

ABSA THE PRESSURE NEWS

Alberta Boilers Safety Association

Volume 2, Issue 3, June 1997

1997 BUSINESS PLAN

We have finalized our Business Plan covering the next three years of operation. In the last issue of this newsletter, the *Message from ABSA's CEO* outlined some of the highlights from the 1996 operations as presented in the 1996 Annual Report. We also reported the more significant results from the Customer Survey that was conducted last fall.

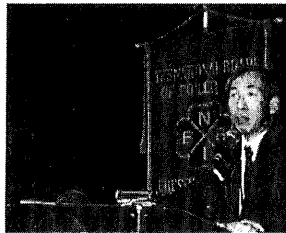
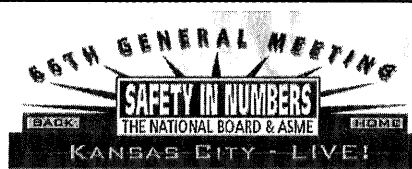
In preparing the 1997 version of the Business Plan, we had to keep in mind the Mission and Vision of ABSA, particularly in the arena of pressure equipment safety as well as what our customers said needed to be improved. In broad terms, during the next year, we will be focusing on:

- methods of improving response times;
- recruiting additional staff where the need exists;
- reviewing all fees for services to ensure an equitable fee structure; and,
- reviewing our risk-based process for establishing priorities for in-service inspections.

Additionally, the spring and summer of 1997 will be occupied with preparations for and audits of ABSA by the ASME to achieve accreditation under QAI-1 to maintain ABSA's role as the Authorized Inspection Agency in the Province of Alberta and by Alberta Labour and OH&S under the terms of the Administration Agreement.

All indications are that the pressure equipment industries can expect very busy times for the next couple of years. We at ABSA look forward to serving our clients in a more efficient and cost-effective way in the years to come when fulfilling our mandate in pressure equipment safety.

F. Kapuscinski, Acting CEO



Dr. K. T. Lau's presentation at the Joint Annual Meeting. (Photo was provided with the courtesy of the National Board.)

HIGHLIGHTS FROM ASME AND NATIONAL BOARD JOINT ANNUAL MEETING

A joint presentation was made by Dr. K. T. Lau, Chief Inspector and Administrator together with the Canadian Standards Association Project Manager of Life Sciences, Mr. H. Mansour, at the National Board Annual Meeting held in conjunction with the ASME in Kansas City, May 5-9, 1997. The presentation was entitled "Standards Development, Jurisdictional Requirements and the Relationship Between Standards Development Organizations and Regulatory Authorities". Mr. Mansour dealt extensively with the structure of CSA and the standards development process with particular reference to CSA B51 Boiler, Pressure Vessel, and Pressure Piping Code. The presentation of K. Lau may be briefly summarized as follows:

Acts and regulations are the laws of the land, whereby, the government of a jurisdiction prescribes rules and requirements for which activities and behaviours of citizens are governed by and if not complied with, the resulting liabilities and/or penalties. Codes and standards, on the other hand, are written by panels of experts with particular knowledge in a specific

field, providing typically, guidelines specifying methodology, tolerances, documentation and other details generally considered to be good practice, allowing for uniformity, interchangeability and functionality of products as well as the promotion of trade and safety. Thus, it is important to note that in general, codes and standards are essentially published guidelines which are part of the so-called "reference materials" for use by the public.

Often, codes and standards are adopted as part of government legislation to ensure a reasonable level of public safety. When codes and standards are adopted into regulation, they are no longer just "reference materials" but are enforced by the law.

Regulation development and passing of legislation are considered as within the restricted confines of the elected government body. Passing the regulation development authority to another body is very seldom done in a democracy. Nevertheless, adoption of codes and standards as part of regulations is akin to passing the regulation development authority to standards development organizations. But, there are considerable advantages in doing so and they may be reviewed both on the part of the jurisdiction and the industry.

