

Responsible Care® Verification Report

Northwest Tank Lines Inc.

June 18-19, 2019



CHEMISTRY INDUSTRY
ASSOCIATION OF CANADA



Responsible Care®
Our commitment to sustainability.

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This report has been produced by a team, convened by the Chemistry Industry Association of Canada (CIAC), to provide advice to the member-company and assist it in meeting its Responsible Care[®] commitments. The material in this report reflects the team's best judgment in light of the information available to it at the time of preparation. It is the responsibility of the CIAC member-company that is the subject of this report to interpret and act on the report's findings and recommendations as it sees fit. Any use which a third party makes of this document, or any reliance on the document or decisions made based upon it, are the responsibility of such third parties. Although CIAC members are expected to share the results of this guidance document with interested parties, the Association, its member-companies, their employees, consultants and other participants involved in preparing the document accept no responsibility whatsoever for damages, if any, suffered by a third party as a result of decisions made or actions based on this report.

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EXECUTIVE SUMMARY

This report documents the observations and conclusions of the independent verification team tasked with conducting a Responsible Care Verification of Northwest Tank Lines Inc. The verification was undertaken on April 18 & June 18/19, 2019, and included team visits to the Langley office, a nearby contracted vehicle maintenance and tank cleaning facility and a leased vehicle parking area. This is the fourth verification exercise completed for Northwest Tank Lines Inc. The last verification was completed on April 02 & May 12 – 14, 2015

As a result of the examination conducted, the verification team is of the opinion that the Responsible Care Ethic and Principles for Sustainability are guiding company decisions and actions, and that a self-healing management system is in place to drive continual improvement. The verification is complete and no further involvement is required by the verification team.



Signed: _____
Dave Mack
Verification Team Leader

Date: August 28, 2019

For more information on this or a previous Responsible Care Verification Report, please contact your local company site or the company's overall Responsible Care coordinator:

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Director of HS&E,
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Summary of Verification Team Observations

Works in Progress

The following relate to self-initiated actions in support of continual performance improvement.

- i. Planning to acquire a new office based safety person.
- ii. Investigating the use of video recordings to enhance the route risk assessment process.
- iii. Investigating the use of simulator and virtual reality technology for driver training.
- iv. Looking into the feasibility of issuing “IPADS” to drivers to facilitate on line access to Responsible Care related documentation.
- v. Planning to enhance the incident investigation process through application of an industry recognized service provider package. (i.e. “TapRoot”).

Improvement Opportunities

The following relate to suggested actions that would enhance the effectiveness of current programs.

- i. Consider providing scholarships to students for heavy duty mechanic training to help address limited resources in the region.
- ii. Prepare and document a standard for the siting and set up of new vehicle parking yard facilities (e.g., neighbourhood, fencing, cameras, lighting, ground conditions, etc.)
- iii. Include a question in the Responsible Care related service provider self-assessment process to address how their waste is managed.
- iv. Take every opportunity to promote Responsible Care by name with business partners as appropriate.
- v. Insert a note as a footer on each page of all documented systems, standards, processes, procedures, etc. indicating that any paper copies may not be current, and reference should be made to the online document management system for the latest issue.

Successful Practices

The following relate to actions that strongly support sustained excellence in performance.

- i. The overall focus and commitment to the health and safety of people throughout the organization.
- ii. The use of E-logs in vehicles for real time performance monitoring.
- iii. The use of a colour coded spreadsheet to track vehicle routine maintenance servicing (e.g., due dates, overdue, complete, etc.)
- iv. The use of a computerized document management system for the handling and maintenance of all Responsible Care related systems, standards, processes, procedures, etc.
- v. The issue of “IPADS” to field safety personnel to record real time reporting, observations, etc.
- vi. The issue of a weekly Responsible Care related performance scorecard.

