MANAGEMENT OF CHANGE

Revision History

Rev. #	Description of Change	Date	Revised By
0	Initial Issue	July 2016	PSM RMP Solutions

Purpose

The objective of this Management of Change (MOC) procedure is to ensure that changes to the hazardous chemical inventory are properly reviewed and recorded and that hazards introduced by the implementation of the change are identified and controlled **before the change is implemented**. The Management of Change procedures should be used as the *gatekeeper* of the PSM/CalARP Program to ensure that as changes are made, the program elements are modified and implemented as needed and that affected employees are trained.

Scope

This document summarizes how Inland Star Distribution Centers, Inc. complies with the Management of Change (MOC) requirements for the storage of hazardous chemicals at the facility. Changes that have an impact on the storage of hazardous chemicals covered process, whether considered large (major) or small (minor), temporary or permanent, are subject to review using the MOC procedures. *Replacement in kind* is defined as "a replacement which satisfies the design specification." Thus, the replacement of existing equipment with equipment that meets the design specifications does not constitute a change covered by the Management of Change provision. If in doubt whether a specific issue constitutes a change, it is recommended that it be considered a change and subject to the provisions of this procedure.

Responsibilities

MOC Responsibilities: The General Manager, Operations has overall responsibility for the Management of Change plan at the facility. His/her responsibilities include:

- Review each initial MOC Form and classify the modification as a change or a *replacement in kind;*
- Classify a change as minor or major and indicate whether it is permanent or temporary;
- Log all MOC Forms received and assign a number;
- Circulate the MOC Forms to appropriate personnel;
- Coordinate or conduct a safety and health review using an appropriate technique;
- Ensure that any recommendations noted during the safety and health review are reviewed and those which are accepted are implemented prior to startup;
- Ensure the PSM/CalARP Program files are updated;
- Ensure a pre-startup safety review is conducted following the provisions of the Pre-Startup Safety Review program;
- Supervise the initial startup; and
- Ensure that all follow-up activities are completed.

Originator: A Management of Change (MOC) Form is typically originated from within management. The originator:

- Completes the initial sections of the MOC Form;
- Submits the MOC Form to the General Manager, Operations for approval and processing; and
- Works with other departments, as assigned, during the design and implementation of the modification.

Procedures for Completing a Management of Change

The steps involved in the management of change program are:

1) Initiate the Management of Change Procedure
2) Screen the Management of Change Form
3) Conduct Material Inventory Review
4) Conduct Safety and Health Review
5) Review Recommendations
6) Conduct Pre-Startup Safety Review
7) Steps to Authorize the Change
8) Complete Follow-Up Activities

Specific procedures that should be followed within each of these major steps are provided below.

1) Initiate the Management of Change Procedure

Changes which could affect the storage of hazardous chemicals may be initiated from within management. Any change to equipment, process chemicals, technology or operating procedures requires the submission of a MOC Form (see Attachment A).

Once a change has been identified, the person who initiated the change shall fill out the following sections of the MOC Form:

Section 1 - Facility Information: Fill in plant name, location, name of person who initiated the MOC Form, date MOC Form was initiated and anticipated startup date.

Section 2 - Reason for Request: Indicate the reason the MOC Form was initiated.

Section 3 - Description of Technical Basis for Change:

- Describe the purpose including any alternatives which were considered.
- Describe the change in detail.
- Describe the impact of the change on the overall CalARP/PSM program

Once the first three sections of the MOC Form are completed, the MOC Form shall be forwarded to the General Manager, Operations so that an initial screening can be conducted.

2) Screen the Management of Change Form

The initial screening of a MOC Form, performed by the General Manager, Operations, involves the following steps:

- The MOC Form shall be assigned an unused MOC number, and the number is added to the top of each page. The MOC shall be entered as a line item in the MOC Log (see Attachment B). The log can be used to track the progress of each MOC Form, as well as to maintain a historical record of changes made to the system. Dates should be added to the log as management of change activities are completed. The last two columns should only be used for temporary changes.

- The modification shall be classified on the MOC Form as a change or as a *replacement in kind*.
    - If the modification is a change, the rest of the management of change procedures shall be followed.
    - If the modification is a replacement in kind, the request may be approved and returned to the originator for implementation without completing the rest of the management of change procedures. The potential hazards associated with replacements in kind should be managed using existing procedures, for example, by following approved line opening procedures.

- Changes must be classified on the MOC Form as major changes or minor changes based on the scope of the change
    - For a major change, a formal Process Hazard Analysis (PHA) will be performed to conduct the health and safety aspects of major changes. In addition, more documentation is typically reviewed and updated for major changes. An updated Risk Management Plan (RMP) shall also be submitted to the CUPA for all major changes.
    - For a minor change, a safety review checklist (see Attachment C) may be used to conduct the safety and health review for minor changes.

