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9th October 2007

**Subject: Energy (Miscellaneous Provisions) Act 2006/ CER Proposed Vision
Consultation Paper**

Dear Mr. Murtagh,

I refer to our recent meetings re the above topic. At this stage it is appropriate that we provide a detailed description of the operational model, as well as the appropriate regulations involved, with regard to LPG Industry, with particular emphasis on the safety implications.

LPG TRANSPORTATION SYSTEM

1. Importation

LPG is imported into Ireland via ship and to a much lesser extent, by road (as deck cargo). LPG also enters the system from the refinery in Whitegate. This marine aspect of the LPG operation is regulated by the Department of Transport and the Marine (Maritime Safety Directorate), who implement the requirements of the Maritime Safety Directive.

The unloading of product at the marine LPG terminal is regulated by the requirements of the Maritime Safety Act 2005.

2. Marine Storage Terminals

These are the main storage locations for LPG in Ireland, located in Dublin, Cork, Drogheda and Belfast. All these storage terminals are designated as Top Tier Seveso Sites. As such, they fall under the responsibility of the enforcing authority i.e. The Health

and Safety Authority (HSA). Irish Standards I.S. 3216 also applies to this activity as mandated by S.I. 201 of 1990 [Dangerous Substances (Storage of Liquefied Petroleum Gas) Regulations 1990]. The design requirements are adequately covered by I.S.3216 Part 1 which is a regulated standard. This requirement is further reinforced by European

Council Directive 96/82/EC “Control of Major Accident Hazards involving Dangerous Substances” (known as Seveso) and 2003/105/EC (the "Seveso II" Directive), as enacted into Irish law via S.I. No 74 of 2006. Requirements to satisfy Planning authority also applies under S.I. no 86 i.e. Local Government (Planning & Development) Regulations, 1994.

3. Bridging Storage Terminals/ Depots

These are storage depots strategically located on the island to facilitate cost effective and efficient distribution of product to the customer. They are currently designated as lower tier Seveso sites, apart from a couple with storage less than 50 Tonnes, and are similarly regulated to the marine storage terminals. I.S. 3216 also applies to this activity.

4. Road Transportation (Bulk)

EU Directive 94/55/EC (known as the ADR) was originally introduced to regulate the movement of product between member states. This directive is now also being implemented at national level. The scope of this directive covers vehicle, driver, training, journey duration etc., enacted into Irish law via S.I. No. 288 of 2007(Carriage of Dangerous Goods by Road Regulations 2007). It is complemented by the directive on Dangerous Goods Safety Adviser (EU Directives 96/35/EC and 2000/18/EC). This activity falls under the responsibility of the HSA as the enforcing authority and is also required to comply with the requirements of the Dangerous Substances (Storage of Liquefied Petroleum Gas) Regulations 1990.

Legal Metrology is also involved in this area as they provide certification for weighbridge systems, which is subsequently used for meter calibration.

5. Cylinder Filling

Cylinder Filling facilities are located within terminals or at other purpose-built alternative locations. These facilities also come under the jurisdiction of the H.S.A. They also must comply with the requirements of I.S. 3213, (Code of Practice for the Storage of LPG Cylinders and Cartridges), I.S. 3216 as well as S.I. 201.

6. Road Transportation. (Cylinder)

This aspect if the LPG industry is regulated in a similar fashion to the bulk distribution. The requirements are as described in Section 4 above, with the HSA being the enforcing authority.

7. Cylinder Storage (Distribution Agents & Stockists)

This activity is required to comply with the requirements of I.S. 3213, mandated under I.S. 201.

8. Bulk Storage (Customer Premises)

The activity in this aspect of the LPG industry takes place under the jurisdiction of the HSA. It is required to comply with Standards I.S. 3216, S.I. 261 and Seveso, where appropriate. It is concerned with both domestic and non-domestic premises. Normally the HSA is only responsible for non-domestic premises. However, because of S.I. 201 their remit extends to storage of LPG at domestic premises. I.S. 3216 Pt.1 applies to the design of bulk supply system at these types of installation. Seveso also applies to larger installations, where storage of LPGas exceeds 50 tonnes. These are complemented by the requirements of the building regulations which refer to current Irish Standards e.g. I.S. 813 (Natural Gas/LPG). A further Irish Standard I.S. 820 covers non-domestic installations (including cylinder LPG supply) in more detail than I.S.813, which is essentially a domestic standard. The LPG storage installation extends to the point of delivery, which is the outlet valve of the tank (or the valve at the meter, in the case of distributed systems).

9. Central Storage Distributed System.

This system involves distribution of LPG to individual customers via meters, from a common centrally located bulk storage vessel. The requirements for the vessel are identical to those listed in Section 8 above. From the storage to the customer meter the system is virtually identical to the Natural Gas System, designed in accordance with the Irish Standards common to both gases i.e. I.S. 329 (distribution mains) and I.S. 265 (service pipes).

LPG END USER SYSTEM

Installations at domestic premises are required to conform to I.S.813 and non-domestic to I.S. 820. These standards apply for the use of LPG from bulk, as well as cylinder, storage. While the activity in the non-domestic sector comes under the jurisdiction of the HSA and/or the Fire Service, activity in the domestic sector is not similarly monitored.

GENERAL COMMENT

As you can see from the foregoing, the elements of the LPG industry which take place in the Transportation System are well regulated, monitored and controlled by the appropriate enforcing authority.

In fact, under SI No. 74 of 2006, a Safety Report must be prepared for every top tier site, detailing the company's Major Accident Prevention Policy and outlining risk and consequence of a major accident. It also details the systems and procedures to mitigate that risk. Note that it is the responsibility of the HSA to assess and sign off on the Safety Report.

The comment above regarding control/enforcement is also true for the elements of the industry which take place in the non-domestic arena, within the End User system. However, there is an obvious gap when it comes to the domestic sector. For this reason, the ILPGA strongly proposes that the initial focus of the CER should be primarily in this sector.

With regard to the proposed governance arrangements, the ILPGA believes it has a role to play in the committee structure. It is our intention to send a further correspondence specifically addressing this issue. However, we note the intention to set up a body to advise on strategic gas safety issues i.e. the Gas Safety Advisor Body (GSAB). We appreciate your requirements in the setting up of this body and the proposed composition. We also note your requirement to have input to this body from other external experts. The ILPGA would be quite prepared to become involved by offering the services of experts in the LPG industry to the GSAB.

Finally, I refer to our discussion with regard to portable appliances (such as cabinet heaters). We would suggest that it may be more advantageous to exclude these from the definition of gas works. We suggest this primarily because of the administrative difficulty (perhaps impossibility) of controlling certification for appliances which, by their nature, may move from premises to premises.

Yours sincerely

Ed Mc Donnell
Secretary ILPGA