NW Natural

PIPELINE SAFETY MANAGEMENT SYSTEMS

Contractor Information Pamphlet

Revision 00, 11/03/25

What is PSMS?

Pipeline Safety Management Systems (PSMS) is an established framework of planning, executing, reviewing, and continuously improving operational procedures to pursue the industrywide goal of zero pipeline incidents. PSMS, based on the American Petroleum Institute's Recommended Practice 1173 of the same name, is being adopted throughout the oil and gas industry and is a recommended safety best practice by the National Transportation Safety Board (NTSB). PSMS covers several operational and safety topics including operating procedures, design standards, training, management of change, lessons learned review, and leadership commitment to safety.

How does PSMS affect your role as a NW Natural Contractor?

Safety, integrity, and reliability of the gas utility system are NW Natural priorities, and these priorities are passed through to all contractors performing work on the gas system for NW Natural. These priorities do not only include compliance with requirements set by state and federal regulations but also embrace the PSMS core value of continuous improvement.

Your work with NW Natural may be subject to the following PSMS requirements:

- **Registration with NW Natural's Contractor Prequalification System** – Registration with NW Natural's Contractor Prequalification System, a third-party contractor evaluation and audit application, provides a consistent platform through which contractors will disclose their safety policies, training qualifications, and safety metrics that demonstrate their commitment to working safely.

- **Communication of Worksite Risks** – Communicating worksite safety risks is a critical line of defense for preventing injuries and incidents. NW Natural's Job Hazard Analysis (JHA) process may incorporate on-site contractor input to assist in identifying shared jobsite risks. Additionally, Contractors are encouraged to implement a similar process of their own, which includes subcontractors, for the purpose of identifying and mitigating jobsite risks.

- **Sharing of Lessons Learned** – Identifying and communicating lessons learned from events or near misses is an effective way to make proactive improvements. NW Natural may request lessons learned from contractors and may share its own lessons learned with contractors as an opportunity to learn and be safer together.

- **Participation in Management of Change Processes** – Managing, documenting, and communicating changes from documented processes and designs is important for misunderstandings or assumptions that could lead to incidents. Management of Change (MOC) processes are designed to effectively analyze, approve, communicate, and record changes so all stakeholders have input and awareness.

How else can Contractors participate in PSMS and Continuous Improvement?

- **The Authority and Responsibility to "Stop Work"** – All contractor personnel working on a NW Natural site have the authority and responsibility to Stop Work when encountering any unsafe conditions that exist or are perceived to exist. By saying something when you see something and halting tasks or jobs until safety risks are addressed, you play an active role in keeping the community safe.

- **Reporting Near Misses and Good Catches** – Recognizing and documenting near misses and good catches is an important way of allowing our safety programs to be focused on preventing incidents instead of reacting to them. Each near miss or good catch represents an opportunity to learn and improve our processes without having to wait for a more consequential failure to occur. NW Natural encourages contractors to discuss near misses within their organization and share lessons learned with NW Natural that may benefit our mutual goal of improved safety.

- **Submitting Safety Suggestions** – NW Natural wants to hear your opinions and feedback on all aspects of your work, especially as it pertains to personnel and pipeline safety. If you have an idea on how to improve safety or work operations, please submit comments or suggestions to your NW Natural contact.

Please reach out to your NW Natural contact with any questions.