

SID RICHARDSON CARBON CO.  
201 MAIN STREET  
FORT WORTH, TEXAS 76102

# ENVIRONMENTAL MANAGEMENT SYSTEM MANUAL

Revision Number: 00 Date: October 15, 2003

Manual Number: 00

Assigned To: UNCONTROLLED COPY

Approved By: \_\_\_\_\_ President

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**APPENDICES**

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### **III. OWNERSHIP**

This Environmental Management System Manual is the property of Sid Richardson Carbon Co. (hereinafter referred to as SRCC). All rights, privileges, and obligations associated with this manual belong to SRCC, including the exclusive right to make changes and issue revisions as deemed appropriate.

The policies and procedures described in the Environmental Management System Manual are applicable as appropriate to the following SRCC locations.

- 1. Corporate Office  
201 Main Street  
Fort Worth, TX 76102**
- 2. Fort Worth Research Center  
4825 North Freeway  
Fort Worth, TX 76106**
- 3. AR&D Pilot Plant  
Located at Big Spring Plant**
- 4. Addis Carbon Black Plant  
5221 Sid Richardson Road  
Addis, LA 70710**
- 5. Big Spring Carbon Black Plant  
1211 North Midway Road  
Big Spring, TX 79720**
- 6. Borger Carbon Black Plant  
9455 FM #1559  
Borger, TX 79007**

#### **IV. MANUAL CONTROL**

1. The Environmental Management System Manual shall be approved by the President of the company.
2. The Director Environmental, Health, and Safety (hereinafter referred to as EHS) shall be responsible for maintaining the contents of the Environmental Management System Manual and issuing/controlling all revisions to the manual. Appendix b shall contain a log showing the history of all revisions to the manual, which affect the Environmental Management System.
3. All copies of the Environmental Management System Manual shall be issued with manual no., revision no., assignee, and date. Where appropriate, manuals assigned to a facility may show only the facility name as assignee. Further distribution of facility assigned manuals shall be the responsibility of the facility manager. Copies of the manual, which become obsolete, shall be discarded unless otherwise instructed by the Director of EHS. A list shall be maintained in the EHS office showing the recipients of all current copies.
4. Unless requested otherwise by the Director of EHS, Environmental Management System Manuals issued to persons or organizations external to SRCC shall be issued from Corporate and stamped "For Information Purposes Only"

V. **ENVIRONMENTAL MANAGEMENT SYSTEM REQUIREMENTS**

EMS-01

SCOPE

**V. EMS-01 SCOPE**

1. The Environmental Management System provides a mechanism for environmental management throughout all areas and departments in the company. The Environmental Management System is designed to cover Environmental Aspects which a facility can control and manage and those it does not control or manage but can be expected to have an influence.

The purpose of the Environmental Management System Manual is to establish specific programs and procedures, assign responsibility, measure accountability and provide instructions for maintaining procedures to support the Environmental Management System.

End EMS-01

V. **ENVIRONMENTAL MANAGEMENT SYSTEM REQUIREMENTS**

EMS-02

ENVIRONMENTAL POLICY

## V. EMS-02 ENVIRONMENTAL POLICY

Sid Richardson Carbon Co. (SRCC) is committed to conducting business in an environmentally responsible manner in order to protect our employees, the Environment and the communities where we operate. Achieving this commitment is a primary management objective and the responsibility of all SRCC employees. Accordingly SRCC will constantly strive to:

- Operate in conformance with applicable government requirements and good management practices while striving for continual improvement in environmental performance.
- Design, construct and operate facilities in a manner to avoid circumstances that could have adverse impacts on employees or the Environment.
- Integrate Environmental Aspects into business plans and decisions.
- Train and motivate employees to take personal accountability for environmental commitments.
- Transport products and dispose of waste in a safe and environmentally acceptable manner.

SRCC has adopted the above principles to promote accountability for environmental performance at all levels of our company. Environmental values will be pursued with the same intensity that we pursue other business values.

End EMS-02

## V. ENVIRONMENTAL MANAGEMENT SYSTEM REQUIREMENTS

# EMS-03

## DEFINITIONS AND ABBREVIATIONS

The following definitions are the intended meanings of selected terms and abbreviations as used in the Environmental Management System manual.

