CHAPTER 5: MANAGEMENT SYSTEM

5.1 GENERAL INFORMATION

If you have at least one Program 2 or Program 3 process (see Chapter 2 for guidance on determining the Program levels of your processes), the management system provision in Section 2735.6 of the CalARP regulation requires you to:

- Develop a management system to oversee the implementation of the CalARP program elements;
- Designate a qualified person or position with the overall responsibility for the development and integration of the CalARP program elements; and
- Document the people or positions and define the lines of authority through an organizational chart or other similar document, if you assign people or positions other than the person or position with overall responsibility to implement individual CalARP program requirements.

5.1.1 ABOUT THE MANAGEMENT SYSTEM PROVISION

Management commitment to process safety is a critical element of your stationary source's CalARP program. Management commitment should not end when the last word of the RMP is composed. For process safety to be a constant priority, your stationary source must remain committed to every element of the CalARP program.

The CalARP regulations represent an integrated approach to managing risks. Each element must be implemented on a daily basis and become a part of the way you operate. Therefore, your commitment and oversight should be continuous.

By satisfying the requirements of this provision, you are ensuring that:

- The RMP elements are integrated and implemented on an ongoing basis; and
- All groups within a source understand the lines of communication.

5.2 HOW TO MEET THE MANAGEMENT SYSTEM REQUIREMENTS

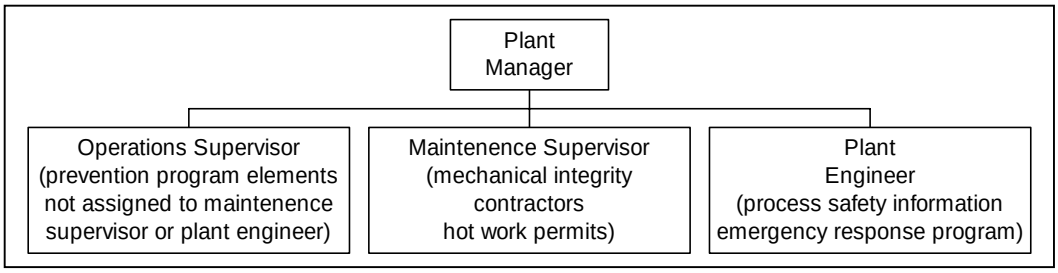
The guidance that follows refers to small, medium, and large facilities. Small, medium and large are not defined. CCCHSD understands that sources covered by the CalARP regulations are diverse and that you are in the best position to decide how to appropriately implement and incorporate the management system requirement at your stationary source. Therefore, you should assess your operation and choose an appropriate management system that meets your needs.

5.1.2 WHAT DOES THIS MEAN FOR YOU AS A SMALL STATIONARY SOURCE?

The management system requirement does not apply to Program 1 processes. As a small stationary source that must comply with this provision, you most likely have one or two Program 2 or 3 processes. To begin, you may either identify the qualified person *or* position with overall responsibility for implementing the CalARP program elements at your stationary source. As a small stationary source, it may make sense and be practical to identify the name of the qualified person, rather than the position. Recognize that the only common element between this provision and your risk management plan (RMP) is the name of the qualified person or position with overall responsibility. Further, changes to this data element in your RMP do not require that you update your RMP.

If you have a small stationary source with few employees, you may meet the requirements of this provision simply by identifying one person or position with the total responsibility of implementing the CalARP program elements. If this is the case, you need not develop an organizational chart. You must only define the lines of authority with an organizational chart or similar document, if you choose to assign responsibility for specific elements of the CalARP program to persons or positions other than a person with overall responsibility. An example organizational chart for a small stationary source is Exhibit 5-1.

EXHIBIT 5-1



5.1.3 WHAT DOES THIS MEAN FOR YOU AS A MEDIUM OR LARGE STATIONARY SOURCE?

As a medium or large stationary source you may have more managerial turnover than smaller sites. For this reason, it may make more sense at your stationary source to identify the qualified position, rather than the name of the specific person with overall responsibility for the CalARP program elements. Remember that the only common element between this provision and your Risk Management Plan (RMP) is the name of the qualified person or position with overall responsibility. Also note that changes to this data element in your RMP do not require you to update your RMP.

As a relatively large or complex stationary source, you will likely choose to identify several people or positions to supervise the implementation of the various elements of the program; therefore, you must define the lines of authority through an organizational chart or similar document. We believe that a good way to define lines of authority is by creating an organizational chart that identifies the positions selected to oversee the CalARP program, their roles, and responsibilities. Examples of organizational charts for stationary sources of varying sizes are located on the following pages. Further, we expect that most stationary sources your size already have an interest in formalizing internal communication and have likely developed and maintained some type of documentation defining positions and responsibilities. Any internal documents you currently have should be the starting point for defining the lines of authority at your stationary source. You may find that you can simply update current documents to satisfy this part of the management system provision.

