

Management Review and Continuous Improvement

Shannon McClure & Chuck Bard
Plains All American Pipeline



Pipeline SMS



Personal Introduction



NICE
TO
MEET
YOU!



Shannon McClure
Manager, OMS Governance

Operations management System Sub-Element
Owner of the following:

- OMS Responsibility, Accountability, and Authority
- Assessments*
- Audits*
- Management Review

*Owner, as of October 1

KPI
Any Questions?



Chuck Bard
Manager, Operational Performance Metrics

Operations Management System Sub-Element
Owner of Performance Management



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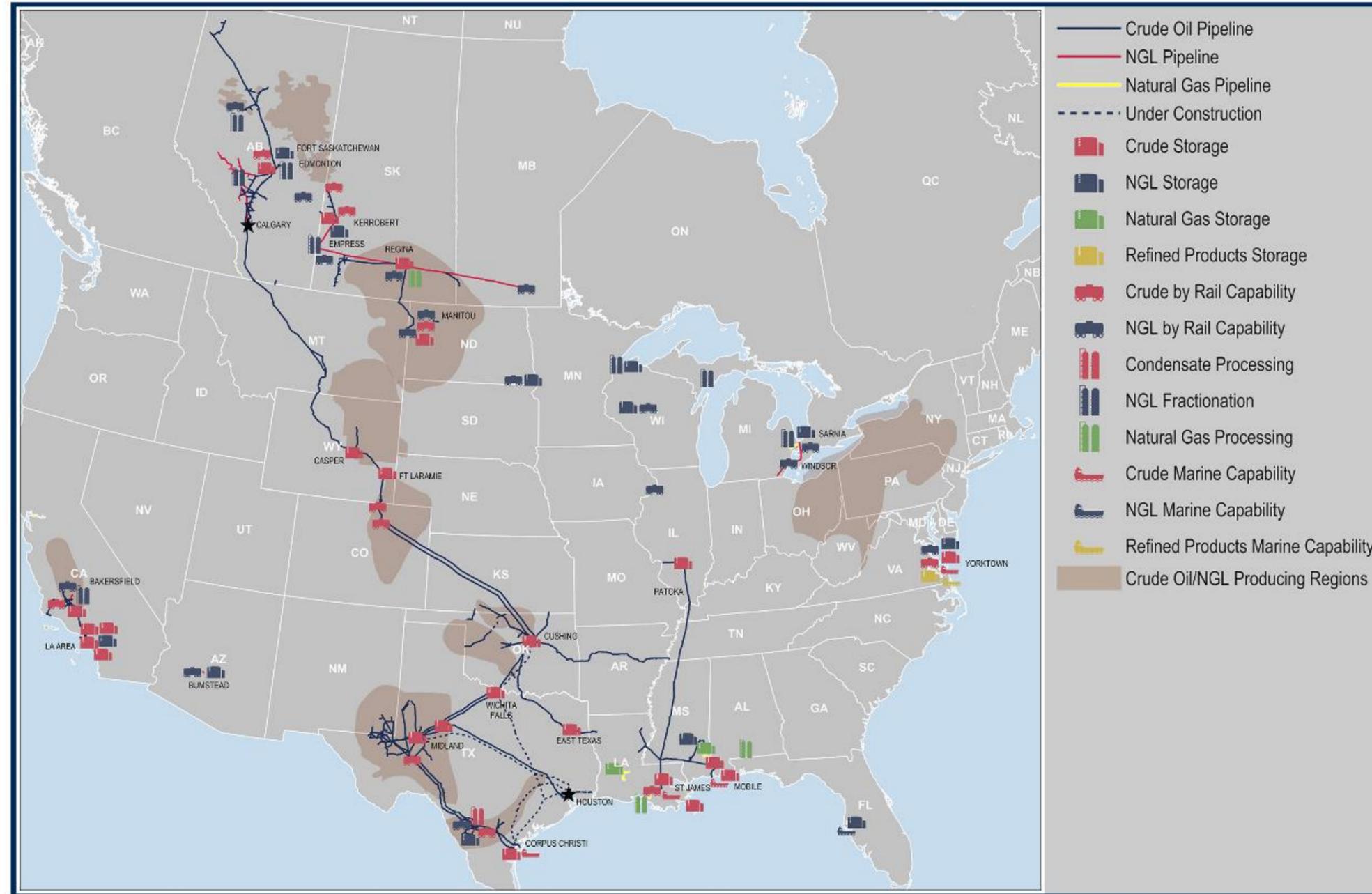
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Interstate Natural Gas Association of America



