

Contractor Management Program 2015

TABLE OF CONTENTS

1.0 Introduction	3
1.1 Intent & Purpose	3
1.2 Scope & Applicability	3
1.3 Program Administration	4
1.4 Management of Program Changes	4
1.5 Program Structure	4
1.6 BP-Husky Roles & Responsibilities	5
1.7 BP-Husky Training	7
1.8 Contractor Roles & responsibilities	7
1.9 Program Effectiveness Metrics	8
1.10 Evaluating Performance of Contract Employers	8
2.0 Program Work Processes For Classifying Contractors Based On Relative Risk Levels	9
2.1 Classifying Contractor Work	9
2.2 Work Process for Work Classified As Category 1 High Risk Potential	18
2.3 Work Process for Work Classified as Category 2 Medium Risk Potential	19
3.0 Program Elements	20
3.1 Pre-Qualification Requirements	20
3.2 Bid & Select	22
3.2.1 Request for Contractor Proposal	23
3.2.2 Contractor Selection	24
3.2.3 Contract Requirements	24
3.3 Pre-Work Activities & Review Meeting (Mobilization)	25
3.4 Contractor Performance Reviews	31
4.0 Glossary	33

1.0 INTRODUCTION

1.1. INTENT AND PURPOSE

Intent

The expectations at BP-Husky Refining are to have no accidents, no harm to people and no damage to the environment. The site is committed to the protection of the natural environment, to the safety of the community and to the health, safety and security of all who work in the facility. Everyone who works at BP-Husky Refining has the responsibility to help achieve these objectives.

The site recognizes the important role that contractors play in our operations and the need for contractors to perform their work in compliance with applicable health, safety, and environmental performance standards and requirements. This program provides the work process and requirements to assist the refinery and contractors in meeting these obligations.

Purpose

The purpose of this program is to provide reasonable assurance that contractors perform their work in compliance with applicable health, safety, and environmental performance standards and requirements.

1.2 SCOPE AND APPLICABILITY

Scope

The program applies to all contractors, including subcontractors, performing work at BP-Husky Refining.

Applicability of program elements

This is a risk-based program. The applicability of the program elements and provisions to a contractor depends on the type of work to be performed and the potential risks associated with the work in terms of potential for impact to employees, contractor employees, customers, the environment and the community. There are more requirements and more robust requirements for contractors performing higher potential risk work than for contractors performing lower potential risk work.

Exception

This program does not apply to visitors. Visitors are addressed by other site procedures.

1.3 PROGRAM ADMINISTRATION

Administration

The following roles are assigned for the overall administration of the program:

- ◆ Custodian: Contractor Management Program Superintendent
- ◆ Maintainer: Contractor Management Specialist

The Custodian is responsible for program content and management of program changes.

The Maintainer is responsible for the maintenance and upkeep of the program, including regular reviews and audits.

BP-Husky Contractor Records

The Contractor Management Specialist (CMS) shall maintain an experience file for all contractors working in the refinery. As a minimum, the experience file shall contain:

- Prequalification information
- Waiver forms
- Recordable injury log or equivalent
- Applicable incident reports and investigations
- Applicable HSSE inspections and audits

1.4 MANAGEMENT OF PROGRAM CHANGES

Management of Changes

Changes to the program shall be managed and approved by the BP-Husky Contractor Management Custodian through the consensus of the Contractor Review Committee (CRC).

Communications to Contractors

Changes to the program or site HSSE procedures affecting a contractor shall be communicated to affected contractors by the CMPS.

1.5 PROGRAM STRUCTURE

Layout of Document

The body of this document describes the overall work process and the specific elements and provisions. Forms needed to support the program elements are included in the appropriate section. The appendices include reference materials needed to successfully execute the program elements.

Language

The following terms have specific meanings in this program:

- ◆ **'Must'** is used only where a provision is a legal or statutory requirement.
- ◆ **'Shall'** is used where a provision is mandatory.
- ◆ **'Should'** is used where a provision is preferred.
- ◆ **'Will'** is used normally in connection with an action by BP-Husky, rather than by a contractor.
- ◆ **'May'** is used where alternatives are equally acceptable.

Prequalification Authority

Key responsibilities for this role:

1. Receive and evaluate prequalification information from contractors.
2. Complete HSSE program audits as directed by BP-Husky.

1.6 BP-HUSKY ROLES AND RESPONSIBILITIES

Contractor Management Program Superintendent (CMPS)

Key responsibilities for this role:

1. Manage program content.
2. Manage program changes.
3. Coordinate implementation.
4. Interpret program requirements.
5. Member of the CRC (Contractor Review Committee).

Contractor Review Committee (CRC)

Key responsibilities for this committee:

1. Approve program development and program updates
2. Facilitate implementation of the program.
3. Provide oversight to assure program elements are effectively implemented.
4. Promote continuous improvement in contractor HSSE performance.
5. Establish HSSE performance criteria for the prequalification and bid processes.
6. Maintain the list of BP-Husky CAMS.
7. Provide oversight to assure that CAMS have the required training.
8. Provide oversight of the contractor audit and inspection systems and manage corrective actions.

Procurement

Key responsibilities for this group:

1. Identify potential contractors for site work.
2. Coordinate with the BP-Husky CMS that the contractor prequalification information is obtained.

3. Issue bid packages for contractors and arranges for pre-bid meetings when needed.
4. Select contractor with input from the BP-Husky Job Rep and CAM when needed.
5. Issue contracts.

Contractor Management Specialist (CMS)

Key responsibilities for this role:

1. Provide technical and functional support to the BP-Husky CMPS, CRC, and UIS Contractor Council.
2. Maintain the PICs database
3. Maintain the "HSSE Approved Contractor List".
4. Maintain contractor management databases such as pre-qualification records, waiver forms, contractor HSSE data, inspections, audits, etc
5. Maintain the program up-to-date through reviewing at least once every three years.

Contract Accountable Manager (CAM)

Key responsibilities for this role:

1. Assure that the contractor has clear understanding of BP-Husky HSSE requirements, policies, and performance expectations.
2. Meet with contractor as necessary to assess the contractor's progress at implementing its site safety plan and the effectiveness of the plan.
3. Conduct periodic meetings with contractor management to review, discuss, and evaluate contractor performance.
4. Review contractor incidents to insure they are properly investigated.
5. Participate as necessary in the contractor's investigations.
6. Review status reports from the contractor on closure of incident action items.
7. Where there is a violation by the contractor of BP-Husky procedures or policies, follow-up with contractor to insure necessary corrective action is taken to prevent recurrence.

Job Representative

Key responsibilities for this role:

1. Participate in pre-bid meetings for large projects – as requested by the Procurement Department.
2. Assure that contractor employees complete site HSSE orientation prior to initial assignment at the site.
3. Conduct and document a pre-job meeting with the contractor to:
 - Provide on-site orientation for the contractor and to verify the contractor's ability to comply with regulatory and site HSSE requirements.

- To communicate with the contractor regarding the hazards at the job site as well as understand any hazards that may be brought on site by the contractor.
4. Interface with on-site contractor safety specialist (if applicable) on expectations, issues, and contractor compliance with requirements.
 5. Conduct informal periodic job site reviews to monitor work in progress and assess contractor HSSE performance and compliance. Observations and deficiencies are communicated to contractor management and contractor safety specialist (if applicable) for follow-up. These periodic reviews do not need to be documented.
 6. Conduct periodic inspections to monitor contractor performance and address the deficiencies.
 7. Conduct evaluations of contractor HSSE performance using the form in the BP-Husky Contractor Management Program. The evaluations may be done at the completion of the job, the expiration of the contract, or periodically for nested contractors. The evaluation report should be issued to the contractor and the CMS for use as a measuring tool when considering the contractor for future work.

1.7 BP-HUSKY TRAINING

Training

Individuals assigned to roles identified in section 1.6, shall be trained on the applicable elements of the program and on their specific roles and responsibilities.

Retraining

Retraining is required when there are significant changes to the program or the responsibilities for the position.

1.8 CONTRACTOR ROLES AND RESPONSIBILITIES

Contractor Contract Owner

Key responsibilities for this role:

1. Identify the Contractor Job Representative.
2. Identify the Contractor HSSE Representative.
3. Provide appropriate oversight to assure the contractor meets the applicable HSSE performance and compliance requirements.

