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REGULATIONS FOR COMPRESSED NATURAL GAS

Liquefied Petroleum Gas Division



**RAILROAD COMMISSION
OF TEXAS**

Lena Guerrero, Chairman
James E. (Jim) Nugent, Commissioner
Robert Krueger, Commissioner

Regulations for Compressed Natural Gas

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REGULATIONS FOR COMPRESSED NATURAL GAS

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CHAPTER 13

REGULATIONS FOR COMPRESSED NATURAL GAS (CNG) FUEL SYSTEMS

Subchapter A. SCOPE AND DEFINITIONS

§13.1. Scope.

(a) This chapter applies to the design and installation of Compressed Natural Gas (CNG) engine fuel systems on vehicles of all types and CNG systems used for compression, storage, sale, transportation, delivery, or distribution of CNG for any purpose.

(b) This chapter also applies to all CNG mobile fuel systems.

(c) This chapter does not extend to the design and installation of any CNG system on ships, barges, sailboats, or other types of watercraft. Such installation is subject to the American Boat and Yacht Council (ABYC) and any other applicable standards.

§13.2. Retroactivity.

Unless otherwise stated, the Regulations for the Compressed Natural Gas of the LP-Gas Division are not retroactive. Any installation of a CNG system must meet the requirements of the rules and regulations of the division at the time of installation.

§13.3. Definitions.

The following words and terms, when used in this chapter, shall have the following meanings, unless the context clearly indicates otherwise.

Approved- Acceptable to the LP-Gas Division or the Railroad Commission.

Building- A structure with walls and a roof resulting in the structure being totally enclosed.

Cascade storage system- Storage in multiple cylinders.

CNG cylinder- A cylinder or other container designed for use or used as part of a CNG system.

CNG system- A system of safety devices, cylinders, piping, fittings, valves, compressors, regulators, gauges, relief devices, vents, installation fixtures, and other CNG equipment intended for use or used in any building or public place by the general public or in conjunction with a motor vehicle fueled by CNG and any system of equipment designed to be used or used in the compression, sale, storage, transportation for delivery, or distribution of CNG in portable CNG cylinders, but does not include a natural gas pipeline located upstream of the inlet of the compressor.

Commission- The Railroad Commission of Texas.

Compressed natural gas (CNG)- Natural gas which is a mixture of hydrocarbon gases and vapors, consisting principally of methane (CH_4) in gaseous form that is compressed and used, stored, sold, transported, or distributed for use by or through a CNG system.

CNG cargo tank- A container in accordance with American Society of Mechanical Engineers (ASME) or Department of Transportation (DOT) specifications and used to transport CNG for delivery.

Cylinder service valve- A hand-wheel-operated valve connected directly to a CNG cylinder.

Dispensing station- A CNG installation that dispenses CNG from any source by any means into fuel supply cylinders installed on vehicles or into portable cylinders.

Division- The Liquefied Petroleum Gas Division of the Railroad Commission of Texas.

Filled by pressure- A method of transferring CNG into cylinders by using pressure differential.

Fuel supply cylinder- A cylinder mounted upon a vehicle for storage of CNG as fuel supply to an internal combustion engine.

Location- A site operated by a CNG licensee at which the licensee carries on an essential element of its CNG-related activities, but where the activities of the site alone are not enough to qualify such site as an outlet.

Manifold- The assembly of piping and fittings used for interconnecting cylinders.

Mass transit vehicle- Any vehicle used by a political division of a state, city, or county which is primarily used in the conveyance of the general public.

Mobile fuel system- Any CNG system installed on a vehicle designed to furnish CNG to any apparatus that uses or consumes CNG, excluding motor fuel installations used to propel a motor vehicle.

Motor vehicle- A self-propelled vehicle licensed for highway use or used on a public highway.

Outlet- A site operated by a CNG licensee at which the business conducted materially duplicates the operations for which the licensee is initially granted a license. Elements to be considered in determining the existence of an outlet include, but are not limited to, the following:

- (A) storage of CNG on the site;
- (B) sale or distribution of CNG from the site;
- (C) licensee supervision of employees at the site;
- (D) proximity of the site to other outlets;
- (E) communication between the site and other outlets; and
- (F) nature of licensee activities.

Person- An individual, sole proprietor, partnership, joint venture, corporation, or other entity.

Point of transfer- The point where the fueling connection is made.

Pressure relief valve- A device designed to prevent rupture of a normally charged cylinder.

Residential fueling facility- An assembly at a residence used for the compression and delivery of natural gas into vehicles with its associated equipment and piping.

Settled pressure- The pressure in a container at 70 degrees Fahrenheit, which cannot exceed the marked service or design pressure of the cylinder.

Transport- Any vehicle or combination of vehicles and CNG cylinders designed or adapted for use or used principally as a means of moving or delivering CNG from one place to another. This shall include, but not be limited to, any truck, trailer, semi-trailer, cargo tank, or other vehicle used in the distribution of CNG.

Ultimate consumer- The individual controlling CNG immediately prior to its ignition.

§13.4. CNG Forms.

Under the provisions of the Texas Natural Resources Code, Chapter 116, the Railroad Commission of Texas has adopted by reference the following forms for use by the Liquefied Petroleum Gas Division (LP-Gas). These forms are available to the public upon request directed to the LP-Gas Division in Austin.

- (1) CNG Form 1001. Application for License;
- (2) CNG Form 1001A. Branch Outlet List;
- (3) CNG Form 1003. Compressed Natural Gas License;
- (4) CNG Form 1004. Compressed Natural Gas Vehicle Identification;
- (5) CNG Form 1007. Compressed Natural Gas Transport Registration;
- (6) CNG Form 1008. Manufacturer's Report of Retest or Repair;
- (7) CNG Form 1016. Application for Examination;
- (8) CNG Form 1018. Statement of Lost or Destroyed License;
- (9) CNG Form 1018B. Statement of Lost or Destroyed CNG Form 1004 Decal;
- (10) CNG Form 1019. Inventory of Compressed Natural Gas Storage Cylinders;
- (11) CNG Form 1020. Report of Compressed Natural Gas Incident/Accident;
- (12) CNG Form 1021. Notice of Intent to Appear;
- (13) CNG Form 1025. Application and Notice of Exception to the Regulations for Compressed Natural Gas;
- (14) CNG Form 1026. Franchise Tax Certification and Assumed Name Certificate;
- (15) CNG Form 1027. Application for Qualification as Self-Insurer;

- (16) CNG Form 1028. Application to use Irrevocable Letter of Credit as an Alternative to Insurance;
- (17) CNG Form 1500. Application for Construction Approval of a CNG System Installation;
- (18) CNG Form 1501. Completion Report;
- (19) CNG Form 1502. Application for Compressed Natural Gas Equipment and Component Approval;
- (20) CNG Form 1503. Application to Install a CNG System on School Bus/ Mass Transit Vehicles;
- (21) CNG Form 1504. Notice of Subsequent Installation or Conversion by the Same Ultimate Consumer or Applicant;
- (22) CNG Form 1996A. Insurance Filing Certifying Worker's Compensation Coverage, including Employer's Liability Coverage;
- (23) CNG Form 1996B. Statement in Lieu of Insurance Filing Certifying Worker's Compensation Coverage, including Employer's Liability Coverage;
- (24) CNG Form 1997A. Insurance Filing Certifying Motor Vehicle Bodily Injury Insurance and Property Damage Liability Insurance;
- (25) CNG Form 1997B. Statement in Lieu of Insurance Filing Certifying Motor Vehicle Bodily Injury Insurance and Property Damage Liability Insurance;
- (26) CNG Form 1998A. Insurance Filing Certifying General Liability Insurance;
- (27) CNG Form 1998B. Statement in Lieu of Insurance Filing Certifying General Liability Insurance;
- (28) CNG Form 1999. Notice of Insurance Cancellation.

Subchapter B.

GENERAL RULES FOR CNG AND EQUIPMENT QUALIFICATIONS

§13.21. Applicability.

The provisions of this subchapter apply to pressurized components of a compressed natural gas (CNG) system, and are applicable to both engine fuel systems and compression, storage, and dispensing systems.

§13.22. Odorization.

(a) Compressed natural gas shall have a distinctive odor potent enough for its presence to be detected down to a concentration in air of not over one-fifth of the lower limit of flammability.

(b) Compressed natural gas shall be odorized according to the provisions of Texas Civil Statutes, Article 6053, §2, in effect at the time the gas is odorized.

§13.23. Severability.

If any item, clause, or provision of these rules is for any reason declared invalid, the remainder of the provisions shall remain in full force and effect and shall in no way be affected, impaired, or invalidated.

§13.24. School Bus and Mass Transit Installations.

(a) The application. This section applies to compressed natural gas (CNG) systems supplying CNG to propel school bus and mass transit vehicles. Prior to the initial installation of or conversion to a CNG system on any vehicle to be used as a school bus by either public or private educational institutions or mass transit vehicles, an applicant (the ultimate consumer or licensee, as the case may be) making the initial installation or conversion shall submit a CNG Form 1503, Application to Install a CNG System on School Bus/Mass Transit Vehicles, and other information as deemed necessary to the division of the LP-Gas Division for review.

(b) The application process. After completion of the division's review of the application within the time described in paragraph (7) of this subsection, the application will be returned to the applicant, indicating the submission complies with the CNG rules or indicating that corrections are required, and such corrections shall be noted specifically on the returned application.

(1) Rejected applications. An applicant may make the corrections required by a rejected application and may resubmit the application for review by the division in accordance with the process described in this section. When an applicant is notified of a rejected CNG Form 1503, Application to Install a CNG System on School Bus/Mass Transit Vehicles, the applicant has 120 calendar days from the date of the notification letter to resubmit the application with the discrepancies corrected or the original application will expire.

(2) Accepted applications. Subject to the provisions of paragraph (3) of this subsection, the application will be returned to the applicant and the applicant will be notified as to whether the application complies with the CNG rules, and whether the CNG converted vehicle(s) may be placed immediately into CNG service upon completion of the CNG system.

(3) Inspections. At any time, the commission or division director may require an inspection of any CNG converted vehicle system, including any time prior to the CNG system being placed into service. No CNG system shall be placed into CNG service that does not comply with the rules promulgated by the Railroad Commission of Texas in effect at the time of installation.

(4) Notice of completion. The applicant shall notify the division in writing that a school bus or mass transit installation is completed and ready for inspection.

(5) Material variances. If the division director determines the completed installation or conversion varies materially from the application originally accepted, resubmission of the application is required. The division's review of such resubmitted application will follow the described procedure(s) in this section.

(6) Subsequent applications. Any subsequent installation of or conversion to a CNG system by the same applicant for the same user will not require resubmission of an application, provided the conversions are made in accordance with the application originally accepted. However, a CNG Form 1504, Notice of subsequent Installation or Conversion by the Same Ultimate Consumer or Applicant, must be filed with and approved by the division, prior to the completion of any subsequent school bus or mass transit installation or conversion. The applicant shall notify the division in writing when any such subsequent installation or conversion is completed and ready for inspection.

(7) Time for review of applications. The division will review all applications within 45 calendar days of receipt of the application. The division must mail written notification to the applicant of whether the application is accepted, rejected, or still under review within the 45 calendar day period. An application is not accepted (i.e. in compliance) until the applicant has received written notification of the acceptance.

§13.25. Approval of CNG Systems and Equipment Installation Filings and Inspection.

(a) Definitions. The following words and terms, when used in this section, shall have the following meanings, unless the context clearly indicates otherwise.

(1) Construction approval- The authority issued by the commission allowing construction of a CNG installation.

(2) Final approval- The authority issued by the commission allowing the introduction of CNG into a container, cylinder, and system.

(b) The approval process.

(1) Application for construction approval. A CNG Form 1500, Application for Construction Approval of a CNG System Installation, must be submitted to the division prior to construction or installation of a CNG system at a public or private school, hospital, convalescent center, and prior to construction or installation of a CNG compression, storage, or dispensing system in three circumstances:

(A) when CNG is sold to the general public;

(B) when a mass transit facility services its own mass transit vehicles with CNG; or

(C) when a commercial user's CNG system has an aggregate storage capacity in excess of 12,200 standard cubic feet.

(2) Division review. After completion of the division's review, the application will be returned to the applicant indicating the submission complies with the CNG rules or indicating corrections are required. Such corrections shall be noted specifically.

(3) Previously approved systems. A CNG Form 1500, Application for Construction Approval of a CNG System Installation, is not required when a previously approved system is repaired, renovated, extended, or modified, provided the subsequent change does not increase the CNG storage aggregate capacity at the site.

(4) Notification of incomplete CNG Form 1500, Application for Construction Approval of a CNG System Installation. When an applicant is notified of a rejected CNG Form 1500, the applicant has 120 calendar days from the date of the notification letter to resubmit the application with the discrepancies corrected or the original application will expire. In order to reactivate the division's review of the proposed CNG site, a new CNG Form 1500, Application for CNG Construction Approval of a System Installation, must be filed. However, if the applicant notifies the division in writing before the expiration date and requests an extension of time following the 120 calendar days, the application may be renewed for an additional number of days

stipulated by the division director.

(5) Accepted CNG Form 1500, Application for Construction Approval of a CNG System Installation. When an applicant is notified of an accepted CNG Form 1500, the applicant may construct the CNG installation.

(6) Delayed installations. If installation of the CNG system pursuant to an accepted CNG Form 1500, Application for Construction Approval of a CNG System Installation, is not completed within one year from the date of acceptance, the applicant must notify the division in writing prior to the date of expiration as defined in this subsection, whether the applicant wishes to withdraw the original application or request an extension of time to complete the installation. The division director shall make the final determination on the request for extension of time.

(7) Material variances. If the division director determines the completed installation varies materially from the application originally accepted, resubmission of the application is required. The division's review of such resubmitted application will follow the described procedure in this subsection.

(8) Notification. The applicant shall notify the division in writing when the system is completed and ready for inspection. The CNG system shall not be placed into CNG service until final approval is granted by the division after a physical inspection determines the CNG system is installed in full compliance with both the accepted construction plans and specifications, and all applicable CNG safety regulations. If the division does not physically inspect the facility within 75 days of the receipt of notice that the facility is ready for inspection, the facility can operate conditionally until final inspection takes place.

(9) Inspection. Notwithstanding, the commission or division director may require an inspection of any CNG system at any time. No CNG system shall be placed into CNG service that does not comply with the rules promulgated by the Railroad Commission of Texas in effect at the time of installation.

(10) Fees. A nonrefundable fee of \$26 shall be submitted with each CNG Form 1500, Application for Construction Approval of a CNG System Installation. A nonrefundable fee of \$6.00 shall be submitted for each resubmitted CNG Form 1500, Application for Construction Approval of a CNG System Installation.

(c) Completion of CNG portable or stationary systems.

(1) Completion report. A CNG Form 1501, Completion Report, must be submitted to the division postmarked within 10 calendar days after completion of a CNG system at facilities where the aggregate storage capacity of a commercial user is 12,200 standard cubic feet or less, except as noted under subsection (b) (1) of this section.

(2) Fees. A nonrefundable fee of \$6.00 shall be submitted with each CNG Form 1501, Completion Report, originally filed.

(3) Resubmission Fee. A nonrefundable fee of \$6.00 shall be submitted for each resubmitted CNG Form 1501, Completion Report.

(d) Approval of CNG systems, equipment and components. Compressed Natural Gas systems, equipment and components (i.e., containers, pressure vessels, pressure relief devices, including pressure relief valves, pressure gauges, pressure regulators, valves, hose and hose connections, vehicle fueling connections, engine fuel systems, and electrical equipment) related to CNG systems shall be approved by the Railroad Commission for use in the State of Texas. A CNG Form 1502, Application for Compressed Natural Gas Equipment and Component Approval, must be submitted to the division for any equipment or component which is required to be approved, and other data as the commission may reasonably require. Exception: Equipment (excluding pressure vessels) and components need not be approved by the commission provided they are listed by a nationally recognized testing laboratory i.e., "Underwriter's Laboratory" (UL), "Factory Mutual" (FM), "American Gas Association" (AGA), or the "Canadian Gas Association", and such other laboratories approved by the division, provided these rules do not otherwise prohibit their use in CNG service. Approval under this subsection does not ensure conformity with other state and federal regulations. Any subsequent modifications to approved CNG equipment, and components will require resubmission to the division prior to installation or usage. Devices not previously mentioned in this subsection shall be constructed to provide safety equivalent to that required for other parts of the system.

(e) Issuance of license. If application is made for a license under any category in which plans or specifications are submitted for installation of retail storage and/or dispensing equipment, the license to operate shall not be issued before final approval of the installation has been granted by the division. Final approval will follow a physical inspection of the completed installation in accordance with subsection (b)(7) of this section.

(f) Time for review of application. The division will review all applications within 45 calendar days of receipt of the application. The division must mail written notification of whether the application is accepted (construction approval), rejected, or still under review within the 45 calendar day period. An application is not accepted (i.e. in compliance) until the applicant has received written notification of the acceptance.

(g) Administrative denial. The division director or his delegate shall examine all drawings, plans, reports, and specifications required by statute or commission rules to be submitted for approval. The division director or his delegate shall determine whether the design, manufacture, construction, or use of the depicted item, system, operation, procedure, or installation complies with the division rules. The division director shall also determine whether the materials submitted for acceptance is

hazardous to the health, safety, and welfare of the general public. If the division director declines administratively to accept the submission, he shall notify the applicant in writing of the deficiencies. The applicant may modify and resubmit the application to be reconsidered for acceptance, or may request a hearing on the matter. The subject of the submission shall not be operated or used in CNG service in this state until approved by the commission or division director.

§13.26. Design and Construction of Cylinders and Pressure Vessels.

(a) Cylinders and pressure vessels shall be fabricated of steel, aluminum, or composite materials.

(b) Cylinders shall be manufactured, inspected, marked, tested, and retested in accordance with United States Department of Transportation (DOT) regulations and exemptions for compressed natural gas (CNG) service. Fuel supply cylinders shall have a rated service pressure of not less than 2,400 psig at 70 degrees Fahrenheit. Cascade storage cylinders shall have a rated service pressure of not less than 3,600 psig at 70 degrees Fahrenheit. Steel cylinders shall be manufactured and tested in compliance with DOT 3AA specifications. Fiber reinforced plastic and full composite cylinders shall comply with DOT FRP1 standard. Fiber reinforced plastic and hoop wrapped composite cylinders shall comply with DOT FRP2 standard.

(c) DOT regulations requiring "+" (plus) and "*" (star) markings on DOT cylinders shall not apply to CNG cylinders.

(d) Pressure vessels and containers other than cylinders shall be manufactured, inspected, marked, and tested in accordance with the "Rules for the Construction of Unfired Pressure Vessels", "American Society of Mechanical Engineers (ASME) Boiler and Pressure Vessel Code, Section VIII (Division I or II)".

(e) In addition to other marking requirements, cylinders shall be labeled with the words, "FOR CNG ONLY" in letters at least one inch high in a contrasting color, and in a location which will be visible after installation. Each cylinder in a cascade need not be labeled provided the cascade is labeled on each visible side. Decals or stencils are acceptable.

(f) Field welding or brazing for the repair or alteration of a cylinder or ASME pressure vessel is prohibited.

§13.27. Pressure Relief Devices.

(a) Each fuel supply cylinder shall be fitted with a pressure relief device in accordance with the following:

(1) pressure relief device for cylinders shall be in accordance with Compressed Gas Association (CGA) Pamphlet S-1.1 and be of the "Combination Rupture Disk- Fusible Plug CG-5" type in which the fusible plug has a nominal yield temperature of 212 degrees Fahrenheit;

(2) only one combination rupture disk-fusible plug shall be installed in any pressure relief device opening;

(3) the pressure relief device shall communicate with the fuel and be vented to the atmosphere by a method that will withstand the maximum pressure which will result;

(4) the discharge flow rate of the pressure relief device shall not be reduced below that required for the capacity of the container upon which the device is installed;

(5) the pressure relief device on cylinders shall be permanently marked with the manufacturer's name, initials, or trademark, the temperature rating (212 degrees Fahrenheit) of the fuse plug, and the maximum pressure rating of the rupture disk.

(b) Containers (other than cylinders) and pressure vessels shall be provided with one or more spring-loaded pressure relief valves set to open in accordance with the "American Society of Mechanical Engineers (ASME) Code".

(c) The minimum rate of discharge of pressure relief devices shall be in accordance with Compressed Gas Association (CGA) Pamphlet S-1.1 (cylinders); S-1.2 (cargo and portable tanks); S-1.3 (storage cylinders); or the ASME Code, whichever is applicable.

(d) Pressure relief valves for CNG service shall not be fitted with lifting devices. The adjustment, if external, shall be provided with means for sealing the adjustment to prevent tampering by unauthorized persons. If at any time such seal is broken, the valve shall be removed from service until it has been reset and sealed. Any adjustments necessary shall be made by the manufacturer or his authorized representative(s).

(e) Each pressure relief valve shall be plainly marked by the manufacturer of the valve, as follows:

(1) with the pressure in pound per square inch (psi) at which the valve is set to start-to-discharge;

(2) with the discharge capacity in cubic feet per minute (cfm); or

(3) any other marking(s) as required by the Department of Transportation (DOT) or the ASME Code.

§13.28. Pressure Gauges.

(a) Pressure gauges shall be designed for the normal pressure and temperature conditions to which the devices may be subjected with a burst pressure safety factor of at least four.

(b) Dials shall be graduated to read 1.2 times the maximum operating pressure of the system to which the gauge is attached.

(c) A gauge shall have an opening not to exceed 0.055 inches (number 54 drill size) at the inlet connection.

§13.29. Pressure Regulators.

(a) A pressure regulator inlet and each chamber shall be designed for its maximum working pressure with a pressure safety factor of at least four.

(b) Low pressure chambers shall provide for excessive pressure relief or be able to withstand the operating pressure of the upstream pressure chamber.

§13.30. Piping.

(a) Piping, tubing, fittings, gaskets, and packing material shall be compatible with the fuel under the service conditions.

(b) All tubing shall be a minimum of "Type 304 Stainless Steel". All tubing connections shall be a minimum of "Type 304 Stainless Steel" made of manufactured multifarrel compression fittings.

(c) Piping, tubing, fittings, and other piping components between a cylinder or pressure vessel and the first shutoff valve shall be capable of withstanding a hydrostatic test of at least four times the rated working pressure without structural failure.

(d) Piping shall be "American Standard Testing Material (ASTM)" steel, Schedule 80, or better. All pipe fittings shall be forged steel stamped 6,000 psi or greater.

(e) The following components or materials shall not be used:

(1) fittings, street ells, and other piping components of cast iron or semi-steel other than those complying with "American Society for Testing and Materials (ASTM) Specifications A-536 (Grade 60-40-18), A-395, and A-47 (Grade 35018)";

- (2) plastic pipe, tubing, and fittings for high pressure service;
- (3) galvanized pipe and fittings;
- (4) aluminum pipe, tubing, and fittings;
- (5) pipe nipples for the initial connection to a cylinder or pressure vessel;
- (6) copper alloy with copper content exceeding 70%.

(f) Piping components such as strainers, snubbers, and expansion joints shall be permanently marked by the manufacturer to indicate the service ratings.

§13.31. Valves.

(a) Valves, valve packing, and gaskets shall be suitable for the fuel over the full range of pressures and temperatures to which they may be subjected under normal operating conditions.

(b) Shutoff valves shall have a design working pressure not less than the rated working pressure of the entire system with a safety factor of four.

(c) Valves of cast iron or semi-steel other than those complying with "ASTM Specifications A-536 (Grade 60-40-18), A-395, and A-47 (Grade 35018)" shall not be used as primary shutoff valves.

(d) Valves of a design that will allow the stem to be removed without removal of the complete bonnet or disassembly of the valve body, and valves with valve stem packing glands which cannot be replaced under pressure shall not be used. Exception: Where there is a shutoff valve of acceptable type between them and the container or pressure vessel (this does not apply to service valves).

(e) The manufacturer shall stamp or otherwise permanently mark the valve body to indicate the service ratings. Exception: Fuel supply container valves need not be marked as such.

§13.32. Hose and Hose Connections.

(a) Hose and metallic hose shall be of or lined with materials that are resistant to corrosion and the actions of compressed natural gas (CNG).

(b) Hose, metallic hose, flexible metal hose, tubing, and their connections shall

be suitable for the most severe pressure and temperature conditions expected under normal operating conditions with a burst pressure of at least four times the maximum working pressure.

(c) Hose assemblies shall be tested by the manufacturer or its designated representative prior to use at pressures equal to not less than twice the service pressure.

(d) Hose shall be continuously and distinctly marked, indicating the manufacturer's name or trademark, CNG service, and working pressure. Metallic hose shall have a manufacturer's permanently attached tag marked with the manufacturer's name or trademark, CNG service, and working pressure.

§13.33. Compression Equipment.

(a) Compression equipment shall be designed for use with compressed natural gas (CNG) and for the pressures and temperatures to which it may be subjected under normal operating conditions. It shall have pressure relief devices which shall limit each stage pressure to the maximum allowable working pressure for the cylinder and piping associated with that stage of compression.

(b) When CNG compression equipment is operated unattended, it shall be equipped with a high discharge and low suction pressure automatic shutdown control.

(c) Control devices shall be designed for the pressure, temperature, and service expected under normal operating conditions.

§13.34. Vehicle Fueling Connection.

(a) A vehicle fueling connection shall provide for the reliable and secure connection of the fuel system cylinders to a source of compressed natural gas (CNG).

(b) The fueling connection shall be suitable for the pressure expected under normal conditions and corrosive conditions which might be encountered.

(c) The fueling connection shall prevent escape of gas when the connector is not properly engaged or becomes separated.

(d) The refueling receptacle on an engine fuel system shall be firmly supported, and shall:

(1) receive the fueling connector and accommodate the working pressure of the vehicle fuel system;

(2) incorporate a means to prevent the entry of dust, water, and other foreign material. If the means used is capable of sealing system pressure, it shall be capable of being depressurized before removal;

(3) have a different fueling connection for each pressure base vehicle fuel system.

§13.35. Application for an Exception to a Safety Rule.

(a) Filing. Any person, firm, or corporation may apply for an exception to the provisions of this chapter by filing an application for exception with the Liquefied Petroleum Gas Division.

(b) Form. The application must be typewritten on paper not to exceed 8-1/2 inches by 11 inches and have an inside margin of at least one inch. Annexed exhibits must be folded to the same size as the application. The content must be double-spaced and appear on one side of the paper only. In lieu of the typewritten application, a CNG Form 1025, Application and Notice of Exception to the Regulations for Compressed Natural Gas, may be submitted.

(c) Content. The application shall contain the following:

(1) a reference, by section number, to the applicable CNG rule;

(2) a statement of the type of relief desired; i.e., the exception applied for and those details which may be helpful in comprehending the exact nature of the exception;

(3) a concise statement of facts which supports the applicant's case for the exception; i.e., the need for the exception and the reason for it, the safety aspects of the exception, and the social and/or economic impact of the exception;

(4) a description of the acreage and/or address upon which the exception, if granted, will be located should its location be stationary. The description shall be in writing, shall include a plat drawing and shall sufficiently identify the site to permit determination of property boundaries. Furthermore, the description shall state the ownership of the land, and state under what legal authority the applicant, if not the owner, is permitted occupancy;

(5) the name, business address, and telephone number of the applicant and of his authorized agent, if any;

(6) an original signature, in ink, by the party filing the application or by his authorized representative;

(7) a list of the names and addresses of all affected parties, as defined in subsection (d) of this section.

(d) Notice.

(1) The applicant shall send a copy of the application by certified mail, return receipt requested, to all affected parties on the same date on which the application is filed with or sent to the commission. In addition to the other requirements, the application shall include a notice that any complaint must be filed within 18 days of the date the application is mailed. All return receipts shall be forwarded to the commission.

(2) In the case of an exception requested on a stationary site, the applicant must give notice to persons and businesses owning real property having a common boundary with the site and to the local fire marshal, city manager, city secretary, city council, or mayor. If the site "IS NOT" within any municipal limits the county commission or appropriate commissioner must be given notice.

(3) In the case of an exception requested on a nonstationary site, affected parties to whom the applicant must give notice shall include, but not be limited to:

(A) the Texas Department of Public Safety; and

(B) all CNG loading and unloading facilities utilized by the applicant.

(4) In the interest of justice, the division director may require an applicant to give notice to persons in addition to those listed in paragraphs (2) and (3) of this subsection if doing so will not prejudice the rights of any party.

(e) Division review. The division director or his delegate shall review the application when it is complete. If the commission has received no objections from any affected parties, the division director may grant the exception unless the division director determines the exception would be hazardous to the health, safety, or welfare of the general public. If the division director declines administratively to grant the exception, he shall notify the applicant by certified mail, return receipt requested, of the reasons and of any specific deficiencies. The applicant may modify the application to correct the deficiencies and resubmit the application, or may request a hearing on the matter.

(f) Hearings.

(1) When held. A hearing will be held when the commission receives a valid objection with any evidence or data to support the objection from any affected

party, or when the applicant requests one following an administrative denial. To be granted a hearing, the applicant must file a request for a hearing within two weeks of receiving notice of the administrative denial. Failure to request a hearing within this time period will constitute waiver of the right of hearing.

(2) Notice. The division shall prepare a notice of hearing which shall be mailed to the applicant and all affected parties by certified mail, return receipt requested, not less than 10 days prior to the date of the hearing.

(g) Penalties. Intentional misinformation submitted by an applicant or the authorized agent of such applicant shall be punishable as set out in Texas Natural Resources Code, §116.142, and shall be grounds for dismissing the application with prejudice.

(h) Finding requirement. After the hearing, exceptions to this chapter may be granted by the commission when based upon a determination that the grant of the exception will neither imperil nor tend to imperil the health, safety, and welfare of the general public.

(i) Temporary exception. For good cause shown, the division director may grant a temporary exception, which shall not exceed 30 days, to the examination requirements for representatives and operations supervisors. Good cause shall include, but not be limited to, the death of a sole proprietor or partners, or severe economic hardship. An applicant for a temporary exception must agree to comply with all applicable safety requirements and the division director must find the exception will not be hazardous to the public.

(j) Application completion deadline. If an application for an exception is inactive for six months after the applicant has been notified by the division of an incomplete request, the application shall expire. Thereafter, the applicant may resubmit an exception request.

§13.36. Report of CNG Incident/Accident.

(a) In case of an incident involving a single release of compressed natural gas (CNG) during or following CNG transfer or during container transportation, or an accident at any location where CNG is the cause or is suspected to be the cause, the licensee owning, operating, or servicing the equipment or the installation shall notify the LP-Gas Division. This notification shall be by telephone as soon as possible after the licensee has knowledge of the incident or accident. Any loss of CNG which is less than 1.0% of the gross amount delivered, stored or withdrawn need not be reported. However, any loss occurring as a result of a pullaway (i.e., the accidental separation of a hose from a cylinder, container, or dispensing equipment) must be reported.

(b) Information which must be reported to the division must include: date and time of the incident or accident; type of structure or equipment involved; resident's or operator's name; physical location; number of injuries and/or fatalities; whether fire, explosion, or gas leak has occurred; whether gas is leaking; and whether immediate assistance from the division is requested. Any person reporting must leave his/her name, and telephone number where he/she can be reached for further information.

(c) Any transport unit required to be registered with the commission in accordance with §13.69 of this title (relating to Registration of CNG Transport Units) which is involved in an accident where there is damage to the tank, piping appurtenances, or any release of CNG resulting from an accident must be reported to the commission in accordance with this section regardless of the accident location. Any CNG powered motor vehicle used for school transportation or mass transit including any state owned vehicle which is involved in an accident resulting in a substantial release of CNG or damage to the CNG conversion equipment must be reported to the commission in accordance with this section regardless of accident location.

(d) Following the initial telephone report, a CNG Form 1020, Report of CNG Incident/Accident, must be submitted to the LP-Gas Division. The report must be postmarked within 14 calendar days of the date of initial notification to the division.

§13.37. Franchise Tax Certification and Assumed Name Certificate.

(a) Any applicant for an original or renewal license must file a CNG Form 1026, Franchise Tax Certification, with this office prior to the issuance of such license, certifying that its Texas franchise taxes are current or such taxes are not applicable to its company. Making a false statement as to franchise tax status is grounds for the denial, suspension, or revocation of the license granted by this division.

(b) Any applicant for license must list all names on CNG Form 1001, Application for License, under which CNG related activities requiring licensing are to be conducted. Any company performing CNG activities under an assumed name (dba) must file with this office, copies of the assumed name certificates which are required to be filed with the respective county clerk's office and/or the Secretary of State's office.

§13.38. Removal from CNG Service.

(a) If the commission or division director determines that any compressed natural gas (CNG) cylinder constitutes an immediate danger to the public health, safety, and welfare, it shall require the immediate removal of the CNG by a properly licensed company to the extent necessary to eliminate the danger. If the commission or division director determines that any CNG appliance, equipment, or system constitutes an immediate danger to the public health, safety and welfare, it shall require the immediate

disconnection by a properly licensed company of such appliance, equipment, or system from the CNG cylinder it services.

(b) If the affected entity disagrees with the placement of a warning tag, or with the commission or division director's findings in subsection (a) of this section, he may request an investigation into the matter. The division director shall notify such entity of his finding. If the entity disagrees, the entity may request or the commission on its own motion may call a hearing. Such installation shall be brought into compliance or removed from service until such time as the final decision is rendered.

§13.39. Filling Unapproved Containers Prohibited.

No licensee shall introduce compressed natural gas (CNG) into any container if he has knowledge or notice that such CNG container or system was not installed in accordance with the statutes of the State of Texas, and with the rules and regulations in effect at the time of installation. Exception: This section does not apply to motor fuel or mobile fuel containers and systems installed on vehicles licensed in states other than Texas.

Subchapter C. CLASSIFICATION, REGISTRATION, AND EXAMINATION

§13.61. Licensing.

(a) The Railroad Commission of Texas establishes the following classes of licenses and license fees. This section does not apply to an ultimate consumer who is not engaged in business in any of the following categories:

(1) Category 1. This category applies only to manufacturers of compressed natural gas (CNG) cylinders, who, under this license category can manufacture, assemble, repair, test, sell, install, or subframe CNG cylinders for use in this state. The Category 1 original license fee shall be \$500, the annual renewal license fee shall be \$300.

(2) Category 2. This category includes persons who sell, install, service, or repair CNG systems, including cylinders, for use in this state. The Category 2 original license fee shall be \$150, the annual renewal license fee shall be \$75.

