

Supplementary statement
Mr Rob Shuttleworth and Mr Jeff Watson, UKLPG

History of employment and qualifications

1. I, Rob Shuttleworth, am currently the company secretary and the Chief Executive of UKLPG. I took over this post just over two years ago. Prior to this I was at ConocoPhillips, an oil company who supply LPG wholesale. I was the LPG business manager and was mainly involved in wholesale sales plus some end use sales to agricultural premises rather than domestic or small commercial premises. Prior to this I worked in ConocoPhillips retail division. My main role is run the association and to ensure proper governance.

2. I, Jeff Watson, have been involved in LPG for my working life. I am currently employed by UKLPG in the capacity of Technical Manager. I started working for LPGA on 1 July 1996 (01/07/1996) as Technical Manager. It is my function to provide Technical support to the LPG Industry in particular our members. This would include production distribution and utilisation of LPG.

3. My personal qualifications are as follows: I have a degree in chemistry; I am a Chartered Engineer, a Member of the Institute of Gas Engineers and Managers, a Chartered Quality Professional and a Member of the Chartered Quality Institute. Before I started with the LP Gas Association I worked for Calor Gas Limited. I worked there for 24 years. The last title I had before I left Calor was Chief Engineer (Appliances). I held this title for around 3 years.

Additional points regarding the UKLPG answer document dated 1 October 2008

4. We are referred to question 8 of the questions posed to UKLPG by the Inquiry and asked how well placed are UKLPG to engage in self regulation? For many years there were two trade associations however LPGA and ALGED merged last January to be a broad based Association representing the industry

5. As a trade association we are not a regulator. We deliver what the industry has a will to do. For example, for operator bulk storage, there is an Information Sheet (formerly "Technical Memorandum") which may be considered a checklist to use before supplying.
6. We are referred to a possible verification scheme and the possibility that companies will not be permitted to supply unless this is in place. There are currently areas where there are registration requirements. For example, if you stock more than 25 tonnes you have to notify HSE under the "Notification of sites handling hazardous substances regulations" (NIHHS). If more than 50 tonnes are held you have to notify HSE for COMAH purposes.
7. We are asked about the possible simplification of IGEN TD4 [ICL/ 04963-05105]/UKLPG COP 22 [ICL/01448-01510]. This process has been started. The Board are proactive on matters of safety etc, and companies work closely together. Industry would want to ensure competent people are working with LPG. [Draft CoP 22 [ICL/04770-04887]]
8. We are asked about the Competition Commission investigation as an example of how the industry responds to concerns. Throughout the Inquiry the industry has cooperated and whilst there were concerns over the proposals the industry is accepting the findings and is working together within UKLPG to implement them.

"Risk matrix" replacement programme

9. We were asked about the risk matrix replacement programme. We draw attention to UKLPG letter of 19th September 2008 [UKLPG 1] and particularly Section 2. We append this.
10. We are asked how we can raise awareness of underground LPG pipework. 65000 leaflets went out but we wonder how many went to correct desks? There was not a lot of consumer response to this. We have to consider how to make sure the information gets to the correct person.

11. We are currently in the next stage of discussions with HSE. Action will depend on the individual companies and what they discover from their customers. Any report from a driver saying the installation is dangerous etc they will deal with it. Asking them to look further downstream may be more difficult.
12. The cost of pipework replacement will still be with the user. If there is unsafe pipework a company would have to replace this.
13. We are asked about replacement of underground steel pipework by Polyethylene (PE) pipework. The information on this is not conclusive but we are of the view that cathodic protection (CP) would be more expensive than replacing with PE.

