

**TITLE 420. OKLAHOMA LIQUEFIED PETROLEUM GAS BOARD
CHAPTER 10. LIQUEFIED PETROLEUM GAS ADMINISTRATION**

Fee Notification

Summary of changes:

The proposed rule change increases the annual fee for a Class III permit from \$150 to \$300; establishes a second Class III endorsement with an annual fee of \$300; establishes a Class VI LP Gas End User endorsement with a fee of \$500, and plan review and inspection fees of \$100 each.

Rule changes involving fee change:

420:10-1-5. Permits

(3) Class III - DOT Cylinder Transporter Permit.

(A) ~~The Class III DOT Cylinder Transporter Permit permits the holder to operate a cylinder delivery service. The separate endorsement will be as follows: III A, permits the holder to invoice the end user for bulk deliveries only when the LP Gas is delivered by a Class I permit holder. the holder to operate a LP Gas cylinder sale or delivery service for LP Gas in accordance with all other rules and regulations and NFPA Pamphlets 54 and 58.~~

(B) ~~The annual fee for a Class III permit is One Hundred Fifty Dollars (\$150.00). The annual fee for the separate endorsement is Three Hundred Dollars (\$300.00).~~ Class III DOT Cylinder Transporter Permit for Un-Odorized LP Gas Endorsement. A separate endorsement to a Class III permit is required, if applicable, and in addition to the Class III DOT Cylinder Transporter Permit, and allows the holder to operate a DOT cylinder sale or delivery service for un-odorized LP Gas in accordance with all other rules and regulations, NFPA Pamphlets 54 and 58, and the following:

(i) Pursuant to this Endorsement, un-odorized LP Gas shall be sold or delivered in approved DOT cylinders only.

(ii) All deliveries shall be made in appropriately marked and placarded vehicles.

(iii) Delivery vehicles shall be operated by licensed personnel holding appropriate certificates and qualifications for the safe handling of LP Gas.

(iv) Prior to application or renewal of any Class III DOT Cylinder Transporter Permit for Un-Odorized LP Gas Endorsement the applicant or holder shall provide the Administration as part of this application or renewal a complete list of facilities and each delivery location, including name of facility, street address of facility, name of contact person and contact information of said facility and the name and location of the Class I permit dealer supplying the Un-Odorized LP Gas to the permit holder.

(v) Sales or deliveries of un-odorized LP Gas made pursuant to this Endorsement shall be made to facilities properly permitted by this Administration only.

(C) The Bulk Delivery Class III A Endorsement. The separate Class III A Bulk Delivery Endorsement to the Class III permit is required if applicable and shall permit the holder to invoice the end user for bulk delivery of odorized LP Gas to

the facility of the end user only when the LP Gas is delivered to that location by a Class I permit holder.

(D) The annual fee for a Class III permit is \$300. The annual fee for the Un-Odorized LP Gas Endorsement is \$300. The annual fee for the Bulk Delivery Endorsement is \$300.

(E) All DOT cylinder transport drivers employed by a Class III permit holder are required to obtain a fuel handlers card. The annual filing fee for a fuel handlers card is Ten Dollars (\$10.00).

- (6) Class VI - DOT Cylinder &/or LP Gas Motor Fuel Station Operator Permit.
- (C) Un-Odorized LP Gas End User Endorsement. Facilities obtaining un-odorized LP Gas in approved DOT cylinders or otherwise for use must obtain an Un-Odorized LP Gas End User Endorsement. To obtain such an endorsement, detailed plans describing such use and location of cylinder storage, and any and all LP Gas plumbing in said facility must be submitted in writing and approved for any facility using un-odorized LP Gas in any manner. These plans must be submitted to the Administration Office along with the proper fee, and an on-site inspection must be performed by a Safety Code Enforcement Officer prior to final approval and before the introduction of LP Gas into the system. A \$100.00 plan review fee must accompany all plans submitted. The fee for the inspection is \$100.00. The annual fee for the Un-Odorized LP Gas End User Endorsement is \$500. This endorsement must be prominently displayed for official inspection at any time.

420:10-1-14. Standards for the storage and handling of liquefied petroleum gas

- (2) Submittal of plans.

(D) Plans must be submitted and approved for any facility using Un-Odorized LP Gas in any manner and a permit endorsement must be obtained pursuant to 420:10-1-5(b)(6)(C). These plans must be submitted to the Administration Office by the permit holder or applicant proposing to service such facility with product along with the proper fee. An on-site inspection must be performed by a Safety Code Enforcement Officer of the LP system prior to final approval and before the introduction of LP Gas and the system placed into service. A \$100 plan review fee must accompany all plans submitted. The final inspection fee is \$100.00.

Justification for Fees

The justification of the increase of the Class III permit fee (\$150 to \$300) is to assure that this agency covers the costs associated with the increased number of Class III permits it anticipates will be applied for since the legalization of medical marijuana industry in Oklahoma has increased the number of businesses ordering, purchasing and utilizing LP gas, which is used in the production of medical marijuana products.

The legalization of medical marijuana also requires the implementation of an additional Class III endorsement (carries the same \$300 fee as the current Class III endorsement) to cover the sale and transport of *unodorized* LP gas and to allow invoicing of the end user, which is currently only allowed by a Class I. These changes are necessary for the safety of Oklahomans because

with the legalization of the medical marijuana industry in Oklahoma, producers of medical marijuana are ordering and utilizing unodorized LP gas, which is a safety issue because of the lack of smell, which would otherwise provide notice of a leak or other safety hazard. Unodorized gas is preferred presumably to keep the odorized additive out of the product.

The Class VI *Un-Odorized LP Gas End User* endorsement (fee of \$500) is a new requirement to address the medical marijuana producers who are utilizing unodorized LP gas in their production operations, but are currently doing so without any regulation or safety requirements. The justification for imposing the \$100 plan review and inspection fees is to reimburse the agency for the cost of the Safety Code Inspector to travel to the location of the facility and the time for the inspection.

According to the Oklahoma Medical Marijuana Authority website, there are approximately 1,345 medical marijuana processing licenses that have been issued to businesses across Oklahoma. (<http://omma.ok.gov/Websites/ddeer/images/documents/OMMA%20Processors%20List.pdf>) Each of these businesses could be using LP gas, but without these new permit requirements, they would be doing so without any oversight or regulation to make sure they are handling the gas in a safe manner to prevent explosion.