

Hazardous Materials Enforcement

PHMSA continues to use and improve its Risk Based Enforcement Strategy to drive its resources towards the activities that pose the highest risk.



Hazardous Materials Enforcement

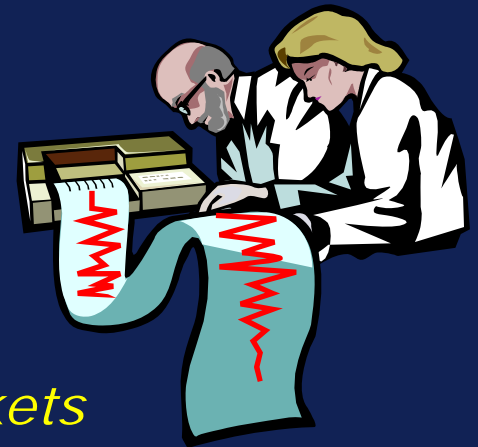
Traditional Enforcement

- Results of Non-Compliance may yield sanctions*
 - Civil and Criminal Penalties*
 - Corrective Action Orders*
 - Administrative Action on PHMSA SP's, Approvals, Registration*
 - Warning and Advisory Letters*



Hazardous Materials Enforcement

- *Ensuring our efforts and focus are accurate and effective, PHMSA routinely performs extensive analysis on its data and outcomes*
 - *Looking at trends and patterns on:*
 - *tens of thousands of incidents*
 - *thousands of inspections/investigations*
 - *hundreds of enforcement cases and tickets*
 - *accidents*



Hazardous Materials Enforcement

- *PHMSA focuses its enforcement resources on operations with patterns of certain incidents, accidents or non-compliance*
 - *These operations will make our high priority list for inspection.*
- *A recurring cycle for some!*



*Suppose you're one of these
operations on our High
Priority list for inspection . . .*



*. . . and we offered you an
opportunity to get into
compliance without a
penalty!*



Would you be interested?

What kind of offer is this?



The Systems Integrity Safety Program (SISP)

An Alternative Enforcement Initiative

The Systems Integrity Safety Program is a new operation to enhance and improve safety and security outcomes thru stakeholder partnerships.



The Systems Integrity Safety Program (SISP)

*An opportunity to work
together without worry of
prosecution on compliance
matters!*



SISP: The Basic Concept

Thru a partnership agreement, PHMSA works with stakeholders to assess, review, identify, engage and correct problems and systems without the traditional civil penalty enforcement process.



SISP

- *This program extends beyond compliance*
. . . . beyond the HMR!
- *It's about system quality assurance and continuous improvement*



SISP

- *Unfortunately our resources are limited!*
- *To maximize our efforts - we have to narrow our focus on high risk activities and poor performers!*



SISP: Eligibility Criteria

- ***PHMSA will identify entities as candidates for SISP based on data driven risk-based eligibility criteria -***
 - *Focuses on incidents, accidents, non-compliance history, and other indications of risk.*
- ***Participation is limited by specific eligibility criteria.***



SISP: Eligibility Criteria

A person must meet at least one of the following criteria within the prior three (3) year period:

The Basic Criteria:

- 1) More than 50 HM incidents of a Table 2 material in non-bulk packaging.**
- 2) More than 3 HM incidents of a Table 2 material in an IBC or portable tank.**
- 3) More than 1 HM incident of a Table 1 material in a packaging other than a cargo tank motor vehicle or railroad tank car.**
- 4) More than 1 "serious incidents" as defined or any HM in a packaging other than a cargo tank motor vehicle or railroad tank car.**
- 5) Has been ordered or recommended by PHMSA to perform a safety recall of a DOT specification, UN Standard, or DOT Special Permit packaging.**
- 6) Is identified through adverse trends based on data analysis of accidents and/or investigations, or**
- 7) Has more than three (3) separate closed PHMSA civil enforcement case actions or five (5) separate closed PHMSA enforcement actions and/or Warning Letters within the prior five (5) year period.**



SISP: Selection Criteria

PHMSA will use this criteria to prioritize the entities meeting the eligibility criteria.



Selection Criteria:

- > Entity meets more than one eligibility criteria;
- > Entity's operations include multiple facilities;
- > Safety related trends of documented OHME investigations;
- > Entity is engaged in high risk/high consequence HM functions;
- > Entity is registered as a shipper of TIH, radioactive, and/or explosive materials; and
- > Resource availability.