(3) Category 3. This category includes persons who sell, store, transport for delivery, or dispense CNG for use other than as an ultimate consumer and who sell, install, service or repair CNG systems as set out in Categories 2, 5, and 6. The Category 3 original license fee shall be \$500, the annual renewal license fee shall be \$150.

(4) Category 4. This category includes persons who engage in the testing of CNG cylinders. The Category 4 original license fee shall be \$200, the annual license renewal fee shall be \$100.

(5) Category 5. The operation of a CNG service station filling CNG cylinders or the operation of a cylinder exchange dealership which may include CNG cylinder filling, the sale of CNG in a cylinder, the sale of CNG cylinders, and the replacement of cylinder valves. The Category 5 original license fee shall be \$75, the annual renewal license fee shall be \$35.

(6) Category 6. The sale of CNG cylinders or systems. The Category 6 original license fee shall be \$50 the annual renewal license fee shall be \$25.

(b) Unless a person has obtained a license, under the provisions of these sections, the person may not engage in any of the activities previously listed. If a license expires or lapses, CNG operations shall immediately cease.

(c) Notwithstanding subsection (a)(2) of this section, no ultimate consumer is required to be licensed in order to perform those operations dealing only with the

ultimate consumer.

(d) A license obtained by an individual, partnership, corporation, or other legal entity extends to the entity's employees who are performing CNG work, provided that each employee is qualified as required by this chapter.

(e) All licenses issued by the division expire each year at midnight on the 31st day of May. In order to continue operations without interruption, licensees must renew licenses yearly prior to the time of expiration.

§13.62. Insurance Requirements.

(a) Pursuant to the Texas Natural Resources Code, Chapter 116, the Railroad Commission of Texas has adopted the following insurance requirements for those persons or businesses licensed by the Liquefied Petroleum Gas Division to do business in Texas.

(1) The division shall not issue a license authorizing activities under §13.61 of this title (relating to Licensing), or renew an existing license unless the applicant for license or license renewal provides proof of required insurance coverage with an insurance carrier authorized to do business in this state, or provides, on approval of the commission, proof of required insurance coverage issued by a surplus lines insurer that meets the requirements of the "Texas Insurance Code, Article" 1.14-2 and rules adopted by the "State Board of Insurance" under that article.

(2) A licensee shall not perform any licensed activity under §13.61 of this title (relating to Licensing) unless insurance coverage required by this section is in effect.

(3) Except as provided in §13.65 of this title (relating to Statements in Lieu of Insurance Certificates), the types and amounts of insurance provided in paragraphs (4)-(7) of this section are required while engaging in any of the activities set forth in this section or any activity incidental thereto.

(4) All Category 3 licensees or ultimate consumers, who have purchased, leased, or obtained other rights in any vehicle defined as a CNG transport by this chapter, shall have motor vehicle liability coverage of a minimum of \$500,000 combined single limit for bodily injuries or death for all persons injured or killed in any accident, and loss or damage in any one accident to property of others.

(5) Each member of each category shall have workers' compensation coverage, including employer's liability coverage.

(6) Each member of Categories 1, 3, and 4 shall have the following

coverage: general liability insurance, specifically including premises and operations coverage with the following minimum amounts: \$300,000 per occurrence, with a \$300,000 policy aggregate; including completed operations and products liability coverage, \$300,000 aggregate.

(7) Each member of Categories 2, 5, and 6 shall have the following coverage: general liability, including premises and operations coverage in limits not less than \$25,000 per occurrence, \$50,000 policy aggregate.

(b) As evidence that required insurance has been secured and is in force, certificates of insurance which are approved by the division shall be filed with the division before licensing, license renewal, and during the entire period that the license is in effect. Any document filed with the division in a timely manner which is not completed in accordance with the instructions indicated on the insurance certificate forms supplied by the division, but which complies with the substantive requirements of this section and with the rules adopted under this section, may be considered by the division to be evidence that required insurance has been secured and is in force for a temporary period not to exceed 45 days. During this temporary period, a licensee shall file with the division an amended certificate of insurance which complies with all procedural and substantive requirements of this section and the rules adopted hereunder.

(c) All certificates filed under this section shall be continuous in duration.

(d) Each certificate of insurance filed with this division must have one of the following endorsements attached to the policy, and may not be cancelled without cancellation of the policy to which it is attached.

(1) CNG Form 1996A, Insurance Filing Certifying Workers' Compensation Coverage, including Employer's Liability Coverage, certificate of insurance must have a "Texas Notice of Material Change Endorsement" Number WC 42 06 01 attached to the policy and any successor policies.

(2) CNG Form 1997A, Insurance Filing Certifying Motor Vehicle Bodily Injury Insurance and Property Damage Liability Insurance, certificate of insurance must have a "Cancellation Provision or Coverage Change Endorsement" Number TE 02 02A attached to the policy and any successor policies.

(3) CNG Form 1998A, Insurance Filing Certifying General Liability Insurance, certificate of insurance must have "Texas Changes Amendment of Cancellation Provisions or Coverage Change" Number CG 02 05 attached to the policy and any successor policies.

(e) Each endorsement issued and attached to a certificate of insurance noted in subsection (d) of this section requires the insurance carrier, noted as company on

the certificate of insurance to give the division 30 days written notice before the insurance cancellation. The 30 days notice commences to run from the date the notice is actually received by the division.

(f) Cancellation of a certificate of insurance becomes effective on the occurrence of any of the following events and not before:

(1) division receipt of written notice stating the insurer's intent to cancel a policy of insurance and giving a minimum of 30 days notice before the insurance cancellation;

(2) receipt by the division of an acceptable replacement insurance certificate;

(3) voluntary surrender of a license and the rights and privileges conferred by the license;

(4) division receipt of a statement made by a licensee stating that the licensee is not actively engaging in any operations which require a particular type of insurance and will not engage in those operations unless and until all certificates of required insurance applicable to those operations are filed with the division; or

(5) commission's cancellation by order or after hearing.

§13.63. Qualification as Self-Insured.

(a) General qualifications. The commission will give consideration to and may approve the application of a compressed natural gas (CNG) licensee to qualify as a self-insurer if such licensee furnishes a true and accurate statement of its financial condition and other evidence which establishes to the satisfaction of the commission the ability of such licensee to satisfy its obligations for the minimum insurance requirements specified in §13.62 of this title (relating to Insurance Requirements). This section shall not apply to the division's licensing requirements for worker's compensation insurance, including employer's liability coverage.

(b) Applicant guidelines. In addition to filing a CNG Form 1027, Application for Qualification as Self-Insurer, an applicant applying for self-insurer status covering general liability, including premises and operations coverage, shall submit materials that will allow the commission to determine whether:

(1) the net worth of the applicant is adequate in relationship to the size of operations and the extent of its request for self-insurance authority. The applicant should demonstrate that it will maintain a net worth sufficient to ensure that it will be able to meet its statutory obligations to the public to pay all claims relating to general

liability, including premises and operations coverage in the event of a claim;

(2) the applicant has a sound self-insurance program. The applicant shall demonstrate that it has established, and will maintain an insurance program that will protect the public against all claims involving CNG activities to the same extent as the minimum limits applicable pursuant to §13.61(a)(6) and §13.61(a)(7) of this title (relating to Licensing). Such a program may include, but not be limited to, one or more of the following: reserves; sinking funds; third party financial guarantees; parent company or affiliate sureties; excess insurance coverage; or other similar arrangements;

(3) Evidence of motor vehicle self-insurability accepted by the Transportation Division of the Railroad Commission of Texas may be submitted to the division for consideration in determining self-insurability.

(c) Other securities or agreements. The commission may consider applications for approval of other securities or agreements, or may require any other document(s) which may be necessary to ensure such application satisfies that the security or agreement offered will afford adequate security for protection of the public.

(d) Periodic reports. Semi-annual reports and annual statements reflecting the applicant's financial condition and status of its self-insurance program shall be filed with the commission during the period of its self-insurer status by March 10 and September 10 of each year.

(e) Duration of self-insurer status. The commission may approve the applicant as a self-insurer for any specific time period, or for an indefinite period until revoked by the commission.

(f) Revocation of a self-insurer status. The commission may at anytime, upon 10 days notice to the applicant, require the applicant to appear and demonstrate that it continues to have adequate financial resources to pay all general liability, including premises and operations coverage claims, and that it remains in compliance with the other requirements of this section. If the applicant fails to so demonstrate, its self-insurer status shall be revoked and it may be ineligible for self-insurance in the future.

§13.64. Qualification by Irrevocable Letter of Credit.

When an applicant submits a CNG Form 1028, Application to use Irrevocable Letter of Credit, as an alternative to insurance, letters of credit shall be subject to the following conditions:

(1) the letter may only be issued by a federally-chartered and federal-ly-insured bank authorized to do business in the United States;

- (2) the letter of credit must be irrevocable during their terms;
- (3) the letter must be payable to the commission in part or in full upon demand and receipt from the commission of a notice of forfeiture;
- (4) this section shall not apply to the division's licensing requirements for worker's compensation insurance, including employer's liability coverage.

§13.65. Statements in Lieu of Insurance Certificates.

(a) A category 3 or 6 licensee or applicant for license that does not operate or contemplate the operation of a CNG transport and does not transport or contemplate the delivery of CNG cylinders by vehicle in any manner, may make and file with the division a statement to that effect in lieu of filing a certificate of motor vehicle bodily injury and property damage liability insurance.

(b) A licensee or applicant for a license that does not engage in or contemplate engaging in any operations which would be covered by general liability insurance for a period of time may make and file with the division a statement to that effect in lieu of filing a certificate of general liability insurance.

(c) A licensee or applicant for license that does not employ or contemplate the hiring of an employee or employees to be engaged in CNG related activities in Texas may make and file with the division a statement to that effect in lieu of filing a with the division a statement to that effect in lieu of filing a certificate of worker's compensation insurance including employer's liability insurance.

(d) Any statement filed pursuant to subsections (a)-(c) of this section must further state that the licensee or applicant agrees to file a certificate of insurance evidencing appropriate coverage before engaging in any activities that require insurance coverage under this subchapter.

§13.66. Limitation/Avoidance of Licensee Liability.

(a) A compressed natural gas (CNG) licensee may not limit or avoid its liability or that of its insurer for damages proximately caused by any negligent act or acts of the licensee in handling CNG.

(b) An attempt to limit or avoid liability before the negligent act or acts, through indemnity clauses or otherwise, shall be null and void.

(c) This section does not apply to negotiations and/or settlements made subsequent to the recognition by the parties to a contract of the licensee's negligent

act or acts.

(d) To the extent that any damage occurring during or subsequent to any of the following acts does not proximately result from any negligent act of the licensee, the licensee may limit liability based on the following:

(1) unauthorized, unsafe, or improper applications of CNG and/or CNG systems or equipment by any user or other person;

(2) any use or operation of CNG and/or CNG systems or equipment contrary to the specific representations made by any user or other person to a CNG licensee during or preceding installations or servicing of such CNG systems or equipment and relied upon by such CNG licensee in selecting, designing, installing, or servicing such systems or equipment; or

(3) any modification, change, installation, alteration, tampering, or other action by any unlicensed person, to or upon any CNG system or equipment.

§13.67. Changes in Ownership and/or Form of Dealership.

(a) Transfer of dealership outlet or location by sale, lease, or gift.

(1) Licensing. The purchaser, lessee, or donee of any dealership outlet or location shall apply for and be issued a notice of tentative CNG license approval, prior to engaging in the transfer of such an entity. Such tentative CNG license approval, when issued, shall be valid for a period not to exceed 90 days from the date of issue. During this 90-day period, the licensee and the recipient of the tentative CNG license approval shall be allowed to conduct business under this subchapter. Any applicable licensing fees shall be prorated to cover this period of tentative approval and shall be payable at the time of application for tentative approval. Any portion of the licensing fees unused during this 90-day period shall be applied on a prorated basis to the licensing fee required of the new purchaser, lessee, or donee of such dealership or outlet.

(2) Notice. After the transfer of any dealership outlet or location, the new operator/owner or the authorized representative thereof, shall notify the division of the completed transfer of such dealership by certified mail immediately upon the completion of said transfer, and file with the division all forms of application for licensing or registration required by this subchapter.

(b) Other changes in ownership.

(1) Licensing. Upon the death of a sole proprietor or partner, the dissolution of a corporation or partnership, any changes in the members of a partner-

ship, or other changes in ownership not specifically provided for elsewhere in this section, the CNG operation shall continue for no longer than 30 days, unless a CNG license is issued to the successor in interest and the notice requirements of paragraph (2) of this subsection have been satisfied. This 30-day period shall be allowed only when the licensee meets all other pertinent requirements of this subchapter, specifically those regarding the licensee's representative.

(2) Notice. The successor in interest shall notify the division by certified mail of the death of a sole proprietorship or partner, the dissolution of a corporation or partnership, any change in partnership members, or other changes in ownership not specifically provided for elsewhere in this section.

(3) Change in partnership members. A change in partnership members occurs upon the death, withdrawal, expulsion, or addition of a partner.

(4) Transfer of stock. Notwithstanding, the provisions of paragraphs (1)-(3) of this subsection, a change in ownership does not occur, for the purpose of this section, when shares of stock in a corporation are transferred, exchanged, sold, or alienated, unless such action creates a new controlling interest in such corporation.

(c) Changes in dealership business form.

(1) Licensing. When a dealership converts from one business entity to a different kind of business entity, the newly formed entity shall apply for and be issued a notice of tentative CNG license approval, prior to engaging in the conversion. Such tentative CNG license approval, when issued, shall be valid for a period not to exceed 90 days from the date of issue. During this 90-day period, the licensee (regardless of form) shall be allowed to conduct business under this subchapter. Any applicable licensing fees shall be paid or maintained to cover this period of tentative approval and shall be paid or payable at the time of application for tentative approval. Any fees paid by this original entity shall be credited on a prorated basis to the account of the new entity.

(2) Notice. An authorized representative of the original entity or of the new entity shall notify the division by certified mail of an accomplished change in business form immediately upon the completion of such conversion, and shall cause to be filed with the division all forms of applications for licensing or registration required by this subchapter.

§13.68. Dealership Name Change.

(a) Duty to report. A licensee shall file the following forms evidencing any change in the licensee's name with the division prior to engaging in operations that require a CNG license under a new business form:

- (1) an amended application for license;
- (2) certificates of insurance and/or statement in lieu of insurance (where permitted); and
- (3) any other forms required by the division.

(b) Duty to register. A licensee operating under a changed name shall cause the re-registration of any CNG transport unit from the old name to the changed name of the license by filing an amended CNG Form 1007, Compressed Natural Gas Transport Registration, with the division prior to the use of any such unit in the transport or delivery of CNG in the State of Texas.

§13.69. Registration of CNG Transport Units.

(a) A licensee who has purchased, leased, or obtained other rights in any vessel defined as a CNG transport by this subchapter shall register each such unit with the division in the name of the licensee, prior to the use of such unit for the transport or delivery of CNG in Texas.

(b) An ultimate consumer who has purchased, leased, or obtained other rights in any vessel defined as a CNG transport by this subchapter shall register each such unit with the division in the name of the consumer, prior to the use of such unit for the transport of CNG on public highways in Texas.

§13.70. Examination and Notification Generally.

(a) Each individual wishing to submit to examination by the division shall file a CNG Form 1016, Application for Examination, with the division within any deadlines established by the division.

(b) The division will administer all examinations in Austin, and at other selected sites, when appropriate, unless an applicant demonstrates good cause for administering examination elsewhere. Good cause includes, but is not limited to, severe economic hardship.

(c) Satisfactory completion of any required examination shall accrue to the individual.

(d) Failure of any examination shall immediately disqualify the individual from performing any CNG activities covered by the examination which is failed.

(e) Information regarding examinations may be acquired from the Austin office

of the LP-Gas Division.

(f) Any individual who fails to pass any test administered by the division may not be re-examined for a period of at least 24 hours.

(g) A licensee shall notify the division when a previously qualified person is hired. Notification will include the employee's name as recorded on a current driver's license or Texas Department of Public Safety identification card, employee social security number, name of previous licensee-employer, and CNG related work to be performed.

(h) Any notice, application, or statement submitted to the division shall have effect only on the date of receipt in the Austin office, and not on the date of mailing. Notice may be delivered to the Austin office of the Liquefied Petroleum Gas Division by means of the United States post office, by a private postal carrier, or by any other appropriate means.

(i) Any person required to pass an examination or participate in a seminar pursuant to these rules must renew certification by re-examination or by participation in a seminar every five years. The person must pay the current examination or seminar fee and pass the examination or participate in the seminar on or before the fifth anniversary date of that person's most recent certification.

13.71. Examination of Representative.

(a) Each applicant for a license or license renewal shall file a CNG Form 1001, Application for License, with the Liquefied Petroleum Gas (LPG) Division designating a representative who shall be an owner or employee of the licensee, and who shall be directly responsible for actively supervising CNG operations of the licensee. Sole proprietors licensed as retail and/or wholesale dealers under this subchapter must pass the management examination of the division and be qualified as a representative.

(b) A licensee may not engage in CNG related activities governed by the Texas Natural Resources Code, Chapter 116, until its designated representative has passed the management examination administered by the division. The division shall not issue or renew a license unless the designated representative has passed this examination.

(c) The licensee shall notify the division in writing upon termination of its representative of record and shall at the same time designate a replacement by submitting a new CNG Form 1001, Application for License.

(d) The licensee must cease operations if, at the termination of its representative, there is no other qualified representative of the licensee acknowledged and

recorded by the division at its Austin office. The licensee may not resume operation until the licensee has a qualified representative.

- (e) A licensee may have more than one representative.

§13.72. Designation and Testing of Operation Supervisors.

(a) The Liquefied Petroleum Gas (LPG) Division shall designate whether a site is an outlet for the purpose of this subchapter.

(b) A licensee maintaining more than one outlet shall designate a person as operations supervisor at each outlet. The operations of the licensee at the outlet may not commence or continue when the operations supervisor has not passed the management examination as administered by the division.

(c) An operations supervisor may be a representative of the licensee, provided, however, that an individual may be designated as an operations supervisor at no more than one outlet.

(d) The operations supervisor shall be directly responsible for actively supervising CNG operations of the licensee at the designated outlet.

§13.73. Examination of Employees.

(a) No individual may work or be employed in any capacity which requires contact with compressed natural gas (CNG) or CNG systems, until that person has submitted to and passed a division examination which measures the competency of that person to perform the CNG related activities anticipated. This section applies to all licensees and their employees who perform CNG related activities. This section also applies to any ultimate consumer who has purchased, leased, or obtained other rights in any vessel defined as a CNG transport by this chapter and includes any employee of such an ultimate consumer if that employee drives or any way operates such a CNG transport. Driving a motor vehicle powered by CNG does not in itself constitute CNG related work. The fueling of motor vehicles for an ultimate consumer by the ultimate consumer or its employees does not in itself constitute CNG related work.

(b) Notwithstanding the requirements of subsection (a) of this section, a licensee or consumer may employ an individual as a trainee for a period not to exceed 45 days, without that person having passed the necessary examination. During this training period, however, the trainee must be directly and individually supervised at all times by an individual who has passed the division examination for the areas of work being performed by the trainee. In addition, the licensee or consumer is responsible for ensuring that a CNG Form 1016, Application for Examination, is on file with the

division for each employee in training. No trainee may perform any work while unsupervised, if such work involves CNG or CNG systems.

(c) A trainee who attempts to pass the division examination, and who fails the examination, shall cease to perform any CNG related activities covered by the examination failed. A trainee who has been in training for a total period of 45 days, in any combination or for any number of employers, shall cease to perform any CNG related activities. A trainee who continues to work in violation of this section may be held responsible for its violation. An employer who employs an individual in violation of this section may be held responsible for its violation.

(d) Any employee of an ultimate consumer or public employee of the State of Texas, or state political division must be properly supervised and trained in the maintenance and storage of CNG and CNG systems, and in the operation of equipment during the filling of and dispensing from storage containers, and in the protection of containers and equipment against mechanical injury or against tampering by unauthorized persons.

§13.74. Examination Fees.

(a) Each applicant shall pay the Railroad Commission in advance a nonrefundable examination fee for each required examination. The fee for all categories of management examinations shall be \$25 per exam. The fee for all employee examinations shall be \$10 per exam. If an applicant fails an examination, the full examination fee shall be charged for each subsequent examination.

(b) Qualified employee status must be renewed on a yearly basis for those years in which reexamination or seminar participation is not required. In order for an individual who is qualified to maintain status as a qualified employee, a renewal fee of \$10 must be paid annually, on or before April 30th. Failure to timely renew qualified status will require the employee to pay another examination or seminar fee and to be reexamined or to participate in another seminar.

Subchapter D. Compression, Storage, and Dispensing Systems

§13.91. Applicability.

This subchapter applies to the design, construction, installation, and operation of cylinders, pressure vessels, compression equipment, buildings and structures, and associated equipment used for storage and dispensing of compressed natural gas (CNG) as an engine fuel in fleet and public dispensing operations.

§13.92. System Component Qualification.

System components shall comply with the appropriate provisions in Subchapter B of this title (relating to General Rules for Compressed Natural Gas and Equipment Identification).

§13.93. General.

(a) Equipment related to a compression, storage, or dispensing installation shall be protected in accordance with one of the three standards set forth in this subsection to minimize the possibilities of unauthorized tampering by fencing and/or locks. Guardrails shall be used to protect such equipment from physical damage.

(1) Fencing.

(A) Fencing material shall be chain link type with wire no smaller than 12-1/2 American wire gauge size.

(B) Fencing shall be no less than six feet in height at all points. Fencing may be five feet in height when topped with at least three strands of barbed wire, with the strands no more than four inches apart.

(C) All uprights, braces, and/or cornerposts of the fence shall be composed of noncombustible material if located within 25 feet of the enclosed CNG transfer system(s) or CNG cylinder(s).

(D) All fenced enclosures shall have at least one gate suitable for ingress and egress. All gates shall be locked whenever the area enclosed is unattended.

(E) A minimum clearance of two feet shall be maintained between the fencing and the compression equipment, cylinder cascade(s), or container(s), and the entire dispensing system(s).

(F) Fencing which is located more than 25 feet from any point of a CNG dispensing system(s), cylinder cascade(s), container(s), or compression equipment is designated as perimeter fencing. If a CNG dispensing system(s), cylinder cascade(s), container(s), or compression equipment is located inside perimeter fencing and is subject to vehicular traffic, it shall be protected against damage by the use of guardrails and guard posts, installed according to the specifications set forth in paragraph (2) of this subsection.

(G) The cylinder cascade containers, compression equipment, and the entire dispensing system must be completely enclosed by fencing.

(2) Guardrails.

(A) Where fencing is not used to protect the installation as provided in paragraph (1) of this subsection, then valve locks, electric control locks, or other suitable means shall be placed to prevent unauthorized withdrawal of CNG.

(B) Vertical supports for a guardrail shall be a minimum of three-inch Schedule 40 steel pipe, or material with equal or greater strength. The supports must be capped on the top and firmly anchored in concrete, with a minimum height of 30 inches above the level of the ground. Supports shall be spaced no more than four feet apart.

(C) Horizontal guardrailing shall be a minimum of 28 inches above the level of the ground and be secured between the vertical guard posts. It shall be no less than three-inch Schedule 40 steel pipe, or material with equal or greater strength. The railing shall be welded or bolted to the guard posts.

(D) No opening in the railing may exceed 36 inches.

(E) A minimum clearance of 24 inches shall be maintained between the railing and any part of the CNG compression equipment, cylinder cascade(s), container(s), or dispensing equipment.

(F) Guardrail protection shall extend at least 24 inches beyond any part of the CNG compression equipment, cylinder cascade(s), container(s), or dispensing equipment which is exposed to vehicular traffic.

(G) The compression equipment, cylinder cascade(s), container(s), or dispensing equipment must be completely enclosed by guardrails.

(3) Fencing and Guardrails. A combination of the protection standards authorized by paragraphs (1) and (2) of this subsection shall not result in less protection than either standard.

(b) Control devices shall be installed so that internal or external icing or condensate formation will not cause malfunction.

(c) Vehicles shall not be considered a source of ignition with respect to the provisions in this chapter. Exception: Vehicles containing fuel-fired equipment (e.g., recreational vehicles and catering trucks) shall be considered a source of ignition unless this equipment is shut off completely before entering an area in which ignition sources are prohibited.

§13.94. Location of Installations.

(a) Compressed natural gas (CNG) compression, storage, and dispensing shall be located and conducted outdoors.

(b) A facility in which CNG compression, storage, and dispensing equipment is sheltered by a canopy-type structure constructed of noncombustible materials which has at least one side open and a roof designed for ventilation and dispersal of escaped gas shall be regarded as in compliance, provided that a ventilation space 12 inches wide is provided along the full length at the top of three sides.

(c) Compressed natural gas (CNG) storage cylinders charged with CNG not connected for use shall be located outdoors in a fenced, protected area. Each cylinder must be equipped with a valve cap or guard securely tightened.

(d) Compression, storage, and dispensing equipment shall be located above-ground, not beneath electric transmission lines, a minimum of 10 feet from the nearest building or line of adjoining property. Exception: Upon approval by the Railroad Commission of Texas, such equipment may be located at a lesser distance from buildings or walls constructed of concrete or other noncombustible materials, but at least 10 feet from any building openings.

(e) Compression, storage, and dispensing equipment shall be located not less than 10 feet from the nearest public street or sidewalk line, and at least 50 feet from the nearest rail of any railroad main track.

(f) A clear space of at least three feet shall be provided for access to all valves and fittings of multiple groups of cylinders.

(g) Readily ignitable material shall not be permitted within 10 feet of any stationary cylinders.

(h) The minimum separation between cylinders and aboveground tanks containing flammable or combustible liquid shall be 20 feet.

(i) During fueling operations, the point of transfer shall be located at least 10 feet from any building, manufactured housing, public sidewalk, highway, street, or road, and at least 10 feet from storage cylinders or aboveground tanks containing flammable or combustible liquids. Exception: Upon approval by the Railroad Commission of Texas, the point of transfer may be located at a lesser distance from buildings or walls constructed of concrete or other noncombustible materials, but at least 10 feet from any building openings.

§13.95. Installation of Cylinders and Cylinder Appurtenances.

(a) Storage cylinders shall be installed aboveground on stable, noncombustible foundations. Horizontal cylinders shall have no more than two points of support longitudinally. Where flooding may occur, they shall be securely anchored to prevent floating.

(b) Cylinders shall be protected by painting or other equivalent means where necessary to inhibit corrosion. Horizontally-installed cylinders shall not be in direct contact with each other.

(c) All cylinders other than composite cylinders shall be painted white.

(d) Adequate means shall be provided to prevent the flow or accumulation of flammable or combustible liquids under cylinders, such as by grading, pads, or diversion curbs.

§13.96. Installation of Pressure Relief Devices.

(a) Pressure relief valves shall be so arranged that they will discharge to a safe area, and so that escaping gas will not impinge upon buildings, other equipment, or areas that could be occupied by the public.

(b) A pressure relief device shall be provided in the transfer system to prevent overpressure in the vehicle.

§13.97. Installation of Pressure Regulators.

Regulators shall be designed, installed, or protected so their operation will not be affected by the elements (freezing rain, sleet, snow, ice, mud, or debris). The protection may be integral with the regulator.

§13.98. Installation of Pressure Gauges.

Gauges shall be installed to indicate compression discharge pressure, storage pressure, and fuel supply cylinder fill pressure.

§13.99. Installation of Piping and Hoses.

(a) Piping and tubing shall be installed with adequate provisions for expansion, contraction, jarring, vibration, and settling. Exterior piping may be either buried or installed aboveground and shall be well supported and protected against mechanical damage. Unless otherwise protected, underground piping shall be buried no less than 18 inches below the surface of the ground. Underground piping shall be protected from corrosion in compliance with presently recognized practices. Uncoated threaded or socket welded joints shall not be used in piping in contact with soil or where internal or external crevice corrosion may occur.

(b) Natural gas shall not be vented to the atmosphere unless the vent leads to a safe point of discharge. A vent pipe or stack shall have the open end suitably protected to prevent entrance of rain, snow, and solid material. Vertical vent pipes and stacks shall have provisions for drainage.

(c) The use of hose in an installation is limited to:

(1) a vehicle fueling hose;

(2) an inlet connection to compression equipment;

(3) a section of metallic hose not exceeding 36 inches in length in a pipeline to provide flexibility where necessary. Each section shall be so installed that it will be protected against mechanical damage and be readily visible for inspection. The manufacturer's identification shall be retained in each section.

§13.100. Testing.

(a) Piping, tubing, hoses and hose assemblies shall be leak tested after assembly to prove free from leaks at a pressure equal to at least the normal operating pressure of that portion of the system.

(b) Pressure relief valves shall be tested at least every five years.

§13.101. Installation of Emergency Shutdown Equipment.

- (a) Manually operated cylinder valves shall be provided for each cylinder.
- (b) A manually operated shutoff valve shall be installed in a manifold as close to a cylinder or group of cylinders as practical.
- (c) Where excess flow check valves are used, the closing flow shall be less than the flow rating of the piping system which would result from a pipeline rupture between the excess flow valve and the equipment downstream of the excess flow check valve.
- (d) The fill line on storage cylinders shall be equipped with a back flow check valve to prevent discharge of natural gas from the cylinder in case of line, hose, or fittings rupture.
- (e) A means for emergency manual gas shutdown of the compression equipment shall be provided at the dispensing area and also at a location remote from the dispensing area.
- (f) Emergency gas shutdown devices shall be distinctly marked for easy recognition with a permanently affixed, legible sign with two inch red lettering on a white background.
- (g) Break away protection shall be provided in a manner such that, in the event of a pull away, natural gas will cease to flow at any separation.

§13.102. Installation of Electrical Equipment.

- (a) Electrical equipment located within 15 feet of any compressor, cascade, or dispensing equipment shall be installed in accordance with the "National Electrical Code (NEC)" for "Class 1, Group D, Division 1" locations. The classified area shall not extend beyond an unpierced wall, roof, or vapor tight partition.
- (b) Electrical equipment installed on internal combustion engines for stationary installations shall comply with NEC for "Class 1, Group D, Division 2" locations.

§13.103. Stray or Impressed Currents and Bonding.

- (a) When stray or impressed currents are used or may be present on dispensing systems (such as cathodic protection), protective measures to prevent ignition shall be taken in accordance with "Protection Against Ignitions Arising Out of Static, Lightning, and Stray Currents, American Petroleum Institute RP 2003".

(b) Static protection is not required when compressed natural gas (CNG) is loaded or unloaded by conductive or nonconductive hose, flexible metallic tubing, or pipe connections where both halves of the metallic couplings are in contact.

§13.104. Operation.

(a) A cylinder shall not be charged in excess of the maximum allowable working pressure at normal temperature for that container. Department of Transportation (DOT) cylinders shall be charged in accordance with DOT regulations. DOT cylinders shall not be subjected to pressure in excess of 125% of the marked service pressure even if upon cooling it settles to the marked service pressure.

(b) A fuel supply cylinder shall not have a settled pressure above the working pressure stamped on the cylinder and displayed on a label near the filling connection, corrected for the ambient temperature at time of filling.

(c) Compressed natural gas (CNG) dispensing systems shall be equipped to automatically stop fuel flow when a fuel supply cylinder reaches the temperature corrected fill pressure.

(d) The transfer of CNG into a fuel supply cylinder shall be performed by a person qualified as having performed the transfer operation at least three full cycles under supervision and having competence in initiating emergency procedures. This person shall be responsible for verifying working pressure and cylinder retest-date.

(e) When CNG is being transferred to or from a motor vehicle, the engine shall be stopped.

(f) During the transfer of CNG to or from cargo vehicles, the hand or emergency brake of the vehicle shall be set and chock blocks used to prevent rolling of the vehicle.

(g) Bleed connections shall be provided in transfer systems to permit depressurizing before disconnecting the line. These bleed connections shall lead to a safe point of discharge.

(h) Compressed natural gas (CNG) shall not be used to operate any device or equipment which has not been designed or properly modified for CNG service.

(i) Sources of ignition shall not be permitted within 10 feet of any filling connection during a transfer operation.

(j) Readily visible warning signs with the words "stop motor", "no smoking", "no open flames permitted", "flammable gas" shall be posted at the dispensing station

and compressor areas. Lettering shall be at least 1/2 inch high. The location of signs shall be determined by on site conditions but shall be visible from each point of transfer.

(k) All retail CNG installations shall be lettered in letters not less than four inches high to indicate the name of the licensee operating the installation. Each retail dispensing area shall be lettered "compressed natural gas" with "CNG" as an acceptable substitute in letters not less than four inches in height.

§13.105. Fire Protection.

A portable fire extinguisher having a rating not less than 20-B:C shall be provided at the dispensing area and at the compressor.

§13.106. Maintenance.

(a) Cylinders and their appurtenances, piping systems, compression equipment, controls, vehicle fueling hose(s) and devices shall be maintained in proper operating condition at all times.

(b) While in transit, fueling hose and flexible metal hose on a cargo vehicle to be used in a transfer operation, including their connections, shall be depressurized and protected from wear and injury.

(c) Pressure relief valves shall be maintained in proper operating condition.

(d) As a precaution to keep pressure relief devices in reliable operating condition, care shall be taken in the handling or storing of compressed natural gas (CNG) cylinders to avoid damage. Care shall also be exercised to avoid plugging by paint or other dirt accumulation of pressure relief device channels or other parts which could interfere with the functioning of the device.

§13.107. Dispenser Accuracy.

Each retail compressed natural gas (CNG) dispenser shall comply with the applicable weights and measures requirements of the Texas Department of Agriculture, relating to dispensing accuracy.

Subchapter E. ENGINE FUEL SYSTEMS

§13.131. Applicability.

(a) This subchapter applies to the design, installation, inspection, and testing of compressed natural gas (CNG) fuel supply systems for vehicular internal combustion engines.

(b) Installation of each component of the system shall be made in conformance to the written instructions provided by the manufacturer.

§13.132. System Component Qualification.

(a) System components shall comply with the appropriate provisions in Subchapter B of this chapter (relating to General Rules for Compressed Natural Gas and Equipment Qualification).

(b) Components in the engine compartment shall be suitable for service over a range of temperatures of -40 degrees Fahrenheit to 250 degrees Fahrenheit. All other components shall be suitable for service over a range of -40 degrees Fahrenheit to 180 degrees Fahrenheit.

(c) Fuel-carrying components shall be labeled or stamped with the following:

- (1) the manufacturer's name or symbol;
- (2) the model designation;
- (3) the design working pressure;
- (4) direction of fuel flow when necessary for correct installation; and

(5) capacity or electrical rating as applicable. Exception: This subsection does not apply to service valves, tubing and fittings.

