



Energy Safety Canada BC 2019 Annual Report

April 2020

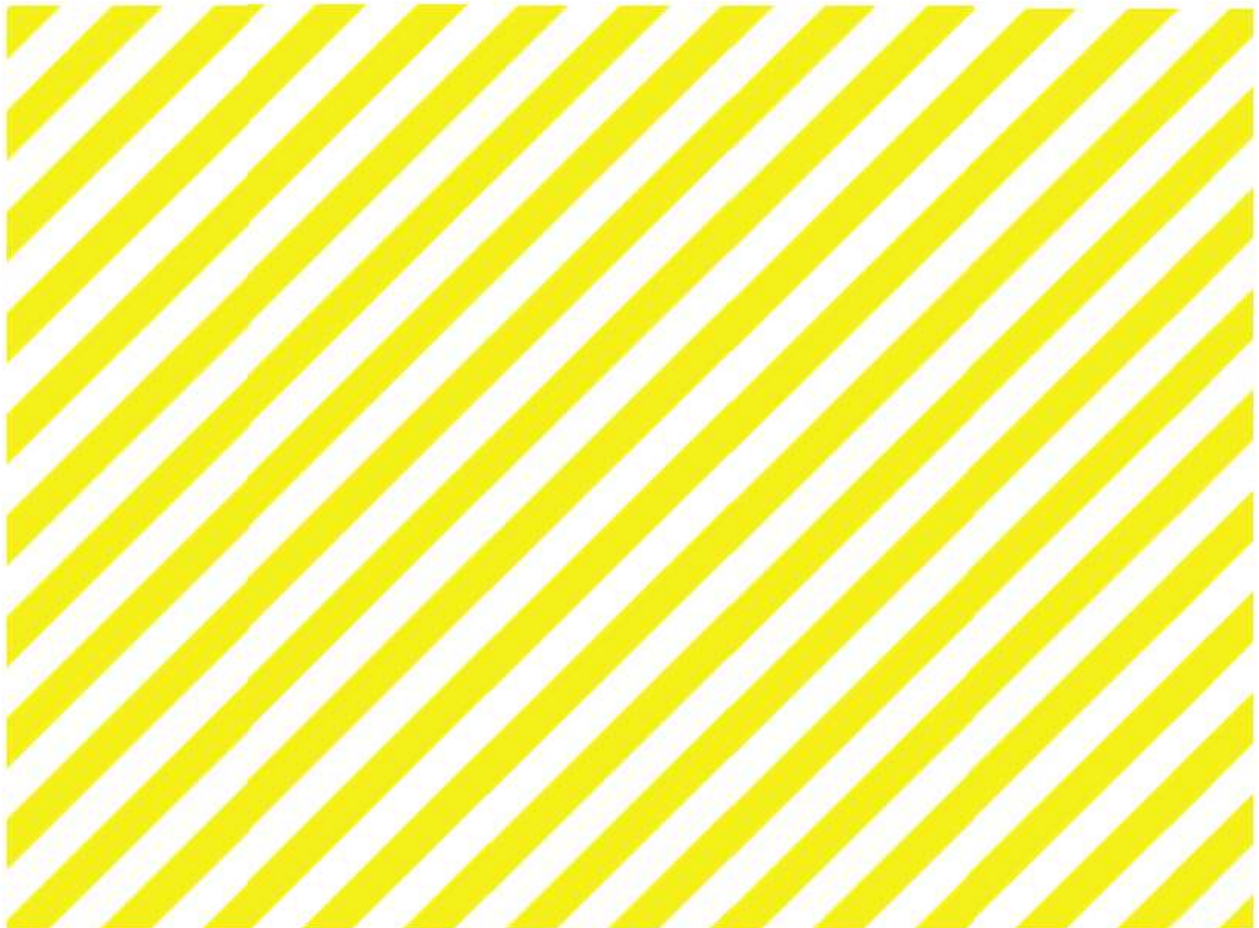




TABLE OF CONTENTS

1.0	Executive Summary	1
2.0	Results of the Health and Safety Association 2019 Workplan	2
2.1	Industry Support Service	2
2.2	Occupational Exposure Awareness Campaign	2
3.0	Certificate of Recognition Program	3
4.0	2019 Initiatives HSA Workplan.....	3
4.1	Identify Trends and Opportunities.....	3
4.2	Energy Safety Canada BC Advisory Committee	3
4.3	Enhance Regulatory Relationships	3
4.4	Enhance Industry Training/Meet Training Needs of BC Employers	4
4.5	Maintain Health and Safety Practitioner Group.....	5
5.0	Outreach Activities.....	7
5.1	Outreach.....	7
5.2	Meetings with Other Health and Safety Associations in BC	7
5.3	Safety Alerts and Safety Bulletins	7
6.0	Corporate Highlights	8
7.0	Priorities for 2020	9
7.1	BC Priorities	9
7.2	Corporate Priorities.....	10

Appendices:

Appendix A: Strategy Articulation Map

Appendix B: Operational Governance Structure

Appendix C: Board of Directors

Appendix D: Energy Safety Canada BC 2019 Unaudited Financials



1.0 Executive Summary

Energy Safety Canada is pleased to present the following report on the 2019 delivery of activities in British Columbia (BC). The organization's office in Fort St. John serves the oil and gas industry in BC and Northern Alberta, providing the region with safety resources and training.

In 2019, Energy Safety Canada BC hosted several events on key industry issues. Topics included process safety, occupational exposures, bear safety, mercury in the oil and gas industry, an interactive session that covered industry injury trends, as well as Life Saving Rules and updates to the Certificate of Recognition (COR) program in BC.

The BC office completed 29 employer consultations—exceeding its goal of 27—to help companies improve their safety goals and performance. Energy Safety Canada BC also continued its support of employer safety needs throughout the year, providing training and COR services and sharing additional safety resources and best practices.

In addition, Energy Safety Canada BC continued its marketing and outreach activities to reach a broader audience. Staff attended or presented at regional energy-related events and safety conferences, attended the Health and Safety Association (HSA) meetings, and maintained ongoing communication with HSA member organizations throughout 2019.

