

Manual Section 7	Issue Date 04/17/13	Revision Date 01/01/24	Policy Number LLCP-101
	<b>Process Safety Management</b>		

**Purpose**

The purpose of Process Safety Management is to prevent or minimize consequences of catastrophic releases of toxic, reactive, flammable or explosive chemicals in various industries (i.e. refineries). The intent of this section is to ensure that Company employees are trained to perform the job safely, to identify any hazards related to the job, and to respond to the applicable provisions of the emergency action plan, as they relate to Process Safety Management, while working at an Employer’s (Client’s) location. This section is also intended to ensure that Company employees are able to determine if the employer (Client) has done its part to make the work place safe. These requirements are found in 29 CFR 1910.119, Process safety management of highly hazardous chemicals.

**Scope**

All LLC Companies including, Blanchard Industrial, LLC, GIS Engineering, LLC, Grand Isle Shipyard, Inc., and GWIS, Mack Steel, NuWave, Sun Industries, Valvemax, Discovery Industries, Inc.; hereafter identified as “Company”.

The Client’s Process Safety Management program must include aspects relating to contractors and contractor performance: maintenance and repair, turnaround, major renovations, and specialty work on or adjacent to covered processes. It must include information on the known potential fire, explosion and toxic release hazards related to the work and processes performed by our Company. It must include the responsibilities and duties of contractor employees under the Client’s emergency action plan.

The Company must provide training in the work practices necessary for its employees to safely perform their jobs. This training must include instruction in the known potential fire, explosion and toxic release hazards related to the work and processes, and the applicable provisions of the emergency action plan.

Documentation must be available to ensure that each employee is properly trained and understands the required training. The Company must ensure that employees follow the safety rules at each facility location, including their safe work practices, and which employees advise the Client of any unique hazards presented by its employees’ work or any hazards found by Company employees during the performance of their work.

**Training**

All employees involved with highly hazardous chemicals will be provided training to fully understand the safety and health hazards of the chemicals and processes they work with. The Company shall prepare a record, which shall contain each employee’s name, date of training and that the employee understands the hazards associated with the process.

The Client shall assure that each employee is trained in the work practices necessary to safely perform his/her job and is instructed in the known potential fire, explosion, or toxic release hazards related to his/her job; and the process, and the applicable provisions of the emergency action plan.

**Procedure**

Company Management makes every effort possible to identify the known potential fire, explosion and toxic release hazards related to the job and its processes, and to determine any responsibilities its employees have in the emergency action plan, before departing for the Client’s location.

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When this is done, steps are taken to ensure that only those employees properly trained and certified are selected to travel to the Client’s location to perform the work.

We have developed and implemented safe work practices to provide for the control of hazards during operations such as lockout/tagout; confined space entry; opening process equipment or piping; and control over entrance into a facility by maintenance, contractor, laboratory, or other support personnel. These safe work practices shall apply to employees and contractor employees.

Hot work permit: The Client shall issue a hot work permit for hot work operations conducted on or near a covered process. The permit shall document that the fire prevention and protection requirements in 29 CFR 1910.252(a) have been implemented prior to beginning the hot work operations; it shall indicate the date(s) authorized for hot work; and identify the object on which hot work is to be performed. Hot work shall not be performed until the permit is obtained from the Client. The permit shall be kept on file until completion of the hot work operations.

Incident investigation: Company employees shall immediately report all incidents and near misses.

- The employer shall investigate each incident which resulted in, or could reasonably have resulted in a catastrophic release of highly hazardous chemical in the workplace.
- An incident investigation shall be initiated as promptly as possible, but not later than 48 hours following the incident.
- An incident investigation team shall be established and consist of at least one person knowledgeable in the process involved, including a contract employee if the incident involved work of the contractor, and other persons with appropriate knowledge and experience to thoroughly investigate and analyze the incident.
- A report shall be prepared at the conclusion of the investigation which includes at a minimum:
  - Date of incident;
  - Date investigation began;
  - A description of the incident;
  - The factors that contributed to the incident; and,
  - Any recommendations resulting from the investigation.

