

SAFETY
PAYS

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THE SHARP EDGE IN SAFETY

When Jim Brokaw stepped into his role as safety and compliance manager for Aurora Cooperative four years ago, he inherited a commitment that sets this central Nebraska-based cooperative apart in terms of employee safety and health management. Five of the cooperative's 50-plus locations have achieved SHARP status, an acronym that stands for OSHA's Safety and Health Achievement Recognition Program.

The on-site consultation program recognizes small employers who operate an exemplary safety and health management system. Acceptance of a worksite into SHARP is an achievement that singles a business out as a model for worksite safety and health. Not only is reaching SHARP status a prestigious distinction, but it exempts a facility from OSHA-programmed inspections for up to two years, and subsequent renewal for up to three years.

The SHARP journey for this cooperative began in 2002, when the main grain elevator in Aurora achieved SHARP status. Today, locations wearing the OSHA badge of honor include two that are primarily grain, two agronomy, and one that is a multi-enterprise location.

"When you're a SHARP facility, you're in a voluntary inspection program," says Jim. "It helps you be proactive when it comes to safety." The process to become a SHARP facility begins, he explains, with a written request for a consultation. In Nebraska, that request is sent to the Workforce Development section of the Nebraska Department of Labor, the agency that manages the SHARP program in the Cornhusker state.

Identifying and correcting the hazards

"They do a comprehensive safety audit of your facility and a complete safety and health program review," says Jim, "and every safety hazard they identify must be corrected within a certain period of time." The list of hazards and deficiencies, which must be posted for employees to view, can include everything from inadequate machine guards or cat walk hand rails to a problem extension cord or issues with a company's written safety program.

SHARP also monitors a facility's OSHA 300 Log. To qualify for SHARP status, a facility's workplace injury record must fall below the national average for like industries—not only for the year to date, but the previous three years, as well. That qualification makes it difficult, admits Jim, for locations

with very few employees to stay enrolled in SHARP. "If a location has only three employees, and one gets injured, your injury rate shoots way up," he says. "These types of locations have to remain virtually injury-free in terms of OSHA-recordable injuries."

That stipulation, plus the paperwork and time involved, can be considered drawbacks by some, but Jim is convinced SHARP is worth the time and effort. "It has helped me learn what OSHA expects of our business," says Jim. "It also gives me another pair of eyes from a different perspective. They can see things that you might overlook. You end up with a safer location." Brian Travis, the Austin Mutual senior loss control representative that works with Aurora Cooperative, says enrollment in SHARP demonstrates a good faith effort to be a safer workplace. "It shows that Aurora Cooperative is dedicated to safety and trying to do things in a correct way," says Brian.

An obvious advantage to being a SHARP facility is that it does exempt a worksite from OSHA-programmed inspections during the period that SHARP certification is valid. However, OSHA enforcement inspections at SHARP sites can be triggered by formal complaints, a fatality, imminent danger situations, or other significant events.

Additional benefits to the free consultation service, he explains, include the relationship a business builds with regulatory agencies and the resources they provide. The program also boosts employee morale. "We had two locations that were recently reviewed and renewed into SHARP," says Jim. "The employees there take a lot of pride in that." For more information about SHARP and how to become involved, go to www.osha.gov/dcsp/smallbusiness/sharp.html. ▶



The staff at Aurora Cooperative's Clay Center facility are proud to be one of the co-op's five SHARP locations.

Keep a Cool Head With Hot Work

Do you have the sense that the hot work permit is considered simply OSHA-required busy work by your employees? If so, it's time to reposition the form as a valuable tool that, if reviewed and followed, can dramatically reduce potential hazards. The value of a hot work permit seems obvious to those of us in the safety business. However, I've visited too many grain and feed facilities where hot work activity is taking place directly over several inches of grain dust, or directly under dust-covered spouting. In those situations, it's apparent that hot work permits are being utilized merely as a formality of OSHA paperwork rather than a common-sense guide to be followed.

Grain dust is nine times more explosively powerful than coal dust, and so the OSHA standard requiring areas within 35 feet of the hot work area being swept clean of combustible materials is a critical component to safety. Walls, spouting, legs, and even ceilings within that area also need a thorough cleaning before work begins. To drive home the point, set the scenario for your employees. What can happen, for example, if someone is welding on a grain spout that has a thick layer of dust covering its top-half? The welder pounds the hot slag from the welding, disturbing the dust layer on the spout

and sending particles airborne. The welded area and slag can be hot enough to ignite the airborne dust. If overall house-keeping in the area is poor, that primary flash will pick up more than enough dust to produce a more catastrophic secondary explosion.

