OUT OF GAS PROCEDURES

Crum & Forster has handled several claims arising out of an out-of-gas condition. These claims are infrequent but severe, especially if someone is injured. In many cases, the customer - whose actions are beyond the control of the propane marketer - is found to have done something to the system to contribute to the incident. Even when the actions of the end user have contributed to the incident, it can be difficult to defend the propane marketer if it has failed to perform a needed leak check.
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Leak Check Requirements
Leak checks are required before gas can be turned on to a system that has been interrupted. NFPA 54 (the National Fuel Gas Code) and the International Fuel Gas Code (or “IFGC”) have standards that require leak checks be performed when a piping system runs out of gas and also when service has been interrupted. Most companies today have procedures to follow in these situations and require that leak checks to be performed. In many instances, though, a needed leak check is not performed. You may ask why. Reasons for not performing a leak check include:

1. “I did a leak check a month ago when they ran out and did not think I needed to do it again.”
2. “I was late to an event and did not have time to do a leak check.”
3. “There was pressure when I opened the fixed liquid level gauge, so I thought the system was not empty, even though the customer called and said they were out of gas.”
4. “There was not enough time because I had other deliveries to make.”
5. “The customer was not home so I put gas in the tank and left the tank valve closed.”

No matter what reasons a delivery person might have, if the piping system was out of gas, gas was delivered without performing a leak check, and an explosion occurs, there is a strong likelihood that the propane marketer will be found liable. In many of these cases the leak in the propane system may be the result solely of the customer installing a new appliance. Unfortunately, without a documented leak check, defending the behavior of the propane marketer can be very challenging. Crum & Forster’s accident investigation resources will try to pinpoint the cause, but sometimes the evidence is too damaged to conclusively determine a precise cause of the incident.
What can you do?
1. Develop an out of gas policy that is consistent with codes for the jurisdictions in which you operate.

2. Train your staff and periodically review your policy with staff handling out of gas calls.

3. Err on the side of caution. If the delivery person is unsure if the propane system is empty, he should either perform a leak check, refuse to put gas in the system, or secure it with a device such as a POL lock to prevent gas from being turned on.

4. Communicate the company’s out of gas policy with all customers to help reduce the number of customers running out of gas.
   a. Encourage customers to sign up for automatic refill.
   b. Consider a fee for special deliveries. Charging a fee may get more will call customers to call in before they let their tank go empty.
   c. Develop a two strike or three strike policy and eliminate customers who have had two or three out of gas conditions. The Pareto 80/20 Principle holds: 80% of customer service issues originate in 20% of the customer base. Customers that tend to be the most difficult to service can also increase your company’s operating risk.
   d. Consider installing a tank monitor for the will call customers or those customers that periodically may run out.

5. Evaluate your company’s out of gas policy.
   a. Is it effective?
   b. Is it written?
   c. Is it consistently followed? Perform periodic audits.
   d. Is deviation from company policy disciplined? What are your disciplinary standards for not following company policy?
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What should be in your out of gas policy?
There is no one answer. NFPA 54 requires that a leak check be performed before gas is turned on into a new system or one that has been interrupted. It does not explain how to determine if the system is out of gas or what to do if a customer is not home. CETP training manuals note that the propane system is out of gas when there is not enough gas pressure to support combustion. The advice we give below is based on previous claims experiences:

A. Requiring the customer to be home is the best option
The ideal situation is the customer or an adult representative of the customer being present so that a leak check can be performed, and, if it is company policy, the appliances put back into operation. If there is a leak then you can investigate to find the leak. The likelihood of finding someone home is lower today than it was twenty years ago. Out of gas situations need to be handled properly, so requiring customer to be home is a best practice we recommend when a customer runs out of gas. Obtain a signature from the customer to verify that a leak check was performed.

B. What if no-one is home?
Both NFPA 54 and the IFGC are silent on this situation so your actions should be guided by your company policy. If the preferred option cannot be achieved there are a couple of options to help service the out of gas customer and achieve a safer environment for the customer and propane marketer. These two options (for customers not being home) may not include all of your delivery steps, but point out some steps to enhance safety.

Option 1
- Fill container, and before filling, close container(s) service valve(s).
- Install a POL lock before leaving the premises.
- Leave warning tag from PERC noting the tank valve is closed and to call.
- Place a decal near service valve explaining that a leak check is required before gas is turned on.
- Document on the tag that a POL Lock was installed.
- To have evidence that a POL Lock was installed and the warning tag and decal posted, take a photo with a time and date stamp.
Option 2

• Transfer some gas into the container to perform a leak check.
• Perform the leak check.
• If there is a leak and it cannot be corrected, install a POL Lock and leave a warning tag noting on the tag that a leak was found and the system secured with POL Lock.
• If there are no leaks, document the leak check with time and pressure held.
• Remove testing equipment.
• Continue filling container to the desired safe level.
• Leave the service valve in the "on" position.
• To have evidence that a POL Lock was installed and the warning tag posted, take a photo with a time and date stamp. Be sure that the leak check gauge is depicted in a time and date stamped photo as well.