For the jurisdictions, it would be difficult if not impossible to duplicate

(Continued on page 6)

ANNOUNCEMENT

We wish to advise that Mr. John Verwey, P.Eng. left the service of ABSA as the Chief Executive Officer on May 12, 1997. We wish to thank him for his commitment to ABSA and wish him success in his future endeavours. Mr. Frank Kapuscinski, a member of the Board of Directors, is the Acting CEO until the position is filled.

FEE CHANGES

The revised ABSA Fee Schedules have received Alberta Government approval and will be effective August 1, 1997. A number of adjustments from the existing schedules are made and they are summarised below:

- For all weekend or holiday overtime work, including design reviews and all inspections, the hourly rate will be reduced by one third (-33.3%) to a new rate of \$120/hr with a minimum charge of \$240, instead of the current rate of \$180/hr and a minimum charge of \$360.
- Changes to design survey and registration fees including:
 - a) Increases in pressure vessel and pressure fitting design registration fees with the increases being variable depending on the size of equipment, and primarily affecting small equipment items;
 - b) An approximately 20% increase in welding procedure registration fees;
 - c) Introduction of a special fast turn-around service providing a turn-around time of two weeks or less based on using overtime hours. This service is available to clients upon request; and
 - d) Documentation Search fees increased from \$66 to \$75 each.
- Fees for Installation Inspections are to be based on the hourly rate, with a minimum fee of \$45, rather than using the current fee basis which is one-half of the Initial Inspection fee with a minimum fee of \$90.
- Pressure Welder qualification test fees will increase from \$85 to \$100.

This is the first time fee adjustments have been made since the old Alberta Labour Fee Regulation for Boilers and Pressure Vessels was amended in 1994. It represents a realignment of fees in accordance with the effort and costs of the services provided. These changes are also in alignment with the input received in our 1996 Client Survey and are intended to provide more efficient and effective services. This is particularly true in the reduction of weekend and holiday overtime rates, and in the introduction of the fast turn-around rate for designs where the client can request this overtime-based premium service.

These fee adjustments have been reviewed in conjunction with prevailing

NOTICE

Section F of ABSA's Design Registration Application Form relates to a deposit that was to have been required with each submission after August 1, 1997. On further considering this matter, it has been decided that deposits will not be required. A revised form, excluding this section, will be available shortly.

industry charges and are in alignment with fee schedules established in other jurisdictions. The design registration fee changes and the welder initial qualification test fee increase are expected to approach cost recovery in these programs. The reduced rates for overtime work will support our clients with the increased flexibility and cost effectiveness they are requesting. These fee adjustments have been reviewed and approved by the Minister of Alberta Labour in accordance with the requirements of the Government Organization Act and the Boilers Delegated Administration Regulation.

ABSA, as an industry directed, not-for-profit organization delegated to deliver pressure equipment safety programs in our province, is committed to providing safety services in a consistent and timely manner at a reasonable cost. The continuation of fee reviews and adjustments are part of this commitment to enhancing the effectiveness and efficiency of our program services.

Variance to Section 2(2)(c) of Design, Construction and Installation of Boilers and Pressure Vessels Regulations (AR27/75 with amendments up to and including AR294/94)

Under the provisions of Section 34(1) of the Safety Codes Act, the Administrator has issued a variance for the acceptance of UM stamped pressure vessels built to meet with Paragraph U-1(j) requirements of ASME Section VIII, Division 1, 1996 Addenda, effective July 1, 1997 to coincide with the mandatory effective date of the ASME Code changes. Individuals having special interest in this class of pressure vessels may contact the nearest ABSA office for further details be required.

PRESSURE PIPING NOT OVER 0.5 m³ IN CAPACITY

One of the mechanisms for minimizing the need for companies to register their piping designs is the provision in the regulations that "a pressure piping system having an aggregate internal capacity of 0.5m³ or less is exempt from" the design registration requirements of the Act and regulations. This provision also means that the designs of small piping additions to a power plant or pressure plant do not have to be registered. Pressure piping additions in excess of 0.5m³ must always be registered. It must be recognized that, irrespective of piping design registration, the requirements for meeting the code of construction, having a Certificate of Authorization to construct the piping system, using qualified welding procedure specifications and certified and qualified welders, etc. must still be met.