§13.133. Installation of Fuel Supply Cylinders.

(a) Fuel supply cylinders on vehicles other than school buses or other vehicles used in public transportation, may be located within, below, or above the driver or passenger compartment, provided all connections to the cylinders are external to, or sealed and vented from those compartments.

(b) Fuel supply cylinders on school buses and other public transportation vehicles shall not be located above or within the driver or passenger compartment.

(c) Each fuel supply cylinder shall be mounted in a location to minimize damage from collision. No part of a cylinder or its appurtenances shall protrude beyond the sides or top of the vehicle at the point where it is installed.

(d) The fuel system shall be installed with as much road clearance as practical, but not less than the minimum road clearance of the vehicle when loaded to its gross vehicle weight rating. This minimum clearance shall be measured from the lowest part of the fuel system.

(e) No portion of a fuel supply cylinder or cylinder appurtenance shall be located ahead of the front axle or behind the rear bumper mounting face of a vehicle. Cylinder valves shall be protected from physical damage using the vehicle structure, valve protectors, or a suitable metal shield.

(f) Each cylinder bracket shall be secured to the vehicle body, bed, or frame with Grade 5, 1/2 inch bolts (or better), three-inch diameter washers, or a solid back-up plate, and self-locking nuts to prevent damage from road hazards, slippage, loosening, or rotation and shall be capable of withstanding a static force in any direction of eight times the weight of a fully pressurized cylinder.

(g) Each fuel supply cylinder in the bracket shall be secured to its cradle with Grade 5, 1/2-inch bolts (or better), and self-locking nuts and shall be capable of withstanding a static force applied in any direction eight times the weight of the fully pressurized cylinder.

(h) The cylinder weight shall not be supported by the outlet, service valves, manifolds, or other fuel connections.

(i) Fuel supply cylinders located less than eight inches from the exhaust system shall be shielded against direct heat.

(j) The mounting system shall minimize fretting corrosion between the cylinder and the mounting system by means of rubber insulators or other suitable means.

(k) Fuel supply cylinders shall not be installed so as to adversely affect the driving characteristics of the vehicle.

§13.134. Installation of Venting Systems.

(a) All pressure relief devices and pressure-carrying components installed within a closed compartment shall be vented to the outside of the vehicle in a suitable

location.

(b) The venting system for the discharge of pressure relief devices (pressure relief device channels) shall be constructed in such a manner to channel the natural gas out of the closed compartment. The vent collection bag shall be constructed from a fabric that is tear-resistant, flame resistant, abrasion resistant, and inert with mechanical properties. The fabric shall be bonded to the cylinder and joints constructed using an adhesive compatible with the container fabric. This bag shall be repaired or replaced at any such time the bag fails to comply with the requirements of this subsection.

(c) The vent or vents for the venting system shall not exit into a wheel well.

(d) A vent shall not restrict the operation of a cylinder pressure relief device or pressure relief device channel.

§13.135. Installation of Piping.

(a) Manifolds connecting fuel cylinders shall be fabricated to minimize vibration and shall be installed in a protected location or shielded to prevent damage from unsecured objects.

(b) A pipe thread jointing material impervious to the action of the compressed natural gas (CNG) used in the system shall be applied to all male pipe threads prior to assembly.

(c) Piping and fittings shall be clear and free from cutting or threading burrs, and scaling. The ends of all piping shall be reamed.

(d) Where necessary to prevent abrasion, supply lines passing through a panel shall be protected by grommets or similar devices such as bulkhead fittings, which shall snugly fit both the supply lines and the holes in the panel.

(e) Supply lines shall have a minimum clearance of eight inches from the engine exhaust system or shall be shielded against direct heat.

(f) Supply lines shall be mounted, braced, and supported to minimize vibration and protected against damage, corrosion, or breakage due to strain or wear. A supply line shall be supported at least every 24 inches.

(g) A bend in piping or tubing is prohibited where such a bend weakens the pipe or tubing. Bends shall be made by bending tools designed for this purpose.

(h) A joint or connection shall be located only in an accessible location.

§13.136. Installation of Valves.

- (a) A manually operated cylinder service valve shall be installed on each fuel cylinder.
- (b) In addition to the cylinder service valve, a manual shutoff valve shall be installed in an accessible location which will permit isolation of the cylinder(s) from the remainder of the fuel system. Manual shutoff valves on school buses shall be installed on the exterior and as near as possible to the front entrance for immediate accessibility to the driver in case of emergency.
- (c) The valve shall be securely mounted and shielded or installed in a protected location to minimize damage from vibration and unsecured objects.
- (d) The valve location shall be marked with the words "Manual Shutoff Valve." Decals or stencils are acceptable.
- (e) A means shall be provided in the system which automatically prevents the flow of gaseous fuel to the engine when the engine is not running even if the ignition is in an "on" position.
- (f) When multiple fuel systems are installed on the vehicle, automatic valves shall be provided, as necessary, to shut off the fuel not being used.
- (g) The fueling system shall be equipped with a backflow check valve which will prevent the return of gas from the cylinder to the filling connection.

§13.137. Installation of Pressure Gauges.

- (a) A pressure gauge located within a driver or passenger compartment shall be installed in such a manner that no gas will flow through the gauge in the event of failure. Such gauge when installed shall be readily visible from the driver's seat.
- (b) A pressure gauge installed outside a driver or passenger compartment shall be equipped with a limiting orifice, a shatter-proof dial lens, and a body relief.
- (c) Gauges shall be securely mounted, shielded, and installed in a protected location to prevent damage from vibration and unsecured objects.

§13.138. Installation of Pressure Regulators.

- (a) An automatic pressure reducing regulator(s) shall be installed to reduce the fuel cylinder pressure to a level consistent with the working pressure required by

the gas-air mixer.

(b) Means shall be provided to prevent regulator malfunctions due to refrigeration effects.

(c) Regulators shall be installed so that their weight is not placed on, or supported by, the attached gas lines.

§13.139. Installation of Fueling Connection.

A fueling connection receptacle complying with §13.34 of this title (relating to Vehicle Fueling Connection) shall be installed in each vehicle.

§13.140. Labeling.

(a) A vehicle equipped with a compressed natural gas (CNG) fuel system shall bear a durable label, readily visible and located at the fueling connection receptacle.

(b) The label shall include the following:

- (1) CNG fueled vehicle;
- (2) system working pressure;
- (3) name of company or entity and license number;
- (4) cylinder retest date(s) (where applicable); and
- (5) total cylinder water volume in cubic inches.

(c) Each vehicle shall be identified with a weather-resistant diamond-shaped label located on an exterior vertical or near vertical surface on the lower right rear of the vehicle (on the trunk lid of a vehicle so equipped, but not on the bumper of any vehicle), inboard from any other markings. The label shall be approximately 4-3/4 inches by 3-1/4 inches. The marking shall consist of a border and the letters "CNG" (one inch minimum height centered in the diamond) of silver or white reflective luminous material on a blue background.

§13.141. System Testing.

(a) The complete assembly shall be leak tested using natural gas or inert gas (carbon dioxide or nitrogen, or a mixture of these).

(b) After installation, every connection shall be checked with a non-ammonia soap solution or a leak detector instrument after the equipment is connected and pressurized to its working pressure.

(c) If the completed assembly is leak tested with natural gas, the testing shall be done under adequately ventilated conditions.

(d) When a CNG cylinder is involved in an accident or fire causing damage to the cylinder, the cylinder shall be replaced or removed and returned to a currently licensed Category 1 licensee (manufacturer) or Category 4 licensee (tester) to be inspected and retested in accordance with the originally manufactured specifications. Before being returned to service, a CNG Form 1008, Manufacturer's Report of Retest or Repair, shall be sent to the LP-Gas Division.

(e) When a vehicle is involved in an accident or fire causing damage to any part of the CNG fuel system, the system shall be retested before being returned to service.

§13.142. Maintenance and Repair.

(a) Damaged supply lines shall be replaced, not repaired.

(b) The owner or user, or both, shall maintain all cylinders, cylinder appurtenances, piping systems, venting systems, and other components in a safe condition.

(c) As a precaution to keep pressure relief devices in reliable operating condition, care shall be taken in the handling or storing of compressed natural gas (CNG) cylinders to avoid damage. Care shall also be exercised to avoid plugging by paint or other dirt accumulation of pressure relief device channels or other parts which could interfere with the functioning of the device.

(d) No repair or alteration will be permitted on pressure relief devices.

Subchapter F. RESIDENTIAL FUELING FACILITIES

§13.181. Applicability.

(a) This subchapter applies to the design, construction, installation, and operation of a residential fueling facility as defined in §13.2 of this title (relating to Definitions).

(b) The provisions of this subchapter shall apply to all residential refueling installations.

§13.182. Scope.

(a) A residential fueling facility is an assembly used for the compression and delivery of natural gas into vehicles with its associated equipment and piping.

(b) The capacity of a residential fueling facility shall not exceed five standard cubic feet per minute (SCFM) of natural gas. Storage of CNG, except in the vehicle fuel supply cylinder, is prohibited.

§13.183. System Component Qualifications.

System components shall comply with the appropriate provisions in Subchapter B of this chapter (relating to General Rules for Compressed Natural Gas Equipment Qualifications).

§13.184. General.

(a) All equipment related to a residential fueling facility installation shall be suitably packaged and located to protect it from physical damage and vandalism. This requirement may be met by enclosing the compressor package in an enclosure, similar to a central air conditioner.

(b) All equipment related to a residential fueling facility installation shall be designed for the pressure, temperature, and service expected.

(c) Vehicles shall be considered as unclassified electrically with respect to "Article 500 of the National Electrical Code (NEC)".

(d) Compressed natural gas (CNG) shall not be vented to the atmosphere

under normal operation.

§13.185. Installation.

(a) All such residential refueling installations shall be installed in accordance with the Regulations for Compressed Natural Gas (CNG).

(b) The primary concern for the location of the refueling system shall be based solely upon its safety. Compressed natural gas (CNG) compression and dispensing must be located and conducted outdoors.

(c) All residential fueling facility equipment shall be installed in accordance with the equipment manufacturer's instructions.

(d) The residential fueling facility shall have a nameplate marked with minimum and maximum gas inlet pressure and flow rate, gas outlet maximum pressure and electrical requirements.

§13.186. Outdoor Installations.

The residential fueling facility shall be installed on a firm noncombustible support to prevent undue stress on piping and conduit.

§13.187. Installation of Pressure Relief Valves.

Pressure relief valves shall be vented upwards to a safe area so as not to impinge on buildings, other equipment, or areas that could be occupied by the public, (e.g., sidewalks). The discharge vent line shall be able to withstand the pressure from the relief vapor discharge when the relief valve is in the full open position and shall permit sufficient pressure relief relieving capacity. A spring loaded or counter balanced rain cap shall be provided on the discharge vent line. The rain cap shall permit the pressure relief valve to operate at sufficient relieving capacity.

§13.188. Installation of Pressure Gauges.

For measurement and test purposes, pressure gauges may be installed, but are not required.

§13.189. Pressure Regulation.

A residential fueling facility shall be equipped to automatically stop fuel flow when container(s) reach temperature corrected fill pressure.

§13.190. Piping and Hose.

(a) All piping and hose from the outlet of the compressor shall be supplied as part of the residential fueling facility.

(b) The use of hose in an installation is limited to:

(1) a vehicle refueling hose; the maximum length fueling hose is 12 feet and shall be supported;

(2) an inlet connection to compression equipment not exceeding 36 inches. This connector, if used, shall be supplied as part of the residential fueling facility;

(3) a section of metallic hose not exceeding 36 inches in length in a pipeline to provide flexibility where necessary. Each section shall be so installed that it will be protected against mechanical damage and be readily visible for inspection. The manufacturer's identification shall be retained in each section;

(4) hose used for pressure relief device channels may exceed 36 inches.

(c) The least possible number of connections shall be used in order to reduce the possibility of leakage in the residential fueling facility.

(d) Bleed connections shall be provided in transfer systems to permit depressurizing the line before disconnection. These bleed connections shall be vented to a safe point of discharge.

§13.191. Testing.

All piping and tubing shall be tested after assembly to prove free from leaks at a pressure equal to the maximum working pressure of that portion of the system.

§13.192. Installation of Emergency Shutdown Equipment.

(a) A residential fueling facility shall be equipped with emergency manual

shutdown of the gas supply and electrical power. The emergency electrical switch shall be at least five feet from the residential fueling facility and in view of the residential fueling facility.

(b) Break-away protection shall be provided in a manner such that, in the event of a pull-away, natural gas will cease to flow at any separation.

§13.193. Operation.

(a) A residential fueling facility shall be operated in accordance with the manufacturer's instructions.

(b) A fuel supply cylinder shall not be charged in excess of its maximum allowable working pressure at normal temperature. Department of Transportation (DOT) cylinders shall be charged in accordance with DOT regulations.

(c) When compressed natural gas is being transferred to a motor vehicle, the engine shall be stopped.

§13.194. Maintenance and Inspection.

(a) All residential fueling facility equipment shall be inspected and maintained in accordance with the manufacturer's instructions.

(b) All hoses shall be maintained in operating condition at all times.

(c) All safety relief valves shall be maintained in proper operating condition, in accordance with manufacturer's recommendation.

LAWS OF THE STATE OF TEXAS
PERTAINING TO
COMPRESSED NATURAL GAS REGULATIONS



COMPRESSED NATURAL GAS REGULATION

CHAPTER 99

S.B. NO. 617

AN ACT

relating to regulation of compressed natural gas and licensing of and insurance coverage for persons engaged in certain work and rules governing registration and identification of motor vehicles using or transporting compressed natural gas; prescribing the powers and duties of the Railroad Commission of Texas and the Department of Public Safety; authorizing certain fees; providing for hearings and judicial review; providing enforcement procedures and civil and criminal penalties; amending Title 3, Natural Resources Code, as amended, by adding Chapter 116; and amending Subsection (c), Section 3, Public Utility Regulatory Act, as amended (Article 1446c, Vernon's Civil Statutes).

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Title 3, Natural Resources Code, as amended, is amended by adding Chapter 116 to read as follows:

CHAPTER 116. COMPRESSED NATURAL GAS

SUBCHAPTER A. GENERAL PROVISIONS

§116.001. Definitions.

In this chapter:

- (1) "Commission" means the Railroad Commission of Texas.
- (2) "Compressed natural gas" means natural gas that is compressed and used, stored, sold, transported, or distributed for use by or through a CNG system.
- (3) "CNG cylinder" means a cylinder or other container designed for use or used as part of a CNG system.

(4) "CNG system" means a system of safety devices, cylinders, piping, fittings, valves, compressors, regulators, gauges, relief devices, vents, installation fixtures, and other compressed natural gas equipment intended for use or used in any building or public place by the general public or in conjunction with a motor vehicle fueled by compressed natural gas and any system of equipment designed to be used or used in the compression, sale, storage, transportation for delivery, or distribution of compressed natural gas in portable CNG cylinders, but does not include a natural gas pipeline located upstream of the inlet of the compressor.

(5) "Motor vehicle" means a self-propelled vehicle licensed for highway use or used on a public highway.

(6) "Compressed natural gas cargo tank" means a container in accordance with A.S.M.E. or D.O.T. specifications and used to transport compressed natural gas for delivery.

§116.002. Exceptions.

This chapter does not apply to:

(1) the production, transportation, storage, or distribution of natural gas that is not included in the definition of compressed natural gas; or

(2) pipelines, fixtures, and other equipment used in the natural gas industry that are not used or designed to be used as part of a CNG system.

[Sections 116.003 to 116.010 reserved for expansion]

SUBCHAPTER B. ADMINISTRATIVE PROVISIONS

§116.011. Administration.

The commission shall administer and enforce this chapter and rules and standards adopted under this chapter relating to compressed natural gas.

§116.012. Rules and Standards.

To protect the health, safety, and welfare of the general public, the commission shall adopt necessary rules and standards relating to compressed natural gas work and operations.

§116.013. National Codes.

The commission may adopt by reference in its rules all or part of the published codes of nationally recognized societies as standards to be met in the design, construction, fabrication, assembly, installation, use, and maintenance of compressed natural gas components and equipment.

§116.014. Fees.

(a) Fees collected by the commission under Section 116.034 of this code for training, examinations, and seminars must be deposited in a special fund in the state treasury designated as the compressed natural gas examination fund. The commission shall use money in this fund to pay the cost of training, examinations, and seminars furnished or administered by the commission.

(b) Except as provided by Subsection (a) of this section, money collected by the commission as fees under this chapter shall be deposited in the general revenue fund.

§116.015. Entry on Property; Inspection.

An employee, agent, or inspector of the commission may enter property of a person licensed under this chapter at any reasonable time and may inspect any motor vehicle equipped with compressed natural gas equipment to determine if the licensee is complying with or if the motor vehicle is in compliance with this chapter and rules of the commission adopted under this chapter.

[Sections 116.016 to 116.030 reserved for expansion]

SUBCHAPTER C. LICENSING

§116.031. License Requirement.

(a) Unless a person has obtained a license from the commission under this chapter, the person may not engage in the following work:

(1) cylinder work that includes the manufacture, assembly, repair, sale, installation, or subframing of CNG cylinders for use in this state;

(2) systems work that includes the sale, installation, service, or repair of CNG systems for use in this state; or

(3) product work that includes the sale, storage, transportation for delivery, or dispensing of compressed natural gas in this state.

(b) A license obtained by a partnership, corporation, or other legal entity extends to the entity's employees who are performing compressed natural gas work, provided that each employee is qualified as required by rules adopted by the commission.

§116.032. License Categories and Fees.

(a) The commission shall adopt rules establishing license categories and license fees to be charged for application for and issuance and renewal of licenses in each category.

(b) The commission may establish fees for each category of license. A fee may not exceed \$1,000.

§116.033. Application and Renewal Procedures.

The commission shall adopt rules establishing procedures for submitting and processing applications for issuance and renewal of licenses.

§116.034. Examination and Seminar Requirements.

(a) The commission shall adopt rules providing the training, examination, and seminar attendance requirements for persons who wish to be licensed under this chapter.

(b) The commission may adopt a reasonable fee to cover the cost of any training, examination, or seminar required by and furnished or administered by the commission.

(c) Before a license may be issued, the person to be licensed must satisfactorily complete the training, examinations, and seminars required by the commission.

§116.035. Denial of License.

The commission may deny issuance or renewal of a license to any persons who fails to qualify under the requirements of this chapter and rules adopted by the commission under this chapter. The commission shall give written notice to an applicant for the issuance or renewal of a license of the denial of the license and the reasons for denial.

§116.036. Insurance Requirement.

(a) A person licensed under this chapter must acquire and maintain appropriate workers' compensation and other insurance coverage required by the commission in the amounts required by the commission.

(b) The commission shall adopt rules establishing specific requirements for insurance coverage under this chapter. The types and amounts of insurance coverage required by the commission shall be based on the type and category of licensed activity.

(c) The commission may not issue or renew a license, and a licensee may not perform any licensed activity unless the insurance coverage required by the commission's rules is in effect and evidence of that coverage is filed with the commission as required by commission rule.

§116.037. Suspension and Revocation of License.

(a) The commission shall notify a licensee in writing if it finds probable violation or noncompliance with this chapter or the rules adopted under this chapter.

(b) The notice shall specify the particular acts, omissions, or conduct comprising the alleged violation and shall designate a date by which the violation must be corrected or discontinued.

(c) The licensee shall report timely compliance or shall request extension of

time for compliance if considered necessary.

(d) If a licensee objects to the complaint or requirements under this section, or if the commission determines that the licensee is not proceeding adequately to compliance, then, on written request of the licensee or order of the commission, a public hearing must be conducted.

(e) If the commission or division determines that the probable violation or noncompliance constitutes an immediate danger to the public health, safety, and welfare, it shall required the immediate cessation of the probable violation or noncompliance and proceed with a hearing.

(f) If the commission finds that the licensee has violated or failed to comply with or is violating or failing to comply with this chapter or a rule adopted under this chapter, the commission may suspend the license for a definite period not to exceed 90 days or may revoke the license.

(g) Any party to a proceeding before the commission is entitled to judicial review under the substantial evidence rule.

[Sections 116.038 to 116.070 reserved for expansion]

SUBCHAPTER D. MOTOR VEHICLE REGULATION

§116.071. Registration Rules.

The commission shall adopt rules relating to the registration of motor vehicles that are equipped with compressed natural gas cargo tanks and motor vehicles used principally to transport compressed natural gas in portable cylinders.

§116.072. Registration.

Each motor vehicle that is equipped with a compressed natural gas cargo tank and each motor vehicle used principally to transport compressed natural gas in portable cylinders must be registered with the commission as provided by commission rules.

§116.073. Safety Rules.

The commission shall adopt safety rules relating to the transportation of compressed natural gas in this state.

§116.074. Cooperation of the Department of Public Safety.

The Department of Public Safety shall cooperate with the commission in administering and enforcing this chapter and rules of the commission relating to regulation of motor vehicles required to be registered under this subchapter.

§116.075. Suspension and Revocation of Registration.

(a) The commission shall notify a registrant in writing if it finds probable violation or noncompliance with this chapter or the safety rules adopted under this chapter.

(b) The notice shall specify the particular acts, omissions, or conduct comprising the alleged violation and shall designate a date by which the violation must be corrected or discontinued.

(c) The registrant shall report timely compliance or shall request extension of time for compliance if considered necessary.

(d) If a registrant objects to the compliant or requirements under this section,

or if the commission determines that the registrant is not proceeding adequately to compliance, then, on written request of the registrant or order of the commission, a public hearing must be conducted.

(e) If the commission or division determines that the probable violation or noncompliance constitutes an immediate danger to the public health, safety, and welfare, it shall require the immediate cessation of the probable violation or noncompliance and proceed with a hearing.

(f) If the commission finds that the registrant has violated or failed to comply with or is violating or failing to comply with this chapter or a rule adopted under this chapter, the commission may suspend the registration for a definite period not to exceed 90 days or may revoke the registration.

(g) Any party to a proceeding before the commission is entitled to judicial review under the substantial evidence rule.

§116.076. Application of Other Laws.

This chapter and the rules adopted under this chapter do not modify, amend, or repeal any laws of this state relating to the regulation of motor carriers.

[Sections 116.077 to 116.100 reserved for expansion]

SUBCHAPTER E. MISCELLANEOUS PROVISIONS

§116.101. Malodorants.

Compressed natural gas must be odorized as provided by Section 2, Article 6053, Revised Statutes, as amended.

§116.102. Testing Laboratories.

The commission shall adopt rules relating to testing compressed natural gas equipment and to the qualifications required of the persons who are to perform those tests.

§116.103. Warning Tags.

(a) An employee, agent, or inspector of the commission may declare unsafe or dangerous for service any motor vehicle required to be registered under this chapter, compressed natural gas equipment, or CNG system that is defective or that does not otherwise conform to the safety requirements of this chapter and the rules adopted under this chapter and shall attach a warning tag to the motor vehicle, equipment, or system in a conspicuous location.

(b) A person may not sell, furnish, or supply compressed natural gas for use or consumption by or through a motor vehicle or system in a public place or operate a motor vehicle having compressed natural gas equipment to which a warning tag is attached.

(c) A warning tag may be removed on approval of the commission or by a person designated by the commission to remove the tag. A warning tag may not be removed by any person who is not authorized to remove the tag by the commission.

[Sections 116.104 to 116.140 reserved for expansion]

SUBCHAPTER F. ENFORCEMENT

§116.141. Injunctive Relief.

(a) On request of the commission, the attorney general shall bring suit in the name of the state to enjoin a person from violating this chapter or a rule adopted under this chapter.

(b) A suit for injunction instituted under this section is in addition to other remedies available to the commission under this chapter.

(c) A suit seeking injunctive relief under this section shall be brought in a district court in Travis County.

(d) The commission is not required to provide a bond in a suit instituted under this section.

§116.142. Criminal Penalty.

(a) A person who knowingly violates this chapter or rules adopted by the commission under this chapter commits an offense.

(b) An offense under this section is punishable by a fine of not less than \$100 nor more than \$5,000.

(c) Each day a violation continues constitutes a separate offense.

§116.143. Administrative Penalty.

(a) If a person violates this chapter, a rule of the commission adopted under this chapter, or a term, condition, or provision of a license or registration issued by the commission under this chapter and the violation results in pollution of the air or water of this state or poses a threat to the public safety, the person may be assessed a civil penalty by the commission.

(b) The penalty may not exceed \$10,000 a day for each violation. Each day a violation continues may be considered a separate violation for purposes of penalty assessments.

(c) In determining the amount of the penalty, the commission shall consider the person's history of previous violations of this chapter, the seriousness of the

violation, any hazard to the health or safety of the public, and the demonstrated good faith of the person charged.

§116.144. Penalty Assessment Procedure.

(a) A civil penalty under Section 116.145 of this code may be assessed only after the person charged with the violation has been given an opportunity for a public hearing.

(b) If a public hearing has been held, the commission shall make findings of fact, and it shall issue a written decision as to the occurrence of the violation and the amount of the penalty that is warranted, incorporating, when appropriate, an order requiring that the penalty be paid.

(c) If appropriate, the commission shall consolidate the hearing with other proceedings under this chapter.

(d) If the person charged with the violation fails to avail himself of the opportunity for a public hearing, a civil penalty may be assessed by the commission after it has determined that a violation did occur and the amount of the penalty that is warranted.

(e) The commission shall then issue an order requiring that the penalty be paid.

§116.145. Payment of Penalty; Refund.

(a) On the issuance of notice or an order charging that a violation has occurred, the commission shall inform the person charged within 30 days of the proposed amount of the penalty.

(b) Within the 30-day period immediately following the day on which the notice or order is issued, the person charged with the penalty shall pay the proposed penalty in full or, if the person wishes to contest either the amount of the penalty or the fact of the violation, forward the proposed amount to the commission for placement in an escrow account.

(c) If through administrative or judicial review of the proposed penalty it is determined that no violation occurred or that the amount of the penalty should be reduced, the commission shall, within the 30-day period immediately following that determination, remit the appropriate amount to the person, with interest at the prevailing United States Department of the Treasury rate.

(d) Failure to forward the money to the commission within the time provided by Subsection (b) of this section results in a waiver of all legal rights to contest the violation or the amount of the penalty.

§116.146. Recovery of Penalty.

Civil penalties owed under Sections 116.143 through 116.145 of this code may be recovered in a civil action brought by the attorney general at the request of the commission.

CNG Forms

**RAILROAD COMMISSION OF TEXAS
LIQUEFIED PETROLEUM GAS DIVISION**

APPLICATION FOR LICENSE

NOTICE: ALL LICENSES MUST BE RENEWED ON AN ANNUAL BASIS. NO PERSON MAY CONDUCT CNG RELATED ACTIVITIES COVERED BY THE TEXAS NATURAL RESOURCES CODE, CHAPTER 116, UNTIL AN APPROPRIATE LICENSE IS ISSUED.

Please type or print in black ink as all documents are microfilmed.

Applicant's Name:

(1) Co. Name _____

DBA _____ DBA _____

DBA _____ DBA _____

DBA _____ DBA _____

Official Communications:

(2) _____ (3) () (4) _____
Contact Person (A/C) Phone County

(5) _____ (6) _____ (7) _____ (8) _____
Applicant's Address City State Zip

Applicant is a (9) Sole Proprietor
 Partnership
Check Corporation, which is incorporated under the laws of the State of (10) _____
Appropriate If other than Texas, is the corporation registered with the Secretary of State and authorized to do business in
Box Texas? (11) _____
 Other (specify type) _____

(12) List owner of sole proprietorship, partners in partnership, or officers of corporation.

Name	Capacity	Address	Zip
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

(13) **Category of license** under which business is to be conducted: _____

(14) **Company Representative:** Any employee of the company who is directly responsible for and actively supervising CNG operations and who has passed the CNG management examination.

Name	Social Security Number	Phone
_____	_____	() _____
_____	_____	() _____

Return all fees and forms to:
Railroad Commission of Texas
LP-Gas Division
P. O. Box 12967
Austin, Texas 78711-2967

CNG FORM 1001
Revised 12/90

RRC USE ONLY	
Register No.	_____
Amt.	_____ Type _____
Approved	_____ Date _____

Please answer each of the following by checking either the "yes" or "no" blanks as they pertain to your company's operations.
NOTE: ALL QUESTIONS BELOW MUST BE ANSWERED AND FORMS ATTACHED WHERE REQUIRED.

(15) Branch Outlet: Does your company have a branch outlet?

Yes CNG Form 1001A must be completed

No No form required.

(16) Transport Registration: Does your company operate any CNG transports?

Yes CNG Form 1007 must be completed.

No No form required.

(17) Storage Cylinders: Does your company have any CNG storage cylinders?

Yes CNG Form 1019 must be completed.

No No form required.

Franchise Tax Certification. All corporations applying for an original or renewal license must file a CNG Form 1026, Franchise Tax Certification, with the LP-Gas Division prior to the issuance of such license.

IT IS UNDERSTOOD THAT I, OR WE, ARE FAMILIAR WITH THE REQUIREMENTS OF CHAPTER 116, TEXAS NATURAL RESOURCES CODE, WITH REGARD TO PROVISIONS PERTAINING TO THE DUTIES OF A LICENSEE AND THAT I, OR WE, WILL COMPLY WITH EACH PROVISION CONTAINED IN SAID ACT, AND WILL FURNISH ALL ADDITIONAL INFORMATION REQUESTED BY THE RAILROAD COMMISSION PURSUANT TO ITS REGULATORY AUTHORITY.

I, OR WE, AGREE THAT ANY CHANGE IN OWNERSHIP, OR CHANGE IN NAME, WILL BE REPORTED TO THE RAILROAD COMMISSION OF TEXAS BY REGISTERED MAIL, EITHER PRIOR TO THE CHANGE IN OWNERSHIP, OR CHANGE IN NAME, OR PRIOR TO OPERATING AS A CNG DEALERSHIP UNDER NEW OWNERSHIP OR UNDER A CHANGED NAME.

I DECLARE UNDER PENALTIES PRESCRIBED IN SECTION 116.142, TEXAS NATURAL RESOURCES CODE, I AM AUTHORIZED TO SIGN THIS REPORT; I HAVE EXAMINED THIS REPORT AND MADE ANY CORRECTIONS, ADDITIONS, OR DELETIONS NECESSARY, AND THE DATA AND FACTS STATED HEREIN ARE TRUE, CORRECT, AND COMPLETE TO THE BEST OF MY KNOWLEDGE.

(18) FOR USE BY SOLE PROPRIETOR OR PARTNERSHIP ONLY:

Date

Signature of Owner or Partner

(19) FOR CORPORATE USE ONLY:

(Corporate Seal)

Name(s) under which business is to be transacted

(20) Name of Subscriber*

ATTEST:

Capacity of Subscriber */**

(21) Corporate Secretary

Date

* Subscriber must be president or vice-president of corporation unless exception is granted by the LP-Gas Division Director.

** The Board of Directors may file with this form a Power of Attorney designating a corporate officer whose signature will bind the corporation. In such case only one signature is necessary.

CNG

**RAILROAD COMMISSION OF TEXAS
LIQUEFIED PETROLEUM GAS DIVISION
BRANCH OUTLET LIST**

LIST EACH BRANCH OUTLET WHERE YOUR COMPANY CONDUCTS CNG BUSINESS IN TEXAS. INDIVIDUALS LISTED AS MANAGERS MUST HAVE PASSED THE EXAMINATION(S). (TEXAS NATURAL RESOURCES CODE, SECTION 116.034). Please type or print in black ink as all documents are microfilmed.

COMPANY NAME: _____

ADDRESS OF OUTLET: _____

(City) (County) (State) (Zip Code) (Telephone Number)

MANAGER NAME: _____

(Social Security Number)

ADDRESS OF OUTLET: _____

(City) (County) (State) (Zip Code) (Telephone Number)

MANAGER NAME: _____

(Social Security Number)

ADDRESS OF OUTLET: _____

(City) (County) (State) (Zip Code) (Telephone Number)

MANAGER NAME: _____

(Social Security Number)

ADDRESS OF OUTLET: _____

(City) (County) (State) (Zip Code) (Telephone Number)

MANAGER NAME: _____

(Social Security Number)

I DECLARE UNDER PENALTIES PRESCRIBED IN SECTION 116.142, TEXAS NATURAL RESOURCES CODE, I AM AUTHORIZED TO SIGN THIS REPORT, AND THE INFORMATION STATED HEREIN IS TRUE, CORRECT, AND COMPLETE TO THE BEST OF MY KNOWLEDGE.

Return to:
Railroad Commission of Texas
LP-Gas Division
P. O. Box 12967
Austin, Texas 78711-2967

Printed Name

Signature

() _____
Area Code Telephone No. Date

CNG FORM 1001A
Revised 12/90


RAILROAD COMMISSION OF TEXAS



VOID

LIQUEFIED PETROLEUM GAS DIVISION
CNG LICENSE 1990
NON - TRANSFERABLE

Expires at midnight, May 31, 1991.



DIRECTOR, LP-GAS DIVISION

CNG

**RAILROAD COMMISSION OF TEXAS
LIQUEFIED PETROLEUM GAS DIVISION
COMPRESSED NATURAL GAS VEHICLE IDENTIFICATION**

In the State of Texas this CNG vehicle is registered and approved for use as a means of transporting CNG.

NAME OF MANUFACTURER	CYLINDER SERIAL NUMBER	VOLUME CUBIC FEET	WORKING PRESSURE	DEALER UNIT NO.

Registration Number _____

Expires _____

RAILROAD COMMISSION OF TEXAS
LIQUEFIED PETROLEUM GAS DIVISION

MANUFACTURER'S REPORT OF RETEST OR REPAIR

Please complete this report in black ink for microfilming purposes.

- 1. Container repaired and/or tested by _____
Address _____
- 2. Manufacturer _____ Year Built _____
- 3. Serial Number _____ Capacity _____ Working Pressure _____
- 4. ASME/DOT Specification _____
- 5. Owner of Container _____ Address _____
- 6. Detailed description of repairs and/or testing (For additional information use reverse side.) _____

This container was tested by this facility, using one or more methods of testing recognized by the American Society of Mechanical Engineers or the Department of Transportation, and is safe for compressed natural gas use in the State of Texas.

I declare under penalties prescribed in Section 116.142, Texas Natural Resources Code, I am authorized to make this report, this report was prepared by me or under my supervision and direction, and data and facts stated herein are true, correct, and complete to the best of my knowledge.

