

MISSISSIPPI DEPARTMENT OF INSURANCE
LIQUEFIED COMPRESSED GAS DIVISION

GUIDELINES AND PROCEDURES

The purpose of these guidelines and procedures is to set forth rules and procedural requirements which the Commissioner of Insurance deems necessary to carry out the provisions of the Liquefied Compressed Gas Equipment Inspection Law Miss. Code Ann. §75-57-1 et seq., and to protect the public interest and safety of the citizens of the State of Mississippi.

I. PERMITS AND INSURANCE

1. Before any person shall be granted a permit as a distributor or installer, either at wholesale or retail, he shall satisfy the State Liquefied Compressed Gas Board that he has sufficient insurance coverage as required by law and a copy of said policy shall be filed with the Liquefied Compressed Gas Division with the application for permit and a copy of a policy shall be filed with the Liquefied Compressed Gas Division each year thereafter as long as the permit is in effect. No permit shall be issued that does not have a copy of the insurance policy attached to it. In the event coverage is cancelled or the insurer goes bankrupt or is sold, a distributor or installer shall file evidence of new coverage and failure to do so may result in a fine or a permit being suspended or cancelled until such time that new coverage has been obtained and proof supplied to the Liquefied Compressed Gas Division.

2. Before any person, firm or corporation shall enter the Liquefied Compressed Gas business as a distributor who plans to make retail or wholesale tank truck deliveries to consumers, and before a permit may be granted, such person, firm or corporation shall locate, within the State of Mississippi, a propane storage container of not less than 14,000 water gallons capacity and an aggregate total of propane storage containers of not less than 30,000 water gallons capacity for each permit granted. Before a permit is issued, a State Liquefied Compressed Gas Inspector shall inspect the facility to verify that the required storage capacity has been met by the applicant.

3. Any liquefied compressed gas dealer, or other person may apply to the Liquefied Compressed Gas Board to take an examination to qualify as an installer. The test shall be sufficient to test the knowledge of the applicant as to his qualifications for installing, repairing, altering, etc., equipment used in the handling of liquefied compressed gases and of his knowledge of the handling and storage of such gases.

II. INSPECTORS

A. JOB DUTIES

1. Inspectors shall investigate accidents and complaints which involve liquefied compressed gas systems, containers, equipment, vehicles or personnel and submit all necessary reports.
2. Inspectors will conduct all Liquefied Compressed Gas Division driver and installer

testing and licensing in their assigned territory.

3. Inspectors will inspect all schools using propane gas on a yearly basis and inspect all installation reports where the public meets or gathers.
4. Inspectors will prepare and submit daily and monthly field reports and expense vouchers.
5. Inspectors will submit completed reports on all dealers in their assigned territory. The report shall include: (a) conduct safety meetings on Mississippi Code, Section 75-57-1 thru 75-57-119, NFPA 54 and NFPA 58 and Mississippi Liquefied Compressed Gas Rules and Regulations; (b) inspection of all transport/cargo vehicles for each LC-Gas Branch location; (c) inspection of all LC-Gas Dealer bulk plants; (d) check "out of gas" procedures; (f) inspect a minimum of 30 or more installation reports per month; (g) "call on" LC-Gas dealers in assigned territory; (h) inspection of all dispensing stations and/or cylinder exchange locations in assigned territory; (i) support agency policies, plans and decisions as well as promote and support high standards of confidentiality.

B. INSPECTIONS

1. Any installer or other person who shall connect, install, change, alter or repair any liquefied compressed gas or compressed natural gas system, container or appliance, or any piping or fittings connected with or attached thereto, shall within fifteen (15) days after the completion thereof, give notice to the State Liquefied Compressed Gas Board, in writing, on forms to be provided by the State Liquefied Compressed Gas Board that such installation, repair, connection or alteration has taken place with full details thereof. The Commissioner of Insurance, or his designee, shall at his discretion, cause the same to be inspected, and if approved, a written certificate of approval will be issued. If not approved, the inspector shall report such fact to the distributor or installer making the installation and request that the corrections be made within seventy-two (72) hours after the time of such inspection. If not, the inspector shall notify the Commissioner of Insurance, who shall then call for a hearing to determine whether the installer should be fined and/or his license suspended or revoked.

2. All metering equipment in delivery vehicles of liquefied compressed gas shall be calibrated to an accuracy of a plus or minus tolerance of two (2%) percent at least once a year. All retail stationary dispensing equipment with dispensing capabilities of less than fifty (50) gallons per minute shall be calibrated to an accuracy of a plus or minus tolerance of two (2%) percent every two (2) years. Prior to making any calibration, all dealers must inform the LC Gas Division so that an inspector shall have the opportunity to be present at the time that the calibration is performed, whether by the dealer or by a licensed independent company. Certificates showing such calibration shall be kept at the dealer's place of business where the trucks are located and maintained and shall be presented upon demand of the Commissioner of Insurance, or his designated appointee, for inspection by the board. If an inspector finds that the dealer does not have such certification, he shall be given seventy-two (72) hours in which to have said dispensing equipment calibrated, or will then be shut down until such calibration is completed. If the certification is not obtained within seventy-two (72) hours after the time of such inspection, the Commissioner of Insurance shall be notified, who shall then call for a hearing to determine whether the dealer should be fined and/or his

license suspended or revoked.

3. Any dealer that operates or delivers liquefied compressed gas to a service station, rv park or other facility shall be responsible for the training of all persons who fill liquefied compressed containers. Any violation of this provision shall make said dealer subject to a hearing before the Commissioner of Insurance to determine whether the dealer should be fined and/or his license suspended or revoked.

