4/16/2003

HB 947

Flores

SUBJECT: Extending maximum interval between internal inspections of boilers

COMMITTEE: Licensing and Administrative Procedures — favorable, without amendment

VOTE: 7 ayes — Hamilton, Driver, Eissler, Goolsby, Homer, D. Jones, Wise

0 nays

2 absent — Flores, Raymond

WITNESSES: For — Steven C. Roberts, Lyondell Chemical Co.; (Registered, but did not

testify:) Walt Baum, Association of Electric Companies of Texas; Mary

Miksa, Texas Association of Business; Donald Thain, Shell

Against — John Breaux, Paper, Allied-Industrial, Chemical and Energy

Workers

On — William Kuntz, Jr., Texas Department of Licensing and Regulation

BACKGROUND: Health and Safety Code, chapter 755 governs the inspection and regulation of

> boilers. The Board of Boiler Rules comprises nine members, one of whom must be a mechanical engineer and a member of the faculty of a recognized

college of engineering in Texas.

Sec. 755.025(b) requires that boilers receive an annual "certificate inspection" and "external inspection" to operate. A certificate inspection is the internal or external inspection of a boiler as required by the Department of Licensing and Regulation (DLR). As applied, this statute requires that boilers designed to

accommodate internal inspections receive one each year.

Sec. 755.026 authorizes DLR to extend the time between required internal inspections of boilers to 48 months for power boilers and to 84 months for unfired steam boilers and steam collection or liberation drums of process steam generators. DLR may authorize extensions only if:

the boiler has undergone supervised "continuous water treatment" to limit corrosion and deposits since its last inspection;

HB 947 House Research Organization page 2

- the last internal inspection of the boiler indicates that it is safe to postpone the scheduled inspection; and
- accurate and complete records are available that show the boiler's water chemistry, dates of operation, any reason why the boiler left operation, and the nature of any repair to the boiler and reason for it.

On a boiler operator's completion of these requirements and submission of a request for an extension due to an "emergency" condition, DLR may extend the scheduled inspection for a maximum of 120 days after completing an external inspection of the boiler.

DIGEST:

HB 947 would allow DLR to extend the maximum interval between internal inspections as follows:

- from 48 months to 60 months for power boilers, and
- from 84 months to 120 months for steam collection or liberation drums of process steam generators.

In regard to emergency extensions of internal inspections of boilers, HB 947 would specify that such an extension is "in addition" to another extension authorized by the statute. DLR could not grant more than one emergency extension in each interval between internal inspections.

HB 947 would eliminate the requirement that a professor of mechanical engineering serve on the Board of Boiler Rules and instead require that a member represent organizations that repair or alter boilers.

The bill would take effect September 1, 2003.

SUPPORTERS SAY:

HB 947 would improve the efficiency of boiler operations and DLR inspectors without compromising safety. Boiler operators incur costs from internal inspections because the process requires operators to shut down the boilers. HB 947 would extend periods during which certain boilers could operate without internal inspection, allowing operators to generate cheaper power with more continuity. Heavy manufacturers and other large consumers of power would benefit especially.

HB 947 House Research Organization page 3

If boiler technicians could prepare a boiler for inspection every 60 months instead of 48, or every 120 months instead of 84, the technicians could spend more time addressing actual safety and efficiency problems. Similarly, DLR employees who inspect boilers could accomplish more inspections, investigations, and enforcement work elsewhere. No evidence suggests that safety problems have resulted from the current standards that allow the discretionary extension of inspection intervals.

HB 947 would preserve the same safeguards for inspecting boilers and granting inspection extensions. DLR would continue to subject all boilers to external inspections on an annual basis. A boiler operator still would have to keep strict records and satisfy all other requirements to receive an extension for the internal inspection. Also, DLR would maintain its discretion to grant inspection extensions. The power industry's interest in reducing costs is balanced by insurers' interest in ensuring safety.

No professor of mechanical engineering has served on the Board of Boiler Rules since 1982. Texas is home to more than 500 organizations that repair, alter, or manufacture boilers. The commissioner would find it easier to identify a member, possibly an engineer, from such an organization who would be willing to serve on the board.

OPPONENTS SAY:

HB 947 would weaken inspection standards for boilers to favor the power industry at the expense of workers and the public. Boilers are inherently dangerous to the health and safety of people who work and live around them. The Legislature enacted the current statute in response to a boiler explosion in 1937 that killed some 300 people. Since 1990, more than 21,000 accidents involving boilers and pressure vessels have occurred in the United States. Public safety requires maintaining the inspection regimen and board representation required by current law.

HB 947 would depart substantially from recommended boiler-safety standards issued by the National Board of Boiler and Pressure Vessel Inspectors. The national board recommends an internal inspection of boilers on an annual basis, which "may be extended to 36 months" in the case of power boilers if the operator satisfies record keeping and other requirements. HB 947 would amend current law to allow 60 months between internal inspections of power boilers — 24 months more than the national board's recommendation.

HB 947 House Research Organization page 4

The bill would diminish the technical expertise on the Board of Boiler Rules by no longer requiring the membership of an engineer. In contrast, the national board recommends requiring that a mechanical engineering professor or "licensed professional engineer" serve as a member. HB 947 would change current law to require neither, thus compromising the potential for providing an unbiased, purely technical opinion at board meetings.

NOTES:

The companion bill, SB 416 by Harris, passed the Senate on the Local and Uncontested Calendar on March 13 and was reported favorably, without amendment, by the House Licensing and Administrative Procedures Committee on April 10, making it eligible for consideration in lieu of HB 947.