- The change must be classified on the MOC Form as permanent or temporary.
    - If the change is temporary, the expiration date for the change must be specified on the MOC Form. Once the time authorized for the temporary change has expired, the original chemical inventory is reinstated.

- The final step is to assess the need for the requested modification. An initial screening is necessary to properly evaluate those modification requests which are unnecessary, inconsistent with company policy or may represent an unacceptable course of action. An explanation should be provided if a decision is made not to implement the modification.

3) Conduct Material Inventory Review

A change in chemical inventory may be handled by the following personnel or by an outside contractor depending on the nature and scope of the change:

- Director of EHS[3]
- General Manager, Operations
- Director Customer Service & Compliance
- Warehouse Coordinator

Management of Change will require development and/or modification of a number of documents. Any such document which will be affected needs to be identified early in the change process. Prior to startup, the PSM/CalARP Program Elements section of the MOC Form (Section 6) should be filled out to indicate which elements are affected by the change. The affected elements should be annotated or updated and all personnel informed and trained with regard to these changes. Prior to startup, the date these documents were revised must be added to the MOC Form.

Key PSM/CalARP Program sections that need to be updated include:

- Process Safety Information
- Standard Operating Procedures
- Mechanical Integrity Program

- Training Procedures
- Emergency Action or Response Procedures

The General Manager, Operations shall indicate, on the MOC Form, whether:

- The hazard assessment has to be updated. The hazard assessment must be updated if a change increases the distance to the worst-case release scenario by a factor or two or decreases the distance by 50%.
- An updated Risk Management Plan (RMP) needs to be submitted to the CUPA. An updated RMP needs to be submitted within six months of all major changes that invalidate a PHA study, leading you to "update" or "revalidate" the PHA study so that it accurately reflects the hazards of the process.

The General Manager, Operations is responsible for ensuring that all documentation which becomes part of the PSM/CalARP Program files are kept updated after a change has been made. For any temporary changes, the PSM/CalARP Program files should include copies of any interim documents developed as part of the temporary change.

When the inventory review is sufficiently complete, the design should be submitted to the General Manager, Operations or other appropriate person for a safety and health review.

4) Conduct Safety and Health Review

After the inventory review has been completed, a safety and health review of the change shall be conducted. The safety and health review shall include an evaluation of the possible safety and health effects of the change on employees and the workplace.

Two methods may be used to conduct the safety and health review:

- For minor changes, the safety and health review can be conducted by filling out the safety review checklist in Attachment C. The checklist is typically completed by the General Manager, Operations with input from other departments and disciplines as needed, including at least one person knowledgeable in the process involved.

- For major changes, a formal Process Hazard Analysis (PHA) study such as a HAZOP analysis is typically conducted. The procedures for conducting a formal PHA study are contained in a separate document.

The General Manager, Operations is responsible for determining whether a change proposed under the Management of Change procedure requires a Process Hazard Analysis and/or input from other departments (in addition to the safety and health review).

5) Review Recommendations

Any recommendations generated as a result of the safety and health review must be resolved prior to the change in hazardous chemical inventory. The resolution of all recommendations shall be documented. Documentation should include a description of the actions to be taken, a schedule for the implementation of recommendations, and actual completion dates. The reasons why any recommendations are not implemented shall also be documented. The General Manager, Operations shall be responsible for ensuring all recommendations are implemented or addressed within the specified timeframes, prior the change in hazardous chemical inventory.

6) Conduct Pre-Startup Safety Review

Pre-Startup Safety Reviews are required for all new facilities and for all facility modifications that result in a change to the process safety information. The review involves an inspection and technical review to ensure that the modification has been installed in accordance with the approved design standards, that procedures are in place and adequate and that training of personnel has been completed. The procedures for conducting a Pre-Startup Safety Review are contained in the Pre-Startup Safety Review section of this PSM/CalARP Program.

7) Steps to Authorize the Change

The appropriate columns in the Verification Sign-Off section of the MOC Form (Section 8) shall be signed and dated by the General Manager, Operations when the inventory review, the safety and health review, Pre-Startup Safety Review and personnel training have been completed. This table is also used to verify that the PSM/CalARP Program elements have been revised and that recommendations identified during the inventory review or the safety and health review have been resolved.

