

ALON BIG SPRING REFINERY FATIGUE POLICY – FINAL

CBA Exhibit “F”

Policy Issuance Date: April 1, 2015

Policy Effective Date: July 1, 2015

OBJECTIVE:

To reduce or eliminate the potential that worker fatigue is a contributing factor in incidents and injuries as well as develop a refinery culture where all employees and contractors are comfortable reporting fatigue to their supervisors without fear of repercussion.

BASIS:

Today, industry varies in terms of methods for managing worker fatigue. The generally accepted guidance document governing management of worker fatigue is API RP 755 ‘Fatigue Risk Management System’, which was issued in April 2010. In this standard, API outlines recommended practices for maximum number of consecutive shifts, maximum number of hours worked per shift, management of call outs, and various iterations of these categories based upon different factors. In generating a fatigue standard that achieves BSR’s goal of responsibly managing worker fatigue, numerous other factors were considered along with API’s guidance document, such as: 1) Staffing and competency levels; 2) Other available industry precedent for fatigue policies; 3) An understanding that within industry, companies with fatigue policies have, at times, had challenges abiding by their own policies without writing numerous exceptions; 4) How to manage salaried personnel during periods of high workload (i.e. turnaround); 5) Terms by which IUOE Local 351 will agree to a fatigue policy and 6) Various other site-specific considerations. In weighing all of these considerations, a policy was developed that met the spirit of the API standard and we believe will achieve the ultimate goal, which is to create an environment where employees and contractors are not working when excessively fatigued and always feel comfortable reporting fatigue to their direct supervisors.

POLICY DEFINITIONS:

- **7th Day** – A double time shift that is awarded after seven (7) consecutive work shifts, provided the seven (7) consecutive shifts falls in the correct weekday window per existing contract agreement
- **Buddy System** – In the event an employee or contractor works an Extended Shift, a Buddy System may be used such that the employee has an extra person (typically another employee or contractor with a similar skill set) to dialogue with, help them perform hands on duties, and/or double-check physical work or decision making processes
- **Call Out** – An event in which, due to a previously unforeseen issue, an employee is asked to work hours that were originally scheduled as time off
- **Consecutive Work Set** – A string of consecutive work shifts without a day off, with each shift comprising at least two (2) hours worked
- **Exception** – A formal means of documenting exceptions to this policy
- **Extended Shift** – Any shift exceeding 16 hours
- **Fatigue Day** – A day off given solely to comply with this policy – a day off of this nature will be coded ‘F’ on that employee or contractors time sheet

- **PSM Sensitive Duties** – Applies to salaried personnel, this would normally apply during turnaround, extended maintenance outages, or upset/abnormal operations; applies to salaried personnel that provide direct guidance to hourly personnel or interact directly with refinery equipment with regards to maintenance and/or operational tasks
- **Split Shift** – A split shift is a shift that must be covered or partially covered by the operator(s) working the adjacent shift(s) in order to ensure continuous coverage of all positions required to safely operate the refinery

POLICY ELEMENTS

1. Consecutive Work Sets

- a. No Consecutive Work Set may extend beyond 21 days; a Consecutive Work Set equaling 21 days in length will require the employee or contractor to take two (2) days off before returning to work
- b. If, after a Consecutive Work Set of up to 14 days, one (1) day off is provided then when the employee or contractor returns to work they would be eligible to work up to 21 consecutive days, provided two (2) days off is provided at the end of a 21 day work set
- c. For Consecutive Work Sets of 15-20 days, two (2) days off will be provided prior to the employee starting another Consecutive Work Set
- d. Personal days, sick days, days off due to jury duty, and other similar circumstances will be treated as days off with regards to meeting the requirements of this policy

