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IN THE LABOR COMMISSION  
ADJUDICATION DIVISION

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UTAH OCCUPATIONAL SAFETY AND  
HEALTH DIVISION,

Petitioner,

vs.

NORTHROP GRUMMAN SYSTEMS  
CORPORATION,

Respondent.

**SETTLEMENT AGREEMENT**

Case No. 531648558

Judge Todd Newman

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This Settlement Agreement (“Agreement”) is made and entered into by and between Utah Occupational Safety and Health (“UOSH”), a Division of the State of Utah Labor Commission, and Northrop Grumman Systems Corporation (“Northrop Grumman”). UOSH and Northrop Grumman may hereinafter collectively be referred to as the “Parties.” The “Effective Date” of this Agreement shall be the day the Agreement is executed by all Parties.

Background

The Parties desire to enter into a settlement agreement resolving their differences concerning UOSH Citations issued in Inspection No. 1648558 on July 19, 2023. The citations were issued after an inspection which took place at 5000 South 8400 West, Magna, Utah 84044, the Northrop Grumman Bacchus Plant.

Terms and Conditions

- 1. Amendment of Citation and Penalty:** Regarding the Citations issued in Inspection No. 1648558, the parties agree as follows:

*Citation 1; Item 1:* The characterization of the citation will be amended to Serious. This citation will be amended to allege a violation of 1910.134.(l)(1). The AVD language will be amended to: “*Employer’s written respiratory protection program did not protect employees from an oxygen deficient atmosphere when employees were not effectively excluded from the basement area of Autoclave-11 without appropriate respiratory protection, after the pressure in the autoclave was raised above 400 psi, without running the ventilation system, and/or without using a personal gas monitor.*” The penalty will be amended to \$13,653.

*Citation 1; Item 2:* The characterization of the citation will be amended to Serious. This citation will be amended to allege a violation of 1910.146(c)(3). The AVD language will be amended to: “*Employer did not take effective measures to prevent its employees from entering the basement area of Autoclave-11 after the pressure in the autoclave was raised above 400 psi, without running the ventilation system, and without monitoring the atmospheric conditions.*” The penalty will be amended to \$13,653.

*Citation 2; Item 1:* This citation will be amended to allege a violation of 1910.146(c)(2). The AVD language will be amended to: “*Upon reclassifying a space that had previously been determined to be a permit-required confined space to a non-confined space, Employer did not adequately communicate to employees through signs or other written warnings in operating procedures or otherwise about the nature of the danger posed by the space.*” The penalty will be amended to \$13,653. The citation item will be renumbered to Citation 1; Item 3.

*Citation 2; Item 2a:* This citation is vacated.

*Citation 2; Item 2b:* This citation is vacated.

*Citation 2; Item 3a:* The AVD language will be amended to: “*Employer did not follow the procedures available under this section to temporarily reclassify a permit-required confined space to a non-permit required confined space.*” The penalty will be amended to \$13,653. The citation item will be renumbered to Citation 1; Item 4.

*Citation 2; Item 3b:* This citation is vacated.

*Citation 2; Item 3c:* This citation is vacated.

*Citation 2; Item 4:* This citation is vacated.

*Citation 2; Item 5:* This citation is vacated.

*Citation 2; Item 6:* This citation will be amended to allege a violation of 1910.134(k)(5)(i). The AVD language will be amended to: “*After recharacterizing the basement area of Autoclave-11 to a non-confined space, Employer did not adequately update documentation used for training to reflect the changed characterization of the space.*” The penalty will be amended to \$13,653. The citation item will be renumbered to Citation 1; Item 5.

*Citation 2; Item 7:* This citation will be amended to allege a violation of 1910.146(d)(9). The AVD language will be amended to: “*Employer did not take sufficient steps to prevent unauthorized personnel from attempting rescue, when at least one technician who had been trained not to attempt a rescue nevertheless entered the basement of Autoclave-11 to attempt a rescue.*” The penalty will be amended to \$13,653. The citation item will be renumbered to Citation 1; Item 6.

*Citation 2; Item 8:* This citation is vacated.

**2. Safety Enhancements:** Northrop Grumman further agrees to complete the below safety enhancements listed at (a) – (p) at the Bacchus Plant, and to provide to UOSH documentation of the completion of each item within ninety (90) days after the date of the last signature to this Agreement:

