

The Canadian Boiler & Machinery Underwriters Association (CBMUA)

Our reference no. Q2 – 2009 Engineering Committee Meeting
Date May 26, 2009
Attendees Carlton D’Souza, Lombard Insurance
Jacques O’Brien, Chubb Insurance
Donald Keefe, Temple Insurance
Paul Sterescu, BI&I
Stewart Smith, Zurich Insurance

Absentees Bob Davis, AIG
Al Zack, FM Global

Minutes of Meeting

1. Notice of Meeting

Called to order at 9:50 AM

2. Review of March 02, 2009 meeting minutes

Approved by Carlton D’Souza, seconded by Paul Sterescu.

3. Existing Business

Propane Industry Final Report

Annex H, CSA B-51

How is the propane industry testing safety valves presently if at all ?

In August the B51/B52 Sub-Committee will meet with the Propane Industry to discuss the Final TSSA Report on the Propane Industry. Paul Sterescu will provide an update at the CBMUA Eng. Committee meeting in September.

The B51/B52 Sub-Committee will also review CSA B-51, Annex H for reference to where it should be entered into this Act.

4. New Business

A general discussion was held on the TSSA/Boiler and Machinery insurers meeting of 07 May, 2009 provided by the Chief Inspector, Gilles Lemay.

Item 1)

Acceptable with all of us present.

BPV repair report forms on the TSSA website are requested to be used by all overseeing these repairs.

It is not necessary to re-certify any BPV repaired so long as a current C of I has been issued however one can be issued depending upon the Companies QA Program requirements. Repair supervision can be performed by any insurer for one another so long as the attending inspector has a valid NB Commission and C of C in ON.

Item 2)

We need to have the TSSA clarify the difference in their Hazard Grading T1, T2 and T3. As insurers we are obligated to work with our customers to insure compliance with safety and uninterrupted production processes.

As a group of insurers do we see the need to all use the same Hazard Grading or are we satisfied how we individually rate these within our own Company presently?

Item 3)

The TSSA feels that our industry is still sending reports in inconsistent formats to them where Code Deficiencies are a concern. This makes it difficult for them to determine the ones requiring their attention in getting compliance. They want 100% electronic reporting as opposed to paper copy. Most reports do not have a unique identifier for the BPV's and continue to not show the location of the BPV within the plant.

Item 4/5/6)

It is the insurance industry's responsibility within the jurisdiction of ON to keep their customers in compliance with all local Rules and Regulations as they apply to all BPV's. More communication is needed with all our "off shore" underwriting offices to make sure that all insured locations are being properly inspected for certification.

Notice of lapsed or cancelled policies is a real concern for the TSSA.

All locations with BPV exposure requiring certification on Subscription Programs must be inspected.

Item 7)

After a NB Commission expires the holder has 5 years before they must re-write the Commission exam. It is up to The Director to decide if a candidate is acceptable to write the C of C exam in Ontario.

Six months prior to all C of C renewals the Director's office will be sending out a letter requesting a copy of all NB Commissions before they will proceed to issue C of C's.

Item 8)

There are some who feel the TSSA should be actively involved in the education of BPV owner/operators and brokers as to the responsibility of all parties who own and operate this equipment.

Should this be conveyed to The Director in writing as a follow-up to this meeting?

Item 9)

It is generally accepted practice within our industry to inspect any propane tanks which are insured. There is a difference of opinion as to whether we should be issuing certificates of inspection as they presently fall under The Fuels Safety Regulation.

Item 10)

The Director needs to clarify who can or should perform Deaerator visual NDE.

Item 11)

There is inconsistent notification to the TSSA of cancelled/lapsed policies. Further there is not enough information given to identify which objects at a location are no longer insured. Only a few Companies are sending notification of lapsed policies as well as new business.

Item 12)

The Director is looking into moving away from “risk informed decision making” for internal inspections for BPV’s and making them more prescriptive.

Item 13)

A guideline is to be posted on the TSSA website for the procedure to de-rate deaerators or other pressure vessels to service less than 15 psi.

Item 14)

Plants shut down with no equipment in operation do not require inspection for certification. However any that are in bankruptcy that may be required to operate do require periodic inspection.