

SKILLED TRADES REGULATION ACT (EXCERPT)
Act 407 of 2016

339.5947 Applicability of article; failure to comply; revocation; audit.

Sec. 947. (1) This article does not apply to or in any city that has a population of 600,000 or more according to the most recent decennial census.

(2) Subject to subsection (3), the requirement to obtain a license or permit under this article to repair a boiler or replace a boiler with a similar unit does not apply to a public utility or industrial plant that repairs and maintains its own boilers in accordance with all of the following:

(a) The boiler, the boiler's external piping, and any nonboiler external piping is owned and operated by the utility or plant.

(b) The utility or plant has in effect a quality program that includes and is governed by a quality manual.

(c) The quality program described in subdivision (b), at a minimum, addresses the necessary subjects relative to the scope of work to be performed, including, but not limited to, repair or replacement of boilers, boiler external piping, and nonboiler external piping.

(d) The content of the quality manual required under subdivision (b) includes all of the following:

(i) A title page that lists the name and complete address of the utility or plant.

(ii) A table of contents page listing the contents of the manual by subject.

(iii) A scope of work statement that clearly indicates the scope of work governed by the quality program.

(iv) A statement of authority reflecting a corporate resolution or policy that recognizes the obligation of the utility or plant to comply with this act at all times and includes the name of the individual who is responsible for and has authority over the scope of work governed by the quality program.

(v) Provisions for making, and issuing revisions to, the quality manual to ensure that the quality program is current with accepted practices and procedures as they are practiced within the utility or plant.

(vi) The method used by the utility or plant to ensure that only acceptable materials, including, but not limited to, acceptable welding materials, are ordered, verified, and identified in storage.

(vii) The method used by the utility or plant for documenting repairs in sufficient detail, including, but not limited to, documentation of both of the following:

(A) The prior acceptance by an inspector who is licensed to inspect boilers in this state of the method to be used for a repair of a boiler or a boiler's external piping.

(B) The individual responsible for notifying the inspector described in this subparagraph of the repair work to be performed on a boiler or a boiler's external piping and for keeping the inspector apprised of the progress of that work.

(viii) A description of the controls used by the utility or plant to ensure that only qualified welding procedures, and only welders qualified to use those procedures, are used for repairs.

(ix) A description of the controls used by the utility or plant for nondestructive examination and heat treatment procedures.

(x) Identification of the methods of examination and testing required by the utility or plant upon the completion of a repair.

(xi) The name of the individual responsible for acceptance of a completed repair.

(xii) Provisions allowing for inspector access to areas where repair work is being performed.

(xiii) The name of the individual responsible for preparing, signing, and presenting forms commonly known as record of welded forms to inspectors and sending those forms to the boiler division of the department.

(xiv) A system for the correction of nonconformities.

(xv) A sample form for each form referenced in the quality manual.

(e) The utility or plant keeps a maintenance record, subject to audit by state inspectors, for each boiler. The maintenance record must contain an adequate description of each abnormal event concerning the boiler, and any modification, repair, hydro test, internal or external inspection, or off-normal operation of the boiler.

(f) The utility or plant contracts with an approved third-party inspection and insurance company for repair work performed on a boiler or a boiler's external piping.

(g) All welders working on boilers or piping under the quality program are employees of the utility or plant.

(h) All welding, heat treatment, nondestructive examination, and testing procedures are qualified in accordance with the applicable code of the American Society of Mechanical Engineers, as determined by the department.

(i) The utility or plant consistently maintains documentation between audits of nonboiler external piping repairs or replacements.

(j) Third-party employees or contractors do not work under the quality program established by the utility or plant as it relates to the installation or repair of boilers.

(k) The utility or plant notifies the boiler division of the department before the utility or plant replaces a boiler.

(l) The utility or plant prepares and files with the boiler division of the department an appropriate record of a welded repair form, signed by an inspector who is licensed to inspect boilers in this state, not more than 180 days after the completion of a welded repair.

(3) A public utility or industrial plant is not exempt under subsection (2) unless the board approves that exemption. Upon board approval of the exemption, the department shall grant the utility or plant an exemption from the licensing and permit requirements of this article for repairs to boilers and boiler piping or the installation of a boiler replacement.

(4) Failure of a public utility or industrial plant to comply with any of the provisions of this section as applicable to that utility or plant is just cause for revocation of the exemption status granted under subsection (3).

(5) To ensure continued compliance with this article and the board's requirements, the chief of the boiler division of the department shall cause an audit of the exemption status granted under subsection (3) to be conducted not less than once every 3 years.

History: 2016, Act 407, Eff. Apr. 4, 2017;—Am. 2020, Act 89, Eff. Sept. 14, 2020.