PAA Asset Map



In the Beginning

- **Getting Started:**

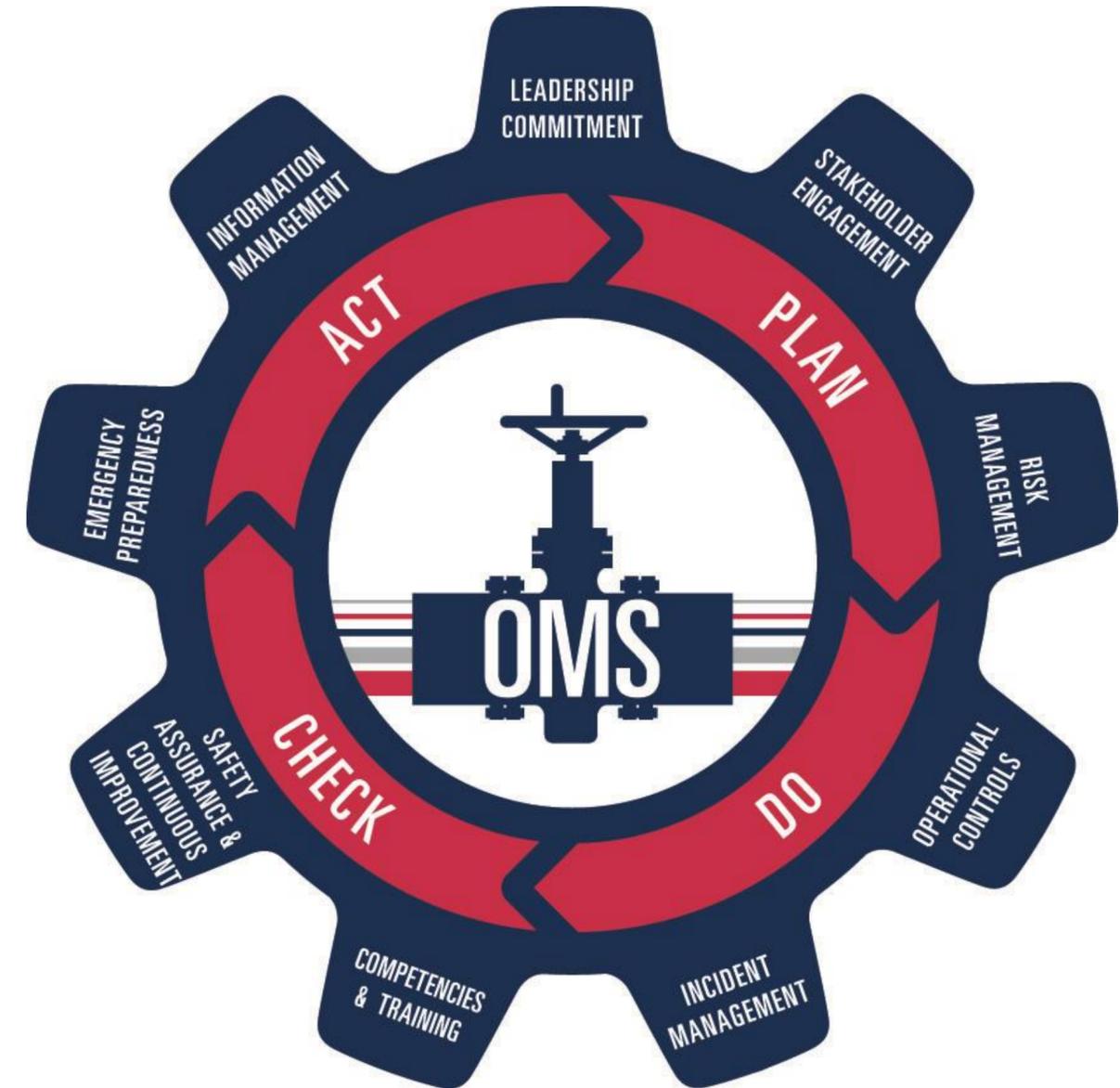
- **Plan**

- Understand the API RP 1173 requirements
 - Determine best approach for our organization

- **Do** - Just do it – get started and continuously improve

- **Meetings and Impact:**

- Monthly Operations Leadership Team (OLT)
 - Bi-weekly Operations Management Team (OMT)
 - Quarterly OMS Responsible for Oversight Meetings
 - Quarterly Management Reviews



Adjustments

- **Check** – OMS Management Review Survey
- **Act** – Reformat and refocus the OMS Governance Meetings which improved efficiency and effectiveness of Management Reviews:
 - Q4 OMS Responsible for Oversight Meeting transitions to Sub-Element Management Review
 - Q1 OLT transitions to OMS Annual Management Review



Making it Real Management Review Today



- Quarterly Oversight Meetings serve as building blocks for Annual Sub-Element Management Reviews
- Focus for each quarter includes:
 - Q1
 - Performance Metrics/KPIs & Targets
 - Sub-Element Plan Status
 - Q2
 - Assessment and Survey Results
 - Planning
 - Q 3 - Sub-Element Maturity Ratings and Targets
 - Q4 – Annual Sub-Element Management Review
 - Performance against Plan
 - KPIs/Metrics Scorecards
 - Decisions
- First Quarter OLT Meeting now serves as the OMS Annual Management Review (Top Management Review) and includes review and approval of OMS Annual Report and OMS Annual Plan.