In practice, many packaged units (skids) do not, in themselves, constitute more than 0.5m³ of aggregate internal volume of the piping. Hence, the manufacturers of these skids do not register the designs of this piping.

However, many circumstances arise where a plant is composed of two or more interconnected skids from one or more manufacturers and the aggregate volume of the pressure piping in the plant exceeds 0.5m³. Or, a small skid is incorporated into a much larger field-erected pressure piping system. In such cases, the skid piping must be considered to be part of the pressure piping system for which design registration is required.

There are at least two ways to handle this registration. First, the prime contractor who is purchasing the packaged units can stipulate in his bid documents and purchase orders that the package piping must have its design registered by the package's manufacturer. This would require ensuring that the manufacturer be made aware of either the existing 'PP' number for an existing plant, or the plant name, the plant owner's name and the LSD of the plant in order that piping designs for parts of the total plant which are submitted by different firms will all be assigned the same identification number. Secondly, the prime contractor could have the individual skid package designs

submitted to him and he could submit the whole package at once.

Questions will undoubtedly arise as to whose registered professional engineer must seal and sign the skid package piping designs. This is a contractual matter and is not covered by the pressure equipment legislation. However, if only one seal and signature is affixed to the design submission, it will be assumed that that engineer is taking responsibility for the entire pressure piping design. If that engineer opts specifically to exclude some piping from his area of responsibility, the package will be deemed incomplete and ABSA will request the missing seals and signatures for the pressure piping for which no engineer has as yet taken responsibility.

As this is a very short article, you can undoubtedly think of situations about which you still have questions. The main consideration is that if more than 0.5m³ of pressure piping is being installed in a project, whether supplied by one company or more than one company, the design or designs of all that piping have to be registered.

ACCIDENTS WITH HYDROCARBON CONDENSATE AND FIRE

Two accident investigations reviewed recently were related to hydrocarbon condensate and heaters. At an oil production battery, during the process of trying to rid the fuel line of condensate, light condensate ran onto the floor. It is believed that a space heater nearby contributed to the flash fire and explosion. In another case, at a gas production facility, condensate leakage is also believed to have been ignited by a catalytic heater on the floor.

Although both cases resulted in property damage and loss of production, fortunately there were no injuries or fatalities. Designers, construction companies and equipment owners are reminded that production processes and procedures must assure proper condensate containment. Furthermore, selection and location of heaters used in a plant must also be carefully considered.

PROPOSED NEW 4TH AND 5TH CLASS CERTIFICATES OF COMPETENCY

ABSA has successfully completed four information sessions on the proposed new 4th and 5th Class Engineer's Certificates of Competency. The information sessions were held in Grande Prairie, Medicine Hat, Calgary and Edmonton with exceptional interaction between participants and speakers.

The agenda items included an overview of legislation and ABSA programs, heating boiler concerns encountered by Inspectors and introduction of the proposed new 4th and 5th class Certificates of Competency. We were fortunate to have representatives of the colleges to present information related to new course developments with respect to the proposed certifications.

The highlights of the information sessions are as follows:

- Proposed new 4th Class Certificate of Competency will be a combination of the existing 4th Class and BOA Certificates of Competency.
- Proposed new 5th Class Certificate of Competency will be a combination of the existing Fireman's and BOB Certificates of Competency.
- Proposed that existing certifications, including 4th Class, Fireman's, BOA and BOB certifications continue to be valid with the proposed regulation changes.
- Proposed that individuals who hold existing 4th Class and BOA Certificates of Competency be grandfathered to the new 4th Class Certificate.
- Proposed that individuals who hold existing Fireman's and BOB Certificates of Competency be grandfathered to the new 5th Class Certificate.
- Proposed that individuals holding existing 4th Class, BOA, BOB or Fireman's Certificates may, at the individuals' option, upgrade to the new certificates through an upgrade examination, provided that:
 - a) for individuals holding existing 4th Class to upgrade to the new 4th

Class Certificate, completing the required experience within a heating plant or a required mini-course;

b) for individuals holding existing BOA upgrading to the new 4th Class Certificate, completing the required experience within a power plant or a required mini-course;

c) for individuals holding Fireman's upgrading to the new 5th Class Certificate, completing the required experience within a heating plant or a required mini-course; and

d) for individuals holding BOB upgrading to the new 5th Class Certificate, completing the required experience within a power plant or a required mini-course.

