



# PUBLIC HEALTH WATCH

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WORKPLACE

## **‘Secret Deal’ in California Would Weaken Regulations for Oil Refineries**

by **Jim Morris** and **Molly Peterson**

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A cracked pipe at Chevron's oil refinery in Richmond, California, released a flammable white vapor that quickly ignited, sending a large cloud of black smoke across surrounding communities on August 6, 2012. The eruption led to stricter state safety rules for refineries, but now officials are considering rolling back some of those provisions. Credit: U.S. Chemical Safety Board

*This story was updated on April 23, 2025.*

On August 6, 2012, a corroded, eight-inch pipe at Chevron's oil refinery in Richmond, California, cracked open, sending a white cloud hundreds of feet into the air. The cloud quickly engulfed the 19 refinery firefighters, managers

and other workers who had been trying to fix what had been a small leak in the pipe.

Some of them went to ground, unable to see past their hands; most ran or crawled out of the way. Then the vapor ignited, trapping a firefighter in a truck. He, too, ran out, through what eyewitnesses called a wall of flame.

That was just the beginning. The fire burned for hours; the smoke choked the Bay Area for days. Fifteen thousand people sought medical care for breathing problems and exposure to the toxic plume; hospitals admitted 20, including one refinery worker.

U.S. Chemical Safety Board investigators [concluded](#) that the fire could have been prevented if Chevron had heeded its own inspectors' pleas to replace the decaying pipe, and if federal and California regulations had mandated better safety practices. Then-Gov. Jerry Brown convened a working group of 13 state agencies and departments to appraise the safety of California's refineries, clustered in the Bay Area and Los Angeles.

The safety measures rolled out over the next five years were among the strongest in the nation, giving workers unprecedented power to halt operations they felt were unsafe. Other rules were designed to protect communities near refineries from accidental chemical releases.

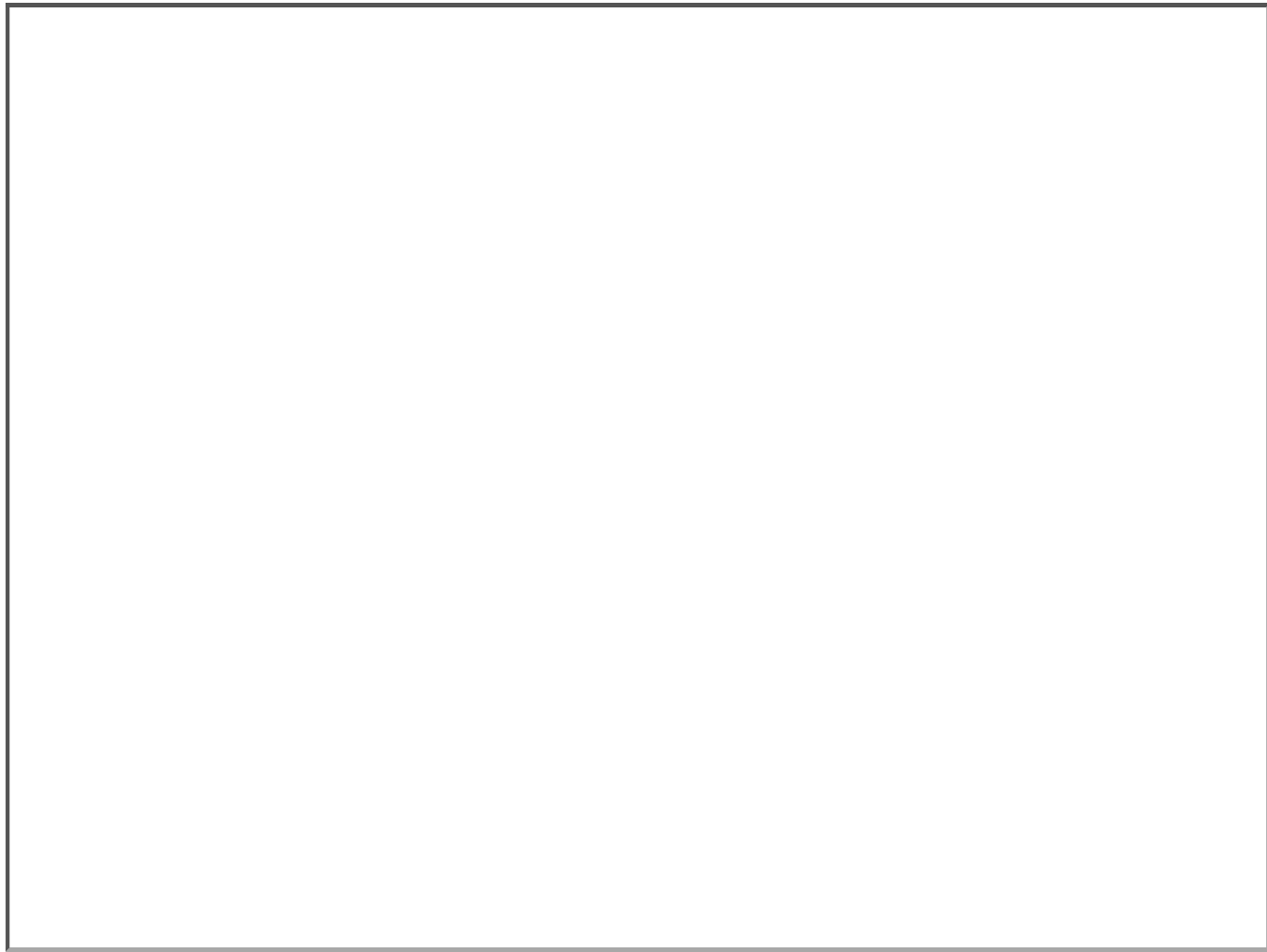
Now, however, more than 12 years after the Chevron fire, regulators are poised to weaken two key regulations that had been challenged in court by the Western States Petroleum Association, or WSPA, a trade association that lobbies heavily in California. A settlement of two lawsuits reached behind

