

Minutes of the Fuels Plenary Advisory Council Tuesday, October 22, 2024

Minutes of the Fuels Plenary Advisory Council meeting for the Technical Standards and Safety Authority (TSSA) held at **9:00 a.m.** on Tuesday, October 22, 2024

Present	
Terry Ablett	Greg St. Louis
Brent Francis (LFAC Chair & Fuels	Neil Waugh
Chair)	-
Steve Kuzmanovic	Rae G. Dulmage (CAC Chair)
Jennifer Stewart	David Karn (PAC Chair)
Martin Luymes (NGAC Chair)	Laurie Marcil
Ryan McLachlan	Dereck Northcotte
Bradley Clark - alternate	Jim Wood
James Callow	Michelle Rae (for Terry Ablett)
Rob Loenhart	
TSSA	
Kelly Hart	Gary Highfield
Alexandra Campbell	Ajay Raval
Scott Saint	Jorge Larez
Kristian Kennedy	Trent Angiers
Bonnie Rose	Iuliana Afanase
Frank Pallotta	Priya Ferris
Phil Simeon	Shakir Majeedi
Sandra Cooke	Owen Kennedy
Chris Thompson	
Guests	
Laura Meil (MPBSDP)	Allison Nicholls (MPBSDP)
Sarah Jeffrey-Hampton (MPBSDP)	Miranda Reid (MPBSDP)
Regrets	
Brian McBain	Tracey Teed Martin
David Hammond	Kevin Johnson
Jeremy D. Mitchell	David Sobel
Theresa Espejo	Rick Hineman
Geoffrey Holloway	Sunaina Menezes

#### **Action Items**

There were no action items in the minutes.

#### 1. Constitution of Meeting

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#### 1.1. Safety Moment

For the Safety Moment the Chair showed a video on lithium-ion battery safety.

K. Kennedy welcomed two new members:

David Sobel – LFAC CAC Ry Smith – CNG, RNG, Hydrogen

- 2. Adoption of the Agenda
  - **2.1.** The agenda was adopted as presented.
- **3.** Approval of Minutes
- J. Wood noted gaps in the minutes with disjointed sequencing in minuting of agenda items. The council approved the minutes as presented with the proviso that TSSA staff resolve the formatting issues.
- G. St. Louis was noted he was in attendance, but his name was not recorded in the minutes.
- **4.** TSSA President & CEO's Report
- B. Rose presented the CEO Report, detailing the latest customer value survey, Strategic Plan themes, Strategic Plan Year 1 accomplishments, Year 2 priorities, Year 3 plans, progress toward an outcome-based regulatory model and licensing modernization proposals.

There were no questions or comments.

- 5. Harmonization of Engineering Process Review
- F. Pallotta detailed two major processes that are subject to review and customer journey-mapping: engineering and certification/examinations, involving stakeholder input to inform an internal process to understand how to eliminate waste, digitize processes and standardize the customer experience across TSSA programs. He detailed major customer pain-points shared in the consultation.

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The Chair asked whether the review would include greater transparency on the status of applications. F. Pallotta replied that the TSSA customer portal will include that functionality.

- 6. Draft TSSA Incident Reporting Advisory
- P. Simeon and S. Majeedi presented plans for a TSSA advisory outlining a standardized incident reporting process across TSSA safety programs. He spoke to next steps, noting a plan to publish the advisory in the new calendar year.

The Chair asked what actions TSSA will take in response to incident reporting and whether there would be resources at TSSA assigned to respond to the incidents being reported. K. Hart replied that the criteria for responding to incidents is already in place and is adequately resourced. Incidents can be reported on a 24-hour-basis, there is an incident response desk and always a supervisor on call.

- J. Wood and R. McLachlan asked if incident reporting will still be called into the Spills Action Centre (SAC). A. Campbell clarified that the TSSA 1-800 number is rerouted to SAC where appropriate. J. Wood commented that the advisory does not speak to non-reportable spills. S. Majeedi indicated that there will be an annex on the reporting advisory that will clarify which spills need to be reported.
- T. Ablett cautioned against a one-size-fits-all solution to incident reporting. He noted there was a TSSA-industry working group several years ago that sought to define leaks. A literal reading of the code would suggest all leaks are reportable, but it is untenable from a compliance perspective to scrutinize every single leak. K. Hart indicated the intention is not to change the reporting requirements or to make them stricter in fuels. She added that the annexes will allow for judgment on the part of persons with reporting obligations. B. Rose informed the meeting that incident reporting is less an issue in the fuels sector than in other sectors that have had challenges with incident reporting historically.
- J. Wood asked about the SAC process where incidents are on federal land. K. Hart said all calls should continue to go to SAC. A supervisor will make a judgment call on whether to dispatch an inspector to a site, factoring in whether it is a federal site or area of federal jurisdiction.

