

1.0 INTRODUCTION

The 2008/2009 Operational Plan for Alberta Employment and Immigration, Workplace Health and Safety (WHS) & Employment Standards (ES) Compliance Branch has identified the *upstream oil and gas industry* as one of the key industry sectors requiring a health and safety focus.

This plan outlines the compliance monitoring strategies that Occupational Health and Safety (OHS) officers will apply at worksites in this industry. This plan applies to owners, [prime contractors](#), contractors, [employers](#), suppliers and [workers](#).

2.0 INDUSTRY DESCRIPTION

2.1 *Upstream oil and gas* refers to employers and occupations in the following industries:

- Seismic Geophysical/Mineral Exploration
- Shot Hole Drilling
- Oilfield Construction and/or Maintenance
- Well Servicing with Service Rigs including Power Swivels
- Drilling of Oil and Gas Wells
- Field Production Operators
- Vacuum Removal of Waste
- Mud Logging
- Pressure Cleaning Services
- Rathole Drilling and Rig anchoring
- Oilfield Downhole Services
- Well Casing Services
- Servicing Christmas Trees on Oil Wells
- Liquid Waste Treatment and Disposal
- Oil and Gas Exploration and Development – Upstream Operations
- Oilfield Trucking Services

Note: This program also applies to employers contracted to work in this sector such as electricians, welders, or emergency response providers.

3.0 HIGHLIGHTS OF PLANNED ACTIONS

- OHS officers will identify upstream worksites throughout the province of Alberta.
- Regional WHS Compliance teams will develop methods of identifying worksites with employers in all the industries listed above to provide thorough compliance monitoring across all sectors of upstream oil and gas.
- Officers will be conducting inspections to determine compliance with the OHS Act, Regulation and Code. After each inspection they will provide the client with appropriate documentation.

- Pursuant to our agreement, Workplace Health and Safety will endeavor to conduct joint inspections at drilling/servicing worksites with the Alberta Energy and Utilities Board (AEUB).
- Observation of health and safety contraventions may result in orders being issued to all parties who have a vested interest, responsibility or ownership of the worksite. Officers may issue orders to an employer, contractor, prime contractor or supplier at the same worksite.

4.0 IDENTIFICATION OF UPSTREAM OIL & GAS WORKSITES

Worksites that may be inspected will be identified by:

- targeting high activity oil and gas fields,
- responding to complaints and incidents received from the WHS Provincial contact centre, or
- incident and injury data.

Regional Teams are to share information from the tracking system to identify non-compliant companies.

5.0 INSPECTION STRATEGY

When officers perform an inspection of upstream oil and gas worksite they will document the observed site conditions. During initial and follow-up inspections, officers may issue orders as required on any observed contraventions. Photographs may be taken to illustrate non-compliant issues. The officer may obtain copies of health and safety related documents.

5.1 Client Contact Reports

Written notification of any observed health and safety contraventions will be recorded on a Client Contact Report. A copy of the report will be provided to the affected prime contractor, contractor, employer or supplier on site as soon as practical. The report must be posted in a conspicuous place where workers affected by it can read it.

OHS officers use two types of reports to document compliance and non-compliance of legislated OHS standards observed at a worksite.

- **Compliance:** officers will issue Compliance Client Contact Reports for worksites where no contraventions of the legislated OHS standards are observed.
- **Non-compliance:** Contraventions to the Occupational Health and Safety Act, Regulation and Code are observed and the officer issues written orders on a Client Contact Report to the prime contractor, contractor, employer or supplier on site.

All support documentation taken at the project should be placed on the affected company's file.

5.2 Upstream Oil & Gas Noncompliance Issues

In the following cases where Imminent Danger to a worker exists, officers will issue a stop work or stop use order.

- Fall hazards (considered imminent danger) including:
 - From derricks, tanks, mobile equipment, ladders, temporary buildings, catwalks, openings, etc.
 - Fall hazard situations of less than 3 meters if there is an unusual possibility of injury to a worker.
- [Fire and explosion hazards](#) (considered imminent danger) – effective monitoring or use of enclosed systems.

