



Subject **Annual Report (2009) of the Engineering Committee of the Canadian Boiler and Machinery Underwriters' Association**  
**L'Association Canadienne des Assureurs Bris des Machines**

Date **January 06, 2010**

A total of four Engineering Committee meetings were held throughout 2009 held at the office of Zurich Insurance, 400 University Avenue, Toronto.

Stewart Smith  
Zurich

As of December 31, 2009 the following are members of the Engineering Committee:

400 University Avenue  
Toronto, ON M5G1S7  
Phone: 519-652-2056  
Fax: 519-652-1244  
Email: [stewart.smith3@zurich.com](mailto:stewart.smith3@zurich.com)  
<http://www.zurich.com>

Lombard Insurance	Carlton D'Souza
AIG	Bob Davis
Chubb Insurance Company of Canada	Jacques O'Brien
FM Global	Al Zack
Boiler Inspection and Insurance Company	Paul Sterescu
Zurich Insurance	Stewart Smith

Donald Keefe of Temple Insurance has stepped down in December 2009, due to different job responsibilities within Munich Re / Temple Insurance.

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

### Q1 Meeting – March 02, 2009

High pressure steam boilers having automatic feedwater injection are not being adequately tested for water quality by the operator or person responsible. Daily testing and proper documentation of the test results is required.

Old Miura vertical tube boilers continue to be difficult to visually inspect. For this reason the true waterside condition is questionable. A "See Snake" can help an inspector make a more informed assessment of these and other low water volume boilers. This device can be purchased at the large hardware stores under the manufacturers' name of Rigid and Milwaukee Tools.

### Q2 Meeting – May 26, 2009

Concerns were raised from discussion about the Auditors Final Report on the Propane Industry stemming from the Sunrise Propane explosion.

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

The B51/B52 Sub-Committee will meet with the Canadian Propane Industry (CPA) representatives in August to discuss the Final Auditors Report. The Sub-Committee will also review CSA B-51, Annex H for reference to where it should be entered into the CSA B-51 Act.

A general discussion was held on the insurance industry representatives meeting with the new Director, Gilles Lemay on May 07, 2009.

Items of interest include;

- A request for all insurers to use a standardized repair report form found on the TSSA website for reporting to the jurisdiction. It is not necessary to re-certify any BPV repaired so long as a current C of I has been previously issued. Repair supervision can be performed by any insurer for another providing the attending inspector holds a valid NB Commission and C of C in Ontario.
- The Director needs to clarify their own Hazard Gradings T1, T2 and T3 before insurers can adopt the use of the same for Code Violations/Deficiencies. Insurers need to work with our customers and have more at stake than the jurisdiction.
- Reports to the TSSA from insurance companies are being sent in inconsistent formats specifically concerning Code Violations/Deficiencies. The Director is requesting 100% electronic reporting. Most reports/certificates presently don't show a unique identifier or location of the object within the plant.
- The Director advises the insurance industry is responsible to keep their insured's in compliance with a local rules and regulations as they apply to BPV's here in Ontario. More reporting of BPV's insured through our "off shore" offices is required to confirm proper inspection and certification. The lack of notice of all lapsed / cancelled MB policies is a real concern to the TSSA. Inconsistent inspection / certification of BPV's on subscription policies is a concern.
- When a NB Commission expires the holder has 5 years before re-write is required. The Director approves who is acceptable to write the C of C exam here in Ontario. The Director will be requesting a copy of all NB Commissions before issuing C of C's in the near future.
- It was suggested to The Director that his office should be more actively involved in the education of BPV owner/operators and Brokers as to the responsibilities of people who own, operate and have insured this equipment.
- Clarification is suggested for those who can or should perform Deaerator visual NDE.
- The Director is considering moving away from "risk informed decision making" for internal inspections of BPV's and making this more prescriptive.

- Plants shut down with no BPV's in service do not require inspection for certification however plants in bankruptcy protection may require operation and therefore current C of C's are required.

### Q 3 Meeting – September 01, 2009

The Sunrise Propane Special Committee report remains in the hands of The Fire Marshalls Office.

The CSA B-51/B-52 Sub-Committee did not meet with the CPA as intended. They are waiting on the results from a study commissioned within the USA on their propane industry this year.

There continues to be no data on safety valves within the Normative Section of the B-51 BPV Act. The guidance provided within Annex H will be referenced within the main body of B-51 as a first step.

Another paragraph, Clause B, has been proposed by the B-51/B-52 Sub-Committee to be added into B-51 for "in service" inspection requirements.

The CSA B-51/B52 Sub-Committee still needs to respond to the CBMUA Engineering and Executive Committees in response to out letter sent to the Sub-Committee and the CPA regarding our unanimous position on changing Annex H language from Informative to Normative.

The Director, BPV Safety has requested the use of one standard Hazard Classification to be used by all AIA's in their reports for BPV inspections.

ON Reg. 219 (Operating Engineers Act) mandates the requirement for four separate failsafe devices to be used on all steam and water boilers in service within Guarded Plants in addition to other requirements. It has been found that most low volume boilers in service today within Guarded Plants do not meet the requirements of the written Act. The Directors office recognizes the need to change the written language of the Act. This is currently under re-write.

### Q4 Meeting – December 18, 2009

A discussion was held on combustion safety with regard to the proper operation, installation and maintenance of fuel trains on BPV's. It is a concern from an inspection standpoint to make sure our industry inspectors are asking the right questions of the operating staff and to be evaluating the maintenance (or lack thereof) and proper documentation. It is felt far too little is known by the operators today therefore more training by our inspectors could benefit owner/user safety.

A handout was provided to all from Camus Hydronics Ltd., a new boiler manufacturer with units in service within our jurisdiction. This identifies those boilers requiring periodic inspection for certification and those that are less than 30 ft<sup>2</sup> heating surface.

A new “Risk Reduction Group” has been formed with industry representation and The Directors office who met on November 26, 2009.

Group issues were;

- TSSA report database
- Insurance group issues are reviewed
- Advising the TSSA of policy cancellations
- Reporting by the AIA’s
- Director is disappointed by the scope of work to be done in their office
- JOL not accepted by most insurers. JOL is a public access database.
- Owner/user licensing for BPV operation may become a revenue generator for the jurisdiction in the future.

It is agreed that we are slowly losing membership within the CBMUA Engineering Committee. To be a stronger voice within our industry it was felt this should be brought to the attention of the Executive Committee for suggestions on how to improve this situation.

The End