

April 16, 2010



## **SQE Expectations and Safety Requirements for Contractors/Visitors aboard ATC Vessels**

Your company is currently listed in Alaska Tanker Company's (ATC's) contractor/vendor contact list as an organization with employees that work aboard our vessels. As such, we believe the following may be applicable to you. If you consider this to be incorrect, please forward this letter to the appropriate individual(s) in your company. If your contact information needs correction, please advise the undersigned in writing via e-mail (address below).

This letter provides advice on ATC's Safety, Quality and Environmental (SQE) as well as our security expectations. A copy of ATC's poster "Attention Contractors and Visitors" is available at our website ([http://www.aktanker.com/page\\_0030.htm](http://www.aktanker.com/page_0030.htm) under "Contractors" located in the upper right corner of the website). We suggest that you post a copy of this poster at your office or other prominent location and request that you have your staff/supervisors review these expectations and safety requirements to ensure they understand them and adhere to them. Failure to do so may result in denial of access to ATC vessels or delays in the commencement of work.

We wish to emphasize ATC's safety expectation of contractors and vendors that work aboard our ships. In March 2010, our fleet completed over eight years - 14 million man-hours - without experiencing a lost time injury. In 2004 ATC began including contractors in its statistics. Since then, companies that provide support to ATC have completed nearly 374,000 contractor man-hours without a lost time injury. While aboard an ATC vessel, contractors are held to the same standards as the ATC vessel crew in all areas, especially health, safety and the protection of the environment. We do not want anyone to get injured aboard one of our ships. We will continue to go to great lengths to extend our safety culture and requirements to the many contractors and vendors that support our fleet.

On that note, ATC wishes to draw attention to the following requirements that must be met prior to boarding an ATC vessel:

**Personal Protective Equipment (PPE):** It is the responsibility of the visitor to have suitable PPE and safety processes to conduct their duties prior to boarding an ATC vessel. Where there are special requirements due to the nature of work or where HSSE questions arise, please contact your ATC representative. You are required to use the following:

- Eye protection
- Hard hat
- Good quality leather work shoes or steel toed boots
- Flashlight (*Note: proper/safe equipment includes the use of Class 1 Division I rated flashlights, unless the vessel is certified gas-free.*)
- Pre-prepared Job Planning and Hazard Analysis draft identifying PPE for the work expected

**Safe Lifting and Carrying:** Any individual item weighing 50 pounds or greater must have a label visible from the top or sides warning persons of a lifting hazard. While onboard ATC vessels, items over 50 lbs. should not be lifted or carried by one person. Contractors shall ensure that sufficient personnel are available to safely move objects, ensure personnel understand and comply with this weight limit, and that employees utilize appropriate lifting techniques. Contractors are encouraged to train their employees on proper lifting and carrying techniques.

**Vessel Familiarization and Safety Orientation:** All visitors will be given a copy of the *Safety Requirements for Visitors* information document. Visitors may be asked to sign a *Release and Waiver of Liability* form, depending on the nature of work being conducted (available on our website under “Contractors”). Contractors attending a vessel for an extended time may be required to undertake a vessel safety orientation and sign the aforementioned waiver (e.g. if riding or sleeping on the vessel).

**Injury/Illness Reporting While on board:** Contractors working aboard ATC vessels will be required to follow ATC guidelines for reporting injuries or illnesses. Contractors are expected to immediately report any illness or injury to the vessel’s Watch Officer. If a worker intends to leave the vessel due to an injury or illness, they shall first report to the Watch Officer prior to leaving the vessel. If there is doubt as to whether one should report an injury or illness, then report it.

**Job Planning and Hazard Analysis:** When working on our vessels, ATC requires that your crews conduct a Job Hazard Analysis (JHA) safety meeting along with the ATC Person-in-Charge of the work operation. The purpose of this meeting is to review job safety requirements and identify all possible hazards prior to beginning a job. The process includes discussion of MSDS’ for any chemicals brought onboard by Contractors (MSDS to be supplied by the Contractor). An abridged version of ATC’s JHA procedure and the JHA form can be downloaded for your use from our website (under “Contractors”). If you have questions, please contact your ATC representative for more information.

**Environmental Management:** ATC maintains a high standard of environmental management aboard its vessels and as such you will need to be aware of processes in place designed to prevent tampering with system components that could lead to harm to the environment. If you are working on a system that may come in contact with the sea there will be numbered seals in place that can only be removed by a licensed ATC officer. Do not remove any seals yourself. Report any unplanned losses of oil from its primary containment to the Watch Officer. Be sure to cover environmental aspects of the job during the JHA process.