Date _____ Signed _____ Title _____ CNG License No. _____

CERTIFICATE OF INSPECTION OF ASME CONTAINER (ONLY)

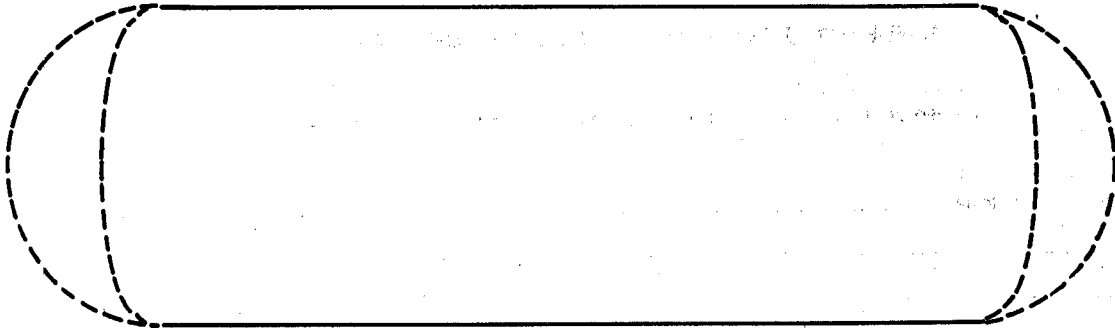
Container repaired and/or tested by _____ Location _____
I, the undersigned, authorized as an inspector of containers and employed by _____
of _____ inspected the repair and/or testing of
the container described in this report on _____, 19_____, and certify the statements made in this report are correct
and that repair and/or testing of this container was in accordance with the requirement of the American Society of Mechanical Engineers.

Date _____, 19_____.

Inspector's Signature Commissions Nat'l. Board, State

INDICATE LOCATION OF REPAIR OR MODIFICATION.

Sketch heads and circle approximate location of repairs or modifications.



VIEW: Top; Bottom; Other (curbside, streetside, etc.) _____

HEAD TYPE: Hemispherical; 2:1 Elliptical; Other _____

Additional Information (Attachment(s)) as needed.

Return to:

Railroad Commission of Texas
LP-Gas Division
P. O. Box 12967
Austin, Texas, 78711-2967

RAILROAD COMMISSION OF TEXAS
LIQUEFIED PETROLEUM GAS DIVISION
APPLICATION FOR EXAMINATION

Please type or print in black ink as all documents are microfilmed

Name of Applicant (Last, First, Middle) Social Security Number
Date to begin performing each CNG related activity pertaining to this application
Name of Licensed/Applicant Company CNG License Number
Company Address (P. O. Box and/or Street) City
County State Zip Code Area Code/Telephone Number

Check the appropriate examination(s) applied for:

MANAGEMENT

EMPLOYEE

- Category 1
Category 2
Category 3

- Category 4
Category 5
Category 6

- Category 2
Category 3
Category 5

EXAMINATION FEES - The appropriate examination fee(s) must accompany this application

- (1) Management - \$25.00 each category Amount \$
(2) Employee - \$10.00 each examination Amount \$

Examination(s) are given Monday through Friday, 10:00 A.M. - 5:00 P.M. (except holidays), at the division's headquarters located at 1701 N. Congress (William B. Travis Bldg.) Room 7-146, Austin, Texas.

RRC USE ONLY
Register No.
Amt. Type
Date
Approved

I declare under penalties prescribed in Section 116.142, Texas Natural Resources Code, I am authorized to make this application; I have knowledge of the above-stated facts; this application was prepared by me or under my supervision and direction, and data and facts stated herein are true, correct, and complete to the best of my knowledge.

(Signature of Applicant)

(Date)

Return to:

Railroad Commission of Texas
LP-Gas Division
P.O. Box 12967
Austin, Texas 78711-2967

Study Material for CNG Examinations

Management Examinations: (Company Representative and Branch Outlet Managers)

All applicants for examinations should study the **Texas Natural Resources Code, Chapter 116**, and the following subchapters of the Regulations for Compressed Natural Gas:

CATEGORY	SAFETY RULE SUBCHAPTERS
Category 1	A, B, and C
Category 2	A, B, C, D, E, and F
Category 3	A, B, C, D, E, and F
Category 4	A, B, and C
Category 5	A, B, C, and D
Category 6	A, B, and C

Employee Examinations:

All applicants for examinations should study the following subchapters of the Regulations for Compressed Natural Gas:

CATEGORY	SAFETY RULE SUBCHAPTERS
Category 2	A, B, C, D, E, and F
Category 3	A, B, C, D, E, and F
Category 5	A, B, and D

It is not required that employees for Categories 1, 4, and 6 licensees be examined.

Examination Fees: All examination fees must be submitted along with the Application for Examination (CNG Form 1016) to the Austin office. NO EXAM FEES WILL BE COLLECTED AT THE FIELD EXAMINATION SITE.

Management
\$25.00 per category

Employee
\$10.00 per category

For information only. Not a part of Adopted CNG Form 1016.

12/90

CNG

RAILROAD COMMISSION OF TEXAS
LIQUEFIED PETROLEUM GAS DIVISION

STATEMENT OF LOST OR DESTROYED CNG FORM 1004 DECAL

Please type or print in black as all documents are microfilmed.

I, _____, _____,
(Name of person completing statement) (Title)

do make this statement verifying _____
(Name(s) under which Licensee conducts CNG operations)

_____ was issued a CNG Form 1004,
(Complete mailing address where decal is to be sent)

identified as Decal No. _____, for License year 19 ____ - 19 ____, and that such decal has been

(Check one) lost or stolen

destroyed, and the cause of destruction being as follows: _____

THE STATE OF: _____

COUNTY OF: _____

I declare under penalties prescribed in Section 116.142, Texas Natural Resources Code, I am authorized to make this statement; it was prepared by me or under my supervision and direction, and data and facts stated herein are true, correct, and complete to the best of my knowledge.

Signature

Date

Return to:

Railroad Commission of Texas
LP-Gas Division
P. O. Box 12967
Austin, Texas 78711-2967

RRC USE ONLY	
Replacement Decal No. _____	
Date Issued _____	By _____
Date Mailed _____	By _____

CNG FORM 1018B
Revised 12/90

PART G LPG/CNG Container Type/Location/Condition (Check any which apply)

- | | | | |
|---|---|--|--|
| <input type="checkbox"/> 001 DOT cylinder | <input type="checkbox"/> 006 Bulk size (1,000 W.G. or more) | <input type="checkbox"/> 011 Inside building | <input type="checkbox"/> 016 Container dented |
| <input type="checkbox"/> 002 ASME container | <input type="checkbox"/> 007 Skid mounted tank | <input type="checkbox"/> 012 Ext. tank corrosion | <input type="checkbox"/> 017 Container scraped |
| <input type="checkbox"/> 003 Aboveground tank | <input type="checkbox"/> 008 Process tank | <input type="checkbox"/> 013 Int. tank corrosion | <input type="checkbox"/> 018 Container hole/puncture |
| <input type="checkbox"/> 004 Underground tank | <input type="checkbox"/> 009 Vehicle mounted | <input type="checkbox"/> 014 Container bulged | <input type="checkbox"/> 019 Broken weld seam |
| <input type="checkbox"/> 005 Domestic size (999 W.G. or less) | <input type="checkbox"/> 010 Outside building | <input type="checkbox"/> 015 Container gouged | <input type="checkbox"/> 020 Container ruptured |

PART H Container Identification/Owner Information (If more than two containers, continue on separate sheet)

Container No. 1

Container No. 2

1. Mfg. Name: _____
2. Mfg. Ser. No.: _____
3. Working Press: _____
4. Water Cap.: _____
5. Year Built: _____
6. If bobtail or transport unit, specify RRC LPG Form 4 decal no. _____ RRC CNG Form 1007 decal no. _____ None
7. Date tank/cylinder was last serviced with LPG/CNG _____ Gross gallons _____ cubic feet _____ delivered.
8. Nameplate damaged/destroyed? Yes No If Yes, indicate which container No. 1 No. 2
9. Were container(s) subjected to severe heat impingement or damaged? Yes No If LPG/CNG container(s) are involved in incident/accident or vehicle collision/rollover, attach _____ photograph(s).
Number
10. If owner of container(s) is different from licensee, give mailing address of tank/cylinder owner below.

(Name)

(Address)

(City,State)

(Zip Code)

PART I Suspected Causes (Check any which may have contributed to cause)

1. NATURAL FORCE DAMAGE

- | | | | |
|--|---|---------------------------------------|---|
| <input type="checkbox"/> 001 Lightning | <input type="checkbox"/> 002 Wind force | <input type="checkbox"/> 003 Flooding | <input type="checkbox"/> 004 Freezing weather |
|--|---|---------------------------------------|---|

2. MECHANICAL FORCE DAMAGE

- | | | | |
|--|--|---|--|
| <input type="checkbox"/> 006 Vehicular collision | <input type="checkbox"/> 007 Rollover during transit | <input type="checkbox"/> 008 Physical abuse/damage during transit | <input type="checkbox"/> 009 Piping damaged by const. equip. |
|--|--|---|--|

3. MECHANICAL FAILURE

- | | | | |
|--|---|--|--|
| <input type="checkbox"/> 011 Appl./control malfunction | <input type="checkbox"/> 012 Valve malfunction | <input type="checkbox"/> 013 Regulator malfunction | <input type="checkbox"/> 014 Equip. malfunction |
| <input type="checkbox"/> 016 Cracked/worn threads | <input type="checkbox"/> 017 Pipe corr./failure | <input type="checkbox"/> 018 Carbon monox. emissions | <input type="checkbox"/> 019 Flex-conn./hose failure |

4. HUMAN ERROR

- | | | | |
|--|--|---|--|
| <input type="checkbox"/> 021 Violation of safety rules | <input type="checkbox"/> 022 Improper pressure check | <input type="checkbox"/> 023 Uncapped gas-cock/pipe | <input type="checkbox"/> 024 Improper gas transfer method |
| <input type="checkbox"/> 025 Violation of traffic laws | <input type="checkbox"/> 026 Pull-away during transfer | <input type="checkbox"/> 027 Overfilled cylinder/tank | <input type="checkbox"/> 028 Improper system installation method |
| <input type="checkbox"/> 029 Improper operator usage | <input type="checkbox"/> 030 Improper appl. vent | <input type="checkbox"/> 031 Improper tank purge | <input type="checkbox"/> 032 Improper line purge |
| <input type="checkbox"/> 050 Other _____ | | | |

PART J Summary of Incident/Accident (Please specify mfg. name, model, date mfg. for any defective LPG/CNG equip. involved in incident/accident.)

PART K Name of Official Submitting Report

I declare under penalties prescribed in Section 91.143 and Section 116.142, Texas Natural Resources Code, this report was prepared by me and the data and facts stated therein are true, correct, and complete to the best of my knowledge.

1. Printed name _____ 3. Date of initial knowledge of incident/accident: (MM-DD-YY) _____
2. Authorized signature _____ 4. Date report completed: (MM-DD-YY) _____

This report is made to comply with the provisions of 16 TAC Sections 9.61 and 13.36 and is NOT a determination of responsibility or fault.

Return to:

Railroad Commission of Texas
LP-Gas Division
P. O. Box 12967
Austin, Texas 78711-2967

Page 2

(LPG FORM 20/CNG FORM 1020)

RAILROAD COMMISSION OF TEXAS
LIQUEFIED PETROLEUM GAS DIVISION

NOTICE OF INTENT TO APPEAR

DOCKET NUMBER _____

CNG License Number _____ Hearing Date _____

_____ representing _____
(Print Name) (Print Name)

hereby gives notice of intent to appear at the hearing called to consider the above referenced legal enforcement case.

I do not intend to appear, but I request that the attached material be considered. Any attached material to be considered must be filed with an affidavit signed by a person having personal knowledge.

THIS FORM MUST BE MAILED TO THE RAILROAD COMMISSION TEN (10) DAYS BEFORE THE DATE OF HEARING.

(Signature)

(Telephone Number) (Date)

Return to:

Railroad Commission of Texas
LP-Gas Division
P.O. Box 12967
Austin, Texas 78711-2967

CNG

**RAILROAD COMMISSION OF TEXAS
LIQUEFIED PETROLEUM GAS DIVISION**

**APPLICATION AND NOTICE OF EXCEPTION TO THE REGULATIONS FOR
COMPRESSED NATURAL GAS**

INSTRUCTIONS: Any person, firm, or corporation may apply for an exception to the Regulations for Compressed Natural Gas. All application filings must meet the submission requirements of Section 13.35 of the Regulations for Compressed Natural Gas. Strict compliance with this section is necessary to ensure that fairness and uniformity in the administrative process is extended to all applicants. All applicants are routinely advised that a request for exception in no way guarantees that an exception will be granted. PLEASE COMPLETE ALL BLANKS ON THIS FORM AND RETURN TO THE LP-GAS DIVISION. FILE ONE TYPED APPLICATION FORM PER SITE, LISTING ALL APPLICABLE EXCEPTIONS TO SAFETY RULE REFERENCES.

APPLICANT INFORMATION:

Applicant's name: _____, representing _____
(Individual) (Company name, if applicable)

Lic. No. _____ Mailing Address: _____
(City, State) (Zip Code)

Tel. No.: _____ I request an exception to Section(s) (give full safety rule reference) _____
(Area Code)

_____ of the Regulations for Compressed Natural Gas.

GEOGRAPHICAL LOCATION:

If stationary CNG installation, give physical street address or geographical location: _____

_____ (Give directions from nearest highway or town to property owners)

in city limits of: _____ county of: _____
(if applicable)

STATEMENT OF DESIRED RELIEF:

State below your request for exception and how it specifically fails to comply with the safety rules you are requesting an exception for. Be sure you also quote the exact reference and description of the safety rule.

DESCRIPTION OF ACREAGE OR LEASED AREA:

If stationary CNG installation, use the space below to describe the site sufficiently for determination of property or lease lines, land ownership, and by what legal authority the applicant, if not the owner, is permitted occupancy.

ATTACH SUPPORTING DOCUMENTS: A legal property description with a site plan indicating the dimensions of the boundaries described by the legal description or a plat showing the dimensions of the property description. The site plan must show all adjoining property lines, streets, and highway or railroad right-of-ways and must coincide with the legal property description or plat. The site plan may include other information such as buildings, storage tanks, and other exposures relevant to the exception which is not indicated on the plat. If the area described is under lease, a copy of the lease agreement and exhibit(s) showing the area under lease may be filed in lieu of the legal property description or plat.

Legal description and acreage: _____

- I have attached: 1. Legal property description, with site plan
Check applicable 2. Survey plat, with site plan
box(es) 3. Lease agreement, with site plan

AFFECTED PARTIES WHO MUST BE SENT A COPY OF THIS REQUEST.

Affected parties to the exception are persons, firms, corporations and governmental entities including, but not limited to: notice to local fire marshall, city manager, city secretary, city council, or mayor, if in municipal limits; notice to county commission or appropriate commissioner, if not in municipal limits. If an exception is requested on a nonstationary site, affected parties to whom the applicant must give notice shall include, but not be limited to: the Texas Department of Public Safety and all loading and unloading facilities utilized by the applicant, including the pipeline operator. All affected parties must be given a copy of Page 1 and 2 of this application to verify that proper notice has been served. The LP-Gas Division must be in receipt of the original Certified Mail Return Receipt(s), or if hand delivered to the affected parties, a copy of the original notice must be attached to your application.

PLEASE GIVE FULL NAME AND ADDRESS OF EACH AFFECTED PARTY. EACH AFFECTED PARTY MUST BE AFFORDED AN OPPORTUNITY TO OBJECT OR NOT OBJECT TO THE EXCEPTION REQUESTED. THE PARTY SHALL NOTIFY THE DIVISION IN WRITING OF SPECIFIC OBJECTIONS. THE ORIGINAL RETURN RECEIPT CARDS MUST BE FILED WITH YOUR APPLICATION AS EVIDENCE NOTICE WAS RECEIVED BY THE AFFECTED PARTY. ATTACH A COPY OF A LAND ABSTRACT OR MARK THE SITE PLAN (WHICH YOU HAVE ATTACHED) TO SHOW ALL ADJOINING PROPERTY OWNERS. LIST ALL NAMES AND ADDRESSES OF REQUIRED PARTIES TO RECEIVE NOTICE ON THE BACK SIDE OF THIS PAGE. USE PAGE 5 OF 6, NOTICE OF EXCEPTION TO REGULATIONS FOR COMPRESSED NATURAL GAS, AS THE INSTRUMENT OF NOTICE.

- I have attached: 1. Land abstract of surrounding properties AND original
Check applicable certified mail return receipt(s) for each notice sent.
box(es) 2. Expanded site plan showing surrounding properties and
original certified mail return receipt(s) for each notice sent.

NOTE: Any attached material to be considered, must be filed with an affidavit signed by a person having personal knowledge.

Names and addresses of parties that were mailed copies of this request:

1.	Name of person or entity		
	Mailing address	City, State	Zip Code
2.	Name of person or entity		
	Mailing address	City, State	Zip Code
3.	Name of person or entity		
	Mailing address	City, State	Zip Code
4.	Name of person or entity		
	Mailing address	City, State	Zip Code
5.	Name of person or entity		
	Mailing address	City, State	Zip Code

ADDITIONAL COMMENTS:

The applicant must make a credible case the exception in particular is necessary and an exception, if granted, would not impair the health, safety and welfare of the general public. Photographs and other documentation may be submitted or requested by the division if necessary to clarify the applicant's intentions toward this purpose.

I certify all the person(s) named above have been sent notice (Page 5 of CNG Form 1025) by certified mail, return receipt requested. I understand that should the exception be granted, I may be required to file a CNG Form 1500, Application for Construction Approval of a Compressed Natural Gas System Installation, or CNG Form 1501, Completion Report. Any non-compliance with the safety rules could result in my company being subjected to administrative enforcement proceedings and/or administrative penalties under Sections 116.143-116.146, Chapter 116, Texas Natural Resources Code.

I declare under penalties prescribed in Section 116.142, Texas Natural Resources Code, I am authorized to make this application; it was prepared by me or under my supervision and direction, and the data and facts stated herein are true, correct, and complete to the best of my knowledge. I also understand the LP-Gas Division must be notified of any changes to this application as soon as possible, which may necessitate renotification of adjoining property owners as required by Section 13.35 of the Regulations for Compressed Natural Gas.

(Printed name of Applicant or Applicant's Representative)

(Authorized signature of Applicant or Applicant's Representative)

(Date)

NOTICE OF EXCEPTION TO AFFECTED PARTIES

TO: _____
(Name of person or entity to receive notice.)

(Address)

(City) (State) (Zip Code)

(If mobile equipment is involved, contact the Railroad Commission of Texas, LP-Gas Division, for appropriate names and addresses.)

NOTICE

You have been notified as a person or governmental entity entitled to notice of an application for exception to the Regulations for Compressed Natural Gas of the Railroad Commission of Texas, LP-Gas Division and are hereby given notice that _____
(Full name of applicant or person requesting exception)
of _____
(Address) (City) (State) (Zip code)
has requested exception(s) to Section(s) _____
(Safety Rule Reference(s))
of the Regulations for Compressed Natural Gas. The exception, if granted, is located at:

(Street address or other accurate description of property)

THE FOLLOWING SPACE IS TO BE USED BY THE PARTY WHICH RECEIVED NOTICE

I _____, as an affected party have been served notice and have received a copy of Page 1 and 2 of the applicant's request for an exception to the safety rules. **I Object/Do Not Object** (Circle One) to the exception requested. If you object, your objections must be filed with the LP-Gas Division in writing within 18 days of the date the application was mailed. Any questions about this procedure or the particular exception requested must be sent to the attention of the LP-Gas Division director. You may request a copy of the complete application on file with the division. A hearing will be held when the Railroad Commission of Texas receives proper objections. You may use the reverse side of this page to list and explain any reasons for objection. I have read and understand the notice herein.

(Printed name of Affected Party)

(Authorized signature of Affected Party)

(Date)

THE UNIVERSITY OF CHICAGO
DEPARTMENT OF CHEMISTRY

PHYSICAL CHEMISTRY LABORATORY

EXPERIMENT 1

The purpose of this experiment is to determine the rate of reaction between hydrogen peroxide and potassium iodide in the presence of a catalyst. The reaction is exothermic and produces iodine, which is then titrated with sodium thiosulfate. The rate of reaction is measured by the time taken for the color change to occur. The effect of concentration and temperature on the rate of reaction is investigated.

The reaction is as follows: $2H_2O_2 \rightarrow 2H_2O + O_2$. The iodide ion acts as a catalyst in this reaction. The rate of reaction is measured by the time taken for the color change to occur. The effect of concentration and temperature on the rate of reaction is investigated.

The rate of reaction is measured by the time taken for the color change to occur.

The effect of concentration and temperature on the rate of reaction is investigated.

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The effect of concentration and temperature on the rate of reaction is investigated.

**RAILROAD COMMISSION OF TEXAS
LIQUEFIED PETROLUEM GAS DIVISION
APPLICATION FOR QUALIFICATION AS SELF-INSURER
GENERAL LIABILITY**

(Name of Applicant)

Makes an application for privileges of being self-insured. In connection with such application, the applicant makes the following declarations for the purpose of enabling the Railroad Commission of Texas, LP-Gas Division, to make findings of fact as to whether the applicant possesses sufficient security and has financial ability to render the payments of general liability judgements for limits imposed upon the applicant by the Texas Natural Resources Code, Chapter 113, and the Regulations For Compressed Natural Gas adopted by the Railroad Commission of Texas, LP-Gas Division. It is agreed and understood that upon at least ten days notice and hearing pursuant to such notice, the Railroad Commission of Texas, LP-Gas Division, may cancel a certificate of self-insurance and require the applicant to comply immediately with the division's insurance requirements.

A self-insurance certificate issued by the division expires six months from the date the application is approved. Renewal of a self-insured certificate requires filing with the division a new application one month prior to the expiration date. A renewal certificate does not take effect until approved by the LP-Gas Division.

The applicant agrees to deposit with the State Treasurer of Texas the following: \$300,000 in cash or securities such as may be legally purchased by a savings bank or trust fund of a market value in this amount or greater. Such deposit will be held in the State Treasury of Texas in accordance with those limits of liability imposed upon the applicant by the Railroad Commission of Texas up to \$300,000 for any one occurrence for damages, including damages for care and loss of services due to bodily injury or death of any person, or for damages due to injury or destruction of property, including the loss of use thereof, resulting from any CNG related activities described in the Texas Natural Resources Code, Section 116.031(a), or any activities incident to those described after such deposit was made. Money or securities so deposited shall not be subject to attachment or execution unless such attachment or execution shall arise out of a suit for damages.

(Printed name of applicant)

(Nature of business)

(Address)

(City)

(County)

(State)

(Zip Code)

(Telephone Number)

1. Are you now operating as a self-insurer? _____ If so, how long _____
2. Do you have a claim department for investigating and adjusting claims? _____
If not, how are your claims investigated and adjusted? _____
3. Have you set up a reserve fund for accident claims? _____
If so, under what caption does it appear on the financial statement? _____
If not, how do you determine your outstanding liability? _____

4. Give the following information concerning accidents in which your vehicles were involved during the past three years, to include claims within 30 days of application.

A. Number of accidents: 19 _____ 19 _____ 19 _____
 Personal injury or combinations _____: _____: _____:
 Property damage only _____: _____: _____:
 Total number of accidents: _____: _____: _____:

B. Number of Claims:
 Personal injury & combinations _____: _____: _____:
 Settled by payment of claims _____: _____: _____:
 Settled without pending claims _____: _____: _____:
 TOTAL: _____: _____: _____:

C. Solely Property damage claims:
 Settled by payment _____: _____: _____:
 Settled without payment _____: _____: _____:
 Pending _____: _____: _____:
 TOTAL: _____: _____: _____:

D. Number of accidents for which no claims were made: _____: _____: _____:

E. Payments of claims:
 Personal injury & combination _____: _____: _____:
 Solely Property damage _____: _____: _____:
 TOTAL: _____: _____: _____:

F. Reserved for pending claims:
 Personal injury & combination _____: _____: _____:
 Solely Property damage _____: _____: _____:
 TOTAL: _____: _____: _____:

5. Are any general liability judgments open and unsatisfied? _____

If so, how many _____ Total amount involved? _____

6. Is your company a self-insurer under any other phase of your business? _____

7. Attach an audit report made to the Railroad Commission of Texas, LP-Gas Division, for the purpose of showing financial ability to pay general liability judgments. If the last annual statement is used for this purpose, the statement must be audited, and an opinion given by a certified public accountant, and made a part of the application. The report or statement must show a profit and/or loss.

ADDITIONAL INFORMATION

A. List name(s) and address(es) of bank(s) in which the CNG licensee has an account:

B. List insurance coverage on:

Inventories: _____

Plants: _____

C. When incorporated: _____

D. List all contingent liabilities:

E. List assets, pledged to secure notes, loans, or mortgages payable:

F. List any notes of accounts receivable or payable from or to officers or stockholders; give details concerning method and terms of payment:

G. List names of officers and/or partner(s) of the CNG licensee:

Witness our hands and seals this _____ day of _____, 19 _____

STATE OF TEXAS

COUNTY OF: _____

(Signature of Applicant)

(Official Title)

Before me _____, A Notary Public in and for said

County and State, personally appeared _____

to me well known to be the _____
(Official Title)

and _____, respectively, of the above-named

(Corporation), (Partnership), or (Proprietorship), and severally acknowledge the execution of the foregoing and

sworn to the contents thereof this _____ day of _____, 19 _____.

(Seal)

(Notary Signature)

(Commission Expires)

FOR LP-GAS DIVISION USE ONLY

1. Approved by: _____ Date _____

2. Disapproved by: _____ Date _____

3. Application Incomplete: _____ Date _____

Return to:

Railroad Commission of Texas

LP-Gas Division

P. O. Box 12967

Austin, Texas 78711-2967

**RAILROAD COMMISSION OF TEXAS
LIQUEFIED PETROLUEM GAS DIVISION
APPLICATION FOR QUALIFICATION AS SELF-INSURER
MOTOR VEHICLE**

(Name of Applicant)

Herein referred to as the applicant, being a registered owner of more than 25 motor vehicles operating in the State of Texas, hereby makes an application for privileges of being self-insured. In connection with such application, the applicant makes the following declarations for the purpose of enabling the Railroad Commission of Texas, LP-Gas Division, to make findings of fact as to whether the applicant possesses sufficient security and has financial ability to render the payments of motor vehicle liability judgements as provided in the Texas Motor Vehicle Safety Responsibility Act, and limits imposed upon the applicant by the Texas Natural Resources Code, Chapter 116, and the Regulations for Compressed Natural Gas adopted by the Railroad Commission of Texas, LP-Gas Division. It is agreed and understood that upon at least ten days notice and hearing pursuant to such notice, the Railroad Commission of Texas, LP-Gas Division, may cancel a certificate of self-insurance and require the applicant to comply immediately with the division's insurance requirements.

A self-insurance certificate issued by the division expires six months from the date the application is approved. Renewal of a self-insured certificate requires filing with the division a new application one month prior to the expiration date. A renewal certificate does not take effect until approved by the LP-Gas Division.

The applicant agrees to deposit with the State Treasurer of Texas the following: \$500,000 in cash or securities such as may be legally purchased by a savings bank or trust fund of a market value in this amount or greater. Such deposit will be held in the State Treasury of Texas in accordance with the provisions of the Motor Vehicle Safety Responsibility Act, and those limits of liability imposed upon the applicant by the Railroad Commission of Texas up to \$500,000 for any one occurrence for damages, including damages for care and loss of services due to bodily injury or death of any person, or for damages due to injury or destruction of property, including the loss of use thereof, resulting from the ownership, maintenance, or operation of a motor vehicle after such deposit was made. Money or securities so deposited shall not be subject to attachment or execution unless such attachment or execution shall arise out of a suit for damages.

(Printed name of applicant)

(Nature of business)

(Address)

(City)

(County)

(State)

(Zip Code)

(Telephone Number)

1. Are you now operating as a self-insurer? _____ If so, how long _____

2. Do you have a claim department for investigating and adjusting claims? _____

If not, how are your claims investigated and adjusted? _____

3. Have you set up a reserve fund for accident claims? _____

If so, under what caption does it appear on the financial statment? _____

If not, how do you determine your outstanding liability? _____

4. Give the following information concerning accidents in which your vehicles were involved during the past three years, to include claims within 30 days of application.

A. Number of accidents: 19 _____ 19 _____ 19 _____
 Personal injury or combinations _____: _____: _____:
 Property damage only _____: _____: _____:
 Total number of accidents: _____: _____: _____:

B. Number of Claims:
 Personal injury & combinations _____: _____: _____:
 Settled by payment of claims _____: _____: _____:
 Settled without pending claims _____: _____: _____:
 TOTAL: _____: _____: _____:

C. Solely Property damage claims:
 Settled by payment _____: _____: _____:
 Settled without payment _____: _____: _____:
 Pending _____: _____: _____:
 TOTAL: _____: _____: _____:

D. Number of accidents for which no claims were made: _____: _____: _____:

E. Payments of claims:
 Personal injury & combination _____: _____: _____:
 Solely Property damage _____: _____: _____:
 TOTAL: _____: _____: _____:

F. Reserved for pending claims:
 Personal injury & combination _____: _____: _____:
 Solely Property damage _____: _____: _____:
 TOTAL: _____: _____: _____:

5. Are any general liability judgments open and unsatisfied? _____

If so, how many _____ Total amount involved? _____

6. Is your company a self-insurer under any other phase of your business? _____

7. On a separate sheet, describe motor vehicles registered and owned by applicant under the following headings:

LIST owned motor vehicles under the following headings:

Year of Manufacture:	Make of Vehicle:	Type:	Model:	Engine Number:	License Number:
-------------------------	---------------------	-------	--------	-------------------	--------------------

Section 1.8 of the Motor Vehicle Safety Responsibility Act defines an owner as:

“A person who holds the legal title of a motor vehicle or in the event a motor vehicle is the subject of an agreement for the conditional sale or lease thereof with the right of purchase upon performance of the conditions stated in the agreement and with an immediate right of possession vested in the conditional vendor or lessee, or in the event a mortgagor of a vehicle is entitled to possession, then such conditional vendee, lessee or mortgagor shall be deemed the owner for the purpose of the Act.”

Do not list motor vehicles which the CNG licensee does not own by reason of leasing or contracting out to drivers or others, but only those motor vehicles actually owned and registered in the name of the operating CNG licensee.

8. Attach an audit report made to the Railroad Commission of Texas, LP-Gas Division, for the purpose of showing financial ability to pay motor vehicle liability judgments. If the last annual statement is used for this purpose, the statement must be audited and an opinion given by a certified public accountant, and made a part of the application. The report or statement must show a profit and/or loss.

ADDITIONAL INFORMATION

- A. List name(s) and address(es) of bank(s) in which the CNG licensee has an account:

- B. List insurance coverage on:

Inventories: _____

Plants: _____

- C. When incorporated: _____

- D. List all contingent liabilities:

- E. List assets, pledged to secure notes, loans, or mortgages payable:

- F. List any notes of accounts receivable or payable from or to officers or stockholders; give details concerning method and terms of payment:

- G. List names of officers and/or partner(s) of the CNG licensee:

Witness our hands and seals this _____ day of _____, 19 _____

STATE OF TEXAS

COUNTY OF: _____

(Signature of Applicant)

(Official Title)

Before me _____, A Notary Public in and for said

County and State, personally appeared _____

to me well known to be the _____
(Official Title)

and _____, respectively, of the above-named

(Corporation), (Partnership), or (Proprietorship), and severally acknowledge the execution of the foregoing and

sworn to the contents thereof this _____ day of _____, 19 _____.

(Seal)

(Notary Signature)

(Commission Expires)

FOR LP-GAS DIVISION USE ONLY

1. Approved by: _____ Date _____

2. Disapproved by: _____ Date _____

3. Application Incomplete: _____ Date _____

Return to:

Railroad Commission of Texas
LP-Gas Division
P. O. Box 12967
Austin, Texas 78711-2967

CNG

RAILROAD COMMISSION OF TEXAS
LIQUEFIED PETROLEUM GAS DIVISION

APPLICATION TO USE IRREVOCABLE LETTER OF CREDIT

We hereby establish our irrevocable letter of credit in favor of the State of Texas for the account of

_____ (Applicant's name)

doing business as _____ (DBA name(s) if any)

_____ (City) (State) (Zip Code) (CNG license number)

This letter of credit is effective up to the aggregate amount of \$ _____ (Amount). This letter of credit shall remain in

effect until the _____ (Name of bank)

(by a federally-chartered and federally-insured bank authorized to do business in the United States) is released or discharged by the Railroad Commission of Texas, LP-Gas Division, or until the expiration date of _____ (Date)

This is your authority to draw drafts for any amount, or the full amount not to exceed \$ _____ (Amount). This letter of

credit is given as security to ensure the applicant will be able to meet its statutory obligations to the public, to pay all claims as required by law in the event of a claim. The Railroad Commission of Texas, LP-Gas Division, acting for the State of Texas, may draw upon this letter of credit prior to its expiration to satisfy any judgement filed against the applicant, whether disputed or not, but such funds will be held in a suspense account by the State Treasurer of Texas subject to final determination under due process of law.

All drafts are to be marked "Drawn under Letter of Credit Number _____."

_____ (Name of Texas bank) (Printed name of bank officer)

_____ (Address of bank) (Signature of bank officer)

_____ (City) (State) (Zip Code) (Title of bank officer)

() (Area Code/Telephone Number)

Subscribed and sworn to before me this _____ day of _____, 19 _____.

(SEAL)

_____ (Printed name of Notary Public)

_____ (Signature of Notary Public)

Return to:
Railroad Commission of Texas
LP-Gas Division
P. O. Box 12967
Austin, Texas 78711-2967

My commission expires: _____

CNG

RAILROAD COMMISSION OF TEXAS
LIQUEFIED PETROLEUM GAS DIVISION

Site No.
Plan No.
RRC USE ONLY

APPLICATION FOR CONSTRUCTION APPROVAL OF A CNG SYSTEM INSTALLATION

INSTRUCTIONS: Section 13.25 of the Regulations for Compressed Natural Gas requires this form to be filed prior to placing a CNG portable or stationary system at a public or private school, convalescent center, and at any CNG compression, storage or dispensing site where CNG is sold to the general public...

PART A APPLICANT INFORMATION

Applicant's name (Individual) Representing (Applicant's Company Name)
Lic./Exemption No. (If applicable) Mailing Address
City State Zip Code Tel.

PART B INSTALLATION INFORMATION (If CNG storage or compressor is for an operation in a dual service not defined below, check applicable box and insert additional sub-classifications, such as stand-by or master gas systems, etc. in other categories.)

