



# Hazardous Materials Inspection Process

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Investigator, Southern Region  
Field Operations

<http://phmsa.dot.gov/hazmat>

Month/Year



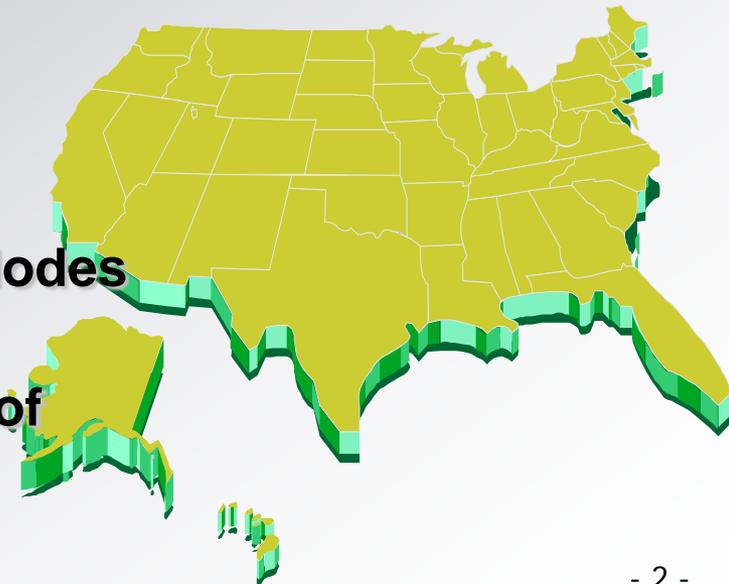
# Hazmat Shipments in the U.S.

The Department of Transportation (DOT) currently lists approximately 3,000 hazardous materials (hazmat) descriptions – these materials, if accidentally or intentionally released, can pose risks to public health and safety, property, or the environment.

