



STATE OF TENNESSEE
DEPARTMENT OF LABOR AND WORKFORCE DEVELOPMENT
BOARD OF BOILER RULES
220 FRENCH LANDING DRIVE
NASHVILLE, TENNESSEE 37243
(615) 741-2123

MINUTES

**QUARTERLY MEETING OF THE
STATE OF TENNESSEE
BOARD OF BOILER RULES
9:00 A.M. (CT) DECEMBER 7, 2011
TOSHA HEARING ROOM - FIRST FLOOR
220 FRENCH LANDING DRIVE
NASHVILLE, TENNESSEE**

- I. CALL TO ORDER - (8) - Chairman Lunn called the meeting to order at 9:00 a.m. (CT).

- II. INTRODUCTIONS AND ANNOUNCEMENTS - (16) - Board members present: Eddie Lunn; Eugene Robinson; Domenic Canonico; Brian Morelock; Glen Johnson; and Ed Vance; Department of Labor & Workforce Development employees in attendance: Arthur Franklin; Gary Cookston; Sydné Ewell; Deborah Rhone; Chad Bryan; and Carlene T. Bennett; Guests present: Chris Soper; Curtis Duncan; Shawn Newell; Josh Hopkins; Roger Eggleston; and Marc Maynor.

(37) - Assistant Administrator Cookston announced that in the event of an emergency or natural disaster, security personnel would take attendees to a safe place in the building or direct them to exit the building on the Rosa Park side.

- III. CONFLICT OF INTEREST STATEMENTS AND ANNUAL CONFLICT OF INTEREST DISCLOSURES - (30) - Board members present received and completed Conflict of Interest Policy, Conflict of Interest Policy Acknowledgement form, and Conflict of Interest Disclosure form. Sydné Ewell stated that Commissioner Davis decided that conflict of interest disclosure by the Board should occur only once per year. However, Board members should continue to verbally disclose conflicts of interest during the course of the meeting.

IV. ADOPTION OF THE AGENDA - (56) – Domenic Canonico made a motion to adoption the agenda. Eugene Robinson seconded the motion. The vote was taken and the motion carried.

V. APPROVAL OF THE SEPTEMBER 7, 2011 QUARTERLY MEETING MINUTES - (66) - A motion was made by Brian Morelock to approve the September 13, 2011 minutes as written. The motion was seconded by Ed Vance. The vote was taken and the motion carried.

VI. CHIEF'S REPORT - (77) - Chief Bryan's report covered data from July-September 2011.

- Nine-thousand three-hundred five (9,305) inspections performed.
- Eight-thousand two-hundred twenty-six (8,226) delinquents.
- Thirty-five (35) violations.
- Twenty-four (24) uncorrected code violations.
- Four (4) quality control reviews performed.
- Two (2) boiler variance inspections performed.

VII. OLD BUSINESS - (112) -

None

VIII. NEW BUSINESS

IX. **11-09** - (115) - Valero Refinery, Memphis, TN will present their annual report of their Risk Based Inspection (RBI) program to the Board. No verbal conflict of interest was expressed by Board members. Chris Soper presented this item to the Board. His report is as follows:

- Continued with active inspection program. No significant, planned maintenance outages in 2011. Large maintenance outages planned for 2012.
- One new process unit will be commissioned by end of 2011. Equipment will be registered in accordance with State requirements and added to the RBI program.
- Evergreen activities for the RBI program include:
 - Documenting inspections results.
 - Completed revalidation of all existing process units.
 - Three new units will be added to new RBI program by end of 2012.
- Significant work conducted for corrosion under insulation (CUI) inspections.
- All existing process units have been through review of the RBI program in the last two (2) years. This work completes the implementation of new software that integrates all inspection data including equipment inspection reports, thickness monitoring data, evaluation for fifty-five (55) types of corrosion and damage mechanisms, and inspection scheduling integrated with RBI.
- Overall seventy-eight (78) internal, two-hundred thirty (230) external, and sixty-three (63) CUI inspections were performed this year in accordance with

the RBI program. Jurisdictional inspections are maintained up-to-date, but handled separately from the RBI program inspections.

- All equipment has a detailed inspection plan, with a risk ranking for each damage mechanism. For each piece of equipment a unique inspection plan is built to address the proper corrosion and damage mechanisms anticipated.
- Activities to address issues discovered during inspection may include replacement of equipment, repairs, and increased inspection frequencies.

Eugene Robinson asked Chris Soper to address the recent accident at the refinery. Mr. Soper said the explosion occurred on August, 2011 in a fired process heater. The result of an internal and TOSHA investigation was provided to Chief Bryan. The explosion was caused by operators that did not follow their training. The piece of equipment was a total loss but no one was injured. It was quite an impact to the operation of the refinery while the equipment was being rebuilt. The new equipment was brought back to the latest codes and standards. Also some additional safety controls were added to prevent this sort of thing from happening again. Eugene Robinson said he could not find information about TOSHA's investigation online. Assistant Administrator said that by law the Chief Boiler Inspector was to be informed of any accident involving boilers but unless there was a fatality, it is unlikely TOSHA would report the incident on their website.