The Corporate Incident Management System details how to promptly address and resolve the incident report findings and recommendations.

Resolutions and corrective actions shall be documented. The report shall be reviewed with all affected personnel whose job tasks are relevant to the incident findings including contract employees where applicable. Incident investigation reports shall be retained for five years.

Trade secrets: Employers shall make all information necessary to comply with the section available to those persons responsible for compiling the process safety information (required by paragraph (d) of section 1910.119), those assisting in the development of the process hazard analysis (required by paragraph (e) of section 1910.119), those responsible for developing the operating procedures (required by paragraph (f) of section 1910.119), and those involved in incident investigations (required by paragraph (m) of section 1910.119), emergency planning and response (paragraph (n) of section 1910.119) and compliance audits (paragraph (o) of section 1910.119) without regard to possible trade secret status of such information.

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Nothing in this paragraph shall preclude the employer from requiring the persons to whom the information is made available under paragraph (p)(1) of section 1910.119 to enter into confidentiality agreements not to disclose the information as set forth in 29 CFR 1910.1200.

Subject to the rules and procedures set forth in 29 CFR 1910.1200(i)(1) through 1910.1200(i)(12), employees and their designated representatives shall have access to trade secret information contained within the process hazard analysis and other documents required to be developed by this standard (all must respect the confidentiality to trade secret information).

**Management of Change:** Written procedures to manage changes (except for “replacements in kind”) to process chemicals, technology, equipment, and procedures, and change to facilities that affect a covered process, have been established and implemented. These written procedures must ensure that the following considerations are addressed prior to any change:

- The technical basis for the proposed change,
- Impact of the change on employee safety and health,
- Modifications to operating procedures,
- Necessary time period for the change, and
- Authorization requirements for the proposed change.

Employees who operate a process and maintenance and contract employees whose job tasks will be affected by a change in the process must be informed of, and trained in, the change prior to startup of the process or startup of the affected part of the process. If a change covered by these procedures results in a change in the required process safety information, such information also must be updated accordingly. If a change covered by these procedures changes the required operating procedures or practices, they also must be updated.

If this determination cannot be made, the Company supervisor makes the appropriate determinations after arriving at the Client’s location. In either case, the following items are checked and verified using our PSM CHECKLIST.

1. Company employees must be informed of the known fire, explosion and toxic release hazards related to their work.
2. Company employee’s roles and responsibilities in the emergency action plan must be explained.
3. Safe work practices should be in place to control the entrance, presence and exit of Company employees in covered hazardous process areas.
4. If any accidents or incidents occur involving Company employees, an injury and illness log relating to the work performed by the Company must be started and maintained.
5. Training documents must be available to ensure that Company employees have been trained and understand the required training.
6. Safety rules, including safe work practices, must be verified and enforced by the Company supervisor.
7. Employees must identify any unique hazards presented by their work and must identify any hazards found as a result of their work or the work of others.
8. If processes are audited, employees must follow all safe work practices: lockout/tagout, confined space entry, hot work, process equipment or piping, excavation, and use of PPE.
9. Employees must be informed of the potential catastrophic hazards (if any) related to their work and of the processes in which they are involved.

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10. Employees must be able to explain safe work practices and safety rules relating to their jobs and the associated processes.
11. Incident reporting and/or investigation must be accomplished within 48 hours of the incident, and the documents maintained for a period of 5 years.
12. If any trade secrets are shared with Company employees, the information will be treated with professional confidentiality.
13. The contract employer shall advise the employer of any unique hazards presented by the contract employer's work, or of any hazards found by the contract employer's work.

Each item on the Checklist is reviewed, most in the presence of a Client's representative, and a Yes or No answer is placed in the Yes/No/NA column; if the item is not applicable, the letters NA appear in the Yes/No/NA column.

Once the PSM Checklist is completed and signed by the appropriate parties, one copy of the document is given to the Client's representative and one copy is kept in the work area. The original is filed at the Corporate office.

A complete copy of the Corporate PSM Checklist is available upon request.