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, 14th Floor, Centre Tower, 3300 Bloor Street West, Toronto, Ontario at 9:30 a.m. on the 1st day of May 2014.


In attendance: Mike Adams, Director of Boilers and Pressure Vessels and Operating Engineers (all except item 14), Michael Beard, President and CEO (all except items 14), Erin Estok, Stakeholder Relations (all items except 14), Maram Khalif, Council Coordinator (all except item 14), Susan McIsaac, Director, (item 8), Wilson Lee, Director of Stakeholders Relations, (item 8), Richard Smart, Chief Financial & Information Officer (item 7), David Scriven, VP Research and Corporate Secretary (all items except 14), Cathy Turylo, Manager of BPV Engineering,(all except item 14) and Peter Wong, VP of Operations (all items except 14).

Guests: Nathan Fahey, Policy Advisory, Ministry of Consumer Services (all items except 14), Andrew Hamilton, Consultant, KPMG (item 8), Daniel Hoornweg, TSSA’s Chief Security Risk Officer (all items except 14), Ryan Jones, Chief Inspector and Leader, Royal & Sun Alliance Insurance Company of Canada (all items except 14), Hussein Lalani, Manager, Ministry of Consumer Services (MCS) (all items except 14), Brad Law, OPIA c/o Shell Canada Limited (all items except 14), Fred Oliver, Vice President Director, Kelgor Ltd. (all items except 14), Kavita Ramcharan, Inspection Manager, CB & MUA c/o B.I. & I. (all items except 14), Thom Ringer, Consultant, KPMG (item 8), and Marcus Troiano, Consultant, KPMG (item 8).


1. Constitution of Meeting

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

He introduced D. Burella who will replace P. Harschnitz. Moving forward, P. Harschnitz will be alternate for D. Burella. The council voted unanimously for D. Burella to join the council. P. Sterescue also introduced his alternate as K. Ramcharan who attended at today’s meeting as a guest.

B. Law was invited as a guest to observe the meeting and eventually appoint a member from Ontario Petrochemical Inspectors Association (OPIA) to join the council. F. Oliver who was nominated by the Mechanical Contractors Association of Ontario – Samia Branch, was also invited as a guest and a prospective member. D. Hoornweg, Chief Safety Risk Officer of TSSA, was also in attendance as a guest to observe the meeting as part of his continued learning on industry issues.

A roundtable introduction followed.
2. **Approval of Agenda**

Council approved the agenda of the May 1, 2014 meeting.

3. **Approval of the Minutes**

Council approved the minutes of the November 20, 2013 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 November 20, 2013**

C. Turylo reviewed the action items from previous meetings with council, noting that most were completed as highlighted. The outstanding items were updated as follows:

R. Smart provided an update under item 7 for the Boilers and Pressure Vessels (BPV) Safety Program deficit.

It was confirmed that updates in regards to the incident sharing initiative from the National Public Safety Advisory Committee (NPSAC) will be shared with Council via the Portal as information becomes available; this action item was closed.

M. Adams provided an update under items 9 in regards to BPV standardized orders for risk characterization.

5. **Council Chair’s Report**

**Chair’s Annual Report to the CEO:** The Chair informed council that the 2013/2014 report was sent to TSSA and it will be shared with everyone at the next meeting.

As a sign of transparency and formality, the Advisory Council Chairs’ reports are shared with TSSA’s Board of Directors. Informally, the Chairs also meet with the Board of Directors for breakfast during TSSA’s Annual General Meeting in September.

**Committee of Council Chairs’ Meeting – January 15, 2014:** The Chair informed the council that one of the main presentations was the progress report on the Advisory Council Portal which has been launched since the last meeting. The Chair acknowledged that this is a great initiative for the council.

He also noted that he was a guest at the last Operating Engineers Advisory Council meeting held on April 2, 2014 to observe how other council conduct their meetings. He highlighted the effectiveness of using in camera sessions.

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.