**Adverse Environmental Impact** – Having a harmful effect to the environment

**ASTM** – American Society of Testing and Materials

**CAR** – Corrective action request that addresses observed nonconformances and actions to correct on a permanent basis.

**Corporate Management** – Can include any of the following: President, VP Manufacturing & Engineering, VP Research & Development, Director EHS & Project Manager.

**Emergency Response and Preparedness Plan** – Procedures to identify the potential for and response to emergency situations and for preventing and mitigating the Environmental Impacts that may be associated with them.

**Environment** – Surroundings in which an organization operates, including air, water, land, natural resources, flora, fauna, humans, and their interrelation.

**Environmental Aspect** – Element of an organization’s activities, products or services that can interact with the Environment.

**Environmental Impact** – Any change to the Environment, whether adverse or beneficial, wholly or partially resulting from an organization’s activities, products or services.

**Environmental Management System** – that part of the overall management system that includes organizational structure, planning activities, responsibilities, practices, procedures, processes and resources for developing, implementing, achieving, reviewing and maintaining the Environmental Policy.

**Environmental Management System Audit** – A systematic and documented verification process of objectively obtaining and evaluating evidence to determine whether SRCC’s Environmental Management System conforms to the Environmental Management System Audit criteria set by SRCC, and for communication of the results of this process to plant and Fort Worth management.

**Environmental Objective** – Overall environmental goal, arising from the Environmental Policy, that SRCC sets to achieve, and which is quantified where practicable.

V. EMS-03 DEFINITIONS AND ABBREVIATIONS

**Environmental Policy** – Statement by SRCC of its intentions and principles in relation to its overall environmental performance, which provides a framework for action and for the setting of Environmental Objectives.

**Management Representative** – Has the primary direct responsibility and authority to implement and maintain the Environmental Management System. There will be a facility Management Representative and a corporate Management Representative.

**Nonconformance** – The non-fulfillment of specified system requirements.

**PAR** – Preventative action request that addresses potential nonconformance and actions to correct on a permanent basis.

**Permit** – Permit, licenses, certifications or other authorizations issued by a governmental regulatory body.

**Records** – Documented information that: (a) is evidence of an environmental activity or event that has been or is being performed, or (b) is required to be retained for future reference.

**Regulatory Agency** – governmental unit delegated authority for implementing regulations related to ambient air quality, waste management and/or water discharge quality.

**SRCC** – Sid Richardson Carbon Co.

**SRCL** - Sid Richardson Carbon Ltd. (official name for permitting)

End EMS-03

V. **ENVIRONMENTAL MANAGEMENT SYSTEM REQUIREMENTS**

EMS-04

ENVIRONMENTAL MANAGEMENT SYSTEM

## V. **EMS-04 ENVIRONMENTAL MANAGEMENT SYSTEM**

### **4.1. General Requirements**

1. SRCC shall establish and maintain an Environmental Management System which addresses (1) planning for environmental management, (2) implementation and operation of the Environmental Management System, (3) checking the Environmental Management Records and practices, then responding to Nonconformance (or potential Nonconformance) through corrective or preventive actions, and (4) conducting management reviews of the system on a regular basis.

### **4.2. Planning**

#### **4.2.1. Environmental Aspects**

1. SRCC shall establish and maintain procedures to identify the Environmental Aspects of its activities, products and services that it can reasonably be expected to control. SRCC shall ensure that the aspects related to these significant impacts are considered in setting its Environmental Objectives.
2. Maintain a regulatory notification system to include items such as:
  - a. Permit renewals
  - b. Due dates for reports to regulatory agencies
  - c. Planned agency inspections
  - d. Internal audits
  - e. Agency responses
  - f. Submittals from consultants
  - g. Any other appropriate items

#### **4.2.2. Legal and Other Requirements**

1. The Director of EHS shall establish and maintain practices to identify and have access to legal and other requirements to which SRCC subscribes, that are applicable to the Environmental Aspects of its activities, products and services.

#### **4.2.3. Objectives**

1. Corporate Management shall establish and maintain documented Environmental Objectives for SRCC. When establishing and reviewing its objectives, SRCC shall consider the legal and other requirements, its significant Environmental Aspects, its technological options, its financial, operational and business plans, and the views of interested parties.
2. The objectives shall be consistent with the Environmental Policy.