**Over 1,000,000 Shipments Daily**

**2.2 Billion Tons Shipped Annually by All Modes**

**Hazardous Materials Support \$1.5 Trillion of  
US Economy Annually**



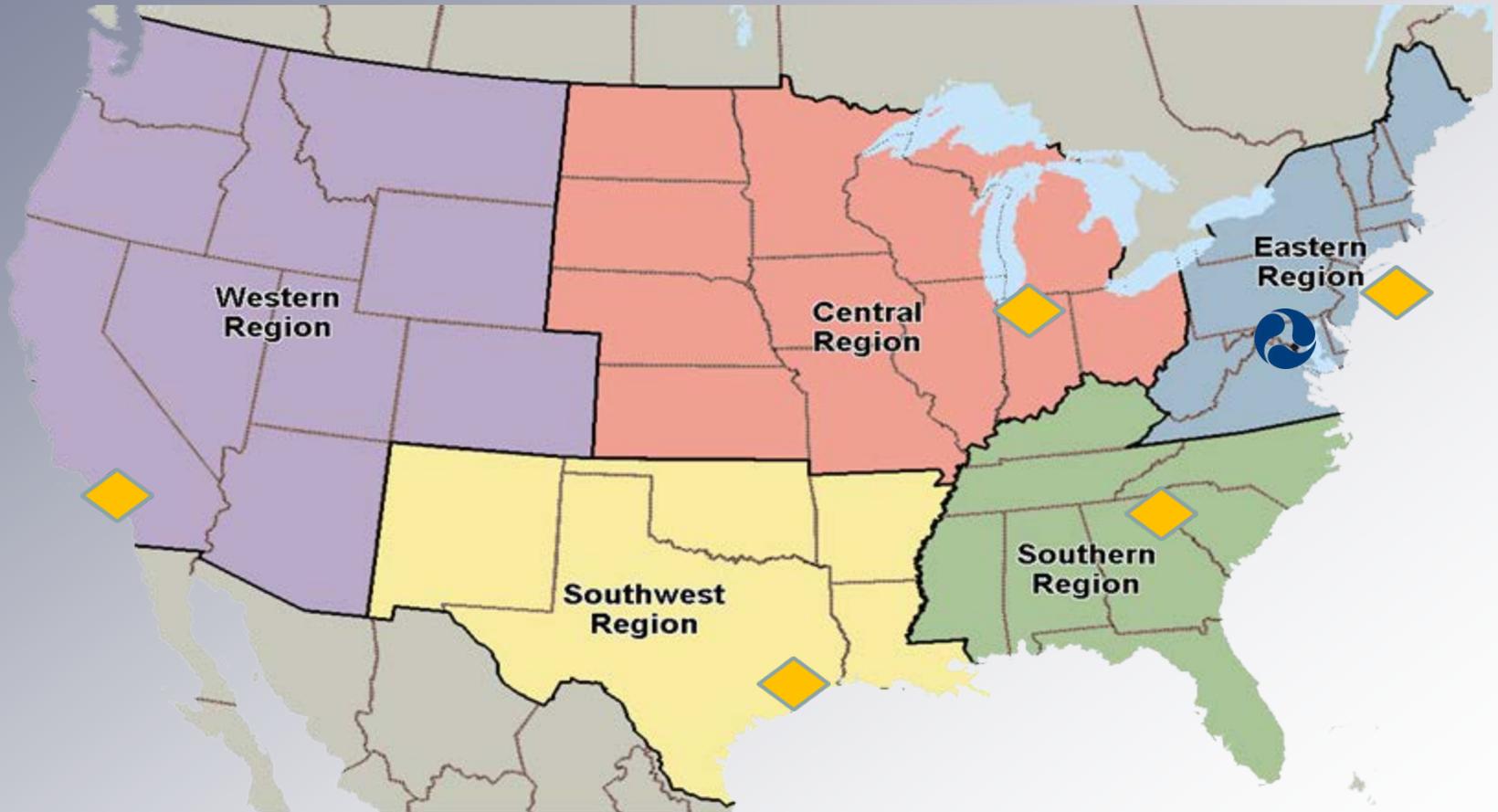


# Office of Hazardous Materials Safety (OHMS)

- “Protect the nation adequately against the risks to life and property which are inherent in the transportation of hazardous materials in commerce” [49 U.S.C. 5101]
- Ensures and promotes the safety, security and performance of the nations hazardous materials transportation system through its nationwide field operations.
- Operational activities that include compliance, incident and accident inspections and investigations; safety, performance and regulatory adequacy and fitness determinations; outreach, education and training activities; and reporting feedback, information and intelligence through its oversight of hazardous materials shippers, carriers and the manufacture, requalification, recondition, maintenance and use of hazardous materials packaging.
- To determine the adequacy and clarity of the regulations for which the hazardous material transportation activities are based.



# OHMS Field Operations Regions





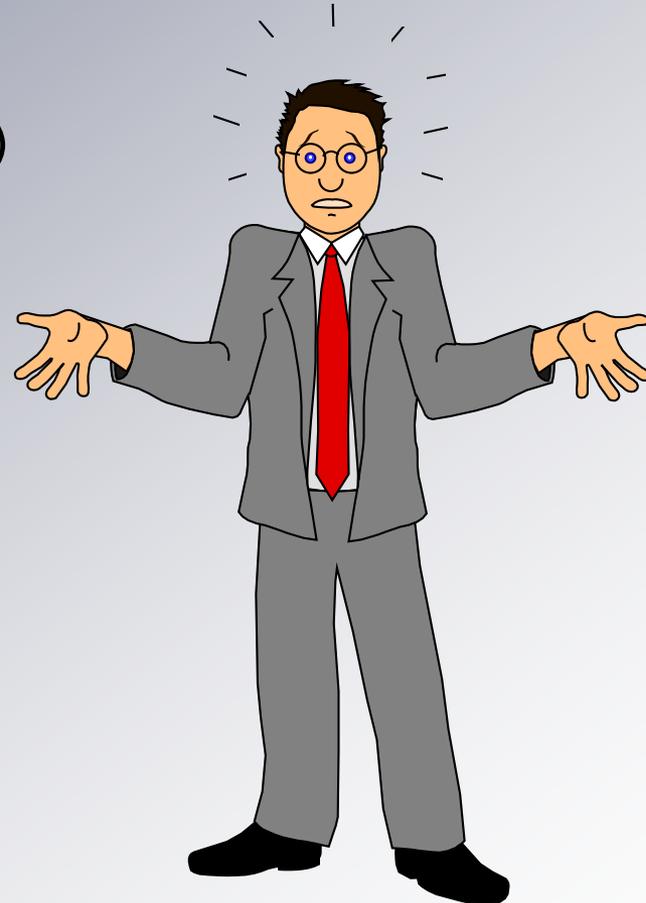
# Who does PHMSA Regulate?