1. Introduction

1.1 About Responsible Care Verification

As a partner of the Chemistry Industry Association of Canada (CIAC), the most senior executive responsible for Northwest Tank Lines Inc. operations in Canada attests annually to CIAC and its peers that the company's operations conform to the expectations contained in the Responsible Care Model for Transportation Partners and are guided by *Responsible Care Ethic and Principles for Sustainability*.

The Responsible Care® Ethic and Principles for Sustainability

We are committed to do the right thing, and be seen to do the right thing.

We dedicate ourselves, our technology and our business practices to sustainability - the betterment of society, the environment and the economy. The principles of Responsible Care® are key to our business success, and compel us to:

- work for the improvement of people's lives and the environment, while striving to do no harm;
- be accountable and responsive to the public, especially our local communities, who have the right to understand the risks and benefits of what we do;
- take preventative action to protect health and the environment;
- innovate for safer products and processes that conserve resources and provide enhanced value;
- engage with our business partners to ensure the stewardship and security of our products, services and raw materials throughout their life-cycles;
- understand and meet expectations for social responsibility;
- work with all stakeholders for public policy and standards that enhance sustainability, act to advance legal requirements and meet or exceed their letter and spirit;
- promote awareness of Responsible Care, and inspire others to commit to these principles.

As an element of this commitment to Responsible Care, Northwest Tank Lines Inc. must, every three years, participate in an external verification intended to:

Provide the Executive Contact with an external perspective when assessing if the company is indeed meeting the intent of the CIAC Responsible Care Model for Transportation Partners, along with advice on areas that may require attention;

1. Identify opportunities for assisting the company when benchmarking its own practices and performance against those of its peers, thus supporting continual improvement;
2. Contribute to the credibility of Responsible Care amongst company personnel and stakeholders, as well as the stakeholders of the broader industry;
3. Identify successful company practices that can be promoted to peers in the CIAC partnership; and
4. Support the identification of areas of common weakness so that collective tools and guidance can be developed to improve performance in those areas across the CIAC partnership.

Verification is conducted according to a common protocol, developed by the association's partners and others, including several critics of the chemical industry. The verification is typically conducted by a team consisting of:

- Knowledgeable industry experts with experience in Responsible Care;
- A representative of the public at large (usually with a public interest background and with experience in Responsible Care gained from serving on the CIAC's National Advisory Panel) and
- One or more representatives of the local communities where the company's facilities are located.

Once completed, the Verification Report is made publicly available through the CIAC website (www.canadianchemistry.ca). Northwest Tank Lines Inc. is also expected to share the report with interested persons in its communities and other stakeholders as part of its ongoing dialogue processes.

Additional information on Responsible Care and / or the verification process can be found at the CIAC website www.canadianchemistry.ca, or by CIAC at glaurin@canadianchemistry.ca or (613) 237 6215 extension 233.

1.2 About Northwest Tank Lines Inc.

The company provides bulk road transportation services for natural gas liquids, molten sulphur, and chemicals distribution, utilizing over 175 tractor units. As well as office staff, it directly employs approximately 35 company drivers and approximately 140 owner-operators and owner-operator drivers. The Canadian head office and administration is located in Langley, British Columbia, with the main operations office located in Calgary, Alberta.

1.3 About This Verification

The verification of Northwest Tank Lines Inc. was conducted on April 18 & June 18/19, 2019, and included team visits to The Langley office, a nearby contracted vehicle maintenance and tank cleaning facility and a leased vehicle parking area. During the course of the verification, the team had the opportunity to interact with a broad range of company personnel and contractors. Attachment 2 contains a list of those individuals interviewed and their affiliations.

This is the fourth verification exercise completed for Northwest Tank Lines Inc. The last verification was completed on April 02 & May 12 – 14, 2015

The verification team was comprised of the following individuals.

Name	Affiliation	Representing
Dave Mack	Consultant	<i>Team Leader</i>
Keith Purves	Consultant	<i>Public-At-Large Verifier</i>
Jim McGregor	Langley Resident	<i>Community Representative</i>

2. Team Observations concerning commitments related to the Responsible Care Model for Transportation Partners

During the verification of Northwest Tank Line Inc., the verification team looked for evidence that the company was addressing the expectations documented in the CIAC Responsible Care Model for Transportation Partners.