The mini-courses referred to above will be available through technical institutes.

- Proposed that individuals applying to attempt the new 4th or 5th Class Certificate of Competency examinations not holding existing certification as a 4th Class, BOA, Fireman or BOB, must successfully complete a relevant technical course as offered through the various colleges, or prove the required experience in both heating and power/pressure plants.

Administrative issues occurring during the transition period from existing certifications to the new certifications will be addressed on an ad hoc basis, in a fair and reasonable manner.

Timing for the introduction of the proposed new classes of certificates will depend upon the pace of adoption of the proposed regulation amendment.

Annual Registration Fees

Invoices have been mailed to all owners of pressure vessels for the 1997 Annual Registration Fee. Payment of these fees was due as of April 30, 1997 and unpaid amounts are subject to a late payment penalty of 2% per month. Any changes to the invoice for sale of the vessel or if placed in "out of service" status must be registered with ABSA by October 15, 1997 or we will be unable to credit your account for this fiscal year. Please remember to include the effective date and the new owner, if applicable. If you require vessel fee information, please call Katherine at (403)433-0281 ext.316.

RENTAL EQUIPMENT

Many times, people who rent pressure equipment from a rental company encounter problems with the acceptability (shall we say legality) of the equipment they have contracted for. This article is intended to highlight the responsibilities of the parties to a rental agreement and to outline the requirements of the Act and regulations.

The *Safety Codes Act* itself requires, in section 5, that an owner (*includes lessee*) shall ensure that anything he uses, to which the Act applies, meets the requirements of the Act, and, in section 9(1), that a vendor (*includes lessor*) "shall not advertise, display or offer for sale, for lease or for other disposal, or sell, lease or otherwise dispose of any thing to which this Act applies unless that thing complies with this Act."

In addition, the *Boilers and Pressure Vessels Regulation* states:

5(1) *No person shall use, sell, rent, exchange or otherwise dispose of a boiler, pressure vessel, pressure piping system or fitting for use in Alberta*

(a) unless the design of the boiler, pressure vessel, pressure piping system or fitting is registered in Alberta, and

(b) in the case of a boiler or pressure vessel, unless an inspection/certification permit has been issued for it or in respect of it.*

6(1) *No person shall use, operate or place under pressure or cause or permit to be used, operated or placed under pressure a boiler or pressure vessel unless an inspection/certification permit has been issued in respect of it.*

There are certain exemptions to the requirements for design registration or for a Certificate of Inspection for some very specific small boilers and pressure vessels. The reader is referred to section (2) of the *Boilers and Pressure Vessels Exemption Order, AR 300/94* and to sections 2(1) and 2(2) of the *Design, Construction and Installation of Boilers and Pressure Vessels Regulations, AR 227/75* for specific details.

As you can see, in the case of rented equipment both parties, the renter and the rental company, would therefore be responsible for ensuring that rented boilers and pressure vessels are of a registered design (denoted by an Alberta CRN on their nameplates) and have a valid Certificate of Inspection, where one is required. This applies to such equipment as boilers, gas and oil separators, air receivers, sandblast

tanks, etc.

The easiest way for a renter to comply with his responsibilities is to indicate on his purchase order that the rented equipment must bear an Alberta CRN and that, where a certificate is required by the legislation, a copy of the valid Certificate of Inspection must be provided with the equipment. Note that a Certificate of Inspection would only be issued for equipment of a registered design. You should also request that a copy of the boiler's or vessel's safety valve service report be provided keeping in mind that the servicing frequency requirements are the same as for your own equipment. If you are concerned about the equipment's integrity, request a copy of a recent ultrasonic thickness survey report or any other NDE reports that would aid in establishing the unit's suitability for service. If the rental company refuses to meet these requirements perhaps you should look elsewhere for safety's sake and to avoid violating the governing legislation.