- **Shippers/Carriers (HAZMAT)**
  - Explosives
  - Radioactive Materials
  - Select Agents and Infectious Substances
  - Lithium Batteries
  - Waste
- **Freight Forwarders**
- **Third-Party Labs**
- **Special Permit Holders**
- **Cylinder Requalifiers**
- **Aerosol Fillers/Shippers**
- **Agricultural Industry**
  - Nurse Tanks
- **Packaging Manufacturers**
  - Tanks, Drums, IBCs, Cylinders, Boxes, etc...
- **Packaging Self-Certifiers**
- **Distributors/Brokers**
- **High Hazard Entities**
- **Multi-Agency Strike Force Operations (MASFO)**



# Why Me?

- Complaints
- High Risk (PIH/TIH)
- Investigations
- Re-Inspections
- Observations
- Incident History
- Fitness Review
- Registered Entity
- Abatements





# The Inspection Process

- **Introduction**
  - Getting in the Door
  - General Information/Overview
- **Items Reviewed**
  - What are we looking for?
  - Will vary depending on type of inspection
- **Evidence Gathering**
  - Interviews, Documentation, Photographs, etc.
- **Closing the Inspection**
  - Security Inspection Report, Exit Briefing, etc.



# The Inspection Process – Investigator Forms

- **Inspection/Investigation Report**
  - Used to notate pertinent information during inspection
- **Observation Forms**
  - Used to notate unique package specific markings and labeling
- **Cylinder Requalification Facility Inspection Report**
  - Used as a guide for high and low pressure cylinder requalification inspections
- **Written Statements**
  - Used to document the results of an interview



# The Inspection Process - Introduction

- **Identification**
- **Purpose of Inspection**
- **PHMSA Overview**
- **General Info Gathering**
  - Representative
  - Contact Info
  - Tax ID Number
- **Company Profile**
  - What do you do?
    - Manufacture, Test, Fill, Ship?





# The Inspection Process – Items Reviewed

## ■ Observations

- Processes and Procedures
- Testing Equipment
- Manufacturing Equipment
- Packaging
- Marking and Labeling
- Training
- Registration
- Security Plan





# The Inspection Process – Evidence Gathering (Documentation)

- Package Certifications
- Production Records
- Closure Instructions
- Training Records
- Registration
- Invoices/Receiving Records
- Material Safety Data Sheets
- Retest Records





# The Inspection Process – Evidence Gathering (Documentation)

- **Shipping Papers**
  - Description/Sequence
  - Quantity and Type
    - Placards Required?
  - Certification Statement
  - Signature
  - Emergency Response #
  - Additional Information
    - Special Permits, LTD QTY, RQ, Technical Names, etc.
  - Retention (2 Years)





# Shipping Paper



U.S. Department of Transportation  
 Pipeline and Hazardous Materials  
 Safety Administration

## Bill of Lading

BOL Number \_\_\_\_\_

Date \_\_\_\_\_

Delivery Number \_\_\_\_\_

Ship Via \_\_\_\_\_

Ship Date \_\_\_\_\_

Emergency Response # \_\_\_\_\_

The image displays several overlapping sample forms for shipping papers. The primary form is a 'STRAIGHT BILL OF LADING' with a table for hazardous goods. The table has columns for 'HAZ', 'UN', 'PL', 'PG', 'QTY', 'UNIT', 'CLASSIFICATION', 'DESCRIPTION', 'ORIGINATION', 'DESTINATION', 'DATE', and 'INITIALS'. Below the table are sections for 'PLACES TO BE MARKED YES OR NO' and 'COD'. Another form is a 'DANGEROUS GOODS' form with a 'WARNING' section that reads: 'Failure to comply in all respects with the applicable Dangerous Goods Regulations may be in breach of the applicable law, subject to legal penalties.' There is also a signature line at the bottom of the forms.