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R. McLachlan asked if the annex would refer to existing TSSA advisories. P. Simeon said the annexes are fresh documents that will detail regulatory specifics.

- 7. Licensing Modernization Initiative (LMI)
- P. Simeon and S. Saint provided an update on the initiative, specifically the status of implementation. A proposed implementation schedule was detailed. Proposed fees and operational considerations were detailed for each licence category, including fees, inspections, and compliance support. The presentation detailed private outlet thresholds of 25,000 litres and above storage tank capacity. S. Saint informed the meeting that there is an autumn consultation for associations.
- J. Wood asked whether there would need to be an amendment in the regulation since the fuel oil regulation only speaks to "suppliers." K. Hart commented that it will include a definitional amendment but no change to the substance of the fuel oil regulation.
- J. Wood asked if the three-year inspection cycle is for the distributor or the private outlet. K. Hart said there will be periodic inspections of private outlets on a three-year cycle, with the objective being to move to a risk-based cycle. TSSA is also looking at auditing distributors, which will be on a three-year cycle as well. TSSA has not decided whether the auditing process will be risk-based or not. K. Hart clarified that there will only be one audit for distributors who supply more than one fuel type, such as fuel oil and sites where gasoline is dispensed.
- J. Wood asked who will gather data: the owner or the distributor. The Chair asked how that data collection will be enforced. K. Hart commented that there is already a requirement in place to supply fuel only to sites that are compliant. An unlicenced site cannot receive fuel under the regulation.

The Chair asked if federal sites will be exempt. K. Hart clarified that they will be.

- J. Wood asked about an in-force period. K. Hart indicated yes.
- R. Loenhart commented that many bulk plant suppliers have no contact with the owner of the tank. He asked for clarification on distributor fees, asking if it includes the \$900 dispensers are already being charged by TSSA. G. Highfield clarified the dispensers are not going to be classified as distributors under the Licensing Modernization Initiative. TSSA does not intend to duplicate oversight. R.

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McLachlan commented that in the propane sector there are bulk plants with mobile storage capacity on the licence. That may mean an increase in fees. G. Highfield indicated that TSSA is looking at the truck-distributor combination. P. Simeon offered to add that issue onto autumn consultations on the initiative. R. McLachlan commented that the regulatory coverage for distributors is already onerous; they meet the intent of the regulation already. The focus of the Office of the Auditor-General of Ontario value-for-money audit of TSSA was on entities that supply fuel without oversight.

- D. Karn asked if a multi-fuel distributor will need a licence for each product but will only require one audit, they will still be charged fees in triplicate. Only the audit provides cost-savings. K. Hart indicated that TSSA is looking at this issue separately from the LMI project, which is focused on new licences to fill gaps in the regulations.
- L. Marcil expressed surprise that the preferred threshold for private outlets is a tank capacity of 25,000 litres. She will consult her membership to determine how many will be affected by the new threshold. A lot more businesses will be captured by this threshold. A 50,000-litre threshold would have excluded many of her members. She stressed ample compliance time will be needed since the tourism sector has been affected by several challenges in recent years. She suggested TSSA work with Nature & Outdoor Tourism Ontario (NOTO) on roll-out since many operators work in remote areas in isolation. The Chair does not expect many remote private outlets over the 25,000-litre level. Where several outfitters share tankage, they may be over the recommended threshold.
- J. Stewart asked where the regulatory obligation will fall if the private outlet is leased. K. Hart responded that it is typically the owner of the equipment. J. Stewart commented that CEMA members are in many cases distributors who own tanks. J. Stewart asked what a distributor with 100 private outlets would pay in fees. K. Hart indicated that the way the proposed fee is currently set up they would be paying per site. J. Stewart followed up by asking if a lessee will be responsible for tanks with the new licences. K. Hart said if the operator is the lessee, that person can have the licence and own the regulatory responsibility for the tank. Regulations are written so that either the owner or operator owns the licence. Owning an elevator does not mean you are owning the licence. The intent of the regulation is for a person to be responsible for the safety of the tank.
- R. McLachlan asked how one periodic inspection can cost \$3000 or is there is more to the fee than that. K. Hart indicated that a strict mathematical

