



STATE OF TENNESSEE
DEPARTMENT OF LABOR AND WORKFORCE DEVELOPMENT
BOARD OF BOILER RULES
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MINUTES

BOARD OF BOILER RULES (Pending Approval)
September 5, 2001

I. Call to Order

Chairman Bob Elliott called the meeting to order at 9:05 a.m.

II. Introductions and Announcements

Board Members present were: Chairman Elliott, representing owner and users of Boilers; Wayne Hiter, Insurance representative; Clyde Caldwell, International Boilermaker representative; Eddie Lunn, Repair Companies representative, Dr. Domenic Canonico, Boiler Manufacturers Representative and Decatur Rogers, Mechanical Engineering representative.

Department staff members present were: Jon Moffett, Administrator; Dean Dickey, Director; Martin Toth, Chief Boiler Inspector; Jennifer Honeycutt and Mark Reineke, Legal Counsel, Joe Whitney, ISM Tech support and Adair Schippers, Assistant to the Board.

Other guests present were: Eric Barnes, Steve Ernst, Gary Palmer and Sid Lester of Eastman Chemical, Jim Oakley, Boiler Supply Company.

Chairman Elliott then asked each board member to review the information packet in front of them for the purpose of updating information and proper filing of expense reports and return it to Adair Schippers at the end of the meeting. Mr. Elliott also expressed thanks to the staff for all of their help with the meeting.

III. Adoption of the Agenda

A motion was made by Eddie Lunn and seconded by Clyde Caldwell to adopt the agenda as mailed, with the following corrections:

- In Item 01-09, replace the word pressure "values" with "vessel".
 - In Item 01-10, replace the word pressure "values" with "vessel".
 - In Item 01-14, on the first line, change the word "purposed" to "proposed".
- There being no other changes, the motion passed.

IV. Approval of minutes for meeting of June 20, 2001.

Eddie Lunn moved the approval of the minutes as written, was seconded by Dr. Canonico and the motion passed unanimously.

V. Chief Boiler Inspector Report

Chief Inspector Martin Toth gave his monthly report. There were no motions.

VI. New Business

Item 01-09 – Review a request and documentation from Allen Welding Service, a Division of Boiler Supply Company, College Park, GA, for a license to engage in repairs and alterations on boilers and pressure vessels in the State of Tennessee. After recommendation for approval by Chief Inspector Toth, Dr. Canonico moved the approval, was seconded by Mr. Hiter and the motion passed 5-1-0. Mr. Lunn requested that the minutes reflect his reluctance to vote because of his interest in Boiler Supply Company.

At this time, Chairman Elliott turned the Chair over to Mr. Eddie Lunn and asked that the minutes reflect that the following 4 (four) items of business directly impact his employer and therefore he will not be voting “aye” for passage of any of these because of the possibility of a conflict of interest. (These items are listed in the order they were heard.)

Item 01-10 – Review an application and documentation from Eastman Chemical Company, Kingsport, TN, for a license to engage in repairs and alternations on boilers and pressure vessels in the State of Tennessee. Mr. Caldwell moved and Dr. Canonico seconded the motion to approve the application. The motion passed 5-1-0, with Mr. Elliott registering his desire not to vote in conflict.

Item 01-12, – It is requested that the Board rule on the continuation of operation, repair and alteration of 78 currently registered pressure vessels built by Eastman Chemical Company under the provisions of 0800-3-3.03 (3) (a), “Tennessee Standard Pressure Vessels” that will, as of January 1, 2002, be part of the split of Eastman mentioned in item #1. Of these, 55 will be operated by the Acetate Fibers, PET and Plastics Company and 23 by Eastman Company. These vessels will remain in the same service at the same location. Mr. A. S. Lester, P.E., Principal Mechanical Engineer for Eastman made a Power Point presentation (a copy of this is attached to these minutes). Following this presentation a motion was made by Dr. Canonico to allow Eastman continued operation, repair and alteration of their currently registered pressure vessels that will be operated by the same personnel under a different company name (Vordian) starting January 1st, 2002. The motion was seconded by Mr. Caldwell.

Acting Chairman Lunn called upon Chief Inspector Toth for input on this subject and Mr. Toth questioned the meaning of “Contract” repair and stated that as Chief Boiler Inspector for the State of Tennessee it is his duty to ask for assurance that Vordian will be operating within the scope of the owner/user clause in the rules and regulations. Mr. Lunn asked, if in this situation, was the above motion even needed? He stated that he felt that permission for this type of change is addressed by NBIC RA-3050, General Conditions. This being the case, Dr. Canonico withdrew his motion, Mr. Caldwell withdrew his second. Acting Chairman Lunn then proposed that the Board reaffirm that the allowance does in fact exist.

