Minutes of the Boilers and Pressure Vessels Advisory Council meeting of the Technical Standards and Safety Authority (TSSA) held in Boardrooms 1433 and 1434, 14th Floor, Centre Tower, 3300 Bloor Street West, Toronto, Ontario at 9:30 a.m. on the 1st day of May, 2012


In attendance: Mike Adams, Director Boilers and Pressure Vessels/Operating Engineers (BPV/OE) (all except item 15), Michael Beard, Vice President of Operations (all except item 15), Judy Harrison, Project Coordinator, (item 12 only), Maram Khalif, Council Coordinator (all except item 15), Richard Smart, Chief Financial & Information Officer (items 8 only), Cathy Turylo, Manager, BPV Engineering (all except item 15), Melissa Zanetta, Advisor, Government Relations (all item except 15).

Guest: Judith Borts, Senior Policy & Program Analyst, Ministry of Consumer Services, (MCS) (all except item 15).

Regrets: Alan Little, Mechanical Contractors Association, Hillar Prits, CIMCO Refrigeration, Ron Vallier, OPIA c/o Imperial Oil, Nanticoke Refinery.

1. Constitution of Meeting

P. Harschnitz, Chair, welcomed council members and called the meeting to order.

2. Approval of Agenda

Council members approved the agenda of the May 1, 2012 meeting as drafted.

3. Approval of the Minutes

Council members approved the minutes of the December 6, 2011 Boilers and Pressure Vessels Advisory Council meeting as drafted, as being a true and correct record of that meeting.

4. Review of Action Items from Last Meeting

C. Turylo reviewed the action items from previous meetings with council members noting communications of codes to stakeholder is an ongoing Risk Reduction Group (RRG) and will be updated under item #10 of the agenda.

J. Borts provided an update about the government’s stance on maintaining consistency in travel charges across the province. She referred to the Schedule “I” Fee Setting Process and Criteria of the Fee Principles, from MCS’s Memorandum of Understanding (MOU). She advised that the MOU requires that travel charges be consistent across the province. She reiterated that MCS reviews TSSA’s fee proposal and process but does not approve the actual fees.

The feedback from the in-camera session of the December 6, 2011 meeting will be discussed under item #13 on the agenda.
5. Council Chair’s Report

The Chair reported he submitted the annual Council Chair’s report to the TSSA’s CEO and further information will be provided under item #13 of the agenda.

6. TSSA CEO’s Report

As part of the advanced materials for this meeting, council received a report from the President and CEO regarding TSSA’s key activities over the last quarter, which was treated as read.

M. Beard, on behalf of K. Milsom, provided an update on TSSA’s backlog status in certain programs i.e. Elevating Devices, Operating Engineers and Propane. He reported that some of the backlogs reached significant milestones in reduction and others were completed. It was TSSA’s intention to continue to maintain zero backlogs. He credited the inspectors’ performance and the scheduling methods used for this significant reduction in backlogs. He also added this ahead of the target date for completion.

M. Adams added that TSSA has renewed its American Society of Mechanical Engineers (ASME) authorized inspection agency accreditation for another three years. There was a minor administrative area to rectify in thirty days which had been completed.

7. Quarterly Safety Performance for Boilers and Pressure Vessels

With the aid of a PowerPoint presentation, M. Adams reviewed the third quarter public safety regulatory performance report for BPV.

He reviewed the status of periodic inspections passed on first visit by program, noting that for BPVs, the pass rate is very close to 100%. He also provided an update on the number of orders issued per periodic inspection. For, BPV, the number of orders were as close to zero as possible. Shut downs (cease & desist) data as well as fatalities and injuries data were also presented and were zero for BPV. The trends for BPV were shown by quarter from Q4 FY10 to Q3 FY12.

There were two reported occurrences in the last quarter involving steam release and hydrogen release, but these were found to be outside TSSA’s jurisdiction.

