

The ICL Inquiry

Final Written Submission by UKLPG

Having considered the evidence presented in Phase 2 of the Inquiry, The Board of UKLPG would like to make the following final submission:

1. Replacement of metallic pipework

The industry recognises that this is a clear priority and has been working to address this issue. Taken all aspects of work currently underway as discussed at the Inquiry, the intent is that a replacement hierarchy based on risk is available for all LPG companies by June 2009, as proposed by the HSE. In the meantime individual companies have/will be taking their own specific action (eg Calor, J Gas) to address this issue.

Whilst this Inquiry is concerned with the circumstances leading up to the incident at Grove Park Mills on 11th May 2004, and Phase 2 is concerned with "(the) inspection or oversight regime ... as being appropriate, and suitable to ensure the safe and proper installation, maintenance, management and inspection and oversight on small commercial premises", the risk based replacement exercise will cover all metallic pipe installations whether domestic or commercial.

Unless the Inquiry decides otherwise the ownership of pipework and responsibility for it rests with the duty holder in commercial premises and the householder in domestic installations.

The industry estimates that there are approximately 200,000 LPG small bulk installations and of these 50,000 or so are commercial. UKLPG estimates that some that some 30% of these may have metallic risers with a smaller percentage being steel throughout. We note however that Calor's evidence suggested a higher proportion of metallic pipework at commercial installations. As a higher proportion will be operating under medium pressure it is our assumption at this stage that these are likely to be higher up the replacement hierarchy.

The biggest single constraint has been stated as availability of suitably qualified and registered personnel (*see below*). A further consideration is cost. Calor suggested a cost of £45million to deliver this programme across both types of users and UKLPG broadly concurs with this estimate. The industry wonders if there is possibility of external funding to ensure that those responsible respond to the industry's initiative.

Calor also estimated that a replacement programme would take ten years to complete, with high risk locations addressed within the first year. UKLPG concurs with this estimate.

2. Ownership of Service Pipework

UKLPG notes the evidence presented by Mr Sylvester Evans and supports his conclusion reached that, for commercial and industrial premises, it is preferable that the LPG supplier remains responsible for the tank and fittings and that the service pipework remains the responsibility of the duty holder.

3. Clarity of responsibility interface with regard to Service Pipework

UKLPG also notes the evidence presented by Mr Sylvester Evans and others that there should be consistency as to where the supplier's responsibility ends and the gas user's starts.

UKLPG agrees with this recommendation. We note that the debate appeared whether this point is the tank outlet valve or up to the 1st stage regulator and that it was Mr Sylvester Evan's view that the industry should decide. Accordingly UKLPG will initiate discussion with its members on how best this can be achieved.

We would point out that whilst standardisation of the responsibility interface is desirable from a safety point of view, individual company's practice as to exactly where this occurs may have varied in the past for competitive reasons depending on what offer they have made to their customers.

The industry to date has been extremely concerned that so far as domestic pipework is concerned the Competition Commission has chosen not to consider the issue of replacement of metallic pipework at domestic premises despite our urging, nor the complex issue of standardisation. Whilst the industry notes that this is outwith the terms of reference of this Inquiry, it is concerned that it should not fall foul of any competition law or regulation in addressing this standardisation at commercial premises.

4. UKLPG Codes of Practice

UKLPG Codes of Practice are reviewed routinely every three years. Code of Practice 22 deals with service pipework and is currently out for consultation. Code of Practice 1 (various parts) deals with pipework in the vicinity of the tank. IGEM Code IGE/TD/4 also contains reference to LPG service pipework.

An initial meeting has already taken place between IGEM and UKLPG under the auspices of Advantica to address the removal of duplication and clarify which codes apply where. Having considered the evidence presented at the Inquiry regarding the history and development of the advice regarding pipework and metallic pipework contained within the various parts of Codes of Practice 1, UKLPG will be reviewing its Codes to ensure that there is absolute clarity as to where advice sits.

5. GSIUR

UKLPG supports the extension of GSIUR to industrial premises. As stated previously, we believe that this is the easiest route to achieve a regime requiring competent persons to work on service pipework. UKLPG believes that this extension, taken with existing legislation can provide the base statutory framework on which Rod Sylvester Evans recommendations can be implemented.

