MONTHLY NEWSLETTER

SAFETY

OSHA mandates the use of appropriate hand protection where workers are exposed to hazards including cuts and punctures. Our EHST Department recently evaluated cut risk hazards and have determined that our current hand PPE requirements are not adequate for general duty operations. We must change our minimum hand PPE standard to protect our workers. Starting October 1st, the use of leather gloves for general duty operations is prohibited and impact resistant gloves with a cut rating of 4 are required as the minimum standard for general duty operations.

- All sites should begin using impact resistant gloves with a minimum cut rating of 4.
- The standards for this cut rating can be EN 388 (CE) or ANSI/SEA 105.
- These are minimum requirements, if your operations require greater protection, please upgrade accordingly.

BOB PFEIFFER



Our President of Downstream Services, Bob Pfeiffer was featured in BIC Magazine this month. "We've assembled a

strong senior leadership team comprising leaders from both legacy organizations who are committed to working together toward a common goal, taking the best practices from each and creating a unified vision for the future. I'm proud of how quickly our entire organization has adapted to the change. Literally within days of the deal being signed, our folks were "reaching across the aisle" for labor and equipment support." Read more of the article: HERE.

TA HIRING INCENTIVE PROGRAM

During our fall turnaround (TA) season, we anticipate needing an additional 800 field technicians, supervisors, billable support staff. We have been hiring at an accelerated pace, but WE NEED YOUR HELP!! We need every employee to recruit at least one person to come work with us through this turnaround season (September 1 -November 30), or on a permanent basis in a field position. We need to MAKE THIS HAPPEN NOW so that we can get them on boarded and trained to be ready for this peak work period. The primary requirements are to pass a drug test and be able to safely work a 10 -12-hour shift.

As a current incentive ending September 30th, HydroChemPSC will pay you and the person(s) you bring into the company a \$500 bonus if this person works through November 30th without a safety infraction or unexcused absence. This bonus is in addition to the Referral Program that already exists in the company. You can earn up to \$1,500 in referral awards on each referred employee. If you refer an employee that has a hire date between now and September 30, 2018 you can earn the following in referral bonus awards:

- \$500 If referred employee stays through November 30 without a safety infraction or unexcused absence.
- \$600 If referred employee hits six months of service without a safety infraction or unexcused absence.
- \$400 If referred employee hits one year of service without a safety infraction or unexcused absence.

Employees who currently have a hiring or onboarding responsibility are not eligible for this \$500 bonus (such as Site and Branch Managers). All bonuses will be paid no later than December 20, 2018.

The attached one-page form must be completed and sent to Tammy Booker, VP Human Resources prior to the referred employee's first day of work. No bonus will be considered if this form is submitted after the referred person is already employed. Tammy.booker@hydrochempsc.com; fax number is (713) 393-5953.

NEW SERVICE LINE

We are excited to announce a new service line within the Specialty Mechanical Services Group, Hot Tapping & Line Stopping (HTS). Hot Tapping is the process of adding a branch or connection to an existing pipe without having to shut down the process. Line Stopping is the process of stopping the flow inside of a pipe, so the client can perform maintenance downstream on their equipment without having to shut down the unit. We can now perform this service inhouse, instead of using a 3rd party.

If you or any of your client facilities have any questions or opportunities to perform this type of work, please contact Craig Cantu (281) 924-0593 or Danny Rincon (281) 924-0859.

TECHNOLOGY

Our corporate technology center in Canal Fulton, Ohio just wrapped up the 2018 Technology X Changes Sessions. We had over 30 customers attend from many different sites. This year's theme was the roll out of new technology to increase efficiencies:

TECHNOLOGY (CONT.)

- · New indexers
- · New controls package
- · Lighter duraflexxx
- · 4 lance duraflexxx
- · IPS feed rate monitor
- · New vision system
- · MegaBlaster
- New CTCS (computerized tube cleaning system)
- · New HydroLazer feeder
- · ATL upgrades

Our engineering team is already working on new technology / adjustments tied to the feedback we received.

Our technology support group is always gathering information from the end user to add value to our customers. We wanted to assure you that we are working hard to make your jobs more fulfilling as well as enabling you to add more value to our customers.

TRAINING DEPARTMENT

Recently, Courtney Smith (formerly of the EHST Dept) joined our Training team as a Training Development Specialist. As a new addition to the department, Courtney will begin revamping and updating company computer-based trainings (CBT's). As you know our new hire training is predominantly CBT based with all-important Hands-On-Training Verification Checklist before they go to field. Developing best-in-class training content for these courses will help our department fulfill our new hire training needs and add value and skill to our workforce.

Our short-term goal is to improve the training effectiveness of our CBT's and be able to report on training compliance. Our long-term goal is to have a series of BEST IN CLASS CBT's for new hire training and for advanced training as well.

BENEFITS UPDATE

Open Enrollment 2019 Coming Soon! Open enrollment is the annual opportunity for employees to update benefits. During the open enrollment period employees can add, drop or update dependent information and select new plans. You should evaluate your current benefit coverage now and start planning for the year ahead. Open enrollment materials will be mailed to home addresses during the month of October, so please ensure HR has your current address. The attached Address Change Form should be completed & submitted by e-mail to Payroll@HydroChemPSC.com or by fax to (713) 393-5962.

Flexible Spending Use-it or Lose-it Benefits: Employees enrolled in a Flexible Spending Account during the 2018 plan year can submit claims with a final service date up to March 15, 2019. Employees have until March 31, 2019 to submit claims for reimbursement. Unused funds will be forfeited to the Plan. Account information can be reviewed online at www.mycafeteriaplan.com or by calling 1-800-865-6543.

401(k) Plan Merger: As of October 1st, the 401(k) plans will be combined into one plan, administered by Principal Financial. On August 28th, Principal Financial mailed an important notice which includes significant dates and details on the transition process. In addition to the notice, education webinars will be offered during the month of September to assist employees during the transition.

HydroChemPSC LEADER PROFILE

CHRIS DELGADO -REGIONAL MGR. IN OPERATIONS - CALIFORNIA

Chris has 17 years with HydroChemPSC. He's a husband, a dad and puts them all first with safety.

"My #1 reason of why I work safe is for my wife and two daughters. I have made my family a PROMISE that I would be home every night for them. As a father, I need to be a great example for both my daughters to always do the

right thing in life. My family is the most important thing in my life and they should always know that I will to the correct thing to come home safe to them. "



Have something you want to see in the newsletter? Have a question or comment about communications within the company? We have a new email specifically set up to get feedback from our employee's. Hearing from our employees in the best way to gauge the health of our company. Feel free to drop us a line at: HCPSC-Communications@hydrochempsc.com

Newsletter Released by:

Sarah Martin

Executive Administration & Communication Manager (281) 900.3068

<u>arah.Martin@HydroChemPSC.com</u>