If you are uncertain of what is expected of you, contact any office of the Alberta Boilers Safety Association for further information.

*Note: inspection/certification permit = Certificate of Inspection in Design, Construction and Installation of Boilers and Pressure Vessels Regulations



Coming soon to our ABSA Net Site

We are in the planning stage of developing a separate section for the Examination Department. In this section, we will post the examination date, location, how to apply and frequently asked questions with regard to power engineer, safety codes officer and other examination- and certification-related areas.

100 years of Boiler Safety

In 1997, the Alberta Boilers Safety Association has authorized the production of a desktop book entitled "Pressure Under Control - Celebrating 100 years of Boiler and Pressure Vessel Safety in Alberta". This publication explores the early years of safety, the dynamic growth of the industry, the diversity of pressure vessels being built and used in Alberta today and the future of the industry.

The writing is proceeding at a rapid pace. This 200 page full colour publication is available for purchase on a pre-publication basis at a price of \$25.00. An ideal gift for employees as part of an achievement recognition program, a retirement gift or as a charitable donation to a fundraising/auction event, "Pressure Under Control" is a unique, one-time publication for anyone association with the boiler and pressure vessel industry.

Release of the final publication will be in August of 1997. Anyone interested in ordering copies of this publication should fax their request (using the form below) to Norma Turtle at ABSA (403)437-7787.

PRESSURE under CONTROL

Celebrating 100 Years of Boiler & Pressure Vessel Safety in Alberta

ORDER FORM

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(Continued from page 1)

the technical expertise available in the technical committee of a standards-development organization. In the present economic climate, there is even less incentive and justification for a jurisdiction to duplicate this expertise. Another consideration is trade and reciprocity between jurisdictions. It is particularly important for a country like Canada with multiple pressure equipment jurisdictions trading with the rest of the world with multinational corporations operating pressure equipment within each jurisdiction. It is important that similar if not identical requirements be adopted in the regulations to allow for uniformity of safety to be provided across the land.

For the industry, having codes and standards adopted as regulations allows the published "reference material" to be enforced by the law, providing for a level playing field for all. This is critical, particularly for the good corporate citizens, in order that their industry will not be jeopardized by an irresponsible few. With the assurance of a reasonable level of safety, this also allows public acceptance of the industry. Furthermore, this allows for a reduction in possible liability as reasonableness is generally measured against legally adopted requirements. Most importantly, the codes and standards adoption mechanism allows industry and the concerned public to be part of the driving force throughout the legislation (codes/standards) development process. In essence, the legislation-development/writing process becomes that of the codes and standards-development/writing process directly.

For a government to pass the legislation development authority to a standards development organization, it is important for the government not only to have, but also to be seen to have, direct input to the body which will have a direct impact on the safety and welfare of the general public by which the government is elected. Considering the importance of jurisdictional participation and the hierarchy of regulations and adopted codes and standards, it must be clear

Employment Opportunities

Visit the ABSA Internet e-mail address for current ABSA job opportunities.

then that major jurisdictional concerns have to be reviewed carefully by the codes and standards-writing organizations.

We are seeing more and more harmonization of national and international standards. For standards to be successful and for pressure equipment to be maintained, if not improved in the future, all of us involved in pressure equipment safety must work together. Safety is everybody's business. The close working relationship between the pressure equipment industry and the jurisdictions must continue and a major part of that is through the cooperation between standards-development organizations and jurisdictions. The pressure equipment jurisdiction in Alberta will certainly endeavour to do its part. The National Board, as a jurisdictional organization with membership comprising all North American pressure equipment jurisdictions, is in a vital and unique position to promote this relationship between jurisdictions and standards-development organizations.

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