly toxic materials, including ethylene dichloride (EDC), vinyl chloride (VCM), chloroform, tetrachlorethane, carbon tetrachloride, and trichlorethane. Ethylene dichloride is carcinogenic, mutagenic, embryo toxic, and teratogenic. It damages the liver, kidneys and other organs, and can cause internal hemorrhaging and blood clots. Ethylene dichloride is also high flammable: the vapor can ex-plode, generating hydrogen chloride and phosgene. A Louisiana official noted that it ' will melt your plastic hard hat.

Yet in spite of all the toxicity and with total disregard for US federal environmental law, Formosa Plastics, a Taiwan based family owned dynasty that was built by a man, YC Wang, who once bragged that he didn't know what the P in PVC stood for, was discharging millions of gallons highly toxic wastewater into a fragile bay without a wastewater permit.

That illegal discharge into a Texas bay in 1995 is infinitesimal compared to the harm that the Wang's PVC family dynasty and its corporate management, whose motivation is clearly profit and more profit and power, has dispensed upon the international community. From their own home based island of Taiwan where in 1990 over 20,000 people demonstrated against Formosa's proposed \$8 billion chemical complex to the more recent linking of 169 illegal dumpsites with Formosa Plastics the likely source of much of the 8,000 tons of mercury, the corporate management and the Wang Family dynasty has authored global catastrophe. In Cambodia outright criminal bribes paid for the admittance of illegal wastes; in Delaware USA violations were so egregious that all of the facility' permits were revoked and the plant was shut down for six weeks. Very recently, an explosion that could have been prevented killed six workers. In Louisiana, USA, Formosa's contamination of groundwater with EDC has threatened the city of Baton Rouge's water supply. In Texas, Formosa's waste water dis-charge has been so excessive and with so many violations that, according to the Texas Water Commission, Formosa had "totally changed the ecosystem.

Recently, the US EPA hit Formosa Plastics with a \$13 million penalty. Their investigation at the Texas facility showed extensive Clear Air Act leak detection and repair violations, including failure to properly monitor leaking components (500 in one unit), failure to include chemical manufacturing equipment in its leak detection and repair program, and failure to timely repair leaking equipment. The inspectors also found "extensive" leak detection and repair violations, as well as other hazardous waste violations at the site and wastewater discharge violations.

This is not news to me. I have been talking with the workers inside the Formosa facility for twenty years and they've talked about unreported toxic releases, workers falling and dying from unsafe towers and ladders, rustfilled breathing air valves or no breathing air at all, breached toxic basins that ran across the fields, killing everything in its path, and uncontained vinyl chloride leaks so plentiful that the alarms were shut off in the control room so the workers could get some peace. These workers sent complaints to Formosa's management, but the complaints weren't welcomed. Complaints would get you fired.

In January 2009, the science journal Ecotoxicity, published a report by scientists at Texas A&M. The report revealed changes in chromosome structure and other genetic damage in cattle as far as six miles downwind of Formosa. The changes in chromosome structure and other genetic damage can increase the animal's risk of cancer and reproduce damage. Wesley Bissett, lead study author and veterinarian at Texas A&M College of Veterinarian Medicine, said the cattle with the DNA damage were "orientated around the Formosa facility, with the highest damage occurring with those nearby and those downwind." Bissett reported damage to cattle both within close proximity of the Formosa facility and in areas where the prevailing winds would blow the toxic gases.

In October, 2009, the EPA held a meeting in our community and discussed Formosa's extensive ethylene dichloride contamination that had been caused in part by their chemical process exceedances, overflows, spills, and general sloppy housekeeping that forced closure of a nearby state rest area, buy-out of nearby property, burying of "questionable area" under five foot of soil, and contamination of the groundwater and nearby Cox Creek in the millions part per billion. The safety of the local water wells is unsure at this time.