**Maritime Security:** Due to international security requirements, all personnel boarding ATC vessels shall be subject to security screening. This includes, at minimum, procedures for the advance notification of all personnel planning to attend an ATC vessel including all names, titles, government ID (including a TWIC card), and reason for attendance. Prior to leaving home, contact your ATC representative to be added to the security list. If you don’t advise ATC in advance of a visit, you may be denied access to the vessel.

Effective 4/15/09, the Transportation Security Administration requires any individuals who need unescorted access to secure areas of ports, facilities, or vessels to hold a Transportation Worker Identification Credential (TWIC). ATC expects that contractors/vendors who must access our vessels will hold TWIC cards. Any fees imposed by ports/facilities to provide an escort for vendor employees not holding a TWIC card shall be at the contractor/vendor’s expense. In addition, where port/facility or vessel escorts are not available, port/facility access, including vessel access, may be denied to vendor employees not holding TWIC cards. ATC shall not be responsible for costs incurred by vendors whose employees do not hold TWIC cards. For additional information, contact your ATC representative and/or the TSA website at [www.tsa.gov/twic](http://www.tsa.gov/twic).

The ship’s gangway watch will require all visitors to show a TWIC card or other valid government issued photo identification. They may also search the individual and/or their possessions and ensure that name tags on bags and luggage match their ID. Although ATC may accept an alternative means of identification, in some cases terminals may prohibit entry without a TWIC.

All marine terminals now have specific requirements for transiting their property to and from the vessel. It is imperative that all personnel attending the vessel are aware of those requirements. Attached is a copy of our MARITIME SECURITY AWARENESS information guide. We request that you ensure all workers visiting ATC vessels are aware of these security requirements.

Any violation of these requirements amount to a security breach that will be reported to the USCG, National Response Center, and other agencies as well as a full investigation with lessons learned and corrective actions. If a visitor is involved in any such incident they will be required to be available for the investigation at no cost to ATC.

**Drug and Alcohol Policy:** ATC's Drug and Alcohol policy is applicable to ATC Contractors who work on board ATC vessels. Contractors are subject to *"For Cause"* and *"Post-accident"* testing whenever they are on board an ATC vessel. Contractors are also subject to *"Random"* drug and alcohol testing whenever they are on board an ATC vessel and will be tested if the crew of that vessel is tested under ATC's random testing program. Contractors are not subject to this ATC policy if they are already covered by another Drug and Alcohol policy acceptable to ATC.

**Management System:** As part of our QSMS risk assessment process for contracted services, ATC reviews company management systems that have been successfully implemented by Contractors. While this is not a prerequisite to working with ATC, you are invited to provide information to ATC documenting your company's management system and whether it is certified to a recognized standard. Alternatives, such as a formally documented in-house management system or Class Society service supplier approval, may also be applicable to any response you make. If applicable, you are requested to provide a copy of your ISO 9001, ISO 14001 certificates, etc. to ATC by mail to the above address.

ATC uses this information in our Approved Contractor/Vendor approval process, and adjusts your quality and risk ratings accordingly. Those contractors that are evaluated as 'High' risk and/or having other specific quality/safety concerns may expect to be visited by a representative of ATC for an audit on a periodic basis.

**Certificates of Liability Insurance:** ATC requires certificates of liability insurance from Contractors working on our vessels. The certificates must name **Alaska Tanker Company, LLC (Attention: Mr. Jeff Reynolds)** as an additional insured party on your policy. The nature and limits of such insurance is based on the type/extent of work being performed. ATC requires general liability insurance in an amount not less than \$1 million per occurrence / \$1 million aggregate. Other possible required coverage's include USL&H or P&I entry. For clarification, contact Mr. Reynolds directly at 503-207-0105.

ATC's commitment is to work with you to accomplish these expectations, which are aimed at ensuring the safety of all those we work with. We hope that this dialogue will help us continue our focus on protection of life, property and the environment, and we invite any questions or concerns to the undersigned at 503-207-0070.

Sincerely,

Captain Robert Wenz  
Assurance and HSSE Team Leader  
Alaska Tanker Company LLC  
(503) 207-0070  
robert.wenz@aktanker.com

cc: ATC Ship Masters/Chief Engineers,  
ATC Team Leaders,  
ATC Superintendents,  
ATC Insurance Manager,  
ATC HSSE Team