## V. EMS-04 ENVIRONMENTAL MANAGEMENT SYSTEM

### 4.2.4. Environmental Management Programs

1. SRCC shall establish and maintain programs for achieving its objectives. It shall include:
  - a. Designation of responsibility for achieving objectives; and
  - b. The means and time frame by which they are to be achieved.
2. If a project relates to new developments and new or modified activities, products or services, programs shall be amended where relevant to ensure that environmental management principles apply to such projects.

### 4.3. Implementation and Operation

#### 4.3.1 Structure and Responsibility

##### A. Responsibility, Authority and Organization

The responsibility, authority, and interrelation of personnel who are accountable to manage, perform, and verify work affecting the Environment is defined below.

##### B. Environmental responsibility of positions.

###### Corporate Management

1. Provide leadership, commitment and resources.
2. Establish and disseminate Environmental Policy.
3. Assignment of responsibility and accountability.
4. Formulate appropriate objectives.

## V. EMS-04 ENVIRONMENTAL MANAGEMENT SYSTEM

### Environmental Health & Safety Department

1. The Director of EHS shall serve as the Environmental Management System corporate Management Representative.
2. Development and implementation of the Environmental policy, procedures and programs that assist facilities in implementing the requirement of the Environmental Management System.
  - a. Compliance with company environmental regulations
  - b. Regulatory notification
  - c. Standard environmental guidelines
  - d. Document Control
3. Develop and provide training material to assist in training and raising awareness of employees in environmental issues.
4. Develop systems to assist facilities in tracking and complying with Environmental Management System requirements.
5. Assure that periodic audits of facilities are conducted to identify environmental compliance.
6. Responsible to approve all projects or contracts related to environmental affairs.
7. Coordinate with Engineering and Operations on preparing and distributing applicable environmental documents to regulatory agencies or third parties.

### Engineering

1. Oversee and approve all applicable documents and calculations before submittal to the regulatory agencies or third parties.
2. Coordinate with EHS department when designing all capital and major maintenance projects to verify all environmental concerns are addressed.
3. Maintain a separate repository of drawings, plot plans, quadrangle maps, deed records, property boundaries and surveys, emission points, etc. in electronic and/or paper format for use in preparing various documents.
4. Determine who will be the SRCC field construction representative for administering contractors on environmental construction projects.
5. Award contracts on environmental projects upon competitive bids or comparative qualifications.

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Plant Manager

1. Serve as the facility Management Representative.
2. Implement the Environmental Management System in their facility.
3. Ensure environmental compliance status with applicable Permits.
4. Work with plant personnel to audit and improve the system
5. Review/approve documents for operational constraints.

EHS Coordinator

1. Serve as Facility Management Representative in the absence of the plant manager.
2. Facilitate training to ensure all plant employees are qualified to perform environmental tasks.
3. Ensure suppliers and contractors are educated on the environmental requirements of SRCC.
4. Encourage and monitor environmental awareness of employees.
5. Conduct periodic facility audits and advise facility management of potential environmental concerns.

Plant Supervisors

1. Direct responsibility for ensuring that the Environmental Management System is fully executed:
  - a. Assure Environmental Management System procedures are followed.
  - b. Monitor and encourage good employee work practices.
  - c. Inspect facilities
  - d. Encourage environmental awareness of employees.

## V. EMS-04 ENVIRONMENTAL MANAGEMENT SYSTEM

### Employees

For the Environmental Management System to be a success each employee is responsible to:

1. Comply with company Environmental Policy.
2. Use and maintain equipment and facilities provided in the correct manner.
3. Direct questions regarding environmental concerns of a specific job to a supervisor.
4. Report any observed Adverse Environmental Conditions to plant supervision.
5. Participate and offer suggestions to improve the environmental system.

### **4.3.2 Training, Awareness and Competence**

1. It is the policy of SRCC that appropriate employees shall be trained and qualified to perform environmental tasks determined to be necessary by management.
2. Corporate Management shall identify training needs and establish training objectives with facility input.
3. The Management Representatives shall make employees aware of:
  - a. Importance of conformance with the Environmental Policy and the Environmental Management System.
  - b. Environmental Impacts, actual or potential of their work activities and the environmental benefits of improved performance.
  - c. Their roles and responsibilities in achieving conformance with the Environmental Policy and with requirements of Environmental Management System, including emergency preparedness and response requirements.
  - d. The potential consequences to the company and/or environment by departure from specified operating procedures.