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Performance Scorecards

- KPI Scorecards are used to review performance during Management Reviews

2022 Q4 Performance Scorecard		Confidential														
Category	KPI	Target	Actual	Notes	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Safety & Health	Employee Recordable Injury Rate (Overall OSHA)	0.00	0.00	All recordable injuries through December. December resulted in the highest number of recordable injuries for 2022. Pipeline has achieved over 200 improvements on OSHA recordable injuries this year. The most common causes of injury are motor vehicle incidents (12) and slips, trips and falls (5). The Employee Recordable Injury Rate includes Canada and ended at 0 for 2022.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Contractor Recordable Injury Rate (Overall OSHA)	0.00	0.00	All recordable injuries through December with 0B according to engineering contractors and 0C according to operations contractors. Note: Target and all values updated based on revised year-over calculation method.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Reportable Injury Releases (Pipeline, Gas)	0	0	Three reportable injuries occurred in 2022: 1B, 1C, and 1D. All three were minor injuries.	0	0	0	0	0	0	0	0	0	0	0	0
Incidents	Lost Catch + Close Call to Reportable Incident Rate (Pipeline, Gas)	0.0	0.0	Lost catch and close call incidents are a leading cause of injury. To reduce the number of lost catches and close calls, training and PPE are critical. By end of 2022, all pipeline, trucking and PPE also received Hazard Recognition training. Effort at supporting field employees in identifying and addressing hazards. There are plans to reinforce this training throughout 2023 during the Division Safety Strategy.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	December 2022 Action Items (Pipeline, Gas, Trucking)	0.0%	0.0%	In December there were 1 overdue action items. A video was put together by the incident investigation team walking users through closure of action items, which has helped to keep overdue low.	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Regulatory Compliance	MSR Notification Time (Pipeline, Gas)	1:00:00	1:00:00	Notification times met MSR 1:00 req for all releases in 2022.	1:00:00	1:00:00	1:00:00	1:00:00	1:00:00	1:00:00	1:00:00	1:00:00	1:00:00	1:00:00	1:00:00	1:00:00
Construction Best Practices	New Preferred Contractor Usage (Pipeline, Gas, Trucking)	0.00	0.00	There were 20 instances of new preferred contractor usage in 2022. 8 of the 20 instances were for work performed without an agreement.	0	0	0	0	0	0	0	0	0	0	0	0
Operational Excellence	Reportable Releases Due to Equipment Failure (Pipeline)	0.00	0.00	All reportable releases due to equipment failure occurred in 2022, total release volume 200 MB.	0	0	0	0	0	0	0	0	0	0	0	0
	Reportable Releases Due to Operator Error (Pipeline)	0.00	0.00	No reportable releases due to operator error occurred in 2022, total release volume 0 MB.	0	0	0	0	0	0	0	0	0	0	0	0
	Controller Errors (Pipeline)	0.00	0.00	27 controller errors occurred in 2022, 87% of which were due to valve alignments. Controller error events learned were for covered in a topic during the Q4 safety meeting.	0	0	0	0	0	0	0	0	0	0	0	0
MSR Continuous Improvement is Sustained	Improvement Action Status (Pipeline, Gas)	0.00	0.00	87% of 120 improvement actions forecasted for completion are closed. 2023 forecast was met as a result of management review on Aug 7. (Monthly data shown as a rolling total)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Gap Status (Pipeline, Gas)	0.00	0.00	120 gaps are closed, leaving a total of 16 verified gaps. 2022 goal to close 100% of the 127 gaps identified as of security cut has been met, as 16 gaps have been closed. (Monthly data shown as rolling total)	0	0	0	0	0	0	0	0	0	0	0	0

Organized by goals and objectives

Consolidated set of KPIs

Status against annual targets

Identification of trends and issues (performance gaps)

Monthly performance data

Lessons Learned



- **Key Success Factors:**

- Active engagement
- Clear decisions on improvement activities and other OMS business
- Continual progress in implementation of improvement activities
- KPIs linked to OMS goals to track progress and guide decisions

- **Continuous Improvement ... Going Forward:**

- Implement automate action and gap management workflows to assist Sub-Element Owners in ownership of information used to develop governance meeting materials
- Implement integrated Management Review - Implementation of individual Sub-Element Management Reviews has improved planning and engagement, but feedback from Leadership included a desire for an integrated, succinct Management Review to include all Sub-Element Owners.
- Continue to improve the content of the OMS Annual Report and Plan using information gathered from the Annual Management
- Continue to refine performance metrics to assess effectiveness of Sub-Element processes/activities



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THANK YOU!

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Workshop Take-Aways



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Risk Management, Management Review and Continuous Improvement



Key Take-Aways



Operational Controls



- A lot to this element, better to take it piece by piece
- Fit for purpose is key, example MOC
- No matter your maturity level, benefits to assessments
- Recognizing the role of the contractor is critical



Stakeholder Engagement



- Engagement needs to be a two-way street
- Capturing, evaluating and sharing lessons learned
- Critical upfront to find right approach to get your employees involved
- Journey not a destination, never truly arrive continuous improvement
- Important to understand not another program, thus a drain on resources



Documents & Record Keeping



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Roundtable Q & A



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