11-10 - (383) - Daramic, LLC, 596 Industrial Park Road, Piney Flats, Tennessee is requesting a falling film evaporator be designated as a "Tennessee Special". No verbal conflict of interest was expressed by Board members. Roger Eggleston and Marc Maynor presented this item to the Board. This vessel has had internal corrosion and some leakage. When the leakage was discovered in August, 2011 Daramic contacted a qualified repair company and the vessel was found to not have a National Board stamp.

- Dr. Canonico asked if the vessel was received at the Daramic facility in 2000 and if it had been operating illegally for eleven (11) years. The company representatives stated: "yes". He then asked what made the tubes start leaking. Marc Maynor said that in their process, they use trichloroethylene (TCE) to extract oil from their product. They have an ongoing program to reduce the amount of TCE they consume. As they reduced the amount of TCE it recycled more and more in the system and became acidic. They were not aware of that phenomenon until it begun to corrode the internal tube.
- Brian Morelock said that in tab ten (10), the manual contained a Form U-1, Manufacturer's Data Report. At first, he questioned the need for the company to come before the Board requesting designation as a Tennessee Special. He asked if the vessel was registered with the State of Tennessee when it was put into service in 2000. The company representative stated it was not registered with the State of Tennessee but it was originally registered in the State of Delaware. Brian Morelock pointed out that the manual states that it was registered in the State of Delaware under the National Board Delaware Commission Number 772, requiring only the U-Stamp certification. However,

if you look at the Manufacturer's Data Report in tab ten (10), second page, the Delaware Commission Number 772 is the commission number of the Authorized Inspector (AI) who inspected that vessel; it has nothing to do with the registration of the vessel in Delaware. Brian Morelock said he looked up Delaware's boiler and pressure vessel law; they've had a boiler law since 1924 and a pressure vessel law since 1974. Their law also states that you have to have an A.S.M.E. stamp and National Board registration to register a vessel in the state of Delaware. Mr. Morelock spoke with a staff engineer for technical issues with the National Board who said the registration requirements fall under NB264 which is the criteria for registration of boilers, pressure vessels and pressure retaining items. In Appendix C it states that the manufacturer, not the owner-user, is required to register the vessel with the National Board within sixty (60) days of being manufactured. He asked the National Board representative if it would be possible to get this vessel registered by the original manufacturer and he said that after eleven (11) years, probably not. So that does put the company back to having to request this vessel be designated as a Tennessee Special. Brian Morelock reviewed the calculations and everything seemed to be in order. The values were in line with the vessel. He said when a computer program is used to do the calculations, the Board needs certification from the WIN_SHELL people that they meet the requirements of A.S.M.E. code and that certification needs to be made part of the submitted package so the Board knows that the calculations are certified to A.S.M.E. Code - 2010 Edition. Mr. Morelock asked if they understood the ramifications of having a vessel designated as a Tennessee Special. It means that a request for any and all repairs, no matter the level of complexity or simplicity, must be submitted to Chief Bryan prior to work being performed. Any alteration of the vessel must come before the Board which meets four (4) times a year. Being designated as a Tennessee Special can be rather restrictive especially if you have an emergency situation.

- Chairman Lunn summarized the discussion by stating:
 - The request that this vessel be designated as a Tennessee Special is the appropriate request.
 - The Board needs to see evidence that the computer program has been certified.
 - Being designated as a Tennessee Special does have tighter restrictions than a regular vessel.
- Chief Bryan added that since this an unfired pressure vessel, State rules specify that even though they have been operating outside the rule there is no penalty, only a penalty on fired pressure vessels operating outside the rule. That is why he asked them to come before the Board so that they would be regulated from this point forward.
- Eugene Robinson suggested that a third-party inspectors witness any repairs.
- Brian Morelock asked if they knew if the vessel had ever had any repairs. The company representatives stated it had not.

Eugene Robinson made a motion to approve the request contingent upon getting proof of certification of the computer program to Chief Bryan. Brian Morelock seconded the motion. The vote was taken and the motion carried with Dr. Canonico abstaining.

- X. RULE CASES & INTERPRETATIONS - (680) - There were no rule cases and interpretations.
- XI. (683) - The next Board of Boiler Rules Meeting is scheduled for 9:00 a.m. (CT), Wednesday, March 7, 2012 at the Department of Labor & Workforce Development office building located at 220 French Landing Drive, Nashville, Tennessee.
- XII. ADJOURNMENT - (687) - Brian Morelock made a motion to adjourn. Ed Vance seconded the motion. The vote was taken and the motion carried and the meeting adjourned.