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approach does not explain the cost recovery model. The fee does not only recover the cost of the audit but also the costs of other safety services TSSA delivers, compliance support, incident reporting, etc. R. McLachlan recommended more clarity on what the fee cost recovers would be helpful.

- 8. Code Adoption Document Update
- P. Simeon provided an update on the status of code adoption document (CAD) amendments.
- J. Wood asked if the Liquid Fuels Handling Code might need to be amended concurrently with the private outlet licence since licencing may impact the code and vice versa. P. Simeon said TSSA will take the advice back since there are uncertainties around government completion of the regulatory amendment process. S. Cooke added that she anticipates the code will not be overly impacted by the regulation change. J. Wood commented that source water implications around private outlets might be impacted.
- R. Loenhart commented that on the CSA B51:24 code there is a portion that might be difficult to comply with from a manufacturing perspective. British Columbia has already adopted the code. The Chair of the IGAC has been notified. The extent of which is not fully known yet, but there is a section (s. 6.2.6.1) that includes impact testing requirements on pipes, fittings, and forgings. R. McLachlan added that the code representative from TSSA, Caslav Dinic, is involved in a process to address the compliance issue. He asked if the consultation timeframe for code adoption will include engagement with the advisory councils. P. Simeon noted that TSSA follows a standardized process now whereby online public consultations are undertaken.
  - 8.1. Council adjourned for a 5-minute break at 10:45 a.m.
  - 8.2. Council reconvened at 10:50 a.m.
- 9. Liquid Fuels & Propane Compliance Standards
- S. Cooke provided a brief update on the development of the Liquid Fuels and Propane Compliance Standards.

The Chair asked if there are plans to notify the sites subject to the compliance standard. S. Cooke noted there are plans in CRM to build in notifications. J. Wood asked if the checklist will be provided to customers. A. Campbell added that there are examples for other devices for compliance standards that are in-

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effect on the TSSA website. J. Wood asked if the compliance standards can be uploaded to accounts on the portal. V. Dessanti indicated that TSSA would have to build that logic.

R. McLachlan asked if compliance standards are the only data point to develop inspection frequencies. S. Cooke and V. Dessanti noted that there are a range of aspects that affect compliance standards: inspections, incident data and site-specific factors such as the type of the facility, e.g. location. TSSA takes data that is correlated. S. Cooke replied that the intention is to have an agenda item on this at the advisory council.

L. Marcil asked about the Liquid Fuels Advisory Council and whether the Compliance Standard will be reviewed. She noted members of her organization are eager to participate. S. Cooke explained that there will be a consultation immediately after the Liquid Fuels Advisory Council meeting.

- 10. Fee Update: Inflationary Fee Increase / Late & Cancellation Fees
- P. Ferris provided an update on late payment and cancellation fees for inspections effective November 4, 2024. She noted that the fees were set at the lower limits of what was proposed in consultations and provided details on the responses received during the consultation. She also provided a verbal update on a proposal for an inflationary fee increase effective May 1, 2025.

There were no questions or comments.

- **11.** Ministry of Public Business Service Delivery and Procurement Report Alternate Rules Update
- L. Meil treated the update as read.
- R. Loenhart asked about the Red Seal initiative and why the barrier to labour mobility will remain in place. L. Meil noted that while there is a government commitment to labour mobility, the Minister of Labour, Immigration, Training and Skills Development (MLITSD) determined that it was not prudent to move forward on Red Seal for the trades in question. She can connect with the Minister of MLITSD for further information.

For the update on a proposed exemption for propane purging, R. McLachlan asked about the review of feedback from the Regulatory Registry consultation and whether any feedback will be a roadblock to approvals. She is not aware

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of any feedback that was received that would substantially affect the proposed exemption.