I believe that Formosa's sloppy environmental record can only mean that their occupational record is equally suspect. In fact, serious public health concerns have persisted for the nearly thirty years regarding the toxic air and water pollution being released from the Formosa Plastics, Point Comfort, Texas complex. I worry about the workers who are on the front lines. Many of them have documented thrombocytosis, neurological damage, cognitive impairment, severe peripheral neuropathy can only be treated with a surgically implanted pump that delivers morphine, the painkiller, to the spinal nerves 24/7. One worker worries because a friend in his PVC unit died from brain cancer. Another female worker worked around the leaking flanges and valves and died of angiosarcomaliver cancer. A number of workers have developed knots on their heads and have been told by their friends to get a biopsy, but they don't because they are afraid they will find brain cancer.

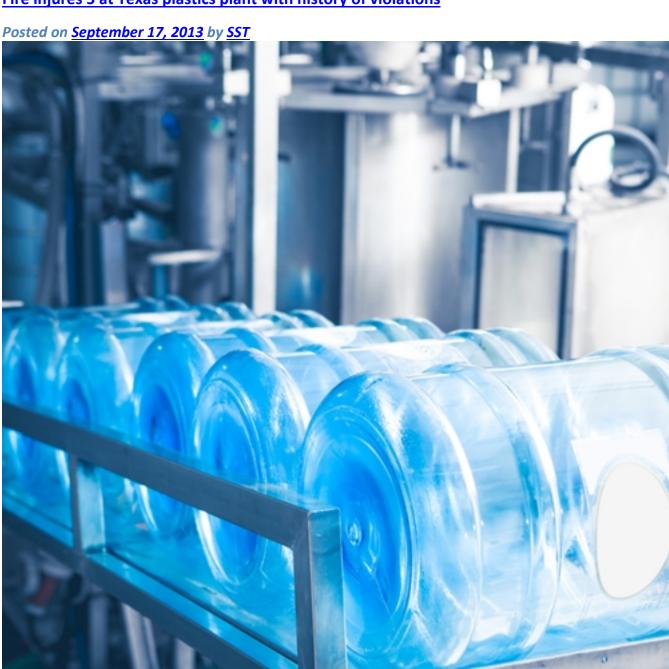
The concern about brain cancer among the workers has been so severe that Formosa got wind of it and sent out a memo to all the vinyl employees that they were bringing in a doctor who would talk about brain cancer. Basically, the doctor told the concerned workers that there was no link to vinyl chloride exposure and brain cancer. Who knows what caused it. Probably the barbeque they ate.

One of Formosa's workers did the daily logging of vinyl chloride leaks in the PVC unit. The federal safety limit for vinyl chloride for workers is one part per million for eight hours. The vinyl leaks in the PVC unit ranged from 1.2 to 7 to 13 to 35 to 177 to 987 to 2,000 parts per million and this for every hour of every day of every year. And the worker had been there for 25 years.

What is singularly outrageous about the corporate management of Formosa Plastics, is that in spite of these chronic and dangerous releases of vinyl chloride, the vice president of Formosa Plastics, Point Comfort, Texas said that there has not been any environmental or health impacts. Yes, this lie, in spite of the fact that workers have waded in EDC for days with nothing but rubber gloves and boots to protect them. That process lines have been tied into drinking water lines and workers drank toxic and septic water for days. Or finally, that one worker's last act at Formosa was after a corporate official told him to falsify a 6-8 ton vinyl chloride release so that the company could later report less than 3 pounds to the US EPA.

The people who run and direct Formosa Plastics environmental policies just do not seem to get the message. Formosa Plastics environmental track record is the bottom of the barrel and the company seems to go out of its way to keep breaking the law. This is intolerable. Formosa Plastics management, corporate officers, and Wang founders needs to pay the price. This insanity and crime against our global community must stop. That is why I am so deeply pleased to be giving this presentation at Ethecon Foundation's annual Blue and Black Planet Award ceremony. The Foundation has had the fortitude and dogged persistence to track down the individuals and corporate officers that are responsible for the irreprehensible behavior of Formosa Plastics Corporation upon our global home. Most importantly, they have shown the courage this evening to show the real faces of Formosa Plastics Corporation's egregious and destructive behavior, the Wang Family dynasty, Lee Chih-tsuen, and the corporate management, upon the world stage. Bravo bravo.