Once all items in the verification sign-off table are completed and the remaining columns on the MOC Log are filled out, final approval to change the hazardous chemical storage inventory may be given (Section 9 of the MOC Form). The following approvals are necessary on the MOC Form before the modification:

- Director of EHS[3]
- General Manager, Operations
- Director Customer Service & Compliance
- Warehouse Coordinator

Once the time period for a temporary change has expired, the General Manager, Operations or other appropriate personnel should confirm that inventories have returned to normal. The appropriate table on the MOC Form and the portion of MOC Log concerning temporary changes may then be updated. If it is determined that the temporary change should become permanent,

the temporary change may be reanalyzed as a permanent change using the Management of Change procedure.

8) Complete Follow-Up Activities

Occasionally, some action items may not be completed before the change in hazardous chemical inventory.

The Follow-Up Items table in the MOC Form should be used to document the resolution of any open items that were not completed before the change in hazardous chemical inventory storage. Each open item should be documented in this table along with a due date, the completion date and an explanation describing why the item was not completed prior to startup. The individuals who are authorized to approve the change (i.e. those who sign the Verification Sign-Off) should ensure that the inventory change is safe even though these items have not been completed, i.e. the follow-up items should have no impact on change in inventory..

Once the Management of Change procedures have been completed, along with all supporting data, such as safety review checklists and PHA reports, the MOC should be maintained in the PSM/CalARP Program files. The forms, checklists and reports should be a permanent part of the PSM/CalARP Program.

Attachment A

Management of Change Form

Inland Star Distribution Centers, Inc. MOC Number: _____
Management of Change Form

Part 1: Initiation

Sections 1-3 are to be completed by the person initiating change (i.e. Originator).

Section 1: Facility Information

Name: Inland Star Distribution Centers, Inc.
Address: 2132A East Dominquez Street Carson, CA 90810
Name of Person Initiating the Form:
MOC Initiation Date: Anticipated Startup Date:

Section 2: Reason for Request (check one)

☐ Incident Investigation Recommendation / Ref. No.:
☐ Pre-start Safety Review Recommendation / Ref. No.:
☐ Process Hazard Analysis or Hazard Assessment / Ref. No.:
☐ Change in Storage Requirements
☐ Expansion or Renovation of Warehouse
☐ Other (Explain):

Section 3: Description of Technical Basis for Change

Describe the Purpose for the Change and Any Alternatives Which Were Considered:
Describe the Change in Detail:
Describe Impact of Change:

After Sections 1-3 have been completed, submit the form to the General Manager, Operations.

Part 2: Initial Screening

Sections 4 and 5 of the MOC Form should be completed by the General Manager, Operations and then a copy of the MOC Form should be forwarded to the Director of EHS[3].

Section 4: Change vs. Replacement in Kind (check one)

Is the modification a change or a replacement in kind? If the modification is a replacement in kind, the General Manager, Operations may approve the request and return it to the originator for implementation without completing the rest of this MOC Form.	
☐ Change	☐ Replacement in Kind

Section 5: Assess Technical Basis of Change

This modification is classified as: (check appropriate spaces)

Technical Basis	**Assessment**	**Next Action**
Is the modification a major or minor change?	☐ Modification is a minor change ☐ Modification is a major change	For a **MAJOR** change, a formal PHA is required and an updated RMP may need to be submitted to the CUPA, LACFD. For a **MINOR** change, the safety review checklist may be used.
Is the change permanent or temporary?	☐ Change is permanent ☐ Change is temporary	If change is temporary, specify the expiration date for the change. **Expiration Date for Temporary Change:** _____
Is the change necessary, consistent with company policy and an acceptable course of action?	☐ Yes ☐ No	If Yes, change should be forwarded for inventory review. If No, change should not be implemented and an explanation should be listed below.
Explanation as to why the change should not be implemented:		

Part 3: PSM/CalARP Program Elements

This section of the MOC Form should be completed by the General Manager, Operations.

Section 6. PSM/CalARP Program Elements

Check and fill in appropriate spaces to indicate the elements that are applicable to this change and the date that necessary revisions are completed. **Attach or reference all documentation.**

Applicable?		Program Element	Date Completed
☐ Yes	☐ No	Hazardous Material Chemical Inventory	
☐ Yes	☐ No	Codes and Standards for the Equipment	
☐ Yes	☐ No	Manufacturer Date Reports for Pressure Vessels	
☐ Yes	☐ No	Other Portions of the Process Safety Information: (describe)	
☐ Yes	☐ No	Written Policies/Procedures	
☐ Yes	☐ No	Training Program	
☐ Yes	☐ No	Safe Work Practices: (describe)	
☐ Yes	☐ No	Emergency Action Procedure	
☐ Yes	☐ No	Hazard Assessment	
☐ Yes	☐ No	Risk Management Plan Submittal to CUPA	
☐ Yes	☐ No	Other PSM/CalARP Program Elements or Procedures: (describe)	

Part 4: Verification, Approval, and Follow-Up

These sections of the MOC Form should be completed by the General Manager, Operations.

