



Office of Commissioner of Insurance

NEWS RELEASE

Ralph Hudgens
Commissioner of Insurance
Safety Fire Commissioner
Industrial Loan Commissioner

James "Sloppy" Floyd Building
2 Martin Luther King, Jr. Drive,
Suite 704 West Tower
Atlanta, Georgia 30334

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Twitter: @GA_DOI

Contact: Glenn Allen
Phone: 404-463-0729
www.oci.ga.gov

FINDINGS RELEASED IN XYTEX INVESTIGATION; AIRGAS USA CITED FOR STATE VIOLATIONS

Atlanta, GA – Insurance and Safety Fire Commissioner Ralph Hudgens released findings today from an investigation into a deadly February 2017 industrial gas leak at a sperm bank in Augusta, Georgia. State inspectors with his office have determined that the incident was caused by the over-pressurization of a bulk storage tank. As a result of the investigation, Hudgens has issued civil penalties against the sperm bank's gas supplier Airgas USA totaling \$302,500.

The investigation revealed that on Dec. 13, 2016, Airgas USA installed a 3,000-gallon bulk storage tank at Xytex Cryo International for the storing and dispensing of liquid nitrogen. On Dec. 22, a Xytex employee attempted to cool cryogenic freezers with the liquid nitrogen but terminated the action when relief devices began discharging the nitrogen inside the freezer room. On Jan. 24, an Airgas USA service manager determined that the tank would require recalibration from 30 psi to approximately 20 psi, below the setting of Xytex's cryogenic cooling system. The service manager indicated to Xytex employees that the tank's servicing instruction decal which displayed 30 psi would be updated to reflect the new pressure fill setting.

On Sunday, Feb. 5, 2017, a tanker truck from Airgas USA arrived at the Xytex facility delivering liquid nitrogen. The driver connected the discharge hose from the truck to the storage tank and began to fill as instructed by the tank's servicing decal. The system became over-pressurized and started leaking liquid nitrogen gas inside the building. State inspectors determined that Airgas USA had failed to update the decal to the new pressure fill setting.

"This industrial gas leak may have been avoided if the proper servicing decal had been affixed to the bulk storage tank," Commissioner Hudgens said. "Either an employee not following through with the proper procedures or a lack of communication between the two companies led to this tragic event."

Xytex employee Anita Wylds and Richmond County Sheriff's Deputy Sergeant Greg Meagher both responded to an alarm at the facility located at 1100 Emmett Street. Shortly after entering the building Wylds fell unconscious and was severely injured from exposure to hypothermia hazards. Sergeant Meagher entered the building in search of Wylds but also collapsed moments later. He would later die from environmental suffocation.

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As a result of the incident at Xytex Cryo International, Commissioner Hudgens has ordered Airgas USA to pay the maximum penalty allowed by Georgia law of \$5,000 for failure to report the incident to his office promptly. State inspectors learned of the incident the following day from news reports.

Additionally, Hudgens is ordering Airgas USA to pay civil penalties totaling \$297,500 for violation of Georgia's Boiler and Pressure Vessel Safety Act. State inspectors discovered that in many instances, and over a period of several years, Airgas USA had failed to comply with state law requirements for inspection and reinspection of its bulk storage tanks.

The civil penalties are for the following violations:

- \$96,500 for failing to have one triennial re-inspection on 193 of its pressure vessels throughout the state since installation.
- \$201,000 for failing to have two triennial re-inspections on 201 of its pressure vessels throughout the state since installation.

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