

**Liquefied Petroleum Gas Board**  
**Minutes**  
**January 12, 2012**

The Alabama Liquefied Petroleum Gas Board held its regular quarterly Board meeting on January 12, 2012 at 10:00 a.m. at 777 S. Lawrence Street, Montgomery, AL. Those in attendance were Chairman Wayne Caylor, Vice-Chairman Bob Reed, State Fire Marshal Ed Paulk, Benny Gay, Scott Lybarger Board Members, Consumer Advocate Charlene Goolsby, Administrator Mark Nelson, Attorney Bill Garrett, Board Secretary Loretta V. Cook, Inspector Tom Nuffer and Inspection Secretary Rose Johnson. Guests present were Scott Fall of U-Haul, Ken Sexton and Kim Sexton of Acme Propane, Mike Sonntag and Amber Bingham of Amerigas Propane, Andy Wise of Ferrellgas, Ken Coker of Wan Bon Gas, Lisa Fountain and Mike Weeks of the Alabama Propane Gas Association. Public Safety Designee Lt. Todd Till and Board Member Darrel Calhoun were absent. Mr. Garrett arrived at 10:15 a.m. Due to a prior commitment; Mr. Paulk left the meeting at 11:33 a.m.

The Chairman called the meeting to order. The secretary called roll, a quorum being present. Mr. Lybarger gave the invocation.

The Chairman called for a motion to adopt the agenda.

(1) Mr. Paulk made a motion to adopt the agenda as presented. Seconded by Mr. Gay, the ayes were unanimous.

**ELECTION OF OFFICERS**

The Chairman opened the nomination for Chairman.

Mr. Reed nominated Mr. Caylor as Chairman. Mr. Paulk seconded the nomination. The nominations were closed.

Mr. Caylor was elected Chairman by acclamation.

The Chairman opened the nomination for Vice-Chairman. Mr. Paulk nominated Mr. Reed as Vice-Chairman. Mr. Gay seconded the nomination. The nominations were closed.

Mr. Reed was elected Vice-Chairman by acclamation.

**MINUTES OF THE LAST MEETING**

The Chairman called for the approval or disapproval of the minutes of the October 13, 2011 meeting.

(2) Mr. Gay made a motion to approve the minutes of the October 13, 2011 meeting as circulated. Seconded by Mr. Reed, the ayes were unanimous.

**OLD BUSINESS**

Administrator Mark Nelson advised the Board that the Rules and Regulation Committee recommended significant changes to the proposed amendments to Regulation 530-X-2-.04

*Procedures for Liquefied Petroleum Gas Filling Stations*. Mr. Nelson stated that rather than conducting the public hearing with the foreknowledge that significant changes were likely and repeated public notice would be required in accordance with the Alabama Administrative Procedures Act, he recommended withdrawing the petition for adoption of any amendments to the regulation at this time. With changes proposed to the *Code of Alabama, 1975* related to this regulation, Mr. Nelson felt it would be best to wait until legislative efforts were complete before revising the affected regulation to ensure complementary action. After a discussion the following motion was made:

- (3) Mr. Reed made a motion to accept the Administrator's recommendation to withdraw the Petition for adoption of proposed rule 530-X-2-.04 *Procedures for Liquefied Petroleum Gas Filling Stations*. Seconded by Mr. Paulk, the ayes were unanimous.

### **NEW BUSINESS**

Since the proposed amendments to Regulation 530-X-2-04 *Procedures for Liquefied Petroleum Gas Filling Stations* was withdrawn by the petitioner and no public hearing was conducted, formal action or consideration by the Board was no longer necessary.

The Administrator presented a request for a waiver of LP-gas fees on exported LP-gas. Mr. Eric Small of United Propane Gas, Paducah, KY requested that the LP Gas Board not assess the fee or allow United Propane to apply for a refund of fees paid on LP-gas purchased in Alabama then exported out of state. After a discussion the following motion was made:

- (4) Mr. Paulk made a motion to deny the request from United Propane Gas for a waiver of LPG fees on exported LP-gas out of the state of Alabama. Seconded by Mr. Reed, the ayes were unanimous.

The Board discussed proposed legislation changes. After a discussion the following motion was made:

- (5) Mr. Paulk made a motion to approve the work on legislative changes as presented. Seconded by Mr. Reed, the ayes were unanimous.

Mr. Reed commended Administrator Nelson on the work he has done on the proposed legislation.