M. Beard informed council that there has been a significant change in the Board with the arrival of five new directors, and one Board member, Michael Lees, representing the Boilers and Pressure Vessels industry the process and the contents for training new Board of Director were discussed.
Council members were interested in finding policies around inspections within confined spaces. TSSA inspectors will not enter a confined space if there are no policies by the client and safety procedures are not put in place. Big corporations may have policies for confined spaces, however, it was noted that there is a lack of such policies for small organizations.

7. Fee Schedule and Communication Update

With the aid of a PowerPoint presentation, R. Smart provided an update regarding the option paper progress and the status of the BPV Safety Program deficit, an action item from the previous meeting.

He highlighted the fee schedules and noted that the benefit of using a standardized model to simplify administration would be a cost effective way of handling the fee process.

An overview of lessons learned from prior fee review implementations was presented. Fee framework challenges, such as invoicing process, incentives/deterrents, cross subsidization were noted. Moving forward, fee framework objectives were highlighted as a focus on innovation and standardization. Fee framework options that may be considered as appropriate to each safety program were also discussed. Changes to the fee framework methodology including, but not limited to, the use of a third party to conduct research involving other safety regulators and TSSA’s customers were shared with council.

Regarding the specifics of the BPV Safety Program deficit, factors included and/or contributing to the deficit were deliberated. TSSA has taken the following steps to effectively deal with this issue:

- Budgeted headcount growth – nil
- Driving “value for money” principle across the organization
- Revised its corporate overhead allocation model
- Minimize discretionary spend/ focus on cost reduction opportunities
- Implementing standard operating procedures/driving productivity
- Regulatory compliance initiative

Further discussion around cost recovery illustrated the need for new and improved investment around technology and systems impacting the overhead cost. Allocation management and effective productivity measurement were further highlighted as a possible impact on this issue.

Stakeholders in the industry, including Council Chairs will be approached for further input and feedback on the fee option paper.

8. Priority Safety Issue: BPV Regulatory Compliance Initiative Update

_Ministry of Consumer Services and KPMG update:_ As part of the advanced material for this meeting, council received a memo from the BPV’s Risk Reduction Group highlighting the current activities of the BPV Regulatory Review, which was treated as read.

With the aid of a PowerPoint presentation, KPMG provided an update regarding the MCS led BPV Compliance Initiative current status assessment.

H. Lalanie introduced the background information surrounding this initiative that led to recruiting KPMG as a consultant to assess the current environment for BPV. 31 out of 38 stakeholders were interviewed and their observations were included in the data presented today. In order to gather a significant amount of information, those interviewed or observed were from all sectors and regions.
The overall findings were shared. More stakeholder engagement will be needed as this initiative moves forward. The need for collaboration with the industry was strongly emphasized. The report from KPMG focused on the foundational issues. TSSA will be presenting its internal issues in relation to this initiative later in the meeting.

The focus of the report was to demonstrate what the future state looks like and how to get there. There were a few factors that were deemed as not a possible outcome, such as, TSSA conducting all periodic inspections in the industry.

The methodology used to collect information from the stakeholders was discussed. Council asked those who may have missed an opportunity to complete an interview to contact MCS while KPMG was still conducting its research.

TSSA’s Update: With the aid of a PowerPoint presentation, P. Wong provided an update regarding the BPV Regulatory Compliance project. He introduced the interim Project Manager, S. McIsaac.

The activities of this project were independent of the outcome of KPMG’s report. The project’s objective is to enhance TSSA’s safety oversight of BPV in Ontario, thereby, improving stakeholder confidence in TSSA’s responsibility under the Act and Regulations.

Three main interim actions focused within this internal process were:
- Conducting BPV quality assurance;
- Exploring opportunities available to establish a Unique Identifier; and
- Assessing and evaluating the level of customization for business as usual activities (first inspection process)

Further discussions ensued around issues surrounding data and any significant steps taken by TSSA. TSSA has taken concrete steps to overcome data management issues by expanding its Information Systems department, as well as developing and implementing a data management governance policy.