Energy Safety Canada's BC office is focused on strengthening relationships with key stakeholders in the industry, government, and the health and safety community. In 2019, BC staff met with regulators to stay up to date on legislative changes and issues, participated in key industry meetings and conferences, and provided presentations to industry associations.

While this report highlights activities in Energy Safety Canada's BC operations in 2019, Energy Safety Canada's head office was also involved in several initiatives and events with a goal to improve safe work performance in the Canadian oil and gas industry. Most notably is the advancement of Energy Safety Canada's safety standards, Life Saving Rules and the Common Safety Orientation. These initiatives were rolled out to BC employers by the BC office staff.

Energy Safety Canada BC will expand its industry awareness campaign in 2020 by addressing safety topics, such as supervisor competency and prevention of side impact head injuries. These and other planned activities will ensure continuous improvement of safety in the Canadian oil and gas industry.

Moving forward in 2020, the organization will continue to deliver on the commitments in its Strategy Articulation Map and advance its use of industry data to identify trends and proactively manage injury prevention. Energy Safety Canada will also continue to collaborate with industry to establish and encourage the adoption of safety standards to advance safe work performance.

2.0 Results of the Health and Safety Association 2019 Workplan

2.1 Industry Support Service

Energy Safety Canada BC offers one-on-one consultations to support oil and gas companies in identifying and solving their safety-related challenges. Support is offered in various ways, including telephone consultations, onsite visits, data reports, and presentations on relevant safety topics.

Using BC injury data statistics, Energy Safety Canada BC identified and visited 29 employers with the highest injury rates, claim duration, claim cost or experience rating within the funding classification units. The onsite consultations provided resources, tools and advice to employers to assist in lowering and improving injury or illness statistics.

