



# Technical Standards and Safety Authority

## Minutes of the Liquid Fuels Advisory Council Meeting on December 2, 2014

Minutes of the Liquid Fuels Advisory Council meeting of the Technical Standards and Safety Authority (TSSA) held in Boardroom 1434, 14<sup>th</sup> Floor, Centre Tower, 3300 Bloor Street West, Toronto, Ontario at 9:00 a.m. on the 2<sup>nd</sup> day of December 2014.

**Present:** Robert (Bob) Smith (Chair), Canadian Oil Heat Association; Eric Bristow, Canadian Fuels; Brent Francis, Francis Fuels Ltd.; John Lastoria for (Andrea Ongaro), Canadian Tire Corporation; Dereck Northcote, Farmers Mutual Insurance; and Matilda Presner, Consumers Advisory Council.

**In attendance:** Michael Beard, President and CEO (all items except items 9,10, and 16); Wilson Lee, Director Stakeholder Relations (item 7); Kristian Kennedy, Policy Advisor (all except items 16); Maram Khalif, Council Coordinator (all items except 16); John Marshall, Director Fuels Safety Program (all items except 16); Dwight Reid, Risk Management Advisor (item 9); David Scriven, VP Research and Corporate Secretary (items all except 16); Srikanth Mangalam, Director Public Safety Risk Management (item 10); Supraja Sridharan, Public Safety Risk Analyst (item 9 and 10); and Peter Wong, VP Operations (all items except item 16).

**Regrets:** Terry Ablett, Wagg's Petroleum Equipment Ltd.; Trish Anderson, CIPMA; and Jim Wood, McKeown & Wood Ltd.

**Guests:** Sarah Jeffrey-Hampton, Senior Policy and Program Analyst, Ministry of Government and Consumer Services (MGCS) (all items except 16).

### **1. Constitution of Meeting**

R. Smith, Chair, called the meeting to order. Roundtable introductions followed.

### **2. TSSA's Safety Reminder**

J. Marshall provided information on the emergency evacuation terms in case of fire during the meeting. A video on the dangers of distracted driving was also shown as part of a safety moment.

### **3. Approval of December 2, 2014 Agenda**

Council members approved the agenda for the December 2, 2014 meeting as presented.

### **4. Approval of the Minutes**

Council members approved the minutes from the May 15, 2014 Liquid Fuels Advisory Council meeting as drafted, as being a true and correct record of that meeting.

### **5. Review Action Items From Last Meeting**

J. Marshall reviewed the outstanding action items from previous meetings with council members, noting that the items highlighted in grey were completed.



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Guidelines for responding to fuel oil spills and leaks was completed by the posting of an advisory document to the council on October 28, 2014. The Risk Reduction Group minutes from November 27, 2013 were sent to council on January 2014.

An update from the 10-year fuel oil inspections working group will be provided under item 12 of today's agenda.

### 6. Council Chair's Report

As part of the advanced materials for this meeting, members received the Chair's annual report to the President and CEO, which was treated as read.

The Chair acknowledged the improvement in the relationship between TSSA and the council in the past few meetings.

### 7. TSSA CEO'S Report

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

M. Beard provided an overview of the pending TSSA external safety awards.

M. Beard also highlighted the success of completing backlogs over the past few years, especially in the elevating devices (ED) program.

He noted that in light of the success of the ED backlog project, TSSA undertook projects to eliminate outstanding backlogs in other program areas. The Fuels Backlog project, however, posed some unique challenges for many operators specifically in northern Ontario such as the limited availability of certified contractors, seasonal nature of many businesses and weather conditions that limited the construction season. As a result of these challenges, many operators in northern Ontario face particular difficulties complying with the safety requirements, in particular obtaining pressure, precision leak and cathodic protection tests. Operators also cited challenges with the cost of the tests, as well as the cost of correcting any deficiencies identified by the tests. Operators and their advocates in the north, including local mayors and Members of Provincial Parliament sought additional flexibility and consideration from TSSA to minimize the hardships many operators were facing, including station closures, which in turn raised significant concerns about the impact on local communities and economies.

In response, the Liquid Fuels Program has developed a Northern Ontario Fuels Strategy to assist gas stations and marinas to comply with provincial safety regulations. M. Beard highlighted some of the key elements of the strategy, such as, providing additional time for operators to develop compliance plans to make the necessary equipment upgrades and alternative testing solutions. It was reiterated that TSSA was not issuing shutdown orders; however, the cost of correcting non-compliance may have driven some gas stations to close. Council was made aware of that managing the necessary steps to fulfil compliance at each gas station was considered individually. In some appropriate cases, shutdown orders were issued according to the particulars of each site.