KPMG’s findings are anticipated to clarify the need to establish a robust business model in order to address the data issue which may result in changes for the industry.

The industry was in support of having an appropriate business model in order to deal with the data issue.

ACTION: The KPMG presentation will be sent with the minutes to council.

9. Quarterly Safety Performance Report for BPV

With the aid of a PowerPoint presentation, M. Adams provided an update of the BPV Quarterly Safety Performance Report.

In the past quarter, 265 inspections were conducted and 10 orders were issued in the BPV Safety Program. M. Adams highlighted the progress of BPV standardized order risk characterization in which he was working with the Public Safety Risk Management Department. Standard risk order characterizations are scheduled to be completed by end of May, 2014. In regards to conducting inspections, the use of RIDM to determine time to compliance (i.e. time allowed for the order to be resolved) was also highlighted.

Sharing standard order risk characterization with the insurance industry to have commonalities was highlighted. The insurance industry noted that currently, while they have similar “recommendations (their version of orders)”, there were no full standardized recommendations among them. However, they fully supported having harmonization of orders for the intent of consistency among the insurance industry and
TSSA. They recommended sharing any definitions and changes to streamline all order/recommendation definitions for the industry.

The logistics of approaching this issue especially around historical references to any changes of codes or statements, as well as, costs involved was also discussed in detail. It was recommended to have TSSA’s Information Systems personnel included in the dialogue of future collaboration with the insurance industry around harmonizing standard orders to ensure the changes are seamless.


As part of the advanced material for this meeting, council received a list of all historical issues developed by the council, which was treated as read.

The Chair provided a revised list of priority issues selected by the council prior to the meeting as follows:

1. Integrity of materials/products
2. Propane tank safety
3. Emerging consumer level devices
4. Electrical wiring for BPV
5. Monitor smaller operators/companies to ensure safe practices and compliance
6. Awareness of safety issues
7. Enforcement – where awareness exist

The council discussed the validity of each area and determined that at this point they would like to focus on the first two issues on this list. Issues 1 and 2 will be added to the agenda for the next meeting to determine if there is any merit in establishing a Risk Reduction Group (RRG). Council also noted it would be beneficial to determine what changes have occurred since the items were first identified and confirm whether improvements have already been made.

ACTION: Integrity of material/products and Propane tank safety will be tabled on the agenda for the next meeting to determine if there is enough information to establish a RRG.

11. Membership Matrix For Council

As part of the advanced material for this meeting, council received a briefing note highlighting the purpose for the changes to the matrix as well as a revised matrix, which was treated as read.

D. Scriven sought the council’s endorsement of the revised matrix. He encouraged council to discuss any questions around how the sector terms were determined in camera and make recommendations, if needed.

If there is no information from the in camera session, the revised matrix will be adopted.

12. Questions on Information Items and Other Business

Advisory Council Portal: D. Scriven confirmed council members were aware of the Advisory Council Portal going live this week. Some council members expressed appreciation for the implementation of the portal.

The feature “following” was noted as automatic in the portal and a council member requested to explore if this can be changed to a permissible feature (where the owner of the profile accepts or declines a
follower). This will something we will look into to; however, it was also noted only council members have access to the portal so followers would not be unknown to the members.

Membership: Chair to follow up with the following members if they are still interested in renewing their memberships for another term (3 yrs):

- J. Adams (expiry date October 2013)
- B. Taylor (expiry date May 2014)
- G. Crawford (expiry date May 2014)
- H. Prits (expiry date October 2013)
- Little (expiry date June 2013)
- P. Sterescu (expiry date May 2013)

P. Harschnitz expressed interest in renewing his membership as alternate for D. Burella as of May 1, 2014.

13. In Camera Discussion

Council members met in camera without management and guests from MCS.

14. Termination

The meeting was terminated at 2:51 p.m. The next meeting is scheduled for December 10, 2014.