In communicating its observations, the verification team will make repeated reference to the following categories of observations:

1. **Findings Requiring Action;** document instances where the verification team observes specific company actions (or the absence of company actions) which are inconsistent with the expectations contained in the CIAC Responsible Care Model for Transportation Partners. Where possible, the team will communicate, based on their experience and judgment, why it is inconsistent and how the observation relates back to a possible gap in the expected management system and / or the ethic and principles underpinning company actions. The team may also provide advice on how the situation might be responded to.
2. **Works in Progress;** document instances where the team has observed the company self-initiating actions in response to identified gaps and deficiency arising from other internal or external audit and review activities, or where the company has self-initiated important improvement opportunities.
3. **Successful Practices;** document instances where the team believes the company has taken actions that strongly support sustained excellence in performance, and which should be communicated throughout the CIAC partnership.
4. **Improvement opportunities;** identify instances where the team has observed company actions and decision making as being largely consistent with the expectations detailed in the CIAC Responsible Care Model for Transportation Partners, but for which the team is of the opinion that the company could support further improvement by considering alternate or additional benchmarks when undertaking its planning and decision making.

The verification team's observations of how the company has addressed the CIAC Responsible Care Model for Transportation Partners are as follows:

2.1 Team Observations Concerning Health and Safety

The Health and Safety Theme defines health and safety expectations regarding all company operations along transportation routes and at fixed facilities.

2.1.1 Occupational

- i. The company is in possession of a "Certificate of Recognition" in Alberta and British Columbia which confirms through regular review that it meets provincial standards for health and safety systems. New products and new customer loading/unloading facilities are assessed to identify and address health and safety hazards prior to commencement of related operations. These assessments are updated as required based upon actual on the job experience. Some customers require a formalized hazard analysis to be done on each loading/unloading event. This requirement is noted on company dispatch documentation. Driving time and on road performance is monitored using in vehicle computers referred to as E-logs. Field safety personnel have been assigned with a primary role to provide oversight to safe operations along transportation routes and at equipment parking yards.

Pre-employment and routine medical examinations are given to all drivers as part of the process to maintain their legal driving licences. Ergonomic and other health and wellness information is provided to drivers and office employees. Relevant occupational health and safety processes and procedures are documented in a driver's manual.

Works in Progress

- i. Planning to acquire a new office based safety person.

Successful Practices

- i. The overall focus and commitment to the health and safety of people throughout the organization.
- ii. The use of E-logs in vehicles for real time performance monitoring.

2.1.2 Operations

Route risk assessments are carried out prior to accepting new customer products and/or new loading/unloading facility locations. Worst case incident scenarios include vehicle crashes involving injuries, roll overs and product spills. All equipment repair and preventive maintenance is scheduled and tracked by the company, and is outsourced to appropriate shops. Observations during a short site visit to the contracted tractor maintenance and tank cleaning facility in Langley revealed a well organized operation with appropriate attention being paid to environment, health and safety aspects. It was noted, however, that there appears to be limited heavy duty mechanic resources in the area. Tank maintenance is outsourced to other specialized shops. The only fixed facilities are offices and secured equipment parking yards in British Columbia and Alberta. Monthly inspections are carried out on all parking facilities by field safety staff. There is a documented management of change policy in place which addresses changes to processes, equipment, personnel and facilities, except for replacements in kind. A Responsible Care related self assessment process is applied to new service providers which typically include chemical suppliers, trucking contactors and equipment maintenance and tank cleaning. These assessments are repeated every two years to facilitate on-going performance monitoring. Relevant operations health and safety processes and procedures are documented in a driver's manual.

Works in Progress

- i. Investigating the use of video recordings to enhance the route risk assessment process.

Successful Practices

- i. The use of a colour coded spreadsheet to track vehicle routine maintenance servicing (e.g., due dates, overdue, complete, etc.)

