API ANSI RP 754

Implementation Conference Call
December 12, 2011
Purpose of RP 754 Conference Calls

• To drive broad adoption of API 754 throughout the Refining and Petrochemical industries
• To drive consistency in Tier 1 and 2 metrics reporting in order to establish credibility and validity
• To share learning's regarding the effective implementation of Tier 1-4 lagging/leading metrics
Today’s Agenda

• Key messages from 2010 data collection
• Info sheet – “Why is work-hours the PSE rate normalizer?”
• 2011 Data Collection: Feb 1 – Mar 1, 2012
• New spreadsheet instructions
• Encourage reporting to both API/NPRA (including international site data)
• Inform – upcoming NPRA database webinar
• QA
Key Messages & Learnings – RP 754 Ad-hoc Group

• It will take a few years to ensure data consistency and validity - as was expected

• Encourage Tier 2 data reporting at your sites - leading indicator of larger potential releases
  – Make it easy to report, provide positive reinforcement for reporting

• Don’t over-focus on the 2010 Tier 1 PSE rate but instead build confidence in your data through consistent reporting

• Consistency is more important than accuracy

• Trends over time are more valid than specific rates

• Ad-hoc group will ensure the size of refinery doesn’t unfairly impact the PSE rate based on work-hours normalizer before going public in 2013 with the “Industry Tier 1 PSE Rate / Count”
PSE Rate “Normalizer” Discussion

• API RP 754 uses “total work hours” as the normalizer for PSE Rate
  ➢ This is the same number typically used to calculate Occupational Injury and Illness (OII) rates

• Early indications - this normalizer might magnify smaller site PSE rates
  ➢ API and NPRA are considering reporting PSE rates by size of facility (small, medium, large)
  ➢ API and NPRA are considering “average PSE events per site” as additional metric based on facility size
Reasons for Using “Total Work Hours”

- Easy to capture since it is already used for OII reporting
- Easily understood and recognized by external stakeholders
- Bridge between refining and petrochemical (i.e., throughput not always applicable in petrochemical sites)
- Demonstrated by the MKOPSC* that it provides the same directional and order-of-magnitude answer as throughput
- Reported by one company that it provides the same directional and order-of-magnitude answer as a complexity-weighted capacity approach
- Reported by one company that it provides the same directional and order-of-magnitude answer as equipment count

* MKOPSC = Mary Kay O’Connor Process Safety Center
2011 Data Reporting

• Submit data as early as February 1, 2012 but no later than March 1, 2012.

• Begin populating your spreadsheet now, don’t wait until February.

• On-time data submittal allows the adhoc group to analyze the data (blinded) in preparation for sharing key learnings during the May 2012 National Occupational and Process Safety Conference & Exhibition.
Spreadsheet Instructions

• 2011 spreadsheet is very similar to last year’s with the following changes:
  • All facilities and general information should be entered into the ‘Facility Information’ tab (reduced from 3 tabs to 2 tabs)
  • When entering Events on the ‘Event Information’, make sure the facility name (column B on first tab) matches exactly.
  • ‘Facility Information’ tab now includes an option to report that you had 'No Tier 1 Events',' No Tier 2 Events', or 'No Tier 1 or Tier 2 Events'.
  • There is now a drop-down menu of petrochemical processes from which to choose (not just refinery processes).
  • 'Mouse-overs' are provided for additional definitions and guidance on entering the data
Three areas that require clarification based on the 2010 data submittals:

1. **PRD Discharges**—please see the attached slides from the September 26th Webinar (also posted at: [http://www.api.org/ehs/health/webinars.cfm](http://www.api.org/ehs/health/webinars.cfm))

2. **Contractor Hours Include:**
   - Embedded contractors
   - Specialty contractors
   - Project hours (if not major construction)

   **Contractor hours DO NOT include:**
   - delivery drivers
   - large-scale projects that are typically fenced-off and not connected to the existing process (e.g., major construction)

3. **PSE Consequences**
   - List all consequences for the Tier—e.g. list both Threshold Release Quantities and number of Days Away from Work or Fatalities.

   **Exception:** If the event is a fire or explosion, the chemical-released quantity is not required to report. (Basis: Chemical released is consumed by the fire/explosion.) However, if the fire/explosion results in secondary release points the site shall report threshold quantities of other chemicals released.

   - Do not list Tier 2 consequences in Tier 1 except for those related to human impact (i.e. employee, contractor, or sub-contractor recordable injuries)
Encourage Reporting

• Companies are encouraged to submit all site data (including international sites) to both API and NPRA
  – RP-754 intended for global adoption
  – Sufficient data needed to compare performance with Europe, Asia-Pacific and other regions
  – Reporting to both trade associations supports data accuracy cross-checking
  – Easy to do – single spreadsheet
  – Not required to be an API/NPRA member to submit data and receive confidential/blinded report

• Strength in numbers
  – As an industry we were able to get over the public-reporting hump for Occupational Injury/Illness leading to significant industry-wide improvement over time
  – By submitting data to API/NPRA now, a company is able to benchmark during this initial “grace” period (RP-754 is voluntary. To comply with the RP a company must publically report Tier 1 PSE Rate.)
NPRA Database webinar

- NPRA Database changes being made to accommodate PSE data entry directly from members in the future

- One Process Safety data administrator per company
  - This single company administrator can grant data-entry permission to multiple site administrators but will be required to “approve” the data entries before posting

- There will be a webinar on January 17\(^{th}\), 2012 to explain changes to the NPRA database and how to submit data

- Contact Lara Swett at LSwett@npra.org for further information.
API website

- API RP 754 Fact Sheet
- Series of four webinars presented in fall 2010 (available for viewing)
- Listing of FAQ’s that help you properly classify a PSE
- API Guide to collecting PSE data
- Read-only access to API RP 754
- Contact Karen Haase at Haasek@api.org for more information
- To submit your RP-754 data spreadsheet, email it to Alexis Tressler at Tresslera@api.org.

http://www.api.org/ehs/health/measuring/index.cfm
Q and A

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