Loss Prevention Week

Safety Topic of the Month
Richmond Refinery

1/9/08

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Loss Prevention Week, January 7-11

Chevron Global Downstream will recognize the week of January 7-11, 2008 as Loss Prevention Week. Across the globe, Chevron Employees and Contractors will explore the theme, "See It, Prevent It!" This year's theme builds upon the 2007 International Safety Week Theme: "Can You See It?" and focuses on identifying and addressing hazards in our workplace.

There are a number of activities planned for the week. This Safety Topic of the Month is one activity and will provide an:

- Overview of the Loss Prevention System, (LPS),
- Definition of what is meant by "Loss",
- Understanding of how losses are currently reported, what potential losses you may encounter this week,
- Opportunity for you to create a personal safety plan,
- Review of our overarching principles and tents.

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Loss Prevention Week – Why now?

Historically, January is a time of major spikes in incidents. It is also a good time to reinforce our focus on safety and commitment to an incident and injury free workplace.

Loss Prevention Week is an opportunity to look beyond safety to consider how we can prevent other types of incidents - or <u>losses</u> - such as:

- Spills
- Product quality issues
- Other business inefficiencies

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What is a loss?

By "loss" we mean any unplanned event that has a negative impact on our people or our business.

In 2008, LPS will help us look beyond safety, to make improvements in areas such as health, environmental performance, product quality, reliability, and business efficiency.

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LPS uses these tools to identify and correct any areas of potential loss:

- LPSA – the loss Prevention Self Assessment is a risk assessment for any work task.
- LPO – A Loss Prevention Observation is a standardized, systematic tool designed for observing a work process and determining of the process is being performed to standards.
- JLA – A Job Loss Analysis studies and records each step of a task to identify existing or potential hazard and to develop critical actions to address each hazard.
- LI/ NLI – Loss Investigations (LI) are conducted after a loss occurs in order to identify the root causes and develop solutions. Near Loss Investigations (NLI) follow the same process except that, in these cases, no injury or loss resulted from the incident.

You will learn more about LPS at training sessions for Richmond in 2008.

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Review and Discuss MITS report of losses

Scenario #1, Off-test propane at LPG racks (MITS #2007-1890)

Description: An LPG truck was found to be off-test for water at the Elk Grove facility. It had been loaded earlier in the morning at the Richmond LPG racks.

Mitigating Steps: The customer was contacted and trucks loaded during the same time period were recalled.

Discussion: What is the worst thing that could have resulted from this loss?

In this case, MITS classifies this as a loss in the area of "Reputation".

The Chevron Way: At the heart of The Chevron Way is our vision... to be *the* global energy company most admired for its people, partnership and performance.

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Review and Discuss MITS report of losses

Scenario #2, Carbon transfer hose failure (MITS #2007-1791)

Description: During the removal of spent carbon from a B&S carbon vessel, the transfer hose plugged with debris. In an attempt to remove the plug, pressure was raised to 60 psi causing the hose to fail.

Mitigating Steps: The trailer was immediately blocked in to isolate the truck from the spit hose. In addition to having debris in the hose, the hoses had not been hydro-tested in the past year, and had not been replaced during a carbon hose replacement effort conducted in the previous 4 months.

Discussion: What is the worst thing that could have resulted from this loss? What other factors contributed to this loss?

In this case, MITS classifies this as a loss in the category of "Environment" type "Chemical Spills".

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Discuss potential losses

Think about the work that you will be conducting this week. What are the areas of potential loss?

What work is being conducted in your area? Who is completing the tasks?

Potential Loss: Think about what is the worst thing that could happen during any given activity. Please list the potential losses.

What can you do to prevent the loss?:

Please complete the activity sheet and submit to:

LPS team, Central Maintenance room 124.

Click Here for Loss Prevention Activity Sheet

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Now, formulate a Personal Safety Plan

Create and post your personal safety plan prominently in your work location.

What will you do to prevent the next incident or injury from occurring?

Click Here for Personal Safety Plan Document

Sample Personal Safety Plan:

Insert name
Personal Safety Plan
[date]

I will:

1. *Notify my supervisor of any unsafe work conditions I see in the workplace and will take actions to correct them.*
2. *Stop, think, and act to correct any potential losses before beginning work.*
3. *Always wear a seatbelt when traveling in a motor car, both on the job and off the job.*

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Loss Prevention is grounded in our basic guiding principles

- To meet our objectives we must develop a culture where everyone believes that we can achieve "Zero Incidents".
- The Tenets of Operation provide a foundation for a culture of operational excellence at Chevron.
- The Tenets of Operation are a code of conduct to guide daily decisions.
- These Tenets are based on two key principles:
  - ***Do it safely, or not at all***
  - ***There is always time to do it right***

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Tenets of Operation

Tenet #1 Always Operate within Design or Environmental Limits

Tenet #2 Always Operate in a Safe and Controlled Condition

Tenet #3 Always Ensure Safety Devices are in Place and Functioning

Tenet #4 Always Follow Safe Work Practices and Procedures

Tenet #5 Always Meet or Exceed Customers' Requirements

Tenet #6 Always Maintain Integrity of Dedicated Systems

Tenet #7 Always Comply with all Applicable Rules and Regulations

Tenet #8 Always Address Abnormal Conditions

Tenet #9 Always Follow Written Procedures for High-risk or Unusual Situations

Tenet #10 Always Involve the Right People in Decisions that Affect Procedures and Equipment

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