V. EMS-04 ENVIRONMENTAL MANAGEMENT SYSTEM

4.3.3 Communication

1. With regard to its Environmental Aspects and Environmental Management System, SRCC shall establish and maintain procedures for:
  - a. Internal communication between the various levels and functions of SRCC;
  - b. Receiving, documenting and responding to relevant communication from external interested parties.

A. Internal Communications

1. Internal communications shall be implemented to ensure that personnel at each relevant level and function are aware of the following:
  - a. The Environmental policy
  - b. The Environmental Management System;
  - c. The importance of conformance with the Environmental Policy, and Environmental Management System
  - d. The potential consequences of system Nonconformance;
  - e. Individual roles and responsibilities in achieving conformance with procedures, including emergency preparedness; and
  - f. The significant Environmental Aspects associated with work activities and the environmental benefits of improved performance
2. Internal communication may be accomplished by the use of:
  - a. Personal Interactions;
  - b. Notice Boards;
  - c. Awareness of facility personnel, as appropriate in line with job function;
  - d. Environmental training as appropriate;
  - e. Newsletters;
  - f. Electronic notes;
  - g. Group meetings and meeting minutes;
  - h. Management reviews and meeting minutes;
  - i. Corrective or Preventive Action Requests

V. EMS-04 **ENVIRONMENTAL MANAGEMENT SYSTEM**

3. Facility Management Representatives:
  - a. Shall keep Corporate Management advised of necessary revisions/additions to the system and shall bring to the attention of appropriate management any conflicts between Environmental Management System requirements and actual practice as they become known.
  - b. Shall use all available resources to work through the appropriate management to resolve conflicts within the system. Conflicts, which cannot be resolved by working through appropriate management, shall be brought to the attention of the President.
  - c. Shall promote the awareness of environmental requirements to their locations and throughout the organization.
4. Corporate Management Representative:
  - a. Shall also serve as chairperson of the Management Review Committee to ensure that appropriate information on Environmental Management System performance is taken into consideration and used as a basis for improvement to the system.

B. External Communications

1. External communications concerning the Environmental Aspects of the company shall be routed to the Director of EHS who is responsible for responding to inquiries from interested parties and regulatory agencies.
2. External communications concerning the Environmental Aspects of an individual facility should be directed either to the Director of EHS or to the facility Management Representative as appropriate.

**4.3.4 Document Control**

1. It is the policy of SRCC that sufficient documentation be available to effectively operate and maintain the Environmental Management System and that a control procedure be provided to ensure that the latest revision to documentation is maintained in a legible and readily identifiable condition at all locations where needed.
2. The Director EHS shall be responsible to develop, document, and maintain procedures for controlling documentation pertinent to the Environmental Management System. Documentation is defined as both procedure and the applicable forms and data pertinent to performing the procedure.

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3. Methods provided to control the issue of new documentation and revision/reissue of existing documentation shall be adequate to preclude the use of invalid and/or obsolete documents and shall require:
  - a. Procedures to be written in a standard format where appropriate. The recommended format shall be provided by the Director of EHS.
  - b. All procedures to contain a title, procedure number, revision number, date authorized for use, and approval signatures.
  - c. Procedures to be reviewed for adequacy and approved prior to issue. Subsequent revisions shall be approved by the same authority who approved the original or by equal authority having access to all pertinent background information.
  - d. All documents to be issued with a cover letter to identify the changes and name the recipients.
  - e. Revisions to a procedure to be identified by marking the affected paragraphs with an asterisk in the left hand margin next to the paragraph number.
4. Corporate office shall maintain a master list of all current corporate-wide documents showing the procedure number, revision number, date, and the person responsible for maintenance. Each location manager shall maintain a similar list of documents developed for local use only.
5. All pertinent and appropriate documentation dealing with environmental requirements, regulations or issues shall be maintained at both the facility and corporate office.
6. Any change to the content of a document or to the described procedure shall require that the document be reissued.
7. Documents of external origin, which are required and officially authorized for use, shall be identified, provided, and controlled in a manner so as to ensure their proper use.
8. Obsolete documents (manuals, etc.) may be retained for reference and informational purposes provided they are marked "OBSOLETE" in a conspicuous manner and maintained in a location separate from documents being used to do the work.

