



# Technical Standards and Safety Authority

## Minutes of the Boilers and Pressure Vessels Advisory Council Meeting on December 10, 2014

**Minutes of the Boilers and Pressure Vessels (BPV) Advisory Council meeting of the Technical Standards and Safety Authority (TSSA) held in Boardrooms 1433 and 1434, 14<sup>th</sup> Floor, Centre Tower, 3300 Bloor Street West, Toronto, Ontario at 9:30 a.m. on the 10<sup>th</sup> day of December 2014.**

- Present:** Steve Lawrence (Chair), OPG Nuclear; Joe Adams, Slegers Engineered Products Inc.; Denis Burella, ArcelorMittal Dofasco Inc.; Fal Desai, Cleaver-Brooks of Canada Limited.; Paul Sterescu, CB & MUA c/o B.I. & I.; Hillar Prits, CIMCO Refrigeration; Brian Taylor, CBS c/o Waterloo Manufacturing Company Limited; Ryan Jones, Chief Inspector and Leader, Royal & Sun Alliance Insurance Company of Canada, Kavitha Ramcharan, Inspection Manager, CB & MUA (alternate) c/o B.I. & I.
- In attendance:** Mike Adams, Director of Boilers and Pressure Vessels and Operating Engineers (all except item 18); Sandra Cooke, Manager (item 15); Maram Khalif, Council Coordinator (all except item 18), Wilson Lee, Director of Stakeholders Relations, (item 8); Dwight Reid, Risk Management Advisor (item 7); David Scriven, VP Research and Corporate Secretary (all items except 18), Cathy Turylo, Manager of BPV Engineering,(all items except item 18) and Peter Wong, VP of Operations (all items except 18).
- Guests:** Nathan Fahey, Policy Advisor, Ministry of Government and Consumer Services (all items except 16-18); Wiam Joudi, Intern Policy Advisor, Ministry of Government and Consumer Services (all items except 16-18); Wojciech Magnuszewski, Engineering Manager, Cleaver-Brooks of Canada Limited (all items); David Stek, Manager, Suncor Energy (representing OPIA) (all items); Nicole Stewart, Director, Ministry of Government and Consumer Services (all items except 16-18).
- Regrets:** Glen Crawford, OCI c/o Rolls Royce, Michael Hulbert, Babcock & Wilcox Canada; and Alan Little, MCA c/o Geo. Kelson Co. Ltd

### 1. Constitution of Meeting

S. Lawrence, Chair, welcomed council and called the meeting to order.

He introduced R. Jones who is Y. Huang's replacement. The council voted unanimously for R. Jones to join the council. F. Desai also introduced her alternate, W. Magnuszewski, who is attending today's meeting as a guest.

D. Stek was introduced as a guest representing the Ontario Petrochemical Inspectors Association (OPIA).

A roundtable introduction followed.

As part of TSSA's safety moment, a distracted driving video was shared.

### 2. Approval of Agenda

Council approved the agenda of the December 10, 2014 meeting.



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#### **3. Approval of the Minutes**

Council approved the minutes of the May 1, 2014 Boilers and Pressure Vessels Advisory Council meeting as drafted, as being a true and correct record of that meeting.

#### **4. Review Action Items from Last Meeting May 1, 2014**

C. Turylo reviewed the action items from previous meetings with council, noting that all were completed as highlighted.

#### **5. Council Chair's Report**

As part of the advanced material for this meeting, council received the Chair's annual report to the President and CEO regarding council's key activities during FY14, which was treated as read.

#### **6. TSSA President & CEO's Report**

As part of the advanced material 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.

P. Wong, on behalf of M. Beard, highlighted the regulatory renewal project noting that the following three priorities have been identified for future action: an Operating Engineers regulation review, development of a new regulation for Liquid Natural Gas, and an Upholstered and Stuffed Articles regulation review.

#### **7. Annual State of Public Safety Report and Boilers and Pressure Vessels Compliance Report**

As part of the advanced materials for this meeting, members received the Annual State of Public Safety Report for FY14, which was treated as read.

With the aid of a presentation, which forms part of the record of the meeting, P. Wong provided highlights of the organization's top safety priorities and M. Adams followed with specific industry safety and compliance results.

Discussion ensued around how TSSA collected the data contained in the presentation. It was noted that authorized insurance companies provided some of the data presented at the meeting.

#### **8. Priority Safety Issue (1): BPV Regulatory Compliance Initiative Update**

*Ministry of Government and Consumer Services update:* As part of the advanced material for this meeting, council received a Final Options Report and supporting document, which was treated as read.

With the aid of a presentation, which forms part of the record of the meeting, N. Stewart provided highlights of the Final Options Report and the next steps.

N. Stewart provided background information on the project and the findings in the KPMG report were thoroughly discussed. In particular, it was noted that the costing model in the KPMG report provides an approximation of incremental costs associated with implementing the regulatory model options. The cost



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impact analysis was not meant to reflect a precise cost prediction or program budget; therefore, it should not be relied upon as such. It was further noted that the costing model considered potential direct costs and labour costs, which may not materialize; however, the government typically includes cost analysis in any financial impact analysis.

She further highlighted the three regulatory models provided by KPMG as follows:

- Regulatory Model A: TSSA/Insurer Led Inspection Model with Compliance Fee based on Inspection Schedule
- Regulatory Model B: Owner/Insurer Shared Accountability Model with Annual Compliance Fee
- Regulatory Model C: Mandatory Insurance with Insurer Pro Rata Fee and Annual Owner/Operator Compliance Fee

With the above information, council was asked to provide feedback without considering the cost implications included in the report. A financial analysis will be conducted after a regulatory model is selected. It was reiterated that the final selected regulatory model might be a hybrid of the ones provided by KPMG. The possibility of selecting a completely different model as a result of engaging the industry was also noted.