2.2 Occupational Exposure Awareness Campaign

Launched in 2019, the intent of this campaign was to raise awareness of the dangers of occupational exposures and reinforce the importance of evaluating hazards and developing exposure control plans. The roll-out of the campaign was coordinated with the release of Energy Safety Canada's updated [Controlling Chemical Hazards - A Program Development Guideline](#), guidance sheets, regulatory references, tools and resources.

Two occupational exposure information sessions were conducted on July 18 and September 25, one on mercury and the other on exposure control plans, which were attended by a combined total of 41 individuals. In addition, three hazard assessment training sessions were offered, and four [toolbox talks](#) were updated and provided to industry. An industry bulletin about occupational exposure was also drafted and is planned for release in 2020.

3.0 Certificate of Recognition Program

The Certificate of Recognition (COR) and Small Business Certificate of Recognition (SECOR) programs provided by Energy Safety Canada are an opportunity for companies to improve their health and safety performance and develop a safety management system that meets regulatory standards. Energy Safety Canada's BC office provided onsite audit reviews and three workshops.

Below is a list of COR and SECOR program highlights for BC as of December 31, 2019:

- 25 BC-based external auditors.
- 323 companies with active COR status.
- 202 companies with active SECOR status.
- 20 companies with Return to Work (RTW) certification.

For a detailed review, please refer to the *2019 COR Program Report to WorkSafeBC*.

4.0 2019 Initiatives | HSA Workplan

This section follows the required reporting elements outlined in Energy Safety Canada BC's approved "HSA 2019 Initiatives Workplan" (HSA Workplan).

4.1 Identify Trends and Opportunities

Energy Safety Canada BC used provincial injury data statistics to identify the 29 BC employers with the highest injury rates, claim duration, claim cost or experience rating within the funding classification units. Section 2.1 discusses how this information was used.

4.2 Energy Safety Canada BC Advisory Committee

The Advisory Committee is comprised of representatives from industry trade associations and individual BC employers. Its purpose is to advise and support Energy Safety Canada BC on the HSA Workplan.

The advisory committee meets quarterly. Meetings were held on February 13, May 8, August 15 and November 7, 2019. These meetings were an opportunity for the committee to review injury statistics and provide insight into the priorities of the 2019 and proposed 2020 HSA Workplans and budgets.

4.3 Enhance Regulatory Relationships

Energy Safety Canada BC continued to develop relationships with local regulatory and government bodies in 2019. The BC office:

- Met with WorkSafeBC eight times (in addition to the BC Advisory Committee meetings) to discuss key industry safety trends, operational initiatives, and compliance issues.

- Fostered a relationship with and attended two events hosted by the Independent Contractors and Business Association (ICBA) of BC to understand future opportunities to collaborate.

