



Fuels Learning Centre
A new approach to training on the safe
handling of fuels.

Incident Management

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Managing Incidents

Over the years of investigating fires, explosions, fuel escapes and personal injury incidents in the propane, natural gas and fuel oil industries, I have seen, on many occasions, where the mismanagement of the incident by the fuel supplier has resulted in the fuel supplier being sued. If the incident had been managed correctly the lawsuit could have been avoided.

Obviously, the best way to manage incidents is not to have any in the first place. However, mechanical equipment will eventually fail and the human error factor is always present. If you store, transport or deliver a fuel, and/or install or service fuel burning equipment, then the chances are that at some point in time, your company will be involved in an incident of some type.



Ignoring an incident and leaving it to others, such as the local fire services or government investigators to determine if your company is or is not involved, is the worst possible position you can take. Doing nothing is not an option if you wish to stave off potential lawsuits that can affect your bottom line through deductible payouts, increased insurance premiums, and poor community reputation.

Even when you are convinced upfront that your company has no involvement, past experience has shown that by aggressively responding to and managing incidents you can significantly reduce your exposure and costs.

Benefits of Managing Incidents Correctly

Many years ago, a client of mine established a team and procedures for handling incidents with very positive results. I was fortunate to be a member of the team as an independent investigator. We had many successes in proving that our client had no responsibility for the incidents, saving a considerable amount of money in deductible payouts and legal fees, etc.

In one case, a heavy equipment repair and storage garage containing several expensive pieces of earth-moving equipment burned to the ground. The fire department investigator concluded that the fire had started in the wall behind a sealed combustion propane heater and that the heater must have been installed incorrectly.

The heater had been installed by my client several years prior to the incident. The heater had been removed from the

scene by the local fire department and retained as evidence. During our examination of the heater, we removed the outer casing and noticed a green substance had melted on the heat exchanger.

At the site, we had found melted and partially melted one-litre green plastic containers of motor oil. With this evidence, interviews were conducted with the people working in the garage, and it was soon discovered that a common practice was to place the plastic containers of motor oil on the propane heater's top grill to heat the oil to make it easier to pour.

We finally learned that a plastic container of motor oil had been placed on the heater when the employees went to a local restaurant for coffee. The structure was on fire when they returned to the garage.

The original cause of the accident was changed to reflect what our investigation had determined, which exonerated my client of any wrongdoing.

In a second incident, a propane kitchen range, installed by my client, was blamed by the local fire services for a fire that caused extensive damage to a home.

Fortunately, we arrived at the scene prior to any evidence being disturbed. Our investigation at the scene determined that one of the top burner valves was in the high position and that a frying pan was sitting on that burner. After interviewing the homeowner, we learned that just prior to going to church that morning he had cooked bacon, eggs, and home fries for breakfast.

While the cast-iron frying pan was undamaged and all the grease in the pan

consumed, fire patterns indicated that the fire had spread from the frying pan to the kitchen cabinets above the range, not from the wall behind the range as originally thought by the fire department investigator. The homeowner had forgotten to turn off the burner when he finished cooking breakfast.

Again, the original cause was changed to reflect what we had determined and our client was exonerated of any wrongdoing.

Incident Management Team

The management of an incident should use a team approach, which may or may not be dependent upon the severity of the incident, and include your insurer, adjuster, lawyer, company incident manager, internal company investigator, and possibly, an outside independent technical investigator.

The team should be established prior to any incidents taking place; since there is no time to put together a team if and when an incident occurs. Each team member must be aware of his/her responsibilities.

The incident has most likely been reported to fire services, police, etc. by the time you become aware that an incident has occurred.

Incident Manager

The internal company person who is notified of the incident, determines the severity of the incident and activates the appropriate team members, notifies senior management, insurer and enforcing authority (legal obligations). Other responsibilities include:

- In accordance with company policy, provides information such as customer files, staff qualifications, work orders, etc. as requested by enforcing authority investigators; and
- Continually monitors the investigation as it progresses, receives and reviews reports from the technical investigator and adjuster, reports to senior management and adds or removes team members as the response requires.

Legal Services

I have several clients where the incident manager is either a part of the in-house legal team or a member of the corporation's external law firm. It's up to management of the company to determine at what stage of the investigation legal services become involved.

Having a lawyer involved in the first stages to help guide the investigation can be a great benefit down the road as he/she will know what information, from a legal point, must be determined, what information is to be kept privileged and what information can be shared.

Technical Investigator

Attends the scene and tries to become part of the investigation team where fire services or government investigators are involved. The Technical Investigator can act as the liaison between government investigators and the company, and keep abreast of the government investigation.

The Investigator

Conducts his/her independent investigation following practices as described in NFPA 921 *Guide for Fire & Explosion Investigations*. The Investigator acts as an expert witness and supports the legal

team during mediation, examinations for discovery and trial.

Administrator

Each team needs an administrator who is familiar with the company's filing system and record-keeping policies. The administrator is key in keeping track of customer and employee files that may be requested and provided to adjusters/government investigators and company investigator. The administrator photocopies files for distribution and retains the originals.

Insurer/Adjuster

Liaison with other insurance adjusters obtains permission for company investigator to enter the scene, interviews witnesses and company staff who may be involved. Provides reports to the insurer, and provides information to the technical investigator and incident manager.

Media Spokesperson

This person may be the incident manager, legal services member or a separate individual assigned to this task. The Media Spokesperson responds to calls from the media.

In conclusion, having an incident team in place enables you to manage an incident in the best interests of the company.

Attending incident scenes and activating the team may absolve your company of any wrongdoing. However, it may be determined that your company does have some liability exposure. If so, you now know what that liability is and can move forward managing the liability to reduce the financial impact to your company.

About the Author

David Stainrod provides technical fuel and investigative consultation to the public and governments in both Canada and the United States. He is an active member of numerous provincial regulatory committees as well as CSA Codes and Strategic Steering committees. David is President of the Fuels Learning Centre and can be reached by email at david.stainrod@fuelslc.com.