I hereby declare that the contents of this assignment are fully and accurately described above by the proper shipping name and are packaged, packaged, marked and labeled in accordance with the applicable and national governmental regulations, and are in accordance with the applicable air transport regulations. I declare that all information furnished herein is true and correct.

Signature \_\_\_\_\_

Any reference to company names and company logos in the sample forms included in this software is for demonstration purposes only and does not refer to any actual organization.



# The Inspection Process – Evidence Gathering (Photographs)





# The Inspection Process – Closing the Inspection

## ■ Security Inspection Report

- Required for certain Commodities and Quantities
- Verifies components of Security Plan
  - Risk Assessment
  - Personnel Security
  - Unauthorized Access
  - En-Route Security

## ■ Security Awareness

- How to recognize and respond to a threat?
- Training Complete?
- Within 90 Days of Hire?

## ■ In-Depth Security

- Training on your Security Plan



# Security Inspection Report

INVESTIGATIVE NOTES  
COMPILED AND RETAINED FOR ENFORCEMENT PURPOSES



PIPELINE AND HAZARDOUS MATERIAL SAFETY ADMINISTRATION  
HAZMAT SECURITY INSPECTION REPORT

Inspection Date: \_\_\_\_\_

Facility Name and Address: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Company Officials Interviewed: \_\_\_\_\_ Title: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

SECURITY PLAN

Identify the material(s) below requiring a Hazardous Materials Security Plan:	
1.1, 1.2, 1.3	Any quantity.
1.4, 1.5, 1.6	Placarded quantity.
2.1	A large bulk quantity.
2.2	A large bulk quantity of material with an oxidizer subsidiary. Any quantity PIH (e.g. Anhydrous ammonia).
2.3	Any quantity.
3	PG I and II in a large bulk quantity. Placarded quantity desensitized explosives.
4.1	Placarded quantity desensitized explosives.
4.2	PG I and II in a large bulk quantity.
4.3	Placarded quantity.
5.1	PG I and II in a large bulk quantity. PG III perchlorates, ammonium nitrate, ammonium nitrate fertilizers, or ammonium nitrate emulsions, suspensions, or gels in a large bulk quantity.
5.2	Any quantity of Organic peroxide, Type B, liquid or solid, temperature controlled.
6.1	Any quantity PIH. A large bulk quantity of a material that is not a PIH.
6.2	Any quantity of a select agent or toxin listed by CDC or USDA (42 CFR, Part 73 or 9 CFR, Part 121).
7	International Atomic Energy Agency Category 1 & 2 sources. Highway Route Controlled Quantities. Known Radionuclides in forms listed as Quantities of Concern by the Nuclear Regulatory Commission. Placarded quantity of uranium hexafluoride.
8	PG I in a large bulk quantity.

"Large Bulk Quantity" refers to a quantity greater than 3,000 kg (6,614 lbs) for solids or 3,000 L (792 gal) for liquids and gases in a single packaging such as a cargo tank motor vehicle, portable tank, tank car, or other bulk container.

INVESTIGATIVE NOTES  
COMPILED AND RETAINED FOR ENFORCEMENT PURPOSES



# The Inspection Process – Closing the Inspection

## ■ Exit Briefing

- A “Field Report” not a “Final Report”
- Used to summarize the inspection and notate “probable violations” and 49 CFR cites, if any
- Investigator will review document with company official and provide guidance with regard to deficiencies
- Request corrective action and refer to penalty guidelines
- Obtain signature(s) and provide copies



