

**STATE OF MISSISSIPPI  
MISSISSIPPI INSURANCE DEPARTMENT  
LIQUEFIED COMPRESSED GAS BOARD**

**IN RE: AMARJIT REKHI  
DBA SOUTHLAND GROCERY & GAS COMPANY**

**FINDINGS OF FACT, CONCLUSIONS OF LAW AND  
FINAL ADMINISTRATIVE ORDER**

**THIS MATTER** came for hearing before the State Liquefied Compressed Gas Board (“Board”), on September 12, 2013, in the offices of the State Fire Academy in Pearl, Rankin County, Mississippi, on the Notice of Hearing and Statement of Charges against Amarjit Rekhi dba Southland Grocery & Gas Company (Southland). Southland was represented by Mr. Rekhi in the hearing. The Board, finding that it has jurisdiction over the parties and the subject matter (Exhibit S-1), in accordance with MID Regulation 88-101, and being fully advised in the premises, makes the following findings of fact and conclusions of law:

**AUTHORITY**

The hearing was held pursuant to Miss Code Ann § 75-57-101, *et seq.*, (Rev. 2012), providing for the promulgation and enforcement of regulations by the State Liquefied Compressed Gas Board, and specifically under Miss. Code Ann. § 75-57-107 (Rev. 2012) which provides that the Board is authorized to impose monetary penalties and take other disciplinary action

**FINDINGS OF FACT**

1.

Based upon an investigation conducted by LC Gas Inspector Faye Killebrew, (Exhibits S-2 to S-12), the Board found that Southland, in an ongoing basis for at least the past five years, violated the following Mississippi Insurance Department Rules & Regulations:

Charge #	Code Violation	Section	Description	Evidence
1	NFPA 58	6.4.5.2	Loose or piled combustible materials and weeds and long dry grass shall be separated from containers by a minimum of 10 ft.	S-2, S-3, S-4, S-5
2	NFPA 58	6.6.1.4	Aboveground containers shall be painted	S-6, S-7
3	NFPA 58	6.24.3.9	An identified and accessible remote emergency shutoff device for either the internal valve or the emergency shutoff valve required by 6.24.3.8(1) or (2) shall be installed not less than 3 feet or more than 100 ft. from the liquid transfer point.	S-7, S-8
4	NFPA 58	6.25.4.4	Emergency controls shall be conspicuously marked, and the controls shall be located so as to be readily accessible in emergencies.	S-7, S-8
5	NFPA 58	7.2.3.1	Public access to areas where LP-Gas is stored and transferred shall be prohibited except where necessary for the conduct of normal business activities.	S-9, S-10
6	MS Code	75-57-33	Cylinders with a water capacity of less than 250 pounds shall be charged "by weight" with liquefied petroleum gas only at bulk storage or cylinder filling plants and not from mobile units such as trucks...	S-11
7	NFPA 58	7.4.4.1	An overfilling prevention device shall not be the primary means to determine when a cylinder is filled to the maximum allowable filling limit.	S-11

2.

Ms. Killebrew further testified that based on her visual inspection Southland had corrected the violations listed above as of the morning of the hearing.

3.

Southland submitted pictures, Exhibits R-1 through R-32, showing that they had corrected the discrepancies since the July 10<sup>th</sup> investigation. They also testified that since the original owner passed away, approximately one year ago, they did not use the bottling plant that often.

Upon questioning, Southland affirmed the tank is owned by Amerigas and is in the original condition as received from them with no maintenance on it since that time.

**CONCLUSIONS OF LAW**

4.

Per Miss. Code Ann. § 75-57-9, Standards of the National Fuel Gas Code as published by the National Fire Protection Association NFPA-54; standards for the Storage and handling of Liquefied Petroleum Gas as published by the National Fire Protection Association NFPA-58; (among other national codes and standards specified therein) are adopted by reference as specifications for the purpose of material standards, construction, handling, transportation and installation of all liquefied compressed gas systems and inspection and operation of pressure vessels. Consequently, a violation of the provisions of NFPA-54 and NFPA-58 constitute violations of Miss. Code Ann. §75-57-9.

5.

Southland violated Miss. Code Ann. § 75-57-9 by failing to meet the above standards as set forth in Charges 1 through 7.

6.

The aforementioned violations by Southland constitute sufficient grounds for the imposition of disciplinary action per Miss. Code Ann. §§ 75-57-105 & 75-57-107.

**FINAL ADMINISTRATIVE ORDER**

**IT IS ORDERED** that:

- (a) The Southland LC Gas Bottle Plant is to immediately cease operations.
- (b) Southland may apply to receive a new permit in accordance with the standard

application procedures no earlier than the next scheduled meeting of the LC Gas Board. At that time the Board may authorize Southland to re-commence operations if all requirements are met.

- (c) A monetary penalty of One Thousand Dollars (\$1,000.00) is imposed on Southland of which Seven Hundred and Fifty Dollars (\$750.00) of that penalty shall be suspended for one year from the date of this order. Should Southland fail to comply with the Mississippi Rules and Regulations for which it is cited herein during that time, it shall be noticed for an additional hearing and the suspended monetary penalty shall immediately become due and payable to the Mississippi Insurance Department. The remainder of Two Hundred and Fifty Dollar (\$250) penalty shall be payable to the Mississippi Insurance Department, within thirty (30) days of this Order.

**SO ORDERED**, this the 18<sup>TH</sup> day of September, 2013.



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**ROB LOVE, CHAIRMAN**  
**LIQUEFIED COMPRESSED GAS BOARD**

**APPROVED BY:**



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**MIKE CHANEY**  
**COMMISSIONER OF INSURANCE**

Prepared by:



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John W. Eads  
Special Assistant Attorney General