

**Liquefied Petroleum Gas Board**  
**Minutes**  
**January 11, 2018**

The Alabama Liquefied Petroleum Gas Board held its quarterly board meeting on January 11, 2018 at 10:00 a.m. at Auburn University Montgomery Center for Lifelong Learning, 75 TechnaCenter Drive, Montgomery, AL.

Members Present: Chairman Benny Gay, Dickie Ferguson, Public Service Commission Designee Wallace Jones, State Fire Marshal Scott Pilgreen, Public Safety Designee Lt. Will Wright, Consumer Advocate Elizabeth Barnett and Board Attorney Matt Bledsoe.

Members Absent: Bill Montgomery and Larry Parden.

*(Consumer Advocate Elizabeth Barnett arrived at 10:05 a.m.)*

With a quorum present, the Chairman called the meeting to order and gave the invocation.

The Chairman called for a motion to adopt the agenda.

(1) Mr. Jones moved to adopt the agenda. Seconded by Mr. Ferguson, the ayes were unanimous.

*Copies of meeting packages supplied to board members are retained on file at the Alabama LP-Gas Board office and are available for inspection upon request.*

**Election of Officers**

Chairman Gay opened the nomination for Chairman.

Mr. Ferguson nominated Mr. Montgomery as Chairman. The nominations were closed.

Mr. Montgomery was elected Chairman by acclamation.

*In the absence of the newly elected Chairman and Vice-Chairman, Board Member Gay served as Chair for today's meeting.*

Acting Chairman Benny Gay opened the nomination for Vice-Chairman.

Mr. Ferguson nominated Mr. Parden as Vice-Chairman. The nominations were closed.

Mr. Parden was elected Vice-Chairman by acclamation.

**MINUTES OF THE LAST MEETING**

The Acting Chairman called for the approval of the minutes of the October 12, 2017 meeting.

(2) Mr. Jones moved to approve the minutes of the October 12, 2017 meeting. Seconded by Mr. Ferguson, the ayes were unanimous.

## OLD BUSINESS - NONE

### NEW BUSINESS

A Class B Permit application for Fuel Transporters LLC, Richton, MS was presented.

- (3) Mr. Ferguson moved to approve the Class B Permit application for Fuel Transporters LLC, Richton, MS. Seconded by Mr. Jones, the ayes were unanimous.

A Class B-1 Permit application for Mid-South Propane, Inc., Hazel Green, AL was presented.

- (4) Mr. Jones moved to approve the Class B-1 permit application for Mid-South Propane, Inc., Hazel Green, AL. Seconded by Mr. Pilgreen, the ayes were unanimous.

Nine Class C Permit applications were presented.

- Chimney Pro LLC, Fort Payne, AL
- Gaither LP Gas Service, Houston, AL
- Harvest of the Earth Plumbing Company, LLC, Northport, AL
- Johnson Sales LLC dba Johnston RV Center, Cullman, AL
- Marlin Ingram RV Center LLC, Montgomery, AL
- Metro Services, Inc., Chattanooga, TN
- RV Connections Super Center of Dothan LLC, Dothan, AL
- RYP LLC, Northport AL
- Trinity Plumbing Company LLC, Coker, AL

- (5) Mr. Ferguson moved to approve the nine Class C Permit applications. Seconded by Mrs. Barnett, the ayes were unanimous.

A Class C-2 Permit application for Airgas USA LLC, Bessemer, AL was presented.

- (6) Mrs. Barnett moved to approve the Class C-2 Permit application for Airgas USA LLC, Bessemer, AL. Seconded by Mr. Ferguson, the ayes were unanimous.

A Class D Permit Application for Metro Services, Inc., Chattanooga, TN was presented.

- (7) Mr. Ferguson moved to approve the Class D Permit application for Metro Services, Inc., Chattanooga, TN. Seconded by Mrs. Barnett, the ayes were unanimous.

Four Class F Permit applications were presented.

- Blackbelt Hardware & Outdoors LLC, Marion, AL
- Johnston Sales LLC dba Johnston RV Center/Cullman, Cullman, AL
- PM Hardy LLC dba Cowan Creek Resort, Centre, AL
- RV Connections Super Center of Dothan LLC, Dothan, AL

- (8) Mr. Ferguson moved to approve the four Class F Permit applications. Seconded by Mr. Pilgreen, the ayes were unanimous.