Settlement Agreement 2012-01 for code violations by a permit holder was presented for Board consideration. After a discussion the following motion was made:

- (6) Mr. Reed made a motion to accept Settlement Agreement 2012-01 for code violations as presented to the Board. Seconded by Mrs. Goolsby, the ayes were unanimous.

The Class B-1 Permit application for Ala-Tenn Propane, Inc., d/b/a Central Alabama Propane, Jasper, AL was presented to the Board. After a discussion the following motion was made:

(7) Mr. Paulk made a motion to approve the Class B-1 permit application for Ala-Tenn Propane, Inc., d/b/a Central Alabama Propane Gas, Inc., Jasper, AL as presented to the Board. Seconded by Mr. Lybarger, the ayes were unanimous.

(Mr. Paulk left the meeting after the vote.)

The Class C Permit application for McGuire Plumbing Company, Inc., Wilsonville, AL was presented to the Board. After a discussion the following motion was made:

(8) Mr. Reed made a motion to deny the Class C Permit application for McGuire Plumbing Company, Inc., Wilsonville, AL. Seconded by Mr. Lybarger, the ayes were unanimous. (There were 4 ayes. Mr. Lybarger, Mrs. Goolsby, Mr. Gay and Mr. Reed voted aye. Mr. Paulk had left the meeting.)

The Class C-2 Permit application for Gateway Pump & Meter, Inc., Lake City, FL was presented to the Board. After a discussion the following motion was made:

(9) Mr. Reed made a motion to approve the Class C-2 permit application as presented to the Board. Seconded by Mrs. Goolsby, the ayes were unanimous.

The Class E Permit application for Gateway Pump & Meter, Inc., Lake City, FL was presented to the Board. After a discussion the following motion was made:

(10) Mr. Reed made a motion to approve the Class E Permit application for Gateway Pump & Meter, Inc., Lake City, FL as presented to the Board. Seconded by Mr. Lybarger, the ayes were unanimous.

#### **ADMINISTRATOR'S REPORT**

The Administrator requested that the list of cancelled permits be entered into the minutes as printed.

(11) Mr. Reed made a motion that the cancelled permits be entered into the minutes as printed. Seconded by Mrs. Goolsby, the ayes were unanimous.

#### **Cancelled Permits**

L & L Propane Gas Company, Inc., Red Bay, AL, Class A Permit No. 148 cancelled effective September 30, 2011. Company has been sold.

L & L Propane Gas Company, Inc., Tuscumbia, AL, Class B-1 Permit No. 53 cancelled effective September 30, 2011. The company has been sold.

Amerigas Propane, Selma, AL, Class B-1 Permit No. 291 cancelled effective October September 30, 2011 at the company's request. The office has been consolidated with Butler County facility.

Propane Gas & Appliance, Dothan, AL, ClassB-1 Permit No. 8 cancelled effective September 30, 2011. The company has been sold.

Propane Gas & Appliance, Geneva, AL, Class B-1 Permit No. 181 cancelled effective September 30, 2011. The company has been sold.

South Alabama Gas, Butler, AL, Class B-1 Permit No. 437 cancelled effective September 30, 2011 at the company's request.

Semstream, L.P., Tulsa, OK, Class B Permit No. 608 cancelled effective October 31, 2011 at the company's request.

Cooperative Propane Inc., Louisville, AL, Class A Permit No. 81 cancelled effective September 30, 2011. The company has been sold.

Cooperative Propane Inc., Montgomery, AL, Class A Permit No. 240 cancelled effective September 30, 2011. The company has been sold.

Cooperative Propane Inc., Opp, AL, Class A Permit No. 231 cancelled effective September 30, 2011. The company has been sold.

Cooperative Propane Inc., Andalusia, AL, Class B-1 Permit No. 534 cancelled effective September 30, 2011. The company has been sold.

Cooperative Propane Inc., Brundidge, AL, Class B-1 Permit No. 394 cancelled effective September 30, 2011. The company has been sold.

Cooperative Propane Inc., Clanton, AL, Class B-1 Permit No. 395 cancelled effective September 30, 2011. The company has been sold and will merge with another branch.

Cooperative Propane Inc., Ozark, AL, Class B-1 Permit No. 410 cancelled effective September 30, 2011. The company has been sold.

Cooperative Propane Inc., Tallassee, AL, Class B-1 Permit No. 398 cancelled effective September 30, 2011. The company has been sold.

Cooperative Propane Inc., Union Springs, AL, Class B-1 Permit No. 400 cancelled effective September 30, 2011. The company has been sold.

Cooperative Propane Inc., Jay, FL, Class B-1 Permit No. 421 cancelled effective September 30, 2011. The company has been sold.

Amerigas Propane Parts & Service, Cullman, AL, Class C Permit No. 313 cancelled effective December 31, 2011 at the company's request.

Amerigas Propane Parts & Service, Theodore, AL, Class C Permit No. 329 cancelled effective December 31, 2011 at the company's request.

Amerigas Propane Parts & Service, Selma, AL, Class C Permit No. 325 cancelled effective December 31, 2011 at the company's request.

Amerigas Propane Parts & Service, Robertsdale, AL, Class C Permit No. 328 cancelled effective December 31, 2011 at the company's request.

Amerigas Propane Parts & Service, Jasper, AL, Class C Permit No. 292 cancelled effective December 31, 2011 at the company's request.

Amerigas Propane Parts & Service, Greenville, AL, Class C Permit No. 317 cancelled effective December 31, 2011 at the company's request.

The Board's objectives and financial position were presented to the Board.

At the end of the fiscal year the fund balance in the LP Regulatory Fund in excess of \$200,000 and the balance in the LP Gas Cash Surety Recovery Fund in excess of \$50, 000, is transferred to the Research Education Advisory Committee Fund. A transfer of \$194,054.07 was made to the REAC fund.

(12) Mr. Reed made a motion to accept the Administrator's Report as presented. Seconded by Mrs. Goolsby, the ayes were unanimous.

Date of the next Board meeting is April 12th, 2012.

(13) Mr. Reed made a motion to pay the Board members expenses. Seconded by Mr. Gay, the ayes were unanimous.

On a motion by Mr. Lybarger and seconded by Mr. Gay, the meeting was adjourned at 11:42 a.m.

BEFORE THE  
ALABAMA LIQUEFIED PETROLEUM GAS BOARD

IN THE MATTER OF

MARENGO PROPANE LLC  
LINDEN, AL "A" PERMIT # 288

Complaint No. 2011 - 05

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**SETTLEMENT AGREEMENT # 2012-01**

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Marengo Propane LLC (hereinafter referred to as "Respondent") hereby stipulates and agrees, subject to ratification by the Alabama Liquefied Petroleum Gas Board (hereinafter referred to as "the Board" to the following:

STIPULATED FACTS

1. The Respondent disconnected and moved another company's LP-gas container and failed to leave the disconnected container on a firm masonry foundation. The Respondent also failed to safely cap or plug the disconnected container's service valve or regulator outlet. In addition, the Respondent extracted propane from the LP-gas container they disconnected without written authorization from the owner of the container.

### STIPULATED CONCLUSIONS OF LAW

Respondent admits to disconnecting an LP-Gas container owned by another company and failing to leave the disconnected container on a firm masonry foundation with the service valve outlet plugged or regulator outlet capped in violation of Alabama Administrative Codes 530-X-2-16(b)(1 & 2). Respondent admits to extracting propane from an LP-Gas container owned by another company without written authorization in violation of Alabama Administrative Code 530-X-2-16(c).

### STIPULATED DISPOSITION

The Board and the Respondent agree that this action will be settled upon the following terms:

1. The Respondent agrees to remit a fine of \$ 2000 to the Board within 30 days of the Board's acceptance of this agreement.
2. The Respondent agrees to serve a one-year probation of Class A Permit # 288, during which time any violation of a Board statute, rule, or regulation will subject said permit to the Board's full pursuit of administrative remedies available under Alabama Law.
3. In consideration of Respondent's full and complete compliance with this Settlement Agreement and the terms hereof, the Board agrees to forego the pursuit of its administrative remedies available under Alabama Law.

4. The Respondent waives his rights pursuant to Ala. Code Sec. 41-22-12; and Ala. Admin. Code Sec. 530-X-1-03 including, but not limited to, the opportunity for a hearing before the Board.
5. This Settlement Agreement shall become effective upon the execution by the parties and upon approval by the Board. Upon approval by the Board, this agreement shall be made a part of the official minutes of the Board's next regularly scheduled meeting. Respondent acknowledges and understands that the official minutes of the Board will be published on the Board's website.
6. Respondent expressly waives all further procedural steps, and expressly waives all rights to seek judicial review or to otherwise challenge or contest the validity of the Settlement Agreement, the stipulated facts, conclusions of law and impositions of discipline herein.

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 2012

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Toulmin Patrick Young, Jr. – Mgr. (Respondent)  
Marengo Propane LLC

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Mark Nelson, Administrator  
Alabama Liquefied Petroleum Gas Board