

Contractor Safety Initiative

Spring EEI Occupational Safety
and Health Committee Conference

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Jim Hendricks

Hendricks Consulting LLC

Background

- Duke Energy Had Significant Contractor Fatalities
- Focus Included 2-Day Multi-Industry, Multi-Disciplinary Dialogue on Contractor Safety
- Objectives of Dialogue:
 - Key Challenges to Excellent Contractor Safety Performance
 - Improving Contractor Safety Management
 - Critical Areas Requiring Research

Background (2)

- Results: Even Companies Which Have Excellent Employee Safety Record Continue to Experience Contractor Fatalities and Serious Injuries
- Strategies for Overcoming Barriers Included:
 - Creating a Shared Culture of Safety
 - Demonstrating Leadership
 - Setting Expectations
 - Developing a Safety Management System for continual improvement

Background (3)

- Host Employers
 - Explicit that Safety is a primary value
 - Resources will be Available
- Prequalification is a Critical Factor in Articulating Safety Expectations
- Utility Participants Recommended an Industry Focused Initiative to Address these Issues

EEI Initiative

- January 2007 Jim Rogers of Duke Energy & CEO of EEI BOD - asked for and received endorsement of EEI BOD Exec Committee to review ways to align industry safety expectations for contractor safety
- In March 2007 EEI BOD approved cross-functional TF to develop industry initiative

EEI Initiative (2)

- TF include Representation from Operations, T&D, Procurement and Safety
- Reviewed Various Utility and Contractor approaches/programs
- Began Developing Guidelines But Determined that Overall EEI Safety Principles were a Prerequisite
- Developed Principles/Solicited input from CEO's.
- Obtained Approval of Principles from EEI BOD

EEI Safety and Health Excellence Principles

- **Safety and Health Commitment** – Establishing a company wide commitment to safety and health excellence and identifying measurable performance goals that ensure compliance with laws and regulations, protect the safety and health of employees and contractors as well as promote public safety in our communities.
- **Improved Performance** – Striving to make continuous improvements in our performance, while managing our ongoing service and contractual obligations.
- **Injury & Illness Prevention** – Mitigating hazards and unsafe conditions before we perform work as an integral foundation of our companies' business plans.
- **Public Outreach** – Fostering open communications with our employees, contractors, key stakeholders and the public on safety and health matters.
- **Stakeholder Dialogue** – Interacting with a broad range of stakeholders including governmental agencies, regulators, suppliers, contractors, organized labor, and the public—to develop responsible and equitable laws, regulations and other commitments that enhance safety and health in the workplace and public safety in our communities.
- **Stewardship** – Protecting and enhancing the quality of life and the health and safety of current and future employees and contractors by pursuing activities, such as research and investment, that seek to effectively manage and reduce safety and health risks.

Guidelines Development/Rollout

- Developed Draft Model Contractor Safety Program Guidelines
- Obtained Input from Contractors/Unions
- Had meeting to resolve issues
- Had Summit in Nov 2009 to Rollout Guidelines and Principles

Guidelines

- The goal of the EEI Contractor Safety Initiative was to define and align utility industry expectations for contractor safety.
- The Guidelines were developed to assist EEI member companies in providing contractors with
 - Clear safety expectations
 - Consistent practices across companies
 - Resources / drivers to achieve improved safety performance.

Model Guideline

- The Model Contractor Safety Program includes these components:
- Contractor Pre-Qualifications
- Contract Terms
- Contractor Oversight
- Evaluation of Contractor Performance
- Appendices: Sample Checklists

Next Steps

- Turned Over Guidelines to EEI Safety Committee:
 - Implementation and Report to EEI BOD on Principle and Guideline Implementation Progress and Safety Statistics
 - Continue to Refine Contractor Safety Guidelines

Refinement/Ideas to Pursue

- Ongoing Contractor Efforts Review Committee comprised of Operations, T&D, Procurement, & Safety
- Involve other EEI Groups i.e. Environmental, Legal, T&D, etc
- Data Analysis--Key Factors
 - Failure to follow procedure
 - Violation of minimum Approach distance
 - Lack of Proper PPE & Lack of Cover Up
 - Need Data around these
 - What Contractor Data is Collected—analysis?

Refinement/Ideas to Pursue

- Expand Effort to “smaller” contractors
- Develop Partnerships with Like minded groups
- Develop meaningful metrics
- Develop a Research Agenda → EPRI +