Contractor Job Representative

Key responsibilities for this role:

1. Interface with the BP-Husky Job Rep and Contractor HSSE Rep on expectations and issues.
2. Provide daily oversight to assure the contractor meets the applicable HSSE performance and compliance requirements.
3. Conduct periodic inspections to monitor contractor performance and to address deficiencies.

UIS Contractor Council

The Contractor Council, United In Safety, membership consists of contractor companies working at the refinery. Contractors will actively participate in the Council.

1.9 PROGRAM EFFECTIVENESS METRICS

Measuring Effectiveness

Metrics shall be established and used to measure the effectiveness of implementation and sustainability. The following "Leading Indicators" and "Lagging Indicators" may be used for this purpose:

Leading Indicators

Field inspection scores
Field audits
Near Miss Reporting
JSA's
Performance evaluations completed
% Participation in the Contractor Safety Council

Lagging Indicators

OSHA Recordable Incident Rate (RIF)
OSHA Day Away from Work Rate (DAFW)
Workers Compensation Experience Modification Rate (EMR)

1.10 EVALUATING PERFORMANCE OF CONTRACT EMPLOYERS

The main elements of the audit protocol are listed below:

Selection Process

Prior to being approved to work on-site all contract employers will be evaluated initially and annually thereafter to determine their ability to meet site requirements and work safely on-site. Evaluation will consist of review of several metrics that include, but not limited to, the following:

- OSHA Recordable Incident Rate (RIF)

- OSHA Day Away From Work Rate (DAFW)
- Fatalities
- Experience Modification Rate (EMR)
- OSHA Citations
- Safety Program

Manual Audit

All contractors assigned a risk level above Low Potential will receive a Manual Audit initially and every 3 years thereafter. For a Manual Audit the contractor's HSE manual will be reviewed based on the type of work the contractor is qualified to perform. This audit performed will confirm whether the contract employer has the required elements in their HSE program.

Implementation Audit

All contractors assigned a risk level above Low Potential will receive an Implementation Audit initially and every 3 years thereafter. This audit will confirm whether the contract employer has implemented their safety program and have required documents on file, such as training records and certifications.

Field PSM Audits

All contractors will receive periodic inspections and audits in the field on an on-going basis. In addition to these, contractor employers assigned as a Class 1A High Process Safety Risk level will receive a Field PSM Audit every 3 years. This audit will verify that the contract employer has implemented its HSE program and is meeting the requirements under the OSHA PSM Standard 29CFR 1910.119 paragraph "h".

Post PSM Audit Conference

A post-PSM audit conference will be held following Field PSM Audits. During these conferences the results of each contractor employer field audited will be evaluated to determine whether action plans are necessary to remedy any identified shortcoming. The audit results and any action plans will be recorded into the PICS database for future reference and tracking till closure.

2.0 PROGRAM WORK PROCESSES FOR CLASSIFYING CONTRACTORS BASED ON RELATIVE RISK LEVELS

2.1 CLASSIFYING CONTRACTOR WORK

Purpose

The purpose for classifying contractor's work based on process safety incidents and personal safety to contractor or company employees is an important consideration in determining how to apply the elements of the Contractor Management Program. The relative level of potential risk determines the depth

of owner involvement with and oversight of the contractor.

This section provides guidance on classifying contractors according to the relative level of risk so that the appropriate elements of the program are applied.

Process

The first step is to identify the work that is to be performed. Factors to consider include:

- ◆ Nature of work to be performed.
- ◆ Location of the work to be performed e.g. in process area or non-process area.
- ◆ Potential for the contractor's work to impact process safety. Framework.
- ◆ Potential for the contractor's work to result in Serious Injury and Fatality (SIF) to contractor or company employees.
- ◆ Determination of each contractor's rank for process safety and personal safety against the GDP 3_1-0001 Risk Framework Matrix.

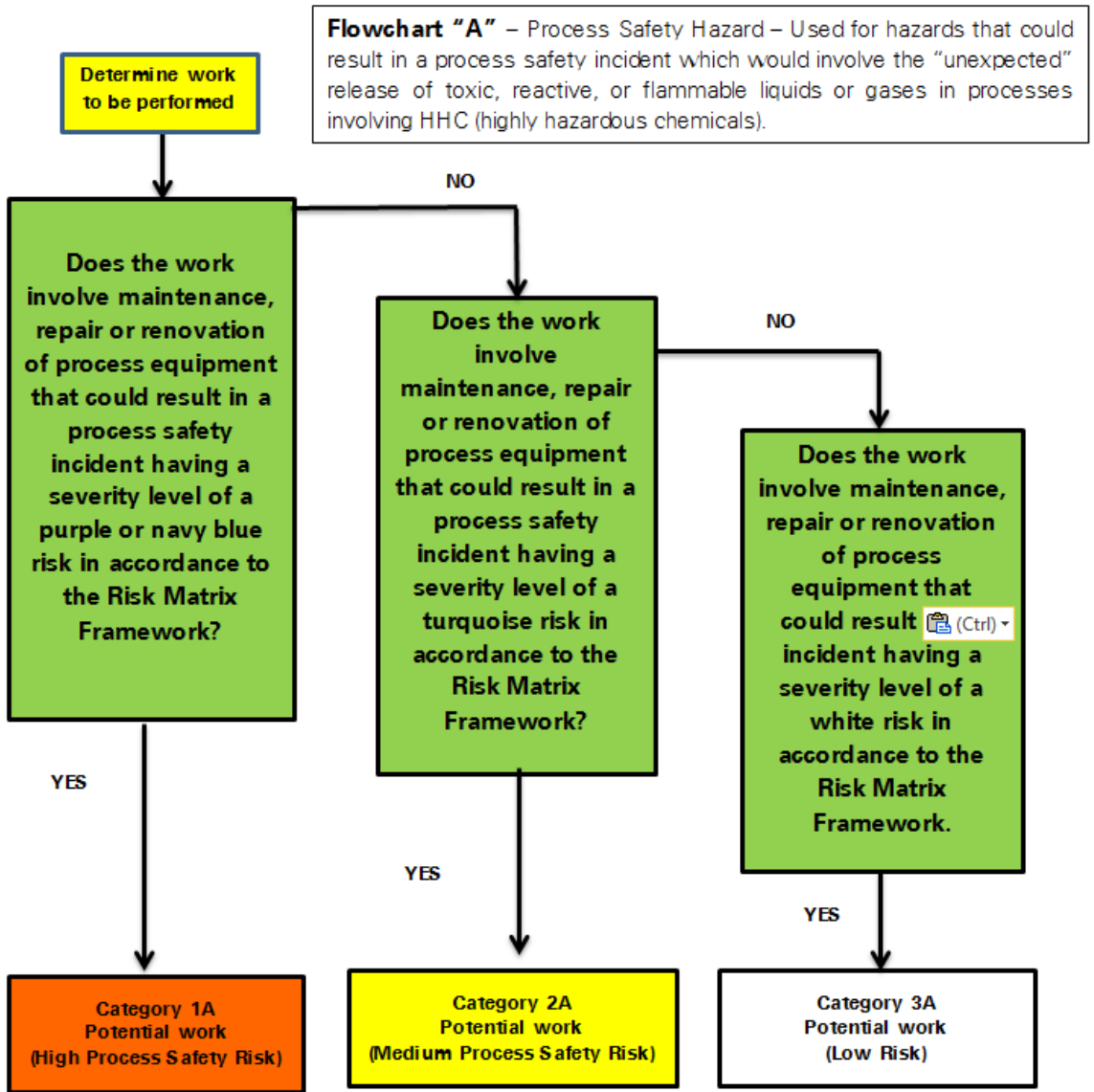
GDP 3.1-0001 Risk Framework		1	2	3	4	5	6	7	8
Health and Safety	Severity Level	A similar event has not yet occurred in our industry and would only be a remote possibility	A similar event has not yet occurred in our industry.	Similar event has occurred somewhere in our industry	Similar event has occurred somewhere within the BP Group	Similar event has occurred or is likely to occur within the lifetime of 10 similar facilities	Likely to occur once or twice in the facility lifetime	Event likely to occur several times in the facility lifetime	Common occurrence (at least annually) at the facility
Comparable to the most catastrophic health/safety incidents ever seen in industry. The potential for 100 or more fatalities (or onset of life threatening health effects) shall always be classified at this level	A	8	9	10	11	12	13	14	15
Catastrophic health/safety incident causing very widespread fatalities within or outside a facility. The potential for 50 or more fatalities (or onset of life threatening health effects) shall always be classified at this level	B	7	8	9	10	11	12	13	14
Catastrophic health/safety incident causing widespread fatalities within or outside a facility. The potential for 10 or more fatalities (or onset of life threatening health effects) shall always be classified at this level	C	6	7	8	9	10	11	12	13
Very major health / safety incident * The potential for 3 or more fatalities (or onset of life threatening health effects) shall always be classified at this level. * 30 or more injuries or health effects to BP workforce, either permanent or requiring hospital treatment for more than 24 hours.	D	5	6	7	8	9	10	11	12
Major health / safety incident * 1 or 2 fatalities, acute or chronic, actual or alleged. * 10 or more injuries or health effects to BP workforce, either permanent or requiring hospital treatment for more than 24 hours.	E	4	5	6	7	8	9	10	11
High impact health / safety incident * Permanent partial disability (ies) * Several non-permanent injuries and health impacts * Day Away From Work Case (DAFWC)	F	3	4	5	6	7	8	9	10
Medium impact health / safety incident * Single or multiple recordable injury or health effects from common source / event.	G	2	3	4	5	6	7	8	9
Low impact health / safety incident * First aid * Single or multiple over-exposures causing noticeable irritation but no actual health effects.	H	1	2	3	4	5	6	7	8