Legislative framework

14. If GSIUR [ICL/04473-04500] is extended to factories – in my personal view (Jeffrey Watson) – this should only be up to the emergency valve. Once past this point there are problems as the regulations are written for domestic premises. Factories were excluded from GSIUR as they were covered by other pieces of legislation. In some ways GSIUR is weaker than the current legislation. If it is brought in it may require to be enhanced.
15. In our view the regulatory framework already exists in PUWER [ICL/04569-4592] and DSEAR [ICL/04445-04472], which places duties on the end user.
16. In our view, if the current legislation/guidance were appropriately applied it should have covered the pipework. The driver only has a duty to check up to the first stage regulator. It should therefore be considered what the Occupier/employer should have done to ensure the pipe was safe. The occupier should be making sure that the installation as a whole is safe at all times.

Codes of Practice/Approved Codes of Practice

17. We understand that the government's view on Approved Codes of Practice (ACOP) is that they are linked to specific legislation. No ACOP

applies exclusively to LPG. Instead of having their own specific COP's for LPG, the HSE insert a foreword in the relevant UKLPG COP which provides sufficient muscle..

18. A UKLPG COP is best practice, not statutory. HSE have powers to enforce in respect of non domestic premises. The oversight regime should be robust enough to ensure these circumstances cannot easily happen again. However. The cost has to be proportionate to the risk.
19. We are asked about HS(G) 34 [ICL/01272-01312]. When it was replaced it was on the basis that it dealt with pipework in the immediate vicinity of the tank. Where replaced by the LPGA COP 1, pipework except for in the immediate vicinity was not covered. The inclusion of fixed inspection intervals in COP 1 part 3 [ICL/02763-02801] was objected to by HSE and it was moved into an annex. Some companies have used the annex to extend the period between periodic inspections under PSSR [ICL/04546-04568] if it is reflected in their Written Scheme of Examination. Code 1 part 3 is not intended to cover pipe work. There is a separate COP (22) that relates directly to pipework. There is currently a draft revision of COP 22. [ICL/03027-03094]

Revision of COP 22

20. The major changes in the revised draft COP 22 [ICL/04770-04887] are for metered estates, however COP 22 covers everything from a cylinder to a metered estate. The revised COP 22 includes methodology for risk assessment at industrial premises, requires an isolation valve is fitted even at industrial premises and refers in detail to soundness testing. This document is currently in the form of a working group draft. It has just been sent to the Technical and Safety Management Team and the UKLPG Board prior to being released for wide Consultation. Calor Gas are part of the working group and J Gas and HSE are aware of the proposed revisions.

Rod Sylvester Evans recommendations

21. We are asked about our views on the recommendations proposed by Rod Sylvester Evans. Understanding the confidentiality of the document we asked that the Confidentiality agreement be extended to our Board so that

we could make an input at phase 2 of the inquiry with a broader industry view of these recommendations.

22. Registered suppliers: This is possible but what would be the annual cost to become a registered supplier? Is being a registered supplier deemed to be anti competitive? We can do this if there is an industry will. If it is proportionate then there would not be an issue. If you singled out LPG as exceptional this could be a concern. We would query whether this recommendation is proportionate.
23. We are asked how well we could 'back up' a verification scheme? The market place and UKLPG membership consists of four large companies and 15-20 smaller operators. The majority of LPG suppliers in the UK are members of UKLPG.
24. It should be remembered that there were specific issues with ICL in regard of basements and pipework entry. It is noted that in GSIUR certain gas appliances are forbidden from installation in basements. In UKLPG's view there should be no gas appliances in basements. HSE have not gone this far.
25. Mechanisms should be put together to consider incidents/failures. The main mechanism for finding this information is through RIDDOR reports. Unless a gas leak is reported directly to them gas companies do not know. I, Jeffrey Watson, pick up an average 3 incidents of all types a month from press, mostly incidental involvement in fires. The first substantive item on the agenda at Technical and Safety Management team meetings is to review incidents. CORGI/CAPITA registered installers are the only people able to work on (non-industrial) installations. They could have a reporting mechanism in place.