Facility Type
School Hospital Convalescent Center Commercial Consumer more than 12,200 standard cubic feet High pressure system modification only
School bus/mass transit facility (Public Transportation) Other
Retail service station (If license required for public refueling, indicate license status.) Pending Lic. No. Issued Lic. No.

Name of Facility Mailing Address
City State Zip Code Tel.
Geographic location County
Contact Person Title Social Security Number (SSN applicable to licensed CNG operator only)

PART C COMPRESSOR, STORAGE, DISPENSER INFORMATION (Mark the box "N/A" if not part of the facility.)

SITE STATUS: Storage configuration on premises, if applicable.
New CNG System Modification to existing CNG System Cylinder cascade(s) ASME bulk storage Compressor only Dispensing only
Rated service pressure of individual cylinder (Design working pressure) N/A
Number of cascade baskets Site aggregate capacity (Std. cubic feet) N/A
Number of ASME bulk storage tanks Site aggregate capacity (Std. cubic feet) N/A

If licensed facility, attach CNG Form 1019, Inventory of Compressed Natural Gas Storage Cylinders, listing all storage cylinders or ASME storage containers. If unlicensed facility, attach a separate sheet listing all storage cylinders or ASME storage containers. For each container indicate manufacturer's name, serial number, working pressure, year built, and capacity.

Compressor(s) used, Make Model Number
If compressor, storage, dispenser is assembled and sold as part of a portable packaged unit, indicate date of LP-Gas Division approval and approved drawing number.
Date CNG Form 1502 was approved Drawing No. N/A

WHEN DISPENSER SYSTEMS ARE INSTALLED, INDICATE NUMBER OF INDIVIDUAL PIPE RISERS OR FUEL DISPENSERS AND TYPE OF FILLING OPERATION
FAST FILL OPERATION Number of risers Number of dispensers System delivery pressure
SLOW FILL OPERATION Number of risers Number of dispensers System delivery pressure

Make and model of FAST FILL dispenser
Will CNG be delivered by transport to dispensing system or storage on premises? (Yes/No)

PART D KEY COMPLIANCE ISSUES (Answer all items. A false or non-responsive answer will require an explanation under additional comments.)
 Insert "T", for true "F" for false

- _____ The CNG system, including equipment and appliances, will be pressure tested free of leaks after installation is completed.
- _____ There are no overhead transmission lines above a CNG compressor, storage, or dispenser location.
- _____ There are no flammable liquid aboveground containers within 20 feet of any compressor, storage, or dispenser location.
- _____ The compressor will be installed at least three feet from the CNG storage, and will be equipped with a manual and remote shut-down device.
- _____ Cylinders, if used for storage, will be inspected, marked, and tested or retested, if necessary, to comply with the DOT requirements prior to installation.
- _____ Compressor, storage or dispensing equipment will be protected by regulation fencing/guardrails which will meet the minimum two foot clearance from the installation. Exposed aboveground piping and risers will be protected in an equivalent manner.
- _____ High pressure tubing, piping, and fittings will meet or exceed specifications under Section 13.30 of the Regulations for Compressed Natural Gas.
- _____ Dispensing devices, where installed, will be equipped with a break away hose coupling.
- _____ Canopies, if installed over compressor, storage, or dispenser locations will have at least 12 inches of ventilation at the top on at least three sides.
- _____ Any electrical installation located within 15 feet of compressor, storage, or dispenser location will meet necessary specifications for Class I, Group D locations.
- _____ Only FM, UL, CGA, AGA or RRC approved CNG equipment and components will be installed.
- _____ All work done or subcontracted out will be performed by RRC certified or licensed personnel or an ultimate consumer which has received a license exemption from the division.
- _____ An installation contract has already been awarded to a licensed installer. If different from applicant, indicate CNG license no. _____

ADDITIONAL COMMENTS _____

PART E SUPPORTING DOCUMENTATION (Attach applicable documents based on description provided. An asterisk by document listed means document drawing must be to scale. DRAWINGS MUST INDICATE ALL DISTANCES FROM CNG COMPRESSOR, STORAGE, AND DISPENSER to all buildings to PROPERTY LINES, LEASE LINES, and if applicable to railroad, pipeline, utility, and highway right-of-ways. Since the above dimensions must be shown on scaled drawings, the accuracy must be shown to the nearest foot. Check all boxes applicable to facility type which is enclosed with your application.)

- CNG FORM 1008 (Required if requested by division)
- CNG FORM 1019 (Required for inventory of cylinder and storage containers or similar form)
- CNG FORM 1500 (Required for new or expired re-application)
- CNG FORM 1501 (DO NOT FILE IN LIEU of final inspection)
- CNG FORM 1502 (Required only if such equipment is currently unapproved)
- CNG FORM 1503 (Required only if submission is part of school bus/mass transit facility)
- CNG FORM 1504 (Required only if submission is part of a school bus/mass transit facility modification)
- \$26.00 original filing fee (Required for new or expired re-application)
- \$6.00 refiling fee (Required for each resubmission)
- * Survey Plat (If operator owns installation premises)
- * Lease agreement with lease exhibit (If operator does not own installation premises)
- CNG installation detail (Required only if plat is too small to show all installation details)
- CNG piping system layout (Show new and existing routes. Excludes piping up to compressor)

PART F CERTIFICATION STATEMENT AND AUTHORIZED SIGNATURE

I certify I will not commence CNG installation construction until construction approval has been granted. If construction approval is granted, I understand I must fully complete the installation for final inspection within one year of the approval date and must notify the division in writing the installation is ready for a final inspection before the expiration date. Failure to complete the installation within this time period without an extension of time granted by the LP-Gas Division director will automatically void my original construction approval, necessitating filing of a new application and fee should I wish to pursue the same installation. I certify this installation will be completed in accordance with the plans and specifications contained herein and in compliance with all applicable Regulations for Compressed Natural Gas, all applicable statutes of the State of Texas, and any commission order (where applicable), which may be entered pertaining to this installation. I understand that any changes regarding the tank size and location or modification of the CNG installation will require resubmission of plans immediately. Also, if the installation is subject to other governmental entity approvals resulting in additional requirements being imposed that will alter my original submittal, revised plans or specifications must be submitted immediately. The proposed installation(s) will only be placed in CNG service under the conditions specified in Section 13.25 of the Regulations for Compressed Natural Gas. I also understand non-compliance may result in my company being subject to administrative enforcement proceedings and/or administrative penalties under Sections 116.141-116.146, Chapter 116, Texas Natural Resources Code. I declare under penalties prescribed in Section 116.142, Texas Natural Resources Code, I am authorized to make this affidavit; that it was prepared by me or under my supervision and direction, and the data and facts stated herein are true, correct, and complete, to the best of my knowledge.

 (Printed name of applicant)

 (Authorized signature of applicant)

 (Date)

Return to:
 Railroad Commission of Texas
 LP-Gas Division
 P. O. Box 12967
 Austin, Texas 78711-2967

FOR RRC USE ONLY		DEPT INIT.
Initial	_____	_____
Review	_____	_____
Final	_____	_____
Dates		

CNG

**RAILROAD COMMISSION OF TEXAS
LIQUEFIED PETROLEUM GAS DIVISION
COMPLETION REPORT**

Site ID No. (RRC Use Only)

Instructions To CNG Licensee:

As required by Section 13.25(c) of the Regulations for Compressed Natural Gas, this report is to be filed with the commission, along with applicable fees and postmarked within 10 days from the date of a portable or stationary CNG installation completion covering any non-residential CNG installation of 12,200 standard cubic feet or less capacity subject to the rules and regulations of the commission.

The original filing fee and the resubmission fee is \$6.00 per Completion Report.

PLEASE TYPE OR PRINT IN BLACK INK FOR MICROFILMING PURPOSES

Name of Installation: _____

Mailing Address: _____
(P. O. Box/Street Number) (City) (State) (Zip Code)

Physical Address:
(Give complete geographical location) _____

(City) (County)

I hereby notify the Railroad Commission of Texas, LP-Gas Division, the CNG installation described above was completed on _____ in accordance with the Regulations for Compressed Natural Gas and is now ready for inspection by the LP-Gas Division. I understand that failure to give timely written notification of this installation or any other CNG installation to the commission and/or if the CNG installation is connected to supply piping upstream of the inlet of the compressor and/or placed into CNG service without having first ascertained full compliance with the requirements of the Regulations for Compressed Natural Gas, that I, or my company could be subjected to administrative enforcement proceedings and/or be criminally fined under Sections 116.141 - 116.146, Texas Natural Resources Code, Chapter 116. Failure to comply may result in the filing of a criminal complaint and/or probation, suspension, or cancellation of my CNG license.

(Authorized Signature)

(Date)

(Installer's Licensed Company Name)

(License Number)

Return to:
Railroad Commission of Texas
LP-Gas Division
P. O. Box 12967
Austin, Texas 78711-2967

CNG

**RAILROAD COMMISSION OF TEXAS
LIQUEFIED PETROLEUM GAS DIVISION**

APPLICATION FOR COMPRESSED NATURAL GAS EQUIPMENT AND COMPONENT APPROVAL

INSTRUCTIONS TO APPLICANT:

As required by Section 13.25(d) of the Regulations for Compressed Natural Gas, this application(s) is to be filed with the Railroad Commission of Texas requesting approval of equipment and system component(s). Include with this application: drawings, design calculations, component materials specifications, laboratory test reports for CNG and component materials compatability, pressure and temperature ratings, safety factors, illustrated parts diagram with component part description, and any other documents, illustrations, brochures, photographs or information that would provide credibility to the submitted application.

PLEASE TYPE OR PRINT IN BLACK INK AS ALL DOCUMENTS ARE MICROFILMED.

APPLICANT'S COMPANY: _____

MAILING ADDRESS: _____
(CITY) (STATE) (ZIP CODE)

APPLICANT'S REPRESENTATIVE'S NAME: _____

TELEPHONE NO. () _____ TOLL FREE NO. _____

FAX NO. () _____

TRANSMITTAL LISTING OF DOCUMENTS:

IF ADDITIONAL SPACE IS NEEDED ATTACH ADDITIONAL SHEET(S).

(APPLICANT'S REPRESENTATIVE'S SIGNATURE)

(DATE)

Return to:
Railroad Commission of Texas
LP-Gas Division
P. O. Box 12967
Austin, Texas 78711-2967

**RAILROAD COMMISSION OF TEXAS
LIQUEFIED PETROLEUM GAS DIVISION**

**APPLICATION TO INSTALL A LIQUEFIED PETROLEUM GAS (LPG) OR
COMPRESSED NATURAL GAS (CNG) SYSTEM ON
SCHOOL BUS/MASS TRANSIT VEHICLES**

INSTRUCTIONS: Section 9.187 of the LP-Gas Safety Rules and Section 13.24 of the Regulations for Compressed Natural Gas require this form to be filed by the ultimate consumer or licensee performing the installation or their authorized representative. This form will be returned to the sender as official notice of nonapproval, tentative approval, and if the converted vehicle(s) can be immediately placed into service upon installation completion. No filing fee is required. For subsequent conversions, use LPG Form 504/CNG Form 1504.

NOTE: DO NOT FILE THIS FORM UNLESS YOUR LICENSE OR EXEMPTION HAS BEEN ISSUED AND IS IN GOOD STANDING WITH THE RAILROAD COMMISSION OF TEXAS. An authorized applicant representative, may file this form on behalf of the installer or ultimate consumer, but the back side of this form must have the signature of both installer and the non-licensee applicant. Please type of print in black ink for microfilming purposes.

PROPOSED SPECIFICATIONS

As a LICENSEE/ULTIMATE CONSUMER (*circle one*) I intend to convert _____ school bus(es)/mass transit
(Number) vehicle(s) (*circle one*) to use _____ as an alternate motor fuel.
(LPG, CNG, or Both)

The vehicle(s) will be operated by _____
(Name of transit authority, political subdivision or independent school district)

Operator Mailing Address _____

(City) (State) (Zip Code) (Area Code/Telephone)

The conversions will be performed at _____
(Physical address of conversion site or transportation terminal for maintenance and repairs)

Installer _____

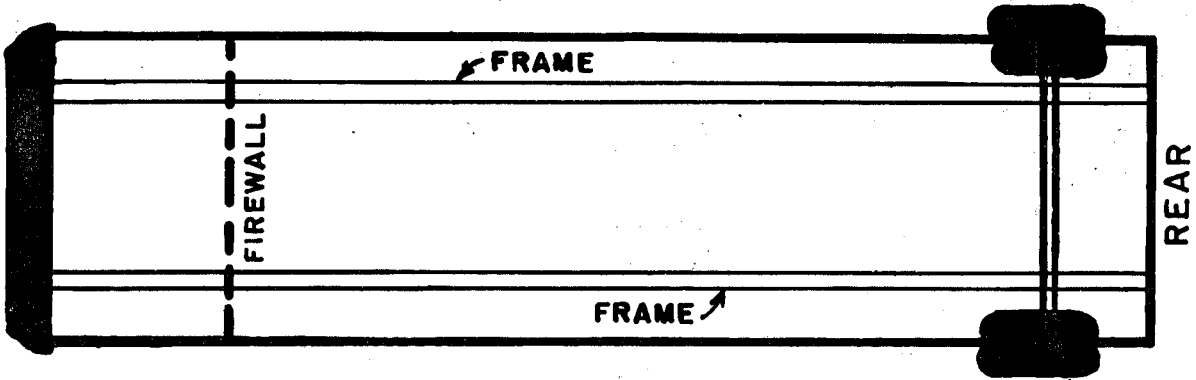
Installer Mailing Address _____

(City) (State) (Zip Code) (Area Code/Telephone)

VEHICLE INFORMATION (Provide the vehicle identification number and at least one other item for proper identification of vehicle. Add separate inventory sheet if necessary.)

(Vehicle Unit Number)	(License Plate Number)	(Vehicle Identification Number)
(Vehicle Unit Number)	(License Plate Number)	(Vehicle Identification Number)
(Vehicle Unit Number)	(License Plate Number)	(Vehicle Identification Number)
(Vehicle Unit Number)	(License Plate Number)	(Vehicle Identification Number)
(Vehicle Unit Number)	(License Plate Number)	(Vehicle Identification Number)
(Vehicle Unit Number)	(License Plate Number)	(Vehicle Identification Number)

TYPICAL BUS INSTALLATION DIAGRAM



Special Notes: _____

INSTRUCTIONS: To indicate type of conversions, check the appropriate box(es) and locate the following items using symbols shown on the adjacent diagram.

Motor Fuel Options: LPG CNG DUAL LPG & CNG

Show engine location and route of motor fuel line (High pressure line only _____) *Material*

LEGEND

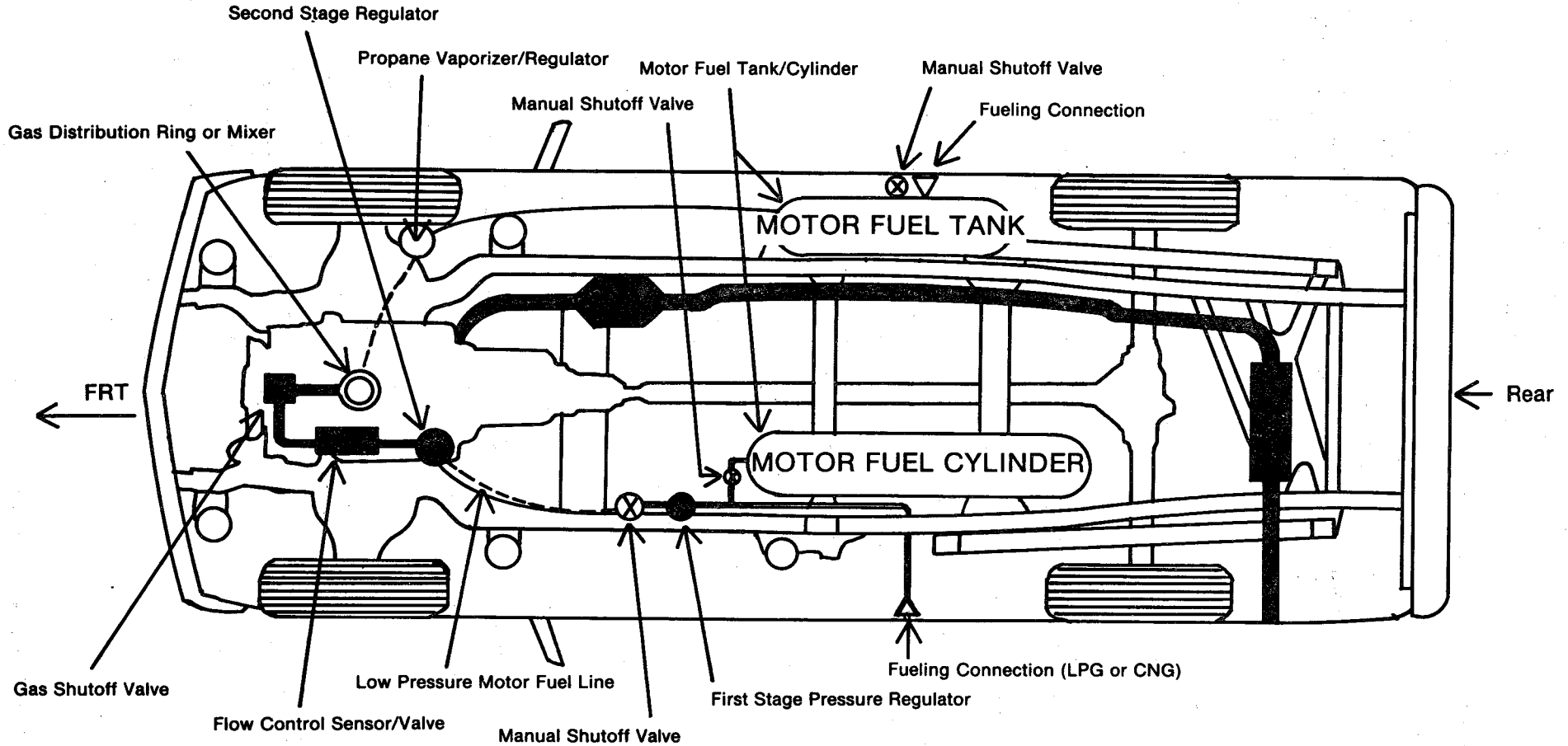
- Fueling connection (LPG or CNG)
- Propane vaporizer/regulator
- Natural gas regulator
- Manual shut-off valve
- _____ Motor fuel line tank pressure
- Motor fuel cylinder/tank
- - - Low pressure motor fuel line

FRAME TYPE (Check one)	
<input type="checkbox"/>	Conventional
<input type="checkbox"/>	Semi-forward
<input type="checkbox"/>	Forward controlled

Show all tank/cylinder locations on diagram and indicate number of tanks/cylinders having the same specifications.

* Example of typical drawing to be submitted on back.

**EXAMPLE OF TYPICAL INSTALLATION DIAGRAM
MASS TRANSIT VEHICLE/BUS**



INSTRUCTIONS: To indicate type of conversions, check the appropriate box(es) and locate the following items using symbols shown on the adjacent diagram.

Motor Fuel Options: LPG CNG DUAL LPG & CNG

Show engine location and route of motor fuel line (High pressure line only _____) (Material)

LEGEND

- | | |
|---------------------------------|------------------------------|
| Fueling connection (LPG or CNG) | Propane vaporizer/regulator |
| Natural gas regulator(s) | Manual shut-off valve |
| Motor fuel line tank pressure | Motor fuel cylinder/tank |
| | Low pressure motor fuel line |

FRAME TYPE (Check one)

Conventional

Semi-forward

Forward controlled

Return to:
Railroad Commission of Texas
LP-Gas Division
P. O. Box 12967
Austin, Texas 78711-2967

Show all tank/cylinder locations, on diagram and indicate number of tanks/cylinders having the same specifications.

**RAILROAD COMMISSION OF TEXAS
LIQUEFIED PETROLEUM GAS DIVISION**

**NOTICE OF SUBSEQUENT CONVERSION
BY THE SAME ULTIMATE CONSUMER OR LICENSEE**

INSTRUCTIONS: Section 9.187 of the LP-Gas Safety Rules and Section 13.24 of the Regulations for Compressed Natural Gas requires this form to be filed by the same ultimate consumer or licensee prior to subsequent conversions in accordance with the previously approved specifications. In order to file this form, you must have obtained a prior tentative approval on LPG Form 503/CNG Form 1503 to install the last previous LPG or CNG engine fuel systems for the same operator (transit authority, political subdivision, or independent school district). This form will be returned to the sender as official notice of non-approval or approval, and if the converted vehicle(s) can be immediately placed into service upon installation completion. If you did not perform the latest LPG or CNG conversion, you must file a LPG Form 503/CNG Form 1503.

NOTE: DO NOT FILE THIS FORM UNLESS YOUR LICENSE OR EXEMPTION HAS BEEN ISSUED AND IS IN GOOD STANDING WITH THE RAILROAD COMMISSION OF TEXAS. Please type or print in black ink for microfilming purposes.

PROPOSED SPECIFICATIONS

As a LICENSEE or ULTIMATE CONSUMER (*circle one*) I intend to convert an additional _____ school bus(es)/mass transit vehicle(s) (*circle one*) to use _____ as an alternate motor fuel.
(Number)
(LPG, CNG, or Both)

The vehicle(s) will be operated by _____
(Name of transit authority, political subdivision or independent school district)

Operator Mailing Address _____

(City) (State) (Zip Code) (Telephone Number)

The conversions will be performed at _____
(Physical address of conversion site or transportation terminal for maintenance and repairs)

Installer _____

Mailing Address _____

(City) (State) (Zip Code) (Telephone Number)

VEHICLE INFORMATION (Provide at least two items for proper identification of vehicle. See reverse side for additional inventory if necessary)

(Vehicle Unit Number) (License Plate Number) (Vehicle Identification Number)

(Vehicle Unit Number) (License Plate Number) (Vehicle Identification Number)

ULTIMATE CONSUMER/LICENSEE CERTIFICATION STATEMENT

I certify the conversion(s) will be completed in accordance with the diagram and specifications granted tentative/contruction approval on _____ for _____ and will be installed in compliance with all applicable safety rules
(Date) (Operating Entity)

and statutes of the LP-Gas Division and any commission order (where applicable) which may be entered pertaining to this installation. All work on the operator's equipment must be performed by employees qualified by the Railroad Commission of Texas. Only FM, UL, AGA, (CGA (Canadian), CNG only) or RRC approved equipment components will be installed. I understand any changes regarding the relocation of the system component will necessitate resubmission of LPG Form 504/CNG Form 1504. I also understand noncompliance may result in an administrative enforcement proceeding or criminal fee against me under Sections 113.164 - 113.166 and 113.231 - 113.236 or Sections 116.141 - 116.146, Texas Natural Resources Code, I am authorized to make this affidavit, and the data and facts herein are true, correct and complete to the best of my knowledge.

Applicant Name _____

Mailing Address _____

(City) (State) (Zip Code) (Telephone Number) (RRC Lic. Number (If applicable))

(Printed Name of Applicant)

(Authorized Signature of Applicant) (Date)

Return to:
Railroad Commission of Texas
LP-Gas Division
P. O. Box 12967
Austin, Texas 78711-2967

**RAILROAD COMMISSION OF TEXAS
LIQUEFIED PETROLEUM GAS DIVISION**

**INSURANCE FILING CERTIFYING
WORKERS' COMPENSATION COVERAGE
INCLUDING
EMPLOYER'S LIABILITY COVERAGE**

(Name of Insurance Company)

of _____, hereinafter company,
(Address of Insurance Company's Home Office)

does certify that _____ of
(Name(s) of Insured)

_____ has been issued its policy or policies herein
(Address of Insured)

described, which by attachment of the Texas Notice of Material Change Endorsement number WC 42 06 01 has been amended, providing Workers' Compensation Coverage, including Employer's Liability Coverage, in accordance with the laws and regulations of the State of Texas for those persons doing business or employing workers in Texas.

Whenever requested by the Railroad Commission of Texas, the company agrees to furnish the commission a duplicate of said policy with any endorsements thereon. Further, the company agrees it will only cancel this filing as provided in the Texas Natural Resources Code, Chapter 116, and Section 13.62 of the Regulations for Compressed Natural Gas. The company agrees to send notice of any cancellation or alteration of the insurance described herein to the LP-Gas Division in Austin, Texas.

Endorsement number WC 42 06 01 which is attached to the policy and any successor policies, may not be cancelled without cancellation of the policy or policies to which it is attached. Such endorsement requires the company to give the Railroad Commission of Texas, LP-Gas Division, 30 days written notice before cancellation. The 30 days notice commences on the date the notice is actually received by the division.

Policy No. _____, (and any successor policies) referenced above, is effective from _____, and is continuous until cancelled.
(Date and time policy takes effect)

Countersigned at _____ this _____ day of _____, 19 _____

(Printed Name of Representative)

(Signature of Authorized Insurance Company's Representative)*

() _____
(Area Code/Telephone Number) (Date)

* Restricted to those names authorized by the insurance company. Only the authorized signature previously filed with the LP-Gas Division will be accepted.

Return to:

Railroad Commission of Texas
LP-Gas Division
P. O. Box 12967
Austin, Texas 78711-2967

CNG

**RAILROAD COMMISSION OF TEXAS
LIQUEFIED PETROLEUM GAS DIVISION**

**STATEMENT IN LIEU of
INSURANCE FILING CERTIFYING
WORKERS' COMPENSATION COVERAGE
including
EMPLOYER'S LIABILITY COVERAGE**

Effective this date _____ hereby states that

(Name of applicant/licensee)

no employees of the applicant or licensee are involved in CNG related activities in Texas as described by the Texas Natural Resources Code or the Regulations for Compressed Natural Gas and consequently, is filing this statement in lieu of workers' compensation including employer's liability insurance certificate.

The applicant states that prior to employing or using any person in CNG related activities in Texas which requires insurance under the provisions of the Texas Natural Resources Code or the Regulations for Compressed Natural Gas, the applicant or licensee will procure the insurance required by the Code and the Regulations, and will submit proof of such insurance to the LP-Gas Division in Austin, Texas.

This statement is signed with full knowledge of the provisions of Section 116.142, Texas Natural Resources Code, which set forth penalties for the submission of false information to the Railroad Commission of Texas.

(Printed Name)

(Signature)

()

(Area Code/Telephone Number)

(Date)

Return to:

Railroad Commission of Texas
LP-Gas Division
P. O. Box 12967
Austin, Texas 78711-2967

CNG FORM 1996B
Revised 12/90

**RAILROAD COMMISSION OF TEXAS
LIQUEFIED PETROLEUM GAS DIVISION**

**INSURANCE FILING CERTIFYING
MOTOR VEHICLE BODILY INJURY INSURANCE
AND
PROPERTY DAMAGE LIABILITY INSURANCE**

(Name of Insurance Company)

of _____, hereinafter company,
(Address of Insurance Company's Home Office)

does certify that _____
(Name(s) of Insured)

of _____
(Address of Insured)

has been issued its policy or policies herein described, which by attachment of Cancellation Provision or Coverage Change Endorsement number TE 02 02A, has been amended to provide Motor Vehicle Liability Insurance Coverage (Motor Vehicle Bodily Injury and Property Damage Liability Insurance), covering obligations imposed upon such insured by the provisions of the Texas Natural Resources Code, Chapter 116, and all commission insurance rules in which the commission has jurisdiction or regulations promulgated in accordance therewith. The limits of the company's liability are as stated in the policy, but such limits are not less than \$500,000, combined single limits for bodily injuries or death for all persons injured or killed in any accident, and loss or damage in any one accident to property of others.

Whenever requested by the Railroad Commission of Texas, company agrees to furnish the commission a duplicate of said policy with any endorsements thereon. Further, company agrees that it will only cancel this filing as provided in the Texas Natural Resources Code, Chapter 116, and Section 13.62 of the Regulations for Compressed Natural Gas. The company agrees to send notice of any cancellation or alteration of the insurance herein described to the LP-Gas Division in Austin, Texas.

Endorsement number TE 02 02A, which is attached to the policy and any successor policies may not be cancelled without cancellation of the policy or policies to which it is attached. Such endorsement requires the company to give the Railroad Commission of Texas, LP-Gas Division, 30 days written notice before cancellation. The 30 days notice commences on the date the notice is actually received by the LP-Gas Division.

Policy No. _____, (and any successor policies) referenced above, is effective from _____, and is continuous until cancelled.
(Date and time policy takes effect)

Countersigned at _____ this _____ day of _____, 19 _____

(Printed Name of Representative)

(Signature of Authorized Insurance Company's Representative)*

() _____
(Area Code/Telephone Number) (Date)

* Restricted to those names authorized by the insurance company. Only the authorized signature previously filed with the LP-Gas Division will be accepted.

Return to:

Railroad Commission of Texas
LP-Gas Division
P. O. Box 12967
Austin, Texas 78711-2967

CNG

**RAILROAD COMMISSION OF TEXAS
LIQUEFIED PETROLEUM GAS DIVISION**

**STATEMENT IN LIEU of
INSURANCE FILING CERTIFYING
MOTOR VEHICLE BODILY INJURY INSURANCE
and
PROPERTY DAMAGE LIABILITY INSURANCE**

Effective this date _____
(Name of applicant/licensee)

hereby states that no vehicle described as a CNG transport by the Texas Natural Resources Code or the Regulations for Compressed Natural Gas is operated by the applicant or licensee.

The applicant states that prior to operating any vehicle described as a CNG transport by the Texas Natural Resources Code or the Regulations for Compressed Natural Gas, the applicant will procure the insurance required by the Code and the Regulations and will submit proof of such insurance to the LP-Gas Division in Austin, Texas.

This statement is signed with full knowledge of the provisions of Section 116.142, Texas Natural Resources Code, which set forth penalties for the submission of false information to the Railroad Commission of Texas.

(Printed Name)

(Signature)

() _____
(Area Code/Telephone Number) (Date)

Return to:

Railroad Commission of Texas
LP-Gas Division
P. O. Box 12967
Austin, Texas 78711-2967

CNG FORM 1997B
Revised 12/90

**RAILROAD COMMISSION OF TEXAS
LIQUEFIED PETROLEUM GAS DIVISION**

**INSURANCE FILING CERTIFYING
GENERAL LIABILITY INSURANCE**

(Name of insurance company)

of _____, hereinafter company,
(Address of insurance company's home office)

does certify that _____
(Name(s) of Insured)

of _____
(Address of Insured)

has been issued its policy or policies herein described which by attachment of the Texas Changes-Amendment of Cancellation Provisions or Coverage Change number CG 02 05 has been amended to provide general liability insurance, including premises and operations coverage, covering the obligations imposed upon the insured by the Railroad Commission of Texas, LP-Gas Division, in accordance with the provisions of the Texas Natural Resources Code, Chapter 116, and all commission insurance rules in which the commission has jurisdiction or regulations promulgated in accordance therewith. The limits of liability are as stated in the policy, but such limits are not less than the type of coverage checked:

- () The limits of the company's liability are as stated in the policy, but such limits shall not be less than \$25,000 per occurrence, \$50,000 aggregate.
- () The limits of the company's liability are as stated in the policy, but such limits shall not be less than \$300,000 per occurrence, with a \$300,000 policy aggregate; including completed operations and products liability coverage, \$300,000 aggregate.

Whenever requested by the Railroad Commission of Texas, the company agrees to furnish the commission a duplicate of said policy with any endorsements thereon. Further, the company agrees that it will only cancel this filing as provided in the Texas Natural Resources Code, Chapter 116, and Section 13.62 of the Regulations for Compressed Natural Gas. The company agrees to send notice of any cancellation or alteration of the insurance herein described to the LP-Gas Division in Austin, Texas.

Endorsement number CG 02 05, which is attached to the policy and any successor policy may not be cancelled without cancellation of the policy or policies to which it is attached. Such endorsement requires the company to give the Railroad Commission of Texas, LP-Gas Division, 30 days written notice before cancellation. The 30 days notice commences on the date the notice is actually received by the LP-Gas Division

Policy No. _____, (and any successor policies) referenced above, is effective from _____, and is continuous until cancelled.
(Date and time policy takes effect)

Countersigned at _____ this _____ day of _____, 19 _____

(Printed Name of Representative)

(Signature of Authorized Insurance Company's Representative)*

() _____
(Area Code/Telephone Number) (Date)

* Restricted to those names authorized by the insurance company. Only the authorized signature previously filed with the LP-Gas Division will be accepted.

Return to:

Railroad Commission of Texas
LP-Gas Division
P. O. Box 12967
Austin, Texas 78711-2967

**RAILROAD COMMISSION OF TEXAS
LIQUEFIED PETROLEUM GAS DIVISION**

**STATEMENT IN LIEU of
INSURANCE FILING CERTIFYING
GENERAL LIABILITY INSURANCE**

(Name of applicant/licensee)

hereby states the applicant or licensee applying for a CNG license pursuant to Section 116.031, Texas Natural Resources Code, Chapter 116, as a category _____ dealer, is not engaging in any CNG operations _____, and consequently, is filing this statement in lieu of a certificate of general liability insurance.

(Letter)

(Effective Date)

The applicant states that prior to performance of any activities which require general liability coverage as set forth in the Texas Natural Resources Code or the Regulations for Compressed Natural Gas, the applicant will procure insurance as required by the Code and the Regulations, and will submit proof of such insurance to the LP-Gas Division in Austin, Texas.

This statement is signed with full knowledge of the provisions of Section 116.142, Texas Natural Resources Code, which set forth penalties for the submission of false information to the Railroad Commission of Texas.