closed doors in September between regulators and WSPA calls for easing some of those rules.

Union leaders and community advocates — who were excluded from the settlement negotiations despite the United Steelworkers' standing as an intervenor in the lawsuits — say the proposed changes would put workers and the public at greater risk.

“To be looking at the possibility of rolling back these regulations is dangerous and alarming for our communities,” said Marie Choi, communications director for the Asian Pacific Environmental Network, or APEN, a watchdog group.

“We can't let industry write the rules,” Choi said.



Click on a pin for details on each facility. Source: California Energy Commission.

The California Environmental Protection Agency, known as CalEPA, set a Tuesday deadline to [accept public comment](#) on proposed changes to its accidental release program. The agency will make an internal decision afterward on whether to accept the changes.

At the same time, the state's Occupational Safety and Health Standards Board, part of the Department of Industrial Relations, or DIR, is independently considering changes to safety rules affecting workers. A decision by the board may not come until 2026.

CalEPA said the revisions are needed to provide clarity and consistency in

applying the rules.

“Petroleum refineries have stated that certain terms and provisions of the [accidental release program] regulations are vague and confusing, making it difficult for them to comply,” the agency wrote in a statement accompanying the proposed amendments.

In a statement to Public Health Watch, a spokeswoman for DIR wrote that the agency and CalEPA “remain committed to protecting refinery workers and ensuring refinery operations meet all safety and environmental standards.”

California Attorney General Rob Bonta, whose office represented the state in the two lawsuits, responded to requests for comment from Public Health Watch by referring the questions to the affected agencies. WSPA did not respond to requests for comment.

The moves have left environmental and labor advocates questioning the transparency of the negotiations. Lawyers for the Steelworkers were asked to sign off on the settlement of the lawsuit last September. They refused.



**‘We can’t let industry write the rules’**

— MARIE CHOI, ASIAN PACIFIC ENVIRONMENTAL NETWORK

“At the end of the day, our biggest thing was that we were left out of a process in which we had the right to participate,” said Mike Smith, who heads the Steelworkers’ National Oil Bargaining Program in Pittsburgh and was a union staff representative for six years at Local 5 in Martinez, California.

“We don’t understand how this happened,” said Julia May, a senior scientist with Communities for a Better Environment, an advocacy group that helped craft the original process safety management rule.

“We’ve had a bad history of [refinery] accidents in California due to cutting corners on maintenance, due to not listening to the workers,” May said.

