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OSHA to fine Imperial Sugar \$8.7M in deadly blast

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Federal officials proposed more than \$8.7 million in fines Friday against Imperial Sugar Co. for violations at a Georgia plant where an explosion this year killed 13 people and at another plant in Louisiana.

The fines would be the third-highest in the history of the Occupational Safety and Health Administration and include \$5 million for the explosion near Savannah and \$3.7 million for the plant in Gramercy, La., where authorities found violations a month after the Feb. 7 blast in Georgia that injured dozens of workers.

OSHA found 120 violations against the Georgia plant, including 61 that are considered egregious and 91 violations against the Louisiana plant, including 47 egregious ones, according to a report of the agency's investigation.

"It's pretty stiff," Georgia Rep. Jack Kingston said of the proposed fines. "The thirdhighest penalty in OSHA's history is certainly a very bad thing to happen, but it underscores the tragedy."

An initial investigation traced the explosion to sugar dust that ignited like gunpowder in a basement area, used to load sugar onto conveyor belts to be transported for packaging, beneath the refinery's 100-foot storage silos.

OSHA officials believe employees in one of the silos at the Georgia plant were using a metal rod and hammer to break up sugar that had hardened so it could be collected in buckets for processing. A spark ignited sugar dust, causing the initial explosion and pushing dust particles into other parts of the plant, investigators concluded in the latest report. A series of second explosions ensued.

Sugar Land, Texas-based Imperial Sugar has owned the 90-year-old refinery, which produces Dixie Crystals brand sugar, since 1997. Located in Port Wentworth, a few miles outside Savannah, it is the second-largest sugar refinery in the U.S.

Imperial Sugar CEO John Sheptor, who said Thursday he anticipated penalties could be "significant," said the company will carefully evaluate OSHA's findings. Sheptor issued a news release Friday saying the company has filed its intention to contest the citations. "We believe that the facts do not merit the allegations made," he said in the release. "As we go forward, we will continue to focus on the safety of our employees and our contractors."

Three refinery workers remain hospitalized with severe burns at the Joseph M. Still Burn Center in Augusta. Two are in critical condition, while the third is in good condition, hospital spokeswoman Beth Frits said.

OSHA's report comes days before a Senate subcommittee holds a Tuesday hearing on combustible dust hazards focused on the Georgia explosion.

Graham H. Graham, Imperial's vice president for operations, is on the witness list and will testify about "dangerous dust conditions he witnessed" at the Georgia plant before the explosion, according to the lawmaker chairing the hearing, Sen. Patty Murray, D-Wash.

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Graham's attorney, Philip Hilder, confirmed he plans to testify before the Senate, but he declined to give details.

The House has passed a bill, co-sponsored by Rep. John Barrow, D-Ga., in response to the explosion to force OSHA to adopt stricter standards on dust hazards. OSHA officials say existing regulations already cover them and rushing to enact new ones won't necessarily make workplaces safer.

Imperial Sugar plans to spend \$180 to \$230 million to rebuild the refinery's packaging plant and silos destroyed by the blast, Sheptor said. It plans to resume refining raw sugar before the end of year, and complete a new packaging plant and storage silos by next summer.

In March, OSHA proposed \$36,000 in fines against Imperial Sugar after an inspection of its Louisiana plant revealed dangerous levels of combustible dust barely a month after the Georgia explosion. The company was forced to shut down its powdered sugar operation for several days.

Associated Press writer Ben Evans in Washington contributed to this report.

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