

U.S. Chemical Safety and Hazard Investigation Board

OFFICE OF GENERAL COUNSEL

Memorandum

To: **Board Members**

Christopher M. Lyon Acting General Counsel From:

Cc: Amanda Johnson

> Adam Henson Leadership Team

Board Action Report – Notation Item 2025-1 Subject:

Date: October 23, 2024

On October 23, 2024, the Board approved Notation Item 2025-1, thereby designating Recommendations 2020-07-I-NC-R3; 2020-07-I-NC-R4; and 2020-07-I-NC-R5, to Evergreen Packaging, from the Evergreen Packaging Paper Mill – Fire During Hot Work investigation (2020-07-I-NC), with the status of Closed – No Longer Applicable.

Voting Summary – Notation Item 2025-1

Disposition: APPROVED

Disposition date: October 23, 2024

	Approve	Disapprove	Calendar Not Participating	Date
S. Johnson	X			10/21/2024
S. Owens	X			10/23/2024
C. Sandoval	X			10/21/2024



U. S. Chemical Safety and Hazard Investigation Board RECOMMENDATION STATUS CHANGE SUMMARY

Report:	Evergreen Packaging Paper Mill – Fire During Hot Work	
Recommendation Number:	2020-07-I-NC-R3	
	2020-07-I-NC-R4	
	2020-07-I-NC-R5	
Date Issued:	September 24, 2021	
Recipient:	Evergreen Packaging	
New Status:	R3: Closed – No Longer Applicable	
	R4: Closed – No Longer Applicable	
	R5: Closed – No Longer Applicable	
Date of Status Change:	October 23, 2024	

Recommendations Text:

Recommendation No. 2020-07-I-NC-R3

Update all documentation, training, and orientation materials provided to contractors pertaining to hot work to reflect Evergreen Packaging's internal definition of hot work. The materials should make clear that hot work encompasses any method of work that can serve as a source of ignition.

Recommendation No. 2020-07-I-NC-R4

Develop and implement a formalized and comprehensive Simultaneous Operations (SIMOPs) program addressing planned work occurring close together in time and place to include policies, procedures, hazards reviews, hazards abatement, training, and shared communication methods, to protect employees and contract workers from the hazards posed by simultaneous operations at its facilities. At a minimum, the program should:

- *Identify potential simultaneous operations*
- *Identify potential hazardous interactions*
- Evaluate and implement necessary safeguards to allow for safe simultaneous operations
- Ensure coordination, including shared communication methods, between the simultaneous operations
- Include emergency response personnel or services in the planning and coordination of the simultaneous operations.

Recommendation No. 2020-07-I-NC-R5

Develop and implement a policy that requires the involvement of emergency response personnel in planning and coordination of activities involving the use of flammable materials in confined spaces. In the policy, require that emergency response personnel be stationed directly outside

the confined space in which flammable materials are used. Ensure that the emergency response personnel are appropriately trained and equipped for confined space entry, confined space rescue and fire response.

Board Status Change Decision:

A. Rationale for Recommendation

On September 21, 2020, a paper mill operated by Evergreen Packaging (Evergreen) in Canton, North Carolina, was undergoing a planned shutdown, and associated maintenance and capital project work was ongoing throughout the facility. In one of Evergreen's pulp bleaching units, two contract companies were performing simultaneous maintenance work inside two connected process vessels, called an "upflow tower" and a "downflow tower," when a fire started inside the upflow tower after an electric heat gun, which was being used to warm resin, fell into a five-gallon bucket containing the flammable resin. The fire fatally injured two contractors.

The U.S. Chemical Safety and Hazard Investigation Board (CSB) investigated the incident and found that the workers did not recognize or control the ignition hazard presented by the electric heat gun. The CSB concluded that Evergreen's contractor safety handbook and site orientation program's definition of hot work did not align with Evergreen's internal hot work policy. The CSB also found that the contractors did not effectively coordinate simultaneous entry operations and did not have a shared communication method. In addition, Evergreen did not have a simultaneous operations program in place at the time of the incident of facilitate coordination between parties performing work close together in time and place. As a result of these findings, the CSB issued three recommendations to Evergreen Packaging. This status change summary addresses CSB Recommendation Nos. 2020-07-I-NC-R3, 2020-07-I-NC-R4, and 2020-07-I-NC-R5.

B. Response to the Recommendation

Evergreen Packaging is a wholly owned subsidiary of Pactiv Evergreen Inc. (Pactiv). On March 6, 2023, Pactiv announced plans to shut down the paper mill in Canton, North Carolina. The mill closed on June 8, 2023, putting over 1,000 employees out of work. Spirtas Worldwide plans to acquire the site and confirmed to the CSB that it will not be resuming paper production. On July 12, 2024, Pactiv announced it had signed a definitive agreement to sell its other two remaining mills in Pine Bluff, Arkansas, and Waynesville, North Carolina, facility, to global paper and pulp producer Suzano S.A. for \$100 million. The sale of these facilities was completed on October 1, 2024. As the Canton, North Carolina, paper mill where the incident occurred is no longer in business, and Pactiv's other two mills have been sold, these recommendations no longer apply.

¹ See https://governor.nc.gov/canton-paper-mill-closure-information-resources (accessed August 19, 2024).

² See https://investors.pactivevergreen.com/news-releases/news-release-details/pactiv-evergreen-inc-announces-definitive-agreement-sell-pine (accessed August 19, 2024).

³ See <u>Pactiv Evergreen Inc. Completes Sale of Pine Bluff Paper Mill and Waynesville Extrusion Facility to Suzano S.A. | Pactiv Evergreen Inc.</u> (accessed October 7, 2024).

C. Board Analysis and Decision

Based upon these developments, the Board voted to change the status of CSB Recommendation Nos. 2020-07-I-NC-R3, 2020-07-I-NC-R4, and 2020-07-I-NC-R5 to: "Closed – No Longer Applicable."