# Exit Briefing



**U.S. Department of  
 Transportation**  
 Pipeline and Hazardous  
 Materials Safety Administration

Office of Hazardous  
 Materials Safety  
 Southern Region

233 Peachtree Street NE, Suite 602  
 Atlanta, Georgia 30303  
 (404) 832-1140 Fax: (404) 832-1188

## EXIT BRIEFING

COMPANY NAME \_\_\_\_\_ DATE \_\_\_\_\_

ADDRESS \_\_\_\_\_

COMPANY WEB ADDRESS \_\_\_\_\_ TAX ID# \_\_\_\_\_

### NAME OF INDIVIDUALS RECEIVING THE BRIEFING:

Name: \_\_\_\_\_ Title: \_\_\_\_\_

Email Address: \_\_\_\_\_

Name: \_\_\_\_\_ Title: \_\_\_\_\_

Email Address: \_\_\_\_\_

Name: \_\_\_\_\_ Title: \_\_\_\_\_

Email Address: \_\_\_\_\_

This has been a compliance inspection conducted in accordance with Title 49 U.S.C. Section 5121(c). This exit briefing addresses only the areas noted, and it is not a finding of general compliance in any other areas covered by the Hazardous Materials Regulations that were subject to the inspection.

During the course of the inspection the following probable violations of 49 CFR and/or quality control items were noted:

### PROBABLE VIOLATIONS:

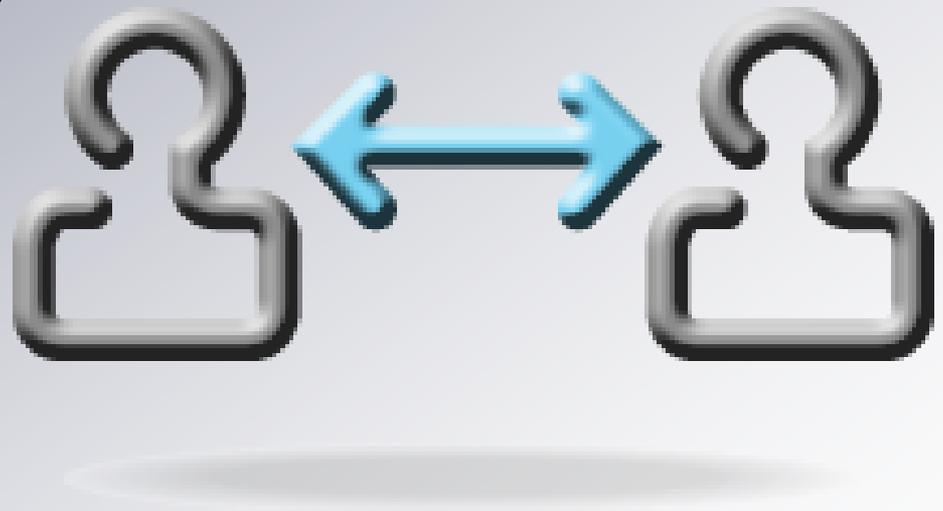
Section: \_\_\_\_\_

Explanation: \_\_\_\_\_



# Investigator Feedback

- **Based on Experience**
  - Other Entity Comparisons (names omitted)
- **Geared Toward**
  - Safety
  - Overall Compliance
  - Systemic Improvements
  - Streamlining Operations





# The Inspection Process – Additional Docs

- PHMSA Organization Chart
- Hazmat Compliance Assistance Packet
- Hazmat DigiPack 7.1
- Penalty Guidelines (Appendix A to Subpart D of Part 107)
- Title 49 Code of Federal Regulations (49 CFR)
- DOT Chart 14
- DOT Pamphlets (Security Plan, MOTS)





# Glad That's Over – Now What???





## The Inspection Process – Next Steps

- **Investigator returns to regional office to prepare inspection report**
  - Reviews inspection with Region Director
  - Formalizes interviews, photos, documentation, etc.
  - Documents facts and evidence
- **Awaiting Corrective Action (within 30 Days)**
  - Attach to completed report and submit to Region Director
- **Region Director will review report for validity, completeness, and determine that corrective actions are sufficient to prevent future occurrences and ensure compliance**



# Inspection Results/Actions

- **No Further Action**
- **Warning Letter**
- **Ticket for Non-Compliance**
- **Civil Penalty Case**
  - General Council
- **Criminal Case**
  - General Council
  - Office of Inspector General (OIG)