Discussion ensued around periodic inspections in which TSSA inspects a portion of the industry and insurance companies inspect the majority of the industry. TSSA is currently working on standardizing all the information obtained from insurance companies which will be further discussed under item #11 of the agenda.

Some council members asked if it was possible to differentiate first inspection of a new site for each quarter from first inspection of a new device for a repeated site that may have other devices. M. Adams will follow up on this request and will include any information in the next reporting.

Further discussion ensued around the challenges facing the BPV data and ensuring TSSA has a full inventory of all boilers and pressure vessels in Ontario.

M. Beard reviewed the history of insured BPV data at TSSA. He noted that moving from a manual system to an electronic system complicated the issue further.

Moving forward, M. Adams reiterated it is TSSA’s intention to have data for all BPV devices in Ontario as they do for other similar programs.

The council’s concern with the slow pace of progress in this initiative was noted. Council was encouraged that this is now the 3rd priority of TSSA corporate initiatives.
ACTION: M. Adams will follow up on council’s request to differentiate first inspection of a new site for each quarter from first inspection of a new device for a repeated site and will include any available information in his next reporting.

8. Fee Review Framework and Process Update

With the aid of a PowerPoint presentation, R. Smart presented the BPV fee proposal by providing an update on the fee review subcommittee and overview of the fee changes in 2009.

He presented the recommended rates for inspection and engineering. He also summarized the overall annualized revenue increase of 2% to 3% relative to the 2011 level, and TSSA’s commitment to keeping increases as low as possible.

Council expressed concerns with two areas in the fee proposal: travel cost definition and the amount allocated to BPV Safety Program from the corporate expenses.

There were questions regarding travel charges for urban communities and rural areas in Ontario. Council requested confirmation on this issue from MCS.

With respect to corporate expenses, council noted that initiatives such as Risk Informed Decision Making (RIDM) and public safety education do not apply to BPV. Further, if matching revenue and expense of each program was the intention, they recommended this contribution be eliminated from the BPV Safety Program. Council was informed that all programs at TSSA, including BPV, do benefit from RIDM, such as risk based inspections, where necessary.

J. Borts provided an update of Deputy Minister Gherson’s meeting with the Committee of Council Chairs on April 27, 2012. She informed council that the meeting focused on the upcoming oversight fee increase and how the MCS determines the amount of the increase. She noted that the increase affects all Delegated Administrative Authority (DAAs) and it was a way to move toward full cost recovery. She reiterated that it was the government’s responsibility to oversee public safety and it was determined that MCS could not subsidize the cost of that oversight any longer. The next step is for the Deputy Minister to prepare a letter highlighting the general understanding of that meeting for the Chairs.

ACTION: J. Borts and R. Smart will discuss the travel fee rate and report back to council via email.

9. Priority Safety Issue: Frequency of Internal Inspection Risk Reduction Group (RRG)

The RRG met on January 11, 2012 and April 12, 2012. MCS participated in the January meeting. Ministry representatives received background information and also provided valuable insight as to what kind of issues the MCS needs addressed for policy changes and specially an evaluation of impact of stakeholders.

Currently, the members of this RRG are continuing to progress on practical approaches to determine internal inspections drawing on current practices as well as using other jurisdictional models where possible, such as Alberta.

Council enquired if there was a deadline to reach conclusion. Council also requested the minutes of these meetings be circulated to council members. Further discussions ensued around expanding the RRG if necessary and only if that would expedite conclusion of this RRG.

ACTION: Frequency of the meeting of the Internal Inspection RRG to be reviewed, and minutes or the meetings will be sent to members of the BPV Advisory Council.
10. Priority Safety Issue: Stakeholder Communication of Code and Sharing Incident Data RRG

C. Turylo advised that initially the council identified a need for code updates sharing incident data. She advised some incident data cannot be released due to ongoing investigations; however, it was noted that regulatory bodies share lessons learned amongst themselves and with industry.

This RRG also met twice: January 19, 2012 and March 22, 2012. A variety of proposals were discussed and documented at those meetings including subjects to communicate and the use of media such as webinars. A final report is in progress and will be presented to council prior to the next session.