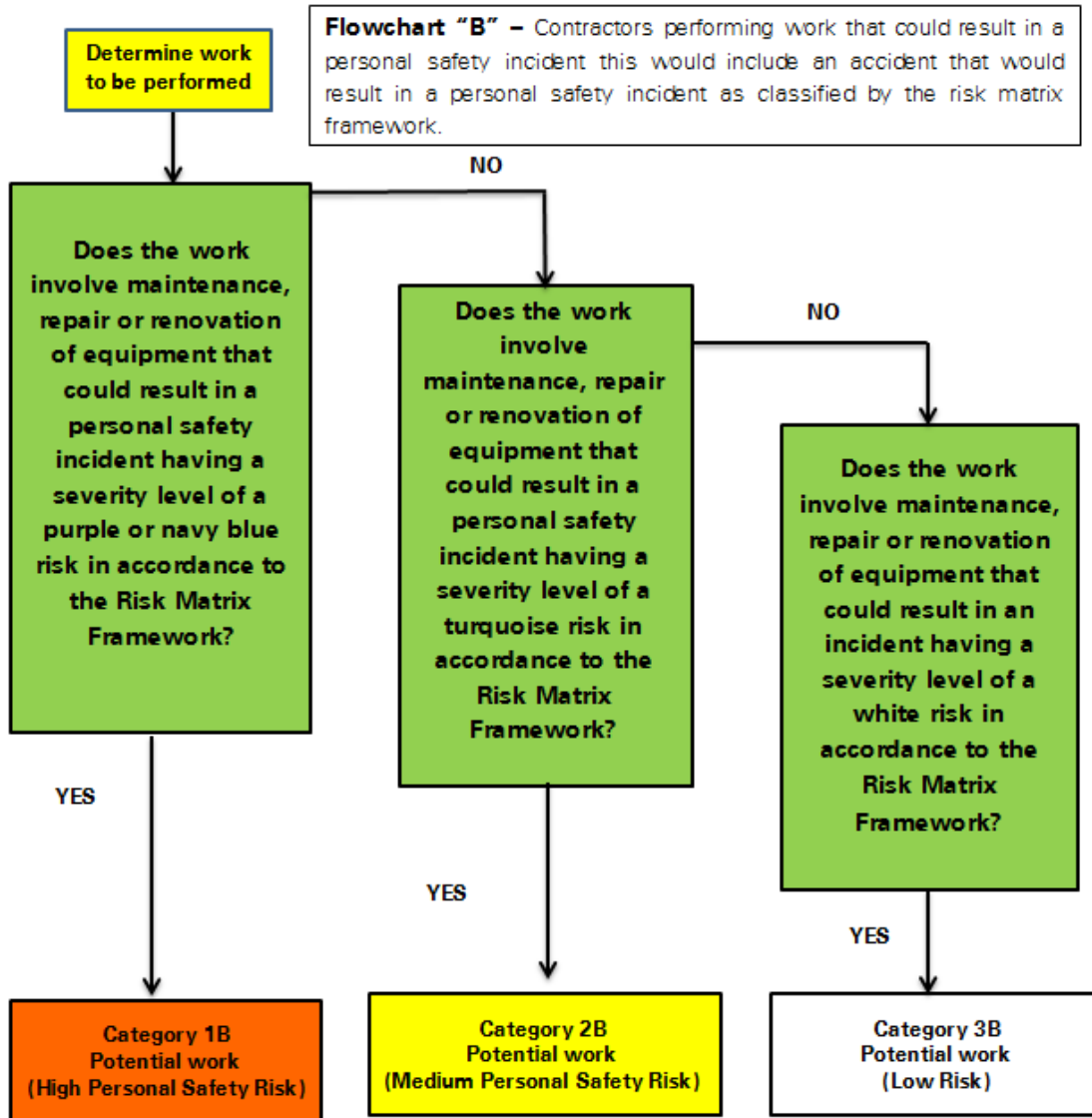
Relative Level of Risk

Based on the evaluation, the contractor's work shall be identified as:

- Category 1 (High) Risk Potential
 - ◆ 1A High Process Safety Risk
 - ◆ 1B High Personal Safety Risk
- Category 2 (Medium) Risk Potential
 - ◆ 2A Medium Process Safety Risk
 - ◆ 2B Medium Personal Safety Risk
- Category 3 (Low) Risk Potential
 - ◆ 3A Low Process Safety Risk
 - ◆ 3B Low Personal Safety Risk

In determination of a Contractor's Process Safety Risk would use Flowchart A, and determination of a Contractor's Personal Safety Risk would utilize Flowchart B.





Category 1 High Risk Potential

The Category 1 High Risk Potential Category is divided into 2 subcategories:

- 1A Process Safety Risk
- 1B Personal Safety Risk

Category 1A Process Safety Risk Potential

Contractors performing work that could result in a process safety incident having a severity level of a purple or navy blue risk in accordance with the Risk Matrix Framework.

Category 1B Personal Safety Risk

Contractors performing work that could result in a personal safety incident having a severity level of purple or navy blue in accordance to the Risk Matrix Framework.

Risk Matrix for Category 1 High Risk

GDP 3.1-0001 Risk Framework		1	2	3	4	5	6	7	8
Health and Safety	Severity Level	A similar event has not yet occurred in our industry and would only be a remote possibility	A similar event has not yet occurred in our industry.	Similar event has occurred somewhere in our industry	Similar event has occurred somewhere within the BP Group	Similar event has occurred or is likely to occur within the lifetime of 10 similar facilities	Likely to occur once or twice in the facility lifetime	Event likely to occur several times in the facility lifetime	Common occurrence (at least annually) at the facility
Comparable to the most catastrophic health/safety incidents ever seen in industry. The potential for 100 or more fatalities.	A	8	9	10	11	12	13	14	15
Catastrophic health/safety incident causing very widespread fatalities within or outside a facility. The potential for 50 or more fatalities.	B	7	8	9	10	11	12	13	14
Catastrophic health/safety incident causing widespread fatalities within or outside a facility. The potential for 10 or more fatalities.	C	6	7	8	9	10	11	12	13
Very major health / safety incident * The potential for 3 or more fatalities. * 30 or more injuries or health effects to BP workforce, either permanent or requiring hospital treatment for more than 24 hours.	D	5	6	7	8	9	10	11	12
Major health / safety incident * 1 or 2 fatalities, acute or chronic, actual or alleged. * 10 or more injuries or health effects to BP workforce, either permanent or requiring hospital treatment for more than 24 hours.	E	4	5	6	7	8	9	10	11

Category 2 Medium Risk Potential

The Category 2 Medium Risk Potential Category is divided into 2 subcategories:

- 2A Process Safety Risk
- 2B Personal Safety Risk

Category 2A Process Safety Risk Potential

Contractors performing work that could result in a process safety incident having a severity level of turquoise in accordance to the Risk Matrix Framework.

Category 2B Personal Safety Risk Potential

Contractors performing work that could result in personal safety incident having a severity level of turquoise in accordance to the Risk Matrix Framework.

