



Subject **Annual Report of the Engineering Committee of the Canadian Boiler and Machinery Underwriters' Association**
L'Association Canadienne des Assureurs Bris des Machines

Date **February 11, 2009**

A total of four Engineering Committee meetings were held throughout 2008. Two at the office of FM Global and two at the office of Zurich Insurance.

Stewart Smith
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As of December 31, 2008 the following are members of the Engineering Committee:

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FM Global	Al Zack
Boiler Inspection and Insurance Company	Paul Sterescu
Zurich Insurance	Stewart Smith

The following is an overview of the major items of interest and concerns raised.

1. Q1- 2008 Aviva Insurance discontinued membership on the Engineering Committee.
2. Mr. Roy Martin (Director) and Ms. Cathy Turylo (Chief Engineer) of the Boiler and Pressure Vessel Safety Authority, TSSA met with us in Q1- 2008 to introduce themselves. Rick Mile's former position will not be filled. They are requesting a closer working relationship with the insurance industry in the interest of safety. Risk informed decision making is the new methodology to be used by the TSSA for Regulations. They do not have enough pressure vessel data and are soliciting our support by insuring that all boiler and pressure vessel in-service inspection, repairs and alterations and certificate data is forward onto the TSSA by all insurance companies who are members of the CB&MUA. Use of authority to obtain this information is not being ruled out if necessary.

3. Improvements to the Application for a Variance Form need to be made as we are not comfortable with the present wording. Cathy Turylo agreed to amend the wording as we have requested. Section C, questions 4) and 5) are to be removed and replaced with “Has the insurance Company been informed in writing of the proposed Variance?”
4. The B51 subcommittee will consider our request to change Annex H, CSA B51 to Normative from its present Informative status. Failing this the TSSA can still make this mandatory in the Regulations.
5. A letter was drafted to be submitted to the TSSA for review concerning our request to NOT share pressure vessel data submitted by the insurance companies as well as a request to have the internal inspection frequency put back into the Regulations. A request to have the TSSA make Annex H, CSA B51 a mandatory appendix in the event that the CSA does not, was also included in this letter.
6. Just prior to the August explosion at Sunrise Propane the Canadian Propane Gas Association responded to our Committee with a document outlining their concerns with our request to have Annex H, CSA B51 made a mandatory Appendix. Their opinion was that they maintain good control of this industry while inspections, service etc. are adequate. The cost to be replacing over - pressure safety devices on propane storage tanks would be too costly and not provide a validated level of increased safety. Since the untimely event in August there have been CSA B51 Committee meetings and an Advisory Panel review established at the request of the Minister of Small Business and Consumer Services to report on the Propane Industry here in Ontario. Agencies such as the Fire Marshall’s Office, the Department of Labour and the TSSA will review the reports in turn and consider any changes needed that stem from the report recommendations. To date no changes to Regulations controlling pressure vessel inspection or fuel safety have been brought forward.
7. A list of questions has been prepared by the CSA Technical Committee B51 Project Manager to be sent to the Propane Industry for response.
8. The Minister of Small Business and Consumer Services has hired a Consultant to review “delegating authority” as it relates to the TSSA.

9. A copy of the Advisory Panel review of the Propane Industry here in Ontario is now available. The general feeling of our Committee is that no significant safety concerns have been raised and that any of the recommendations will be seen as routine by our industry.
10. It has been brought to our attention through Committee members that the ITT Water Level Control, Model No.67 has installation requirements that if not followed can lead to improper operation.
11. Viessmann Condensing Boilers – Stainless Steel have been found to be experiencing weld joint cracking at the connection joint of the heat exchanger and the furnace tube, located at the back end. Inspectors have to crawl into the furnace to get at this area.
12. The Boiler and Pressure Vessel Safety Authority will be raising the cost of their own inspections by 6% in 2009.

The End