III. PROPANE EDUCATION AND RESEARCH FUND

The Mississippi Propane Education and Research Grant Fund allows for expenditure of monies for research and development of more cost effective uses of propane and on educational and safety programs. The fund request shall be filled out thoroughly with a detailed statement of the project attached to the Form and presented to the Board 30 days prior to the next Board meeting. If granted and completed, the fund applicant shall provide a Final Report to the Liquefied Compressed Board detailing exactly how said proceeds were spent, a detailed statement of projected and actual costs, specific information on amounts actually spent on direct costs, salaries, overhead and any subcontractor costs, fees or expenses. Any funds not spent on the project shall be refunded to the PERC Fund. In addition, the Final Report shall also describe the results of the project, and whether project goals and objectives were met.

IV. PROTOCOL FOR LC GAS FIRE INVESTIGATIONS

MISSION STATEMENTS

The mission of the Office of the State Fire Marshal (SFMO) is to foster, promote and develop ways and means of protecting life and property from fire and related perils through direct action and coordination with Mississippi Fire and Law Enforcement Services. The SFMO is charged with the duties of fire investigation, enforcement of the Mississippi Fire Prevention Code, implementation of the rules and regulations of the Uniform Standards Code for Factory-Built Homes Law, and establishment and maintenance of the Fire Damage Registry.

The mission of the LC Gas Division is to enforce the laws and regulations regarding liquefied compressed gases located within Mississippi. All domestic, commercial and industrial premises or buildings where liquefied compressed gases may be received, stored, transported, sold, offered or exposed for sale, manufactured, refined, distilled, compounded or blended, as well as any liquefied compressed gas container, system, pump, equipment, tank car, storage tank, or other vehicle in which any liquefied compressed gas is stored, will be subject to regular inspections under this program. (Section 75-57-1 through 75-57-119 MS Code).

HISTORY

In 1982 the Liquefied Compressed Gas Equipment Inspection Law of Mississippi was transferred from the State Tax Commission to the Commissioner of Insurance under Section 75-57-2 MS Code. The statutory authority of the LC Gas Division is under Section 75-57-3 MS Code entitled: **General powers and duties of Commissioner of Insurance**, which states:

The Commissioner of Insurance is vested with the sole and exclusive power and authority and is charged with the duty of administering this chapter, and the State Liquefied Compressed Gas Board shall have the authority to establish and enforce reasonable rules and regulations, not inconsistent with the provisions hereof, for the purpose of carrying out the provisions of this chapter. For the purpose of administering the provisions hereof, the Commissioner of Insurance is empowered to employ such field inspectors as are necessary to the proper discharge of his duties under this chapter. The Commissioner of Insurance and his agents and employees shall have full access, ingress and egress, at all reasonable hours, to any of the premises of buildings where liquefied compressed gases may be received, stored, transported, sold, offered or exposed for sale, manufactured, refined, distilled, compounded or blended. The Commissioner of Insurance and his agents and employees shall have the right to check and inspect any liquefied compressed gas container, system, pump, equipment, tank car, storage tank, or vehicle in which any liquefied compressed gas is present, or it has reason to believe it present, and the Commissioner of Insurance and his agents and employees shall have the authority to take samples not exceeding one (1) gallon for analysis. The Commissioner of Insurance and his agents and employees shall have full authority to inspect any vehicle, equipment or system where it has reason to believe that the vehicle, equipment or system operates by the use of, or is equipped to operate by the use of, liquefied compressed gases.

The LC Gas Division's primary responsibility is to enforce the two (2) National Fire Protection Association Standards, NFPA 54 and NFPA 58, that regulate LC gas and all laws as set forth under Sections 75-57-1 through 75-57-119 MS Code 1972 Annotated. The NFPA Standards address installation of gas systems, piping systems, maintenance, inspection, testing, safety procedures regarding liquefied compressed gas. The LC Gas Division should coordinate its investigations with the State Fire Marshal's Office when it is suspected that LC gas is the cause.

INVESTIGATIVE PROCEDURES

To insure that all fires are properly investigated, the following guidelines shall be followed:

1. All fires reported to the Mississippi Insurance Department (MID), shall be directed to the State Fire Marshal's Office.
2. The State Chief Deputy Fire Marshal will evaluate the facts and circumstances of all fires and determine how the fire investigation will be conducted.
3. Where the State Chief Deputy Fire Marshal, or his deputies, suspect LC gas as the cause of the fire, the LC Gas Director will be notified. The LC gas system will be tested and inspected by an LC gas inspector to verify that the gas system was installed and operating in accordance with NFPA 54 & NFPA 58.
4. When a fire is under investigation by the State Fire Marshal's Office, the LC Gas Division will coordinate all their activities through the State Fire Marshal's Office.

5. The role of the State Chief Deputy State Fire Marshal, or his deputies, is to investigate the cause of every fire called to the attention of the Mississippi Insurance Department (MID) and to establish the point of origin and cause of each such fire.
6. The role of the LC Gas Division is to verify all LC Gas systems, installations, and companies doing business in the State of Mississippi are in compliance with the National Fuel Gas Code, NFPA 54 and LP-Gas Code NFPA 58 and all laws set forth under Section 75-57-1 through 75-57-119 MS Code 1972 Annotated.

V. EFFECTIVE DATE

The policies and procedures set forth in this document are effective this the 4th day of January 2009.


MIKE CHANEY
COMMISSIONER OF INSURANCE