Risk Matrix for Category 2

GDP 3.1-0001 Risk Framework		1	2	3	4	5	6	7	8
Health and Safety	Severity Level	A similar event has not yet occurred in our industry and would only be a remote possibility	A similar event has not yet occurred in our industry.	Similar event has occurred somewhere in our industry	Similar event has occurred somewhere within the BP Group	Similar event has occurred or is likely to occur within the lifetime of 10 similar facilities	Likely to occur once or twice in the facility lifetime	Event likely to occur several times in the facility lifetime	Common occurrence (at least annually) at the facility
High impact health / safety incident * Permanent partial disability (ies) * Several non-permanent injuries and health impacts * Day Away From Work Case (DAFWC)	F	3	4	5	6	7	8	9	10
Medium impact health / safety incident * Single or multiple recordable injury or health effects from common source / event.	G	2	3	4	5	6	7	8	9
Low impact health / safety incident * First aid * Single or multiple over-exposures causing noticeable irritation but no actual health effects.	H	1	2	3	4	5	6	7	8

Category 3 Low Risk Potential

The Category 3 Low Risk Potential Category is divided into 2 subcategories:

- 3A Process Safety Risk
- 3B Personal Safety Risk

Category 3A Process Safety Risk Potential

Contractors performing work that could result in a process safety incident having a severity level of white in accordance to the Risk Matrix Framework.

Category 3B Personal Safety Risk Potential

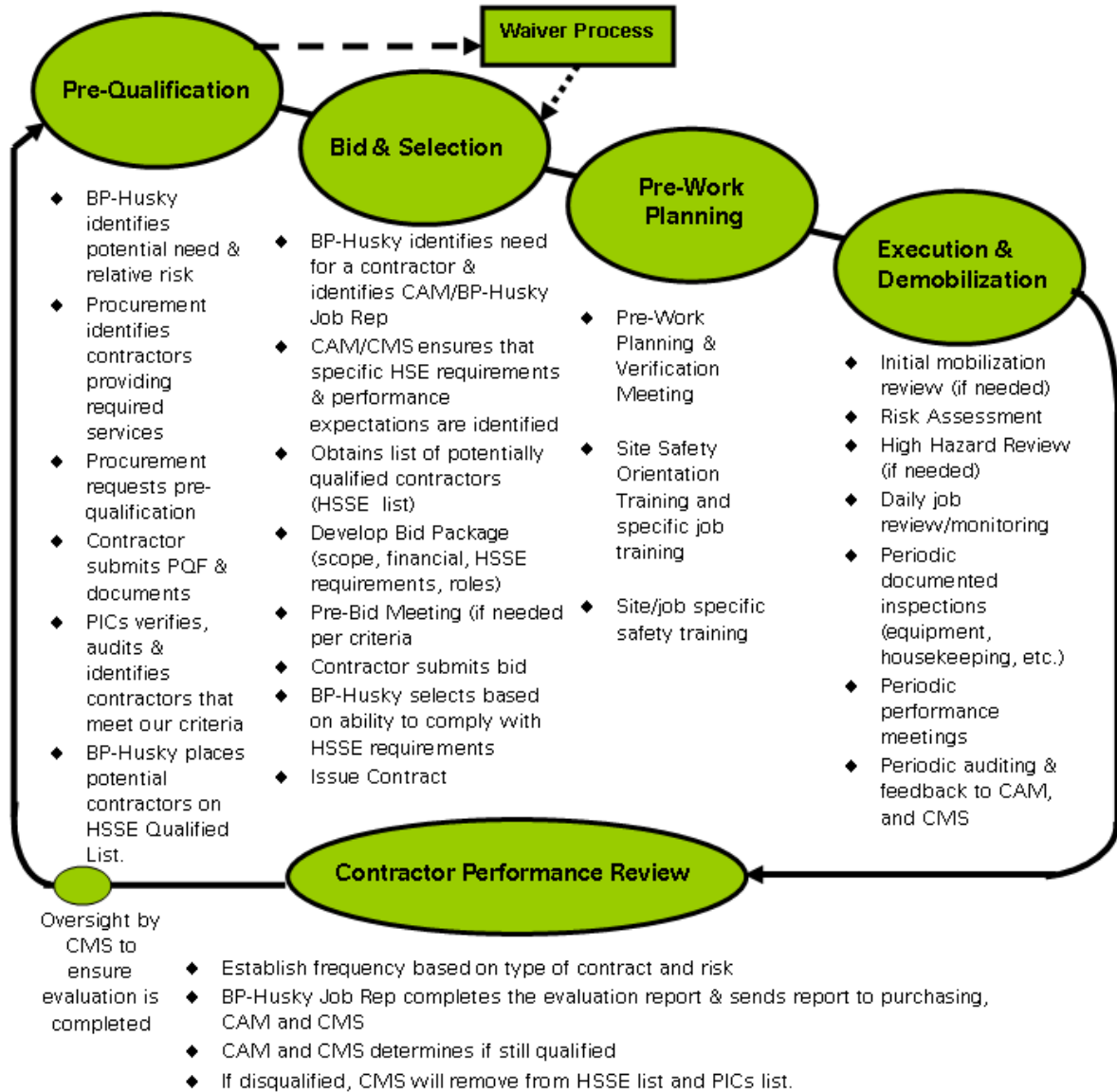
Contractors performing work that could result in personal safety incident having a severity level of white in accordance to the Risk Matrix Framework.

Risk Matrix for Category 3

GDP 3.1-0001 Risk Framework		1	2	3	4	5	6	7	8
Health and Safety	Severity Level	A similar event has not yet occurred in our industry and would only be a remote possibility	A similar event has not yet occurred in our industry.	Similar event has occurred somewhere in our industry	Similar event has occurred somewhere within the BP Group	Similar event has occurred or is likely to occur within the lifetime of 10 similar facilities	Likely to occur once or twice in the facility lifetime	Event likely to occur several times in the facility lifetime	Common occurrence (at least annually) at the facility
Very major health / safety incident * The potential for 3 or more fatalities shall always be classified at this level. * 30 or more injuries or health effects to BP workforce, either permanent or requiring hospital treatment for more than 24 hours.	D	5	6	7	8	9	10	11	12
Major health / safety incident * 1 or 2 fatalities, acute or chronic, actual or alleged. * 10 or more injuries or health effects to BP workforce, either permanent or requiring hospital treatment for more than 24 hours.	E	4	5	6	7	8	9	10	11
High impact health / safety incident * Permanent partial disability (lies) * Several non-permanent injuries and health impacts * Day Away From Work Case (DAFWC)	F	3	4	5	6	7	8	9	10
Medium impact health / safety incident * Single or multiple recordable injury or health effects from common source / event.	G	2	3	4	5	6	7	8	9
Low impact health / safety incident * First aid * Single or multiple over-exposures causing noticeable irritation but no actual health effects.	H	1	2	3	4	5	6	7	8

