



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

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MINUTES

QUARTERLY MEETING OF THE STATE OF TENNESSEE
BOARD OF BOILER RULES, 9:00 A.M. (EST), SEPTEMBER 12, 2007
MEADOWVIEW MARRIOTT CONFERENCE RESORT & CONVENTION CENTER
KINGSPORT, TENNESSEE

- I. CALL TO ORDER – (26) – Chairman Lunn called the meeting to order at 9:00 a.m.
- II. INTRODUCTIONS AND ANNOUNCEMENTS – Board member present: Eddie Lunn; Dr Domenic Canonico; Dr. Glen Johnson; Edwin Vance; Wayne Hiter; and Brian Morelock. Department staff present: Martin Toth; Arthur Franklin; Gary Cookston; Sydné Ewell; Dan Bailey; Danny Peters; Eslie Rogers; Carlene Bennett; Bill Anderson; Sam Chapman; Guy Skeen; Bob Harrison; Jesse Smith; Thomas Spangler; James Casseday; Chad Bryan; Randall Kelly; Richard Dickerson; Jerry Evans; Dallas Word; Jerry Cromwell. Guest present: Tom Moore; Paul Fortunato; Dan Kenney; David A. Sliger; Brian Blair; Wren Mills; Lisa Roberts; Joe Tleimat; James Morrow; Brad Eddington; Mike Alley; Jeremy Gross; Steve Anderson; Lonnie D. Williams; Allen Tripp; Bob Shipley; Steve Merz; Chris Gunnoe; Brian Moore; John E. Rosenbalm; Amanda Bradley; Mary Ann Snyder; Robert Elliott; Harold Bowers; Jeff Waybright; Freddie Harris; Bill Wright; Chris Townsend; Johnny Wells; Rick Duval; Venus Newton; Garry Tucker; George Galanes; Amy Fleenor; Bill Burnette; Mark Dixon; Tony Norton; Howard Owen; Jeff Gladson; Gary Palmer; Allan McCoy; Lonnie Proctor; Don Comire; Jack Hibbard; Mike Rehart; Freddie W. Jones; Jess Estep; Junior Little; Gene Caldwell; Shawn Sarvela; Jem Hassen; Jim Dye; David Fox; Michael Sink; Joe McLaughlin; Robert Norum.
- III. CONFLICT OF INTEREST REPORTS – (38) - Conflict of interest disclosure statements were completed by Board members. Also each Board member will verbally disclose agenda items for which they have a conflict before each business item.
- IV. ADOPTION OF THE AGENDA - (43) – Dr. Canonico made a motion to adopt the agenda and the motion was seconded by Brian Morelock. The vote was taken and the motion carried unanimously.
- V. APPROVAL OF THE MINUTES FOR THE MEETING OF JULY 10, 2007 – (48) – Dr. Canonico made a motion to approve the minutes as written and the motion was seconded by Dr. Johnson. The vote was taken and the motion carried unanimously.
- VI. CHIEF’S REPORT – (55) – Given by Chief Toth and attached to these minutes.
- VII. OLD BUSINESS

Item 07-11 – (160) – Review a request and documentation from Rohm and Haas Chemicals LLC, 730 Dale Ave., Knoxville, TN, for a variance to Boiler Attendant Rule,

