



FRACTION
Division of Green Energy Services



LV ENERGY SERVICES
A Division of Green Energy Services Inc.

WE DO IT SAFELY, OR NOT AT ALL.

July 2024

Message from the Southern VP of Operations

I think everyone can agree it has been a struggle over the past year with equipment. The oil and gas sector has always been a cyclical industry – balancing people and equipment to match industry activity has always been challenging.

These cycles create a twofold problem, and it seems to affect upstream service companies more than other sectors. As activity levels increase with an increase in the commodity price, producers want more production; service companies strive to provide both with equipment and employees. After years of stable pricing, service companies have started to catch up to the demand. New companies have started; new equipment has been built.

And then it happens, almost overnight. Commodity price collapses, producers cut budgets, activity levels drop and there is a surplus of equipment and service providers. Companies start to struggle to pay bills and keep employees with reduced activities while watching the revenue erode as a result of the overpopulation leading to competitive bidding. Capital budgets get cut to coincide with the producers. Companies find creative ways to survive by limiting expenditures, introducing outside money and hoping for the return of better pricing; some don't survive.

As commodity prices recover, we then enter a period in the cycle which could be called the rainbow era, or consolidation where multiple branded equipment with a variety of colors is combined. We have seen it with stimulation companies, drilling rigs, service rigs, and production testing companies. The Water Transfer industry has now entered this period with Fraction leading the way in pumping, heating, and containment with four acquisitions.

This amalgamation brings together a lot of older redundant equipment as well as with each company acquired came contrasting equipment, methods, and standards. Post-consolidation, the task now is to identify the equipment, divest of the non-essential/underutilized equipment, and repair or upgrade and standardize the remaining assets.

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Message from the Southern VP Of Operations, Continued

The water transfer team, formerly based in Red Deer, recently relocated to Lacombe working alongside and utilizing LV Energy staff to help in rebuilding and retrofitting pumps. The work is completed or funded by OpEx (R & M), Maintenance CAPEX, Growth CAPEX. As Chris mentioned in the March newsletter, Fraction has allocated 11 million for Maintenance CAPEX which the majority was allocated to Water Transfer. These funds will be used for rebuilding and refurbishing old pumps/engines with the focus on the higher horsepower units upgrading piping, adding overpressure protection/high-pressure shutdown for added safety, winterization (engine pre-heat/enclosure), and automation. The goal is to complete at least 10 pumps per year. Equipment such as integral pump bypasses on skids, 10' composite (shock) hoses are in the works to make things easier to handle in the yard, on the trucks and in the field as well as making it easier to track. On the Growth CAPEX side, we have planned to add four 500-600 HP pumps to meet the increased demand for higher flow rates. Equipment, pumps, skid steers, generators, etc. that need general repairs fall under the R&M and are completed in the field or locally. As these show up for repairs, they will be evaluated and repaired as required.

As we move into the second half of 2024, and an extended period of stabilized pricing, we are starting to see new companies starting or those that temporarily left returning and more equipment being built which would mean we are moving into another period in the cycle. I believe that we are starting to turn a corner on the equipment supply end and hopefully we will be caught up somewhat by Q4 and ready for Q1 2025. We have made it this far and with the continued hard work of the field staff, Project Managers, Engineering team utilizing our equipment as much as possible with what we have to work with, we will eventually see an end and succeed.

That said, safety must not be superseded by the goal to succeed. If the equipment, procedure, or process is not safe we will not achieve success.

Stacy Peterson, Southern VP Of Operations



Stacy Peterson, Southern VP of Operations

LIGHTNING SAFETY

Go to a Well-Constructed Building.
If Not Possible, **STAY IN YOUR VEHICLE!**

Stay in an enclosed metal car, truck or van NOT a tractor, golf cart, topless or soft-top vehicle.

Park vehicle away from power lines, trees or tall objects that could fall down in storm.

Don't touch any part of the metal frame or any wired device in the vehicle (including the steering wheel or plugged-in cell phone).

Roll up the windows and sit with your hands in your lap. Wait out the storm!

A direct strike to your car will flow through the frame of the vehicle and usually jump over or through the tires to reach ground.

You are safe inside the car, but you may receive a shock if you step outside.

Stay inside for 30 minutes after the sound of thunder ends.

Be aware of downed power lines that may be touching your car.

MONTHLY SAFETY TOPIC

Working In Extreme Heat

Working in extreme heat puts stress on a person's cooling system. When heat is combined with other stresses such as hard physical work, loss of fluids, fatigue or some medical conditions, it may lead to heat-related illness, disability and even death. Anybody working in extreme heat may face these risks.