#### Fire injures 5 at Texas plastics plant with history of violations



A fire at the Formosa Plastics Complex near Victoria, Texas this past Friday left <u>five hospitalized</u>. Workers were conducting maintenance on a tower in the polyethylene unit when the fire began. The incident marks one of three major fires at the plant this past decade, one occurring in May of this year.

The cause is still unknown, but reporters have commented on a history of code violations. <u>The Victoria Advocate</u> reported 22 written notices of violations from the Texas Commission on Environmental Quality in the past five years, including seven filed from within the company.

The fire occurred amidst an <u>ongoing suit</u> against Formosa. This past May, 14 workers were injured from a flash fire. In 2005, a forklift ripped a gas-pipe valve, triggering a five-day blaze that sent 16 workers to the hospital. The blaze also shut down the town for six-hours with an evacuation order put in place.

Formosa has since installed safety mechanisms to protect nearby residents. The plant has a <u>fire alarm</u> <u>system</u> that uses varying tones to warn neighbors of potential dangers.

Despite the numerous incidents, local resident Terry Vineyard expressed to the Victoria Advocate that she felt safe. "They have everything under control over there," she said. "Nothing major has happened there for a few years."

Industrial Safety News brought to you by Safety Systems Technology, Inc., leaders in fire and gas detection.

# OSHA cites Formosa Plastics Corp., 6 subcontractors for exposing workers to chemical hazards at Point Comfort, Texas, worksite — Combined penalties for five incidents total \$96,300

April 18, 2015

April 14, 2015

Employer name: Formosa Plastics Corp. Texas; Infinity Maintenance; Maxim Crane Works; APRM Inc., doing business as, Plant Maintenance Services; Clark Constructors LLC, Process Service Specialist and Turner Industrial Group

Site: Point Comfort, Texas

Date initiated: The Occupational Safety and Health Administration began investigating the natural gas processing facility in October 2014 after the facility experienced five incidents involving potential chemical releases in three days, resulting in worker injuries.

Investigation findings: OSHA proposed \$50,000 in penalties for Formosa Plastics Corp. for eight safety and health violations, including:

not having adequate permits or conducting preventative maintenance; improper maintenance of equipment contributed to the release of sulfuric acid and chlorine; not providing face shields to workers who removed sulfuric acid from storage tanks; and not requiring employees to wear respiratory protection when exposed to a chlorine vapor cloud.

Infinity Maintenance and Maxim Crane Works: The employers were each cited for one serious violation for not providing adequate training to the workers who sustained chemical burns from sulfuric acid. Each violation carries a \$7,000 proposed penalty. Infinity Maintenance was also cited for not keeping accurate OSHA 300 recordkeeping forms, with a penalty of \$5,000.

APRM Inc., Clark Constructors LLC, Process Service Specialist and Turner Industrial Group: The employers were each cited for one serious safety violation for exposing employees to a hydrochloric vapor cloud without providing adequate training on the possible hazards they could encounter. Combined proposed penalties total \$27,300.

A serious violation occurs when there is substantial probability that death or serious physical harm could result from a hazard about which the employer knew or should have known.

Combined proposed penalties: \$96,300

Quote: "Inhaling corrosive chemicals such as hydrochloric acid and chlorine can cause serious, even deadly, injuries," said Michael Rivera, OSHA's area director in Corpus Christi. "To send workers into that environment without personal protective equipment or proper training is unacceptable."

Information: The company has 15 business days from receipt of its citations to comply, request an informal conference with OSHA's area director, or contest the citations and penalties before the independent Occupational Safety and Health Review Commission.

To ask questions, obtain compliance assistance, file a complaint or report workplace hospitalizations, fatalities or situations posing imminent danger to workers, the public should call OSHA's toll-free hotline at 800-321-OSHA (6742) or the agency's Corpus Christi Area Office at 361-888-3420.

Under the Occupational Safety and Health Act of 1970, employers are responsible for providing safe and healthful workplaces for their employees. OSHA's role is to ensure these conditions for America's working men and women by setting and enforcing standards, and providing training, education and assistance. For more information, visit http://www.osha.gov.