More than a paper form

Perhaps sharing examples of explosions that occurred even when employees felt they were following the basic guidelines will help emphasize the fact that hot work permits are more than busywork. Several years ago, at a cooperative I worked with, an employee was welding on the top platform of an outdoor grain leg. Grain movement was ceased at least 90 minutes prior to welding to ensure that all the dust had settled in the leg. What employees failed to do, however, was secure the cups and belt in the leg in order to prevent movement simply from the force of gravity. While the employee was welding, the belt and cups moved just enough to create airborne dust inside the leg, causing an explosion that blew the entire head drive of the leg several feet in the air and landed on the ground 50 feet from its base. Fortunately, no one was seriously injured. Lesson learned: Ensure that in your



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lockout procedures, legs are blocked in order to prevent any gravity movement.

Another incident occurred when hot work took place on a conveyor located on top of a concrete grain elevator. After the welding task was completed, employees observed a 30-minute fire watch and cool-down timeframe before startup. Speculation is that a large piece of slag remained hot enough that it ignited the airborne dust caused by the conveyor startup. The explosion blew out silos and followed the legs and manlift shaft down to the ground level, blowing out the grain dump. Lesson learned: 30 minutes is not always a sufficient time for cool-down before operational startup. A minimum of an hour waiting period will provide a safer timeframe for cool-down.

Finally, avoid hot work activity in the middle and late afternoon before closing. In several instances, fires have been reported several hours after closing due to late-in-the-day hot work. If late-afternoon hot work must be done, have someone stay on a fire watch for at least two hours after closing.

Hot work permits involve additional procedures, including setting up a fire watch and ensuring that sufficient extinguishing equipment is at hand. If you believe your employees are treating the hot work permit too lightly, simply "pencil whipping" the form, it may be time to review the importance of this tool in your safety arsenal. ▸

Don't let the hot work permit become just a formality in your business.



CDL and the Medical Examiner Program

Ensuring that commercial drivers are receiving a proper and consistent qualified medical examination will be a key factor in the new commercial drivers' licensing (CDL) system. That is why the Federal Motor Carrier Safety Administration (FMCSA) has implemented the congressionally mandated National Registry of Certified Medical Examiners (National Registry).

This program will require any medical examiners that perform the Commercial Motor Vehicle (CMV) medical exams (DOT physicals) to become certified by attending an accredited training course and passing a specified test. Certified medical examiners will then be posted on a national registry as an approved Certified Medical Examiner (CME).

The program went into effect on May 21, 2012, to be fully implemented by May 21, 2014. At the point of full implementation, the only accepted medical examiners for the CMV medical exam will be those doctors who have received the CME designation and are listed in the National Registry, which is scheduled to be available for viewing after Aug. 20, 2012.

Once certified, medical examiners are required to maintain their status as a qualified doctor in the state in which they perform the medical exams, and to attend refresher training at least every five years. They must recertify every 10 years. The CME will be required to report every CMV physical that they perform at least every 30 days to the FMCSA through the registry system. The plan is to eventually have the CME's report connect directly to the CDL licensing information service and automatically update the information connected to the driver's CDL.

Impact of program on your company

Because the National Registry and the CME program's training and reporting requirements will entail additional costs and time for doctors, some physicians who are currently performing medical exams for the CDL program may decide not to obtain certification. That could be a problem for your company if some of your employees have relied on their personal doctors, for example, to perform the medical exam, and those doctors opt out of the program. Your employees could be left out in the cold without an accessible CME.

If you do not yet utilize a company doctor or a clinic system that will provide medical exams for all of your drivers, it's important that you find one soon. By having all employees receive their medical exam from that source, you can



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better ensure that the clinic or doctor servicing your company will complete the required training and exams to become a CME. Finding that source may be more difficult in rural communities. Beginning that search and building that relationship should begin as soon as possible, since doctors will need time to register and attend one of the accredited courses and schedule their certification exam.

