



MINISTRY OF DEFENCE

Defence Infrastructure Organisation

SAFETY ALERT

Subject: LIQUID PETROLEUM GAS DEMARCATION POINT

Number: 03/12

DIO Secretariat Sponsor: RA Cawthorne

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Who should read this:

Top Level Budget Holders, Prime Contractors, Private Finance Initiatives, Public, Private Partnership and other traditionally procured contracts, Project Managers, Site Estate Authority Teams and Property Managers with responsibility for MOD projects and Property Management Works Services (including the legacy work of EWCs/WSMs), Coordinating Authorising Engineers, Authorising Engineers Petroleum, Authorised Persons Petroleum and Maintainers of LPG installations.

N.B. The contract is due for renewal on 1st November 2012. A further Policy Instruction will be issued to advise of any change.

When it takes effect: Immediately

When it is due to expire: When advised

Health and Safety

Document Aim:

To promote awareness that certain Liquid Petroleum Gas (LPG) tank components may not have been inspected and maintained on MOD sites.

Product	N/A
Manufacturer/Supplier	N/A
Problem	A change to the Liquid Petroleum Gas contracts 'Demarcation Point' has meant that the MOD is exposed to risk. The Demarcation Point for previous contracts was the discharge side of the first stage pressure regulator. For current contracts it is the discharge side of the tank discharge valve. This means that a section of pipe work and the first stage pressure regulator may not have been inspected or maintained as necessary since the introduction of new contracts.
Risk	Possible failure of LPG tank discharge pipe including first stage pressure regulator and associated downstream fittings due to lack of inspection and maintenance.
Action	Ensure MMOs conduct the correct level of inspection and maintenance on all items on LPG installations.

1. Requirement

Addresses of this Safety Alert are to bring its contents to the attention of the Maintenance Management Organisation or any other person responsible for the inspection and maintenance of Liquid Petroleum Installations on MoD sites.

This Safety Alert advises all relevant parties of the requirements for appropriate inspection and maintenance of Liquid Petroleum Gas (LPG) installations on MoD sites.

The appropriate MOD officer shall arrange for the Maintenance Management Organisation (MMO) contractor to carry out all actions in accordance with this Alert.

MMOs are to ensure that their arrangements for LPG installations are appropriate and robust.

Guidance is provided below supported by further information supplied within Annex A and Annex B.

2. Introduction

COMPLIANCE WITH THE CONTENTS OF THIS ALERT WILL ENABLE COMPLIANCE WITH THE HEALTH & SAFETY AT WORK ETC ACT 1974 AND ITS SUBORDINATE REGULATIONS.

Any work required as a result of this Alert must be carried out in accordance with JSP 375 Vol 3 – MOD's Safety Rules & Procedures.

Reference should be made the current edition of JSP 319 Joint Service Safety Regulations for the Storage, Handling and Use of Gases, (Part 3 refers to Bulk LPG).

Defects are to be immediately reported to the MMO and the Authorising Engineer or responsible person, who is to ensure that any appropriate Operating Restrictions are applied.

On MOD Establishments occupied by United States Visiting Forces (USVF) responsibility is jointly held by USVF and DIO (USF). At base level this jointly managed organisation is to take appropriate action to implement the contents of this Alert. Where this Alert contains procedures which differ significantly from USVF practice DE (USF) code of practice will be issued.

3. Background

On 18th July 2011 a change was made to the Demarcation Point for LPG Bulk contracts resulting in the MOD being exposed to risk. This change was made to contracts with Calor, Calor Northern Ireland, B.P. and Avanti Gas Ltd (formerly Shell). For funding purposes it should be noted that a government wide LPG supply contract is due to be let on 1 Nov 12 which may result in a further change in the point of demarcation.

4. Guidance

If MMOs are unclear about the condition of the installations for which they are responsible or do not already have in place a suitable and sufficient inspection and maintenance regime they should:

Ensure there is a written scheme of examination produced by a competent person.

Use a check list for the assessment of safety standards at operator owned sites, UKLPG User Information Sheet 006.

Use competent persons to carry out inspections and maintenance.

ANNEX A

Further Information

1. LPG is propane, butane or a mixture of the two stored as a liquid and usually odorised. Propane and butane are both heavier-than-air gases under atmospheric conditions so if there is a leak, the gas will tend to accumulate in low spots such as drains, gullies or basements, or at ground level.
2. LPG installations normally consist of storage tanks and associated fittings, which will include, a pressure relief valve, tank discharge isolating valve, first stage pressure regulator, sometimes a second stage regulator with over and under pressure shut off capability, service pipework and emergency control valve outside a building for the point of use.
3. In the case of leased storage tanks the responsibility for discharging the duties, (up to the point of demarcation), of the user under the provisions of the Pressure Systems Safety Regulations 2000 will usually rest with the supplier of the leased equipment. The responsibility for the remainder of the system including the installation pipework will usually rest with the MMOs.
4. The formal agreement in writing with the supplier of leased equipment is described in Schedule 2 of the Pressure Systems Safety Regulations 2000, "Modification of duties in cases where pressure systems are supplied by way of lease, hire or other arrangements". This written agreement should contain the point of demarcation for the system and be available to relevant site personnel.
5. The HSE do not specify where a Demarcation Point should be. UKLPG say that there is no preference and that companies have their own practices to suit their markets and customers.
6. The Provision and Use of Work Equipment Regulations 1998 (PUWER) places duties on employers to ensure that work equipment exposed to conditions causing deterioration that is liable to result in dangerous situations is inspected at suitable intervals.
7. The Gas Safety (Installation and Use) Regulations 1998.

Annex B

Point of Demarcation

