STATE OF MISSISSIPPI MISSISSIPPI INSURANCE DEPARTMENT LIQUEFIED COMPRESSED GAS BOARD

IN RE:

BLOSSMAN GAS, INC.

FINDINGS OF FACT, CONCLUSIONS OF LAW AND FINAL ADMINSTRATIVE ORDER

THIS MATTER came for hearing before the State Liquefied Compressed Gas Board ("Board"), on September 10, 2015, in the offices of the State Fire Academy in Pearl, Rankin County, Mississippi, on the Notice of Hearing and Statement of Charges against Blossman Gas, Inc., Permit No. 966 (Blossman). Blossman was represented by Mr. Kevin Baylot, Office Manager, Florence, MS and Mr. Scott Sturdivant, Regional Manager, Gulfport, MS. The Board finding that it has jurisdiction over the parties and the subject matter (Exhibits S-9, and S-10) and being fully advised in the premises makes the following Findings of Fact and Conclusions of Law.

FINDINGS OF FACT

1.

L.C. Gas Division Supervisor/Inspector, Southern District, Paye Killebrew (Killebrew) conducted an investigation after receiving a complaint from Lampton-Love, Richland, MS., dated June 5, 2015, that one of their tanks was filled by Blossman. (Exhibit S-3)

2.

Killebrew confirmed that the tank was originally leased by Lampton-Love to Mr. Bert Kemp. (Exhibit S-1) Mr. Kemp sold the residence to Edward and Connie Arrington. The Arrington's ordered gas from Blossman and received deliveries from Blossman on November 14, 2014, November 17, 2014, January 14, 2015 and March 6, 2015. (Exhibits S-4, S-5, S-6)

When Lampton-Love learned about the problem they arranged for the Arrington's to sign an agreement for the use of their tank. (Exhibit S-2)

4.

The tank is tagged with an affixed Lampton-Love business card. (Exhibit S-7, S-8)

5.

Killebrew contacted Blossman and confirmed that Blossman delivered gas to the Arringtons and did not conduct an interruption of service, first-time service Leak Check on the tank. (Testimony)

6.

Blossman submitted the Lampton-Love tag was not clearly visible due to the way it hung on the tank. (Exhibits D-1, D-2, D-3)

7.

Blossman admits that they continued to fuel the tank as the Arrington's requested as a current account even though it was a first-time service to a tank at a new location. Blossman is changing their procedures to ensure that accounts at new locations will be treated as new thereby requiring a leak check to be conducted. (Testimony)

CONCLUSIONS OF LAW

8.

Per Miss. Code Ann. § 75-57-9, National Fire Protection Association NFPA-54 and 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, violations of the provisions of NFPA-54 and/or NFPA-58 constitute a violation of Miss. Code Ann. §75-57-9.

9,

Blossman violated Mississippi Insurance Department Regulation 2011-2, "Handling of Liquefied Compressed Gas", Section 4, by filling tanks owned by another dealer without written authorization.

10.

Blossman violated Mississippi Insurance Department Bulletin 2010-4, "Leak Checks", Paragraph I, and NFPA Rule 54, Section 8.2.3 by failing to perform leak checks on any interruption of service to an existing system or first time service to a new customer.

11.

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

FINAL ADMINSTRATIVE ORDER

IT IS ORDERED that:

A monetary penalty of Five Hundred Dollars (\$500.00) is imposed on Blossman for violating Mississippi Insurance Department Regulation 2011-2, "Handling of Liquefied Compressed Gas" for filling tanks owned by another dealer without authorization. This fine shall be suspended for one year from the date of this order. If Blossman is charged with and found guilty of any additional violation of Mississippi Insurance Department Bulletin 2011-2 the entire fine shall be immediately due and payable in addition to any new violations.

A monetary penalty of One Thousand Dollars (\$1,000.00) is imposed on Blossman for violating Mississippi Insurance Department Bulletin 2010-4 and NFPA Rule 54, Section 8.2.3 by

failing to perform Leak Checks on any interruption of service to an existing system or first time service to a new customer. Five Hundred Dollars (\$500.00) of that fine shall be suspended for one year from the date of this order. If Blossman is charged with and found guilty of any additional violation of Mississippi Insurance Department Bulletin 2010-4 and NFPA Rule 54, Section 8.2.3 the remainder of the fine shall be immediately due and payable in addition to any new violations. The remaining penalty of Five Hundred Dollars (\$500.00) is due and payable to the Mississippi Insurance Department within thirty (30) days of receipt of this Order.

Blossman shall notify the Board when it has completed changing its procedures to ensure that accounts at new locations will be treated as new thereby requiring leak checks.

SO ORDERED, this the 25 day of September, 2015.

BOB KIMBROUGH, CHAIRMAN PRO TEM LIQUEFIED COMPRESSED GAS BOARD

APPROVED BY:

VIIKE CHANEY

COMMISSIONER OF INSURANCE

Prepared by

John W. Eads

Special Assistant Attorney General