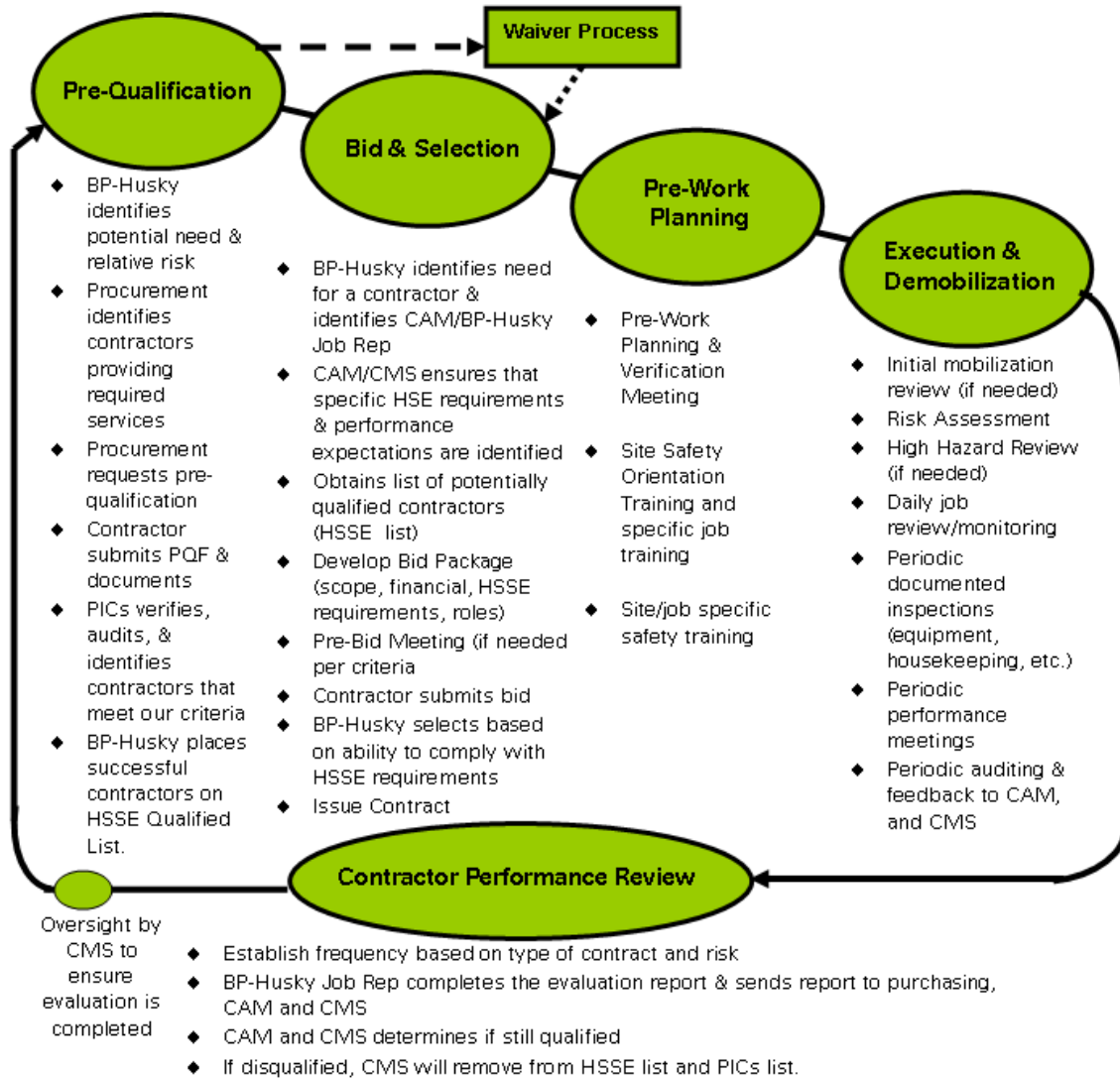
2.2 WORK PROCESS FOR WORK CLASSIFIED AS CATEGORY 1 HIGH RISK

Category 1 Potential Work



2.3 WORK PROCESS FOR WORK CLASSIFIED AS CATEGORY 2 MEDIUM RISK

Category 2 Potential Work



Applicable Program Elements

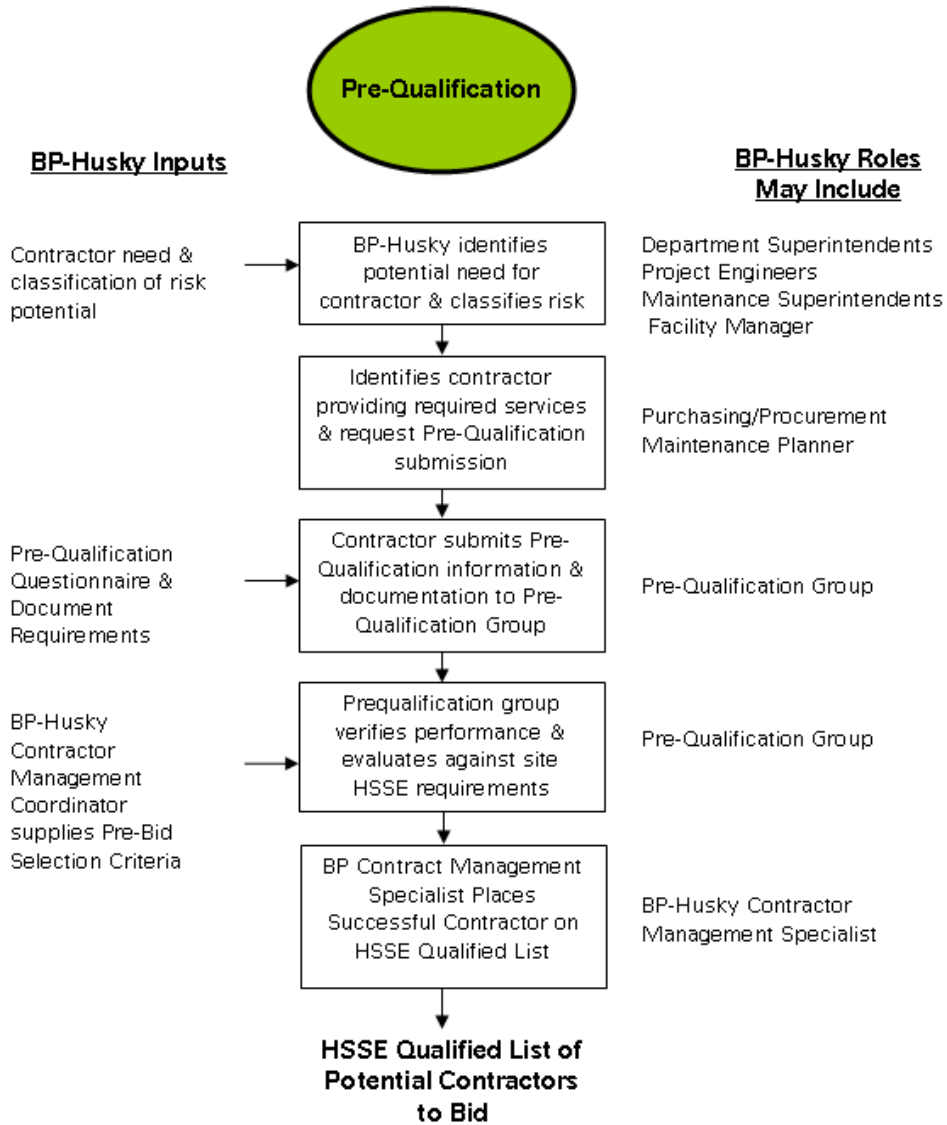
The applicable program elements are addressed in the site contractor orientation training and initial drug training.

Additional Requirements

The CAM shall identify any additional requirements and communicate to the contractor.

3.0 PROGRAM ELEMENTS

3.1 PRE-QUALIFICATION REQUIREMENTS



Pre-Qualification Elements

A minimum pre-qualification shall consist of an assessment of the contractor's ability to meet the applicable:

- ◆ Site HSSE performance standards
- ◆ General HSSE requirements
- ◆ Ability to speak and read English proficiently

Requesting Contractor Information

Potential contractor employers are identified based on site needs. The Procurement Department or the Contractor Management Specialist makes the request to the contractor company to enter the required HSSE information into the PICS database. The specific HSSE information required is based on the relative risk associated with the work that the contractor is to perform.

