



Technical Standards and Safety Authority

Minutes of the Propane Advisory Council Meeting on May 2, 2024

Minutes of the Propane Advisory Council Meeting of the Technical Standards and Safety Authority (TSSA) held virtually at 10:00 a.m. on the 2nd day of May, 2024.

Present: Kevin Johnson; Dave Karn (Chair); Robert Loenhardt; Ryan McLachlan; Jeremy Mitchell

Alexandra Campbell; Rae Dulmage; Kelly Hart; Gary Highfield; Kristian Kennedy; Olga Sousa-Dias and Kathy Pearsall

1. Welcome and Constitution of Meeting

The Chair, D. Karn, called the meeting to order at 10:00 a.m.

a) Safety Moment

For the safety moment, K. Kennedy highlighted five outdoor safety tips for spring:

1. Practise ladder safety by having a buddy, placing ladders on level spaces, and securing the ladders;
2. Check outdoor cords that may have frayed or been damaged during winter;
3. Ensure equipment is properly fueled to eliminate inhalation risk;
4. If digging, contact Ontario One Call to locate buried cables, pipes and wires;
5. Stretch and warm up before beginning to work.

2. Adoption of the May 2, 2024 Agenda

The agenda was adopted as presented.

3. Adoption of the November 17, 2023 Minutes

The minutes were approved as presented.

4. Review Action Items from Last Meeting

- Circulate terms of reference. K. Kennedy said this has been completed.



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- Clarify whether the purging exemption will include a public consultation. K. Kennedy said the Ministry of Public and Government Service Delivery has confirmed that there will be public consultation.
- Update council on the License Modernization Initiative. K. Kennedy said an update was provided at the Fuels Plenary meeting, including licensing for propane distributors. In-person and virtual one-off consultations continue with other stakeholders of interest. The TSSA is working with government on parameters of what the regulatory changes will look like. The government will do its own consultation that is slated for the regulatory registry in fall 2024.

Questions and Comments

Will the purging exemption include the evacuation of tanks? TSSA replied that it will.

Will TSSA share a notification with council when it comes out? Yes. K. Kennedy offered to seek a fulsome answer from the government on timing.

Will consultations last 30 days? 60 days? K. Kennedy noted that this is unknown at this time. It is just an exemption, not a full-fledged regulation requiring lengthy consultations.

5. Chair's Update

D. Karn had no update.

He announced that, after about 20 years, this is his last term on council, and a new chair will be selected.

Questions and Comments

Is there a formalized process for electing a chair? K. Kennedy offered to check if there is a formalized process for electing. A. Campbell said TSSA invites council to bring names forward and TSSA will ensure the candidates understand the role.

Terms of Reference: "Include a Chair selected from among members of each respective IAC. The Chair will be appointed by the CEO or the



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CEO's delegate. Members reserve the right to decline the offer to serve as Chair."

6. Council Administration

Jeremy Mitchell has renewed his membership.

There is a vacancy on council for an Equipment Manufacturers representative, succeeding Sue Hardy. K. Kennedy said TSSA has received a letter of interest from Tony Lobraico at Napoleon.

7. Advisory Council Meeting Location

A. Campbell asked council if they prefer to meet in-person, virtually, or in a hybrid format in the future.

Council agreed there is value in both in-person meetings and virtual meetings for those who live far away. It was suggested that the TSSA consider enforcing the fall meeting as in-person only, because it is longer and because working groups can revolve around that meeting. It was suggested that shorter meetings be held virtually.

A. Campbell said TSSA will poll all councils in a few weeks' time

8. Propane, Renewable and rDME Options

R. Loenhardt spoke to this item with respect to the current carbon intensities of propane and opportunities to use blending to lower the intensities.

The gaseous energy and carbon intensity of propane is similar to natural gas. Propane and oxygen can be blended to create a synthetic natural gas for use in high-intensity spaces, such as greenhouses.

Propane appliances operate at 95-97% efficiency. Switching from heating oil to propane lowers the intensity. Propane is cheaper than oil and its emissions are 30% lower.

The challenge for the propane industry is that current carbon pricing focuses on lowering the carbon intensity of diesel. The federal government to date sees no benefit in lowering the carbon intensity of propane.



