

Overview of Seattle City Light's Health and Safety Program

Background

Prior to 2006 Seattle City Light had a decentralized Health and Safety function. The corporate safety and health function was located in a division called Environmental Affairs and Safety. In addition Energy Delivery Operations and Power Production divisions had their own professional health and safety staff and field personnel that were assigned safety duties as a two year assignment. Because there were multiple safety programs, activities and messages being disseminated across the utility, the result was a poor safety record.

As part of the 2006 utility reorganization the safety and health function was moved to the Human Resources Business unit to improve the focus on employee health and safety. The decision to centralize the safety staff from across the utility was made in 2008. This was intended to provide consistency and improve the delivery of safety and health programs. A centralized safety unit also provided one organization responsible for setting employee safety and health policy, fully leveraging the safety and health resources of the utility and aligning the organizational structure similar to electric utilities that had best practice safety and health programs.

Seattle City Light	
Year	Total Recordable Injury Rate
2003	13.1
2004	10.6
2005	11.1
2006	10.7
2007	9.4
2008	6.7
2009	9.1
2010	7.3
2011	8.4
2012 YTD	5.7

Injury Statistics

Seattle City Light's total recordable injury rate is higher than other electric utilities and the public electric utility rate. Progress had been made in reducing that rate until 2009 when SCL experienced a hiring freeze, layoffs and budget reductions, which negatively impacted safety services.

Despite the higher than average injury rate, the severity of the injuries that employees experience at SCL tend to be less severe.

From 2007 through 2009:
 80% of the injuries were classified as sprains or strains
 13% Laceration
 7% Contusion

2010- 11 Total Recordable Injury Rate for Electric Utilities		
Utility	2010	2011 YTD
PSE*	2.03	1.94
Clark PUD		5.38
Snohomish PUD	10.73	
Sacramento Municipal Utility District (SMUD)	6.7	
Seattle City Light	7.3	8.8
Colorado Springs Utilities	4.86	6.4
Austin Energy	3.63	3.06
2010 All Electric Utility - Industry Average Total Recordable Injury Rates	4.3	
2010 Public Electric Utilities Sector Utilities Average Total Recordable Injury Rates	6.2	

* PSE contracts out most of their distribution operations and maintenance

Injury Reporting

We believe that there is a certain amount of over reporting of recordable injuries in the past data at SCL. One of the criteria to determine if the injury is recordable is if the treating physician restricts the employee from performing their normal work duties or working the full work day on the next scheduled work day because of the industrial injury. Our field supervisors and management were unaware that advising an employee that they could stay home on the day following the injury when the doctor had released the employee for full duty could erroneously drive up the total recordable injury rate. The injury is counted as a recordable injury if the

We are currently training all managers, supervisor and crew chiefs on more effectively communicating with injured workers to manage industrial injuries and the return to work process.

Injury Tracking and Data Systems

SCL currently lacks an injury tracking and reporting system. When an injury occurs in the workplace, the employee or the supervisor completes a “blue card” to document the injury and follow up treatment. Often times these cards are incomplete, inaccurate and many times not submitted in a timely manner. Without real time injury reporting and data it inhibits our ability to identify and mitigate hazards and identify trends.

The safety unit is currently evaluating data tracking systems that could be deployed across the utility. An effective tracking system will allow managers, supervisors, crew chiefs and safety staff the ability to see injury trends and data down to the crew level. By having this data we will be able to take proactive steps to implement preventative measures and remove workplace hazards.

Industrial Injury Policy and Management

The City of Seattle offers a generous industrial injury program to ensure that employees that suffer a workplace injury maintain their pre-injury income. Much of the work performed at an electrical utility is physically demanding and can be hazardous. We want to ensure that employees that suffer injuries are provided with financial support while recovering from their injury. There are, however, unintended consequences to this policy. Industrial injury payments are 80% of the employee’s salary and are not taxed so while out on an industrial injury employees actually take home more than their regular salary. In addition, the 80% rate is in effect for one year so we see a significant decrease in the number of employees on industrial injury after the rate drops to the State required rate of 60%.

Management of industrial injuries is overseen centrally by the City. The utility pays a significant amount in overhead expenses. In 2011 City Light had an average of 30 active industrial injury claims per month and pays approximately \$96k per month to City Personnel for administration of those industrial injury claims. Because SCL is not involved in the industrial injury claim management process, SCL also has little ability to proactively manage claims prior to the employee being released for regular or modified duty. Once the employee is released to return to work we have implemented an aggressive return to work program. HR staff identifies work for employees that have not been released to perform the full scope of their regular jobs.

In 2011 we have reduced the industrial injury related costs by \$700k. This savings has been primarily related to avoiding time loss costs because the employee is working elsewhere in the utility rather than remaining out of the workplace.

There are changes that could be implemented to improve SCL's safety and health record in addition to generating efficiencies and savings. Examples of potential savings are listed below.

Change	Current Annual Expense	Potential Savings if changes were implemented
Loss Time: Reduce time on Ordinance Rate from 1 yr to 6 months (more in line with other public utilities)	\$944,800 Annually	\$100K Annually
Overhead Rate paid to the City: SCL pay for dedicated staff in City personnel to manage the utility industrial injury program and implement an appropriate administration overhead rate	\$1,153,800 Annually	\$900K Annually
Adequate Safety Tracking and Trending Program: allow proactive management of the safety and health of the workforce	\$1,042,900 in medical expenses related to industrial injury	\$250K Annually in avoided medical costs \$140K Annually in avoided time loss
Total	\$3,141,500	\$1,250,000 Annually