

DEPARTMENT OF MINES, MINERALS AND ENERGY

DIVISION OF MINERAL MINING

COMMUNICATIONS MEMORANDUM 03-99

July 16, 1999

REFERENCE: Mineral Mine Safety Laws of Virginia 1998 Edition—Section 45.1-161.292:2. Definitions.

"Independent contractor" means any person that contracts to perform services or construction at a mine.

Mineral Mine Safety Laws of Virginia 1998 Edition—Section 45.1-161.292:32.A.5. Application for license.

No application for a license or a renewal thereof shall be complete unless it contains "Such information required by the Department that is relevant to an assessment of the safety and health risks likely to be associated with the operation of the mine..".

Mineral Mine Safety Laws of Virginia 1998 Edition—Section 45.1-161.292:55. Evaluation of risks at mines.

For the purpose of allocating the resources of the Department to be used for conducting additional inspections, the Department shall develop a procedural policy of scheduling such inspections based on an assessment, to be made not less frequently than annually, of the comparative risks at each underground mineral mine and those surface mineral mines that are not inspected by the Mine Safety and Health Administration. The Department's procedural policy shall be prepared with the assistance of working groups consisting of persons knowledgeable in mine safety issues. The issuance of the procedural policy shall be exempt from Article 2 (§9-6.14:7.1 et seq.) of the Administrative Process Act. Variables to be included in the risk assessment measures shall include, but not be limited to: (i) fatality and serious accident rates at the mine; (ii) the rates of issuance of closure orders and notices of violations of the mine safety laws of the Commonwealth at the mine; and (iii) the frequency rates for non-serious accidents or nonfatal days lost. Risk assessments shall be developed for both independent contractors and individual mine sites.

INQUIRY: DMM has received questions from mineral mine operators regarding the contractor information to be reported on the Mineral Mining Annual Tonnage Report. These questions deal with which contractors are to be reported, whether contractor wages have to be reported, and how operators can find the DMM Contractor Number for a specific, contractor.

REVIEW: The Mineral Mine Safety Laws of Virginia require that DMM implement a risk assessment for contractors working on mineral mine sties. These laws further direct DMM to develop the contractor risk assessment process with the assistance of industry work groups. In compliance with these laws, a work group of mineral mining industry and DMM officials met in June of 1998 to determine the process of assessing risk for mineral mine contractors.

The work group decided that contractor risk should be assessed separately from the mine risk. The risk parameters to be used for contractors will be the same parameters that are used for mineral mines. These parameters are:

Accident frequency

Number of fatal accidents

Number of serious accidents

Number of closure orders for violations in the areas of explosives ground control, mobile equipment, and walkways and travelways.

New contractor status (first time they appear in the data base at a mine site)

Contractor information must be reported annually by February 15 on the Mineral Mining Annual Tonnage Report (Form DMME-146) in order to allow DMM to compile the mine and contractor risk assessments. Mine operator and contractor work hours are essential to completing the assessment and as such, must be accurately reported.

A risk assessment will be conducted for each contractor; therefore specific information must be reported for each contractor.

DIVISION

DIRECTIVE:

The Risk Assessment Advisory Committee agreed to include the following contractor categories in the contractor risk assessment:

Extraction and processing contractors (drillers, blasters, portable crushers, stripping and land clearing contractors, etc.).

Maintenance and repair contractors for mobile and stationary equipment (welders, mechanics, painters, electricians, etc.).

Construction contractors (plant construction, repair and maintenance, electricians, concrete fabricators, equipment erectors, etc.).

In essence, all contractors that are connected with the extracting and processing of minerals and all contractors that are involved in mine site construction and maintenance of the extraction and processing equipment are to be reported on the Mineral Mining Annual Tonnage Report by February 15 of each year.

Contractor name and number, number of contractor workers, number of contractor hours worked on the mine and contractor wages, where available, must be reported. Contractor wages or the operator's total production wages are **not** to be reported as an hourly rate. The report shall show the total wages paid by the operator and the total wages paid by each contractor at the site.

Contractor wage information, while not specified in the law, should be reported if at all possible. Mines, where the contractor is actually a production operator and responsible for the mine's production, must provide wage information. The wage information included on the Tonnage Report provides a valuable tool for assessing the economic value of the mineral mining industry and is often used when deciding the effect of rules, regulations and the provision of government services on an industry or group.

Contractor information and work hours are to be reported for each individual contractor. This allows information for a contractor to be reported by the licensed

mine operator of each mine where the contractor worked during the report year. DMM will then compile the information from various mines and conduct a risk assessment calculation for the individual contractor.

Once a contractor is first reported to DMM, the division issues a unique contractor identification number to the contractor. Contractors or mine operators may contact DMM to get DMM Contractor Numbers. Operators may also request a list of the contractors associated with a particular mine permit. DMM is currently working to establish an Internet web site. Once that site is operational, contractor lists with DMM Contractor Numbers will be available on the Internet. DMM will notify operators when the web site is operational. Contact Jamie Dunivan (434-951-6314) or Mark Goff (434-951-6313) for information on contractor numbers.

NOTE: Accidents and injuries involving contractor employees as well as mine employees must be reported to the Division of Mineral Mining. See Communication Memorandum No. 1-99 for information on reporting non-serious and non-fatal injuries.

ATTACHMENT: Mineral Mining Annual Tonnage Report (DMM-146)



COMMONWEALTH OF VIRGINIA
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MINERAL MINING ANNUAL TONNAGE REPORT

REPORT FOR CALENDAR YEAR _____

1. **COMPANY NAME** _____ **PERMIT NO.** _____
2. **TOTAL TONS PRODUCED** _____
3. **WORKERS**—Include the number of full or part-time persons who worked for any part of the period covered by this report. Include all owners, officers, clerical help, engineers and others who worked at the mine.

NUMBER OFFICE WORKERS	OFFICE HOURS	OFFICE WAGES	NUMBER PRODUCTION WORKERS PIT/PLANT	PRODUCTION HOURS	TOTAL PRODUCTION WAGES

REPORT REQUIRED BY LAW—Code of Virginia, Title 45.1, Chapter 14.4:1, Section 45.1-161.292:35.A requires this form to be filled out and returned to this office by the 15th day of February. **Operations that do not submit tonnage reports may be subject to closure.**

I, the undersigned, hereby certify that all information provided on this report is true and accurate to the best of my knowledge and belief. I further certify that all occupational injuries occurring on the mine site have been reported for calendar year _____.

SIGNED _____ **TITLE** _____ **DATE** _____

PLEASE PRINT YOUR NAME