One of the significant reasons for the National Registry is to certify that all doctors are performing the medical exams in the same way, ensuring that all drivers are meeting the minimum physical requirements. Some have voiced concern that implementation of the National Registry and CME program will result in the disqualification of some drivers. Since the criteria for the medical exams under the new program has not changed significantly, any driver who becomes disqualified by the CME probably should have been disqualified previously, but might have passed due to doctors who were either not fully knowledgeable of the medical exam requirements or were more lenient as a "favor" to drivers. On the other hand, certified doctors will be more knowledgeable about exemptions and assisting drivers in filing for those exemptions, opening up CDLs to some drivers who were once disqualified.

Overall, the program should reduce medical liabilities that could lead to tragedies on the road. It can also help drivers who, through their medical exam, are found to be at risk from a medical condition, thus increasing the possibility of treatment. For your company, having physically qualified drivers should result in more productive and efficient drivers. It's also an important step in helping create a more positive view of the professional driver. ▶



Find Out More...

To find additional information on changes in the CDL medical certificate, see the Spring 2012 issue of *The Partner*. Find it at austinmutual.com/agribusiness. Check in on the National Registry at nationalregistry.fmcsa.dot.gov.

Seedman's E&O – ARE YOU COVERED?

There is a common misconception in the agribusiness industry that a basic commercial general liability policy, which includes products liability, will cover all claims arising from products sold in the company's name. However, when it comes to the sale of seed, depending solely on that general liability policy can leave your company uninsured in liability situations that can become very costly.

To ensure that your company is covered for all types of seed-related claims, please ask your insurance agent to verify that you have the Seedman's Errors and Omissions (E&O) coverage endorsement attached to your general liability policy. This endorsement provides coverage in addition to products liability, which is one of the basic segments of the general liability policy. Even though products liability and the Seedman's E&O complement one another, they are two distinct coverages.

Products liability includes coverage for bodily injury or property damage from the sale of your company's products. For example, if a company's feed mill produces contaminated feed that results in sick cattle, the products liability coverage goes into play. Seedman's E&O coverage is intended to cover claims against your company that may result from failure of the seed sold to conform to the variety or other

specified qualities, or to be suitable for the purpose specified by you. This failure can be the result of any negligent act, error, or omission by your company or employ-

ees. The endorsement is intended to cover two of the most common seed-related claims: erroneous delivery of seed and error in mechanical mixture of seed. Erroneous delivery can include a failure to deliver seed, delivery of the wrong seed, or delivery of seed at the wrong time or season. Error in mechanical mixture of seed can include mislabeling of seed or subjecting the seed to the wrong treatment.

If your cooperative is involved in seed sales or treatment and has not purchased the Seedman's E&O endorsement, any claim for loss may not be covered by your existing policy. At Austin Mutual Insurance Company, we are concerned about the risks facing your business in everyday operations, and small exposures—like this one—can easily be overlooked in a busy environment. Please contact your insurance agent and ensure that you are covered. ▶



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CONTAMINATED PROPANE GETS COSTLY



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An accidental contamination of transport loads of propane with anhydrous ammonia this past winter ended up being a very expensive and time-consuming experience for two southwest Missouri propane companies. The propane became contaminated when a trucking company failed to properly clean a trailer that had previously been used to haul anhydrous ammonia.

Propane contaminated with anhydrous ammonia is a serious issue. First, anhydrous causes corrosion to brass and copper, materials used in propane systems. In addition, corrosion-stress cracking of brass fixtures in the presence of water can occur, possibly causing propane leaks. Second, when contaminated propane is burned, it produces nitrogen oxides which can cause eye and respiratory irritation in customers using unvented appliances.

The contaminated propane in Missouri resulted in the total re-plumbing of five propane storage tanks and several delivery bobtails. More than 100 customer tanks had to be temporarily replaced. Storage tanks were purged and cleaned. All bobtails were double-purged and a metal and chemical analysis was performed on the tanks to ensure that the pressure vessels were safe. All customer tanks that were replaced have now been properly purged and inspected, ensuring that they are safe to use.

Lesson learned from this experience? When transport trailers are converted from anhydrous ammonia to propane, the trailer should be properly vented and then steam-cleaned, flooded with water or a combination of both, and then allowed to air dry. To ensure that the cargo tank is correctly cleaned, use only properly trained individuals or have it professionally cleaned.



If you ever suspect that you have propane contaminated with anhydrous ammonia at your propane plant, you should test the product. The simplest test, as required in NFPA 58, uses pink or red litmus paper moistened with distilled water and held in the propane vapor stream for 30 seconds. Any change in the color of the litmus paper from red or pink to blue indicates the presence of anhydrous. The time and amount of color change roughly indicates the concentration of ammonia.