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### 4.3.5 Operational Control

1. The facility Management Representative, with assistance from the Director of EHS, is responsible for identifying operations and activities associated with Environmental Aspects that may require operational controls in procedures, work practices, or environmental management programs. If required, the Director of EHS has the responsibility to ensure proper environmental controls are put in place and it is the responsibility of the facility Management Representative to manage such controls.
2. This manual defines the mechanisms for the establishment, implementation and maintenance of the Environmental Management System and ensure that the system is maintained in accordance with Environmental Policy and objectives and targets and is also communicated to suppliers and contractors.
3. Additional supporting documents are either in the form of (1) a system procedure that cover the management and control of both the Environmental Management System and Environmental Aspects, or (2) written work practices that cover the environmental control of specific operational activities and are usually activity specific in their application.

### 4.3.6 Emergency Response and Preparedness

1. SRCC shall establish and maintain procedures to identify the potential for and response to emergency situations, and for preventing and mitigating the Adverse Environmental Impacts that may be associated with them. The Director of EHS will coordinate the establishment and maintenance of these with the facility Management Representative.
2. The facility will have an Emergency Response and Preparedness plan to identify potential facility environmental emergencies. This plan shall address:
  - a. Methods to respond to, mitigate and prevent identified potential environmental emergencies.
  - b. Roles and responsibilities for communications within the facility.
  - c. Responsibilities for obtaining outside support services.
3. The facility Management Representative shall review and revise, where necessary, its emergency preparedness and response procedures, in particular, after the occurrence of emergency situations or significant changes.
4. The facility Management Representative shall also test such procedures, where practicable, on a periodic basis.

V. EMS-04 ENVIRONMENTAL MANAGEMENT SYSTEM

4.4. Checking and Corrective Action

4.4.1 Monitoring and Measurement

1. It is the policy of SRCC that plant operations be controlled in such a manner as to minimize impact on the Environment and operate within regulatory compliance. To assure satisfactory environmental compliance, documented procedures shall be established and maintained to monitor and measure the key characteristics of the operation and activities that have a significant impact on the Environment. Procedures shall include the recording of information to track performance, relevant operational controls and conformance with SRCC's Environmental Objectives.
2. The facility Management Representative shall be responsible to ensure that appropriate facility personnel are provided with the necessary instructions, schedules, and forms to perform and document inspection and monitoring of the process for environmental compliance purposes. Instructions shall, at a minimum, include the following:
  - a. Environmental compliance requirements if appropriate.
  - b. What equipment or process variable/condition to inspect.
  - c. Where to inspect, how often, and what information to record.
  - d. What is acceptable/unacceptable and what to do when a Nonconforming condition is found.
3. Control of applicable equipment shall include provisions to ensure that:
  - a. Calibrated equipment in use, such as the sulfur test machine, shall be identified by a sticker, tag, or other visible means of assessing calibration status. All calibration stickers, tags, and other Records of calibration status must show date last calibrated, next date due, and who performed the calibration.
  - b. Except for certified stack readers, only calibrated equipment shall be used to verify environmental compliance to Permit requirements and shall be used in such a manner that the test measurement error is known and is consistent with ASTM and/or SRCC precision/accuracy statements. Measurement and test equipment not clearly identified as to calibration status (i.e., stickered or tagged) shall not be used for compliance testing.
  - c. The accuracy and precision of calibration results shall be traceable to nationally recognized standards where such standards exist. In the absence of such standards, the calibration procedure or the equipment log shall specify the basis for ensuring accuracy/precision of the calibration equipment used.
  - d. Measurement and test equipment shall be protected from unauthorized adjustments, which would invalidate calibration.