Improvement opportunities

- i. Consider providing scholarships to students for heavy duty mechanic training to help address limited resources in the region.
- ii. Prepare and document a standard for the siting and set up of new vehicle parking yard facilities (e.g., neighbourhood, fencing, cameras, lighting, ground conditions, etc.)
- iii. Include a question in the Responsible Care related service provider self-assessment process to address how their waste is managed.
- iv. Take every opportunity to promote Responsible Care by name with business partners as appropriate.

2.2 Team Observations Concerning Environment

The Environment Theme addresses the protection of the environment through the responsible management of all company operations along transportation routes and at fixed facilities.

Tractor unit engine exhaust emissions are the main source of environmental impact from company operations. Related vehicle operating parameters (e.g., fuel consumption, speed, etc.) are monitored by onboard computers, and fuel consumption is further optimized through routine servicing and the use of modern vehicle technology. Occasional spills during tank trailer loading and unloading also contribute to emissions. Company owned transfer hoses are annually tested and tagged by a certified shop. Hazardous wastes include washings from tank trailer cleaning and used oils. These are managed by contracted maintenance shops.

2.3 Team Observations Concerning Security

The Security Theme addresses the protection of people, property and information as it relates to all company operations along transportation routes and at fixed facilities.

A security vulnerability assessment was carried out by Transport Canada in 2010, and the company is registered and audited regularly under the Custom-Trade Partnership Against Terrorism. Drivers are instructed on security awareness and all trucks are fitted with a panic button to be used in case of an emergency. When not in use, equipment is parked in secure yards, and the company standard is for no loaded trailers to be left unattended therein. Computer servers are located external to company premises, and managed by a service provider. There is a documented security plan in place.

2.3 Team Observations Concerning TransCAER

The TransCAER Theme addresses the effective communication and two way dialogue with those stakeholders who may be affected by or have an interest in company operations along transportation routes and at fixed facilities. It also addresses the protection of people, property and the environment through response to emergencies as they relate to all company operations along transportation routes and at fixed facilities.

2.3.1. Community Awareness and Dialogue

The company's primary means of addressing community awareness and dialogue is through the CIAC Transportation Community Awareness and Emergency Response (TransCAER) program. The company is represented on the CIAC National TransCAER Committee. It is also represented on the BC and Alberta Regional TransCAER Committees, which co-ordinate a program of outreach to communities along transportation corridors in the region. The company regularly participates in community TransCAER events which typically include related workshops, awareness of chemical risks, emergency planning, first responder training, etc. In house barbecues are also held primarily for drivers, their families and friends. They are, however, open to members of the community who may wish to drop in.

2.3.2 Emergency Response

There is a documented emergency preparedness and response plan in place that addresses fixed facility and transportation operations. Response operations are contracted out to qualified responder organizations with appropriate equipment available and experience in on-scene incident management.

3. Team Observations on the Company Management System

It is a requirement of Responsible Care that companies have a documented, self-healing management system or systems capable of identifying and responding to deficiencies and otherwise supporting continual improvement across all company business units, functions, and sites and as a framework for implementing the CIAC Responsible Care Model for Transportation Partners.

The verification team studied the Northwest Tank Line Inc. management system and compared and contrasted the attributes of that system to those of a self-healing overall management system as

discussed in the CIAC Management System Guide. The verification team's related observations to the company management system(s) are as follows:

3.1 Observations on the PLAN Step

During the 'PLAN' Step of the management system, the company is required to decide what the goals of the company are and how they will be met. In determining those goals, it is expected the company will look inward, across its operations, but will also look outward, considering the expectations of: stakeholders; regulatory requirements; relevant CIAC Responsible Care Commitments and supporting tools; and other industry benchmarks.

The plan step of the company management system addresses the establishment of annual objectives and targets with respect to control of hazards, regulatory requirements and standards, stakeholder input, previous performance, and other relevant criteria. Objectives focus on continual performance improvement. Identification of employee skills and competencies to achieve the desired results is included.