Defining the lines of authority and roles and responsibilities of staff that oversee the CalARP program elements will help to:

- Ensure effective communication about process changes between divisions;
- Clarify the roles and responsibilities related to process safety issues at your stationary source;
- Avoid problems or conflicts among the various people responsible for implementing elements of the CalARP program; and
- Avoid confusion and allow those responsible for implementation to work together as a team.

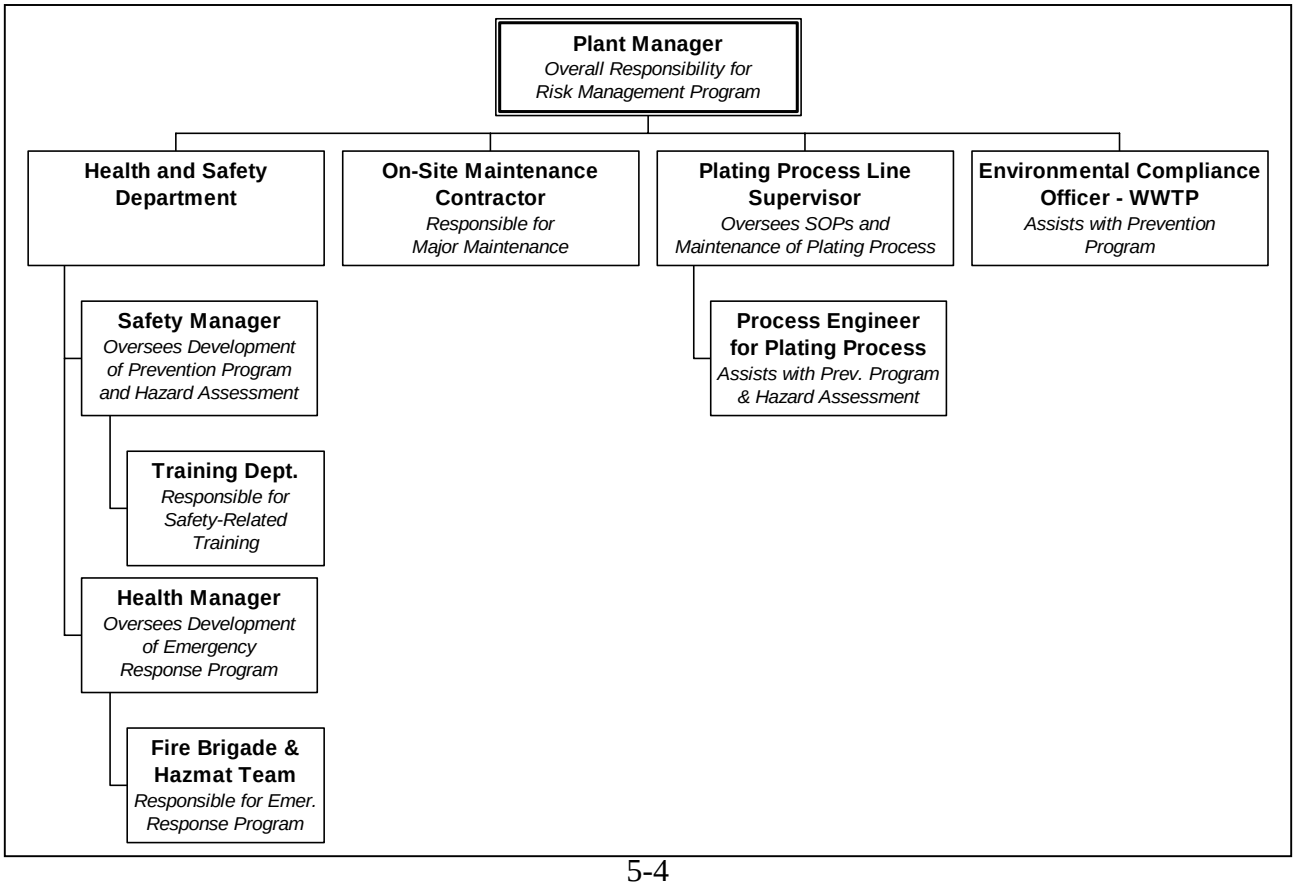
Remember that all of the positions you identify in your organizational chart will report their progress to the person with overall responsibility for the program. However, nothing in the CalARP program rule prohibits you from satisfying the management provision by assigning process safety committees with management

responsibility, provided that an organizational chart or similar document identifies the names or positions and lines of authority.

5.3. SPECIFIC GUIDANCE FOR MEDIUM STATIONARY SOURCES

If your stationary source is split into several relatively distinct process areas or divisions, you may want to select a person or position to be responsible for the CalARP program within that division (e.g., a process area supervisor or equivalent position). Communication between divisions becomes extremely important. For example, the person in charge of emergency response should be notified when a process change is made that might affect the hazards in a particular area of your stationary source. Likewise, those in charge of training should be aware of all revisions to operating procedures. The person in charge of implementing the CalARP program elements in each process must ensure that appropriate changes are made within the process area. These changes must be communicated both to employees within that process area and to the person with overall responsibility for the CalARP program. Exhibit 5-2 provides an organizational chart for a source with one Program 2 process and one Program 3 process. It shows a possible organizational chart for a metal products manufacturer that has two covered processes, including a HCl storage tank (Program 2) and a wastewater treatment plant that uses chlorine (Program 3). The HCl (37% solution) is used in the source's plating processes. This source has 500 employees of which 50 work with the regulated substances.