(Printed name)

(Signature)

(Date)

Return to:
Railroad Commission of Texas
LP-Gas Division
P. O. Box 12967
Austin, Texas 78711-2967

CNG

**RAILROAD COMMISSION OF TEXAS
LIQUEFIED PETROLEUM GAS DIVISION
NOTICE OF INSURANCE CANCELLATION**

Notice is hereby given to the Railroad Commission of Texas, LP-Gas Division, of the cancellation of a policy of insurance, described as follows:

Insured: _____

Address of Insured: _____
(Street or box)

(City) (State) (Zip code)

Reason for Cancellation: _____

Type of Insurance: _____

Current Policy Number: _____ Effective Date: _____

Date and Hour of Cancellation: _____

Name of Insurance Company: _____

Address of Insurance Company: _____
(Street or box)

(City) (State) (Zip code)

()

(Area Code/Telephone Number)

(Name of insurance company)

(Printed name of Representative)

(Authorized Signature of Insurance Company's Representative's)*

()

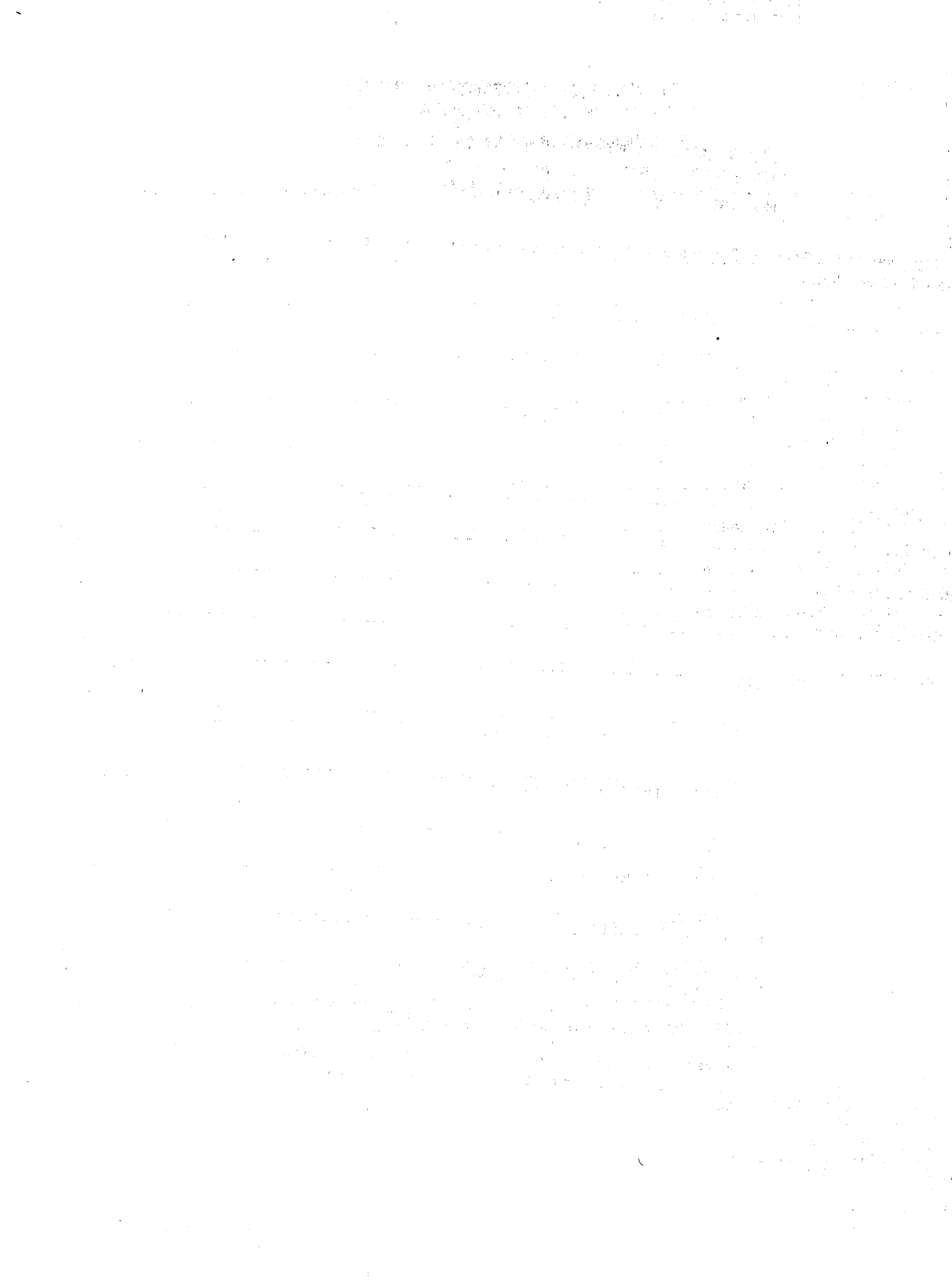
(Area Code/Telephone number)

(Date)

* Restricted to those names authorized by the insurance company. Only the authorized signature previously filed with the LP-Gas Division will be accepted.

Return to:

Railroad Commission of Texas
LP-Gas Division
P. O. Box 12967
Austin, Texas 78711-2967



**Examples of Properly
Completed CNG Forms**

Handwritten text, possibly a signature or name, located in the upper middle section of the page.

Handwritten text, possibly a signature or name, located in the lower middle section of the page.

CNG

LICENSE NO. 0501

RAILROAD COMMISSION OF TEXAS
LIQUEFIED PETROLEUM GAS DIVISION

APPLICATION FOR LICENSE

NOTICE: ALL LICENSES MUST BE RENEWED ON AN ANNUAL BASIS. NO PERSON MAY CONDUCT CNG RELATED ACTIVITIES COVERED BY THE TEXAS NATURAL RESOURCES CODE, CHAPTER 116, UNTIL AN APPROPRIATE LICENSE IS ISSUED.

Please type or print in black ink as all documents are microfilmed.

Applicant's Name:

(1) Co. Name CNG Fleet Inc.

DBA _____ DBA _____

DBA _____ DBA _____

DBA _____ DBA _____

Official Communications:

(2) Michael Franklin (3) (713) 232-3343 (4) Harris

(5) 601 Smith Drive (6) Jackson (7) TX (8) 75315
Contact Person (A/C) Phone County
Applicant's Address City State Zip

Applicant is a (9) Sole Proprietor
 Partnership
Check Corporation, which is incorporated under the laws of the State of (10) Texas
Appropriate Box If other than Texas, is the corporation registered with the Secretary of State and authorized to do business in Texas? (11) yes
 Other (specify type) _____

(12) List owner of sole proprietorship, partners in partnership, or officers of corporation.

Name	Capacity	Address	Zip
<u>Michael Franklin</u>	<u>owner</u>	<u>601 Smith Drive</u>	<u>75315</u>
<u>Sue Franklin</u>	<u>sec.</u>	<u>601 Smith Drive</u>	<u>75315</u>

(13) Category of license under which business is to be conducted: Category 3

(14) Company Representative: Any employee of the company who is directly responsible for and actively supervising CNG operations and who has passed the CNG management examination.

Name Arthur James Social Security Number 222-32-3551 Phone (713) 232-3342

Return all fees and forms to:
Railroad Commission of Texas
LP-Gas Division
P. O. Box 12967
Austin, Texas 78711-2967

CNG FORM 1001
Revised 12/90

RRC USE ONLY	
Register No.	_____
Amt.	_____ Type _____
Approved	_____ Date _____

(COMPLETE BACK SIDE)

Please answer each of the following by checking either the "yes" or "no" blanks as they pertain to your company's operations.
NOTE: ALL QUESTIONS BELOW MUST BE ANSWERED AND FORMS ATTACHED WHERE REQUIRED.

(15) **Branch Outlet: Does your company have a branch outlet?**

Yes CNG Form 1001A must be completed.

No No form required.

(16) **Transport Registration: Does your company operate any CNG transports?**

Yes CNG Form 1007 must be completed.

No No form required.

(17) **Storage Cylinders: Does your company have any CNG storage cylinders?**

Yes CNG Form 1019 must be completed.

No No form required.

Franchise Tax Certification. All corporations applying for an original or renewal license must file a CNG Form 1026, Franchise Tax Certification, with the LP-Gas Division prior to the issuance of such license.

IT IS UNDERSTOOD THAT I, OR WE, ARE FAMILIAR WITH THE REQUIREMENTS OF CHAPTER 116, TEXAS NATURAL RESOURCES CODE, WITH REGARD TO PROVISIONS PERTAINING TO THE DUTIES OF A LICENSEE AND THAT I, OR WE, WILL COMPLY WITH EACH PROVISION CONTAINED IN SAID ACT, AND WILL FURNISH ALL ADDITIONAL INFORMATION REQUESTED BY THE RAILROAD COMMISSION PURSUANT TO ITS REGULATORY AUTHORITY.

I, OR WE, AGREE THAT ANY CHANGE IN OWNERSHIP, OR CHANGE IN NAME, WILL BE REPORTED TO THE RAILROAD COMMISSION OF TEXAS BY REGISTERED MAIL, EITHER PRIOR TO THE CHANGE IN OWNERSHIP, OR CHANGE IN NAME, OR PRIOR TO OPERATING AS A CNG DEALERSHIP UNDER NEW OWNERSHIP OR UNDER A CHANGED NAME.

I DECLARE UNDER PENALTIES PRESCRIBED IN SECTION 116.142, TEXAS NATURAL RESOURCES CODE, I AM AUTHORIZED TO SIGN THIS REPORT; I HAVE EXAMINED THIS REPORT AND MADE ANY CORRECTIONS, ADDITIONS, OR DELETIONS NECESSARY, AND THE DATA AND FACTS STATED HEREIN ARE TRUE, CORRECT, AND COMPLETE TO THE BEST OF MY KNOWLEDGE.

(18) **FOR USE BY SOLE PROPRIETOR OR PARTNERSHIP ONLY:**

Date

Signature of Owner or Partner

(19) **FOR CORPORATE USE ONLY:**

(Corporate Seal)

CNG Fleet, Inc.

Name(s) under which business is to be transacted

Michael Franklin

(20) Name of Subscriber*

owner

Capacity of Subscriber */**

ATTEST:

Sue Franklin

(21) Corporate Secretary

February 1, 1991

Date

* Subscriber must be president or vice-president of corporation unless exception is granted by the LP-Gas Division Director.

** The Board of Directors may file with this form a Power of Attorney designating a corporate officer whose signature will bind the corporation. In such case only one signature is necessary.

CNG

RAILROAD COMMISSION OF TEXAS
LIQUEFIED PETROLEUM GAS DIVISION
BRANCH OUTLET LIST

LIST EACH BRANCH OUTLET WHERE YOUR COMPANY CONDUCTS CNG BUSINESS IN TEXAS. INDIVIDUALS LISTED AS MANAGERS MUST HAVE PASSED THE EXAMINATION(S). (TEXAS NATURAL RESOURCES CODE, SECTION 116.034). Please type or print in black ink as all documents are microfilmed.

COMPANY NAME: CNG Fleet, Inc.

ADDRESS OF OUTLET: 102 Forest Lane

Jackson Harris Texas 75312 (713) 232-3341
(City) (County) (State) (Zip Code) (Telephone Number)

MANAGER NAME: Arthur James 000-00-0000
(Social Security Number)

ADDRESS OF OUTLET: _____

(City) (County) (State) (Zip Code) (Telephone Number)

MANAGER NAME: _____
(Social Security Number)

ADDRESS OF OUTLET: _____

(City) (County) (State) (Zip Code) (Telephone Number)

MANAGER NAME: _____
(Social Security Number)

ADDRESS OF OUTLET: _____

(City) (County) (State) (Zip Code) (Telephone Number)

MANAGER NAME: _____
(Social Security Number)

I DECLARE UNDER PENALTIES PRESCRIBED IN SECTION 116.142, TEXAS NATURAL RESOURCES CODE, I AM AUTHORIZED TO SIGN THIS REPORT, AND THE INFORMATION STATED HEREIN IS TRUE, CORRECT, AND COMPLETE TO THE BEST OF MY KNOWLEDGE.

Return to:
Railroad Commission of Texas
LP-Gas Division
P. O. Box 12967
Austin, Texas 78711-2967

Michael Franklin, President
Printed Name

Michael Franklin.
Signature

(713) 232-3343 2/1/91
Area Code Telephone No. Date

CNG

RAILROAD COMMISSION OF TEXAS
LIQUEFIED PETROLEUM GAS DIVISION
COMPRESSED NATURAL GAS VEHICLE IDENTIFICATION

In the State of Texas this CNG vehicle is registered and approved for use as a means of transporting CNG.

NAME OF MANUFACTURER	CYLINDER SERIAL NUMBER	VOLUME CUBIC FEET	WORKING PRESSURE	DEALER UNIT NO.
Acco Inc.	B-13579	38	2400	241
" "	B-13578	"	"	"
" "	B-13577	"	"	"
" "	B-13576	"	"	"
" "	B-13575	"	"	"
" "	B-13574	"	"	"
" "	B-13573	"	"	"
" "	B-13571	"	"	"

Registration Number 0001

Expires 5/31/91

CNG

LICENSE NO. 0501

RAILROAD COMMISSION OF TEXAS
LIQUEFIED PETROLEUM GAS DIVISION

CNG TRANSPORT REGISTRATION

CNG Fleet, Inc.

(Company Name)

Please type or print in black ink as all documents are microfilmed.

LEGAL NOTICE

EACH CNG TRANSPORT MUST BE REGISTERED AS REQUIRED BY SECTION 116.072, TEXAS NATURAL RESOURCES CODE, AND SECTION 13.69 OF THE REGULATIONS FOR COMPRESSED NATURAL GAS.

NAME OF MANUFACTURER	CYLINDER SERIAL NUMBER	VOLUME CUBIC FEET	WORKING PRESSURE	DEALER UNIT NO.
Ajax Cylinder	17421		2400	105
" "	17422		"	"
" "	17423		"	"
" "	17424		"	"
" "	17425		"	"
" "	17426		"	"
" "	17427		"	"
" "	17428		"	"

I DECLARE UNDER PENALTIES PRESCRIBED IN SECTION 116.142, TEXAS NATURAL RESOURCES CODE, I AM AUTHORIZED TO SIGN THIS REPORT, AND THE INFORMATION STATED HEREIN IS TRUE, CORRECT, AND COMPLETE TO THE BEST OF MY KNOWLEDGE.

Return to:
Railroad Commission of Texas
LP-Gas Division
P. O. Box 12967
Austin, Texas 78711-2967

Michael Franklin, owner
Printed Name

Michael Franklin
Signature

(713) 232-3343
Area Code/Telephone Number

2/1/91
Date

RAILROAD COMMISSION OF TEXAS
LIQUEFIED PETROLEUM GAS DIVISION

MANUFACTURER'S REPORT OF RETEST OR REPAIR

Please complete this report in black ink for microfilming purposes.

- 1. Container repaired and/or tested by ABC Testing Co., Inc.
Address 1701 Any Street Houston, Tx 79955
- 2. Manufacturer Big Tank Manufacturing, Inc. Year Built 1979
- 3. Serial Number 3497 Capacity 35 cu. ft. Working Pressure 3877
- 4. ASME/DOT Specification ASME Section VIII Div. I Appendix 22
- 5. Owner of Container Ajax Gas Sales Address Houston, Tx

6. Detailed description of repairs and/or testing (For additional information use reverse side.)
This container was hydrostatically tested to a pressure of 5820 P.S.I.G. and held at this pressure for two hours. No leaks were observed during the two hour test period.

This container was tested by this facility, using one or more methods of testing recognized by the American Society of Mechanical Engineers or the Department of Transportation, and is safe for compressed natural gas use in the State of Texas.

I declare under penalties prescribed in Section 116.142, Texas Natural Resources Code, I am authorized to make this report, this report was prepared by me or under my supervision and direction, and data and facts stated herein are true, correct, and complete to the best of my knowledge.

Date 1/29/91 Signed A. B. Jones Title Manager CNG License No. 0796

CERTIFICATE OF INSPECTION OF ASME CONTAINER (ONLY)

Container repaired and/or tested by _____ Location _____

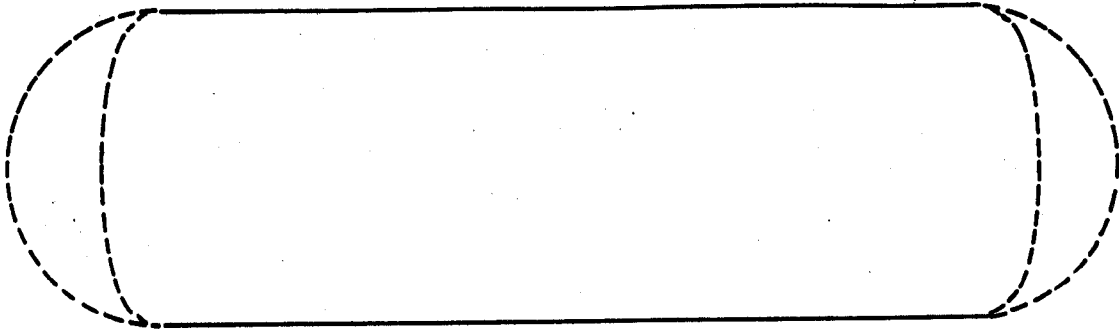
I, the undersigned, authorized as an inspector of containers and employed by _____ of _____ inspected the repair and/or testing of the container described in this report on _____, 19_____, and certify the statements made in this report are correct and that repair and/or testing of this container was in accordance with the requirement of the American Society of Mechanical Engineers.

Date _____, 19____.

Inspector's Signature _____ Commissions _____ Nat'l. Board, State _____

INDICATE LOCATION OF REPAIR OR MODIFICATION.

Sketch heads and circle approximate location of repairs or modifications.



VIEW: Top; Bottom; Other (curbside, streetside, etc.) _____

HEAD TYPE: Hemispherical; 2:1 Elliptical; Other _____

Additional Information (Attachment(s)) as needed.

Return to:

Railroad Commission of Texas
LP-Gas Division
P. O. Box 12967
Austin, Texas, 78711-2967

CNG

RAILROAD COMMISSION OF TEXAS
LIQUEFIED PETROLEUM GAS DIVISION
APPLICATION FOR EXAMINATION

Please type or print in black ink as all documents are microfilmed

James, Arthur 000 - 00 - 0000
 Name of Applicant (Last, First, Middle) Social Security Number

February 1, 1991
 Date to begin performing each CNG related activity pertaining to this application

CNG Fleet, Inc. 0501
 Name of Licensed/Applicant Company CNG License Number

601 Smith Drive Jackson
 Company Address (P. O. Box and/or Street) City

Harris Texas 75315 (713) (232 - 3343)
 County State Zip Code Area Code/Telephone Number

Check the appropriate examination(s) applied for:

MANAGEMENT

EMPLOYEE

- | | | |
|--|-------------------------------------|-------------------------------------|
| <input type="checkbox"/> Category 1 | <input type="checkbox"/> Category 4 | <input type="checkbox"/> Category 2 |
| <input type="checkbox"/> Category 2 | <input type="checkbox"/> Category 5 | <input type="checkbox"/> Category 3 |
| <input checked="" type="checkbox"/> Category 3 | <input type="checkbox"/> Category 6 | <input type="checkbox"/> Category 5 |

EXAMINATION FEES - The appropriate examination fee(s) must accompany this application

- (1) Management - \$25.00 each category Amount \$ 25.00
- (2) Employee - \$10.00 each examination Amount \$ _____

Examination(s) are given Monday through Friday, 10:00 A.M. - 5:00 P.M. (except holidays), at the division's headquarters located at 1701 N. Congress (William B. Travis Bldg.) Room 7-146, Austin, Texas.

RRC USE ONLY	
Register No. _____	
Amt. _____	Type _____
Date _____	
Approved _____	

I declare under penalties prescribed in Section 116.142, Texas Natural Resources Code, I am authorized to make this application; I have knowledge of the above-stated facts; this application was prepared by me or under my supervision and direction, and data and facts stated herein are true, correct, and complete to the best of my knowledge.

Arthur James
 (Signature of Applicant)

February 1, 1991
 (Date)

Return to:
 Railroad Commission of Texas
 LP-Gas Division
 P.O. Box 12967
 Austin, Texas 78711-2967

CNG

RAILROAD COMMISSION OF TEXAS
LIQUEFIED PETROLEUM GAS DIVISION

STATEMENT OF LOST OR DESTROYED CNG LICENSE

I, Michael Franklin President
(Name) (Title)

do make this statement that CNG Fleet, Inc.
(Name of licensed company)

is licensed by the Railroad Commission of Texas, and that Compressed Natural Gas License No. 0501
issued on 2/1, 19 91, has been lost or stolen, and the facts pertaining to the existence and
location of such license are unknown to the licensee.

THE STATE OF: Texas
COUNTY OF: Harris

I declare under penalties prescribed in Section 116.142, Texas Natural Resources Code, I am authorized to make
this statement; that it was prepared by me or under my supervision and direction, and that data and facts stated
herein are true, correct, and complete to the best of my knowledge.

Michael Franklin
(Signature)

March 10, 1991
(Date)

Return to:

Railroad Commission of Texas
LP-Gas Division
P. O. Box 12967
Austin, Texas 78711-2967

CNG

RAILROAD COMMISSION OF TEXAS
LIQUEFIED PETROLEUM GAS DIVISION

STATEMENT OF LOST OR DESTROYED CNG FORM 1004 DECAL

Please type or print in black as all documents are microfilmed.

I, Michael Franklin owner
(Name of person completing statement) (Title)

do make this statement verifying CNG Fleet, Inc.
(Name(s) under which Licensee conducts CNG operations)

601 Smith Drive was issued a CNG Form 1004,
(Complete mailing address where decal is to be sent)

identified as Decal No. 000, for License year 19 91 - 19 92, and that such decal has been

(Check one) lost or stolen

destroyed, and the cause of destruction being as follows: _____

THE STATE OF: Texas

COUNTY OF: Harris

I declare under penalties prescribed in Section 116.142, Texas Natural Resources Code, I am authorized to make this statement; it was prepared by me or under my supervision and direction, and data and facts stated herein are true, correct, and complete to the best of my knowledge.

Michael Franklin
Signature

March 10, 1991
Date

Return to:

Railroad Commission of Texas
LP-Gas Division
P. O. Box 12967
Austin, Texas 78711-2967

RRC USE ONLY	
Replacement Decal No. _____	
Date Issued _____	By _____
Date Mailed _____	By _____

RRC USE ONLY	
Postmark Date _____	
File Number _____	
District Number _____	

**RAILROAD COMMISSION OF TEXAS
 LIQUEFIED PETROLEUM GAS DIVISION
 REPORT OF LP-GAS/CNG INCIDENT - ACCIDENT**

INSTRUCTIONS: Section 9.61 of the LP-Gas Safety Rules and Section 13.36 of the Regulations for Compressed Natural Gas require this report to be filed within 14 days from the date the incident/accident was initially reported to the Railroad Commission of Texas. This report must be signed by an official representative of the licensee reporting and filing the report. Please type or print in black ink for microfilming purposes.

PART A Licensee Reporting LPG CNG (Mark applicable box) Lic. No. 0501

1. COMPANY NAME: CNG Fleet, Inc. Tel. No. (713) 232-3343

2. PRINCIPAL BUSINESS ADDRESS: 601 Smith Drive, Jackson, TX 75315

3. LPG ON PREMISES VEHICLE WHERE INCIDENT/ACCIDENT OCCURRED 4. CNG ON PREMISES VEHICLE WHERE INCIDENT/ACCIDENT OCCURRED

PART B Incident Accident Identification Information

1. NAME OF ENTITY INVOLVED: Greater Transit Authority
(where occurred)

2. FULL MAILING ADDRESS: 7413 Main Ave, Villa, Tx 75147

3. DATE OCCURRED: Month 01 Day 15 Year 91 Time: (24 hr. clock) 9:00 a.m. Unknown

4. LOCATION OF INCIDENT/ACCIDENT: Villa, Harris
(city, county)

a) In State _____
 b) Out of State N/A
(city, county, state)

c) Identify Physical Location: Corner of Triton Ave and Gulf Expressway
(give nearest mile marker, hwy., street, or intersection)

5. DRIVER/LICENSEE INFORMATION:

a) Drivers full name, who last serviced container: N/A SSN: N/A

b) Driver's full name, if involving LPG/CNG transport or bobtail registered with the commission: N/A SSN: N/A

c) Licensee name servicing/owning container: _____
 License Number: N/A

PART C Deaths/Injuries (If multiple deaths or injuries continue on separate sheet)

1. TOTAL FATALITIES 0 a) Licensee employee(s) 0 b) non-employee(s) 0

2. NAME: N/A (age) _____ and (SSN): _____

3. TOTAL INJURIES 1 a) Licensee employee(s) 0 b) non-employee(s) 1 if licensee employee

4. NAME: Arnold Callahan (age) 36 and (SSN): N/A if licensee employee

PART D Type of Installation/Equipment (Check any which apply)

LPG		CNG	
<input type="checkbox"/> (AGRL) Agricultural	<input type="checkbox"/> (FMCT) Farm Cart	<input type="checkbox"/> (PUBL) Public Facility	<input type="checkbox"/> (CGCC) CNG Pvt. Compressor Storage
<input type="checkbox"/> (B) Bobtail	<input type="checkbox"/> (HECC) Health Care Center	<input type="checkbox"/> (PVCF) Private Cyl. Filling Plant	<input type="checkbox"/> (CGCV) CNG Commercial Vehicle
<input type="checkbox"/> (BS) Bulk Storage	<input type="checkbox"/> (INFL) Industrial Forklift	<input type="checkbox"/> (PVTR) Private Trans. Only	<input checked="" type="checkbox"/> (CGDS) CNG Pvt. Dispenser System
<input type="checkbox"/> (CEXR) Cylinder Exchange Rack	<input type="checkbox"/> (LOAD) Loading Rack	<input type="checkbox"/> (RECV) Recreational Vehicle	<input type="checkbox"/> (CGGT) CNG Government Trans.
<input type="checkbox"/> (CFP) Cylinder Filling Plant	<input type="checkbox"/> (MAHO) Manufactured Housing	<input type="checkbox"/> (RES) Residence	<input type="checkbox"/> (CGLC) CNG Lic. Compressor Storage
<input type="checkbox"/> (CFSS) Cyl. Filling/Service Sta.	<input type="checkbox"/> (MBLF) Mobile Fuel Vehicle	<input type="checkbox"/> (SBUS) School Bus	<input type="checkbox"/> (CGLS) CNG Lic. Dispenser System
<input type="checkbox"/> (COMM) Commercial	<input type="checkbox"/> (MHSO) Mobil Home Subdivision	<input type="checkbox"/> (SCHL) School	<input checked="" type="checkbox"/> (CGPT) CNG Public Transportation
<input type="checkbox"/> (CVTR) Commercial Veh. Trans.	<input type="checkbox"/> (PBTR) Public Transportation	<input type="checkbox"/> (SS) Service Station Only	<input type="checkbox"/> (CGPV) CNG Private Vehicle
<input type="checkbox"/> (EMSB) Emergency Stand-By	<input type="checkbox"/> (PMMF) Private Motor Fuel Storage	<input type="checkbox"/> (T) Transport	<input type="checkbox"/> (CGSB) CNG School Bus
			<input type="checkbox"/> (CNGT) CNG Transport
<input type="checkbox"/> (GEOT) General/Other _____			

PART E Product Information

1. Specify name of product storage/release: CNG 2. Odorization: a) odorized b) non-odorized
(Propane, Butane, Propylene, LPG mix, CNG, etc.)

3. If loss of product occurred, give estimated amount equal to or more than 1.0% of gross amount delivered or withdrawn:
 a) Liquid loss LPG only .. Est. gross gallons _____ b) Vapor loss CNG only Est. cubic feet 400 cu. ft.

4. Were bulkheads/emergency shut-off valves installed? Yes No N/A

5. Did product ignite? Yes No 6. Did explosion occur? Yes No If Yes, explain under PART J

PART F Gas Leak/Origin of Problem (Check any which apply)

<input type="checkbox"/> 001 Pump	<input type="checkbox"/> 007 Low PSI Hose/Line	<input type="checkbox"/> 013 Underground pipe	<input type="checkbox"/> 019 Pressure relief valve
<input type="checkbox"/> 002 Compressor	<input type="checkbox"/> 008 Hose/Metal flex-connector	<input type="checkbox"/> 014 Aboveground pipe	<input type="checkbox"/> 020 Emergency shut-off valve (ESV)
<input type="checkbox"/> 003 Vaporizer	<input checked="" type="checkbox"/> 009 Break away coupling	<input type="checkbox"/> 015 Appliance control	<input type="checkbox"/> 021 Filler valve in tank
<input type="checkbox"/> 004 Gas Meter	<input type="checkbox"/> 010 Gas cock	<input type="checkbox"/> 016 Hose end valve	<input type="checkbox"/> 022 Evacuation/Drain valve
<input type="checkbox"/> 005 In-Line Valve	<input type="checkbox"/> 011 Pipe union	<input type="checkbox"/> 017 Tank service valve	<input type="checkbox"/> 023 Gauging device
<input checked="" type="checkbox"/> 006 High PSI Hose/Line	<input type="checkbox"/> 012 Pipe flare fitting	<input type="checkbox"/> 018 Service regulator	<input type="checkbox"/> 024 Cylinder/tank metal
<input type="checkbox"/> 050 Other _____			

PART G LPG/CNG Container Type/Location/Condition (Check any which apply)

- | | | | |
|---|---|--|--|
| <input checked="" type="checkbox"/> 001 DOT cylinder | <input type="checkbox"/> 006 Bulk size (1,000 W.G. or more) | <input type="checkbox"/> 011 Inside building | <input type="checkbox"/> 016 Container dented |
| <input type="checkbox"/> 002 ASME container | <input type="checkbox"/> 007 Skid mounted tank | <input type="checkbox"/> 012 Ext. tank corrosion | <input type="checkbox"/> 017 Container scraped |
| <input type="checkbox"/> 003 Aboveground tank | <input type="checkbox"/> 008 Process tank | <input type="checkbox"/> 013 Int. tank corrosion | <input type="checkbox"/> 018 Container hole/puncture |
| <input type="checkbox"/> 004 Underground tank | <input checked="" type="checkbox"/> 009 Vehicle mounted | <input type="checkbox"/> 014 Container bulged | <input type="checkbox"/> 019 Broken weld seam |
| <input type="checkbox"/> 005 Domestic size (999 W.G. or less) | <input type="checkbox"/> 010 Outside building | <input type="checkbox"/> 015 Container gouged | <input type="checkbox"/> 020 Container ruptured |

PART H Container Identification/Owner Information (If more than two containers, continue on separate sheet)

- | | | |
|---|------------------------------------|------------------------------------|
| | Container No. 1 | Container No. 2 |
| 1. Mfg. Name: | <u>A Natural Gas Cylinder Mfg.</u> | <u>A Natural Gas Cylinder Mfg.</u> |
| 2. Mfg. Ser. No.: | <u>743216</u> | <u>743217</u> |
| 3. Working Press: | <u>3AA3600</u> | <u>3AA3600</u> |
| 4. Water Cap.: | <u>2690 cu. in.</u> | <u>2690 cu. in.</u> |
| 5. Year Built: | <u>1990</u> | <u>1990</u> |
| 6. If bobtail or transport unit, specify RRC LPG Form 4 decal no. _____ RRC CNG Form 1007 decal no. <u>N/A</u> <input checked="" type="checkbox"/> None | | |
| 7. Date tank/cylinder was last serviced with LPG/CNG <u>1/15/91</u> Gross gallons _____ cubic feet <u>960</u> delivered. | | |
| 8. Nameplate damaged/destroyed? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, indicate which container <input type="checkbox"/> No. 1 <input type="checkbox"/> No. 2 | | |
| 9. Were container(s) subjected to severe heat impingement or damaged? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If LPG/CNG container(s) are involved in incident/accident or vehicle collision/rollover, attach <u>N/A</u> photograph(s).
Number | | |
| 10. If owner of container(s) is different from licensee, give mailing address of tank/cylinder owner below. | | |

Greater Transit Authority 7413 Main Ave. Villa, Tx 75147
 (Name) (Address) (City, State) (Zip Code)

PART I Suspected Causes (Check any which may have contributed to cause)

- | | | | | |
|-----------------------------------|--|---|---|--|
| 1. NATURAL FORCE DAMAGE | <input type="checkbox"/> 001 Lightning | <input type="checkbox"/> 002 Wind force | <input type="checkbox"/> 003 Flooding | <input type="checkbox"/> 004 Freezing weather |
| 2. MECHANICAL FORCE DAMAGE | <input type="checkbox"/> 006 Vehicular collision | <input type="checkbox"/> 007 Rollover during transit | <input type="checkbox"/> 008 Physical abuse/damage during transit | <input type="checkbox"/> 009 Piping damaged by const. equip. |
| 3. MECHANICAL FAILURE | <input type="checkbox"/> 011 Appl./control malfunction | <input type="checkbox"/> 012 Valve malfunction | <input type="checkbox"/> 013 Regulator malfunction | <input checked="" type="checkbox"/> 014 Equip. malfunction |
| | <input type="checkbox"/> 016 Cracked/worn threads | <input type="checkbox"/> 017 Pipe corr./failure | <input type="checkbox"/> 018 Carbon monox. emissions | <input type="checkbox"/> 019 Flex-conn./hose failure |
| 4. HUMAN ERROR | <input type="checkbox"/> 021 Violation of safety rules | <input type="checkbox"/> 022 Improper pressure check | <input type="checkbox"/> 023 Uncapped gas-cock/pipe | <input type="checkbox"/> 024 Improper gas transfer method |
| | <input type="checkbox"/> 025 Violation of traffic laws | <input checked="" type="checkbox"/> 026 Pull-away during transfer | <input type="checkbox"/> 027 Overfilled cylinder/tank | <input type="checkbox"/> 028 Improper system installation method |
| | <input type="checkbox"/> 029 Improper operator usage | <input type="checkbox"/> 030 Improper appl. vent | <input type="checkbox"/> 031 Improper tank purge | <input type="checkbox"/> 032 Improper line purge |
| | <input type="checkbox"/> 050 Other _____ | | | |

PART J Summary of Incident/Accident (Please specify mfg. name, model, date mfg. for any defective LPG/CNG equip. involved in incident/accident.)

Driver of bus #7 (Eng. Vin. IDGAA5746321) pulled up to the fast-fill dispenser and got out. Driver connected transfer hose. During transfer, bus air brakes failed. Driver injured slightly in attempting to stop moving bus. Quick disconnect model XYZ disengaged. But failed to stop flow.

PART K Name of Official Submitting Report

I declare under penalties prescribed in Section 91.143 and Section 116.142, Texas Natural Resources Code, this report was prepared by me and the data and facts stated therein are true, correct, and complete to the best of my knowledge.

- | | |
|---|---|
| 1. Printed name <u>Michael Franklin</u> | 3. Date of initial knowledge of incident/accident: (MM-DD-YY) <u>01/16/91</u> |
| 2. Authorized signature <u>Michael Franklin</u> | 4. Date report completed: (MM-DD-YY) <u>01/18/91</u> |

This report is made to comply with the provisions of 16 TAC Sections 9.61 and 13.36 and is NOT a determination of responsibility or fault.

Return to:

Page 2

Railroad Commission of Texas
 LP-Gas Division
 P. O. Box 12967
 Austin, Texas 78711-2967

(LPG FORM 20/CNG FORM 1020)

CNG

RAILROAD COMMISSION OF TEXAS
LIQUEFIED PETROLEUM GAS DIVISION

NOTICE OF INTENT TO APPEAR

DOCKET NUMBER 0001

CNG License Number 0001 Hearing Date January 30, 1985

Michael Franklin representing CNG Fleet, Inc.
(Print Name) (Print Name)

hereby gives notice of intent to appear at the hearing called to consider the above referenced legal enforcement case.