## Penalty Potential (per violation)

- **Civil (\$250 - \$55,000); Up to \$110,000 if death, illness or serious injury...**
  - Violation of a requirement as it relates to the...  
“transporting of a hazardous material, manufacture, fabrication, marking, maintenance, reconditioning, repair or testing of a hazardous materials packaging.”
- **Criminal (up to \$250,000 for an individual and \$500,000 for a company and/or 5 years imprisonment)**
  - Willfully violating the hazardous materials regulations
  - Unlawful altering, removal, defacing, destroying or otherwise tampering with any marking, labeling, placarding or packaging requirement





# Penalty Guidelines

Appendix A to Subpart D of Part 107 — Guidelines for Civil Penalties

Page 1 of 14

## Appendix A to Subpart D of Part 107 — Guidelines for Civil Penalties

**I. This appendix sets forth** the guidelines used by the Office of Hazardous Materials Safety (as of October 1, 2005) in making initial baseline determinations for recommending civil penalties. The first part of these guidelines is a list of baseline amounts or ranges for probable violations frequently cited in enforcement reports referred for action. Following the list of violations are general guidelines used by OHMS in making initial penalty determinations in enforcement cases.

### II. List of Frequently Cited Violations

#### II – List of Frequently Cited Violations

Violation description	Section or cite	Baseline assessment
<b>General Requirements</b>		
A. Registration Requirements: Failure to register as an offeror or carrier of hazardous material and pay registration fee.	107.608, 107.612	\$1,000 + \$500 each additional year.
B. Training Requirements:		
1. Failure to provide initial training to hazmat employees (general awareness, function-specific, safety, and security awareness training):	172.702	
a. More than 10 hazmat employees		\$700 and up each area.
b. 10 hazmat employees or fewer		\$450 and up each area.
2. Failure to provide recurrent training to hazmat employees (general awareness, function-specific, safety, and security awareness training)	172.702	\$450 and up each area.
3. Failure to provide security training when a security plan is required but has not been developed	172.702	Included in penalty for no security plan.
4. Failure to provide security training when a security plan has been developed but hazmat employees have not been trained concerning the security plan and its implementation	172.702	\$2,500.
5. Failure to create and maintain training records:		
a. more than 10 hazmat employees		\$800 and up.
b. 10 hazmat employees or fewer		\$500 and up.
C. Security Plans:		
1. Failure to develop a security plan; failure to adhere to security plan:	172.800	
a. §172.504 table 1 materials		\$7,500.
b. Packing Group I		\$6,000.
c. Packing Group II		\$4,500.
d. Packing Group III		\$3,000.
2. Incomplete security plan or incomplete adherence (one or more of four required elements missing)		One-quarter (25%) of above for each element.

5/10/2011



# Inspection Statistics

- **2365 Nationwide inspections conducted in CY 2011**
  - 1147 Compliance 48.5%
  - 1218 Non-Compliance 51.5%
  
- **626 Southern Region inspections conducted in CY 2011**
  - 330 Compliance 52.7%
  - 296 Non-Compliance 47.3%

