

MINUTES
DEPARTMENT OF PUBLIC SAFETY
LIQUEFIED PETROLEUM GAS COMMISSION
WEDNESDAY, SEPTEMBER 28, 2011

The Liquefied Petroleum Gas Commission held its regular meeting at 2:00 p.m. Wednesday, September 28, 2011 at 7919 Independence Blvd., Conference Room B, Baton Rouge, Louisiana.

The meeting was called to order by the Chairman, Mr. James Hopson, with the following members present:

Mrs. Carol Ann Cleveland, Vice-Chairman
Mr. Charles Cain, Commissioner
Mr. Henry "Darty" Smith, Commissioner
Major Adam White
Attorney Paul Schexnayder
Attorney Melinda Long

Present also was John W. Alario, Executive Director, and various industry representatives.

On motion by, Mr. Cain seconded by Mrs. Cleveland, the minutes of the August 24, 2011 meeting was adopted as transcribed and the register of attendance was signed.

The latest expenditure and revenue reports ending August 31, 2011 were reviewed.

The statistical reports for the period ending August 31, 2011 were reviewed.

The accounting total reports for August 2010 and August 2011 were reviewed.

Report of fires and accidents for August 2011 were reviewed.

The compliance audits for August 2011 were reviewed.

Dates for the next meetings were set for October 26th and October 27th in Delhi, La

2012 Commission meeting dates were tentatively set:

JANUARY 25TH & JANUARY 26TH
FEBRUARY 15TH & FEBRUARY 16TH
MARCH 21ST & MARCH 22ND
APRIL 25TH & APRIL 26TH
MAY 16TH & MAY 17TH
JUNE 20TH & JUNE 21ST
JULY 18TH & JULY 19TH
AUGUST 29TH & AUGUST 30TH
SEPTEMBER 26TH & SEPTEMBER 27TH
OCTOBER 24TH & OCTOBER 25TH
NOVEMBER 14TH & NOVEMBER 15TH
DECEMBER 19TH & DECEMBER 20TH

Mr. Alario informed the Commission that he would make the following citations for appearance at the October 2011 meeting and that others may be added prior to distribution of the AD letter:

1. **Citations – Regular –**
None as of September 26, 2011
2. **Citations – Insurance –**
None as of September 26, 2011
3. **Citations – Permit Renewals –**
None as of September 26, 2011

Mr. Alario presented the Commission with the Market Development Fund (MDF) balance of **\$913,937.97** as of August 31, 2011.

Commission Legislation and/or Rule Changes: Attorney Melinda Long informed the Commission that she is expecting to have the changes by the October meeting.

Open Discussion by Executive Director: According to Mr. Alario, approximately, \$10,000.00 has been issued this month in rebates. This has been the biggest month in rebates issued. Since the Rebate Program started, approximately \$30,000.00 has been issued. The October meeting will be held in Delhi, La. Mr. Alario extended an invitation to the various Industry members in the surrounding area. He also informed the Commission that Miss Louisiana is scheduled to attend the meeting on Wednesday. Violations and ratifications in north Louisiana will be heard at that time.

Ms. Jessica Bennett, President of the Louisiana Propane and Gas Association (LPGA) and Mr. Randy Hayden addressed the Commission regarding the Industry's interest with access to the new National Fire Protection Association (NFPA) codes. They would like to obtain a brief summary with any rule changes the Commission may put in place before the NFPA codes are adopted. According to Mr. Alario, once the rule changes are finalized, it will coincide with the new NFPA codes. Current exemptions will continue to be in place. Operation will be the same until something breaks. If it has to be replaced they have to read the new codes. But it is the dealer's responsibility to familiarize themselves with the new codes. Ms. Bennett agreed that it is the dealer's responsibility to read the new codes. However, their main concern is what constitutes if something breaks. Dealers would like to go line by line with the rule changes and compare the changes to the editions. She also stated that they would like to obtain a copy of the rule changes that will be in place by the Commission in order to review each change. She also said Industry members would like the opportunity to address the Commission with any issues relating to the rule changes. Mr. Alario explained the process for posting the rule changes to the Register. The changes will be posted for 60 days. At the end of the 60 day period, if there are any issues it will be addressed. If there are no issues, the changes automatically go into effect. He also stated if the rule changes are complete by the October meeting, copies will be provided. Attorney Melinda Long further explained the procedures to post changes to the Register. Inspectors Terry McClain and Chad Ledet approached the Commission with their comments regarding the rule changes. Inspector McClain stated that he have not received any feedback from anyone in the Industry. He also commented on some of the changes he has indentified in the current NFPA editions that will directly impact the dealers. He further emphasized the importance of the dealers reading the