3.2 Observations on the DO Step

During the 'DO' Step in the management system, the company is required to convert the decisions of the 'PLAN' Step into action and ensure awareness and understanding by all involved. It is expected that the company will implement an organizational structure, assign responsibilities to appropriate personnel, supply sufficient training and resources to execute planned actions and develop and document standards, procedures and programs, as applicable.

The do step of the company management system addresses responsibilities, rules, policies and procedures, emergency response and training. The previously mentioned drivers' manual includes Responsible Care related information relevant to driving operations. The overall Responsible Care related management system is documented defining the plan-do-check-act continual performance improvement cycle and the elements of each. The system elements are preceded by overall policy and governance statements. The system is supported by a detailed cross reference document that shows how each process in support of the management system is aligned with the Responsible Care Model.

Works in Progress

- i. Investigating the use of simulator and virtual reality technology for driver training.
- ii. Looking into the feasibility of issuing "IPADS" to drivers to facilitate on line access to Responsible Care related documentation.

Successful Practices

- i. The use of a computerized document management system for the handling and maintenance of all Responsible Care related systems, standards, processes, procedures, etc.
- ii. The issue of "IPADS" to field safety personnel to record real time reporting, observations, etc.

Improvement opportunities

- i. Insert a note as a footer on each page of all documented systems, standards, processes, procedures, etc. indicating that any paper copies may not be current, and reference should be made to the online document management system for the latest issue.

3.3 Observations on the CHECK Step

During the 'CHECK' Step in the management system, actions carried out in the 'DO' Step are required to be assessed to determine if they are actually being carried out according to plan, and whether they are achieving the desired outcomes and delivering continual improvement. Here, the overall management system and components should be reviewed along with employee competences for assigned responsibilities, internal and external audits should be undertaken, incidents should be assessed to identify root causes, and performance measurement should be conducted and reviewed.

The check step of the company management system addresses the monitoring of performance results and compliance with expectations, as well as incident reporting and investigation. Performance versus objectives is regularly reviewed at management meetings. Alberta and British Columbia health and safety Certificate of Recognition audits are carried out annually with appropriate follow-up. Routine equipment, yard, and office inspections are carried out using dedicated checklists. Field safety personnel maintain a focus on these inspections. There is a focus on reporting all incidents, and a step by step incident investigation process is in place with follow-up action planning.

Works in Progress

- i. Planning to enhance the incident investigation process through application of an industry recognized service provider package. (i.e. "TapRoot").

Successful Practices

- i. The issue of a weekly Responsible Care related performance scorecard.

3.4 Observations on the ACT Step

During the 'ACT' Step in the management system, the company is required to translate the results of the 'CHECK' Step into corrective actions for improvement. This includes revisiting the 'PLAN' Step to decide whether changes are needed to the company's stated goals or action plans, policies and procedures for achieving those goals. Considerations when examining the 'ACT' Step should include whether and how: audit and review findings are responded to; performance is communicated internally and externally; employee and contractor performance is rewarded or corrected, etc.

The act step of the company management system covers performance reporting and management system review. Consolidated environment health and safety performance reports are periodically prepared for internal and in some cases external distribution. There is an employee and owner operator safety bonus program in place. Overall management system reviews are done annually to determine its effectiveness in facilitating ongoing performance improvement.

4. Team Observations on the Responsible Care Ethic and Principles for Sustainability

Each CIAC partner company is formally committed to the ethic of *“Doing the right thing, and being seen to do the right thing.”* This ethic, along with the principles for sustainability is expected to guide the company’s decision making and practices. In conducting the verification, the team is looking to understand how well the ethic is understood and adopted within the company, and the degree to which the principles inform the manner in which the company does its business.

