



Oil Patch Quarterly

Exclusive Program Managed by Sisk & Company

Second Quarter 2007

INSURANCE NOTES

Deductibles on Your Workers' Compensation Policy

We frequently advise clients to consider the total impact a deductible can make on their insurance premiums. Most insurance carriers will credit your premium in return for you agreeing to cover a per claim deductible. The higher the deductible, the larger your premium credit.

Though the deductible credit can be meaningful, possibly the greatest impact is in the future calculation of your Experience Modification Factor. The NCCI calculates your "mod" by comparing you to the loss experience of similarly classified companies.

Colorado is a "Net Reporting State". That is, the carrier will report your claims experience "net" of the deductible you have chosen (up to \$5000). Your "Mod" is calculated using three continuous years of experience. By taking a deductible, your loss ratio over these years can be significantly reduced, therefore reducing your Experience modification factor in future calculations.

Call Mike Eastop (303)831-7100 for more information about deductibles.

Summer Weather Brings Workplace Hazards

The air is turning warm and the days are getting longer as another summer arrives. Along with the new season comes the return of summer workplace hazards. Many workers, especially those who work outside, are at risk this time of year for injuries ranging from severe sunburn to heat exhaustion. It's important for you and your employees to understand and protect yourselves from Colorado's summer hazards.

Sunscreen

All outdoor workers should wear sunscreen with an SPF of at least 15 on all exposed body parts. The higher the SPF, the better the protection against a sunburn and potential skin cancer. Sunscreen needs to be reapplied every two hours to maintain its effectiveness. Workers can also benefit from wearing a brimmed hat and sunglasses. Make sure these items also meet your worksite's Personal Protective Equipment (PPE) requirements.

Hydration

While spending the day in the hot sun, remember to stay hydrated. Drink plenty of clear liquids, including water or something with electrolytes, such as sports drinks. Sodas can actually prevent you from staying hydrated and may contribute to heat stroke. If you feel dizzy or nauseous, take a break. Find a cool, shady place and rest until you feel better. Heat stroke can impair your ability to make sound judgments and may cause accidents. It's better to rest and avoid injuries than continue working.

Weather

Summer also brings the chance of severe weather. Thunderstorms can bring hail, wind, and lightning, all of which pose risks to workers. Take cover during thunderstorms, but not under trees, where the risk of a lightning strike increases.

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LESSONS LEARNED

Loss Lessons from the MSEA Files

Case Overview:

The worker sustained a right hand injury and was placed on modified duty with instructions to use only the left hand while doing assigned work around the shop. For a period of six months the injured worker followed his restrictions and used only his left hand and arm.

When the injured worker was released from care, he was assigned a permanent impairment rating for the right hand and was allowed to return to "full duty". However, due to having used only his left hand and arm for six months, the injured worker started to experience pain in left shoulder.

This employee is now receiving therapy for the left shoulder due to overuse while on modified duty.

Lesson:

While modified duty is very important, Pinnacol and the company need to be aware that overusing one extremity can cause a new injury. Modified duty should take into consideration the need to change positions and activities and to work as many muscles groups as possible.

Provided by Liana Dvson

Regularly scheduled training sessions are important – here are some tips to consider

Regularly scheduled training sessions are an important part of any safety program. The first consideration for planning training is to identify what you want the employees to learn, take away or do differently after having attended the training session. The next consideration is to determine the best way for the employee to learn this material. Giving some thought to how the employee will learn the material and trying to incorporate the best method for delivery of the information can make a big difference in how the training session is received. Many times we have no choice but to cover the material by talking about it.

So if you are going to present a topic using discussion or lecture, what should be considered?

Plan your presentation – what will you say that will connect with employees in attendance? The next point to consider is how to encourage discussion in the group. Both these points will help with improving employee understanding. In addition, providing a forum for discussion is important for several reasons:

- Reinforces what you wanted the employees to learn,
- Clears up any misunderstanding of the material presented, and
- Motivates employees to effectively use what they have learned.

One big caution -- letting discussion get out of hand can be a distraction. You want your employees to have a positive experience and remember the session for the topic covered and not the negative discussion that occurred.

If you have tried conducting training and you have not had a lot of success, you may want to try the following.

- Plan your introduction,
- Identify your key points,
- Know when the topic has ended and plan your closing, and
- Determine how you will handle questions.

It can be a very good idea to cover ground rules for how questions will be handled. Some ground rules may include:

- One person speaks at a time,
- Respect each other by listening to what others say,
- Keep discussion relevant, and
- Admit you may not know all the answers but will check these questions out. Set up a list where these questions will be noted for later follow up.