### **Shrouded in secrecy**

The package of reforms that emerged from state and federal investigations into the Chevron fire tightened regulations in state agencies that oversee aspects of California’s 13 oil refineries.

The state Legislature expanded the rules last year to include renewable and alternative energy refineries, but the new regulations have not gone into effect.

DIR adopted a best-in-the-nation [process safety management rule](#), known as a PSM rule, that gave workers power to halt operations under some circumstances. Refiners were instructed to adopt “inherently safer designs and systems” to the extent feasible.

In parallel, CalEPA strengthened its accidental release program for oil

refineries, requiring the facilities to submit annual metrics about process safety, tighten oversight, and publish risk-management plans.

In 2019, however, after the reforms took effect, WSPA sued to block them in federal and state court, decrying what it called “extreme measures” that could not “be justified as a matter of law or common sense.”

WSPA, which has spent \$98 million on lobbying in California since the Chevron fire, also filed a formal administrative challenge to the PSM rule with the Occupational Safety and Health Standards Board the following year.

The Steelworkers union, which represents about 3,000 full-time refinery workers in California, intervened in the lawsuits to defend the state’s rules. Little was said publicly about the cases until last fall, when WSPA and the California attorney general’s office told the courts they had reached an agreement, and that WSPA would dismiss its claims.





The August 6, 2012 fire at the Chevron oil refinery in Richmond, California, began near the rupture in this 8" pipe, shown in a photo included in the U.S. Chemical Safety Board's final investigative report. Credit: U.S. Chemical Safety Board

According to federal court documents, WSPA notified the union of the settlement after it had been negotiated.

“We heard there were maybe some discussions happening,” said Smith, of the Steelworkers. “We reached out multiple times to the parties to say, ‘We’re intervenors [in the lawsuit] and we want to be involved in this process.’ We didn’t get any response.”

Word began to spread about the settlement at a virtual meeting in January convened by representatives of DIR’s worker safety enforcement division,

known as Cal/OSHA, to discuss changes to the PSM rule. The Steelworkers and others were given a few weeks to weigh in.

Regulators who participated in the meeting declined to explain the motivation for the expedited process, saying only that “all the changes are intended to make things clearer and more workable for everybody,” according to a transcript of the meeting.

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**‘They’re taking the guts out of the regulation’**

— GREG KARRAS, COMMUNITY ENERGY RESOURCE

Greg Karras, an independent consulting scientist at Community Energy reSource, a clean-energy advisory firm, said the changes to the rules would make refineries less safe. He worked 36 years for Communities for a Better Environment.

“They want to be able to ignore proven ways to make refineries safer, or less unsafe,” Karras told Public Health Watch. “They’re taking the guts out of the regulation ... This is happening at the same time as the industry is divesting from its refining assets and the combination of those two things is a ticking time bomb.”

**Process safety**

The 2017 process safety management rule was viewed as a win for workers and communities near refineries.

A key change was a shift from personal safety — just giving workers gear and training for risky circumstances — to process-based, systemic safety, in which workers could have a say in reducing hazards.

The rule expanded the circumstances under which management and workers are required to collaborate on process safety. Safety plans apply not just to one chemical or another, but to every flammable liquid or gas, and every toxic or reactive chemical that could cause a spill, an explosion or a fire.

New requirements ensured that workers could access safety information more easily, and prioritized unionized worker representation in safety meetings. The updated rule also established a hierarchy of safety priorities to guide hazard investigations. In circumstances where workers raise serious safety concerns, they can stop work entirely.

Language incorporated into the settlement agreement would undermine those reforms, narrowing the circumstances under which handling hazardous materials would require special consideration, and limiting the definition of a major change to a work process. The proposal appears to loosen safety meeting participation guidelines, diminishing the status of union representation.

The final decision on the proposed changes to the PSM rule, the DIR spokeswoman wrote, lies with the standards board, “an independent body that may approve, reject, or modify the proposed amendment.”

The spokeswoman did not respond to a question about why the Steelworkers and other advocacy groups were not kept apprised of settlement negotiations with WSPA.