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Renewable/bio propane is made from renewable feedstocks, such as tallows. Because it is the same molecule, no changes to onsite equipment are required.

rDME is currently used in the U.S., and there is talk of it coming to Canada soon. Blending rDME with regular propane lowers the carbon intensity to about 20. Blending rDME with renewable propane gets it down to zero. The U.S. is importing feedstock from Alberta to make rDME. Lack of incentive has prevented this happening in Canada.

Because it is a strong cleaner, rDME is being evaluated for commercial use because it blends well into transportation vehicles. This is because the transportation vehicle keeps moving, whereas in a residential location the tank is stationary. As the fuel is processed in a vapour application it preferentially vaporizes propane, meaning that the percentages of rDME must be lowered.

The pathways to creating renewable propane and rDME are renewable diesel refineries, refining sustainable jet fuel, and refining tallows and feedstocks.

Barriers include lack of incentives and the cost increase to market availability. There is talk that renewable propane could be twice the price, however, the goal is blending it to lower the carbon intensity. Also, there is a lack of regulations for using rDME in vehicles. A Canadian study needs to be done to make it acceptable. Work also needs to be done on the identification of blend levels and a finding method to determine carbon intensities.

Questions and Comments

G. Highfield asked what the portion of renewable propane would be with respect to byproducts. R. Loenhardt said it would be approximately 3-5% of the diesel, adding that one does not get the full effect of renewable propane by including it in the process of creating diesel.

A member asked if other fuel users get carbon-lowering incentives. R. Loenhardt said in order for companies making biodiesel to lower their carbon intensity they need to include renewable propane in their process, but there are no incentives for them to do so.



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A member asked how receptive the federal government is to including propane in the carbon intensity formula, excluding the punitive tax side. R. Loenhardt said the federal government focus is on electrification and excludes other zero-emission options.

9. Propane Issue Prioritization Recap & Discussion

G. Highfield spoke to these issues.

a) The tank and cylinder drainage and training requirements are going to public consultation. R. Loenhardt said industry will urge the minister to move swiftly on this at an upcoming meeting.

b) The need for further discussion of propane underground storage tanks is closed.

c) The 10-year propane installation inspection needs more discussion. R. Loenhardt said the regulation stipulates that a quality assurance program can be put in place. Natural gas has quality assurance programs. Propane industry members want to know what it looks like so they can create their own programs. G. Highfield said the TSSA wants to ensure the triggers used to justify the 10-year inspection are fulfilling the requirements of the regulations. D. Karn asked if operators have established their own programs and are validating through their own processes. G. Highfield said they are.

D. Karn noted that 10 years might not be the right number when infractions tend to be minor and fall within just 1% of the customer base identified as high risk. G. Highfield said different discussions are needed for different fuel types.

R. Loenhardt said propane industry members are open to having a working group discussion.

D. Karn suggested templates for quality assurance program plans be created that are individualized by fuel type.

d) Regarding changes to bulk truck permitting, there are trucks that are not owned by distributors and the distributors have yet to be defined. D. Karn said licensing a facility would provide visibility of what is out there. R.



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Loenhart said from a facility point of view the Risk and Safety Management Plan (RSMP) license has a mobile capacity that captures the trucks and onsite storage. Within the RSMP would be an inventory of trucks on the capacity side. This information is available for at least a Level 2 RSMP licensed facility. The information could be more detailed to eliminate the licensing burden.

D. Karn said the pain point is not so much the registration of the truck. The annual license fee is an unnecessary cost burden for a truck being inspected by Transport Canada, MTO, and an internal service department of the trucking company.

To eliminate the annual permit problem, R. Loenhart suggested including in the distributor permit process a way to identify how many vehicles are onsite and what they are.

D. Karn said this item will remain open for more discussion.

10. Other Business

R. Dulmage noted that one-pound refillable propane cylinders are being introduced in British Columbia. The intent is to be able to sell them indoors. The empties would be returned either to the retailer or a licensed refilling station. Refillable containers are more robust than nonrefillable ones.

R. Dulmage said the move to refillable one-pound cylinders should be approached with great caution. Health Canada has agreed to limit online sales by Amazon. The cylinders must never be refilled at local propane shops because human behaviour is unpredictable.

R. Loenhart said CPA would endorse limiting this to licensed refilling facilities in Canada.

10. Adjournment

The meeting was adjourned at 11:30 a.m.