2. Shifts Greater Than 12 Hours

- a. A shift may be extended up to 14 hours without an Exception
- b. Shifts between 14-16 hours require a minimum of eight (8) hours off prior to returning to work – if this time off requirement is adhered to, no Exception is required
- c. No more than two consecutive 14-16 hour shifts are permissible, if at any time during a Consecutive Work Set two consecutive 14-16 hour shifts are worked that employee or contractor will be required to take one (1) day off if the work set is between days 8-14 and two (2) days off if the work set is between days 15-20
- d. Any Extended Shift (>16 hours) requires an Exception and a minimum of 12 hours off prior to returning to work – if adhering to this 12 hour time off requirement results in an employee completing only a portion of their next scheduled shift, that entire shift will be paid as if it was worked
- e. If an Extended Shift is worked in a Consecutive Work Set between days 15-20, a minimum of 48 hours off is required immediately following the Extended Shift, prior to returning to work
- f. If the requirements in items c, d, and/or e result in a Fatigue Day falling on a 7th Day that otherwise would have been a scheduled work day, hours from an adjacent shift (usually the shift prior) equal to the same number and type of hours as would have been awarded had the 7th day been worked will be coded as 7th day pay
- g. If the requirements in items c, d, and/or e result in a Fatigue Day falling on a holiday that otherwise would have been a scheduled work day, the unworked holiday will be paid 8 hours plus an additional number of hours that represent incremental pay lost due to not working the holiday (vs a normal overtime day) – for example, an employee scheduled for a 12 hour shift will record an additional 4 hours of straight time on the holiday not worked; an employee scheduled for a 10 hour shift would record an additional 2 hours of straight time on the holiday not worked

- h. Split Shifts – If splitting shifts is required to maintain minimum continuous coverage of a process unit, the following requirements will be met:
 - i. Employee is permitted to work up to 18 hours without an Exception provided that a minimum of 12 hours off is provided following that 18 hour shift
 - ii. If adhering to this 12 hour time off requirement results in an employee completing only a portion of their next scheduled shift, that entire shift will be paid as if it was worked
 - iii. In a Split Shift scenario, any shift >18 hours will require an Exception

3. Fatigue Days

- a. A Fatigue Day will not be scheduled on a 7th Day or a holiday
- b. All Fatigue Days will be designated with an 'F' on the employee's time sheet – the treatment of pay for that day will be as follows:
 - i. A Fatigue Day will not be paid
 - ii. A Fatigue Day will not count as a day off when determining eligibility for 7th Day pay
 - iii. A Fatigue Day will not count against an employee in terms of qualifying for the BSR Perfect Attendance incentive program
 - iv. No overtime hours from any other day within a pay period will be downgraded to straight time hours simply to replace the straight time hours not worked on a Fatigue Day (this can lead to an employee reporting less than 40 straight time hours in a given week)
 - v. If taking Fatigue Day(s) results in an employee not achieving 40 total hours in a given work week, that employee will be given the opportunity to work make up hours within that week (on a day other than a Fatigue Day) in order to achieve a minimum of 40 total hours for the week

4. Call Outs

- a. Maintenance Call Outs will be governed by Exhibit "A" – Maintenance After Hours Overtime Guidelines with the following exceptions and clarifications:
 - i. With regards to sections (1) and (2) in Exhibit "A", a maintenance employee that stays over without leaving will be subject to the 'Shifts Greater Than 12 Hours' section of this policy (Section 2, Policy Elements)
 - ii. The normal maintenance schedule of 7 AM to 6 PM will count as 10 hours for the purposes of this policy
 - iii. Maintenance day employees that are called out prior to midnight after working the previous day will treat their Call Out arrival time as a continuation of their previous day's shift (i.e. an employee that works a 10 hour shift ending at 6 PM is called out at 9 PM and stays until 3 AM – this will be treated as a 16 hour shift with regards to this Fatigue Policy)
 - iv. Maintenance day employees that are called out after midnight that are also scheduled to work that day are subject to the requirements in sections (3), (4), and (5) of Exhibit "A" – Maintenance After Hours Overtime Guidelines
 - v. Maintenance employees that leave at or before the end of a scheduled shift to facilitate returning to work prior to the start of their next scheduled shift (i.e. impromptu night shift coverage for an unforeseen event) will have a minimum of six (6) hours off prior to returning to work – if the employee returns prior to

midnight, their return time will be treated as a continuation of their previous day's shift as described in item iii above; if the employee returns after midnight, their return will be treated as a Call Out after midnight as described in item iv above