- a. Require full permit-entry protocols for entries into the basement area of Autoclave-11 in Building 2440 at the Bacchus Plant.
- b. Install and maintain fixed oxygen monitoring sensors inside the basement area of Autoclave-11 in Building 2440 at the Bacchus Plant to continuously evaluate oxygen levels during operations.
- c. Install and maintain a flow sensor on the exhaust ventilation system in the basement area of Autoclave-11 in Building 2440 at the Bacchus Plant.
- d. Connect the fixed oxygen monitoring sensors and the flow sensor on the exhaust ventilation system in the basement area of Autoclave-11 in Building 2440 at the Bacchus Plant to the control room operating system with audible alarms to notify about out-of-tolerance conditions with either.
- e. Install and maintain an entry gate to the stairs to the basement area of Autoclave-11 in Building 2440 at the Bacchus Plant that is interlocked to prevent entry when the fixed oxygen monitoring sensors and the flow sensor on the exhaust ventilation system notify about out-of-tolerance conditions with either, as well as when Autoclave-11 is under pressure or the power to the heaters for the Autoclave is in the On position.
- f. Develop and implement an enhanced leak test methodology, utilizing new equipment and procedures, to minimize operational necessity for entry into the basement area of Autoclave-11 in Building 2440 at the Bacchus Plant.
- g. Verify that the exhaust ventilation system for the basement area of Autoclave-11 in Building 2440 at the Bacchus Plant meets generally accepted, good industrial hygiene practices for air exchanges with argon as the load/gas.
- h. For all autoclaves in Building 2440 at the Bacchus Plant, implement an enhanced protocol that requires locking and tagging out the inert gas supply to an autoclave prior to entry into the basement area of that autoclave.
- i. Develop and implement more detailed written instructions for start-up, troubleshooting, shutdown, and other conditions associated with Autoclave-11 in Building 2440 at the Bacchus Plant.
- j. Review and enhance, as appropriate, confined space emergency response protocols for the Bacchus Plant.
- k. Install and maintain new signage that informs employees about restrictions to entry during operations into the basement area of Autoclave-11 in Building 2440 at the Bacchus Plant.
- l. Develop and document enhanced Acceptance Criteria for replacement parts used for Autoclave-11 in Building 2440 at the Bacchus Plant.
- m. Reconfigure the Skid Shed associated with Building 2440 at the Bacchus Plant to lower the location of the fixed oxygen sensor.
- n. Install and maintain an exhaust ventilation fan for the floor level of the Skid Shed associated with Building 2440 at the Bacchus Plant.

- o. Reconfigure the Skid Shed associated with Building 2440 at the Bacchus Plant so the discharge for the exhaust ventilation extends above the roofline of Building 2440.
  - p. Verify that all densification operators in Building 2440 at the Bacchus Plant have received hazard recognition training.
- 3. Withdrawal of Formal Contest:** Northrop Grumman, by signing this Agreement, hereby withdraws its formal notice of contest with the Adjudication Division of the Utah Labor Commission related to the underlying action.
- 4. No Admission of Liability:** This Agreement and the actions taken herein are made for the purpose of compromising and settling this matter amicably and to avoid the time and expense of unnecessary litigation, and shall not be used for any other purpose, except as herein stated. This Agreement is not an admission of civil liability by either party.
- 5. Assent to Terms:** The undersigned Parties agree that each Party assents to the terms of the Agreement upon its own investigation and judgment in regard to all matters herein contained, as such Party has not relied upon representations made by any other Party, except representations set forth in the Agreement, and that the Agreement is made and entered into free of any duress, coercion or undue influence.
- 6. Application of Law Construction and Severability:** The existence, validity, construction, sufficiency or performance under this Agreement shall be determined in accordance with the laws of the State of Utah. If any provision of this Agreement is found to be unenforceable according to the laws of Utah, then that provision shall be severed, and the remaining provisions shall continue in full force and effect.
- 7. Binding Agreement and Forum:** This Agreement shall be binding upon, and inure to the benefit of the Parties, their executors, administrators, heirs, successors, assigns, agents, attorneys and representatives. Any action brought to enforce this Agreement must be brought in the Third District Court, Salt Lake County, State of Utah.
- 8. No Prevailing Party:** Neither UOSH nor Northrop Grumman shall be considered a prevailing party for any purpose. Each Party shall bear its own costs and fees.
- 9. Waiver and Breach:** No waiver by either Party hereto of a breach of any provision of the Agreement shall constitute a waiver of the non-breaching Party's ability to enforce that provision, or any other preceding or succeeding breach of the Agreement.
- 10. Counterparts and Electronic Signatures:** This Agreement may be executed in two or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same Agreement. The counterparts of this Agreement and all ancillary documents may be executed and delivered by facsimile or other electronic signature by any of the Parties to any other party and the receiving party may rely on the receipt of such document so executed and delivered by facsimile or other electronic means as if the original had been received.

**11. Additional Rights:** This Agreement does not serve to inhibit any future inspections, nor does it restrict alleged violations, proposed citations or penalties that may arise from any future inspection. This Agreement also does not restrict any defenses of Northrop Grumman arising in any future inspection.

IN WITNESS WHEREOF, the Parties by their duly authorized representative have executed this Agreement as of the date(s) written below.

Utah Occupational Safety &  
Health, A Division of the  
Utah Labor Commission

Northrop Grumman Systems Corporation

Date: 4/15/2022

Date: 4/15/2024





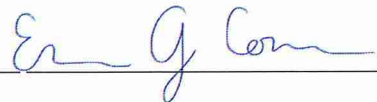
By: Jason Sokoloff

By: Michael A. Zody

Title: Operations Manager

Title: Counsel for Northrop Grumman

Date: April 11, 2024



By: Eric J. Conn

Title: Counsel for Northrop Grumman

**CERTIFICATE OF SERVICE**

I hereby certify that the Settlement Agreement was served by electronic mail on the \_\_\_\_  
day of \_\_\_\_\_ 2024 on the following parties: