



TEXAS DEPARTMENT OF LICENSING AND REGULATION

Regulatory Program Management Division/Boiler Program

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BOILER TECHNICAL GRAM

Number: 2018-05

Date: July 12, 2018

To: Authorized Inspectors
Authorized Inspection Agencies
Deputy Inspectors

From: Office of the Chief Boiler Inspector
TDLR, Regulatory Program Management Division
Boiler Program

Subj: Leased Boilers: What They Are (Distinction from Portable/Rental Boilers), How to Enter Them in Jurisdiction Online (JO), and Who is Responsible for Inspecting Them

Leased Boilers are boilers that are installed at a location and are intended for permanent use there. They are not owned by the property owner; rather, the property owner is leasing them from another entity which is the boiler owner. The boiler owner (the person/entity that owns and leases out the boiler) is always responsible for compliance with Texas Boiler Laws and Rules: the boiler owner is responsible for registering, ensuring inspections are conducted, making repairs, paying invoices, etc. Leased boilers are separate and distinct from portable/rental boilers, which are addressed in Boiler Technical Gram 2018-04.

The Location information entered in JO for the leased boiler will be the boiler's location, as usual.

Examples:

- Unregistered boiler, initial inspection:
 - Boiler Owner: Best Boilers, office located at 123 This Way in Austin (owns portable boilers and leases them out)
 - Boiler Inspected at location: LiveHere Apartments, located at 987 That Way in Austin (has long-term boiler needs but decides not to purchase, instead leases a boiler from Best Boilers)
 - Boiler not registered yet, so a Boiler Installation Report (BIR) needs to be submitted by Best Boilers and an Initial Inspection needs to be conducted by the Authorized Inspection Agency (AIA) responsible to Best Boilers (see further discussion below).
 - When the initial inspection is conducted and a TX number assigned, this is how it should be entered into JO:
 - Location Name and Address information: LiveHere Apartments and 987 That Way in Austin, respectively.
 - Owner Information: Best Boilers, 123 This Way in Austin (or another address if different for mailing, home office, etc). THIS MUST BE ENTERED IN JO AS A CONTACT.
 - Invoice Contact: Best Boilers

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- Certificate Contact*: Best Boilers
- Primary Contact: Best Boilers.
- Additionally, when specifying the boiler Use in JO, it is necessary to select the boiler Use type that starts with the word “Leased” – (Leased Hot Water Heating, Leased Hot Water Supply, Leased Power Boiler, or Leased Water Heater).
 - For Hartford Steam Boiler, the fact that this is a leased boiler should be noted in the BLR USE field in the inspection report submitted to TDLR for data entry.
- Registered boiler, subsequent inspection:
 - Best Boilers is responsible for ensuring the boiler is inspected timely.
 - When the Inspection Report is entered, the location remains as the location where the boiler is located.
 - It is **imperative** that Best Boilers contact information is listed as the boiler Owner, the Invoice Contact, the Certificate Contact*, and the Primary Contact.

It is important to note that if there is an AIA that covers boilers for the boiler owner, that AIA is responsible for inspection of the boilers regardless of the boilers’ location. This is in accordance with § 65.61(b) which states, “Boilers shall be inspected by the inspection agency that issued an insurance policy to cover a boiler located in this state, or authorized representative. All other boilers shall be inspected by the department.” This requirement does not specify that a boiler must be associated with a location. As such, if the boiler owner has the boiler covered by an AIA, that AIA is responsible for conducting inspections on the boiler regardless of where the boiler is located, meaning regardless of whether the AIA has coverage for any other boilers owned by the property owner that may be at the location where the boiler is being leased.

*Boilers without a current Certificate of Operation may not be put into operation as per Texas Boiler Law, Texas Health & Safety Code § 755.021. For boilers that have a current Certificate of Operation, that Certificate must be posted at the location where the boiler is in use, in accordance with Texas Boiler Law § 755.029(c). This is true of leased boilers as well as other permanently installed boilers, and the boiler owner must ensure that this requirement is met. Regarding leased boilers, inspectors should bear in mind that the location information on the Certificate of Operation should match the location where the boiler is located.

Any questions regarding this Technical Gram should be addressed to the Chief Boiler Inspector or an Inspection Specialist.

Sincerely,



Robby D. Troutt
Chief Boiler Inspector
TDLR – Boiler Program