I do not intend to appear, but I request that the attached material be considered. Any attached material to be considered must be filed with an affidavit signed by a person having personal knowledge.

THIS FORM MUST BE MAILED TO THE RAILROAD COMMISSION TEN (10) DAYS BEFORE THE DATE OF HEARING.

Michael Franklin
(Signature)

(713) 232-3343 1/15/85
(Telephone Number) (Date)

Return to:

Railroad Commission of Texas
LP-Gas Division
P.O. Box 12967
Austin, Texas 78711-2967

CNG

RAILROAD COMMISSION OF TEXAS
LIQUEFIED PETROLEUM GAS DIVISION

APPLICATION AND NOTICE OF EXCEPTION TO THE REGULATIONS FOR
COMPRESSED NATURAL GAS

INSTRUCTIONS: Any person, firm, or corporation may apply for an exception to the Regulations for Compressed Natural Gas. All application filings must meet the submission requirements of Section 13.35 of the Regulations for Compressed Natural Gas. Strict compliance with this section is necessary to ensure that fairness and uniformity in the administrative process is extended to all applicants. All applicants are routinely advised that a request for exception in no way guarantees that an exception will be granted. PLEASE COMPLETE ALL BLANKS ON THIS FORM AND RETURN TO THE LP-GAS DIVISION. FILE ONE TYPED APPLICATION FORM PER SITE, LISTING ALL APPLICABLE EXCEPTIONS TO SAFETY RULE REFERENCES.

APPLICANT INFORMATION:

Applicant's name: Michael Franklin, representing CNG Fleet, Inc.
(Individual) (Company name, if applicable)

Lic. No. 0501 Mailing Address: 601 Smith Dr. Jackson, Tx 75315
(City, State) (Zip Code)

Tel. No.: 713 232-3343 request an exception to Section(s) (give full safety rule reference) Section
(Area Code)

13.94 (d) of the Regulations for Compressed Natural Gas.

GEOGRAPHICAL LOCATION:

If stationary CNG installation, give physical street address or geographical location: 601 Smith Dr.
1.5 miles west of Jackson, Texas

(Give directions from nearest highway or town to property owners)

in city limits of: N/A county of: Harris
(if applicable)

STATEMENT OF DESIRED RELIEF:

State below your request for exception and how it specifically fails to comply with the safety rules you are requesting an exception for. Be sure you also quote the exact reference and description of the safety rule.

Make photocopy of Section 13.94(d) of the Regulations for Compressed Natural Gas and attach with the notice sent to adjoining property owners with this application form. State specific part of safety rule which applies to your non-compliance situation. Ex: The compressor is installed 9 feet from the west property line. Section 13.94 (d) requires 10 feet minimum distance.

STATEMENT OF SUPPORTING FACTS:

State the facts supporting your desired relief and if the exception is not granted, how it will affect the social and economic impact of your business or operations. The economic impact is the estimated total sum of all monetary factors or alternative solutions necessary to bring the installation or equipment into full compliance with the safety rules, plus any additional costs to the consumer, if applicable.

Social impact, if not granted: None

Economic impact, if not granted: The cost of removal and relocation of compressor, labor, and material i.e., re-plumbing, lost revenues due to down time; etc. Estimate must be reasonably accurate.

SAFETY ASPECTS OF EXCEPTION:

Explain the safety aspects involved and how this exception may be justified without affecting the health, safety, and welfare of the general public. If the exception involves an existing CNG installation or existing CNG mobile equipment, list existing safety features. What additional improvements could be made to offset any reduction in safety?

The following is not a complete list. Specifics vary per application.

1. Conduct a thorough research of your own records and/or LP-Gas Division public records.
2. If previously inspected, have all others corrections been made?
3. State when CNG compressor was installed.
4. Explain safety features of compressor, Railroad Commission approval date, etc.
5. Have any incidents or lost of product occurred on premisses since installation?
6. Submit photographs of existing installation.
7. What is located on the other side of the west property line? Submit photographs.
8. How close is public access or traffic to the compressor area?

DESCRIPTION OF ACREAGE OR LEASED AREA:

If stationary CNG installation, use the space below to describe the site sufficiently for determination of property or lease lines, land ownership, and by what legal authority the applicant, if not the owner, is permitted occupancy.

ATTACH SUPPORTING DOCUMENTS: A legal property description with a site plan indicating the dimensions of the boundaries described by the legal description or a plat showing the dimensions of the property description. The site plan must show all adjoining property lines, streets, and highway or railroad right-of-ways and must coincide with the legal property description or plat. The site plan may include other information such as buildings, storage tanks, and other exposures relevant to the exception which is not indicated on the plat. If the area described is under lease, a copy of the lease agreement and exhibit(s) showing the area under lease may be filed in lieu of the legal property description or plat.

Legal description and acreage: Give complete legal description of
property owned or leased to applicant.
Example: Lots 17, 18, 19, 20 of the Jason
Williams survey ABS No. 179.

I have attached:
Check applicable
box(es)

- 1. Legal property description, with site plan
- 2. Survey plat, with site plan
- 3. Lease agreement, with site plan

AFFECTED PARTIES WHO MUST BE SENT A COPY OF THIS REQUEST.

Affected parties to the exception are persons, firms, corporations and governmental entities including, but not limited to: notice to local fire marshall, city manager, city secretary, city council, or mayor, if in municipal limits; notice to county commission or appropriate commissioner, if not in municipal limits. If an exception is requested on a nonstationary site, affected parties to whom the applicant must give notice shall include, but not be limited to: the Texas Department of Public Safety and all loading and unloading facilities utilized by the applicant, including the pipeline operator. All affected parties must be given a copy of Page 1 and 2 of this application to verify that proper notice has been served. The LP-Gas Division must be in receipt of the original Certified Mail Return Receipt(s), or if hand delivered to the affected parties, a copy of the original notice must be attached to your application.

PLEASE GIVE FULL NAME AND ADDRESS OF EACH AFFECTED PARTY. EACH AFFECTED PARTY MUST BE AFFORDED AN OPPORTUNITY TO OBJECT OR NOT OBJECT TO THE EXCEPTION REQUESTED. THE PARTY SHALL NOTIFY THE DIVISION IN WRITING OF SPECIFIC OBJECTIONS. THE ORIGINAL RETURN RECEIPT CARDS MUST BE FILED WITH YOUR APPLICATION AS EVIDENCE NOTICE WAS RECEIVED BY THE AFFECTED PARTY. ATTACH A COPY OF A LAND ABSTRACT OR MARK THE SITE PLAN (WHICH YOU HAVE ATTACHED) TO SHOW ALL ADJOINING PROPERTY OWNERS. LIST ALL NAMES AND ADDRESSES OF REQUIRED PARTIES TO RECEIVE NOTICE ON THE BACK SIDE OF THIS PAGE. USE PAGE 5 OF 6, NOTICE OF EXCEPTION TO REGULATIONS FOR COMPRESSED NATURAL GAS, AS THE INSTRUMENT OF NOTICE.

I have attached:
Check applicable
box(es)

- 1. Land abstract of surrounding properties AND original certified mail return receipt(s) for each notice sent.
- 2. Expanded site plan showing surrounding properties and original certified mail return receipt(s) for each notice sent.

NOTE: Any attached material to be considered, must be filed with an affidavit signed by a person having personal knowledge.

Names and addresses of parties that were mailed copies of this request:

1. Alice Doe
Name of person or entity
Route 1, Box 742 Kale, Tx 78792
Mailing address City, State Zip Code
2. Oilfield Equipment Sales
Name of person or entity
Route 1, Box 745 Kale, Tx 78792
Mailing address City, State Zip Code
3. Precinct 4 Commissioner, Marian Perieto
Name of person or entity
P.O. Box 735 Austin, Tx 78723
Mailing address City, State Zip Code
4. _____
Name of person or entity

Mailing address City, State Zip Code
5. _____
Name of person or entity

Mailing address City, State Zip Code

ADDITIONAL COMMENTS:

I could not obtain a lease for additional property beyond the west property line because the adjoining property is involved in probate proceedings.

The applicant must make a credible case the exception in particular is necessary and an exception, if granted, would not impair the health, safety and welfare of the general public. Photographs and other documentation may be submitted or requested by the division if necessary to clarify the applicant's intentions toward this purpose.

I certify all the person(s) named above have been sent notice (Page 5 of CNG Form 1025) by certified mail, return receipt requested. I understand that should the exception be granted, I may be required to file a CNG Form 1500, Application for Construction Approval of a Compressed Natural Gas System Installation, or CNG Form 1501, Completion Report. Any non-compliance with the safety rules could result in my company being subjected to administrative enforcement proceedings and/or administrative penalties under Sections 116.143-116.146, Chapter 116, Texas Natural Resources Code.

I declare under penalties prescribed in Section 116.142, Texas Natural Resources Code, I am authorized to make this application; it was prepared by me or under my supervision and direction, and the data and facts stated herein are true, correct, and complete to the best of my knowledge. I also understand the LP-Gas Division must be notified of any changes to this application as soon as possible, which may necessitate renotification of adjoining property owners as required by Section 13.35 of the Regulations for Compressed Natural Gas.

Michael Franklin
(Printed name of Applicant or Applicant's Representative)
Michael Franklin
(Authorized signature of Applicant or Applicant's Representative)
February 1, 1991
(Date)

NOTICE OF EXCEPTION TO AFFECTED PARTIES

TO: Alice Doe
(Name of person or entity to receive notice.)
Route 1, Box 742
(Address)
Kale Tx 78792
(City) (State) (Zip Code)

(If mobile equipment is involved, contact the Railroad Commission of Texas, LP-Gas Division, for appropriate names and addresses.)

NOTICE

You have been notified as a person or governmental entity entitled to notice of an application for exception to the Regulations for Compressed Natural Gas of the Railroad Commission of Texas, LP-Gas Division and are hereby given

notice that CNG Fleet, Inc.
(Full name of applicant or person requesting exception)
of 601 Smith Drive Jackson, TX 75315
(Address) (City) (State) (Zip code)
has requested exception(s) to Section(s) 13.94 (d)
(Safety Rule Reference(s))

of the Regulations for Compressed Natural Gas. The exception, if granted, is located at:
601 Smith Drive 1.5 miles west of Jackson, Texas
(Street address or other accurate description of property)

THE FOLLOWING SPACE IS TO BE USED BY THE PARTY WHICH RECEIVED NOTICE

I _____, as an affected party have been served notice and have received a copy of Page 1 and 2 of the applicant's request for an exception to the safety rules. I **Object/Do Not Object** (Circle One) to the exception requested. If you object, your objections must be filed with the LP-Gas Division in writing within 18 days of the date the application was mailed. Any questions about this procedure or the particular exception requested must be sent to the attention of the LP-Gas Division director. You may request a copy of the complete application on file with the division. A hearing will be held when the Railroad Commission of Texas receives proper objections. You may use the reverse side of this page to list and explain any reasons for objection. I have read and understand the notice herein.

(Printed name of Affected Party)

(Authorized signature of Affected Party)

(Date)

RAILROAD COMMISSION OF TEXAS
LIQUEFIED PETROLEUM GAS DIVISION

FRANCHISE TAX CERTIFICATION AND ASSUMED NAME CERTIFICATE

Notice To Corporations

Any applicant that applies for an original or renewal CNG license must file CNG Form 1026, Franchise Tax Certification, with the LP-Gas Division, prior to the issuance of such license, certifying that its Texas franchise taxes are current or such taxes are not applicable to its company. Making a false statement as to franchise tax status is grounds for the denial, suspension, or revocation of the license granted by this division.

As an alternative to filing this form, a corporation may request a Certificate of Good Standing from the Comptroller of Public Accounts and file a copy of that certificate with the LP-Gas Division. To obtain a certificate, free of charge, call the comptroller's office at 1-800-252-5555 or at Austin, TX (512) 463-4600 and provide your corporation name, taxpayer ID number and corporate charter number. Otherwise, complete the following:

TAX CERTIFICATION STATEMENT

I hereby certify the statement indicated below applies to the named applicant, and I understand that making a false statement constitutes grounds for the suspension or cancellation of my CNG license granted under authority of this statement.

The applicant named below is:

Exempt from or not subject to the State of Texas Franchise Tax

Subject to and not delinquent on the State of Texas Franchise Tax

CNG Fleet, Inc.

Corporation Name

123456789

Taxpayer ID

55953

Charter Number

Michael Franklin

Representative's Signature

Michael Franklin

Representative's Name (print)

President

Representative's Title

(713) 232-3343

Area Code/Telephone Number

February 1, 1991

Date

State of:

County of:

Harris

_____, personally appeared before me, and being first duly sworn declared that he signed this franchise tax certification notice in the capacity designated if any, and further states that he has read the above application, and the statements therein contained are true.

Subscribed and sworn to before me this 1st day of February, 19 91.

Susan Jones

(Notary Public Signature)

Susan Jones

(Notary Public Printed or Typed Name)

(Seal)

My commission expires: 12/1/91

Return to:

Railroad Commission of Texas
LP-Gas Division
P.O. Box 12967
Austin, Texas 78711-2967

CNG

RAILROAD COMMISSION OF TEXAS
LIQUEFIED PETROLUEM GAS DIVISION
APPLICATION FOR QUALIFICATION AS SELF-INSURER
GENERAL LIABILITY

CNG Fleet, Inc.
(Name of Applicant)

Makes an application for privileges of being self-insured. In connection with such application, the applicant makes the following declarations for the purpose of enabling the Railroad Commission of Texas, LP-Gas Division, to make findings of fact as to whether the applicant possesses sufficient security and has financial ability to render the payments of general liability judgements for limits imposed upon the applicant by the Texas Natural Resources Code, Chapter 113, and the Regulations For Compressed Natural Gas adopted by the Railroad Commission of Texas, LP-Gas Division. It is agreed and understood that upon at least ten days notice and hearing pursuant to such notice, the Railroad Commission of Texas, LP-Gas Division, may cancel a certificate of self-insurance and require the applicant to comply immediately with the division's insurance requirements.

A self-insurance certificate issued by the division expires six months from the date the application is approved. Renewal of a self-insured certificate requires filing with the division a new application one month prior to the expiration date. A renewal certificate does not take effect until approved by the LP-Gas Division.

The applicant agrees to deposit with the State Treasurer of Texas the following: \$300,000 in cash or securities such as may be legally purchased by a savings bank or trust fund of a market value in this amount or greater. Such deposit will be held in the State Treasury of Texas in accordance with those limits of liability imposed upon the applicant by the Railroad Commission of Texas up to \$300,000 for any one occurrence for damages, including damages for care and loss of services due to bodily injury or death of any person, or for damages due to injury or destruction of property, including the loss of use thereof, resulting from any CNG related activities described in the Texas Natural Resources Code, Section 116.031(a), or any activities incident to those described after such deposit was made. Money or securities so deposited shall not be subject to attachment or execution unless such attachment or execution shall arise out of a suit for damages.

CNG Fleet, Inc.

(Printed name of applicant)

(Nature of business)

601 Smith Drive

(Address)

Jackson

Harris

Texas

75315

(713) 232-3343

(City)

(County)

(State)

(Zip Code)

(Telephone Number)

1. Are you now operating as a self-insurer? yes If so, how long 3 years
2. Do you have a claim department for investigating and adjusting claims? yes
If not, how are your claims investigated and adjusted? _____
3. Have you set up a reserve fund for accident claims? yes
If so, under what caption does it appear on the financial statement? Investment owner's equity.
If not, how do you determine your outstanding liability? _____

4. Give the following information concerning accidents in which your vehicles were involved during the past three years, to include claims within 30 days of application.

A. Number of accidents:	19 <u>90 (15)</u>	19 <u>89 (21)</u>	19 <u>88 (21)</u>
Personal injury or combinations	<u>8</u>	<u>12</u>	<u>3</u>
Property damage only	<u>7</u>	<u>9</u>	<u>18</u>
Total number of accidents:	<u>15</u>	<u>21</u>	<u>21</u>

B. Number of Claims:	<u>8</u>	<u>12</u>	<u>3</u>
Personal injury & combinations	<u>0</u>	<u>8</u>	<u>1</u>
Settled by payment of claims	<u>5</u>	<u>4</u>	<u>1</u>
Settled without pending claims	<u>8</u>	<u>12</u>	<u>3</u>
TOTAL:			

C. Solely Property damage claims:	<u>4</u>	<u>8</u>	<u>18</u>
Settled by payment	<u>3</u>	<u>5</u>	<u>16</u>
Settled without payment	<u>1</u>	<u>3</u>	<u>2</u>
Pending	<u>8</u>	<u>16</u>	<u>36</u>
TOTAL:			

D. Number of accidents for which no claims were made:	<u>3</u>	<u>5</u>	<u>1</u>
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E. Payments of claims:	<u>125,000</u>	<u>129,000</u>	<u>75,000</u>
Personal injury & combination	<u>73,500</u>	<u>89,000</u>	<u>189,000</u>
Solely Property damage	<u>\$ 198,500</u>	<u>218,000</u>	<u>295,000</u>
TOTAL:			

F. Reserved for pending claims:	<u>\$ 98,000</u>	<u>210,000</u>	<u>161,000</u>
Personal injury & combination	<u>75,000</u>	<u>150,000</u>	<u>75,000</u>
Solely Property damage	<u>23,000</u>	<u>60,000</u>	<u>86,000</u>
TOTAL:	<u>\$ 98,000</u>	<u>210,000</u>	<u>161,000</u>

5. Are any general liability judgments open and unsatisfied? YES

If so, how many 4 Total amount involved? \$ 78,492.

6. Is your company a self-insurer under any other phase of your business? No

7. Attach an audit report made to the Railroad Commission of Texas, LP-Gas Division, for the purpose of showing financial ability to pay general liability judgments. If the last annual statement is used for this purpose, the statement must be audited, and an opinion given by a certified public accountant, and made a part of the application. The report or statement must show a profit and/or loss.

ADDITIONAL INFORMATION

- A. List name(s) and address(es) of bank(s) in which the CNG licensee has an account:

ABC Bank of Dallas, P.O. Box 1245, Dallas, Tx
CDE Bank of Ft. Worth, P.O. Box 2590, Ft. Worth, Tx
Team Bank, P.O. Box 5251, Austin, Tx

- B. List insurance coverage on:

Inventories: Hartford
Plants: Hartford

- C. When incorporated: 1/74

- D. List all contingent liabilities:

Pat Smith vs. CNG Fleet Inc. probability
\$110,000.

- E. List assets, pledged to secure notes, loans, or mortgages payable:

Plant at 3315 Brodie Lane, Austin, Tx at
Team Bank. Three chevrolet one ton trucks at
Team Bank, Austin, Tx.

- F. List any notes of accounts receivable or payable from or to officers or stockholders; give details concerning method and terms of payment:

Michael Franklin, President \$15,726. Account
payable for the purchase of one Mack-7 Ford truck.

- G. List names of officers and/or partner(s) of the CNG licensee:

Michael Franklin, President
Sue Franklin, Secretary

Witness our hands and seals this 10th day of January, 19 91

STATE OF TEXAS

COUNTY OF: Harris Michael Franklin
(Signature of Applicant)

President
(Official Title)

Before me Susan Jones, A Notary Public in and for said

County and State, personally appeared Michael Franklin

to me well known to be the President
(Official Title)

and owner, respectively, of the above-named

Corporation, (Partnership), or (Proprietorship), and severally acknowledge the execution of the foregoing and

sworn to the contents thereof this 10th day of January, 19 91

(Seal)

Susan Jones
(Notary Signature)

December 1, 1991
(Commission Expires)

FOR LP-GAS DIVISION USE ONLY

- 1. Approved by: _____ Date _____
- 2. Disapproved by: _____ Date _____
- 3. Application Incomplete: _____ Date _____

Return to:
Railroad Commission of Texas
LP-Gas Division
P. O. Box 12967
Austin, Texas 78711-2967

RAILROAD COMMISSION OF TEXAS
LIQUEFIED PETROLUEM GAS DIVISION

APPLICATION FOR QUALIFICATION AS SELF-INSURER
MOTOR VEHICLE

CNG Fleet, Inc.
(Name of Applicant)

Herein referred to as the applicant, being a registered owner of more than 25 motor vehicles operating in the State of Texas, hereby makes an application for privileges of being self-insured. In connection with such application, the applicant makes the following declarations for the purpose of enabling the Railroad Commission of Texas, LP-Gas Division, to make findings of fact as to whether the applicant possesses sufficient security and has financial ability to render the payments of motor vehicle liability judgements as provided in the Texas Motor Vehicle Safety Responsibility Act, and limits imposed upon the applicant by the Texas Natural Resources Code, Chapter 116, and the Regulations for Compressed Natural Gas adopted by the Railroad Commission of Texas, LP-Gas Division. It is agreed and understood that upon at least ten days notice and hearing pursuant to such notice, the Railroad Commission of Texas, LP-Gas Division, may cancel a certificate of self-insurance and require the applicant to comply immediately with the division's insurance requirements.

A self-insurance certificate issued by the division expires six months from the date the application is approved. Renewal of a self-insured certificate requires filing with the division a new application one month prior to the expiration date. A renewal certificate does not take effect until approved by the LP-Gas Division.

The applicant agrees to deposit with the State Treasurer of Texas the following: \$500,000 in cash or securities such as may be legally purchased by a savings bank or trust fund of a market value in this amount or greater. Such deposit will be held in the State Treasury of Texas in accordance with the provisions of the Motor Vehicle Safety Responsibility Act, and those limits of liability imposed upon the applicant by the Railroad Commission of Texas up to \$500,000 for any one occurrence for damages, including damages for care and loss of services due to bodily injury or death of any person, or for damages due to injury or destruction of property, including the loss of use thereof, resulting from the ownership, maintenance, or operation of a motor vehicle after such deposit was made. Money or securities so deposited shall not be subject to attachment or execution unless such attachment or execution shall arise out of a suit for damages.

CNG Fleet, Inc. (Printed name of applicant) (Nature of business)
601 Smith Drive
(Address)
Jackson Harris Tx 75315 (713) 232-3343
(City) (County) (State) (Zip Code) (Telephone Number)

- 1. Are you now operating as a self-insurer? yes If so, how long 3 years
- 2. Do you have a claim department for investigating and adjusting claims? yes
If not, how are your claims investigated and adjusted? _____
- 3. Have you set up a reserve fund for accident claims? yes
If so, under what caption does it appear on the financial statment? Market Securities
If not, how do you determine your outstanding liability? _____

4. Give the following information concerning accidents in which your vehicles were involved during the past three years, to include claims within 30 days of application.

A. Number of accidents:	19 <u>90 (15)</u>	19 <u>89 (21)</u>	19 <u>88 (21)</u>
Personal injury or combinations	<u>8</u>	<u>12</u>	<u>3</u>
Property damage only	<u>7</u>	<u>9</u>	<u>18</u>
Total number of accidents:	<u>15</u>	<u>21</u>	<u>21</u>
B. Number of Claims:			
Personal injury & combinations	<u>8</u>	<u>12</u>	<u>3</u>
Settled by payment of claims	<u>0</u>	<u>8</u>	<u>1</u>
Settled without pending claims	<u>5</u>	<u>4</u>	<u>1</u>
TOTAL:	<u>8</u>	<u>12</u>	<u>3</u>
C. Solely Property damage claims:			
Settled by payment	<u>4</u>	<u>8</u>	<u>18</u>
Settled without payment	<u>3</u>	<u>5</u>	<u>16</u>
Pending	<u>1</u>	<u>3</u>	<u>2</u>
TOTAL:	<u>8</u>	<u>16</u>	<u>36</u>
D. Number of accidents for which no claims were made:	<u>3</u>	<u>5</u>	<u>1</u>
E. Payments of claims:			
Personal injury & combination	<u>125,000</u>	<u>129,000</u>	<u>75,000</u>
Solely Property damage	<u>73,500</u>	<u>89,000</u>	<u>189,000</u>
TOTAL:	<u>\$ 198,500</u>	<u>218,000</u>	<u>295,000</u>
F. Reserved for pending claims:			
Personal injury & combination	<u>75,000</u>	<u>150,000</u>	<u>75,000</u>
Solely Property damage	<u>23,000</u>	<u>60,000</u>	<u>86,000</u>
TOTAL:	<u>\$ 98,000</u>	<u>210,000</u>	<u>161,000</u>

5. Are any general liability judgments open and unsatisfied? Yes

If so, how many 4 Total amount involved? \$ 78,492.

6. Is your company a self-insurer under any other phase of your business? No

7. On a separate sheet, describe motor vehicles registered and owned by applicant under the following headings:

LIST owned motor vehicles under the following headings:

Year of Manufacture:	Make of Vehicle:	Type:	Model:	Engine Number:	License Number:
1990	Chevrolet	Truck	C50	12867158	985 YDX
1991	Chevrolet	Truck	C20	8126758	986 YDX

Section 1.8 of the Motor Vehicle Safety Responsibility Act defines an owner as:

"A person who holds the legal title of a motor vehicle or in the event a motor vehicle is the subject of an agreement for the conditional sale or lease thereof with the right of purchase upon performance of the conditions stated in the agreement and with an immediate right of possession vested in the conditional vendor or lessee, or in the event a mortgagor of a vehicle is entitled to possession, then such conditional vendee, lessee or mortgagor shall be deemed the owner for the purpose of the Act."

Do not list motor vehicles which the CNG licensee does not own by reason of leasing or contracting out to drivers or others, but only those motor vehicles actually owned and registered in the name of the operating CNG licensee.

8. Attach an audit report made to the Railroad Commission of Texas, LP-Gas Division, for the purpose of showing financial ability to pay motor vehicle liability judgments. If the last annual statement is used for this purpose, the statement must be audited and an opinion given by a certified public accountant, and made a part of the application. The report or statement must show a profit and/or loss.

ADDITIONAL INFORMATION

- A. List name(s) and address(es) of bank(s) in which the CNG licensee has an account:

ABC Bank of Dallas, P.O. Box 1245, Dallas, Tx.
CDE Bank of Ft. Worth, P.O. Box 2590, Ft. Worth, Tx

- B. List insurance coverage on:

Inventories: Hartford
Plants: Hartford

- C. When incorporated: 1/74

- D. List all contingent liabilities:

Pat Smith vs. CNG Fleet, Inc.
probability \$110,000.

- E. List assets, pledged to secure notes, loans, or mortgages payable:

Plant at 3315 Brodie Lane, Austin, Tx at
ABC Bank. Three Chevrolet one ton trucks
at CDE Bank, Austin, Tx.

- F. List any notes of accounts receivable or payable from or to officers or stockholders; give details concerning method and terms of payment:

Michael Franklin, President \$15,726. Account
payable for the purchase of one Mark-7 Ford truck.

- G. List names of officers and/or partner(s) of the CNG licensee:

Michael Franklin, President
Sue Franklin, Secretary

Witness our hands and seals this 10th day of January, 19 91

STATE OF TEXAS

COUNTY OF: Harris Michael Franklin
(Signature of Applicant)

President
(Official Title)

Before me Susan Jones, A Notary Public in and for said

County and State, personally appeared Michael Franklin

to me well known to be the President
(Official Title)

and owner, respectively, of the above-named

Corporation, (Partnership), or (Proprietorship), and severally acknowledge the execution of the foregoing and sworn to the contents thereof this 10th day of January, 19 91.

(Seal)

Susan Jones
(Notary Signature)

December 1, 1991
(Commission Expires)

FOR LP-GAS DIVISION USE ONLY

- 1. Approved by: _____ Date _____
- 2. Disapproved by: _____ Date _____
- 3. Application Incomplete: _____ Date _____

Return to:
Railroad Commission of Texas
LP-Gas Division
P. O. Box 12967
Austin, Texas 78711-2967

CNG

RAILROAD COMMISSION OF TEXAS
LIQUEFIED PETROLEUM GAS DIVISION

APPLICATION TO USE IRREVOCABLE LETTER OF CREDIT

We hereby establish our irrevocable letter of credit in favor of the State of Texas for the account of

CNG Fleet, Inc.

(Applicant's name)

doing business as

(DBA name(s) if any)

Jackson

Texas

75315

0501

(City)

(State)

(Zip Code)

(CNG license number)

This letter of credit is effective up to the aggregate amount of \$ 500,000. This letter of credit shall remain in

(Amount)

effect until the First National Bank

(Name of bank)

(by a federally-chartered and federally-insured bank authorized to do business in the United States) is released or

discharged by the Railroad Commission of Texas, LP-Gas Division, or until the expiration date of 12/1/91.

(Date)

This is your authority to draw drafts for any amount, or the full amount not to exceed \$ 500,000. This letter of

(Amount)

credit is given as security to ensure the applicant will be able to meet its statutory obligations to the public, to pay all claims as required by law in the event of a claim. The Railroad Commission of Texas, LP-Gas Division, acting for the State of Texas, may draw upon this letter of credit prior to its expiration to satisfy any judgement filed against the applicant, whether disputed or not, but such funds will be held in a suspense account by the State Treasurer of Texas subject to final determination under due process of law.

All drafts are to be marked "Drawn under Letter of Credit Number LC125467."

First National Bank

(Name of Texas bank)

P.O. Box 200

(Address of bank)

Jackson, Tx

(City)

75315

(State)

(Zip Code)

(713) 232-1121

(Area Code/Telephone Number)

John Walker

(Printed name of bank officer)

John Walker

(Signature of bank officer)

Vice President, Loan officer

(Title of bank officer)

Subscribed and sworn to before me this 7th day of January, 19 91.

(SEAL)

Susan Jones

(Printed name of Notary Public)

Susan Jones

(Signature of Notary Public)

Return to:

Railroad Commission of Texas
LP-Gas Division
P. O. Box 12967
Austin, Texas 78711-2967

My commission expires: December 1, 1991

RAILROAD COMMISSION OF TEXAS
LIQUEFIED PETROLEUM GAS DIVISION

Site No.
Plan No.
RRC USE ONLY

APPLICATION FOR CONSTRUCTION APPROVAL OF A CNG SYSTEM INSTALLATION

INSTRUCTIONS: Section 13.25 of the Regulations for Compressed Natural Gas requires this form to be filed prior to placing a CNG portable or stationary system at a public or private school, convalescent center, and at any CNG compression, storage or dispensing site where CNG is sold to the general public or when a public transportation facility services its own CNG converted vehicles or where a commercial user has an aggregate CNG storage capacity in excess of 12,200 standard cubic feet. Use a separate form for each facility type described above. A nonrefundable fee of \$26 must accompany each original application. If the form is returned for correction, or revised plans and specifications are submitted, a nonrefundable fee of \$6.00 must accompany each resubmission. Make checks payable to the Railroad Commission of Texas-LPG. Do not send cash. The person signing this form must be the applicant or an authorized representative of the applicant.

PART A APPLICANT INFORMATION

Applicant's name Michael Franklin (Individual) Representing CNG Fleet, Inc. (Applicant's Company Name)
 Lic./Exemption No. 0501 (If applicable) Mailing Address 601 Smith Driver
 City Jackson State Tx Zip Code 75315 Tel. (713) 232-3342

PART B INSTALLATION INFORMATION (If CNG storage or compressor is for an operation in a dual service not defined below, check applicable box and insert additional sub-classifications, such as stand-by or master gas systems, etc. in other categories.)

Facility Type
 School Hospital Convalescent Center Commercial Consumer more than 12,200 standard cubic feet High pressure system modification only
 School bus/mass transit facility (Public Transportation) Other _____
 Retail service station (If license required for public refueling, indicate license status.) Pending Lic. No. N/A Issued Lic. No. N/A

Name of Facility Greater Transit Authority Mailing Address 7413 Main Ave.
 City Villa State Tx Zip Code 75147 Tel. 713-447-1900
 Geographic location Corner of Triton Ave + Gulf Expy County Harris
 Contact Person Jim Team Title Dir. of Maintenance Social Security Number N/A
 (SSN applicable to licensed CNG operator only)

PART C COMPRESSOR, STORAGE, DISPENSER INFORMATION (Mark the box "N/A" if not part of the facility.)

SITE STATUS: Storage configuration on premises, if applicable.
 New CNG System Modification to existing CNG System Cylinder cascade(s) ASME bulk storage Compressor only Dispensing only

Rated service pressure of individual cylinder 3600 PSI (Design working pressure) N/A
 Number of cascade baskets 2 Site aggregate capacity 20,160 (Std. cubic feet) N/A
 Number of ASME bulk storage tanks N/A Site aggregate capacity N/A (Std. cubic feet) N/A

If licensed facility, attach CNG Form 1019, Inventory of Compressed Natural Gas Storage Cylinders, listing all storage cylinders or ASME storage containers. If unlicensed facility, attach a separate sheet listing all storage cylinders or ASME storage containers. For each container indicate manufacturer's name, serial number, working pressure, year built, and capacity.

Compressor(s) used, Make Jolly Compressor Model Number NGC 170-A4
 If compressor, storage, dispenser is assembled and sold as part of a portable packaged unit, indicate date of LP-Gas Division approval and approved drawing number.
 Date CNG Form 1502 was approved 11/14/90 Drawing No. Dwg. 10-B-R7 N/A

WHEN DISPENSER SYSTEMS ARE INSTALLED, INDICATE NUMBER OF INDIVIDUAL PIPE RISERS OR FUEL DISPENSERS AND TYPE OF FILLING OPERATION

FAST FILL OPERATION Number of risers 1 Number of dispensers 1 System delivery pressure 3000
 SLOW FILL OPERATION Number of risers 0 Number of dispensers 0 System delivery pressure 0
Express Service Dispensers model 3X-3000
 Make and model of FAST FILL dispenser

Will CNG be delivered by transport to dispensing system or storage on premises? NO (Yes/No)

PART D KEY COMPLIANCE ISSUES (Answer all items. A false or non-responsive answer will require an explanation under additional comments. Insert "T" for true "F" for false)

- T The CNG system, including equipment and appliances, will be pressure tested free of leaks after installation is completed.
- T There are no overhead transmission lines above a CNG compressor, storage, or dispenser location.
- T There are no flammable liquid aboveground containers within 20 feet of any compressor, storage, or dispenser location.
- T The compressor will be installed at least three feet from the CNG storage, and will be equipped with a manual and remote shut-down device.
- T Cylinders, if used for storage, will be inspected, marked, and tested or retested, if necessary, to comply with the DOT requirements prior to installation.
- T Compressor, storage or dispensing equipment will be protected by regulation fencing/guardrails which will meet the minimum two foot clearance from the installation. Exposed aboveground piping and risers will be protected in an equivalent manner.
- T High pressure tubing, piping, and fittings will meet or exceed specifications under Section 13.30 of the Regulations for Compressed Natural Gas.
- T Dispensing devices, where installed, will be equipped with a break away hose coupling.
- T Canopies, if installed over compressor, storage, or dispenser locations will have at least 12 inches of ventilation at the top on at least three sides.
- T Any electrical installation located within 15 feet of compressor, storage, or dispenser location will meet necessary specifications for Class I, Group D locations.
- T Only FM, UL, CGA, AGA or RRC approved CNG equipment and components will be installed.
- T All work done or subcontracted out will be performed by RRC certified or licensed personnel or an ultimate consumer which has received a license exemption from the division.
- T An installation contract has already been awarded to a licensed installer. If different from applicant, indicate CNG license no. 0009

ADDITIONAL COMMENTS The name of the licensed equip. installer is A.F. Systems, Inc

PART E SUPPORTING DOCUMENTATION (Attach applicable documents based on description provided. An asterisk by document listed means document drawing must be to scale. DRAWINGS MUST INDICATE ALL DISTANCES FROM CNG COMPRESSOR, STORAGE, AND DISPENSER to all buildings to PROPERTY LINES, LEASE LINES, and if applicable to railroad, pipeline, utility, and highway right-of-ways. Since the above dimensions must be shown on scaled drawings, the accuracy must be shown to the nearest foot. Check all boxes applicable to facility type which is enclosed with your application.)