I confirm that the contents of this statement are true

Witness signature _____

Dated _____

Witness signature _____

Dated _____

Extract from Section 2 of UKLPG letter of 19th September 2008

“The LPG industry has been working closely with the HSE with regard to reviewing LPG installations with the intention of calculating a “risk matrix” by which those responsible for underground service pipework can understand the risks associated with their particular installation, and a timescale by which they should replace the underground service pipework used to carry LPG.

The following actions have taken place or are in hand:

- In 2005/6 the LPGA worked with the HSE and other parties to produce the HSE leaflet “Checking LPG pipework – industrial and commercial user responsibilities”.
- This leaflet was distributed by all LPG suppliers to their commercial and industrial customers (totalling approximately 65,000 leaflets) with vapour offtake installations in 2006. We understand that telephone enquiries to the HSE Information line and the LPG suppliers were lower than anticipated. A number of LPG suppliers have repeated this exercise.
- A desk top exercise was undertaken by LPG suppliers in the latter part of 2007 to estimate the proportion of domestic bulk installations that could pose a high and medium risk. This was based on the age of installation, the pipework material and the pressure under which the system operates.

- In early 2008 survey documentation was distributed to all LPG suppliers to help them ascertain which of their specific domestic bulk installations might be higher risk. This survey material is currently being used by LPG suppliers to understand their own customers' position.
- At the same time a draft gas safety card was provided to all LPG suppliers for them to brand and distribute to their customers, or to use the text in their own publication. The card reminds the customer of the appropriate actions to take in the event of an emergency, raises CO awareness and stresses the need to employ CORGI registered installers.
- LPGA Technical Memorandum No. 84 **[ICL/03626-03639]**(now UKLPG User Information Sheet No.015 **[ICL/14294-14310]**), "Inspection and Maintenance of LPG Pipework at Commercial and Industrial Premises", was published on the UKLPG website in March 2007 following preparation by the industry in consultation with the HSE.

These actions featured in a seminar at the UKLPG Conference held at the end of April 2008.

UKLPG Code of Practice 22 "LPG Piping System – Design and Installation" is currently being redrafted to take account of revised guidance regarding checking underground service pipework. **[ICL/04770-04887]**

UKLPG met the Institute of Gas Engineers and Managers (with Calor and Advantica) to discuss simplification of the codes of practice that apply to LPG pipework in all uses (domestic/commercial) including UKLPG COP 22, IGEM UP/1, TD3, TD4. A proposal is currently awaited from Advantica.

The Health and Safety Laboratory is undertaking research to verify a Calor model of how LPG behaves if it were to escape from underground service pipework. The Calor model indicates that LPG behaves like natural gas and its behaviour varies by soil type. Should the HSL work support this, then HSL will purchase an Advantica model that maps soil types across the country to help identify high risk areas based on soil types.

The LPG Industry will use the research findings to develop a risk matrix for steel underground service pipework covering a number of factors (e.g. soil type, age of installation, pressure, aspects of dwelling construction) for domestic dwellings to prioritise those installations potentially at risk. Prioritisation is necessary due to the limited competent resource for the inspection and replacement of underground service pipework. The responsibility and cost of replacing domestic underground service pipework rests with the customer in the majority of cases. With the advent of the Competition Commission Orders restricting the duration of domestic bulk LPG supply contracts to two years and the ability of customers to switch LPG supplier without installing a new tank, the industry will need to consider whether it is desirable to have a protocol or code of conduct about transferring tanks where ageing underground service pipework has not been replaced.

The LPG industry has agreed with the HSE that a similar proportionate approach for commercial underground service pipework should pertain. Once research results (above) are confirmed, a risk matrix will be developed for the industrial and

commercial sector to prioritise those installations most at risk. This matrix and timescale will be agreed between industry and the HSE.

The LPG industry will communicate with customers most at risk, and supply data on those it believes most at risk to the HSE for them to work with duty holders on how to replace the underground service pipework. We understand that the HSE will also evaluate how the risk is being managed by duty holders as well as take enforcement action against those who do not comply.”