A risk-based approach to process safety makes (dollars and) sense

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Process safety practices and formal safety management systems have been in place in some companies for many years. Process safety management is widely credited for reductions in major accident risk and in improved chemical industry performance. Unfortunately, traditional process safety management programs are typically based on implementing a standard set of requirements that, in some situations, may not be enough to adequately manage risk, while in other cases may cause them to "overwork" process safety.

To promote process safety management excellence and continuous improvement throughout industry, the Center for Chemical Process Safety (CCPS) created risk-based process safety as the framework for the next generation of process safety management. This approach encourages companies to "consider the risk" when making decisions on how to apply its resources (while of course, continuing to comply with applicable regulatory requirements).

It is possible that a company may not be focusing on the right things, or that it is not doing the necessary things well. Even if the results are satisfactory, resources may be wasted on some tasks that could be done more efficiently or tasks that should not be done at all.

The Center for Chemical Process Safety's newly published book titled "Guidelines for Risk Based Process Safety" or "RBPS Guidelines," advocates that process safety management systems should be built on four accident prevention pillars: commitment to process safety, understand hazards and risk, manage risk, and learn from experience.

Authentic *commitment to process safety* is the cornerstone of process safety excellence. Management commitment has no substitute. Organizations generally do not improve without strong leadership and solid commitment. The entire organization must make the same commitment. A work force that is convinced that the organization fully supports safety as a core value will tend to do the right things, in the right ways, at the right times, even when no one is looking.

Organizations that *understand hazards and risk* are better able to allocate limited resources in the most effective manner. Industry experience has demonstrated that businesses using hazard and risk information to plan, develop and deploy stable, lower-risk operations are much more likely to enjoy long-term success.

Managing risk focuses on three issues: 1) Prudently operating and maintaining processes that pose the risk, 2) Managing changes to those processes to ensure that the risk remains tolerable, and 3) Preparing for, responding to and managing incidents that do occur. Most CCPS member companies spend significant time and money in an effort to manage risk. Developing process safety management systems that are tailored to risk helps support incident-free, profitable operations.

Learning from experience involves monitoring and acting on internal and external sources of information. Despite a company's best efforts, operations do not always proceed as planned, so organizations must be ready to turn their mistakes — and those of others — into opportunities to improve process safety efforts.

The RBPS approach recognizes that all hazards and risks are not equal and that the level of resources applied to process safety should be based on hazards and risks. The main emphasis of the RBPS approach is to put just enough energy into each activity to meet the anticipated needs for that activity. In this way, limited resources can be optimally apportioned to improve both facility safety performance and overall business performance.

The RBPS premise is that organizations that understand hazards and risk are better able to allocate limited resources in the most effective manner. Moreover, if individuals within the organization have an understanding of how the actions they perform (or choose to omit) on a daily basis affect risk, and if the organization has a sense of the risk significance of these actions, better risk management decisions will emerge at all levels of the organization.

Effectively using risk information to plan, develop and deploy appropriate management systems that sustain activities critical to properly managing risk helps position the organization for long-term success.

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[BUSINESS UPDATE]

Changing the face of investment recovery

Steven Levy Enterprises

For nearly 20 years, Steven Levy and his team at Steven Levy Enterprises (SLE) have been changing the face of investment recovery, helping clients across the Gulf Coast maximize the return on their surplus.

SLE is an aggressive buyer of all types of industrial surplus. Many surplus buyers only deal in one particular area, but Steven Levy Enterprises buys it all. The company buys new and used surplus, including pipe, valves, fittings, instrumentation, electrical, process equipment, machinery, nonferrous scrap or *anything of value!*

SLE assists the petrochemical/refining, oil and gas, power generation, pulp and paper, and construction industries recover cash through:

➢ Buying new and used industrial equipment.

➢ Bone yard cleanup.