Basic Steps of SISP

- *Eligibility Criteria*
 - Determine Candidates
- *Under Partnership Agreement*
 - Data Analysis
 - Isolate Problems Areas
 - Systems and Operations Inspection and Review
 - Identify vulnerabilities and problems
 - Make Recommendations and Solutions
 - Correct Problems and Systems
- *Measure and Follow-up*



The SISIP Offer



- *PHMSA will contact the eligible entity to solicit participation in SISIP*
- *If the entity chooses to participate,*
 - *PHMSA and the entity will enter into a partnership agreement (a signed document).*



SISP Partnerships

*The SISP program
will be implemented
through a Partnership
Agreement*



Working Together to Solve Problems



The Partnership Agreement

The Partnership Agreement outlines the SISP process and legal limitations

SYSTEMS INTEGRITY SAFETY PROGRAM (SISP) PARTNERSHIP AGREEMENT

Between _____
AND U.S. DEPARTMENT OF TRANSPORTATION
PIPELINE AND HAZARDOUS MATERIALS SAFETY
ADMINISTRATION (PHMSA)

1. GENERAL STATEMENT OF PURPOSE:

To cooperatively enhance quality assurance and compliance with 49 CFR Parts 107 & 171-180 (Hazardous Materials Regulations or HMR), utilizing methods alternative to the traditional enforcement approaches, to achieve the goals and objectives of the SISP. These Goals and Objectives are to promote and enhance transportation safety by offering assistance to entities affecting the transportation of hazardous materials.

2. THE PARTIES; FACILITIES COVERED; CONTACTS:

a. Company Name

i. _____ is a _____ (Corp, LLC) with a principal address of _____.

ii. The entities and locations to be covered by this Agreement (hereinafter "Partner") include:

iii. For purposes of implementing this Agreement, the principal contact is _____.

present at all site visits).

iv. Partner was selected for this partnership based on the following:
Sun company



SISP Partnership

Each Partnership will be comprised of 3 phases

- **1st Phase** - *Sharing information between Partners*
 - *To identify probable causes of the Partner's safety problems*
- **2nd Phase** - *Involve site visits and interviews*
 - *To determine root causes and implementation of corrective action*
- **3rd Phase** - *Final recommendations and follow up*



Partnership - PHASE 1

- *PHMSA discusses the basis for the Partner's selection.*
- *PHMSA and the Partner will identify the documents and information PHMSA needs to conduct an initial analysis of the Partner's systems (e.g., operations, quality assurance).*
- *A Phase 1 Addendum will be developed by PHMSA/Partner.*
 - *The Addendum details the exchange of information and sets timetables for the production and the analysis of that information.*



Partnership - PHASE 2

- *PHMSA & Partner cooperatively determine sites (facilities, locations) for inspection based on Phase 1 analysis.*
- *Site visits provide the opportunity for Partner and PHMSA to observe the current operations jointly and any improvements resulting from prior site visits.*
- *PHMSA conducts exit briefings following each site visit that identify problem areas. Corrective action terms are 10 days from notice. PHMSA will use discretion for significant matters.*
- *PHMSA provides feedback to the partner regarding quality assurance items and best business practices.*



Partnership - PHASE 3

- *PHMSA prepares a final recommendation report summarizing its findings*
- *PHMSA suggests actions to ensure continued compliance with the HMR.*
- *PHMSA may also suggest actions to promote continuous improvement and safety beyond the minimum regulatory requirements (partner is under no obligation to implement the latter actions)*



SISP - Terms

- *PHMSA will exercise this enforcement discretion only if the partner comes into full compliance.*
- *PHMSA will pursue its enforcement options for probable violations that present an imminent hazard or that demonstrate a criminal (willful) intent.*
- *Breach of the SISP agreement constitutes a condition for termination of the agreement, and all benefits of program participation may be forfeited.*



SISP - FYI

- *These higher-risk entities would likely be selected for a traditional enforcement inspection but may be offered the unique opportunity to participate in SISP.*
- *Participation in SISP is entirely voluntary.*
- *Declining a SISP offer is NOT a selection factor for enforcement inspections.*
- *A decision not to participate will return that entity back to the enforcement inspection pool.*



SISP Operations

- *SISP effective March 1, 2008*
- *5 Senior Compliance Investigators in the SISP Program (one per Region)*
- *SISP National Policy, Protocols and Document Templates are available on the [Hazmat Safety Homepage](#)*



The SISP Advantage:

- *In-depth and expert reviews*
- *No Penalties*
- *No Enforcement Inspections*
- *Work on Compliance at your facilities*
- *Extends PHMSA's limited resources and maximizes outcomes*
- *Builds trust and cooperation with industry*
- *Raises the Bar*
- *Increases system and industry performance that improves safety and reduces risk*

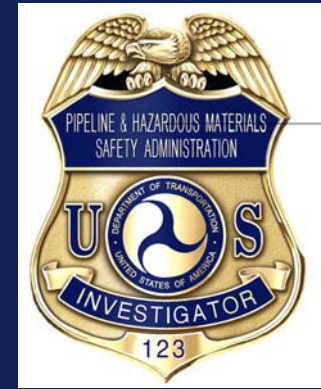


NEXT STEPS

- *SISP Team is selecting candidates now*
- *SISP Activity is resource dependent*
- *Program Expansion?*
 - *With more resources – PHMSA could extend SISP to more operations*



Contact Us



e-mail:

HM-Enforcement@dot.gov

website:

<http://hazmat.dot.gov>



Questions?