811 “Call Before You Dig” number in Colorado

The Common Ground Alliance (CGA) launched the national 811 “Call Before You Dig” number and website – www.call811.com in May. 811 is a new number created to eliminate confusion of multiple “Call Before You Dig” numbers across the country. This quick and efficient one-call service will notify the appropriate utilities which then send locators to the requested site to mark underground lines for free.

Risky assumptions about the location of underground utility lines, some of which can be buried at shallow depths, have led to thousands of line damages and multiple injuries per year. A recent national survey showed that confusion exists among the public and companies as to the necessity of calling before every digging project. In the survey, roughly half of those surveyed stated that they had previously planned, or are planning a major digging project, yet only a third have called or intended to call ahead to get underground utilities located.

Remember 811 is the number to call for utility locates.

OSHA NEWS

Evaluating Chemical Exposures

The Occupational Safety and Health Act requires employers to identify and control hazards in their workplace. When hazards associated with air contaminants are of concern, employers can evaluate these hazards in a number of ways including air monitoring and use of objective data (data gathered from air monitoring conducted at another location or by another organization which is representative of exposures at the current worksite). An accurate assessment of employee exposures is critical to selecting the appropriate personal protective equipment, including respiratory protection.

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Lightning kills more workers each year than tornados, so if you’re working off the ground and see lightning, get down immediately. If it begins to hail, find a covered shelter such as your car. Hail in the Rocky Mountains ranges from pea size to golf ball size, both of which can cause injuries.

To be safe this summer, use common sense. Pay attention to the weather and help avoid workplace injuries. Be prepared for anything with sunscreen, water, and a plan of action in case severe weather strikes.

For more information on avoiding summer workplace hazards or for an assortment of topics that can be used for safety meetings, contact Dan Klimek at Sisk and Company. 303-831-7100.

We have a wide range of short safety meeting topics that are printed as single page handouts and are available in English and Spanish. They are very useful for your safety meetings.

The requirement to conduct air monitoring to determine employee exposures to chemicals is not limited to a single OSHA standard. OSHA has several substance-specific standards to regulate occupational exposures to certain chemicals such as lead, cadmium, methylene chloride and others. These standards often require the employer to follow a specific assessment protocol which involves personal air monitoring.

A more general reference to air monitoring requirements can be found in the respiratory protection standard, 1910.134. Paragraph 1910.134(d)(1)(iii) states that:

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The employer shall identify and evaluate the respiratory hazard(s) in the workplace; this evaluation shall include a reasonable estimate of employee exposures to respiratory hazard(s) and an identification of the contaminant's chemical state and physical form. Where the employer cannot identify or reasonably estimate the employee exposure, the employer shall consider the atmosphere to be IDLH.

While air monitoring is considered to be the most reliable and accurate method of evaluating an employee's exposure to an air contaminant, in some circumstances, an employer may rely on objective data if that data accurately represents employee exposures. Specific criteria apply to the use of this data.

The employer **must** be able to demonstrate that the objective data was properly applied and that the current workplace conditions closely resemble those that existed when the data was collected. You can find additional guidance on this subject at www.osha.gov and in the OSHA *Small Entity Compliance Guide for the Revised Respiratory Protection Standard*.

If you have questions about evaluating employee exposures to air contaminants or any other OSHA issue, please feel free to contact Megan Meagher, Compliance Assistance Specialist at (303) 844-5285 x105 or meagher.megan@dol.gov.



Greetings!

With this issue we are unveiling the new look of the MSEA quarterly newsletter. Over the past year we have worked to provide professional safety services that meet your needs. With the new look of this newsletter we are reinforcing that professionalism we strive to attain.

However, the look is only part of it. We also want to provide you with information and services that will help you run a safe, productive operation. So, please let me know what you think of this newsletter. Are we putting in articles that are interesting? Do the articles fit your needs?

The second quarter safety committee meetings are scheduled for June 6th in Fort Lupton and June 14th in Grand Junction. You should have received the agendas in the mail or by email. I encourage you to attend these quarterly meetings so we can all share safety information that will help all MSEA member companies prevent accidents, injuries and the related losses.

Dan Klimek, Loss Control and Safety Manager, Sisk & Company

Contact Information

The Mountain States Energy Alliance (MSEA) is a not for profit association dedicated to helping members create a safer work environment in the oil and gas industry. The MSEA offers an exclusive workers' compensation program underwritten by Pinnacle Assurance for its members. MSEA members receive a 4% discount on their workers' compensation premium and may also qualify for a dividend payment based on favorable loss experience of the group. To see if your company qualifies for the program or for more information about the MSEA program contact one of the following.

Mike Eastop
Dave Tacha
Jeff Parent
Tom Sisk

For benefit information contact:
Todd Heiserman
Dutch Ross

If you have questions or comments about this newsletter, contact:
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