



HEALTH AND SAFETY ADVISORY

This Advisory is a NOTIFICATION of an event/condition, recall, regulatory action, or potential which may affect personnel, operations, or existing policies and practices at a Freeport-McMoRan location. The information below is intended to be utilized for preventative or informational purposes.

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|--|---|-------------------|------------------------|----------------------------------|--------------|
| OPERATION: | Phoenix – DOHS and Operational Improvement | | | Personnel related: | |
| ISSUED BY: | Stacy Kramer/Craig Ammar | | | Equipment-related: | X |
| DATE: | August 13, 2014 | | | Property/Process-related: | X |
| TIME: | N/A | | | Health-related: | |
| CONTACT INFORMATION FOR ADDITIONAL DETAILS: | Stacy_kramer@fmi.com Craig_ammar@fmi.com | | | Other: | |
| DESCRIPTION/DETAILS OF ADVISORY: | <p>Incidents both internal to FCX and within industry involving welding on pressurized vessels and mobile equipment fuel tanks have resulted in serious injury and death. As a company, the decision has been made to no longer allow welding on mobile equipment fuel tanks or any vessel that is under pressure at any of our properties. Equipment fuel tanks must be sent out to a certified repair facility for repairs or replaced with a new tank. Pressurized systems must be relieved of all pressure and purged prior to completing repairs.</p> <p>Repairs or welding on <u>stationary fuel storage tanks</u> presents a more challenging approach, and critical controls must be developed such as purging, flushing and cleaning of the system. These controls should be incorporated into the site standard operating procedures. Only certified, experienced and qualified employees will conduct this work. Work performed by contractors must be closely monitored to ensure critical controls meet regulatory and best practice standards for welding on stationary fuel storage tanks.</p> | | | | |
| CATEGORY: | RECALL | REGULATORY | EVENT/CONDITION | CHANGE TO STANDARD | OTHER |
| | | | | X | |
| VENDOR/MANUFACTURER (as applicable) | N/A | | | | |
| IMMEDIATE CORRECTIVE ACTION: | <p>Many FCX operations have already stopped the practice of welding on mobile equipment fuel tanks and any pressurized vessels. The operational improvement group will work with the sites' maintenance groups to ensure that proper spare inventories are kept and repair options are identified.</p> <p>The Hot Work Permit Policy will be modified to include this language.</p> | | | | |
| REQUIRED ACTIONS: | <p>Each site must evaluate current practices to ensure welding is not being performed on any pressurized vessels or mobile equipment fuel tanks and that other alternatives are identified.</p> <p>Ensure site Hot Work Permits are updated to reflect these changes.</p> | | | | |

This is NOT an investigation report. It is COMMUNICATION of an event, occurrence, notice, regulatory action, or recall that may require immediate attention and/or action(s) at a Freeport-McMoRan operation. It is being communicated to enhance health or safety awareness and information.