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- e. Test hardware or test software, if used for environmental compliance testing, shall be subject to the same requirements as other listed measurement and test equipment.
4. Calculations required by SRCC's procedures and regulatory compliance requirements shall be reviewed by the facility Management Representative and corporate Engineering Department.
  - a. The Engineering Department will be responsible for overseeing and approving all applicable documents and calculations to present required documentation to the regulatory agencies.
  - b. The facility Management Representative will be responsible to see that applicable documents are properly and timely completed to meet obligations of regulatory compliance and SRCC procedures.
  - c. The Director of EHS will be responsible for reporting required Records and documents to the Regulatory agencies
  - d. No changes in above referenced calculations shall be made unless approved in writing by corporate engineering and EHS.
5. The facility Management Representative shall be responsible to identify restorative/preventive maintenance requirements for processing equipment, and shall see to it that suitable maintenance is performed to ensure the continuing capability of the process to maintain the plant within environmental compliance.
6. The Facility/QC Lab Manager at each applicable location shall be responsible to identify and maintain a list of equipment requiring calibration and control, and shall ensure that calibration is performed and documented on listed equipment before it is put into service and at regularly scheduled intervals thereafter.
7. Acceptable calibration methods may be as recommended by any of the following authority:
  - a. Equipment manufacturers.
  - b. Recognized standards organizations such as ASTM.
  - c. SRCC operating experience.

V. EMS-04 ENVIRONMENTAL MANAGEMENT SYSTEM

8. Facility Management Representatives and/or the respective department heads are responsible to document the procedures used to calibrate listed equipment. Each calibration procedure shall include or reference the following information:
  - a. Identification and function of equipment covered by the procedure.
  - b. Who is authorized to do the calibration.
  - c. Calibration frequency.
  - d. Calibrating equipment/standard to be used.
  - e. Environmental conditions required for the calibration.
  - f. Measurements to be made to assure calibration over the expected range of use.
  - g. Method for taking the measurements.
  - h. Acceptable limits for each measurement taken.
  - i. Action to be taken if calibration results are unsatisfactory.
  - j. How equipment is to be stored/handled to maintain accuracy and fitness for use.
  - k. Documentation requirements.
  
9. Outside services may be used for calibration as deemed appropriate by the responsible manager. When outside service is used, the manager is responsible to ensure that the service conforms to the requirements of this section.
  
10. A separate log to document calibration and maintenance shall be maintained for each piece of listed equipment. At a minimum, the log shall include the following:
  - a. Identification to Permit traceability.
  - b. Current location of equipment.
  - c. Standard used.
  - d. Required accuracy expressed as acceptable limits.
  - e. Date calibrated.
  - f. Date next calibration due.
  - g. "As found" versus "as left" for each calibration.
  - h. Corrective action taken.
  - i. Maintenance history.
  - j. Person who performed the calibration or maintenance.

V. EMS-04 **ENVIRONMENTAL MANAGEMENT SYSTEM**

11. When equipment used to verify environmental compliance is found to be out of calibration, the facility Management Representative shall be responsible to:
  - a. Assess the validity of test results previously produced by the faulty equipment.
  - b. Resample/retest as appropriate to reevaluate quality status of any suspect data.
  - c. Notify the Director of EHS of suspect data, which have already been given to governmental agencies.
  - d. Document all decisions/actions.
12. Calibration Records shall be made available to auditors who wish to review them.

**4.4.2 Nonconformance and Corrective/Preventive Action**

1. It is the policy of SRCC to take corrective and/or preventive action as necessary to investigate and address environmental nonconformity. Applicable situations for corrective/preventive action may involve any problem or potential problem, which can have Adverse Environmental Impact.
  - a. Valid neighbor complaints.
  - b. Nonconforming operations resulting in environmental concerns.
  - c. Environmental Management System issues arising from internal audits.
2. SRCC shall develop and maintain company-wide procedures for responding to internal requests for corrective/preventive actions. The procedures shall provide for:
  - a. Applicable problems to be brought to the attention of management.
  - b. The use of appropriate sources of information (e.g., environmental Records, complaints, audit results, processes, work operations, SRCC objectives, etc.) to detect, analyze, and eliminate potential causes of Nonconformance.
  - c. Assignment of responsibility for investigating and taking appropriate action.
  - d. Maintenance of documentation indicating what was found to be wrong, the action taken, and the results of those actions.
  - e. Follow up to verify that the action taken was effective and that any procedural changes and/or training made necessary as a result of the action is completed before closeout.
  - f. Records of preventive action, which may have wider application to be submitted to appropriate management for further review.