A Class F-1 Permit application for Dennis Welding Supply, Inc., Montgomery, AL was presented.

- (9) Mr. Jones moved to approve the Class F-1 Permit application for Dennis Welding Supply, Inc., Montgomery, AL. Seconded by Mrs. Barnett, the ayes were unanimous.

#### **CODE VIOLATION SETTLEMENT AGREEMENTS**

Settlement Agreement 2018-01 for code violations was presented for approval.

- (10) Mrs. Barnett moved to accept Settlement Agreement 2018-01. Seconded by Mr. Ferguson, the ayes were unanimous.

Settlement Agreement 2018-02 for code violations was presented for approval.

- (11) Mr. Jones moved to accept Settlement Agreement 2018-02. Seconded by Mr. Pilgreen, the ayes were unanimous.

#### **ATTORNEY GENERAL'S OPINION ON LPG FEE INCREASES/DECREASES**

*Code of Alabama 9-17-106(j) Any supplier who sells liquefied petroleum gas to any marketer or any end user in the state or who delivers or causes to be delivered liquefied petroleum gas to any point in the state, shall report to the board all sales by the twentieth of the month following the month in which the sales are made. Each supplier shall add to each individual sales invoice an LP-gas fee not to exceed one-half of one cent per gallon. This fee shall be submitted to the board only once per gallon. Each supplier shall remit to the board all LP-gas fees due with the required monthly reporting form provided by the board. The board may lower or raise the LP-gas fee imposed by this article. At no time may the board raise the LP-gas fee imposed by this article above the rate of one-half of one cent per gallon.*

With particular emphasis on the underlined portion of code above, **is the Alabama Liquefied Petroleum Gas Board authorized to lower or raise the LP-gas fee at a meeting scheduled in accordance with the Alabama Open Meetings Act or must the board go through the rule-making process pursuant to the Alabama Administrative Procedure Act?**

- (12) Mr. Jones moved to request a formal Alabama Attorney General Opinion on the question presented related to the raising or lowering of the LP-gas fee by the board. Seconded by Mr. Ferguson, the ayes were unanimous.

#### **TESTING SPACE LEASE**

The Administrator presented a lease for office space from the State of Alabama Department of Finance, Division of Risk Management-State Insurance Fund for use as an examination site for industry employees.

- (13) Mrs. Barnett moved to approve the State of Alabama Department of Finance, Division of Risk Management-State Insurance Fund's lease for office space. Seconded by Mr. Ferguson, the ayes were unanimous.

## ADMINISTRATOR'S REPORT

The Administrator presented the following permits for cancellation:

- Airgas USA LLC/Birmingham, AL, Class F-1 Permit No. 203, cancelled at the company's request.
- Alvin Barron LLC dba Hoke Bluff Recycling, Piedmont, AL, Class F Permit No. 295. Cancelled at the company's request.
- Amerigas dba Blount Count Propane, Oneonta, AL, Class B-1 Permit No. 661. Cancelled at the company's request.
- Amerigas Propane/Troy, AL, Class B-1 Permit No. 563. Cancelled at the company's request.
- Atmore Appliance LLC, Atmore, AL, Class F Permit No. 332, non-renewal of permit.
- Beatrice's Extra Room, Phenix City, AL, Class F Permit No. 592. Cancelled at the company's request.
- Cash Heating & Cooling, Boaz, AL, Class C Permit No. 171, cancelled due to expiration of insurance.
- Four Star Oil & Gas Company, San Ramaon, CA Class B Permit No. 133. Cancelled at the company's request.
- H & W Tank Testing, Alexandria, AL, Class G-2 Permit No. 114, cancelled due to expired insurance and non-renewal of permit.
- Nue Energy LLC dba A-1 Propane LLC, Scott, LA, Class A Permit No. 290. Business sold to Fair Propane Gas System, Inc. effective September 29, 2017.
- Orange Beach Hardware Inc., Orange Beach, AL, Class F Permit No. 589, Business sold.
- Suburban Propane, L.P. dba Dowdle Gas/Abbeville, AL, Class B-1 Permit No. 617. Cancelled at the company's request.
- Suburban Propane, L.P. dba Dowdle Gas/Alexander City, AL, Class B-1 Permit No. 619. Cancelled at the company's request.
- Suburban Propane, L.P. dba Dowdle Gas/Demopolis, AL, Class B-1 Permit No. 627. Cancelled at the company's request.
- Suburban Propane, L.P. dba Dowdle Gas/Greensboro, AL, Class B-1 Permit No. 632. Cancelled at the company's request.