Paragraph 0800-3-3-.04(22). – Chairman Lunn verbally expressed a conflict of interest with this agenda item and announced his intention of abstaining from discussion and voting. Because of his perceived conflict of interest, Chairman Lunn turned the Chair over to Dr. Canonico to manage the discussion and motion of this agenda item. Dan Kenney and Tom Moore of Rohm Haas addressed the Board. As a result of the July 10th meeting there were several changes to the manual as requested. Also, Chief Toth visited the plant on August 29, 2007 and discussed additional changes necessary. A list summarizing all changes to the manual was provided to Board members. At the July 10th meeting there were some issues and concerns raised by Union leadership and membership about the variance the Company was applying for and the impact it might have on the safety of plant population and the surrounding community. In a letter dated August 9, 2007 Rohm and Haas outlined the thought process that has brought them to the point of requesting this variance. The Company has been looking at this type of operation since 2005. Since that time management has extensively reviewed the potential impact of this variance request on the employees, community, environment, and assets. Based on their thorough evaluation of this project, they are proceeding with design of the necessary equipment modifications and operator training to allow transition to the new operational model pending variance approval and final inspection. Dr. Canonico asked if any member of the formal Process Hazard Analysis (PHA) panel had taken a negative position. Mr. Moore said his impression was that all members of the panel had an opportunity to bring up their concerns and that they had addressed them with appropriate actions. Brian Morelock asked if the findings of the PHA include the concerns that the Union outlined in its letter and Mr. Moore commented that he had not seen the letter. Dr. Canonico asked for clarification on the first three (3) paragraphs on page three (3) of the manual dealing with the Utilities Operators. Mr. Moore stated that the staffing will consist of six (6) people: one (1) each on first, second, third, and fourth shift. The fifth person will be a vacation relief person and the sixth person will be the second operator on day shift, Monday through Friday. Dr. Johnson confirmed that there would be one operator manning the boiler at all times and Mr. Moore replied that there would be. James Morrow, President, United Steelworkers Local 90 who previously was opposed to the remote monitoring system also addressed the Board. He stated that since the July meeting that there had been greater communication between the Company and the members of the Union. He stated that he appreciated Chief Toth's visit to the plant and now that he knew more about the system, he felt comfortable that it would provide safe monitoring of boiler operations. Dr. Johnson made a motion to approve the variance request and Ed Vance seconded the motion. The vote was taken and the motion carried with Chairman Lunn abstaining.

Item 07-19 - (640) – Ms. Wren Mills, Engineering Director, Valero Refining Inc., Memphis, TN and Brian Blair, Young Technical Services, Memphis, TN are requesting the Board review the operation of twelve (12) Fired Process Heaters currently in service at the Memphis Refinery. A presentation will be made to explain the details of the Fired Process Heaters in question. – No verbal conflict of interest was disclosed by any Board member on this item. Ms. Wren Mills and Brian Blair were present to address the Board. Dr. Canonico stated that at the last meeting the Board members voted unanimously to accept Martin Toth's recommendation after his visit to Valero. Chief Toth stated that he did visit the refinery and was provided with documentation on all vessels and was given a complete tour of the facility. All twenty-two (22) vessels were looked at although only thirteen (13) are presented to the Board at this time. Chief Toth felt that the documentation provided was very thorough. These vessels were built to API, plus the welders who worked on these vessels were certified through ASME, Section 9, and the vessels were inspected per the requirements of API. Valero is the only refinery in the State of Tennessee and their operations are similar to those within their industry. Chief Toth met their top inspector and is confident with his abilities. Chief Toth believes they are doing everything they can to ensure safety after reviewing their inspection reports and analysis. Valero has an Evidence Based Inspection (EBI)

program in which these vessels will be included. As part of their EBI, Valero will report on the vessels annually to the Board. Chief Toth recommended that these vessels be allowed to continue in operation as Tennessee Specials with the understanding that any future installations are built to the ASME Code and inspected accordingly. At the July 10th meeting a motion was made to accept these items upon Chief Toth's recommendation so no vote was taken. Valero was given approval of these vessels as Tennessee Specials and these units will be allowed to be included in Valero's EBI program.

VIII. NEW BUSINESS

Item 07-22 – (768) – Review an application and documentation from Kelly Construction of Decatur, Inc., Decatur, Illinois for a license to engage in erection, repair and alterations on boilers and pressure vessels in Tennessee – No verbal conflict of interest was disclosed by any Board member on this item. Dr. Johnson made a motion to approve which was seconded by Brian Morelock. The vote was taken and the motion carried with Dr. Canonico abstaining.

IX. RULE CASES & INTERPRETATIONS

THERE WERE NO RULE CASES & INTERPRETATIONS.

- X. THERE WERE TWO (2) APPLICANTS THAT SAT FOR THE NATIONAL BOARD COMMISSION EXAMINATION ON SEPTEMBER 5TH AND 6TH.
- XI. THE NEXT BOARD OF BOILER RULES MEETING IS SCHEDULED FOR 9:00 a.m. (CST) ON DECEMBER 5, 2007 IN NASHVILLE, TN.
- XII. ADJOURNMENT – (850) - A motion was made by Dr. Canonico to adjourn which was seconded by Brian Morelock. The motion carried unanimously and the meeting adjourned at 10:13 a.m.