4.4 Enhance Industry Training/Meet Training Needs of BC Employers

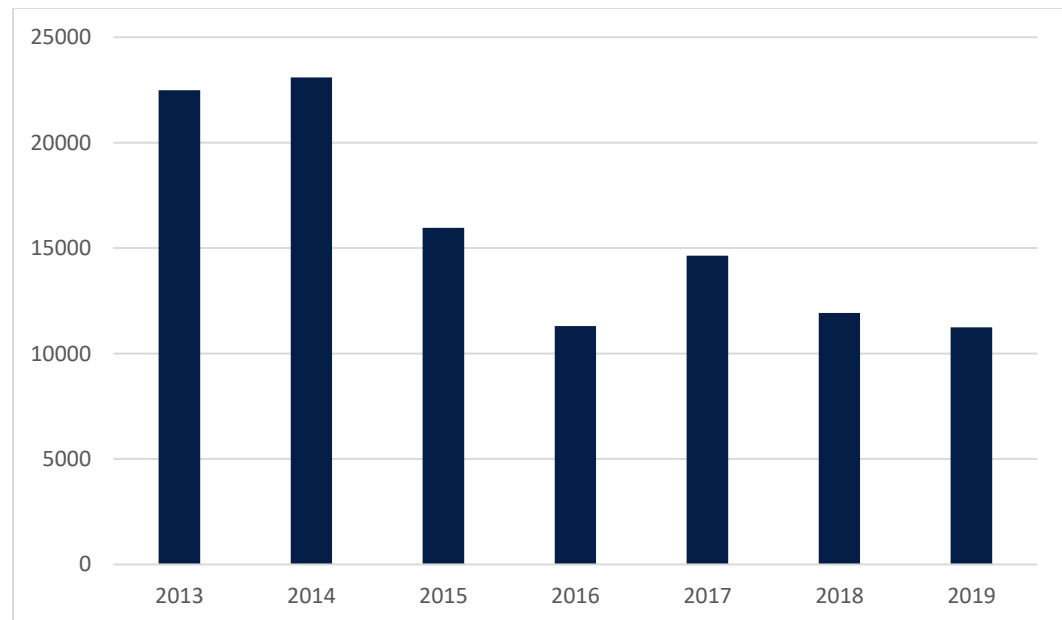
4.4.1 Supporting Training Partners

Energy Safety Canada BC attended a town hall for regional Authorized Training Providers (ATPs) held in Grande Prairie, AB on March 14. In addition, in 2019, the BC office conducted outreach visits with five ATPs in northeast BC and three in the Grande Prairie area that service BC workers.

4.4.2 Training Courses

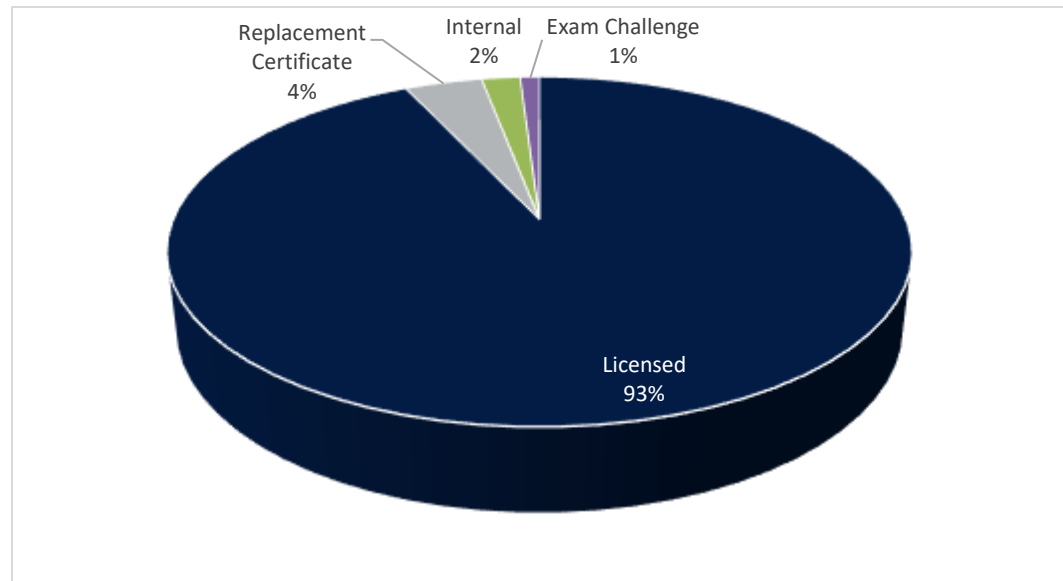
As of December 31, 2019, Energy Safety Canada and its ATPs offered 21 health, safety and technical training courses to more than 11,000 students in BC. At the same time, however, training enrolment declined in tandem with a decrease in overall industry activity. Over 2019, enrolment was down 6 per cent compared to 2018.

Figure 1: Enrolment Year-Over-Year at Energy Safety Canada BC (2013 - 19)



In 2019, Energy Safety Canada BC delivered the vast majority—93 per cent—of its training through its ATPs and Certified Instructors, referred to as licensed delivery.