- R. Dulmage commented the Consumer Advisory Council has concerns on the reasoning for not proceeding with Red Seal. It would be good to get some answers on this. Ontario needs more labour mobility and more technicians.
- 12. Safety & Compliance Report
- V. Dessanti provided highlights on the annual Public Safety Report.
- J. Wood asked if TSSA data factors in reductions of hydrocarbon devices due to decarbonization and how it would impact data. V. Dessanti replied she cannot say for certain but can investigate it. J. Wood asked if carbon monoxide is still the main source of incidents. V. Dessanti said it is and that natural gas is the sector with the most incidents.
- 13. Ombudsman/Whistleblower Report
- S. Cooke provided an annual update on the ombudsman and whistleblower reporting, noting there was nothing specific in the Fuels area, expect certification matters in Fuels and Operating Engineers.

There were no questions or comments.

14. Hydrogen & Biogas Strategy Update

K. Hart provided an update on the progress of the hydrogen and biogas projects. While there are some dependencies on the LMI project, other aspects of the hydrogen and biogas space are moving forward where TSSA has the administrative latitude to execute.

On biogas, R. McLachlan asked whether enforcement will be shared between safety programs. K. Hart noted there is some overlap for hydrogen between TSSA's Fuels and Boilers and Pressure Vessels (BPV) programs. He also asked if additional TSSA staffing will be required to accommodate expansion of both areas. K. Hart noted TSSA has already onboarded facilities in these areas so there are no resourcing concerns on the engineering side. On the inspector side, TSSA inspectors are already trained on hydrogen. R. McLachlan asked if both biogas and hydrogen will require regulatory changes at some point. K. Hart replied that only certain aspects require regulation change: TSSA has jurisdiction

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over both fuels, but a distributor licence for hydrogen is required. For biogas, TSSA has jurisdiction over the facilities. What is missing is the authority to licence the facilities. He asked if TSSA needs regulatory reference to the fuel to adopt a code. K. Kennedy added that the regulation that allows code adoption does not enshrine specific national or binational codes but speaks broadly of "code adoption documents."

R. Loenhart asked about propane blending and whether biofuels will incorporate renewable propane. Blending is happening fast, so he asked if any regulation is under consideration. K. Hart noted that it does not fall under biogas; it is only fuel produced by digesters and other similar facilities. We are looking at blending mostly under field approval process and at a code perspective to see if any changes are required. G. Highfield noted CSA has identified this as a strategic project.

#### **15.** Industry Prioritization Discussion

K. Hart provided an update on industry-identified priorities raised through the advisory councils at past meetings.

M. Rae commented that there is a need to revisit the generator installation training as a priority. She clarified that there is no intent to replace existing certificates. K. Hart noted TSSA cannot adopt a limited-scope certificate but there are other options. K. Hart expressed openness to taking it offline with M. Rae and maybe bringing it back to the advisory council. M. Rae felt a reframing is important.

G. St. Louis called the customer experience with the portal positive. Elevator and gas distribution licences are all in one place. K. Hart offered to have someone assist B. Francis with his portal access and entries.

The Chair remarked that the contractor directory on the TSSA website includes businesses that are registered but not technically active. Some companies listed have not worked on oil equipment for several years. B. Rose replied that there is very little TSSA can do about this matter if a customer chooses to renew heating contractor authorizations. A. Campbell commented that the website only speaks to businesses that have taken out licences. So long as they continue to pay a particular licence, they are allowed to hold that licence and continue to work on the devices under that regulation.

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On CSA B138.1/B138.2 J. Wood clarified that the issue is that industry has never been able to consult on the code's enforcement. There is no concern with the consultation leading up to adoption. Clarity is still not forthcoming after six years. K. Hart and B. Rose said we will have to take the issue back. He has forwarded to TSSA several times the problematic provisions in the CAD amendment.

R. Loenhart asked about the 200 PSI tank bulletin. He wants to know if there are opportunities for variances for large-scale bulk plant use of the tanks where the safety risk is not present, as it is at consumer sites. The worry is cost where consumer threats are not present. G. Highfield commented that large bulk tanks are not allowed in all Canadian jurisdictions but is open to continuing the discussion.

#### 16. Adjournment

**16.1.** The meeting adjourned at approximately 12:00 p.m. after which council members held an in-camera session with B. Rose followed up an industry-only in-camera session.

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