

Board of Boiler Rules Meeting Minutes
February 18-19, 2020
Department of Labor & Industries, Tacoma, WA

Board Members:

Terry Chapin, Chair
Lisa Hawkins
Jeff Waytashek
Tim Barker
Steve Pacheco
Tony Oda, Secretary

Other Attendees:

Michael Carlson, State of Washington
Bruce Weech, State of Washington
Jamie Brown, State of Washington
Matthew Erlich, State of Washington ***
Don Sage, State of Washington*
Steve Osterbur, State of Washington*
Steve Frazier, City of Seattle*
Doug Barkley, US Oil & Refining
Kim Heidebrink, XL Insurance
Dean Overman, Shell
Larry Hayden, CNA*
Leigh Klein, CMI Advisors, LLC.*
Bill Lowry, isol8, Inc.*
Jyle Meyhoff, Tesoro*
Dane Fisher, Tesoro*
Stephanie Gross, Tesoro*
Scott Chestnut, Marathon Petroleum*
Steve Robinson, Phillips 66*
Sean Kaylor, BP*
Michael Boulette, BP*
Chad VanDerHoeff, CH Murphy**/**
Ray Vermillion, Marathon Petroleum**/**

- * Attended Study Session only
- ** Attended Board Meeting only
- *** Attended Public Hearing only

The Board of Boiler Rules Study Session was held on February 18, 2020 from 11:00 am to 2:17 pm. Discussion summaries are incorporated in the meeting minutes.

The Board of Boiler Rules meeting was called to order by the Chair on February 19, 2020 at 10:05 am.

Agenda Item 1.

Lisa noted the following corrections:

1. Fix typo for Terry's term expiration date to August 2020, not 2022.
2. Correct meeting date from November 12, 2019 to November 13, 2019.

Tim motioned to approve agenda with above corrections, Lisa seconded, all voted aye, motion carries.

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Agenda Item 2.

Tim motioned to approve minutes with the following amendments:

1. Update to “presiding chair” instead of “residing”.
2. Agenda item 6, add “WAC 296-104-010”.
3. Agenda item 8, fix typo to clarify “Majority of feedback in favor of not making changes”, instead of “or”.
4. Correct spelling of “Cooke” to “Cook”.
5. Correct typo of “Roy Vermillion” to “Ray”.
6. Remove asterisks section

Steve seconded motion to approve minutes with above-mentioned corrections. All voted aye, motion carries, minutes approved.

Agenda Item 3.

Board meeting temporarily adjourned and Public Hearing called to order at 10:10 am. There were no written comments received regarding the proposed changes. Transcript provided by Sue Garcia of Capitol Pacific Reporting. ****Official meeting transcript included at end of meeting minutes****. Public Hearing adjourned at 10:18 am. Rules will tentatively be adopted March 3, 2020 and effective April 3, 2020. Final rules will be published in the WA state register March 18, 2020.

Public Hearing: Proposed Changes & Fee Increase to Boiler Rules

- **WAC 296-104-301** – Installation – Consolidate limit and control device requirements for power boilers into this WAC.
- **WAC 296-104-302** – Installation – Consolidate limit and control device requirements for low-pressure boilers into this WAC.
- **WAC 296-104-303** – Installation – Relocate requirements for fuel controls after June 1998.
- **WAC 296-104-503** – Repairs – Revision to requirements from any NB “R” organization doing repairs/alterations in the state.
- **WAC 296-104-700** – What are the inspection fees – Examination fees – Certificate fees – Expenses? Requesting a fee increase of 5.08%, as allowable by the Office of Financial Management, for fiscal year 2020.

Board meeting reconvened at 10:18 am.

Agenda Item 4.

Request for a Washington State Special to operate a non-code unfired pressure vessel for Isol8 Inc., 151 Seton Rd., Port Townsend, WA.

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This was presented by Bill Lowry, from Isol8. This pressure vessel is to be used to test downhole tools under development for the oil and gas industry under water at elevated temperature and pressure conditions. It is a 21 foot long, 12.75" OD vessel designed to hold well casing and tubing sections, into which are inserted tools, in conditions encompassing ambient temperature up to 150 C (300 F) and pressures up to 2850 psi. The tests are of short duration (Hours).

Testing prototype tools under downhole thermal and hydraulic conditions is necessary to ensure successful operation of the devices. This vessel allows safe execution of the tool operation while providing instrumentation access for fluid temperature and pressure conditions throughout the test. The vessel has been designed using material specifications and allowable stress guidelines of the ASME Boiler and Pressure Vessel Code, Section VIII, Division 1: Pressure Vessels. The design analysis has considered the anticipated operating ranges, the effects of heat generation material in the tools, and the required pressure control capability to ensure maintenance of the operating envelope of the system.