The Minister of MGCS (as his role as Member of Provincial Parliament) issued a press release urging TSSA to take action to address the concerns related to TSSA inspections raised at a recent town hall held in Sault Ste. Marie. TSSA also issued a press release affirming its commitment to enhancing customer service, public safety and environmental protection while assisting remote and isolated communities in northern Ontario that are facing the loss of their fuel facilities.



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M. Beard further highlighted TSSA's position on this issue by reiterating that no changes to the Liquid Fuels Handling Code had been made since the code was last adopted in 2007. M. Beard also noted that TSSA must fulfill its regulatory responsibility to ensure public safety. TSSA is also looking into other ways to address the northern Ontario concerns as highlighted above.

Council expressed appreciation for TSSA's management of this issue and offered to provide assistance where appropriate. Government funding and possible changes to the regulations were also discussed as possible longer-term solutions.

TSSA has committed to conducting public consultations later this spring, in particular in northern Ontario, to ensure broad engagement in the development of the Liquid Fuels Handling Code (LFHC). As a first step, the LFHC posting on the Environmental Registry will be extended to September 10, 2015. These steps will delay the adoption of the LFHC, but will ensure broader engagement and contribute to greater public understanding and compliance when the LFHC is adopted in 2015 or 2016.

In further discussions, W. Lee reiterated to council that extensive consultations would have a financial impact, in addition to delaying the code adoption process. He noted that TSSA would recommend to the Ministry to not apply the same extensive public consultation to each code since the LFHC is the only code that is developed by TSSA, as opposed to the Canadian Standard Association (CSA).

### 8. Issues and Incident Reporting

J. Marshall reported to council that there were two incidents since the last meeting. A self-inflicted incident in which all appropriate steps were taken and was not deemed a fuels safety issue. The other incident involved a vehicle burned at a gas station. The latter is still under investigation.

### 9. Annual State of Public Safety Report and Liquid Fuels Compliance

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 composite safety results of the report and J. Marshall followed with specific industry key safety results.

The committee discussed and P. Wong responded to questions regarding the planned special building inspections pilot.

### 10. Priority Safety Issues

**Single wall fuel oil tank analysis:** S. Mangalam reported to council that data analysis indicated that more than 50% of these tanks would have a failed result within the next 10 to 20 years. With that in mind, he and J. Marshall met with members of the Canadian Oil Heat Association (COHA) to share this information. COHA will share the information with its members, and in the meantime, TSSA will monitor incidents and related data.

### 11. Priority Safety Issues

**Public Education:** This item was deferred to the next meeting.



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### 12.10 Year Fuel Oil Inspection Working Group Update

As part of the advanced materials for this meeting, members received a presentation highlighting the group's activities and recommendations.

B. Francis provided the historical background on this issue, noting that the 10-year anniversary for comprehensive inspections is fast approaching since the changes were made to the regulations.

A discussion ensued around the issues and challenges of a shortage of qualified technicians willing to complete the comprehensive inspection for new and existing systems. The most critical barrier was noted as the increasing liability exposure to gas technicians conducting these inspections because of recent past lawsuits that have led in high and often prohibitive insurance premiums.

J. Marshall indicated that TSSA was working with the appropriate associations on how to approach this issue and reiterated that the scope of the lawsuits and liability was beyond the administration of the regulations. The council recommended that TSSA have a contingency plan since the 10-year anniversary of the changes to the regulation was fast approaching. Having MGCS involvement in both short and long-term solutions was also recommended.

Further discussion ensued around how to confirm how many are leaving the Oil Burner Technician industry and their reasons. B. Francis will attempt to follow up by conducting a survey with the industry and will share his findings with the council at the next meeting. He noted that one of the challenges might be finding accurate information from those who may have not renewed their certifications.

### 13. Risk Reduction Group (RRG) Update

As part of the advanced materials for this meeting, members received the status of all RRG activities in the Fuels Safety Program, which was treated as read.

### 14. Ministry of Government and Consumer Services (MGCS)

S. Jeffrey-Hampton highlighted the changes made to MGCS since the provincial elections in June, including the appointments of the Honourable Minister David Orziatti, and Deputy Minister, Wendy Tilford.

She noted the information provided about northern Ontario and that the ministry was active and engaged in the public safety of Ontario.

### 15. Questions on Information Items and Other Business

In regards to council membership, the transport sector is still vacant.

TSSA was also in the process of adding two more members to represent northern Ontario.

### 16. In Camera

Council met *in camera* without management and guests.



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## 17. Termination

The meeting was terminated at 1:00 p.m. The next meeting is scheduled for May 13, 2015.