The verification team carefully observed Northwest Tank Lines Inc. decision making processes and actions and compared and contrasted the attributes of those with the attributes of a company guided by the Responsible Care Ethic and Principles For Sustainability. The verification team’s related observations on the company’s application of the *Responsible Care Ethic and Principles for Sustainability*, are as follows:

Through observation and analysis, the company was seen to be appropriately aligned with the following elements of the *Responsible Care Ethic and Principles for Sustainability*. Refer to the explanatory notes following each element:

- *Work for the improvement of people’s lives and the environment, while striving to do no harm.*
Supported by a defined Responsible Care related continual performance improvement management system supported by detailed procedures and a clear personal commitment to safe and environmental responsible operations.
- *Be accountable and responsive to the public especially our local communities, who have the right to know the risks and benefits of what we do.*
Supported by community awareness and dialogue processes through active participation in the CIAC Transportation Community Awareness and Emergency Response (TransCAER) program.
- *Take preventive action to protect health and the environment.*
Supported by a defined Responsible Care related continual performance improvement management system supported by detailed procedures and a clear personal commitment to safe and environmental responsible operations.
- *Innovate for safer products and processes that conserve resources and provide enhanced value.*
Supported by maintaining a modern fleet of vehicles operated by competent personnel. Operating parameters (e.g., fuel consumption, speed. etc.) being monitored by onboard computers, and fuel consumption further optimized through routine servicing.
- *Engage with our business partners to ensure the stewardship and security of our products, services and raw materials throughout their life cycles.*
Supported by a Responsible Care related assessment process that is applied to new service providers and regularly repeated to facilitate on-going performance monitoring.
- *Understand and meet expectations for social responsibility.*
Supported by community awareness and dialogue processes through active participation in the CIAC Transportation Community Awareness and Emergency Response (TransCAER) program, including local community support.
- *Work with all stakeholders for public policy and standards that enhance sustainability, act to advance legal requirement and meet or exceed their letter and spirit.*
Supported by participation in CIAC committee work (Leadership Group and TransCAER).
- *Promote awareness of Responsible Care, and inspire others to commit to the principles.*
Supported by a Responsible Care related service providers assessment process.

5. Verification Team Conclusion

As a result of the examination conducted, and in consideration of the observations communicated within this report, the verification team is of the opinion that the Responsible Care Ethic and Principles for Sustainability are guiding company decisions and actions, and that a self-healing management system is in place to drive continual improvement. The verification is complete and no further involvement is required by the verification team.

Attachment 1

Company Response to Verification Team Report

On behalf of Northwest Tank Lines Inc. I have reviewed this verification report. The observations and conclusions contained in the report have been discussed with the verification team. Following our fourth successful verification, Northwest continues to value the Responsible Care partnership, and the value of the verification process. We enjoy meeting with the external verifiers who always provide thoughtful and useful observations and suggestions.

Northwest Tank Lines Inc. will communicate the results of the verification exercise with its CIAC peers at their next meeting, and will discuss the verification results with our stakeholders, including those representing communities near our operating sites.

We will give consideration to the Improvement Opportunities identified by the verification team and will assist the CIAC in communicating and sharing the identified Successful Practices to other CIAC partners. Plans will be developed and implemented to respond to the Works in Progress where completion of such is action required to close gaps with respect to requirements. Our progress in implementing those plans will be discussed when preparing our Annual Statement of Re-Commitment to Responsible Care, and communicated to the verification team at the time of our next verification.

Michael Perry
President
Northwest Tank Lines Inc.
August 25, 2019

Attachment 2

Interview Lists

A: Company Personnel

Name	Position	Location
Employee/Contract Representatives (3)	Drivers	Langley, BC
Kelly Neufeld	Operations Manager	Calgary, Alberta
Michael Perry	President	Langley, BC
Tim Johnson	Director HS&E	Langley, BC
Trula Normandeau	Contract HS&E Specialist	Langley, BC

B: External Stakeholders

Name	Company / Organization	Position	Location
N/A	Contracted Vehicle Maintenance and Tank Cleaning Facility	Supervisor	Langley, BC



Responsible Care[®]
Our commitment to sustainability.

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