- vi. Where conflict exists, this policy will supersede Exhibit "A" – Maintenance After Hours Overtime Guidelines
- b. Lab Call Outs will be governed by this policy with the following clarifications:
 - i. Lab employees that are called out prior to midnight after working the previous day will treat their Call Out arrival time as a continuation of their previous day's shift (i.e. an employee that works a 12 hour shift ending at 6 PM is called out at 9 PM and stays until 1 AM – this will be treated as a 16 hour shift with regards to this Fatigue Policy)
 - ii. Lab employees that are called out between 4 AM and 6 AM that are also scheduled to work that day will work their entire scheduled shift (14 total hours)
 - iii. Lab employees that are called out after midnight and before 4 AM that are also scheduled to work that day and do not return home prior to their normal 6 AM start time would typically leave after completing a 14 hour shift; if their shift exceeds 16 hours an Exception will be required (i.e. an employee that is called out at 2 AM would typically stay until 4 PM, in this case they would also be paid from 4 PM to 6 PM if the following day was a scheduled work day)
 - iv. Lab employees that are called out after midnight and before 4 AM that are also scheduled to work that day and return home prior to their normal 6 AM start time will report back to work 8 hours after leaving; in this case they would also be paid from 6 AM up to their return time if the following day was a scheduled work day)
 - v. Lab employees that leave at or before the end of a scheduled shift to facilitate returning to work prior to the start of their next scheduled shift (i.e. impromptu night shift coverage for an unforeseen event) will have a minimum of six (6) hours off prior to returning to work – if the employee returns prior to midnight, their return time will be treated as a continuation of their previous day's shift as described in item i above; if the employee returns after midnight, their return will be treated as a Call Out after midnight as described in items ii and iii above
- c. If adhering to the time off requirements in Section 4 of this policy results in an employee completing only a portion of their next scheduled shift, that entire shift will be paid as if it was worked
- d. A Call Out exactly at midnight will be treated as a Call Out after midnight
- e. A Call Out scenario that leads to an employee working the equivalent of a 14+ hour shift will be subject to the 'Shifts Greater Than 12 Hours' section of this policy (Section 2, Policy Elements)
- f. It is difficult to generate a set of rules for all Call Out scenarios – with this being the case, Call Outs should be managed responsibly by the Maintenance Department and the Lab to ensure that employees are not working in an overly fatigued state

5. Exceptions

- a. Exceptions shall be minimized
- b. Exceptions shall include:
 - i. Employee's name
 - ii. Reason for exception

- iii. Mitigation plan to ensure employee's safety, and, if applicable, mention of a longer term solution if this issue has led to multiple exceptions
- iv. For Extended Shifts, the Exception will address any necessity for a Buddy System as well as how the employee or contractor will get home safely
- c. A single Exception can cover multiple days/shifts, provided that the reason for the Exception and the mitigation plan are identical for each day/shift
- d. Exceptions shall be documented and signed by the employee, the employee's direct supervisor, and the department manager, and an electronic copy sent to HR for filing within 72 hours of the event
- e. An obvious emergency situation shall be managed responsibly from a fatigue standpoint, however, no Exceptions are required when there is a direct threat to the safety of personnel, the environment, or the community – Exceptions may be captured after the emergency event
- f. Exceptions should be reviewed at least annually during regularly scheduled company-union meetings
- g. Copies of Exceptions shall be made available to IUOE at any time upon request
- h. The Exception template will be located in Appendix A of this policy

6. General

- a. This policy applies to all hourly personnel and all contractors
- b. This policy applies to salaried personnel when working PSM Sensitive Duties
- c. Unless otherwise specified, one day is equal to a 24 hour period
- d. The minimum term of this policy will be July 1st, 2015 to March 31st, 2018; this policy can be revisited during this time frame if mutually agreed upon by both parties.

APPENDIX A – FATIGUE POLICY EXCEPTION FORM

Date: _____

Date(s) For Exception: _____

Employee(s) Requiring the Exception: _____

Reason For Exception: _____

Mitigation Plan to Ensure Employee(s) Safety: _____

Need to Arrange for Buddy System (Y/N)? _____

Need to Arrange for Transportation Home (Y/N)? _____

Notes: _____

Signatures

Employee(s) Acknowledgement: _____

Date: _____

Direct Supervisor Approval: _____

Date: _____

Department Manager Approval*: _____

Date: _____

*During off hours, Shift Supervisor will authorize Exception with verbal authorization from department manager or designee