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*Note: Procedures prescribed under Sec. 2 above are not intended to supersede or to interfere with methods in place to handle routine work situations (e.g., maintenance work order system and responding to process upsets and nonconforming operations.). The facility manager should, however, initiate additional corrective/preventive action when established work procedures fail to achieve objectives.*

### 4.4.3 Control of Records

1. It is the policy of SRCC that sufficient Records shall be maintained to demonstrate conformity to requirements and to verify effective operation of the Environmental Management System. Maintenance requirements shall also be applicable to supplier Records pertinent to the system.
2. Records shall be stored in an Environment so as to minimize damage or deterioration and prevent loss. Storage conditions shall be maintained to ensure that each record remains identifiable, legible, and easily retrievable during the required storage period.
3. All pertinent and appropriate records dealing with environmental requirements, regulations or issues shall be maintained at both the facility and corporate office.
4. The facility Management Representative shall maintain an Environmental Records List. Corporate EHS shall maintain a Master Environmental Records list for all facilities.
5. The Records list, as appropriate, shall provide for:
  - a. Identification of the record by type and/or name.
  - b. Location where the record is to be filed/stored and how it is to be protected.
  - c. Minimum retention time which shall be no less than three years for environmental Records unless required differently by corporate procedure or regulatory permit.
  - d. Responsibility for collecting and/or maintaining the record.
  - e. The disposal method for obsolete Records.
  - f. Other information as appropriate

**V. EMS-04 ENVIRONMENTAL MANAGEMENT SYSTEM**

**4.4.4 Environmental Management System Audit**

1. It is the policy of SRCC to verify by internal environmental audits that the Environmental Management System is adequate to serve the company's needs and that it is being applied as intended by management.
2. Scheduled Internal audits shall be performed periodically at each applicable location by qualified auditors.
3. The corporate Management Representative shall be responsible for:
  - a. Qualifying and assigning auditors to ensure objectivity and impartiality.
  - b. Scheduling and planning for audits to ensure that the audit criteria, scope, frequency and methods are defined.
  - c. Conducting meaningful audits and reporting results.
4. The corporate Management Representative shall ensure that the audit process considers:
  - a. Compliance with the Environmental Management System.
  - b. Necessary procedures are properly documented and available where needed.
  - c. Work is being done according to procedures.
  - d. The working Environment is satisfactory to achieve objectives.
  - e. Records are being maintained as required.
  - f. The system is effective to produce the expected results.
5. Audit preparation shall include a review of previous audit results, inspection/test Records, and other management concerns as applicable. A checklist, if used, shall be specific to the individual audit and shall be prepared by the corporate Management Representative and/or the audit team.
6. Auditors shall review the findings and observations with facility management during the audit and determine items to discuss with the Director EHS in preparation for a closing meeting with facility management. Once a consensus is reached, any noncompliance shall be conveyed to the responsible management for implementing corrective action. The responsible manager shall use the SRCC corrective action system to address such audit findings if required. Confirmation of the implementation and effectiveness of the corrective action must be provided to the appropriate department head and to the facility Management Representative, who shall ensure that the corrective action is reevaluated at the next scheduled internal audit.
7. Results of audits shall be maintained in accordance with section 4.4.3.

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4.5. Management Review

The corporate Management Representative shall be responsible to schedule an annual review of the entire environmental system by Corporate Management. Each review shall include a preliminary review with management at each SRCC facility and a final review by a corporate level committee. The purpose of the review shall be to evaluate the continuing adequacy, suitability and effectiveness of the system in satisfying the SRCC Environmental Policy and Objectives.

1. Review Input

A written agenda for conducting the management review shall be provided by the corporate Management Representative to ensure that the following items are taken into account in evaluating environmental management system performance.

- a. Environmental Policy & Objectives
- b. Environmental Management System Manual and supporting procedures
- c. Legal and other requirements
- d. Training, Awareness and Competence
- e. Operational Control Issues
- f. Emergency Response and Preparedness
- g. Monitoring and Measurement
- h. Nonconformance and Corrective and Preventive Action
- i. Internal Environmental System Audits
- j. Regulatory Compliance Audits
- k. Supplier, Contractor, and or Consultant Performance
- l. Updates of open action items from previous reviews