**Source:**

OHMS Hazmat Intelligence Portal/HIP



# Inspection Statistics

## ■ CY2011 Non-Compliance Statistics

### Nationwide/Southern Region

- 366/102 WL
- 545/134 Tickets
- 307/60 Civil Penalties
- 0/0 Criminal Referrals



### Source:

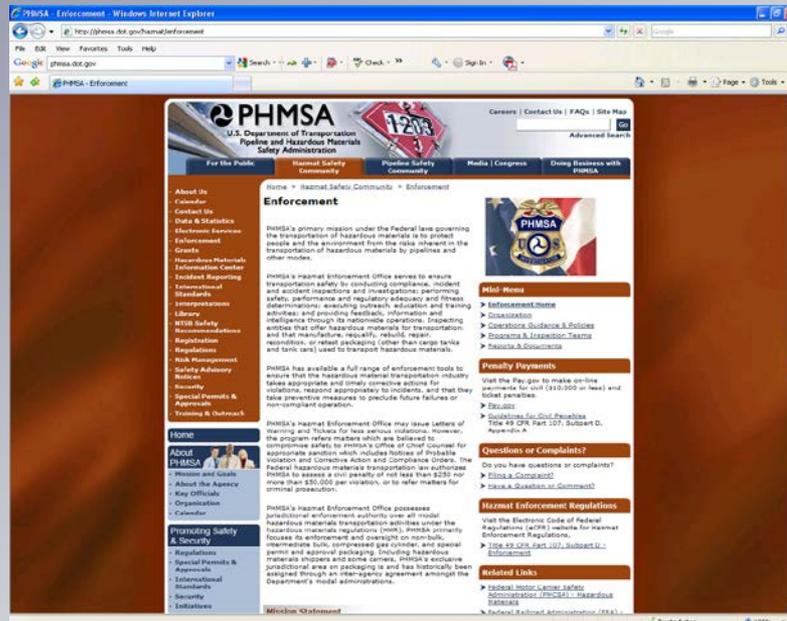
OHMS Hazmat Intelligence Portal/HIP



# PHMSA Enforcement Page

(<http://phmsa.dot.gov/hazmat/enforcement>)

“PHMSA’s primary mission under the Federal Hazmat Transportation Law is to protect the nation adequately against the risks to life and property which are inherent in the transportation of hazardous materials in commerce”





# File Complaint

- Promotes Safety
- High Priority
- Anonymous
- “What about that guy?!”
  - Opportunity to identify unknowns/“bad guys”

The screenshot shows a web browser window titled "Complaints Concerning Violations of Hazardous Materials Regulations - Windows Internet Explorer". The address bar shows the URL: <http://phhsa.dot.gov/phhsa-e/Feedback/hsa/ComplaintsViolationsForm.jsp>. The page content includes the following text:

**Complaints Concerning Violations of Hazardous Materials Regulations**

Please fill in all of the following form fields (*required fields are indicated by an \**).

If you would like your contact information to be identified, simply replace the pre-filled fields (i.e. name, email address, and phone) and other fields with your contact information. If entering anonymously, please give as much detail as possible (e.g., product(s), packaging(s), person(s), and location(s) involved), since the investigators will be unable to contact you to ensure the validity of the complaint.

For text only browsers submit your question/complaint by standard email (please include your telephone number in your email).

Please Enter Your Question/Comment:

**Contact Information:**

Name:\*

Organization:

Street Address:

City:

State:

Country (International Only):

Zip Code:

E-mail Address:\*

Telephone Number:\*

Fax Number:

At the bottom of the page, there is a footer with links: [Careers](#) | [Contact Us](#) | [No Fear](#) | [Privacy Policy](#) | [FOIA](#) | [Accessibility](#) | [FAQs](#) | [Web Policies](#) | [Site Map](#) | [Download Acrobat](#). The browser status bar shows "Trusted sites" and "100%" zoom.



# Where to Find More Information...

**PHMSA**  
Pipeline and Hazardous Materials  
Safety Administration

U.S. Department of Transportation

Contact Us | FAQs | Site Map

PHMSA Home | Pipeline Safety | Hazardous Materials Safety

Go [Advanced Search](#)

**Hazmat News** | **Most Viewed Info**

**Safety Advisories**

- ▶ [PHMSA Continues Push to Clarify & Update Hazmat Rules](#)
- ▶ [2011 Hazmat Penalty Action Report](#)
- ▶ [Hazmat Harmonization Rule on Air Packaging Issued](#)
- ▶ [PHMSA seeks comment on transportation of lithium batteries](#)
- ▶ [PHMSA Proposes Updating Hazmat Rules to Better Balance Safety Standards and Regulatory Requirements](#)

**DOT Distributes Over 2 Million New Hazardous Materials Emergency Guidebooks to Nation's First Responders**

**Find PHMSA Offices**

[Key Officials](#)

Regional Offices

**PHMSA/Hazmat Resources**

**Regulations & Rulemakings**  
PHMSA regulates and ensures the safe movement of hazardous materials.

**Data & Reports**  
PHMSA tracks data on the frequency of failures, incidents and accidents.

**Permits & Approvals**

<http://hazmat.dot.gov>



# Hazardous Material Info-Center

1-800-HMR-4922

(1-800-467-4922)

**E-mail: [infocntr@dot.gov](mailto:infocntr@dot.gov)**

**Hours of Operation: 9 am – 5 pm ET**



- Obtain answers to HMR questions
- Request copies of Federal Register, special permits or training materials
- Report HMR violations
- Fax on Demand