Section 7: Verification Sign-Off

Check and fill in appropriate spaces and **attach or reference all documentation**.

Requirement	Name / Title	Signature	Date
1) The inventory review has been completed and all modifications have been made as designed.			
2) The safety and health review was completed using the following technique: ☐ Safety Review Checklist ☐ Formal Process Hazard Analysis (PHA) ☐ Other (describe):			
3) All PSM and CalARP Program elements noted in Section 6 have been revised, placed in the appropriate PSM and CalARP Program files, and made accessible to the employees.			
4) The pre-startup safety review has been completed.			
5) All affected personnel have been informed of and trained in the change.			
6) Recommendations (if any) identified during inventory review, during the safety and health review, or during the PHA have been resolved.			

Section 8: Approval to Startup Process

Sign and date appropriate spaces.

Name: Title: Signature:	Date:
Name: Title: Signature:	Date:

Section 9: Final Verification for Temporary Changes

Requirement	Name / Title	Signature	Date
1) All temporary conditions have been returned to normal conditions. Indicate date conditions were returned to normal: _____			

Section 10: Follow-up Items

List any follow-up items which were not completed prior to the change in chemical inventory, the reason that the item has not been completed (in the Comment column) and fill in due date and the date that they are completed. The individuals who are authorized to approve the change in chemical inventory should ensure that the change is safe even though these items have not been completed, i.e. the follow-up items should have no impact on safety.

Follow-Up Items	Comment	Due Date	Date Completed

Attachment B

Management of Change Log

Inland Star Distribution Centers, Inc.
Management of Change Log

Instructions:
Enter each MOC as a line item in this MOC Log. This log can be used to track the progress of each MOC Form, as well as to maintain a historical record of changes made to the system. Dates should be added to the log as management of change activities are completed. The last two columns should only be used for temporary changes.

MOC No.	Date MOC Initiated	Date Inventory Review Completed	Date Safety and Health Review Completed	Date Pre-Startup Safety Review Completed	Date Change Authorized	Startup Date	Expiration Date (Temporary Changes Only)	If Change is Temporary, Date Temporary Conditions Returned to Normal

Attachment C

Safety Review Checklist

Inland Star Distribution Centers, Inc.
Safety Review Checklist

Instructions:
This checklist may be used to conduct the safety and health review for minor changes instead of performing a formal Process Hazard Analysis (PHA) study. Any recommendations resulting from the completion of this checklist should be tracked for progress and completion. Ensure to document completion dates and actions taken/resolutions to each recommendation under the "Comments" column. Attach or reference documentation as necessary.

Section 1: Checklist Information

Date(s) Checklist Completed:
Persons Completing the Checklist: Name & Title: Name & Title: Name & Title:
Reference MOC Number:

Section 2: Checklist

Question	Answer (Yes, No, or N/A)	Remarks	Recommendations	Comments
1. If the modification affects any ventilation system, will modified ventilation system comply with appropriate codes and standards?				
2. Does the modification alter the normal permitted discharges to the air or water of the facility? If yes, are any changes needed to existing permits?				
3. Does the modification require that the onsite inventory of hazardous chemicals be increased? If yes, are any additional safeguards or controls needed?				
4. Does the modification require that hazardous chemicals be stored at higher temperatures or pressures than the current configuration?				

Inland Star Distribution Centers, Inc.
Safety Review Checklist

Question	Answer (Yes, No, or N/A)	Remarks	Recommendations	Comments
5. Does the modification require that hazardous chemical detectors be added?				
6. Are the indications and alarms in the existing plant adequate for the modified plant?				
7. Does the modification require additional personnel protection measures (e.g., PPE)?				
8. Have the modifications created any additional vulnerabilities to external events which did not exist before (vehicle traffic, fire, water accumulation, high wind, etc.)?				
9. Is electrical power and other services adequate to meet the demands of the modified plant?				
10. Are the existing site security procedures adequate?				
11. Are the existing eyewash/safety showers adequate?				
12. Has the change been reviewed and approved by appropriate facility management?				
13. Have all other health and safety issues been addressed?				
14. Is the existing fire suppression system adequate for the change in chemical inventory?				

Inland Star Distribution Centers, Inc.
Safety Review Checklist

Question	Answer (Yes, No, or N/A)	Remarks	Recommendations	Comments
15. Is the warehouse racking capacity adequate?				