Next steps will include exploring additional regulatory models and seeking perspective and feedback from the industry and stakeholder consultation.

Consultation will commence prior to the next council meeting (May 2015). The consultation process will be parallel to any advisory council meetings; however, those interested in participating will be contacted directly. Council will be advised of any activities in relation to the stakeholder consultation and an update will be provided at each council meeting.

Any questions arising from the KPMG report or any other recommendations around regulatory models are to be directed to Hussein Lalani, Manager at Technical Safety Unit (MGCS) at 416-326-8929 or at [hussien.lalani@ontario.ca](mailto:hussien.lalani@ontario.ca) by January 2015.

### **9. Priority Safety Issue (2): Integrity of Materials and Products**

The issue of counterfeit materials and products in the industry was discussed. Council shared how they deal with this issue in their respective organizations. Most companies address this issue in their procurement and quality control policies. Council agreed in principle on the benefit of a portal to help industry share information on products and suppliers that do not meet expectations, to assist other companies to address similar issues.

The Council was advised that the National Public Safety Advisory Council (NPSAC) has a working group that deals with counterfeit materials/electrical devices. D. Scriven informed he would keep the council apprised of any information of value from this NPSAC working group.

Council will continue to monitor this safety issue.

ACTION: D. Scriven will provide an update from the next NPSAC's Counterfeit Committee meeting to council.

### **10. Priority Safety Issue (3): Propane Tank Safety**

J. Adams reported to council that propane tanks in-service were regulated under the Fuels Safety regulations and not under the BPV regulations. Therefore, periodic inspection of propane tanks are conducted in accordance with requirements specified by the Fuels Safety Program and not in accordance



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with the usual periodic inspection for other pressure vessels. Propane tanks were removed from the BPV regulations 15 years ago during the last regulatory review. The main concern now identified is that the inspectors conducting the current inspections of the propane tanks may not have appropriate or sufficient training and certification.

It was noted that any solutions to address this issue would require collaboration with the Fuels Safety Program.

Council recommended establishing a working group to focus on defining the issue and outlining its background. It was recommended that Dave Karns, Chair of the Propane Advisory Council be part of the working group. Ideally, this working group will meet prior to the next meeting and provide an update to council. C. Turylo will schedule this session.

**ACTION:** A working group consisting of B. Taylor, J. Adams, C. Turylo and D. Karn to convene prior to the next council meeting.

## 11. Other Top Safety Issues For Boilers and Pressure Vessels Advisory Council

As part of the advanced material for this meeting, council received a list of priority and emerging trends for the industry, which was treated as read.

As was indicated in the document, the top three safety priorities will be kept as shown and the list will continue to be monitored.

## 12. Insurance Certificates

M. Adams introduced this issue as a follow up to an *in-camera* action item from the last meeting.

Insurance companies expressed a concern with the process of delaying issuance of insurance certificates due to issues raised during the inspection and pending communication with TSSA. M. Adams noted that activities to improve the above process were shared with the insurance companies prior to the Council meeting and confirmed that TSSA is working on improving lines of communication for efficient resolution of this issue.

## 13. Canadian Registration Number (CRN)

M. Adams introduced this issue as a follow up on an *in-camera* action item from the last meeting.

He noted that insurance companies would like to have access to the Canadian Registration Number (CRN) technical data for the boilers and pressure vessels that are being inspected. Processes have been put in place for insurers to contact TSSA to request CRN technical data.

The following hotline and email were put in place to request information for CRN:

- BPV Engineering [416.734.3299](tel:416.734.3299)
- BPV Inspection [416.734.2729](tel:416.734.2729)
- BPV Email: [bpvcustomerservice@tssa.org](mailto:bpvcustomerservice@tssa.org)

## 14. Standard Clauses

M. Adams introduced this issue as a follow up on an *in-camera* action item from the last meeting.



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The industry expressed concerns that TSSA was creating standardized orders without the input of the advisory council. It was clarified that TSSA's intention is to share the standardized orders with the industry and receive feedback. TSSA is assessing which orders would be considered high priority or low priority and would need the industry's feedback and recommendations on definitions and administration.

Some insurance company members noted cost implications for their organizations if they need to revise their practices to reflect the standardized orders and requested that TSSA provide ample time to plan and implement. Considering the context and the potential external impact of establishing standardized orders, these actions will be included when the BPV risk reduction group is reactivated.

**ACTION:** M. Adams will take council's recommendation and include standardized orders within the risk reduction group.

#### **15. Introduction of TSSA's External Ombudsman's Office**

As part of the advanced material for this meeting, which will be part of the record of the meeting, council received the TSSA Ombudsman's Charter, which was treated as read.

With the aid of a PowerPoint presentation, which forms part of the record of the meeting, S. Cooke presented the background information on how the Ombudsman's Office was developed; examples of how the Office can assist industry; and her contact information. She reassured council of the independence and confidentiality of the Ombudsman's Office.

She also offered council the opportunity to invite her to their association meetings to introduce the Ombudsman's Office to their respective members and stakeholders. The Chair encouraged members of Council to take advantage of this positive offer.

#### **16. Discussion of Member Topic**

P. Sterescu introduced an issue to TSSA and MGCS to consider regulating greenhouse operations in Ontario. He noted greenhouses have been exempt from the regulations. This item will be tabled for discussion at the next meeting.

**ACTION:** C. Turylo will present an agenda item regarding greenhouses and its present status in Ontario at the next meeting.

#### **17. Questions on Information Items and Other Business**

There was no discussion under this item.

#### **18. In Camera Discussion**

Council members met *in camera* without management and guests.

#### **19. Termination**

The meeting was terminated at 1:00 p.m. The next meeting is scheduled for May 6, 2015.