

Managing Compliance In A New World...



Damar Facility 1970

How it came about....

As part of good governance practice

- Employed consultants to do a “Health Check” on our company and look at Compliance Standards
- Huge surprise that we were not compliant in some areas
- Always had full Site Certification
 - ❖ Dangerous Goods
 - ❖ Building Warrant of Fitness
 - ❖ Electrical
 - ❖ Local Authorities

Why Undertaken

- **Commitment to our customers**
- **Commitment to our staff**
- **Commitment to the environment**
- **Future proofing**

Catalyst

- **Pike River**
- **Tamahere Cool store**

Understanding the Standards

- **Must fully understand what the standards are**
- **Employ expert consultants who have expertise and knowledge of legislation and compliance standards**
- **Consultants do not have in-house knowledge of how legislation and compliance is applied your business**
- **Must challenge what is provided**
- **Modify to fit your environment**

The Stake Holders

Collaborative approach between:

- **Environmental Protection Authority (EPA)**
- **Ministry of Business Innovation & Employment (DoL)**
- **Finance**
- **Insurance**
- **Fire Engineer**
- **Local Authority**
- **Regional Authority**
- **Test Certifier**
- **Consultants**
- **Business Owner, Management Team, Staff**

Process

- **Total commitment from all parties**
- **Interactive discussions with Consultants**
- **Full disclosure – do not hide anything**
- **Open and frank discussions on findings**
- **CHALLENGE!**

Issues/Challenges

- **Same flammable liquid legislation has different meanings and must be applied to your business**
- **Being mindful of a working plant environment**
- **Frustrations - cannot fix overnight**
- **Need to change what we do and have corrective actions in place while upgrade is undertaken**
- **No option but to work with to achieve end result**

Risk Assessment Process

- **EPA has a “Compliance Planning Process”**
- **Success of this process is to have a friendly/open working relationship with full disclosure, no surprise policy**
- **No obstacles with Regulatory Authorities, Consultants and Owner**
- **Have robust documentation of Risk Assessment Process of:**
 - ❖ **Current controls**
 - ❖ **Mitigations of risk**
- **Prioritise with timelines**
- **Submit mitigations to the EPA and agree on a Compliance Plan**

Documentation Importance

- Being assessed by Regulatory Authority who may not have a working knowledge of our business
- Fully explain non compliances and proposed mitigations and time lines
- Negotiation period of mitigations
- Acceptance of documentation
- Monitoring progress internally and externally
- It is critical to keep design and commissioning information for the life of the installation

Section 33 Variation

- **Legislation gives us the right to submit a variation Section 33**
- **Legal framework to alternative solutions to the non compliances**
- **Allows for unforeseen circumstances**
- **Total site compliance**
 - ❖ **HSNO**
 - ❖ **Health & Safety & Employment**
 - ❖ **Electrical**
- **Requirement to document all non compliances and hazards**

No Surprises Policy Produces:

- **Transparent monitoring**
- **Continued assistance and acceptance of Compliance Plan**
- **Unforeseen circumstances reported on with updated time line**

Relationships

- **The relationships with Stake Holders is the most important step on the path to compliance**

Implementation of Plan

- **Carefully manage and monitor to obtain a focussed result**
 - ❖ **Timing**
 - ❖ **Funding**
 - ❖ **Deliver an engineered solution for your application**
 - ❖ **Robust auditable sign off of tasks**

Reporting to Stake Holders

- EPA
- DoL
- Board
- Progress from Managers
- Staff Communication

- Yearly Review
 - Test Certifier sign off for time line tasks

Success

- **Solely dependent on how you act with Stake Holders**
- **Must be open, honest with full disclosure**
- **No obstacles for any organization**
- **Total commitment to the end, driven by our in-house team**

Learning's

- **Never assume full compliance**
- **Costs are twofold:**
 - ❖ **Determine**
 - ❖ **Fix**
- **Have a fully collaborative approach**
- **Don't expect Consultants to have all the answers**
- **CHALLENGE implementation of the upgrade in a working plant**
- **Always look for alternative solutions**

Going Forward

- EPA must enforce legislation nationally
- Important to have competition but it must be a fair playing field
- Major changes to old DoL by Christmas
- Much more proactive approach
- If not compliant, lock the doors

It has been hugely challenging and costly

Damar's end game is:

- Life Safety of Staff
- Full compliance
- Market Leadership
- Business Longevity



Presented by Scott Thomson