Officers will follow the existing compliance policy for dealing with contraventions that do not represent imminent danger. An OHS officer may issue orders for the following items observed at a worksite: (Note: this is not a complete list)

- Fall protection plan not completed.
- Lack of available documentation on production fluids and chemicals as well as the communication of WHMIS (i.e. MSDS)
- [H₂S hazards](#) or other chemical hazards.
- A missing documented Emergency Response Plan.
- A Consultant that is not competent and doesn't understand prime contractor's responsibilities under the *Occupational Health and Safety Act*.
- Process leaks and related hazards not adequately controlled.
- Hazards created from non-disturbance leases on slopes.
- Using unsafe equipment (i.e. not certified, not being used in accordance to its designed intent, not maintained).
- Using equipment in an unsafe manner (i.e. overloading the capacity of equipment).
- Lack of training (i.e. fall restraint or arrest equipment, equipment operation and use, first aid, [WHMIS](#)).
- Failing to conduct a written hazard assessment and emergency response plan.
- Failing to provide the required essentials of a worksite (i.e. first aid services and equipment, sanitary facilities, illumination, safe access/egress, housekeeping, etc.)
- Proper protective equipment not available or not being used by the worker (i.e. respiratory, head, hearing or eye protection, etc.)
- Not controlling traffic. Workers near operating equipment without effective hazard controls in place.
- Improper rigging and hoisting practices.
- Failing to secure piping during loading and unloading operations.

Discussion topics of importance:

- [Working alone](#)
- [Heat](#) and [cold](#) stress hazards
- [Worker fatigue](#) (extended work hours, overexertion) they could contribute injuries and incidents.

5.3 Orders to Prime Contractors

A [Prime Contractor](#) must be designated for a site if there are 2 or more employers involved in work at the same time. If no prime contractor is designated, the owner of the site assumes prime contractor responsibilities. Officers may issue orders to prime contractors under sections of the OHS Act, regulation and code where the legislation specifically references the term, “prime contractor”. Orders to prime contractors may be issued under Section 3(3), 18, 30, 32, 33 and 34 of the OHS Act and under Sections 2, 178 and 179 of the OHS Code.

When an officer has evidence that the prime contractor on site did not ensure that the OHS Act and regulations are being complied with, an order under Section 3(3) of the OHS Act may be issued. Evidence of this violation may be that several of the site employers/contractors are not adequately controlling hazards that could affect their workers and the workers of other employers.

The issued order should contain a list of the violations observed to substantiate the rationale for determining that the prime contractor has contravened Section 3(3) of the OHS Act. The order must indicate that the prime contractor needs to provide evidence of how the prime contractor will ensure that the OHS Act, regulation and code are being complied with.

Examples of orders to prime contractors are shown in the attached *Compliance Process* flowchart.

5.4 Orders to Contractors

A **Contractor**, who directs the activities of an employer involved in work at the site and no prime contractor is designated, has responsibilities under the OHS Act. A contractor may be the site owner or general contractor who has engaged the services of an employer (sub-contractor) to conduct work at the site. Officers may issue orders to contractors under Section 2(5) of the OHS Act where the legislation specifically references “contractor”.

An example of this could be a drilling contractor that has hired a welding company to repair some equipment. The drilling contractor has a responsibility to ensure the welding company complies with the legislation.

The issued order should list the violations observed to substantiate the rationale for determining that the contractor did not meet health and safety requirements. The order

must state that the contractor will provide evidence on how employers, they are directing, will comply with the legislation.

Examples of orders to contractors are shown in the attached *Compliance Process* flowchart.

5.5 Orders to Employers

An officer may issue an order to any employer in violation of a specific section of the OHS Act, regulation or code. Imminent dangers will result in the work being stopped until corrective actions are taken.

Note: Prime Contractors and Contractors may also be defined as Employers or Suppliers.

5.6 Non-Compliance Alternatives

When prime contractors, contractors, employers and workers refuse to comply with legislated requirements, prosecution strategies may be considered under section 41 of the OHS Act. The officer must first engage in discussions with the Compliance Program Manager, prior to initiating any type of prosecution strategy.

6.0 LEGISLATION

Officers will be applying the:

- [Occupational Health and Safety Act Chapter 0-2](#),
- [Occupational Health and Safety Regulation 62/2003](#), and
- [Occupational Health and Safety Code \(2006\)](#).

Or at Alberta [Queen's Printer](#):

Edmonton

Main Floor, Park Plaza
10611 - 98 Avenue,
Edmonton, AB T5K 2P7
Phone: 780 427-4952
Fax: 780 452-0668

Calgary

602, 620 - 7th Avenue SW
John J. Bowlen Building
Calgary, AB T2P 0Y8
Phone: 403 297-6251
Fax: 403 297-8450

7.0 CONCLUSION

The upstream oil and gas industry is high hazard and a significant employer in the province. A focus on this industry will need to continue for the foreseeable future to ensure compliance with Alberta's OHS legislation remains a priority. Through interaction with prime contractors, contractors, employers, suppliers and workers, officers can assist in providing information on the OHS Act, Regulation and Code. The ultimate goal of this initiative is to improve worker health and safety.

Original signed _____

Eric Reitsma
Executive Director
Workplace Health and Safety &
Employment Standards Compliance

May 2008 _____

Date

OHS officer observes workers at a worksite.

