



Fuels Safety	Ref. No.: FS-264-23
ADVISORY (Subject to Revision as Appropriate)	Date: February 15, 2023

Subject: Validation Programs associated with TSSA's Fuel Oil Distributor Audit Program, Advisory FS-247-19 R1

Distribution: Posted on TSSA Website

Background:

In 2020, TSSA implemented educational sessions associated with the audit program for fuel oil distributors. Within this program, there is a requirement for fuel oil distributors to validate distributor inspections performed by their employees and, if applicable, their sub-contractors. During the educational sessions, industry stakeholders asked TSSA to set out minimum standards for the validation program to ensure the consistency of TSSA audits and industry validation programs. TSSA inspectors supported this ask. This advisory outlines those acceptable standards.

For reference, item 1 of Advisory FS-247-R1 for Fuel Oil Distributors (Distributor Inspections) stated that

"Initial and Periodic Inspections

- There should be a process with records that it is being done
- Specifically demonstrate:
 - o No initial fuel supply without an inspection
 - o No continued fuel supply without an inspection beyond 10 years or in accordance with a quality assurance inspection program
- For those distributors that contract out this inspection requirement, they should be able to demonstrate that the contractor is registered and the contractor's technicians doing the inspections hold the appropriate valid certification. This should be checked annually. Because one cannot outsource responsibilities, and this is a specific fuel oil distributor responsibility, TSSA will also expect some process to check that the inspection is acceptable, such as the distributor requiring their hired contractor(s) to have an inspection validation program. If there is no process to verify the inspections, TSSA will do a field verification.
- For those distributors that conduct their own inspections, they should ensure that their people hold valid certifications and that they have a process to check that the inspections are acceptable, such as an inspection validation program. If there is no process to verify the inspections, TSSA will do a field verification."

If TSSA does a field verification and non-compliances are found, orders will be issued to address the non-compliances and an order will be issued "as a person who supplies fuel to containers and tank systems, you are hereby ordered to develop a program whereby you can demonstrate that you have taken every precaution that is reasonable to ensure the inspections required by 7(1) of Ontario Regulation 213/01 (Fuel Oil) are accurate".

Minimum Standards for Validation Programs:

TSSA expects fuel oil distributors to establish and use minimum checks outlined below when performing field verification of their employees' inspections. When sub-contractors are employed to perform distributor inspections, the distributor shall have a process to ensure that their sub-contractor's inspection is accurate and meets the minimum standards set out in this advisory. Note: Because these inspections are a specific fuel oil distributor responsibility, the distributor will ultimately be responsible for the inspections by their employees and sub-contractors.

Regarding relying on TSSA's audit of a contractor to be sufficient to satisfy the accuracy of a sub-contractor's inspections, TSSA's audit is based on a snapshot in time. The onus is on the distributor to ensure that the sub-contractor's on-going inspections are accurate.

Employer Field Verification:

The person conducting the field verification for the employer shall hold a certificate appropriate for the installation being checked, and if employed by the distributor, shall be designated to perform this role. At a minimum, each technician's inspection shall be verified annually (one installation inspection checked annually). If the inspection is found deficient, the distributor shall take corrective action until satisfactory results are achieved. If the distributor does not have the capacity to do the verifications, they can elect to use a third party, provided the third party holds the appropriate certificate to do the field verifications.

Documentation of the field verification should include as a minimum:

- Date of field verification
- Site address
- Name, title, certificate type, certificate # of the person doing the field verification
- Name of the technician who performed the inspection including certificate type and certificate #
- Description of work being inspected for regulation and code compliance
- Confirmation that the technician's checklist is properly completed
- Confirmation that the work meets regulation, code, and manufacturer's installation requirements as applicable
- Documentation of any discovered non-compliances and action taken as outlined in Fuel Oil Regulation regarding unacceptable condition – immediate hazard or no immediate hazard

This information is required to be documented for each technician's work verified and available for TSSA's audit.

Employer Training Responsibility:

The employer has the responsibility to ensure that their technicians are trained in using and properly completing their inspection and associated checklist(s). This training shall be documented.

Technician's Inspection Checklists:

Standard industry checklists have been utilized for fuel oil distributor inspections for over 15 years and, thus, will not be re-addressed in this advisory. Those checklists are deemed acceptable. Examples of these checklists can be obtained from the *Ontario Petroleum Transporters & Technicians Association*.

TSSA Audit Fees:

Fees are charged on an hourly basis according to the latest fee schedule.

These requirements are a minimum standard. If there are concerns regarding a certificate holder's inspection, additional verification should be completed.