current editions adopted by the Commission. Inspector McLain suggested the dealers provide some feedback if they have any concerns that have not been addressed with the new editions. He also highlighted some of the changes he has noticed in the NFPA but he also believes it is important for the dealers to become familiar with the new codes. Mr. Hayden asked Inspector McLain his procedure for making his recommendations known. Inspector McLain stated that he and Inspector Ledet have taken their experience to go through the editions that are unique to Louisiana and they have made exceptions. Most of the rule changes that they have recommended are from a clerical standpoint and ensuring that the numbers coincide with the new editions that have been adopted. Inspectors McLain and Ledet believe that the dealers should provide a few recommendations because there are changes in the new editions that will directly impact the Industry. Inspector McLain does not believe the responsibility is solely for the inspectors to identify those recommendations. Ms. Bennett stated that the concern is mainly when the information will be provided because they would like to see the changes that have been made. And she firmly believes that it is the Industry members' responsibility to read and compare the changes. Mr. Alario reminded Ms. Bennett and Mr. Hayden about the link that has been provided on the L.P. Gas website to review the NFPA editions.

Mr. Hayden addressed the Commission from a Market Development standpoint. He stated that the Commission has not had a vendor for advertising for over a year. According to him, there is approximately \$900,000.00 in the Market Development Fund and the Industry needs a vendor. He stated that there has been some discussion about a Request for Proposal (RFP). For a variety of reasons, his company (Creative Communications) will not re-apply to obtain the next RFP. Mr. Hayden encouraged the Commission to get a vendor. After 8 years as a contracted vendor for the Commission, Mr. Hayden believes his company has fulfilled their duties. But his company has not recouped all their expenses for services rendered to the Commission. He believes there is a disconnect between what the Industry wants and what some people in state government are going to allow. He also stated that he does not want to be in the middle of that disconnect. He strongly urges the Commission to get a RFP out, get a vendor that will help the Industry, and promote the Industry. He stated that the Industry wants the money in the marketplace promoting propane. Mr. Hayden is looking forward to working with the Commission and wrapping up the issues he has with the Department of Public Safety Services. Mr. Alario informed the Commission that Management/Finance has to issue the RFP. Mr. Alario believes the Commission has done a good job of advertising without a RFP. At this time, he does not believe a vendor would make a difference because he believes the money would not have been spent. According to Mr. Alario, the Market Development Board stopped issuing money. Mr. Hayden agreed to the possibility of the Board not issuing additional money. However, Mr. Hayden continues to get phone calls regarding the interest in a RFP for the Commission. Mr. Alario has also received calls regarding a RFP for the Commission. He has told those interested vendors that the Market Development Board does not want to spend any additional money. Mr. Hayden believes the reason the Board agreed to not spend additional money was because they do not have options provided to them that a vendor can offer. Mr. Ira Cleveland of Lacox Propane Gas Company addressed the Commission. He stated within the last 6-8 months he has received more compliments regarding the current advertisements than he has ever received during his entire time in the propane business. It is his personal belief that the Industry will be fine with or without a RFP. Ms. Bennett agreed that there is a lot of advertising being done without a RFP. However, she stated that there is more advertising that can be done if a RFP is in place. She believes the advertising can become better organized if a vendor is in place. Mr. Hayden appreciates all the work that Mr. Alario has done but he also believes advertising will work better if a vendor is in place. Mr. Alario stated that he will meet with Management/Finance regarding the RFP concerns.

Mrs. Cleveland informed Ms. Bennett the current Commission members were not a part of the Commission (with the exception of Commissioner Hopson) regarding the issues that Mr. Hayden is currently facing with the Department of Public Safety Services.

In her closing statements to the Commission, Ms. Bennett reiterated that she believes a vendor in place would give the Industry more direction. Mr. Alario reminded Ms. Bennett that approximately \$10,000.00 has been issued this month in rebates. Mr. Hayden informed the Commission through Mr. Alario's negotiations with Cox Network Channel, propane now has its own television channels. The channels are 25 and 26 with Cox Network. Mr. Hayden would like to see safety and training provided on those channels as well as propane advertising by a vendor that can coordinate those interests.

There being no other business, Major White motioned to recess until 8:30 a.m., Thursday, September 29, 2011, Mr. Smith seconded the motion and the meeting was adjourned.