California Attorney General Rob Bonta has vowed to get tough on petroleum-related polluters, including at a 2022 event in San Francisco where he launched an effort to restrict the use of plastics. But he also signed an out-of-court settlement last fall that could lead to weakened rules governing oil refineries. Credit: California Department of Justice

Charlotte Brody, vice president of health initiatives for the BlueGreen Alliance, an amalgam of labor and environmental advocates, said in a February 28 letter to DIR that amendments to the rule proposed under the WSPA settlement “will increase the danger to the workers inside and the community members outside of the refinery fence line.”

Among other things, Brody wrote, the proposed changes would make it easier for refinery managers to ignore workers who raise safety concerns by deeming them “unqualified.” The definition of “highly hazardous material” would be narrowed, so that only substances stored above certain quantities would be considered dangerous.

“The lived experience of refinery workers led to the decision to *not* include quantities in the definition of highly hazardous materials” in the 2017 rule, Brody wrote. “That experience demonstrated that thresholds were used to ignore the dangers of flammable liquids and gases and toxic and reactive substances.”

Brody called the settlement agreement “a secret deal that makes California refineries less safe.”

Garrett Brown, who spent 21 years with Cal/OSHA and has closely tracked personnel shortages at the agency since his retirement in 2014, called the WSPA settlement “a scandalous abrogation of [the state’s] responsibility to involve all stakeholders, most particularly the refinery workers and the communities surrounding these facilities.”

After the Chevron fire, state lawmakers levied fees on refineries to fund 15 specially trained Cal/OSHA process safety inspectors. The agency dedicated 10 positions to this work, Brown said, and as of last November seven were vacant. The DIR spokeswoman told Public Health Watch on Friday that there are now three vacancies.

“For the last five years, there has never been a fully staffed PSM refinery

unit” at Cal/OSHA, Brown said. During this period, he said, “there has been a steady stream of refinery incidents affecting both workers and nearby communities.”

## **Accidental releases**

As the standards board considers amendments to the 2017 rule that would affect workers, Cal/EPA is proposing similar changes to the state’s accidental release program for refineries.

The changes would redefine the circumstances in which highly hazardous materials merit additional scrutiny; narrow the definition of a major change to a refinery process; and prioritize “qualified” worker participation in safety discussions over union representation.

In a letter to the agency dated April 7, the Steelworkers, the BlueGreen Alliance, APEN and Communities for a Better Environment requested a hearing under state rules.

CalEPA confirmed that it will hold one, though it did not specify a date.

## **What’s at stake**

To understand what’s at stake, consider a recent event at a refinery owned by PBF Energy in Martinez, about 40 miles northeast of San Francisco. Around 1:30 p.m. on February 1, the refinery caught fire, injuring six workers and fouling the air with a chemical cloud that included benzene, a carcinogen.

It was the third major incident since PBF bought the refinery from Shell in



2020. On November 24, 2022, the facility released a cloud of spent catalyst that blanketed the town in a powdery white substance that looked like ash. On July 11 and October 6 of 2023, it discharged petroleum coke dust — a refining byproduct that looks like soot and is made up of particulate matter that can irritate lungs.

In a joint [press release](#) four days after the February 1 fire, elected officials expressed their outrage. Contra Costa County Supervisor Shanelle Scales-Preston used the authority of the county’s industrial safety ordinance to demand a full refinery audit to seek a root cause for the fire.

Her district includes three refineries, two of which have had incidents in recent years. She told Public Health Watch on Wednesday that she believes current state rules should remain in force.

“When our workers get up and go to work in the morning, they expect to come home safely and be with their families,” she said. “Decisions that affect thousands of people, thousands of lives...should not be made behind closed doors.”



The Martinez Refining Company in Martinez, California, is shown here on Feb. 3, 2025, two days after a fire that left six workers injured and released a chemical cloud that included benzene, a carcinogen. Credit: Gina Castro/KQED

In November 2023, Jerome Serrano, a worker at Marathon’s Martinez Renewables refinery, was burned over much of his body in a fire that caused \$350 million in damage to the facility and shut it down for nearly a year. The Chemical Safety Board [found](#) that a metal tube inside a device called a fired heater had “released renewable diesel and hydrogen, sparking the fire.”