If your company hauls transport loads of anhydrous and propane in the same trailers, always double-check to make sure the tank is clean of anhydrous before filling it with propane. Doing so will prevent costly and time-consuming mistakes. ▶

Application Claims: BEYOND THE OBVIOUS

You've heard it many times before. With high commodity prices, application claims that used to be minor "hiccups" in the flow of business can now add up to substantial claims. When high commodity prices are coupled with increasing yields, every production acre has a very high dollar value.

No matter the size of a misapplication claim, a response from some policyholders is, "That's what we have insurance for." True, a comprehensive insurance policy, along with a responsive insurance company, will help you through the claims process and provide you with a level of protection. However, misapplying product on a customer's field involves much more than one specific claim. It can have a lasting effect on your company's reputation and bottom line.

Consider, first, the negative image created when customers drive by a field that's been negatively impacted by misapplication. In farm country, "social media" still refers to talking neighbor-to-neighbor. Rural customers don't need Twitter or Facebook to spread word quickly as to which company is at fault for a damaged or dead crop. And that image can impact your business both short- and long-term.

There are also financial incentives to do whatever it takes to avoid misapplication. Every claim that ends in a payment goes onto your company's insurance records where it remains for several years. Past claims are used to calculate future insurance rates, so every claim does matter. And, since past claims are reviewed when a company goes out to get bids from other insurance companies, your company can't make its claim history disappear by switching to another insurance provider.

Steps to take to avoid misapplication claims

The number one step a company can take to reduce misapplication claims, and

their fallout, is to raise awareness. Make certain your agronomy staff understands the consequences these claims can have on a customer and your company, and help everyone work toward prevention. Start and finish each day by making sure everything in the agronomy area is clean, organized, and in good working order. This includes warehouses where chemicals and seed are stored, equipment in your liquid and dry sheds, tender trucks, and the application rigs. Ensure that valves, scales, gauges, etc. are all working and that machines are properly calibrated.



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Once the busy application season hits, don't forget to stop, take a breath and make sure you are doing everything properly. Are you in the correct field? Do you have the right chemicals and the right rates? Are you near any sensitive crops or neighbors? Is the wind calm enough to be spraying and is it in a direction that would prevent potential drift to sensitive areas? Instill in your employees the mantra: Slow down and do it right.

If a potential claim does arise, be sure to notify your company's management and Austin Mutual as quickly as possible. It is almost always better to face a potential claim upfront than to deal with it later on and try to play catch-up in the aftermath.

If you would like to discuss ways your company can be more effective in avoiding misapplication incidents, please don't hesitate to contact your Austin Mutual loss control representative. ▶





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NEBRASKA -

A round-table discussion on future training topics led off the April 12 meeting of the Ag Cooperative Safety Directors of Nebraska. Participants agreed that a primary focus should be on how to successfully build a safety culture among employees, including finding ways to get supervisors to take more responsibility for safety.

Terry Holt, with the Nebraska Safety Council, provided information on the council, while Doug Salmon (Compliance Advisory Services) and Jim Brokaw (Aurora Cooperative) discussed the pros and cons of participating in the SHARP program. ACSDNE members also shared experiences with recent OSHA visits to their facilities. The next meeting will be July 12, with an earlier 9:30 a.m. start time. Training topic will be the carrier enforcement program, DMV rules, and a level 1 truck inspection.

IOWA -

Grain engulfment/entrapment was the primary focus of the March 13 meeting of the Ag Cooperative Safety Directors of Iowa. John McClelland, general manager of the Garden City Co-op in Garden City, KS, showed the video *Roberta's Request*, concerning the grain engulfment at their facility that led to the death of a long-time employee. Rob Jacobs (Co-op Elevator Association) and Bill Chizek (Heartland Co-op) also discussed incidents at their facilities that ended in a fatality at CEA and an entrapment at Heartland.

In addition, Ken Mueller (Nationwide Agribusiness) introduced a new video, *Fertility to Fatality*, dealing with anhydrous safety, and Kevin Klommmhaus, with the Iowa Department of Ag, talked about excess flow valves on anhydrous tanks and some of the problems experienced with those valves on the new double tanks. During the business meeting, Mark Hambleton (Pro Co-op) was elected the ACSDIA president-elect for 2012. The next meeting is at 10 a.m. on June 26.