**Heat stroke is a medical emergency.
As a result, it requires immediate medical attention – an ambulance should be called.**

How We Cope With Heat

People are always generating heat and passing it to the environment. The harder a body is working, the more heat it has to lose. When the environment is hot, humid or has a source of radiant heat (i.e. a large lighting setup, a furnace, or the sun) a person must work harder to get rid of the heat. If the air is moving (for example from fans or wind) and it is cooler than the body temperature, it is easier for a person to pass heat to the environment.

Risk Factors:

- Workers on medication
- Workers with pre-existing medical conditions
- Age
- Gender
- Past history of heat illness
- Use of PPE or heavy clothing

Lightning

Lightning kills more Canadians than hail, wind, rain and tornadoes combined, making lightning an important safety consideration. Most injuries and fatalities occur between June and August. Most fatalities were people in open areas or taking shelter under a tree.

Knowing what to do when lightning is close is especially important for people who work outdoors.

Lightning safety procedures may include:

- Outlining what actions workers must take when hearing thunder, or seeing lightning or warning signs of an approaching storm
- Having a procedure to notify workers about lightning safety warnings
- Identifying safe locations and shelters
- Requiring workers to reach a safe location within a specified time period
- Establishing criteria for stopping and restarting outdoor work activities
- Making sure the public are evacuated, for example at a golf course, public beach, or swimming pool
- Checking in with all workers after a thunderstorm has passed
- Training workers on the lightning preparedness plan

What should I know about lightning?

A lightning bolt is a million times more powerful than household current, carrying up to 100 million volts of electricity. When someone is struck by lightning, an electrical shock occurs that can cause burns and even stop the person's breathing.

Knowing how lightning behaves can help you plan for an approaching storm. It tends to strike higher ground and prominent objects, especially materials that are good conductors of electricity, such as metal.

Thunder can be a good indicator of lightning – loud crackling means it's close, whereas rumbling means the storm is further away. Lightning can strike as far as 16 kilometres outside of rainfall areas.

Because light travels faster than sound, you will see lightning before you hear the thunder. Each second between the flash and the thunderclap represents about 300 metres.

**If you can hear thunder, you are within striking distance.
Immediately go to the nearest well-constructed building or a fully enclosed, metal-topped vehicle.
There is NO safe place to be outside in a thunderstorm.
Remain in the sheltered area for at least 30 minutes after you hear the last thunder.**

What steps should people take to protect themselves?

The safest place to be during a thunderstorm is in a well-constructed building.

- Keep as many walls as possible between you and the outside. Stay away from doors, windows, and fireplaces.
- Stay away from anything that will conduct electricity such as radiators, stoves, sinks and metal pipes.
- Use battery operated appliances only. Avoid handling electrical appliances and regular telephones (cordless phones and cell phones do not increase the risk of a lightning strike).

The next best place for shelter is an enclosed metal car, truck or van but NOT a tractor, golf cart, topless or soft-top vehicle.

**You are safe inside the car, but you may receive a shock if you step outside.
Stay inside for 30 minutes after the sound of thunder ends.**

What should you do if you cannot find shelter?

- Stay away from things that are tall (trees, flagpoles or posts), water, and other objects that conduct electricity (tractors, metal fences, lawn mowers, golf clubs).
- You do not want to become a prime target by being the highest object on the landscape. Take shelter in low-lying areas such as valleys or ditches but watch for flooding.
- If you are with a group of people in the open, spread out several metres apart from one another.
- If you get caught in a level field far from shelter, crouch down on the balls of your feet immediately, with feet together, place your arms around your knees and bend forward. Be the smallest target possible, and at the same time, minimize your contact with the ground. Don't lie flat!

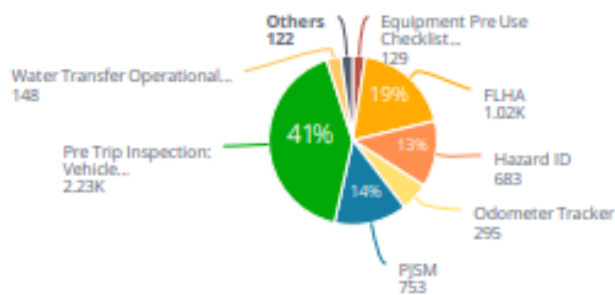
STATISTICS & RESULTS – JUNE 2024

	FRACTION	LV
TRIF	0.012	0
FIRST AID	0	0
MEDICAL AID	0	0
MODIFIED DUTIES	0	0
LOC	0	0
KM DRIVEN	2,756,352	
SAFETY FORMS PROCESSED	5,377	