At the time, Marathon and other refineries that made renewable fuels from substances like animal fat, soybean oil and corn oil argued that process safety rules didn’t apply to them. The Steelworkers and other advocates appealed to regulators, seeking to enforce the rules at these newer facilities.



As a result, lawmakers last year [passed a bill that expanded](#) PSM requirements to include renewable refineries. Gov. Gavin Newsom [signed](#) it into law. As WSPA and the state's lawyers negotiated the settlement in secret, the governor convened a special legislative session on gas prices that he [touted as an extension of holding “Big Oil” accountable](#).

Meanwhile, Newsom has proposed \$21 million in cuts to Cal/OSHA's budget for the fiscal year that begins in July. The DIR spokeswoman did not comment on what such cuts would mean for Cal/OSHA. Newsom's office likewise did not respond.

Workers aren't the only ones at risk from fires, explosions and chemical releases.

In 2015, a refinery then owned by Exxon Mobil in [Torrance](#), near Los Angeles, came close to releasing one of the deadliest chemicals on the planet. A heavy piece of debris sent airborne by an explosion narrowly missed puncturing two tanks containing hydrofluoric acid, also known as HF.

The refinery is now owned by PBF, which has resisted calls from Torrance residents to stop using a modified form of HF, even though the Chemical Safety Board reported in 2016 that there were “333,000 residents, 71 schools, and eight hospitals” within a three-mile radius of the facility.

Once uncontained, HF turns into a fast-moving, ground-hugging cloud that can kill anyone in its path up to two miles from the point of release, according to the South Coast Air Quality Management District.

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# **‘They’re putting the community at risk for mass casualties’**

— STEVE GOLDSMITH, TORRANCE REFINERY ACTION ALLIANCE

Steve Goldsmith, a former Torrance resident who still serves on the board of the Torrance Refinery Action Alliance, a group pushing to ban the use of HF at refineries, said he was unaware of the state’s settlement of the WSPA lawsuits.

“We think that, as weak as [the 2017 rule] is, it should not be weakened further,” Goldsmith said. “It should be enforced with vigor by CalEPA and Cal/OSHA, because they’re putting the community at risk for mass casualties.”

## **Looking ahead**

The refining of oil does not appear to be a growth industry in California.

In 2020, Newsom signed an executive order declaring California’s interest in ending its dependence on petroleum, pointing to a need to “expedite regulatory processes to repurpose and transition upstream and downstream oil production facilities, while supporting community participation, labor standards, and protection of public health, safety and the environment.”

Since then, the state has actively regulated refineries to mitigate fuel shortages and volatile prices during the clean-energy transition, and sought to support refineries' shift from oil to renewable fuels. CalEPA [is now using](#) the Interagency Refinery Task Force, established after the Chevron fire, to convene meetings about how to meet Newsom's goal.

Last fall, Phillips 66 announced that it would close its Los Angeles refinery in the fourth quarter of 2025. Just last week, Valero said it intended to "idle, restructure, or cease operations" at its refinery in Benicia, in the Bay Area, by April 2026.

Julia May, of Communities for a Better Environment, said she's unnerved by the impending Phillips 66 closure.

"We're getting reports that they're consolidating staff in the leadup to the shutdown," she said. "What we're really worried about is that they already work really long hours. They could be further stretching the staff as they move to close the refinery."

David Campbell, secretary-treasurer of Steelworkers Local 675 in the Los Angeles suburb of Carson, said the union tried to negotiate incentives with Phillips 66 so workers would stay until the end. But the incentives the company offered were "paltry," he said, and workers have been leaving for more stable jobs. As a result, there are vacancies, and there seems to be a lot of overtime.

"Anecdotally, we're getting hammered," Campbell said, adding that the company has warned workers they might have to put in 18 hours a day.

Phillips 66 did not answer Public Health Watch's questions about staffing and working conditions at the refinery but did say in a statement that the company "is committed to maintaining safe, reliable, and environmentally responsible operations throughout the transition."

Campbell said that now is not the time to be rolling back rules. "We think the state needs to be even more proactive in these scenarios," he said,

Before Donald Trump was elected, Campbell assumed that many of California's oil refineries would be gone in 10 years. Now, given Trump's pro-oil policies, "Who the hell knows?"