There was a great deal of discussion surrounding this agenda item, with many questions and concerns from the board members. Several issues arose regarding issuance of this special. There were errors in documentation that was submitted, as well as questioning the certification of the welder who performed the welds on the vessel. Mr. Lowry was present during the study session, and present via phone call for the board meeting. After a lengthy discussion, the board requested more documentation and justification from Mr. Lowry in order to approve this state special. Tony proposed tabling this agenda item until the May 2020 meeting in order to give Mr. Lowry time to gather more information and documentation for the board members. Tony did question Mr. Lowry regarding whether or not he had plans to use this vessel again before the May meeting. Mr. Lowry confirmed that he currently has 3 potential tests planned. If he conducts these tests before the May meeting, there will be safety procedures and precautions in place to minimize exposure to personnel in the area the test is being conducted in, and they will assume all responsibility for any catastrophic event that may happen. Mr. Lowry stated it was clear what information the board was requesting from him to go forward with this, and if he has any questions he will reach out to Tony for clarification. Lisa questioned whether it was typical for the department to allow a non-coded vessel that's not certified and been given a certificate to work to be in use. Tony said no, it is not typical, but Isol8 did use standard ASME components and have welding done by CWI (Though the welding documents were incorrect and will need to be corrected). The department will also witness a hydro test at 3770, which is far above anything they'll be operating at. They will only operate at 2500. The vessel is located in an isolated location, used approximately only 10 times per year, and Isol8 will accept full liability and responsibility for this vessel. That is the jurisdiction's justification for allowing them to operate this vessel until they come back to the board in May. Bruce requested that the department receive in writing that Isol8 accepts full responsibility for the operation and functionality of this vessel. Tim motioned to table this item until the May 2020 meeting, Steve seconded. All voted aye, motion carries, item tabled.

Agenda Item 5.

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WAC 296-104-100 – How often must boilers and unfired pressure vessels be inspected?

This was presented by Tony Oda. The department is proposing a revision to API510 inspection requirements.

The industry has used RBI in the past to determine inspection frequencies. The feedback from the stakeholders is that this has worked well in the past. This revision would lock it into the API510 that the maximum time between internal inspections would be half the remaining life of the vessel or 10 years. There was a great deal of discussion surrounding this item during the study session. Tony remarked that he received a high level of responses, 6 out of 7 of the groups replied. The majority of the stakeholders who would be directly affected opposed this change. One response received was neutral, one in favor, and the remainder were opposed. Tony commented that this is not something the department takes lightly, and will not be used for vessels that are high risk, high exposure, and at risk of high rates of corrosion. Lisa questioned whether Tony had changed his neutral opinion on the subject matter. Tony responded that he remains neutral because the department does not have the expertise and knowledge to make a definitive decision one way or the other. He understands the rationale on both sides, and bringing up to make these changes is a good thing as a very conservative approach from the state, but is it potentially adding boundaries and restrictions that aren't adding to safety that are a burden? Tony believes the owners should discuss this amongst themselves and make this decision because this is their area of expertise. Seeing the information provided, and responses that were received, it seems like the Owner/Users can do their business without being a hazard to the industry.

Tim motioned to reject the changes suggested by the department in WAC 100 related to Owner/User programs. Steve seconded. Lisa and Jeff abstained from voting, Tim and Steve voted aye, Terry voted in favor to reject the motion as well. Motion carries by majority vote.

Department Notes:

Alicia Curry asked the board to approve filing of the CR103 to adopt the final rules. Terry asked for a motion to approve the filling of the CR103 for the changes discussed in the public hearing. Lisa motioned to approved, all voted aye, motion approved.

Mike Carlson informed the board of the WSBIA meeting on April 16. Would like the Owner/User group represented.

Mike Carlson presented information regarding current workload and overdue inspections in the Boiler program. Currently, there are 135 state commissioned inspectors.

Inspections completed August 1 – October 31, 2019:

559 Internal boiler inspections
+ 2,196 External boiler inspections
+ 11,046 Pressure vessel inspections

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= 13,801 Total inspections

Inspections completed November 1, 2019-January 31, 2020:

244 Internal boiler inspections
+ 1,940 External boiler inspections
+ 10,532 Pressure vessel inspections
= 12,716 Total inspections

New objects as of February 13, 2020:

99 Boilers
+ 469 Pressure vessels
= 568 New objects

Current total objects is 116,942.

Statewide overdue rate is 4.5% with 5,205 objects (60 days or more overdue) without a valid certificate.

Violations:

August 1 – October 31, 2019

477 violations opened, 322 of which were closed, along with 10 red tag violations found.

November 1, 2019 – January 31, 2020

476 violations opened, 239 of which were closed, along with 3 red tag violations found.

Currently there are 206 boiler and 869 pressure vessel violations open for a total of 1,075.

2019 Inspection Statistics:

1,702 Internal boiler inspections
9,143 External boiler inspections
+ 49,215 Pressure vessel inspections
= 60,060 Total inspections

Total new objects added 2019 = 6,256 (891 Boiler, 5365 PV)

Violations – 2,331 opened, 1,627 closed. 36 red tags.

Jeff motioned to adjourn meeting, Tim seconded. All voted aye, motion carries. Meeting adjourned at 11:29am.