ACTION: Stakeholder Communication of Code and Sharing Incident Data RRG’s final report will be presented to the council prior to the next meeting.

11. Priority Safety Issue: Insurance Data Initiative RRG

With the aid of a PowerPoint presentation, M. Adams presented the insurance data initiative progress update and the next steps.

M. Adams provided further background of this initiative. Some members expressed concern that this RRG has been ongoing for a long time and has progressed very slowly. They enquired if the scope of this RRG was outdated and needed to be revisited, and if there was an end date.

It was noted that there has been progress behind the scenes, and TSSA is committed to moving this initiative forward in an accelerated manner.

M. Beard assured the council that pursuing a quality assurance process and defining data set for the program will provide benefits in the long term.

M. Adams reported that there were two major areas to focus: ensuring completeness of TSSA BPV data, and the introduction of a quality assurance (QA) program for BPV periodic inspections in partnership with insurers.

With respect to the QA program, it was noted that the insurance companies participating in the QA program were certified by the National Board (NB) and employed the services of GTT Onset where necessary. There may be a gap existing between the data of certified insurers and those not accredited.

MCS’s main concern was to ensure that all BPV, whether insured or not, are inspected periodically. In order for TSSA to properly discharge its responsibilities, TSSA needs to resolve the underlying issues. Further discussion followed about integrating data from all insurers who were willing to provide their data, if requested.

High level recommendations were made with respect to the lack of licensing and registration fees in the BPV Safety Program.

12. Input on Industry Trends

As part of the advanced materials for this meeting, council received a briefing note requesting input from council on any emerging trends or issues in the industry, which was treated as read.

With the aid of a PowerPoint presentation, J. Harrison presented the information collected from the council at the last meeting and the next steps, including ways to address any issues outstanding that may not be addressed by priority safety issues.
Council had no further update and requested to have a copy of the information that was sent after the last meeting.

ACTION: M. Khalif to forward input on industry trends received via email to council.

13. Discussion of Member Topics

P. Harschnitz introduced this item as a way for council to share information on any topics affecting the industry.

C. Turylo reported that the first TSSA boiler and pressure vessels newsletter for 2012 was issued and will be posted on TSSA website this week. Anyone can subscribe on TSSA website to receive alerts when a new issue is posted. Mail outs are also sent to plants and manufacturers.

A brief discussion ensued around the process of making changes to Director’s Orders or Code Adoption Document. It was confirmed that MCS does not approve Code Adoption Documents.

The Chair shared some information from the in-camera session of December 6, 2011 meeting. He reported council’s concerns with the progress of the insurance data initiative, which was thoroughly discussed today. He also advised that the council preferred RRG reports/minutes prior to the council meetings and he captured this information in the annual Chair’s report to the CEO. He acknowledged the need for council to be aware of the progress of all RRGs. The Chair also reported concerns with the some of the comments contained in the survey as being incorrect.

14. Questions on Information Items and Other Business

Council discussed membership expansion. It was reported that the Consumer Advisory Council (CAC) which focuses on consumer and public perspective would like to have a representation on the BPV advisory council. It was noted this request had been made previously and has not changed.

Council discussed how a CAC representative may benefit from or provide benefit to this council. It was noted that the Operating Engineers Advisory Council has a CAC representative, who had helped greatly with their skills shortage RRG. The nature of BPV is that there is no interaction with the public generally. A brief discussion ensued as to whether some of the discussions of this council may be beyond the scope of consumers and may be taken out of context.

ACTION: P. Harschnitz will discuss the request for inclusion of a CAC representative with the CAC Chair, Patricia Jensen.

ACTION: The minutes of the CAC will be shared with P. Harschnitz to get a better sense of some of their discussions.

15. In Camera

Council members met in camera without management and guests.

16. Termination

The meeting was terminated at 2:57 p.m. The next meeting is scheduled for December 13, 2012.