- Suburban Propane, L.P. dba Dowdle Gas/Opelika, AL, Class B-1 Permit No. 637. Cancelled at the company's request.
- Suburban Propane, L.P. dba Dowdle Gas/Troy, AL, Class B-1 Permit No. 642. Cancelled at the company's request.
- Suburban Propane, L.P. dba Dowdle Gas/York, AL, Class B-1 Permit No. 646. Cancelled at the company's request.

The board's financial position was presented by the Administrator.

(14) Mrs. Barnett moved to accept the Administrator's Report as presented. Seconded by Mr. Ferguson, the ayes were unanimous.

Date of the next board meeting is April 12, 2018.

(15) Mrs. Barnett moved to pay the board members' expenses. Seconded by Mr. Ferguson, the ayes were unanimous.

The meeting was adjourned at 10:24 a.m.



## ALABAMA LIQUEFIED PETROLEUM GAS BOARD

777 S. Lawrence Street, Suite 100  
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FAX (334) 240-3255  
P.O. BOX 1742

MONTGOMERY, ALABAMA 36102-1742

W. MARK NELSON  
ADMINISTRATOR

LORETTA VEASLEY COOK  
EXECUTIVE ASSISTANT

BEFORE THE  
ALABAMA LIQUEFIED PETROLEUM GAS BOARD

IN THE MATTER OF:

Mid-South Propane / Florence, AL  
Permit "B-1" # 671  
Code Violations

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### **SETTLEMENT AGREEMENT 2018-01**

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Mid-South Propane in Florence, AL (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. Respondent extracted propane from a container owned by another company without written authorization (Offenses 1).

#### STIPULATED CONCLUSIONS OF LAW

1. Respondent admits extracting propane from another company's tank without permission or 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 \$ 1000 to the Board within 30 days of the Board's acceptance of this agreement.
2. 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, including Ala. Code §9-17-108(b).

3. 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.
4. 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.
5. 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 21 day of Dec., 2017



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Jacky Scott, Respondent  
Mid-South Propane  
Detroit, AL



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Mark Nelson, Administrator  
Alabama Liquefied Petroleum Gas Board



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W. MARK NELSON  
ADMINISTRATOR

LORETTA VEASLEY COOK  
EXECUTIVE ASSISTANT

### BEFORE THE ALABAMA LIQUEFIED PETROLEUM GAS BOARD

IN THE MATTER OF:

Suburban Propane / Huntsville, AL  
Permit "B-1" # 610  
Code Violations

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#### **SETTLEMENT AGREEMENT 2018-02**

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Suburban Propane in Huntsville, AL (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. Respondent supplied LP-gas to a cylinder filling station that did not possess the required Class F permit (Offenses 1).

#### STIPULATED CONCLUSIONS OF LAW

1. Respondent admits supplying LP-gas to a cylinder filling station that did not possess the required Class F permit in violation of *Code of Alabama 9-17-105 (b)(3)*.

#### 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 \$ 1000 to the Board within 30 days of the Board's acceptance of this agreement.



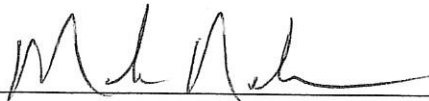
2. In consideration of Respondent's full and complete compliance with this Settlement Agreement and the terms hereof, the Board agrees to forego the pursuit of its administrative remedies available under Alabama Law, including Ala. Code §9-17-108(b).
3. The Respondent waives his rights pursuant to Ala. 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.
4. 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.
5. 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 21<sup>st</sup> day of DECEMBER, 2017



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Ken Watson, Respondent  
CSC Manager  
Suburban Propane, Huntsville, AL



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Mark Nelson, Administrator  
Alabama Liquefied Petroleum Gas Board