


<i>HEALTH AND SAFETY MANUAL</i>		
Title: Non-Conformance Reporting Policy		
Approved by: Greg Savoy		1/1/12

1. Purpose

1.1 This procedure sets out the requirement for defining responsibility and authority for handling and investigating non-conformance, taking action to mitigate any impacts caused and for initiating and completing corrective and preventive action for the Reagan Power & Compression Inc., hereinafter referred to as the Company.

2. Procedure

2.1 Reports of non-conformances may result from external audits or may occur as part of routine operations, where an individual or department may identify a non-conformance.

3. Definitions

3.1 **Corrective Action** - action taken to rectify the non-conformance or to mitigate an impact (real or potential).

3.2 **Preventive Action** - action taken to avoid repetition of the same non-conformance. This could involve modification or enforcement of procedures, or implementation of further controls

4. Responsibilities

4.1 It is the responsibility of the Safety Department, or nominated representative, to prepare and issue an Internal Audit Report form on detection of a non-conformance including, where appropriate.

4.2 It is the responsibility of all employees to bring suspected non-conformances to the attention of the relevant Departmental Manager, or nominated representative. Non-conformance can be identified through the following activities :

- a. Internal audit findings
- b. Third party audit findings
- c. Complaints (internal or external)
- d. Observation
- e. Incidents
- f. Housekeeping inspections
- g. Near-misses

4.3 Site, Departmental and Line Managers will comply with all corrective and preventive actions prescribed within their sphere of responsibility. In exceptional cases, they should inform the Safety Manager , or nominated representative, of reasons why actions cannot or will not be taken, for further consideration and decision.

4.4 The Safety Manager will establish and maintain a reporting and record keeping system for non-conformances, corrective and preventive actions.

5. Procedure

5.1 By whichever means a non-conformance is identified, the underlying cause(s) of the non-conformance must be investigated.

5.2 Appropriate and timely corrective action must be taken according to the nature of the non-conformance.

5.3 Preventive action, such as implementing modifying or enforcing procedures or controls, will be taken to avoid repetition of the non-conformance.

5.4 Any corrective or preventive action taken to address the causes of non-conformance must be appropriate to the magnitude of problems and commensurate with the environmental impact encountered, and documented.

5.5 The Organization will implement and maintain a system of reporting and record keeping for non-conformances, corrective and preventive action.

5.6 Any changes to the environmental management procedures as a result of corrective or preventive action will be recorded.

5.7 The Non-Conformance Form will detail the nature and scale of the nonconformance, propose corrective and preventive actions, as appropriate.

5.8 Repeated non-conformances of the same nature or significant deviations from procedures (for example, disregard of the procedures, or total absence of required documentation) will be reported to the Safety Department for action and resolution.

6.0 *Exhibits:*

Appendix 1 – Non-Conformance Report Form

Appendix 1 – Non-Compliance Report Form



Facility: _____ Date: _____

Person Reporting Non-Conformance: _____

Type of Non-Conformance: QA/QC Company Policy Safety Policy Environmental
 Other _____

Date of Non-Conformance	Description of Non-Conformance

Cause of Violation(s): _____

Corrective Action / Preventive Measures / Remediation: _____

Non-Conformance Reports must be submitted to Safety Department for recordkeeping.