Figure 2: Enrolment by Delivery Method



H₂S Alive[®] continued to be the most in-demand course offered by Energy Safety Canada BC and its training partners, with more than 9,800 students enrolled in 2019. As of December 31, 2019, the top five courses in BC based on enrolment numbers were:

1. H₂S Alive
2. Chainsaw Faller Programs
3. Oilfield Driver Awareness (ODA)
4. Common Safety Orientation (CSO) - classroom
5. Fall Protection

4.5 Maintain Health and Safety Practitioner Group

Energy Safety Canada regularly hosts meetings on emerging safety issues in BC’s oil and gas sector for employees who support safety within their organizations.

These meetings provide regulatory updates and information about new Energy Safety Canada tools, training and resources, as well as the opportunity for attendees to share their knowledge, best practices and personal experiences.

There is a strong correlation between employers contacted through Energy Safety Canada BC’s consultations (i.e. the industry support service discussed in section 2.1) and attendance at the safety practitioner meetings. A comparison of the list of employers that received a consultation and the list of meeting attendees shows more than 45 employers on both lists.



In 2019, five Safety Practitioner meetings and lunch and learns were held. Topics included:

Safety Workshop - April 3, 2019

This open forum was facilitated by Energy Safety Canada, and the 29 participants were invited to share and discuss topics of interest with safety practitioners in the oil and gas industry. In addition, updates were provided on Energy Safety Canada's initiatives on industry standardization, such as the Common Safety Orientation and Life Saving Rules, as well as industry injury trends, initiatives planned for BC in 2019, and updates to the COR program in BC.

Process Safety - May 22, 2019

As part of a WorkSafeBC Process Safety Initiative, two guest speakers from the organization spoke at this session. The goal was to assist employers in high hazard industries with preventing catastrophic events by assessing their understanding of risks and their systems for managing process safety. The speakers shared information with the 19 attendees about identifying, monitoring and maintaining critical controls associated with preventing and mitigating catastrophic events in the workplace.

Mercury in the Oil and Gas Industry - July 18, 2019

A guest speaker from the International Specialty Chemicals & Technology Group, who is an expert in mercury detection and control, led this hour-long session. There were 10 attendees and they learned why mercury can be an issue in the oil and gas industry; the ways mercury may impact workers and facilities (i.e. workplace exposures and process safety), how to assess the potential for mercury (sampling and measurements), and how to mitigate the risks of mercury.

Occupational Exposures - Sept. 25, 2019

This presentation on hygiene and occupational exposure risks in the oil and gas industry, topics included: regulatory review, top exposure hazards, exposure control plan (ECP) requirements, and using ECPs at the work site. The 28 attendees were encouraged to bring one of their own ECPs to the workshop for review and discussion, and the speaker from Chemscape provided additional resources.

Bear Safety - May 27, 2019

This workshop was offered as a result of a request from the Petroleum Services Association of Canada (PSAC) in response to the high number of bear encounters in the northern regions of BC and Alberta. In this two-hour introduction to bear awareness and response, the guest speaker—a wildlife and training specialist with Bear Scare—shared information about how to: recognize types of bears, identify bear behaviour, and respond and deter bears. The 15 participants also learned about the importance of having their teams fully trained in bear and wildlife awareness and the types of training available.

5.0 Outreach Activities

To reach a broader audience and build awareness of its efforts to promote safety in the oil and gas industry, Energy Safety Canada BC undertook the following activities in 2019:

5.1 Outreach

Participated in several regional industry and key stakeholder-related events to promote Energy Safety Canada's products and services:

- Canadian Society of Safety Engineering meetings - ongoing throughout 2019
- Design Day at Bert Bowes Middle School in Fort St. John - May 24, 2019
- Encana's Driving Safety Stand Down - October 31, 2019
- Encana and Crew contractor meeting - October 22, 2019
- Grounding and Bonding Workshop - November 4, 2019
- WorkSafeBC pre-drilling meeting - November 20, 2018

In addition, efforts were made by the BC team to link into or develop safety groups that could add value and consistency to industry safety:

- **Prime Contractor (Oil Producer) Round Table** initiated on May 29, 2019 with a second meeting November 18. This group is made up of key safety personnel from northeast BC oil producers. Topics discussed included contractor management, supervisor competency, vac-truck task group safety summary, and mental health in the workplace.
- **Vac-Truck Task Group** initiated on October 10, 2019 with a subsequent meeting on December 12. The group identified common safety issues in the vac-truck sector with pressure loading at the top of the list. These safety issues were shared in the Prime Contractor Round Table meeting on November 18, and further discussions are planned for 2020.
- **Ryder/Carrier Safety Conference Calls**. These bi-weekly calls are an opportunity for the BC team to provide additional value to and share safety information with the oil and gas trucking service sector. Topics presented by Energy Safety Canada BC in 2019 included fatigue management, benzene and naturally occurring radioactive material awareness, and road safety during the holidays.

5.2 Meetings with Other Health and Safety Associations in BC

In 2019, Energy Safety Canada BC representatives attended six "Leadership for Not-for-Profit" training sessions by WorkSafeBC alongside HSA representatives, as well as one independent HSA meeting. In addition, informal and ongoing communication with various HSA member organizations took place throughout the year to share operational initiatives and other safety information.

5.3 Safety Alerts and Safety Bulletins

Energy Safety Canada distributes Safety Alerts and Safety Bulletins as part of its ongoing communications with industry. Safety Alerts identify hazards and provide recommendations based on incident investigations. Safety Bulletins are a proactive method of conveying safety information and preventing incidents. As an organization, Energy Safety Canada distributed nine Safety Alerts and seven Safety Bulletins in 2019



to more than 4,700 subscribers. The BC distribution lists gained 116 new subscribers in 2019, for a total of 1,917 subscribers.

6.0 Corporate Highlights

Energy Safety Canada continued to work on behalf of the oil and gas industry to drive safe work performance. The organization's goal is the same as industry's: zero injuries, zero incidents.

Energy Safety Canada's Strategy Articulation Map (SAM) is a five-year road map that focuses on better safety outcomes and leading collaboration for industry. Now into the third year of the SAM, Energy Safety Canada and its Board of Directors remain committed to delivering on its stated objectives.

Appendix A: Strategy Articulation Map

6.1 Operational Governance Structure

In May 2019, Energy Safety Canada announced the retirement of Greg Stringham as Chair of the Board. Mr. Stringham had served in the role since December 2016 and advanced the successful transition of Enform and Oil Sands Safety Association (OSSA) into a merged safety association. Board member, John Rhind, was appointed as Chair. Mr. Rhind has been a member of the board since 2018 and is a strong safety advocate with tremendous leadership capabilities.

Energy Safety Canada also welcomed three new members to its Board of Directors: Dr. Tracy Edwards (elected), former President and Chief Executive Officer of Keyano College; Céline Gerson (elected), President of Schlumberger Canada Ltd.; and Gary Mar (appointed), President and CEO of the Petroleum Services Associations of Canada (PSAC).

In October, Energy Safety Canada announced the retirement of General Counsel and Corporate Secretary, Hugh Hooker. Mr. Hooker was responsible for working closely with Energy Safety Canada's Board of Directors on corporate governance and with the organization on various legal and business matters. He had been with the organization since 2012 and made a remarkable contribution both to the organization and the industry. Jo-Anne Bund was appointed to the position on January 21, 2020. Ms. Bund brings a wealth of experience that spans more than 20 years in various legal roles, particularly in the energy sector.

Appendix B: Operational Governance Structure

Appendix C: Board of Directors

6.2 Petroleum Safety Conference

The 69th annual Petroleum Safety Conference (PSC) was held from April 30 to May 2, 2019 at the Banff Springs Hotel. It attracted nearly 800 attendees from across Canada and the United States, including 23 sponsors, 24 expert speakers and 100 tradeshow

exhibitions. Energy Safety Canada works closely with industry to build a program that provides insights, best practices and new approaches to safety. More than 90 per cent of post-conference survey respondents indicated they were satisfied with the conference program—a testament to the quality of the information shared.