Pre-Qualification Review

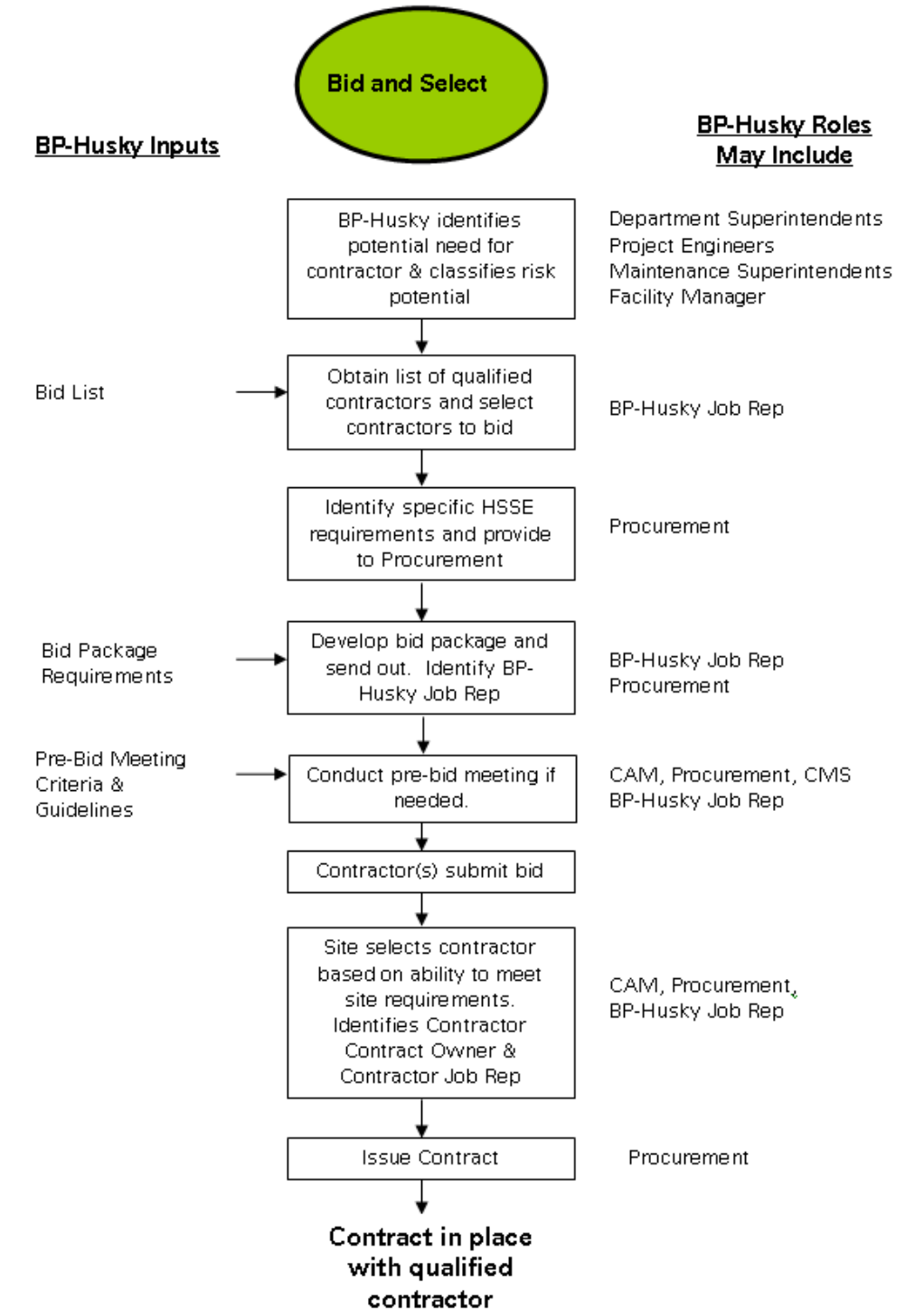
PICS shall evaluate and verify the pre-qualification information submitted by potential contractor.

HSSE Qualified

Notification of status shall be communicated to the contractor and the BP-Husky Contractor Management Specialist by PICS.

Contractors meeting site HSSE performance standards and requirements shall be placed on the "HSSE Qualified List" by the CMS.

3.2 BID AND SELECT



3.2.1 REQUEST FOR CONTRACT PROPOSAL

Invitation to Bid

Pre-qualification is designed to provide information about a contractor's ability to comply with general safety and health requirements.

The invitation to bid request shall ensure that the prospective contractor is fully informed of the scope of the work and site HSSE requirements when preparing the bid for a contract.

Bid Package Requirements

Procurement shall issue the bid package to prospective contractors. The bid package may include the following:

- ◆ Scope of work.
- ◆ Significant potential hazards (e.g., fire, explosion, toxic release) related to the contractor's work.
- ◆ BP-Husky's coordination role.
- ◆ Site HSSE requirements.
- ◆ Sub-contractor requirements, including the need to disclose all subcontractors.
- ◆ Contractor equipment integrity verification prior to start of work.
- ◆ An HSSE plan that the contractor shall use to meet the site HSSE performance standards and requirements. Note: Applies to contractors performing work classified as High Risk potential.
- ◆ List of site HSSE requirements that the contractor cannot meet.

Pre-Bid Meetings

Pre-bid meetings may be conducted to provide prospective bidders with an opportunity to evaluate job-site conditions and to obtain clarification of the work scope and the site HSSE requirements. It provides the site with a forum to elaborate on the requirements in the bid document.

The BP-Husky Job Rep shall determine the need for pre-meeting for other situations on a case-by-case basis.

Contractor HSSE Plan

The HSSE plan shall be submitted with the contractor's bid. The plan shall address:

- ◆ Contractor HSSE rep on the site.
- ◆ Methods to ensure the ability to meet the site's HSSE performance standards and requirements.
- ◆ Method of assuring that sub-contractors meet the site's HSSE performance standards and requirements and are on the site "HSSE Qualified List".
- ◆ Method to ensure the safety of "short service employees" (contractor employees with less than 12 months experience in the same job type or with the present employer).

- ◆ Measurement and tracking system to ensure the plan is executed in the field. This includes safety meetings, daily field safety tours, and regular inspections.
- ◆ Personal Protective Equipment (PPE) management.
- ◆ Method of assuring craft personnel are qualified to perform the required skills, including documentation.

Site HSSE Requirements

A "Contractor HSSE Requirements Checklist" is provided to assist the Contractors. The BP-Husky Job Rep may identify the specific contractor HSSE requirements based on the nature and location of the work to be performed.

This document does not exempt contractors from compliance with all requirements.

General Selection Criteria

The Contractor Selection process will be conducted in compliance with the BP-Husky Code of Conduct.

Contractors shall be selected based on consideration of commercial, technical, and HSSE aspects of the bid. The ability of contractor to meet HSSE requirements shall be a significant factor and have a commensurate rating in the overall evaluation criteria.

Selection

Procurement, the CAM, and BP-Husky Job Rep shall review the bid proposals and supporting documentation and select the contractor based on the ability to meet the site HSSE performance standards and requirements.

3.2.2 Contractor Selection

Waiver Process

In some cases, it may be necessary to select the contractor based on the ability to meet site HSSE performance standards and requirements. A waiver may be requested when contractor services are needed in short notice which does not permit a complete pre-qualification.

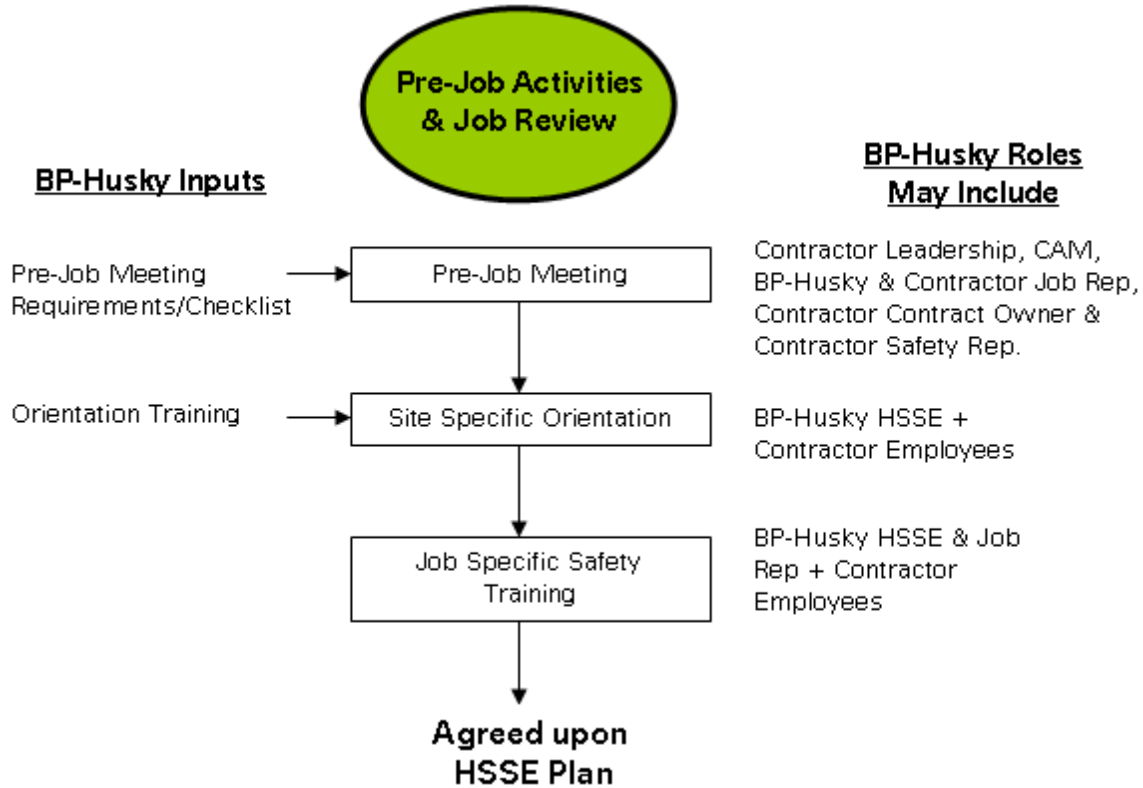
Members of the CRC shall approve and document the waiver. Approved waivers are maintained on file by the CMS.

