

**SYSTEMS INTEGRITY SAFETY PROGRAM (SISP)
AGREEMENT**

Between _____
**AND U.S. DEPARTMENT OF TRANSPORTATION
PIPELINE AND HAZARDOUS MATERIALS SAFETY
ADMINISTRATION (PHMSA)**

1. GENERAL STATEMENT OF PURPOSE

To cooperatively enhance quality assurance and compliance with 49 CFR Parts 107 & 171-180 (Hazardous Materials Regulations or HMR), utilizing methods alternative to the traditional enforcement approaches to achieve the goals and objectives of the SISP. These goals and objectives are to promote and enhance transportation safety by offering assistance to entities affecting the transportation of hazardous materials.

2. THE PARTIES; FACILITIES COVERED; CONTACTS

a. Company Name

i. _____ is a _____ Corp, LLC) with a principal address of _____.

ii. The entities and locations to be covered by this Agreement (hereinafter "Participant") include:

iii. For purposes of implementing this Agreement, the principal contact is _____
_____. (Should be present at all site visits)

iv. Participant was selected for this agreement based on the following criteria:

(1) Note: Criteria to be added in these spaces.

(2)

b. PHMSA:

- i. PHMSA is the U.S. Department of Transportation modal administration charged with overseeing the regulatory requirements of the Hazardous Materials Transportation Act and other related statutes and regulations. Its Headquarters is located at 1200 New Jersey Ave, SE, Washington, DC 20590.
- ii. The PHMSA regional office that will oversee implementation of this Agreement is located at _____.
- iii. The SISP Regional Coordinator, _____, will serve as the primary PHMSA point of contact.
- iv. PHMSA is the governmental party to this Agreement. This Agreement only binds PHMSA and is not binding on the Federal Aviation Administration, the Federal Motor Carrier Safety Administration, the Federal Railroad Administration or any other governmental entity.

3. SCOPE OF AGREEMENT

- a. PHMSA and Participant will cooperatively develop a Systems Integrity Safety Program Plan (hereinafter “the Plan”) which will specify the actions to be taken by each party and will facilitate the exchange of information.
- b. The Plan will include, at a minimum, the following elements:
 - Data analysis
 - Site visits to selected locations
 - Review and evaluation of processes and procedures
 - Review of pertinent documentation
 - Interviews with selected personnel
 - Identification of potential deficiencies
 - Recommendations
- c. In order to facilitate flexibility, the Plan will consist of multiple phases. The terms of each phase will be incorporated into a written document, a Phase Plan. Each Phase Plan may be amended subject to agreement by both parties. In addition, Phases 1 and 2 may be repeated in an iterative process, as needed.
- d. Participant agrees to disclosure and production of its data, processes, systems and operations as necessary to facilitate a complete and accurate assessment of Participant’s hazmat shipping operations. Proprietary, confidential, and competitive sensitive data and documents either will be made available for review but not released to PHMSA or will be released to PHMSA under the provisions of 49 CFR §105.30, at Participant’s discretion.

4. TIMETABLE

a. Phase 1 – Data Analysis

Participant must provide required information no later than 30 days following acceptance of this Agreement by both parties. The completion date for Phase 1 will be no later than 60 days following receipt of the required information.

b. Phase 2 – Site Visits and Interviews

Development of the Phase 2 Plan will be completed no later than _____ days following the completion of Phase 1.

c. Phase 3 – Feedback

Phase 3 will commence immediately upon completion of Phase 2 and must be complete no later than the expiration date of this Agreement.

5. PHASE PLANS

Phase 1 Plan

Participant must provide the following information no later than 30 days following acceptance of this Agreement by both parties. Required information includes a much broader range of documents than those examined during a routine inspection. The completion date for Phase 1 is _____.

Information to be provided by Participant:

(Insert Information List – For example):

- a. Number of hazmat employees at each location identified in 2.a.ii.
- b. Total annual hazmat shipments from each location identified in 2.a.ii.
- c. Vendors of any hazmat products that are supplied pre-packaged by the vendors.
- d. Packaging types and suppliers for each location identified in 2.a.ii.
- e. Copies of UN test reports and closure instructions for each type UN packaging.
- f. Carriers used by each location identified in 2.a.ii, and percentage of hazmat shipments by each carrier.
- g. Training sources.
- h. Written procedures/instructions regarding shipping, packaging, etc.

The SISP Regional Coordinator will begin analyzing the information provided by Participant to determine the root causes of any safety problems. PHMSA will provide a report summarizing its findings from its analysis of the data provided by Participant no later than _____.

Phase 2 Plan – Scope

PHMSA and Participant will develop a Phase 2 Plan as outlined here. After acceptance by both parties, the Phase 2 Plan will be appended to this agreement. The Phase 2 Plan will specify each location selected for a site visit. The site(s) will be selected based on the results of Phase 1 and any other relevant information available to PHMSA. Site visits will be scheduled at a reasonable and mutually acceptable date and time for both parties. In most cases, site visits will be scheduled in conjunction with Participant's primary representative, named in Section 2.a.iii.