6.3 Temporary Reduced Work Week

In its ongoing efforts to control expenses during an extended period of low oil and gas prices, Energy Safety Canada implemented a temporary reduced work week in the summer of 2019 (June through August). Those savings, along with effective cost management, resulted in overall surplus of funds for 2019 of \$34,598 for BC. The intention is to incorporate the surplus into the organization's reserve funds, with approval of the Board of Directors.

Appendix D: Energy Safety Canada BC 2019 Unaudited Financials

6.4 Corporate Office Move

Energy Safety Canada's corporate office in Calgary relocated to a new building in December 2019. The new open office environment provides a more agile environment to improve cross-collaboration, workflow, teamwork and business alignment. In addition to providing an opportunity to evolve the organization's work culture, the move resulted in an estimated savings of \$1 million per year, beginning in 2021 and over the term of the new lease.

7.0 Priorities for 2020

7.1 BC Priorities

In the coming year, Energy Safety Canada BC will work to deliver the objectives detailed in its [2020 Annual Workplan](#).

One of the key HSA Workplan objectives for 2020 is the development and dissemination of an awareness campaign about supervisor competency. This initiative was identified by Energy Safety Canada BC as an industry area of focus, particularly for small employers. Efforts will focus on key competencies for supervisors and provide tools and resources to help employers implement a supervisor competency program.

Energy Safety Canada BC will offer an industry education session, produce an information bulletin and provide coaching to employers. In addition, existing resources will be promoted, including: Energy Safety [Canada's Supervisor Competency - A Program Development Guideline](#); DACC's [IRP 7: Competencies for Critical Roles in Drilling and Completions](#); and the Canadian Association of Petroleum Producers (CAPP) [Critical Roles and Competency Guide](#).

Another area of focus for 2020 is side-impact head injuries. After performing data analysis on the oil and gas classification units (CUs), Energy Safety Canada BC concluded it would be beneficial to create an initiative that addresses the increasing



trend of this type of injury. A plan with specific objectives and resources will be developed.

7.2 Corporate Priorities

Energy Safety Canada's purpose is to drive the Canadian oil and gas industry to achieve zero worker injuries and incidents. To meet that objective, an impactful and industry-wide presence is required. In 2020, Energy Safety Canada will look to deliver its mandate by executing the commitments outlined in its Strategy Articulation Map.

Appendix A: Strategy Articulation Map

PURPOSE: Energy Safety Canada drives the Canadian Oil and Gas Industry to achieve zero worker injuries or incidents.

VISION	MISSION	VALUES
<p>Energy Safety Canada is a respected globally recognized authority with deep oil and gas safety expertise to improve safety performance.</p>	<p>Energy Safety Canada works on behalf of the Oil and Gas Industry to drive safe work performance through:</p> <ul style="list-style-type: none"> Performing analysis to facilitate knowledge sharing and continuous improvement Driving safety standardization Delivering an effective learning system Providing support to employers and workers Communicating, marketing, and advocating on behalf of Energy Safety Canada and Industry 	<p>Energy Safety Canada is a trusted Health and Safety authority, responsive to change while utilizing a collaborative and disciplined approach to proactively improve safe work performance.</p>

STRATEGIC OBJECTIVES

Data-Based Decisions to Drive Performance	Agreed Standardization	Workers Ready to Work Safely	Employer Companies Encouraged and Supported to Improve Safety Performance	Energy Safety Canada has a Positive and Recognized External Brand
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KEY CAPABILITIES