3.2.3 CONTRACTOR REQUIREMENTS

General Requirements

Contracts shall clearly define HSSE requirements and responsibilities and establish and define the relationship between the contractor and site.

3.3 PRE-WORK ACTIVITIES AND REVIEW MEETING (MOBILIZATION)



Pre-Job Meeting: Purpose

The purpose of the pre-job meeting is to:

- ◆ Provide on-site orientation for the contractor and to verify the contractor's ability to comply with regulatory and site HSSE requirements specific to the scope of work.
- ◆ Communicate with the contractor regarding the hazards at the job site and for the contractor to communicate any hazards that may be brought on-site by the contractor.
- ◆ Obtain agreement between site and the contractor on the HSSE plan to ensure the work can be safely executed.

Pre-Job Meeting: Scope

This pre-job meeting applies primarily to new contracts and contractors that have not worked at the site within the past 12 months. It may also be used for

existing contractors if audits, evaluations, or other information indicates the need.

Pre-Job Meeting: Participants

The pre-job meeting shall be conducted by the BP-Husky Job Rep and the Contractor Job Rep. The BP-Husky Job Rep may include the following participants depending upon the scope of work, duration of the work, and the relative level of risk associated with the work:

- ◆ Contractor Job Rep
- ◆ CAM
- ◆ Site maintenance representatives
- ◆ Site operations representatives
- ◆ Area safety advisor
- ◆ Environmental representatives

Pre-Job Meeting: Contractor Documentation

The contractor shall provide the following documentation for the pre-job review meeting, as applicable:

- ◆ Proposed HSSE Plan.
- ◆ A list of portable equipment/tools that the contractor will be bringing on site including the intended service.
- ◆ Verification that portable equipment/tools meet integrity requirements and have not been altered or modified from the manufacturer's specifications.
- ◆ Inspection records for lifting equipment such as cranes and forklifts.
- ◆ Verification that personnel lift equipment is being used as intended by the manufacturer.
- ◆ Verification of electrical generating equipment integrity by a certified electrician.
- ◆ Verification that pressure equipment meets regulatory standards.
- ◆ Craft skills verification.
- ◆ Verification that subcontractors are on original proposal and on the HSSE Qualified list.

Pre-Work Meeting: Checklist

The pre-job discussion with the contractor is documented using the attached checklist that is signed and dated by a least one contractor representative and the BP-Husky Job Rep. The completed pre-job meeting checklist, upon completion, shall be sent to the CMS and maintained.

HSSE Orientation Training

All contractor employees, including subcontractors, shall receive site HSSE orientation training prior to starting work at the site.

The HSSE training shall address:

- ◆ An overview of the refinery and potential HSSE risks
- ◆ Site policies and procedures that address potential HSSE risks
- ◆ Site emergency procedures

The contractor employees shall confirm in writing that they understand BP-Husky's HSSE expectations prior to beginning any work.

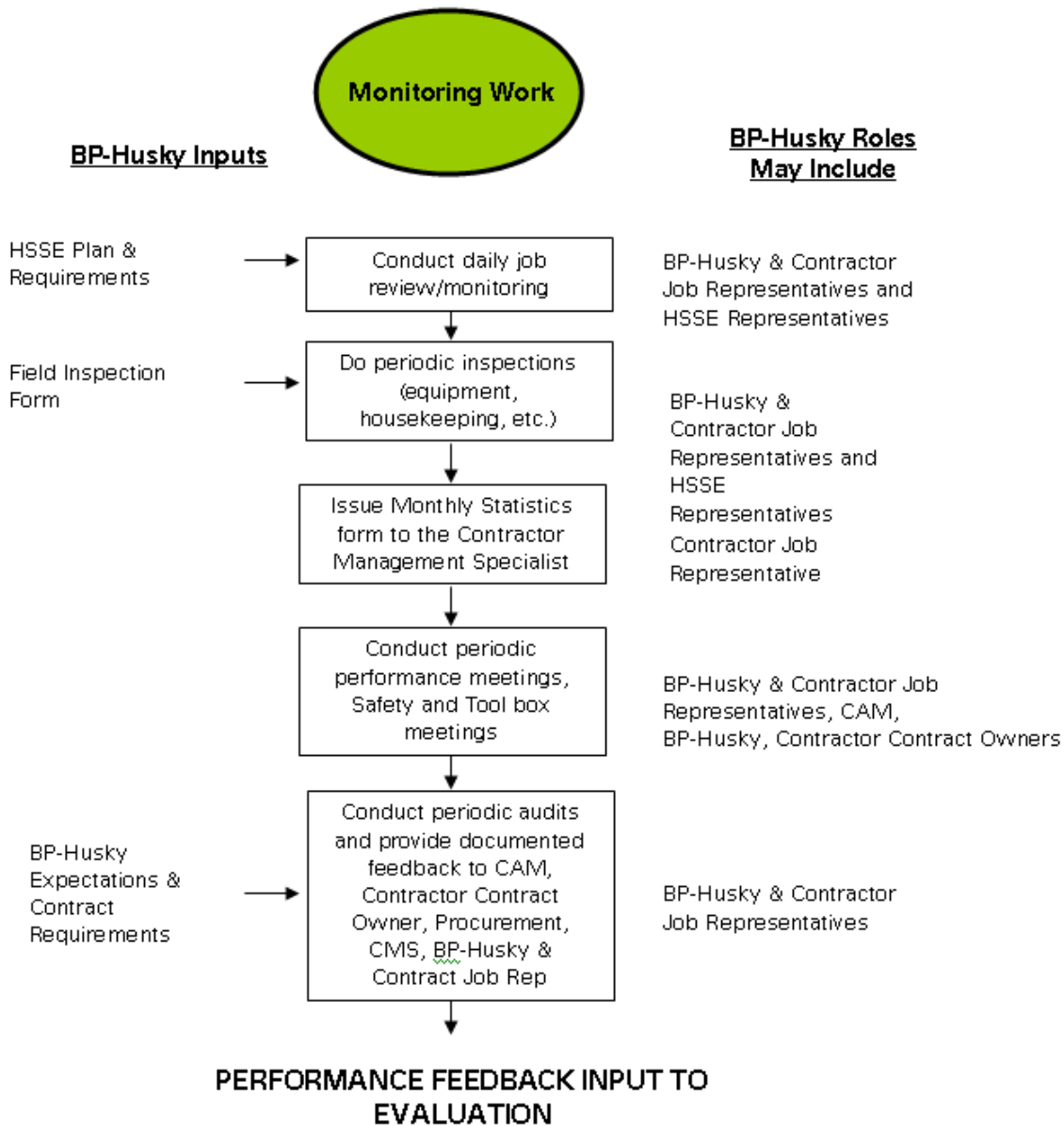
The site HSSE orientation training shall be completed for each contractor employee at least every 12 months.

Substance Abuse Testing

All contractors shall be tested for substance abuse as part of the HSSE orientation training. Contractors who fail the substance abuse testing shall not be allowed on the site. The substance abuse testing shall be completed for each contractor employee at least every 12 months.

Badges

Contractor employees shall be issued a badge for site access after successfully completing the HSSE orientation training. Badges are to be worn at all times while on site.



Initial Mobilization Review

Once the contractor and equipment is on site, the BP-Husky and Contractor Job Rep shall conduct a mobilization review to assure that portable tools and other equipment being furnished by the contractor:

- ◆ Meets regulatory and site requirements
- ◆ Are to be used for the intended purpose

The mobilization review shall be conducted and documented using the attached Mobilization Review Checklist. A copy of the completed Mobilization Review Checklist is to be maintained by the:

- ◆ BP-Husky Job Rep

- ◆ Contractor Job Rep
- ◆ Contractor Management Specialist

Daily Job Site Reviews

The BP-Husky Job Rep, Contractor Job Rep, and the Contractor HSSE Rep should conduct daily job site reviews to monitor compliance with site HSSE requirements. This is an informal review that does not have to be documented. The level of monitoring depends on the level of risk associated with the work that the contractor is performing. Observations and deficiencies are reported to the appropriate contractor managers. Serious conditions or non-compliances are corrected immediately.