6. Cathodic protection

There was considerable evidence presented regarding the merits or otherwise of cathodic protection. The LPG industry considers that installing cathodic protection on existing metallic pipework is not cost effective, is not always practical and is not the most appropriate use of available resource. The resource would be better engaged in implementing the replacement of existing metallic pipework with PE.

7. Recommendations contained in Mr Sylvester Evans' Report

UKLPG notes Mr Sylvester Evans' view presented on Friday 7th November that the recommendations should be taken as a whole and not be cherry picked. UKLPG has already conveyed the views of the Board regarding its support or otherwise for each recommendation.

Notwithstanding this previous submission, UKLPG having considered all evidence presented in Phase 2 would like to make the following specific observations:

Information provision, site documentation, supplier asset documentation, clarity of responsibility and verification by an Independent Competent Person

(Including recommendations 2, 3, 4, 6, 7, 11, 12, 13)

UKLPG supports this package of measures taken together, which ultimately should lead to a site safety dossier, clarity of responsibility of who is responsible and the assessment of a user's site, at a frequency to be determined by the Inquiry, by an Independent Competent Person. UKLPG understands that as part of this package of measures, supply to a commercial customer would only be possible if an up to date verification certificate exists.

UKLPG is willing to play its full role in developing this set of proposals and take the lead where the Inquiry considers this the best route.

The Independent Competent Person

The issue was raised at the Inquiry regarding the numbers of people able and suitably qualified and registered to undertake LPG pipework replacement programme. A means to quickly allow natural gas qualified engineers to meet

registration requirements needs to be put in place urgently by Capita who take over from CORGI on 1st April 2009.

As a separate initiative to address a concern regarding general LPG skill shortages, UKLPG has already tabled proposals to Capita that could result in speedier, lower cost routes to Capita registration for LPG engineers who prove themselves skilled and competent and is following this up with a further meeting with the HSE. This route would be via UKLPG as both the centre for excellence for LPG skills training and as the accredited certifying body. Registration would be held by Capita.

Having listened to the evidence presented in Phase 2 of the Inquiry, and already stated its concern over exacerbating an existing skill set shortage, UKLPG sees benefit in extending its proposal to include developing the competencies needed not only to replace LPG service pipework, but those of an Independent Competent Person.

Pipework Replacement, Inspection and Maintenance Strategy (Including recommendations 5, 8, 17, 18)

UKLPG has already signalled its support for these measures. UKLPG agrees with the logic that much of the information from inspection would reside in the site safety dossier and this becomes the key document for each LPG user's site.

A Registration Scheme for LPG suppliers (Recommendation 19)

UKLPG reported a range of views of its Board members consulted to this proposal. The Board notes the further discussion that took place at the Inquiry and understands that this scheme would demonstrate competency of the supplier, and ensure that no supplier is "below the radar" and believes such a scheme workable. UKLPG is willing to work with HSE to establish competency criteria (indeed UKLPG could become the competency assessment body) but it does not believe that it should hold the register and would assume that this should be the role of HSE or Capita.

Potential legislation to supply LPG to a system that did not have an up to date verification Certificate. (Recommendation 20)

Having considered all the above measures the Board of UKLPG still considers this proposal not to be proportionate, particularly in the light of the totality of other measures. Whilst it acknowledges the proposal that this gives the other measures "teeth", it believes that in taking Accredited Registration together with the Verification Certificate and Site Safety Dossier, this provides a tight and documented safety regime in which all suppliers can work. UKLPG re-iterates its concern in the precedent that may be set by making any supplier in any industry responsible for the safe use of its product in an environment beyond its control.

8. Supplier Communication

UKLPG intends to convene a meeting of its gas suppliers at its spring conference in May, and will be communicating with these members in the run up to it in the early part of 2009, to discuss the replacement programme, communication with customers in the interim, and to prepare the ground for implementation of such recommendations that may be made by The Chairman to the Inquiry. Non member companies will be invited to attend.

9. The Inquiry Report

UKLPG would welcome the publication of the Inquiry recommendations at the earliest date possible.

UKLPG
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