Site visits will provide the opportunity for Participant and PHMSA to observe jointly the current operations and any improvements resulting from prior site visits. The person named in Section 2.b.iii will be the primary PHMSA representative participating in these visit(s). In addition to the review of processes and procedures, site visits will include interviews with appropriate personnel and pertinent data/information collection.

Participant agrees to make appropriate personnel available for interview. At the end of each site visit, PHMSA will provide a list of apparent non-compliances identified, if any. The Phase 2 Plan will include deadlines (usually 10 days) for Participant to provide initial corrective action for any apparent non-compliance identified by PHMSA. Corrective actions must be implemented at all entities/facilities identified in Section 2.a.ii.

During or as a result of a site visit, PHMSA may offer suggestions to improve safety beyond the level provided by compliance with the hazardous materials transportation regulations. Participant is under no obligation to accept any or all of these suggestions.

Phase 3 Plan

PHMSA will prepare a Final Recommendation Report. The Final Recommendation Report will describe any probable violations identified and Participant's corrective actions. In addition, PHMSA may provide recommendations regarding actions Participant may wish to take to enhance safety beyond the level required by regulation. Participant agrees to provide a response to each recommendation (agree to implement, will continue to consider, will not implement) no later than the termination date of this Agreement. Participant will complete a survey providing feedback regarding its experience in the SISP.

The parties will hold at least one final meeting to debrief and to discuss the Final Recommendation Report, including additional comments for improvement or compliance program effectiveness. This meeting will be held approximately two (2) weeks prior to the expiration of this Agreement and will include participants as mutually agreed by both parties.

6. CONFERENCES AND MEETINGS

In addition to any interaction provided for elsewhere in this Agreement, the parties anticipate they will hold conferences or meetings during the term of this Agreement to discuss implementation of this Agreement. Participants in and locations for the meetings will be as mutually agreed by the parties.

7. NO ENFORCEMENT ACTIONS

- a. During the term of this Agreement, PHMSA agrees that it will suspend all routine inspection activities involving sites identified in Section 2.a.ii.
- b. PHMSA will not issue, take or initiate any type of enforcement action against Participant based upon or related to observations or evidence collected at such sites during the term of this Agreement, unless this Agreement is terminated due to a breach.
- c. Notwithstanding Section 7.b. above, PHMSA reserves its right to issue, take or initiate enforcement action against Participant for violations of the HMR that PHMSA believes to be willful.
- d. Notwithstanding Section 7.b. above, PHMSA reserves its right to issue, take or initiate enforcement action in instances where a safety violation presents an imminent hazard.
- e. **No** Waiver of Pending Enforcement Actions. Pending enforcement actions or penalty assessments against Participant as of the effective date of this Agreement will **not** be dismissed.

8. CONFIDENTIALITY AND PUBLICITY

- a. For documents in the possession of PHMSA, Participant must adhere to 49 CFR §105.30 in order to claim confidential treatment for any information it submits pursuant to this agreement.
- b. Upon mutual agreement of the parties, certain details about Participant's participation in this Agreement may be publicized.

9. NO ADMISSION AND COMPLIANCE WITH LAW

- a. The existence of this Agreement or Participant's participation in this Agreement is not an express or implied admission of any fault or violation of law or regulation by Participant, its parent, affiliates, or subsidiaries and their respective directors, officers, employees, or agents.
- b. PHMSA is exercising its enforcement discretion by agreeing to refrain from initiating civil penalty procedures against the participant for probable violations identified during the term of this Agreement.
- c. Participant understands that, while this Agreement provides that PHMSA will suspend inspection and enforcement for the term of this Agreement, Participant has a continuing obligation to comply with laws and regulations applicable to its facilities and sites. If Participant discovers or has questions about compliance with the HMR during the term of this Agreement, Participant may bring such findings to PHMSA for discussion concerning compliance improvements and will not be subject to enforcement actions by PHMSA.
- d. Participant agrees to continue to exercise good faith in complying with all laws and regulations during the term of this Agreement.

10. MISCELLANEOUS

- a. Authority to Execute Agreement. Each of the persons executing this Agreement on behalf of the parties represents that it has full authority to execute the Agreement on behalf of the party.
- b. Amendments. No addition, amendment or variation of this Agreement shall be binding unless reduced to writing and signed by a duly authorized representative of each party.
- c. Each party will be responsible for its own costs in implementing this Agreement.

11. TERM OF AGREEMENT

- a. The effective date of this Agreement is _____.
- b. The term of this Agreement will be _____ months from the effective date of this Agreement.
- c. Either party may terminate this Agreement upon 30 days advance, written notice to the other party without penalty.
- d. The term of this Agreement may be extended upon agreement of both parties and the execution of an addendum.
- e. PHMSA may terminate without prior notice upon breach of any provision of this Agreement.

The parties have caused this Agreement to be executed by their duly authorized representatives as of the effective date indicated above.

By: _____

Title: _____

Date: _____

U.S. DEPARTMENT OF TRANSPORTATION
PIPELINE AND HAZAROUS MATERIALS SAFETY ADMINISTRATION

By: _____

Title: _____

Date: _____