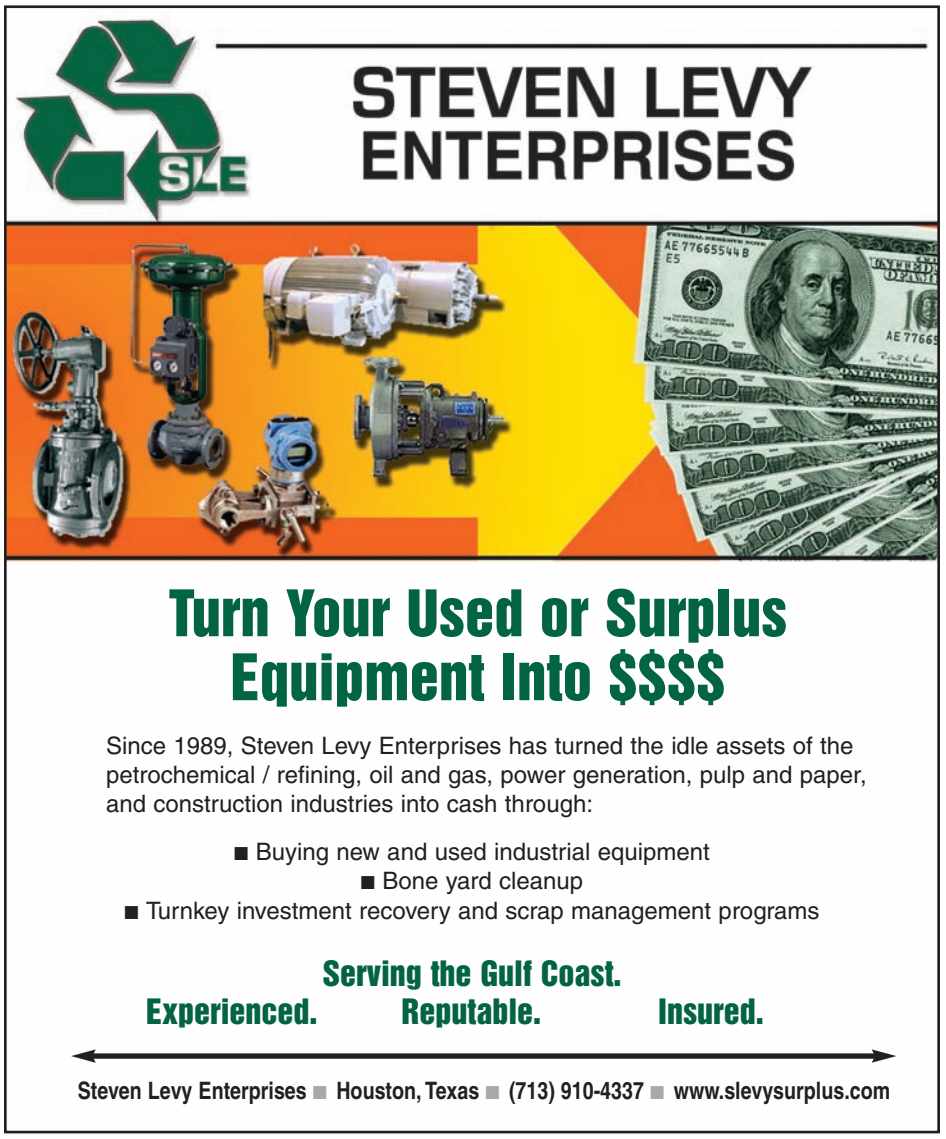
➢ Turnkey investment recovery and scrap management programs.

"We are unique in the amount of involvement that we are willing to do," SLE President Steven Levy said. "We do this every day, and we have our finger on the pulse of the surplus market. We are able to help our clients capitalize on the return on their investments."

A crucial component in getting the most value for surplus is not just finding a buyer, but finding the *right* buyer. SLE accomplishes this through direct marketing of the products.

"We find out who uses the equipment, and we go directly to the specific buyer, whereas when you send stuff to auction, you *hope* the correct buyers will be there to bid against one another. We try to ensure this by direct marketing to the specialized customer who uses the equipment we are selling," Levy explained.

Getting the most value for surplus means finding the right buyer.

Clients of SLE find that this and other aspects make the company a top-notch operation.

For more information, please call (713) 910-4337 or visit www.slevysurplus.com. ❑