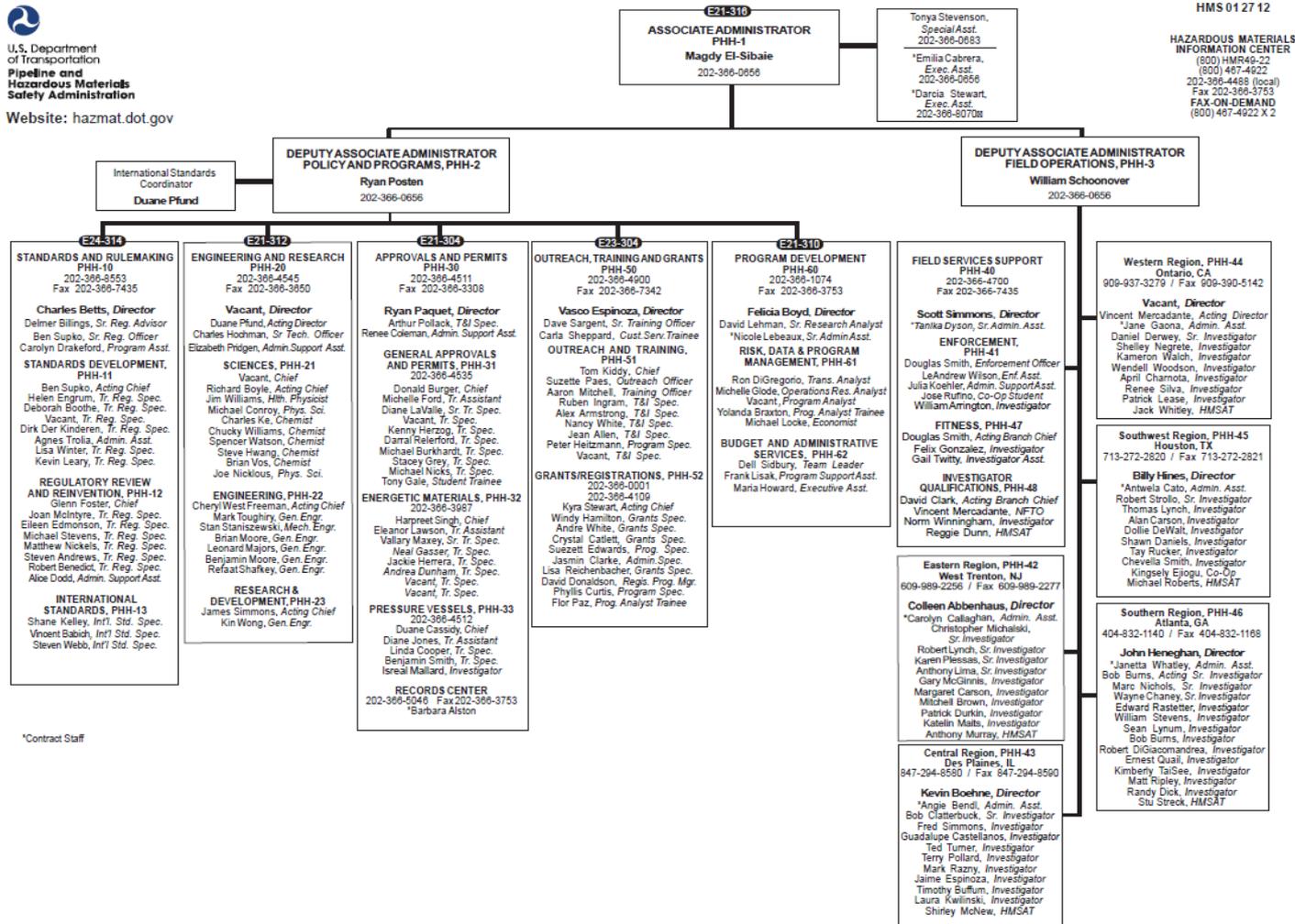


# PHMSA Organization Chart



U.S. Department of Transportation  
**Pipeline and Hazardous Materials Safety Administration**

Website: [hazmat.dot.gov](http://hazmat.dot.gov)



\*Contract Staff