TRIF: Total Recordable Injury Frequency

LOC: Loss of Containment

Forms Signed



Monthly Comparison



Inspections

Inspections Completed: 7

Incidents

Incidents: 17

Inspections



Incident by Category

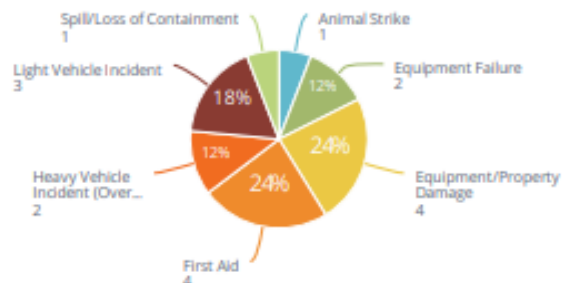




PHOTO CREDIT: CORY SCHRIVER

POLICY REFRESHER

WORKING IN EXTREME WEATHER CONDITIONS Section: 100.23

Purpose: At Fraction Energy Services and LV Energy Services, Divisions of Green Energy Services (GES), workers are likely to be at risk of exposure to extreme weather during their work activities. Exposure to hot and cold weather conditions, as well as lightning storms, poses a risk to workers exposed to these conditions and may have their health, safety and productivity affected.

Scope: This policy contains written information and guidelines for working and dressing for hot and cold weather, as well as working in extreme conditions such as lightning storms, for all Green Energy Services employees and contractors. This assists in ensuring a safe and successful job.

References:

This policy aligns with relevant regulatory standards and company policies, including but not limited to:

- Alberta Occupational Health and Safety Code, Part 2, Part 18
- British Columbia Occupational Health and Safety Regulation, Part 4, Part 7

Company:

- Working Alone Policy
- Personal Protective Equipment (PPE) Policy
- Hazard Identification & Risk Control Procedure
- Cold Stress Assessment
- Heat Stress Assessment as noted in site specific JTA's
- Cold/Heat Exposure Control Plan

Do it safely, or not at all.

HAZARD ID

Remember to
report all hazards.

Reporting hazards is essential for learning from mistakes, preventing recurrence, and improving safety performance.

WILL YOU BE NEXT
MONTH'S HAZARD ID
WINNER??



WORKING IN EXTREME WEATHER CONDITIONS CONTINUED

COMPETENCY REQUIREMENTS:

Workers that may be exposed to conditions that may create a risk to the worker's safety or health because of heat, cold or lightning will be provided with information, instruction, and training in the symptoms of cold and thermal stress and the precautions to be taken to avoid injury.

WORKING IN EXTREME HEAT:

Heat exposure events occur when:

- A worker may be exposed to thermal conditions which could cause heat stress
- The thermal conditions could result in a worker's core body temperature exceeding 38 degrees Celsius, or
- The thermal conditions are in excess of the levels listed in the screening criteria for heat stress exposure in the heat stress and strain section of the ACGIH Standard for un-acclimatized workers.

If a Green Energy Services employee is, or may be, exposed to extreme heat the following steps must be completed:

- Conduct a heat stress assessment to determine the potential for hazardous exposure of workers, using measures and methods that are acceptable to the ACGIH standard
- Develop and implement a heat stress exposure control plan as per the worksite JTA.

Under conditions of continuous work in the heat:

- When possible, schedule maintenance and repair jobs in hot areas for cooler months.
- When possible, schedule hot jobs for the cooler part of the day.
- Reduce the physical demands of the job when possible.
- Utilize relief workers or assign extra workers for physically demanding jobs.
- Ensure cool water or liquids are available to workers.
- Avoid drinks with large amounts of caffeine or sugar.
- Utilize rest periods with water breaks.
- Utilize cool areas for use during break periods.
- Monitor yourself and fellow workers who are at risk of heat stress.

Green Energy Services requires all work to be suspended when the interval is 30 seconds between Lightning and Thunder. (30 seconds between "Flash and Bang".)

This is the maximum time limit of allowable exposure and must be fully adhered to.

HEALTH PROBLEMS & SYMPTOMS ASSOCIATED WITH EXTREME HEAT:

Heat Stroke is the most serious heat-related disorder. It occurs when the body becomes unable to control its temperature; the body's temperature rises rapidly, the sweating mechanism fails, and the body is unable to cool down.

- When heat stroke occurs, the body temperature can rise to 106 degrees Fahrenheit or higher within 10 to 15 minutes.
- Heat stroke can cause death or permanent disability if emergency treatment is not given.
- Symptoms of heat stroke include hot, dry skin or profuse sweating, hallucinations, chills, throbbing headache, high body temperature, confusion/dizziness, and slurred speech. Complete or partial loss of consciousness can also be associated with heat stroke.

Heat Exhaustion is the body's response to an excessive loss of water and salt, usually through excessive sweating.

- Workers most prone to heat exhaustion are those that are elderly, have high blood pressure, and those working in a hot environment. Symptoms include heavy sweating, clammy moist skin, pale or flushed complexion, weakness, dizziness, nausea, headache, muscle cramps and diarrhea.

Heat Rash is a skin irritation caused by excessive sweating during hot, humid weather. Symptoms of heat rash include a red cluster of pimples or small blisters and is more likely to occur on the neck and upper chest or in the groin area.