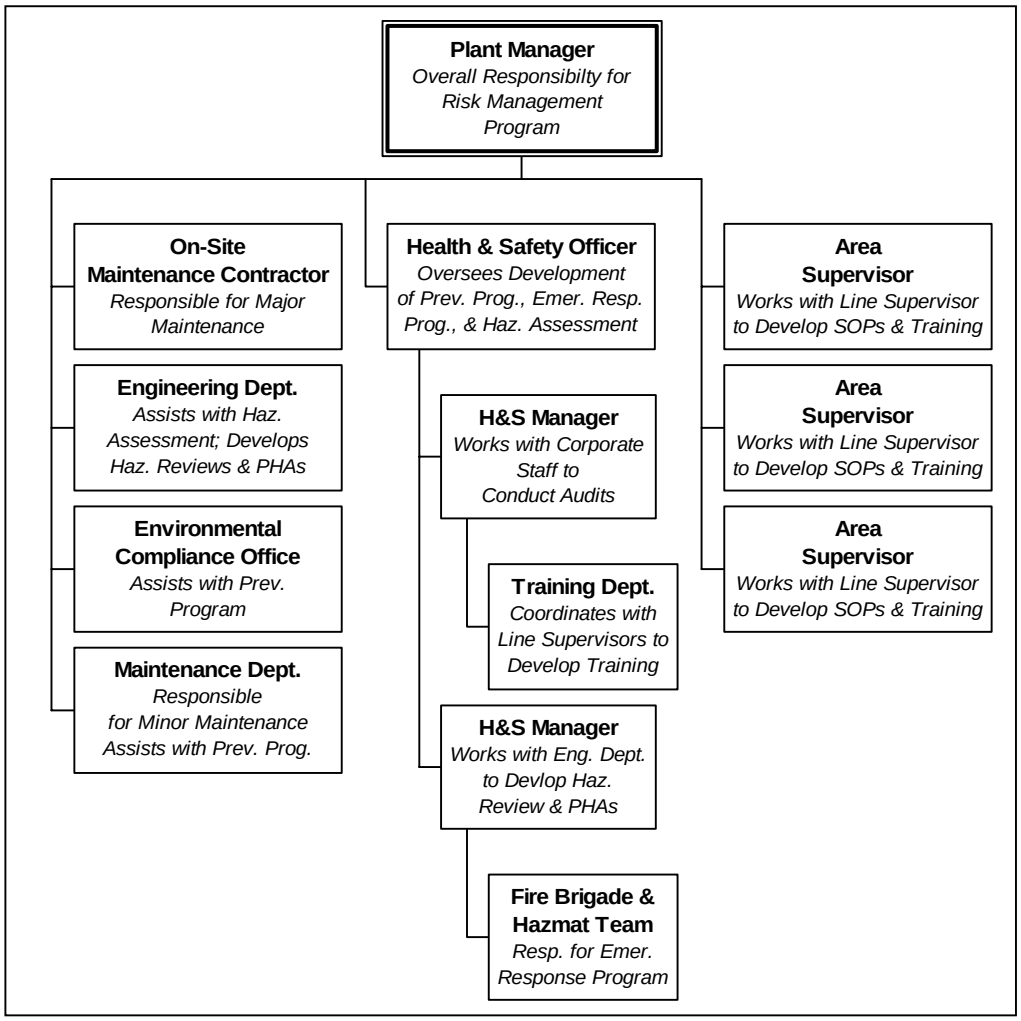
EXHIBIT 5-2



5.4 SPECIFIC GUIDANCE FOR LARGE STATIONARY SOURCES

This section is for stationary sources with a combination of distinct process areas and different groups responsible for certain tasks (e.g., safety, maintenance, emergency response, audits) throughout the stationary source. The organizational chart in this example applies to a relatively complex stationary source in which one person has overall responsibility for the Program (as is required). In addition, several different people maintain responsibility for safety, maintenance, etc., and three process supervisors are responsible for changes within their process areas. Exhibit 5-3 shows a possible organizational chart for a large chemical manufacturer. This stationary source manufactures a wide variety of chemicals including, chloroform, chlorine, ethylene, HCl, hydrogen cyanide, phosgene, and propylene. This stationary source has over 1,000 employees of which most are involved in handling chemicals.

EXHIBIT 5-3



5.5 WHERE CAN YOU GET MORE INFORMATION?

- *Plant Guidelines for Technical Management of Chemical Process Safety,* Center for Chemical Process Safety of the American Institute of Chemical Engineers, 1995