



## Policies and Procedures for Propane Marketers

By Eric Leskinen

**W**hen it comes to priorities for propane marketers, safety is certainly at the top of the list. Despite safety's critical role in the overall success of a propane business, many marketers still rely on outdated or inconsistent protocols in the field. Without consistent safety policies and procedures that traverse all locations and technicians, marketers assume more risk than is necessary.

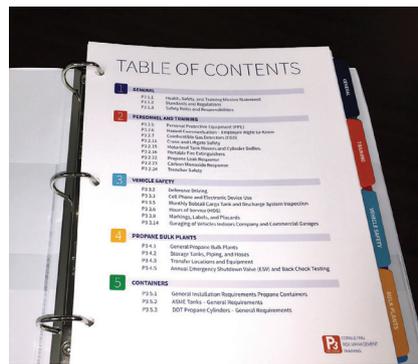
The first step in evaluating the effectiveness of your company's safety protocols is to review the current written policies and procedures for daily operations. Safety-related policies and procedures are crucial to ensure that all employees operate according to a uniform set of guidelines. Written policies should include language to cover legal issues, the health and welfare of employees and customers, and requirements as determined by DOT, NFPA, and OSHA. Each individual procedure defines who is responsible for completion of the task, what steps are involved in the process, when each step is undertaken, and how the progression of steps is to be performed to complete the procedure.

Many marketers assume that employees and technicians operate consistently with respect to leak checks, pressure tests, cathodic protection, and other important procedures. In the absence of written protocols that are used for safety meetings and training, it is very unlikely that the consistency

management hopes for is actually happening.

### The Cost of Poor Documentation

Every propane marketer knows the saying, "If it isn't documented, it didn't happen." Establishing clear, consistent policies and procedures is the best way to ensure that every aspect of your team's operations is performed and documented properly. This is probably the best risk-mitigation process a marketer can imple-



ment when considering the economics of cost and benefit.

### Consider This Case Study...

The case of *Wilmes v. Consumers Oil of Maryville* from the *BPN Propane and the Law* column (August 2017, p. 18) "Recent Cases Test Limits of Missouri Propane Immunity Statute," by David R. Schlee, presents an example of how written policies and procedures can help protect marketers from liability claims. In this case, the customer, Thomas Wilmes, personally installed a radiant heater and ran the gas lines from the tank he owned at his residence to his barn. When the marketer delivered 400 gallons of propane to the property, Wilmes advised the delivery driver that the installation was new and asked the driver to check the gas line and the heater. The delivery driver inspected the piping and installation and indicated that everything was okay.

Within the next few days, Wilmes operated the heater twice. The second time, he operated the heater and then shut off the thermostat without closing the tank valve. Upon returning from a trip, he switched on a light, turned on the thermostat, entered the building, and there was an explosion. Wilmes luckily survived but suffered extreme burns and spent 63 days in the hospital.

In court, the marketer was unable to provide evidence of the delivery driver's inspection and approval of Wilmes' personal installation and modification of the system. The trial court agreed with the marketer's claim that "Wilmes modified the gas system by turning the gas off and on through his actions;" however, this was not enough and the decision was overturned in appellate court.

### What Went Wrong?

We can see from the results of this case that a major issue with the marketer's defense was the lack of documented evidence of the delivery driver's inspection of Wilmes' installation. If the acknowledgement, inspection, and approval of Wilmes' personal modifications had been properly documented, the marketer would have been able to use the documentation as proof that all systems were safe and sealed upon the delivery driver's departure.

### Could Written Policies and Procedures Have Changed the Outcome?

If the propane marketer had established policies and procedures in place, the written policies regarding new installations and state modification requirements would have dictated proper employee operations for these specific circumstances. Procedures would direct the delivery driver to perform the safety inspection as he did, but the final step would have been documenting

the inspection for the company's records.

### Steps Toward Improvement

In light of this litigation case, consider how your company's policies and procedures program would have held up in court. Do written policies and procedures exist and are they adequate? Unfortunately, litigation is engrained in the system within which we operate. To avoid consequences like the Wilmes case and adhere to your insurance company's requirements, incorporate these critical components into your safety documentation program.

#### 1. Policies and Procedures Manual

The procedures manual is a collection of individual task procedures that forms the basic guiding document for the consistent completion of core responsibilities and is essential from a safety perspective. The scope of written policies includes language to cover legal issues, customer and

employee health and welfare, and/or ethical concerns. When policies and procedures are written, they may be communicated during orientation and regularly reviewed and updated. Your policies and procedures manual can help improve your company's efficiency, prevent errors and conditions of conflict, and protect your company's assets.

#### 2. Industry Compliance

Further industry-regulated safety requirements must be met to comprehensively protect your company and your employees. OSHA requirements for Emergency Action Plans and Hazardous Communications Program, along with DOT Training Documentation, can help you avoid costly violation fees and potentially dangerous situations. Additional manuals and guidelines are required for bulk plants under NFPA and DOT's Code of Federal Regulations.

#### 3. Personnel Training

For initial and continuous train-

ing, policies and procedures manuals provide step-by-step guidance in providing a safe environment for both employees and customers. You can strengthen the value and effectiveness of policies and procedures by taking advantage of professional classroom review and hands-on training led by qualified propane experts.

Be proactive and insure that your company's policies and procedures are current, consistent, and communicated effectively to all employees. The cost-to-benefit ratio will accrue in your favor.

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