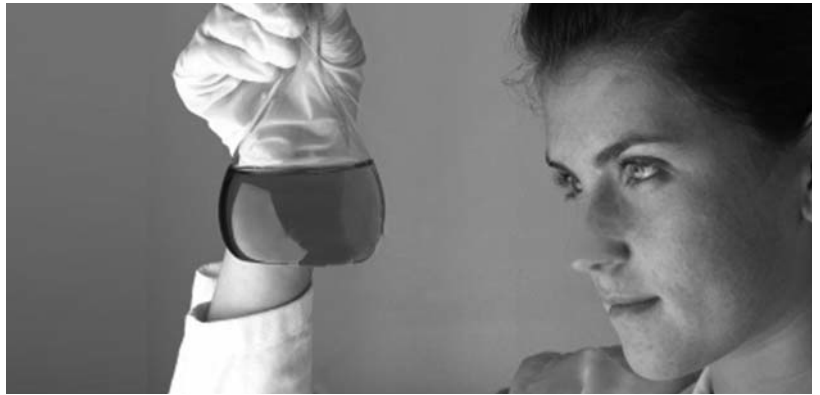


CASE STUDY

Niscayah Implements Comprehensive Security Compliance to Meet New Chemical Industry Mandate

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The Department of Homeland Security's recent publication of its Chemical Facilities Anti-Terrorism (CFAT) Standards has many chemical and petrochemical companies scrambling to develop security plans for their high-risk facilities. The continued post-9/11 threat of terrorism dictates urgency, and the DHS put teeth in the CFAT rules. As a result, companies that have not begun CFAT's four-phase compliancy process outlined in the Federal Register (published April '07), face fines of \$25,000 per day and possible closure.

But a few industry leaders are already implementing compliant security measures according to Michael Turner, Manager of Niscayah's Chemical Solutions Group. "One of our clients – a major US petrochemical company – began working with us last year, and we had their comprehensive electronic security site plan designed by the time the preliminary CFAT law came out."

Turner added that site security has typically been lax in the chemical industry, so companies are being compelled to play a rapid game of catch-up. "Terrorism has always been there, but it was never a significant regulatory focus until after 9/11," he explained. "One of our most important responsibilities to our customers is designing custom solutions to help them mitigate risk in today's environment. The biggest risks with chemical processing is the threat of a terrorist penetrating the perimeter, or someone internally – an employee or contractor – committing theft, vandalism, or some sort of terrorist act. And safety is always a critical issue in this industry. So a lot of the equipment we have installed can be used to record accidental injury as well as meet all the necessary security requirements."

Fully-integrated security electronics systems are on a continuing growth trajectory in the chemical industry. "This petrochemical company turned to us two years ago searching for a security services provider capable of designing, engineering, installing, and maintaining a multi-million-dollar enterprise-wide turnkey project," said Turner. The job description included overseeing all contractors, performing all construction including the installation of a new fiber optic backbone, and supplying and installing a site perimeter fence/intrusion detection system to be integrated with the building and gate access control and surveillance systems throughout the facility.

Addressing Complex Security Challenges

"Before contacting us, our client was having trouble locating a security systems integrator who could handle a project that size. But large-scale, complex projects involving varied operating environments are one of our specialties," Turner explained. "We have both the experience working in our customers'



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environments and expertise in delivering comprehensive security systems tailored to their specialized marketplace. "It's essential, for example, to secure all access to contractors and employees alike, and at the same time keep the logistics flow unhampered."

Niscayah began implementing phase I of the multi-phase project at the client's company headquarters – including both plant and administrative buildings – in December '06. The first phase, access control, went live this August and the company is currently working on phase II, the video surveillance system. "Federal agencies that visited the site and reviewed the plan were very impressed," said Turner. "A major component of the first phase, the mustering option built into the access control design, is especially important. In an emergency, it provides a quick electronic accounting for personnel as they check into designated areas of the plant."

"Also," he noted, "the wireless handheld readers deployed in phase I allow visual vehicle inspections at the gates while simultaneously badging each person going into the facility in the vehicle, not just the driver. So the security personnel know every person who is in the facility at all times."

Full-Service Delivery Model

Niscayah takes a long-term view and highly customized approach to a project of this nature. "We're involved throughout – from concept, design, implementation, commissioning, and service," Turner explained. "We anticipate relationships that last decades with our clients and have planned their systems design accordingly. We'll be putting maintenance, service and program management in place for them next. Program management enables better coordination within internal departments, as they will have one dedicated Niscayah contact for all system needs, whether adding new technology, or IT or maintenance concerns. The dedicated service provider works with them and helps them plan new system phases as they grow and their needs change."

Because the client is committed to growing organically, Niscayah built a flexible system from the start to accommodate anticipated expansion. The access control system is a first of its kind in the petrochemical market – its open architecture and scalability allows for integration with future security systems and related products such as HR management or time and attendance programs.

"We'll be the point of contact for all security-related issues," Turner continued. "We act as consultant as well as service provider – listening to their concerns and business needs as they evolve and develop. Our ability to listen, design a turnkey solution tailored to their business processes, and our unique program

The Comprehensive Electronic Security Solution

The fully integrated electronic security system includes:

- An intrusion detection system (IDS) to continuously monitor perimeter fencing against unwanted intrusions, including protection for all gates, and will alert security personnel of disturbances by type and location via touchscreen monitor with pinpoint mapping displays.
- The IDS will link to the surveillance system and will direct cameras to each disturbance location. Cameras will be located at every access point.
- Security monitoring of the buildings, that are part of the security border, detect points of intrusion, integrating these with the surveillance system.
- Security operators are notified of incidents – in real time – as they occur and are supplied with clear, on-screen event-handling instructions – pre-programmed by the system administrators.

Chemical Facility Anti-Terrorism Mandate Requirements

The Department of Homeland Security's (DHS) interim final CFAT Act 6 CFR Part 27 requires that all chemical companies take immediate action to assess whether any facilities are using greater-than-threshold quantities of chemicals provided in Appendix A of the regulation. If so, the facilities must submit their information for review using the DHS-provided Chemical Security Assessment Tool. Facilities must also review purchasing practices and all material logistics and management procedures to ensure that proper security controls and practices are in place.

High-Risk Chemical Facility To Do List:

- Assess and document whether any facility is a high-risk facility according to the regulation's definitions, using the DHS Chemical Security Assessment Tool (www.DHS.gov/chemicalsecurity).
- Register facilities using the DHS Top Screening tool, gathering and documenting the sources of necessary data; complete the DHS Web-based survey.
- Prepare a security vulnerability assessment using the DHS SVA tool.
- Develop and install a site security plan, implementing site-specific security measures that meet the risk-based performance standards identified in the interim final rule.

management system was what earned us this partnership. We manage all the security aspects, from the operational to the tactical to the strategic."

Niscayah is one of the largest international security systems integrators, offering complete solutions for commercial customers, with specialized offerings in industry segments such as banking, chemical, healthcare, retail, educational and enterprise organizations. Niscayah is part of Niscayah Group AB, an independent company that is publicly traded on the OMX Nordic exchange in Stockholm and has approximately 6,000 employees and operations in 14 European countries, Australia, the United States and Hong Kong.



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