Heat Cramps usually affect workers who sweat a lot during strenuous activity. This sweating depletes the body's salt and moisture levels. Low salt levels in muscles causes painful cramps. Heat cramps may also be a symptom of heat exhaustion. Symptoms of heat cramps are identified by muscle pain or spasms usually in the abdomen, arms, or legs.

NOTE: Intense thirst is not a good warning sign of heat stress as workers may not always experience thirst. The combination of heat stress and dehydration means workers performing skilled tasks may become tired faster than normal and have trouble concentrating. Heat can contribute to incidents in other ways such as the slipperiness of sweaty palms, dizziness, fogging safety glasses, hot surfaces and trouble concentrating.

Signs and symptoms of heat stress:

- Dizziness or fainting
- Headaches or nausea
- Muscle cramps
- Agitation or confusion
- Increased heart rate

If you experience any of these symptoms, immediately report to your supervisor and seek first aid.

If untreated, heat stress can lead to serious illness or death.

ENSURING SAFETY IN ATTITUDE

Safety in attitude refers to maintaining a mindset and approach that prioritizes safety in all aspects of our lives, particularly in hazardous or challenging situations. Whether at work, home, or in leisure activities, adopting a safety-conscious attitude can prevent accidents, injuries, and even fatalities. Below outlines key principles and practices for ensuring safety through attitude.

Mindfulness:

- Stay present and aware of your surroundings.
- Recognize potential hazards and risks.
- Avoid distractions and stay focused on the task at hand.

Responsibility:

- Understand your role and responsibilities regarding safety.
- Take ownership of your actions and their potential consequences.
- Encourage others to prioritize safety through leading by example.

Communication:

- Maintain clear and open communication with colleagues, family members, or team members.
- Discuss safety procedures and protocols.
- Report any safety concerns promptly to the appropriate personnel.

Education and Training:

- Stay informed about safety regulations and best practices relevant to your environment.
- Participate in regular safety training sessions and workshops.
- Share knowledge and experiences with others to enhance collective safety awareness.

Risk Assessment:

- Assess risks before engaging in any activity. (PJSM)
- Identify potential hazards and implement appropriate control measures. (HAZ ID'S)
- Continuously evaluate and adapt safety measures based on changing circumstances. (FLHA)

Fit for Duty:

- Ensure that I meet the required physical standards to carry out my duties safely and effectively.
- Prioritize staying mentally alert and focused, enabling you to make quick decisions.

Compliance:

- Adhere to safety regulations, standards, and guidelines.
- Follow established procedures and protocols.
- Take corrective action when deviations occur to mitigate risks.

Adopting a safety-conscious attitude is essential for safeguarding ourselves and others from harm. By cultivating mindfulness, taking responsibility, promoting communication, conducting thorough risk assessments, preparing adequately, complying with regulations, and embracing continuous improvement, we can create safer environments and minimize the likelihood of accidents and injuries. Remember, safety is everyone's responsibility, and it begins with the right attitude.

WHY WE

WORK SAFELY

Eidref (24) Ferdinand (23)
Delfin (22)

*In 2019, we moved to
Canada from the
Philippines.*

*Time flies so fast. We've
been here for 5 years
and 1 year working
with Fraction.*

*When not at work, we
love playing pool,
basketball and spending
time with our loved ones.*

*This is why we have to
work safely every day –
because nothing is better
than going home safe.*

*Family is not an
important thing,
it's everything.*

Thank you Eidref,
Ferdinand and Delfin!

Fraction and your Family
thank you for working safe!



MEET THE GONZALES BROTHERS

HOMEBASE: Grande Prairie, Alberta

JOINED FRACTION in 2023

FAVOURITE SPORT & PLAYER: Basketball – LeBron James is the *GOAT!*

**Remember... the most important thing
is going home safe to our families,
friends and loved ones.**

WORK ANNIVERSARIES

Work anniversaries are not just another day! They are a clear indication of your loyalty and commitment to Fraction Energy and LV Energy. We thank you for choosing to stay.

EMPLOYEE	# OF YEARS
Jeffrey Slaunwhite	13
Dustin Strong	11
Marina Fillion	10
Glynn Bates	8
Adam Burritt	4
Gordie Kylo	4
Heather Cook	4
Kyle Squires	4
Levi Preston	4
Ryan Wallace	4
Tanner Darke	4
James Krause	3
Keegan Macdonald	3
Bryce Westervelt	2
Byron Neumann	2
Bradley Dubitz	1
Brody Latter	1
Maddox Sutley	1
Sandeep Salim	1
Theodor Wiszowaty	1



Stacy Peterson, Southern VP of Operations



PHOTO CREDIT: DELFIN GONZALES

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If the equipment, procedure, or process is not safe, we will not achieve success.

Stacy Peterson, Southern VP of Operations