Periodic Inspections

For nested contractors classified as High or Medium Risk, the BP-Husky and Contractor Job Rep shall conduct periodic HSSE field inspections of the physical facilities and work practices, e.g.:

- ◆ Housekeeping
- ◆ Tools and portable equipment
- ◆ PPE usage
- ◆ Scaffolds

The inspections should be documented and communicated to the appropriate contractor managers.

Contractors shall develop action plans to correct deficiencies and provide status updates to the BP-Husky Job Rep.

Monthly HSSE Performance Data

Nested contractors performing High or Medium Risk Potential work shall submit monthly HSSE performance data to the BP-Husky Contractor Management Specialist using the Monthly Contractor HSSE Performance form.

Periodic Audits

Periodic audits are conducted for nested contractors performing High or Medium Risk Potential, to assess:

- ◆ Contractor HSSE management systems
- ◆ Compliance with regulatory and site HSSE requirement
- ◆ Continuous improvement

The audit shall be conducted in accordance with the site HSSE audit procedure. The procedure shall be used to establish the frequency and to conduct the audit. Audit action plans shall be tracked to completion by the Contractor Management Specialist.

Periodic Performance Reviews

Periodic performance reviews are conducted for nested contractors performing High or Medium Risk work to review, discuss, and evaluate the contractor's HSSE performance. This meeting should include the following:

- ◆ BP-Husky Job Rep
- ◆ Contractor Job Rep
- ◆ Contractor Managers
- ◆ Contractor Accountable Manager
- ◆ Contractor Management Specialist

The following topics are typically addressed:

- ◆ HSSE performance
- ◆ Incident summary
- ◆ HSSE inspections and follow-up actions
- ◆ HSSE issues
- ◆ Opportunities for improvement

3.4 CONTRACTOR PERFORMANCE REVIEWS

Evaluation Frequency

The evaluation frequency for nested contractors shall be jointly established by the BP-Husky Job Rep, the CAM, and the Contractor Management Specialist at intervals at a minimum of at least one every 12 months.

Evaluation Criteria

The evaluation shall address:

- ◆ Contractor management's HSSE commitment
- ◆ Contractor's execution of the HSSE plan
- ◆ HSSE performance
- ◆ Compliance with regulatory and site HSSE requirements
- ◆ Use of proper safety equipment and PPE
- ◆ Promptness and effectiveness in implementing corrective actions for identified deficiencies
- ◆ Effectiveness of communication to the work force
- ◆ Adequacy of pre-job training of contractor employees

The evaluation shall be documented using the attached Contractor Evaluation form.

Evaluation Results

As a result of the evaluation, the CAM shall:

- ◆ Recommend that contractor remain on the "Approved Bid List"
- ◆ Place the contractor on probation
- ◆ Recommend dismissal

The decision shall be documented on the Contractor Evaluation form and communicated to:

- ◆ Procurement
- ◆ BP-Husky Job Rep
- ◆ Contractor Job Rep
- ◆ Contractor Management Specialist

The Contractor Management Specialist shall maintain the document on file.

Probation

A Contractor may be placed on "probation" by the CRC for failure to meet the site's HSSE performance standards and requirements and removed from the Approved Bid List.

The contractor shall conduct an investigation to determine and document the causes for failure to perform. The contractor shall develop an action plan to address the identified causes to include:

1. Corrective actions to address the identified causes
2. Assigned responsibilities and completion dates for corrective actions

3. Key indicators to monitor improvement

The contractor shall submit quarterly action plan status reports to the CAM. At the end of the twelve months, the CRC shall evaluate the contractor's progress and ability to meet the site's HSSE performance standards and requirements.

The Contractor Review Committee shall determine whether the contractor is placed back on the Approved Bid List or dismissed. The decision shall be documented and communicated in writing to the Contractor by the CAM.

Reinstatement Criteria

Contractors that have been dismissed for failure to meet the site's HSSE performance standards and requirements shall be informed of the specific deficiencies by the CRC. The Contractor may apply for reinstatement to the approved bid by meeting the following requirements:

1. The Contractor shall provide a minimum time period before applying for reinstatement to allow sufficient time to correct deficiencies. The minimum time period shall be established by the CRC based on the severity of the violation(s).
2. The contractor shall provide a written document to the Contract Review Committee that demonstrates how identified deficiencies have been corrected.
3. The contractor shall complete a satisfactory audit of their health and safety programs at other sites where the contractor is performing work and provide the results to the Contractor Management Specialist.
4. The Contractor shall have a written approval by the Contractor Review Committee before applying for reinstatement.

Lessons Learned

The lessons learned from performance reviews, investigations, and verification activities shall be documented by the Contractor Management Specialist and used in improving Contractor performance both within the existing contract period and for future contractor performance and selection.

4.0 GLOSSARY

Approved HSSE Contractor List

A site list that includes all qualified and approved contactors for bidding on jobs.

BP-Husky Job Representative

An employee who has been assigned accountability to interface with the contractor over its fulfillment of its responsibilities under the contract and this program. This individual is designated to be the primary on-site job contact for a contractor and to provide daily oversight to assure that the contractor meets applicable HSSE performance and compliance requirements.

The assignment of BP-Husky Job Representatives depends on the type of contractor being used. Typical BP-Husky Contractor Job Representatives for the site are as follows:

1. Maintenance – Maintenance Supervisor
2. Operations Services – Asset Coordinator
3. Facility Services – Facility Supervisor
4. Engineering Projects – Project Engineer
5. Specialty (Fire protection, etc.) – Functional Owner or Designee

Contractor

All companies, firms, and individuals who contract with BP-Husky Refining LLC., and who perform services at the refinery. The contract can be formal, informal, written or verbal.

It includes contractors, self-employed contractors, subcontractors, working on construction, maintenance/repair, major renovation, turnaround or specialty services in or around process equipment, laboratories, pipelines, terminals, utilities, and other petroleum and petrochemical facilities and equipment. The term contractor includes subcontractors, short term contractors, and small contractors.

Contract Accountable Manager (CAM)

The BP-Husky employee implementing the contract on BP-Husky's behalf and is accountable for:

- contractor performance and delivery
- acceptance of goods and services

This individual is accountable to assure that the contractor meets the applicable site HSSE performance and compliance requirements.

The assignment of Contractor Accountable Managers depends on the type of contractor being used. Typical Contractor Accountable Managers for the site are as follows:

- Maintenance – Maintenance Superintendent or Supervisors
- Operations Services – Asset Superintendent(s)
- Facility Services – Facility Supervisor
- Engineering Projects – Project Superintendent or Engineer
- Specialty (e.g., Fire Protection) – Functional Owner

Contractor Employees

The individuals that work for contractors

Contractor Job Representative

A contractor employee who has been assigned accountability by the contractor for the performance of the work and to interface with the BP-Husky job representative.

Emergency Work

Work that has not been anticipated by the site and for which no contractors have been pre-qualified or selected.

Experience Modification Rate (EMR)

A Workers Compensation insurance premium adjustment that anticipates future performance based on past experience. A low EMR (below 1.0) implies good historical safety performance.

Major Incident

An incident resulting in a worker fatality, injury involving hospitalization of 3 or more employees, a loss of \$200,000 in equipment, a spill of chemicals or oil in excess of the EPA reportable quantity, or any incident which resulted in adverse media publicity.

Nested or Resident Contractors

Contractors who are on-site for long-term projects. Resident contractors provide services for an extended period of time in the facility. This includes contractors who may be in and out of the site, but regularly in the plant (e.g. vacuum truck drivers, etc).

Non-Nested or Non-Resident Contractor

Contractors who are on site for short-term highly specialized jobs or jobs of short duration.

OSHA Incident Rate

The OSHA incident rates are equivalent to the number of injuries per 100 employees or injuries/illnesses per 200,000 hours worked. OSHA requires this information on the OSHA 300 log.

Prequalification Form (PQF)

A form used to collect information from a potential contractor in order for the site to evaluate the contractor's ability to meet the site's HSSE performance standards and requirements.

Prequalification Group

A third party used to manage the prequalification provisions of this program.

Short Service Employee

A contractor employee with less than 1 year experience in the same job type or with their present employer.

Subcontractor

An individual or company hired by a contractor to perform a specific task as part of the overall work scope.

Tendering

An offer to buy materials or services. Request for a bid form from a potential contractor.

Total Modifier% (TM%)

Modifier to the Worker's compensation basic rate. When the TM% is preceded by a (+), it indicates a penalty rating. When the TM% is preceded by a (-), it indicates a credit rating.