2. Review Output

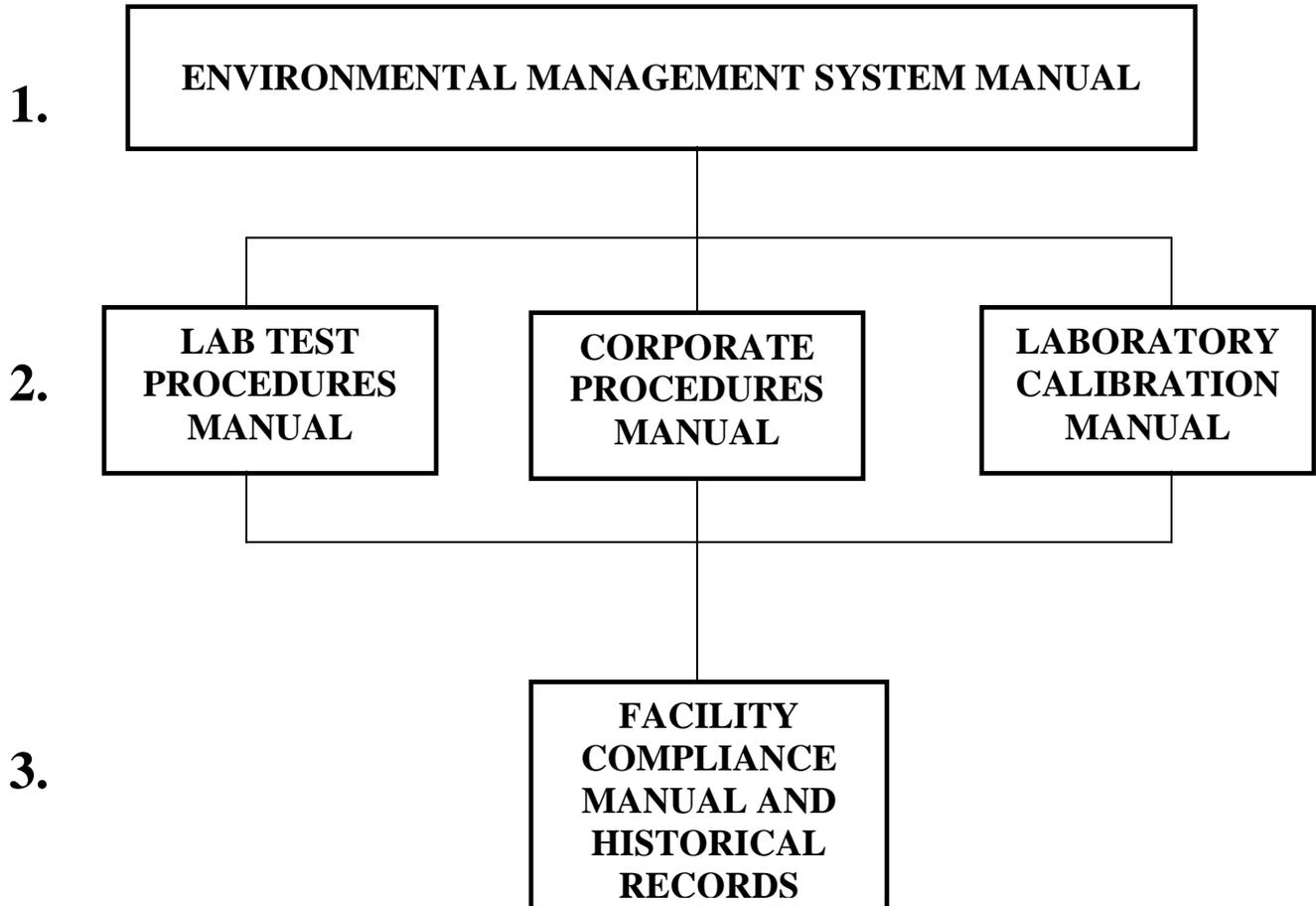
Output from the annual reviews shall be documented and include decisions and actions related to:

- a. Improvement of the effectiveness of the Environmental Management System.
- b. Improvement of Environmental Aspects as related to regulatory or other requirements.
- c. Resource needs.
- d. Corrective and Preventive Actions to be taken.
- e. Assignments of responsibility to appropriate local or corporate individuals.

End EMS-04

**APPENDIX A**

**SRCC ENVIRONMENTAL MANAGEMENT SYSTEM  
STRUCTURE & DOCUMENTATION**



## APPENDIX B

### EMS MANUAL REVISION HISTORY

<u>Rev. No.</u>	<u>Date</u>	<u>Author</u>	<u>Change</u>
00	10/15/03	(1)	Original

(1) WAW, HH, KMB, MGE, KDN