Item 01-11 – Provide the Board with an update of Eastman Chemical Company's Evidenced Based Inspection Program (EBI) in accordance with the Board's requirement to have an annual progress report of this pilot program. Also, it is requested that the Board consider the continuation of this program, which as of January 1, 2002, will be split into two organizations at the same Kingsport, TN, location. Following a Power Point presentation (a copy is attached to these minutes) by Mr. Steve Ernst, Acting Chair Mr. Lunn asked the Board members for questions or comments. Mr. Hiter then made a motion to allow continuation of this pilot program for both Eastman and Vordian Companies. Dr. Canonico seconded the motion and it passed 5-1-0.

Following a one hour lunch break, at 12:50 PM, Acting Chairman Lunn called the meeting back into order and the next item on the agenda was brought up.

Item 01-13 - It is requested that the Board rule and provide an interpretation of the term "Owner-User Inspection Agency", in 0800-3-3.01 Definitions, items (26) and (27) with regard to "Owner or User" versus "Owner and User". As a result of the company split mentioned above, Eastman and Vordian will each have an Accredited Owner-User Inspection Organizations with National Board Commissioned Inspectors in both organizations. Approximately 700 registered pressure vessels will be owned by the Acetate Fibers, PET and Plastics Company and operated by Eastman Company. No change in operation or location is involved, and in fact, there is no change in the operating personnel or current commissioned vessel inspectors at the Kingsport site. The user, Eastman Company, will be legally responsible for the safe installation, operation, maintenance, repair and alteration of these vessels. It is requested that the Board approve Eastman Inspectors continued in-service and acceptance inspection of these vessels under the provision of the Owner-User Inspection program. It is expected that an official interpretation from the NBIC Committee will be available to the Board concerning the definition of "Owner-User" in Appendix 4 of the NBIC.

Mr. Lunn called upon Mr. Gary Palmer, TED Inspector and Engineering Technologist. Mr. Palmer then made a Power Point presentation (a copy of this is attached to these minutes). Following the presentation Acting Chair Lunn asked the Board to consider if a variance to continue is a proper procedure for this request. Citing TCA 68-122-108A. legal counsel Mark Reineke suggested that if this Code is applicable then no variance is necessary.

Mr. Caldwell then moved that this Board approve that Eastman Company inspectors be allowed to continue in-service and acceptance inspection of the vessels in the Coal Gas Complex under the provisions of the Owner-User Inspection Program through the year 2005. Dr. Canonico seconded the motion and it passed 5-1-0.

The term "owner-used" was the discussed at length in search of a definitive interpretation of the term. Since no conclusion was reached about whether it means "owner and user" or "owner or user", Board Chairman Elliott asked legal counsel to do further research and asked that this issue be scheduled for discussion at that meeting.

At this time, Chairman Elliott resumed the Chair and the following items were heard.

Item 01-14 – Presentation and discussion concerning upcoming legislation:

- 1) Require all newly installed boilers (High and Low Pressure) and second-hand boilers and pressure vessels be permitted prior to being installed in the State of Tennessee.
- 2) Require all installers of high pressure and low pressure boilers to be licenses with the Boiler and Elevator Division
- 3) Set requirements for enforcing monetary penalties of violations:
 - a) operating without permit
 - b) installing without permit
 - c) Authorized Inspection Agency failing to inspect or report inspections.

Chief Inspector Martin Toth presented a summary of Proposed Legislation regarding the above mentioned subjects. A copy of his report is attached to these minutes. No action is necessary for these proposals to be considered by the Commissioner, but Chairman Elliott asked that each member look at them with the idea of suggestions or changes and to get them to Martin by next week.

Item 01-15 – Sidney F. Montgomery, Manager of Engineering Services, Hartford Steam Boiler, has requested, by letter, the Board's position on the following questions:

- 1) What is the position of the State of Tennessee Boiler Board regarding their acceptance of "Routine Repairs" per the NBIC?
- 2) What repairs are required to be documented on a Form R-1 Report of Welded Repair?
- 3) Where does the boundary of the NBIC start/stop regarding repairs? Example: blowdown line replacement, screwed piping connected to water controls, etc.?

Following discussion, the Chair ruled that we cannot interpret NBIC rules and regulations, however we can answer "what is a repair and how is it documented on R-1", and further that we need to:

- 1) Set an interpretation on paper that routine repairs be limited to non-welding replacement of tubes.
- 2) We are not authorized to interpret all code repairs.
- 3) Interpretation shall be by NBIC.

Dr. Canonico asked for a motion on these items, Mr. Lunn moved that Item #1 be approved, was seconded by Mr. Hiter and the ayes prevailed with one abstention. Mr. Hiter moved that item 2 be approved, was seconded by Dr. Canonico and it passed on a voice vote. Dr. Canonico moved that item 3 be approved, was seconded by Mr. Hiter and it also passed on a voice vote.

VII. The next Boiler Board meeting will be held in Nashville on December 5, 2001.

VIII. The meeting adjourned at 3:45PM.