- CNG FORM 1008 (Required if requested by division)
- CNG FORM 1019 (Required for inventory of cylinder and storage containers or similar form)
- CNG FORM 1500 (Required for new or expired re-application)
- CNG FORM 1501 (DO NOT FILE IN LIEU of final inspection)
- CNG FORM 1502 (Required only if such equipment is currently unapproved)
- CNG FORM 1503 (Required only if submission is part of school bus/mass transit facility)
- CNG FORM 1504 (Required only if submission is part of a school bus/mass transit facility modification)
- \$26.00 original filing fee (Required for new or expired re-application)
- \$6.00 refiling fee (Required for each resubmission)
- * Survey Plat (If operator owns installation premises)
- * Lease agreement with lease exhibit (If operator does not own installation premises)
- CNG installation detail (Required only if plat is too small to show all installation details)
- CNG piping system layout (Show new and existing routes. Excludes piping up to compressor)

PART F CERTIFICATION STATEMENT AND AUTHORIZED SIGNATURE

I certify I will not commence CNG installation construction until construction approval has been granted. If construction approval is granted, I understand I must fully complete the installation for final inspection within one year of the approval date and must notify the division in writing the installation is ready for a final inspection before the expiration date. Failure to complete the installation within this time period without an extension of time granted by the LP-Gas Division director will automatically void my original construction approval, necessitating filing of a new application and fee should I wish to pursue the same installation. I certify this installation will be completed in accordance with the plans and specifications contained herein and in compliance with all applicable Regulations for Compressed Natural Gas, all applicable statutes of the State of Texas, and any commission order (where applicable), which may be entered pertaining to this installation. I understand that any changes regarding the tank size and location or modification of the CNG installation will require resubmission of plans immediately. Also, if the installation is subject to other governmental entity approvals resulting in additional requirements being imposed that will alter my original submittal, revised plans or specifications must be submitted immediately. The proposed installation(s) will only be placed in CNG service under the conditions specified in Section 13.25 of the Regulations for Compressed Natural Gas. I also understand non-compliance may result in my company being subject to administrative enforcement proceedings and/or administrative penalties under Sections 116.141-116.146, Chapter 116, Texas Natural Resources Code. I declare under penalties prescribed in Section 116.142, Texas Natural Resources Code, I am authorized to make this affidavit; that it was prepared by me or under my supervision and direction, and the data and facts stated herein are true, correct, and complete, to the best of my knowledge.

Michael Franklin
 (Printed name of applicant)
Michael Franklin
 (Authorized signature of applicant)
January 15, 1991
 (Date)

Return to:
 Railroad Commission of Texas
 LP-Gas Division
 P. O. Box 12967
 Austin, Texas 78711-2967

FOR RRC USE ONLY		DEPT INIT.
Initial	_____	_____
Review	_____	_____
Final	_____	_____
Dates		

CNG

RAILROAD COMMISSION OF TEXAS
LIQUEFIED PETROLEUM GAS DIVISION

COMPLETION REPORT

Site ID No.

(RRC Use Only)

Instructions To CNG Licensee:

As required by Section 13.25(c) of the Regulations for Compressed Natural Gas, this report is to be filed with the commission, along with applicable fees and postmarked within 10 days from the date of a portable or stationary CNG installation completion covering any non-residential CNG installation of 12,200 standard cubic feet or less capacity subject to the rules and regulations of the commission.

The original filing fee and the resubmission fee is \$6.00 per Completion Report.

PLEASE TYPE OR PRINT IN BLACK INK FOR MICROFILMING PURPOSES

Name of Installation: Joe's Highway Auto Repair

Mailing Address: 1125 Ashdale St. Houston TX 77083
(P. O. Box/Street Number) (City) (State) (Zip Code)

Physical Address: 11120 IH-10 west
(Give complete geographical location) Houston Harris
(City) (County)

I hereby notify the Railroad Commission of Texas, LP-Gas Division, the CNG installation described above was completed on 1-31-91 in accordance with the Regulations for Compressed Natural Gas and is now ready for inspection by the LP-Gas Division. I understand that failure to give timely written notification of this installation or any other CNG installation to the commission and/or if the CNG installation is connected to supply piping upstream of the inlet of the compressor and/or placed into CNG service without having first ascertained full compliance with the requirements of the Regulations for Compressed Natural Gas, that I, or my company could be subjected to administrative enforcement proceedings and/or be criminally fined under Sections 116.141 - 116.146, Texas Natural Resources Code, Chapter 116. Failure to comply may result in the filing of a criminal complaint and/or probation, suspension, or cancellation of my CNG license.

Michael Franklin
(Authorized Signature)

January 31, 1991
(Date)

CNG Fleet, Inc.
(Installer's Licensed Company Name)

0501
(License Number)

Return to:
Railroad Commission of Texas
LP-Gas Division
P. O. Box 12967
Austin, Texas 78711-2967

CNG

RAILROAD COMMISSION OF TEXAS
LIQUEFIED PETROLEUM GAS DIVISION

APPLICATION FOR COMPRESSED NATURAL GAS EQUIPMENT AND COMPONENT APPROVAL

INSTRUCTIONS TO APPLICANT:

As required by Section 13.25(d) of the Regulations for Compressed Natural Gas, this application(s) is to be filed with the Railroad Commission of Texas requesting approval of equipment and system component(s). Include with this application: drawings, design calculations, component materials specifications, laboratory test reports for CNG and component materials compatibility, pressure and temperature ratings, safety factors, illustrated parts diagram with component part description, and any other documents, illustrations, brochures, photographs or information that would provide credibility to the submitted application.

PLEASE TYPE OR PRINT IN BLACK INK AS ALL DOCUMENTS ARE MICROFILMED.

APPLICANT'S COMPANY: City Fabricators, Inc.
MAILING ADDRESS: 17791 Stemmons Dallas, Tx 75356
(CITY) (STATE) (ZIP CODE)
APPLICANT'S REPRESENTATIVE'S NAME: A.C. Simmons
TELEPHONE NO. (214) 325-7961 TOLL FREE NO. 1-800-376-9141
FAX NO. (214) 325-7965

TRANSMITTAL LISTING OF DOCUMENTS:

Drawing number 91-716 sheet 1 thru 5; transport
Drawing number 76-519 sheet 1 thru 3; storage
Calculations sheets 1, 2, and 3
Calculations sheets 1 and 2

IF ADDITIONAL SPACE IS NEEDED ATTACH ADDITIONAL SHEET(S).

A.C. Simmons

(APPLICANT'S REPRESENTATIVE'S SIGNATURE)

1-28-91

(DATE)

Return to:

Railroad Commission of Texas
LP-Gas Division
P. O. Box 12967
Austin, Texas 78711-2967

RAILROAD COMMISSION OF TEXAS
LIQUEFIED PETROLEUM GAS DIVISION

APPLICATION TO INSTALL A LIQUEFIED PETROLEUM GAS (LPG) OR
COMPRESSED NATURAL GAS (CNG) SYSTEM ON
SCHOOL BUS/MASS TRANSIT VEHICLES

INSTRUCTIONS: Section 9.187 of the LP-Gas Safety Rules and Section 13.24 of the Regulations for Compressed Natural Gas require this form to be filed by the ultimate consumer or licensee performing the installation or their authorized representative. This form will be returned to the sender as official notice of nonapproval, tentative approval, and if the converted vehicle(s) can be immediately placed into service upon installation completion. No filing fee is required. For subsequent conversions, use LPG Form 504/CNG Form 1504.

NOTE: DO NOT FILE THIS FORM UNLESS YOUR LICENSE OR EXEMPTION HAS BEEN ISSUED AND IS IN GOOD STANDING WITH THE RAILROAD COMMISSION OF TEXAS. An authorized applicant representative, may file this form on behalf of the installer or ultimate consumer, but the back side of this form must have the signature of both installer and the non-licensee applicant. Please type of print in black ink for microfilming purposes.

PROPOSED SPECIFICATIONS

As a LICENSEE ULTIMATE CONSUMER (circle one) I intend to convert 2 (Number) school bus(es) mass transit (circle one) vehicle(s) (circle one) to use CNG (LPG, CNG, or Both) as an alternate motor fuel.

The vehicle(s) will be operated by Greater Transit Authority (Name of transit authority, political subdivision or independent school district)

Operator Mailing Address 7413 Main Ave
Villa Tx 75147 713/981-1574
(City) (State) (Zip Code) (Area Code/Telephone)

The conversions will be performed at corner of Triton Ave and Gulf Expressway
(Physical address of conversion site or transportation terminal for maintenance and repairs)

Installer CNG Fleet, Inc.

Installer Mailing Address 601 Smith Drive
Jackson Tx 75315 713/232-3343
(City) (State) (Zip Code) (Area Code/Telephone)

VEHICLE INFORMATION (Provide the vehicle identification number and at least one other item for proper identification of vehicle. Add separate inventory sheet if necessary.)

<u>007</u> (Vehicle Unit Number)	<u>1Y08BG19DA7HD147693</u> (License Plate Number)	<u>1Y08BG19DA7HD147693</u> (Vehicle Identification Number)
<u>008</u> (Vehicle Unit Number)	<u>1Y08BG19DA7HD148743</u> (License Plate Number)	<u>1Y08BG19DA7HD148743</u> (Vehicle Identification Number)
 (Vehicle Unit Number)	 (License Plate Number)	 (Vehicle Identification Number)
 (Vehicle Unit Number)	 (License Plate Number)	 (Vehicle Identification Number)
 (Vehicle Unit Number)	 (License Plate Number)	 (Vehicle Identification Number)
 (Vehicle Unit Number)	 (License Plate Number)	 (Vehicle Identification Number)

(Vehicle Unit Number)	(License Plate Number)	(Vehicle Identification Number)
(Vehicle Unit Number)	(License Plate Number)	(Vehicle Identification Number)
(Vehicle Unit Number)	(License Plate Number)	(Vehicle Identification Number)
(Vehicle Unit Number)	(License Plate Number)	(Vehicle Identification Number)
(Vehicle Unit Number)	(License Plate Number)	(Vehicle Identification Number)
(Vehicle Unit Number)	(License Plate Number)	(Vehicle Identification Number)
(Vehicle Unit Number)	(License Plate Number)	(Vehicle Identification Number)
(Vehicle Unit Number)	(License Plate Number)	(Vehicle Identification Number)
(Vehicle Unit Number)	(License Plate Number)	(Vehicle Identification Number)
(Vehicle Unit Number)	(License Plate Number)	(Vehicle Identification Number)
(Vehicle Unit Number)	(License Plate Number)	(Vehicle Identification Number)
(Vehicle Unit Number)	(License Plate Number)	(Vehicle Identification Number)
(Vehicle Unit Number)	(License Plate Number)	(Vehicle Identification Number)
(Vehicle Unit Number)	(License Plate Number)	(Vehicle Identification Number)
(Vehicle Unit Number)	(License Plate Number)	(Vehicle Identification Number)
(Vehicle Unit Number)	(License Plate Number)	(Vehicle Identification Number)
(Vehicle Unit Number)	(License Plate Number)	(Vehicle Identification Number)
(Vehicle Unit Number)	(License Plate Number)	(Vehicle Identification Number)
(Vehicle Unit Number)	(License Plate Number)	(Vehicle Identification Number)
(Vehicle Unit Number)	(License Plate Number)	(Vehicle Identification Number)

CONTAINER SPECIFICATIONS:

NO. LPG _____ W.P. _____ W.C. _____ NO. CNG 6 W.P. 3600 C.I. 15,500
 NO. LPG _____ W.P. _____ W.C. _____ NO. CNG _____ W.P. _____ C.I. _____
 Manufacturer's Name (ea) _____ Manufacturer's Name (ea) _____
 Total aggregate capacity _____ (Water gallons) Total aggregate capacity 93,000 cu. in. (Standard cubic inches)

NOTE: Manufacturer's Data Report(s), may be required to be filed when requested by the division covering the container(s) to be installed.

ULTIMATE CONSUMER/LICENSEE CERTIFICATION STATEMENT

I certify the conversion(s) will be completed in accordance with the diagram and specifications contained herein and in compliance with all applicable safety rules and statutes of the LP-Gas Division and any commission order (where applicable) which may be entered pertaining to this installation. All work on the operator's equipment must be performed by employees qualified by the Railroad Commission of Texas. Only FM, UL, AGA, CGA (Canadian), or RRC approved equipment components will be installed. I understand any changes regarding the relocation of the system component will necessitate resubmission of LPG Form 503/CNG Form 1503. I also understand non-compliance may result in an administrative enforcement proceeding or criminal fee against me under Sections 113.161 - 113.164, 113.231 and 113.232 or Sections 116.141 - 116.146, Texas Natural Resources Code, that I am authorized to make this affidavit, and the data and facts herein are true, correct and complete to the best of my knowledge.

Applicant's Name Jim Team, Dir. of Transportation, Greater Transit Authority

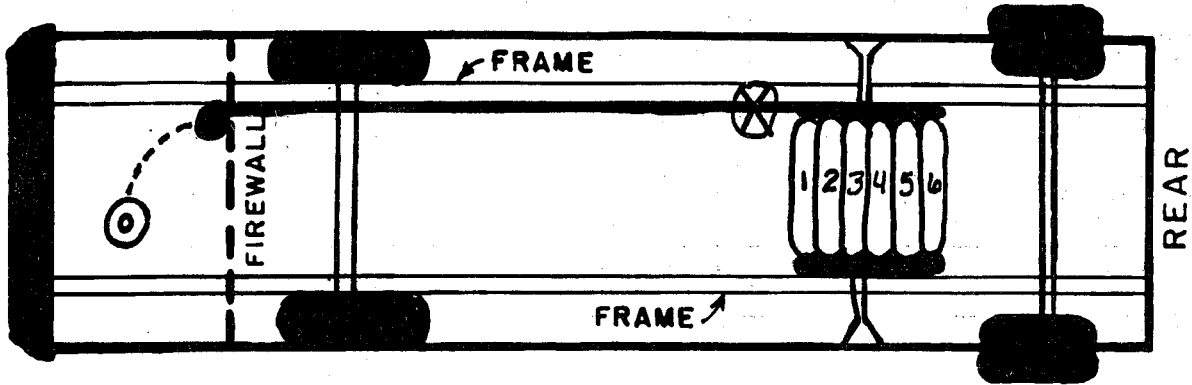
Mailing Address 7413 Main Ave.
Villa Tx 75147 713/981-1574 N/A
 (City) (State) (Zip Code) (Telephone Number) (RRC Lic. Number, if applicable)

Jim Team
 (Printed Name of Applicant or Applicant's Authorized Representative)

Jim Team
 (Signature of Applicant or Applicant's Authorized Representative)

01/15/91
 (Date)

TYPICAL BUS INSTALLATION DIAGRAM



Special Notes: The fill receptacle may be located on either side of the vehicle as shown - NXG model 3600 composite cylinders installed.
Regulator make: Omega model: 475-GX (2nd stage)

INSTRUCTIONS: To indicate type of conversions, check the appropriate box(es) and locate the following items using symbols shown on the adjacent diagram.

Motor Fuel Options: LPG CNG DUAL LPG & CNG

Show engine location and route of motor fuel line (High pressure line only) 5/8 S.S.
Material

LEGEND

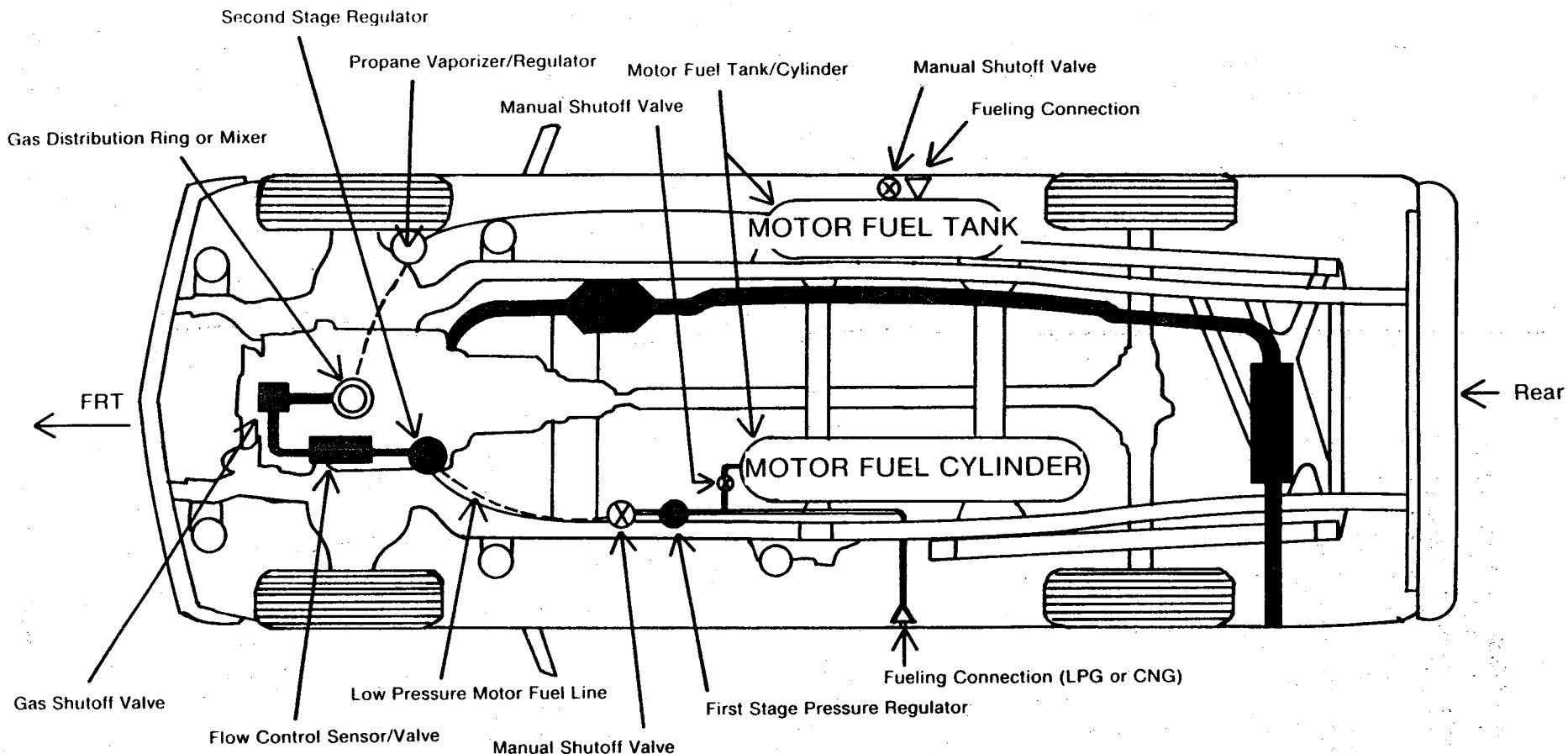
- Fueling connection (LPG or CNG)
- Propane vaporizer/regulator
- Natural gas regulator
- Manual shut-off valve
- _____ Motor fuel line tank pressure
- Low pressure motor fuel line
- Motor fuel cylinder/tank
- Mixer Ring

FRAME TYPE (Check one)	
<input type="checkbox"/>	Conventional
<input type="checkbox"/>	Semi-forward
<input checked="" type="checkbox"/>	Forward controlled

Show all tank/cylinder locations on diagram and indicate number of tanks/cylinders having the same specifications.

* Example of typical drawing to be submitted on back.

EXAMPLE OF TYPICAL INSTALLATION DIAGRAM
MASS TRANSIT VEHICLE/BUS



INSTRUCTIONS: To indicate type of conversions, check the appropriate box(es) and locate the following items using symbols shown on the adjacent diagram.

Motor Fuel Options: LPG CNG DUAL LPG & CNG

Show engine location and route of motor fuel line
(High pressure line only _____)
(Material)

LEGEND

- Fueling connection (LPG or CNG)
- Propane vaporizer/regulator
- Natural gas regulator(s)
- Manual shut-off valve
- _____ Motor fuel line tank pressure
- _____ Motor fuel cylinder/tank
- Low pressure motor fuel line

Show all tank/cylinder locations, on diagram and indicate number of tanks/cylinders having the same specifications.

FRAME TYPE (Check one)

Conventional

Semi-forward

Forward controlled

Return to:
Railroad Commission of Texas
LP-Gas Division
P. O. Box 12967
Austin, Texas 78711-2967

CNG

RAILROAD COMMISSION OF TEXAS
LIQUEFIED PETROLEUM GAS DIVISION

INSURANCE FILING CERTIFYING
WORKERS' COMPENSATION COVERAGE
INCLUDING
EMPLOYER'S LIABILITY COVERAGE

True Casualty Insurance Co.
(Name of Insurance Company)

of P.O. Box 101, Houston, Tx 76125, hereinafter company,
(Address of Insurance Company's Home Office)

does certify that CNG Fleet, Inc. of
(Name(s) of Insured)

601 Smith Dr., Jackson, Tx 75315 has been issued its policy or policies herein
(Address of Insured)

described, which by attachment of the Texas Notice of Material Change Endorsement number WC 42 06 01 has been amended, providing Workers' Compensation Coverage, including Employer's Liability Coverage, in accordance with the laws and regulations of the State of Texas for those persons doing business or employing workers in Texas.

Whenever requested by the Railroad Commission of Texas, the company agrees to furnish the commission a duplicate of said policy with any endorsements thereon. Further, the company agrees it will only cancel this filing as provided in the Texas Natural Resources Code, Chapter 116, and Section 13.62 of the Regulations for Compressed Natural Gas. The company agrees to send notice of any cancellation or alteration of the insurance described herein to the LP-Gas Division in Austin, Texas.

Endorsement number WC 42 06 01 which is attached to the policy and any successor policies, may not be cancelled without cancellation of the policy or policies to which it is attached. Such endorsement requires the company to give the Railroad Commission of Texas, LP-Gas Division, 30 days written notice before cancellation. The 30 days notice commences on the date the notice is actually received by the division.

Policy No. TBC 342119, (and any successor policies) referenced above, is effective from February 1, 1991, and is continuous until cancelled.
(Date and time policy takes effect)

Countersigned at Houston this 31st day of January, 19 91

Ron Phillips
(Printed Name of Representative)

Ron Phillips
(Signature of Authorized Insurance Company's Representative)*

(713) 232-0120 January 31, 1991
(Area Code/Telephone Number) (Date)

* Restricted to those names authorized by the insurance company. Only the authorized signature previously filed with the LP-Gas Division will be accepted.

Return to:
Railroad Commission of Texas
LP-Gas Division
P. O. Box 12967
Austin, Texas 78711-2967

CNG

**RAILROAD COMMISSION OF TEXAS
LIQUEFIED PETROLEUM GAS DIVISION**

**STATEMENT IN LIEU of
INSURANCE FILING CERTIFYING
WORKERS' COMPENSATION COVERAGE
including
EMPLOYER'S LIABILITY COVERAGE**

Effective this date CNG Fleet, Inc. hereby states that
(Name of applicant/licensee)

no employees of the applicant or licensee are involved in CNG related activities in Texas as described by the Texas Natural Resources Code or the Regulations for Compressed Natural Gas and consequently, is filing this statement in lieu of workers' compensation including employer's liability insurance certificate.

The applicant states that prior to employing or using any person in CNG related activities in Texas which requires insurance under the provisions of the Texas Natural Resources Code or the Regulations for Compressed Natural Gas, the applicant or licensee will procure the insurance required by the Code and the Regulations, and will submit proof of such insurance to the LP-Gas Division in Austin, Texas.

This statement is signed with full knowledge of the provisions of Section 116.142, Texas Natural Resources Code, which set forth penalties for the submission of false information to the Railroad Commission of Texas.

Michael Franklin
(Printed Name)

Michael Franklin
(Signature)

(713) 232-3343 2/1/91
(Area Code/Telephone Number) (Date)

Return to:

Railroad Commission of Texas
LP-Gas Division
P. O. Box 12967
Austin, Texas 78711-2967

CNG

RAILROAD COMMISSION OF TEXAS
LIQUEFIED PETROLEUM GAS DIVISION

INSURANCE FILING CERTIFYING
MOTOR VEHICLE BODILY INJURY INSURANCE
AND
PROPERTY DAMAGE LIABILITY INSURANCE

True Casualty Insurance Co.

(Name of Insurance Company)

of P.O. Box 101, Houston, Texas 76125, hereinafter company,
(Address of Insurance Company's Home Office)

does certify that CNG Fleet, Inc.
(Name(s) of Insured)

of 601 Smith Dr., Jackson, Texas 75315
(Address of Insured)

has been issued its policy or policies herein described, which by attachment of Cancellation Provision or Coverage Change Endorsement number TE 02 02A, has been amended to provide Motor Vehicle Liability Insurance Coverage (Motor Vehicle Bodily Injury and Property Damage Liability Insurance), covering obligations imposed upon such insured by the provisions of the Texas Natural Resources Code, Chapter 116, and all commission insurance rules in which the commission has jurisdiction or regulations promulgated in accordance therewith. The limits of the company's liability are as stated in the policy, but such limits are not less than \$500,000, combined single limits for bodily injuries or death for all persons injured or killed in any accident, and loss or damage in any one accident to property of others.

Whenever requested by the Railroad Commission of Texas, company agrees to furnish the commission a duplicate of said policy with any endorsements thereon. Further, company agrees that it will only cancel this filing as provided in the Texas Natural Resources Code, Chapter 116, and Section 13.62 of the Regulations for Compressed Natural Gas. The company agrees to send notice of any cancellation or alteration of the insurance herein described to the LP-Gas Division in Austin, Texas.

Endorsement number TE 02 02A, which is attached to the policy and any successor policies may not be cancelled without cancellation of the policy or policies to which it is attached. Such endorsement requires the company to give the Railroad Commission of Texas, LP-Gas Division, 30 days written notice before cancellation. The 30 days notice commences on the date the notice is actually received by the LP-Gas Division.

Policy No. JCK 467935, (and any successor policies) referenced above, is effective from February 1, 1991 - 12:01 a.m., and is continuous until cancelled.
(Date and time policy takes effect)

Countersigned at Houston this 31st day of January, 1991

Ron Phillips

(Printed Name of Representative)

Ron Phillips

(Signature of Authorized Insurance Company's Representative)*

(713) 232-0120

(Area Code/Telephone Number)

January 31, 1991
(Date)

* Restricted to those names authorized by the insurance company. Only the authorized signature previously filed with the LP-Gas Division will be accepted.

Return to:

Railroad Commission of Texas
LP-Gas Division
P. O. Box 12967
Austin, Texas 78711-2967

CNG

**RAILROAD COMMISSION OF TEXAS
LIQUEFIED PETROLEUM GAS DIVISION**

**STATEMENT IN LIEU of
INSURANCE FILING CERTIFYING
MOTOR VEHICLE BODILY INJURY INSURANCE
and
PROPERTY DAMAGE LIABILITY INSURANCE**

Effective this date CNG Fleet, Inc.
(Name of applicant/licensee)

hereby states that no vehicle described as a CNG transport by the Texas Natural Resources Code or the Regulations for Compressed Natural Gas is operated by the applicant or licensee.

The applicant states that prior to operating any vehicle described as a CNG transport by the Texas Natural Resources Code or the Regulations for Compressed Natural Gas, the applicant will procure the insurance required by the Code and the Regulations and will submit proof of such insurance to the LP-Gas Division in Austin, Texas.

This statement is signed with full knowledge of the provisions of Section 116.142, Texas Natural Resources Code, which set forth penalties for the submission of false information to the Railroad Commission of Texas.

Michael Franklin

(Printed Name)

Michael Franklin

(Signature)

(713) 232-3343

(Area Code/Telephone Number)

Feb. 1, 1991

(Date)

Return to:

Railroad Commission of Texas
LP-Gas Division
P. O. Box 12967
Austin, Texas 78711-2967

CNG FORM 1997B
Revised 12/90

RAILROAD COMMISSION OF TEXAS
LIQUEFIED PETROLEUM GAS DIVISION

INSURANCE FILING CERTIFYING
GENERAL LIABILITY INSURANCE

True Casualty Insurance Co.

(Name of insurance company)

of P.O. Box 101 Houston, Tx 76125, hereinafter company,
(Address of insurance company's home office)

does certify that CNG Fleet, Inc.
(Name(s) of Insured)

of 601 Smith Drive, Jackson, Texas 75315
(Address of Insured)

has been issued its policy or policies herein described which by attachment of the Texas Changes-Amendment of Cancellation Provisions or Coverage Change number CG 02 05 has been amended to provide general liability insurance, including premises and operations coverage, covering the obligations imposed upon the insured by the Railroad Commission of Texas, LP-Gas Division, in accordance with the provisions of the Texas Natural Resources Code, Chapter 116, and all commission insurance rules in which the commission has jurisdiction or regulations promulgated in accordance therewith. The limits of liability are as stated in the policy, but such limits are not less than the type of coverage checked:

- () The limits of the company's liability are as stated in the policy, but such limits shall not be less than \$25,000 per occurrence, \$50,000 aggregate.
- () The limits of the company's liability are as stated in the policy, but such limits shall not be less than \$300,000 per occurrence, with a \$300,000 policy aggregate; including completed operations and products liability coverage, \$300,000 aggregate.

Whenever requested by the Railroad Commission of Texas, the company agrees to furnish the commission a duplicate of said policy with any endorsements thereon. Further, the company agrees that it will only cancel this filing as provided in the Texas Natural Resources Code, Chapter 116, and Section 13.62 of the Regulations for Compressed Natural Gas. The company agrees to send notice of any cancellation or alteration of the insurance herein described to the LP-Gas Division in Austin, Texas.

Endorsement number CG 02 05, which is attached to the policy and any successor policy may not be cancelled without cancellation of the policy or policies to which it is attached. Such endorsement requires the company to give the Railroad Commission of Texas, LP-Gas Division, 30 days written notice before cancellation. The 30 days notice commences on the date the notice is actually received by the LP-Gas Division

Policy No. ZBT 789002, (and any successor policies) referenced above, is effective from February 1, 1991 - 12:01 a.m., and is continuous until cancelled.
(Date and time policy takes effect)

Countersigned at Houston this 31st day of January, 19 91

Ron Phillips
(Printed Name of Representative)

Ron Phillips
(Signature of Authorized Insurance Company's Representative)*

(713) 232-0120 January 31, 1991
(Area Code/Telephone Number) (Date)

* Restricted to those names authorized by the insurance company. Only the authorized signature previously filed with the LP-Gas Division will be accepted.

Return to:
Railroad Commission of Texas
LP-Gas Division
P. O. Box 12967
Austin, Texas 78711-2967

CNG

**RAILROAD COMMISSION OF TEXAS
LIQUEFIED PETROLEUM GAS DIVISION**

**STATEMENT IN LIEU of
INSURANCE FILING CERTIFYING
GENERAL LIABILITY INSURANCE**

CNG Fleet, Inc.

(Name of applicant/licensee)

hereby states the applicant or licensee applying for a CNG license pursuant to Section 116.031, Texas Natural Resources Code, Chapter 116, as a category 3 dealer, is not engaging in any CNG operations 2/5/91, and consequently, is filing this statement in lieu of a certificate of general liability insurance.
(Effective Date)

The applicant states that prior to performance of any activities which require general liability coverage as set forth in the Texas Natural Resources Code or the Regulations for Compressed Natural Gas, the applicant will procure insurance as required by the Code and the Regulations, and will submit proof of such insurance to the LP-Gas Division in Austin, Texas.

This statement is signed with full knowledge of the provisions of Section 116.142, Texas Natural Resources Code, which set forth penalties for the submission of false information to the Railroad Commission of Texas.

Michael Franklin

(Printed name)

Michael Franklin

(Signature)

February 5, 1991

(Date)

Return to:

Railroad Commission of Texas
LP-Gas Division
P. O. Box 12967
Austin, Texas 78711-2967

CNG

RAILROAD COMMISSION OF TEXAS
LIQUEFIED PETROLEUM GAS DIVISION
NOTICE OF INSURANCE CANCELLATION

Notice is hereby given to the Railroad Commission of Texas, LP-Gas Division, of the cancellation of a policy of insurance, described as follows:

Insured: CNG Fleet, Inc.

Address of Insured: 601 Smith Drive
(Street or box)

Jackson Tx 75315
(City) (State) (Zip code)

Reason for Cancellation: Non-Payment

Type of Insurance: Worker's Compensation

Current Policy Number: TBC 342119 Effective Date: February 1, 1991

Date and Hour of Cancellation: February 1, 1991

Name of Insurance Company: True Casualty Insurance Co.

Address of Insurance Company: P.O. Box 101
(Street or box)

Houston Texas 76125
(City) (State) (Zip code)

(713) 232-0120
(Area Code/Telephone Number)

True Casualty Insurance Co.
(Name of insurance company)

Ron Phillips
(Printed name of Representative)

Ron Phillips
(Authorized Signature of Insurance Company's Representative's)*

(713) 232-0120 December 25, 1990
(Area Code/Telephone number) (Date)

* Restricted to those names authorized by the insurance company. Only the authorized signature previously filed with the LP-Gas Division will be accepted.

Return to:
Railroad Commission of Texas
LP-Gas Division
P. O. Box 12967
Austin, Texas 78711-2967