<ul style="list-style-type: none"> Rigorous data collection, robust analysis, and continuous improvement Assessment framework and tools Data access, gathering from multiple sources, analytics and synthesis to identify trends and derive meaning LEAN mindset Safety Center of Excellence Safety expertise and knowledge transfer 	<ul style="list-style-type: none"> Facilitation of collaboration across industry amongst producers, owners, service providers, trades, and labour Influence to put right people on teams to develop, continue, and make decisions Process management and governance to drive collaboration, review process, and decision making Industry accepted standard/practice facilitation and process (including Joint Initiative Projects (JIPs), Drilling and Completions Committee concept) 	<ul style="list-style-type: none"> Effective and efficient learning management and delivery system Learning objectives, curriculum development, training, delivery, and tracking Delivery of programs that are fit for purpose and easy to adopt and use Enable mobility across sites 	<ul style="list-style-type: none"> Worker identification and verification Advice, frameworks, tools, and processes to increase safety management capability Safety System assessment and registry accreditation through Certificate of Recognition (COR) Implementation support mechanisms Safety culture interventions, awareness tools, and techniques Mentorship for employers and supervisors needing help Recognition programs 	<ul style="list-style-type: none"> Ongoing, regular, communication with broad external stakeholder engagement Marketing, Public Relations activities with visible, integrated industry-wide presence and worker focus Data-driven safety performance indicators, trends, and reports Event and conference planning to facilitate global safety networking Responsive, proactive, and leading communication channels Leverage peers, partners, employers, and members Advocating for regulatory change to support standardization
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Collaborative, Effective and Efficient Operating Management System
 Forum for operating and maintaining: 1) Process, performance, and risk management / 2) Process governance / 3) Project management, change management, and discipline of execution 4) Continuous improvement enabled through assurance and consequences. Facilitating a collaborative forum amongst producers, contractors, service providers, and workers.

Appendix B: Operational Governance Structure



Appendix C: Board of Directors

- 7 APPOINTED DIRECTORS (1 from each of the Member Associations)
- 6 ELECTED DIRECTORS (2 from the Services sector, 1 from conventional operators, 1 from oil sands operators and 2 at large)

John Rhind	Board Chairman, Energy Safety Canada President, Rhind Management Limited
Chris Bloomer	President & Chief Executive Officer Canadian Energy Pipeline Association (CEPA)
Mary Cianchetti	President, Standards CSA Group
Mike Doyle	President Canadian Association of Geophysical Contractors (CAGC)
Tracy Edwards	Retired Adult Education Sector Executive
Celine Gerson	President, Schlumberger Canada Ltd.
Tristan Goodman	President Explorers and Producers Association of Canada (EPAC)
Tim McMillan	President & Chief Executive Officer Canadian Association of Petroleum Producers (CAPP)
Vacant	Petroleum Services Association of Canada (PSAC)
Dave Reed	Retired Services Sector Executive
Steve Reynish	Executive Vice President, Suncor Energy Representative for the Oil Sands CEO Council
Mark Scholz	President Canadian Association of Oilwell Drilling Contractors (CAODC)
Scott Stauth	Chief Operating Officer, Oil Sands Canadian Natural Resources

ENERGY SAFETY CANADA**British Columbia WCB Funding - Safety Program****(Schedule 2)****Year Ended December 31, 2019**

	Actual	Budget <i>(Unaudited)</i>
Funding received		
WCB Funding	\$ 650,000	\$ 650,000
Other revenue	150	1,050
	<u>650,150</u>	<u>651,050</u>
Expenses		
Salaries - direct	290,113	318,409
Rent	118,511	115,538
Salaries - head office support	59,940	56,193
Benefits - direct	53,521	59,478
Technology	36,955	29,767
Building and services	14,100	16,500
Travel	11,988	14,630
Benefits - head office support	9,504	8,507
Communications	8,818	10,500
Office Supplies	8,248	5,050
Conferences and conventions	1,381	4,650
Training	1,063	2,060
Property taxes and general insurance	963	2,800
Miscellaneous	885	1,029
Furniture & Equipment	262	515
Board expenses	200	824
Consultants and contractors	-	3,600
Publications & Materials	-	1,000
	<u>616,452</u>	<u>651,050</u>
Deficiency of funding received over expenses	<u>33,698</u>	<u>-</u>
Unused funding from prior year	105,479	105,479
Minus other revenue recognized	<u>(150)</u>	<u>(1,050)</u>
	<u>105,329</u>	<u>104,429</u>
Unused funding as at year end (Note 5)	<u>\$ 139,027</u>	<u>\$ 104,429</u>