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Propane company twice violated safety codes, regulator reveals

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Sunrise Propane was found violating provincial safety codes twice in the past two years at the site levelled this week by multiple explosions, but the company was neither shut down nor fined by Ontario's fuel safety regulator.

The revelations came as details - some later found to be outdated or flawed - about Sunrise and the propane industry continued to trickle out of the regulator, the Technical Standards and Safety Authority. The TSSA said yesterday it investigated Sunrise in 2006 and 2007 and found "minor infractions."

The action taken was to increase the frequency of inspections to annually from the usual schedule of every three years.

The next was due this fall. Then, an explosion Sunday razed the company's Downsview site. Cleanup continues, and tempers flared yesterday when residents learned that a children's playground is being cleaned for asbestos believed to have come from the destroyed Sunrise facility.

The TSSA is the lone agency charged with ensuring safety in a range of Ontario industries, including propane facilities which extend from gas stations selling propane for vehicles and barbecues to large-scale distributors.

A list of Toronto's 73 such TSSA-monitored propane sites was released yesterday, including six said to be as big as the Sunrise operation. But visits by The Globe to each of those sites revealed that one company had closed two decades ago, and another two years ago. Three of the sites turned out to be gas stations selling propane in small amounts.

However, other gas stations with comparable tanks, such as the one at 3925 Keele St., are not on the list.

"It's preposterous," Progressive Conservative Leader John Tory said. "The notion they don't even know where these sites are is even more disturbing than the fact they seem to inspect them every three years."

Among the outdated listings was Superior Plus Inc., once the site of a Superior Propane facility that was closed on Oct. 12, 2006, and no longer has propane on site. Another, Lightning Towing, went under 15 or 20 years ago, said Domenic Prochilo of Prochilo Brothers Auto Collision, which occupies the building listed by the TSSA as the home of Lightning Towing. The towing company was once based out of the building, which Mr. Prochilo's family owns, and never used propane, he said.

"Never, never, never was there any propane," he said.

Three gas stations listed as major sites are owned by the same family in Etobicoke. One sits just south of the Gardiner Expressway, next to a hotel and across the street from homes. Its 20-year-old tank, which is eight metres high and circled by 15 cement posts, is not a risk, said

Hardeep Grewal, 23, who manages two of the three stations.

"They've been refurbished. They're still safe," said Mr. Grewal.

Still, residents across the street said they hadn't realized the tank contained propane. "Oh, God, no. It should not be there," said Chan Jagroo, 54. "I would have never, ever thought."

Since 1996, the TSSA has operated at arm's length from the government. But the Small Business Minister says he will re-evaluate that relationship.

Harinder Takhar said he's asked for a list of inspections at large sites. He is waiting to hear what caused the blast before acting, but says changes could be on the horizon.

"So far this arrangement has been pretty effective, other than this incident," he said in an interview. "If that means something needs to change with regards to the TSSA ... we will look at all that."

Mr. Tory, whose party was in office when the TSSA was created but is now the opposition, accused the government of "dithering" after the blast. He wants an immediate inspection of all major propane sites in the province.

New Democrat Peter Kormos wants the TSSA brought back into the government, saying it was the "height of hypocrisy" for the Liberals, who condemned the arm's-length agency while in opposition, to continue the current system.

"It's time for the government to acknowledge that this experimentation, this flirtation with privatization has been a failure," Mr. Kormos said.

A public complaint prompted the TSSA to launch an ad hoc inspection at Sunrise Propane in 2006 in which it found the company was doing truck-to-truck transfers and that at least one truck had a hose hanging improperly. A 2007 inspection again found a hose dangling from a truck. The two incidents were considered minor infractions.

"If we felt those were of sufficient magnitude that required an increased level of actions, then certainly we would have taken them at the time," spokesman David Lisle said. When asked about the list of old addresses, he said: "Business records change on a continuous basis like any data. I know that we make every effort to be as current as possible."

Mr. Takhar said he'd expect the TSSA's information to be accurate.

Meanwhile, homeowners initiated a class-action lawsuit against Sunrise Propane and the City of Toronto yesterday, claiming \$300-million in damages. Lawyers for the homeowners said that the province and the TSSA will also be named, but were by law entitled to 60 days notice, which was issued yesterday.

With reports from Murray Campbell and Kate Hammer

Regulating safety

Ontario's public-safety regulator employs a mix of industry experts whose weighty tasks include enforcing safety codes for everything from elevators to couches to hydrocarbon fuels.

The self-funded Technical Standards and Safety Authority operates at arm's length from the Ministry of Government and Consumer Services. The ministry usually appoints three of 13 directors on the TSSA board.

Current directors include Robert Theberge, Imperial Oil public-affairs manager for Ontario and Quebec; and Rudy Riedl, former president of Enbridge Consumers Gas, in addition to a range

of authorities including a university relations vice-president, the head of a toy company and a nuclear expert.

About half of the TSSA's 330 staffers are field workers. They are among the first responders who investigate events in which hydrocarbon fuels are suspected of being involved. They also deal with the minutiae of everyday inspections to ensure facilities fall in line with the Technical Standards and Safety Act.

Each province has its own propane-regulating body that must adhere to federal and provincial codes. In Ontario and British Columbia, regulated activities come under the umbrellas of third-party organizations: the TSSA and the B.C. Safety Authority.

The TSSA was born when former premier Mike Harris's Progressive Conservative government plunged into the private regulatory domain in 1996, allowing a list of businesses, including travel and real-estate agencies, car dealerships and cemetery operators, to form their own consumer watchdogs.

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