

Title 422 - Oklahoma Liquefied Petroleum Gas Research, Marketing and Safety Commission

Chapter 10 - Marketing and Safety Programs

Subchapter 1 - Water Heater Rebate Program

422:10-1-1. Purpose

The purpose of this section is to establish for purchasers of propane water heaters a consumer rebate program that achieves energy conservation and efficiency and improves the quality of air in this state. These sections outline the commission's mechanism for determining the eligibility of equipment and consumer applicants, application requirements, administrative procedures, rebate amounts and adjustments, terms of compliance, penalties for violations and program termination.

[Source: Added at 14 Ok Reg 3185, eff 7-25-97]

422:10-1-2. Definitions

The following words and terms used in these rules shall have the following meanings, unless the context clearly indicates otherwise.

"Applicant" means a consumer who has submitted a complete and timely application.

"Application" means the set of forms prescribed by the Commission for the purpose of applying for and/or assigning a rebate and participating in the rebate program as a propane dealer, including all required supporting documentation.

"Available funds" means the Money available in the Oklahoma LP Gas Research, Marketing and Safety Revolving Fund in the state treasury, consisting of fees charged under O.S. 52 Sec. 420.22 and penalties for the late payment of the fee charged under O.S. 52 Sec. 420.28.

"Commission" means the Oklahoma LP Gas Research, Marketing and Safety Commission.

"Consumer" means a person who is the legal owner of eligible equipment installed in an eligible installation.

"Delivery date" means the date of postmark of a mailed complete and correct application or the date that a hand-delivered complete and correct application is stamped in at the Oklahoma City offices of the Commission.

"Eligible equipment" means a propane-fueled water heater, either a storage-type water heater rated by its manufacturer at not less than 30 gallons water capacity or an instantaneous-type water heater rated by its manufacturer at not less than 50,000 BTU/hour input, that meets the applicable standards of the federal Energy Policy and Conservation Act, as amended (42 United State Code S6291 et seq.) and regulations adopted thereunder (10 Code of Federal Regulations S430.32(d)), is approved and listed by the American Gas Association, and is listed in the most recent edition of the Gas Appliance Manufacturers Association's (GAMA) "Consumer Directory of Certified Efficiency Ratings for Residential Heating and Water Heating Equipment.

"Eligible installation" means an installation of eligible equipment that takes place on real property owned by the applicant and located in this state and that occurs no earlier than the effective date of this rule and no later than the date of termination of the program established under this rule.

"Installation date" means the date on which a Safety Inspection (Form 4) is performed per Oklahoma Liquefied Petroleum Gas Board rules and regulations (Title 420:10-1-15).

"Person" means an individual, sole proprietorship, partnership, corporation or other legal entity.

"Propane" means Liquefied petroleum gas (LPG), as that term is defined in O.S. 52 Sec. 420.21.

"Propane dealer" means a person who:

(A) has been issued a current Class I permit from the Oklahoma LP Gas Administration; or

(B) has been issued a Class X Manager's permit to

operate or manage a retail business, including any branch outlet or outlets, delivering odorized propane to consumers; and

(C) is a regular supplier or a potential regular

supplier of propane to an applicant.

"Safety inspection" means an on-site inspection, including any necessary pressure tests, of an operating eligible installation by a propane dealer or a propane dealer's designated agent, for the purpose of verifying that the LP-gas system, including all equipment, is or was installed in compliance with the propane water heater rebate program rules and with all applicable LP Gas Administration rules, including Form 4 requirements, and is in safe operating condition.

[Source: Added at 14 Ok Reg 3185, eff 7-25-97; Amended at 17 Ok Reg 2999, eff 7-13-00; Amended at 25 Ok Reg 2509, eff 7-11-08]

422:10-1-3. Establishment; duration

The rebate program is hereby established on the effective date of this rule. The Commission may terminate this rebate program at any time.

[Source: Added at 14 Ok Reg 3185, eff 7-25-97]

422:10-1-4. Availability of funds

The Commission may not use more than 50% of the funds available in the Oklahoma LP Gas Research, Marketing and Safety Revolving Fund for purposes of consumer incentive or rebate programs. If funds become unavailable during a program year, the Commission may carry over applications until the next program year.

[Source: Added at 14 Ok Reg 3185, eff 7-25-97; Amended at 15 Ok Reg 3267, eff 7-13-98]

422:10-1-5. Eligibility

(a) To be eligible for a rebate under this program, a consumer must document, using forms prescribed by the Commission for the purpose, that:

- (1) an eligible installation has been performed;
 - (2) the eligible installation for which application is made either replaced an existing water heater or occurred in new construction; and
 - (3) a safety inspection of the eligible installation has been performed and documented with a Form 4.
- (b) Installations performed on motor vehicles, travel trailers, mobile homes or manufactured homes are not eligible for rebates under this program, except when the installation replaces an existing water heater in a mobile home or manufactured home that is already in permanent residential or commercial use in this state;
- (c) No more than one rebate may be paid for each eligible installation.
- (d) An applicant may apply for a rebate for any number of eligible installations.
- (e) The Commission may limit the total amount of rebates that may be paid to any applicant.

[Source: Added at 14 Ok Reg 3185, eff 7-25-97; Amended at 17 Ok Reg 2999, eff 7-13-00; Amended at 25 Ok Reg 2509, eff 7-11-08]

422:10-1-6. Applications

- (a) Forms. Application for a rebate shall be made by a consumer on forms prescribed for that purpose by the Commission.
- (b) Payment. The Commission may approve payment of a rebate to an applicant subject to the availability of funds. Applicants have no legal right or other entitlement to receive rebates under this program, and receipt of a complete and correct application does not bind the Commission to approve payment of a rebate to any applicant.
- (c) Priority. Applications shall be considered on a first-come, first-served basis according to the receipt dates of complete and correct applications.
- (d) Acceptance. Applications will be accepted no earlier than the effective date of this rule and no later than the date of termination of the program. An application must be received at the Commission no later than 120 days following the installation date of the eligible installation to be eligible for rebates. Applications may be mailed or hand-delivered to the Oklahoma LP Gas Research, Marketing and Safety Commission, 6412 N. Santa Fe Ave., Suite C, Oklahoma City, Oklahoma 73116-9111. Applications may not be submitted electronically or by facsimile transmission (FAX).
- (e) Installation date. The date on which a Safety Inspection (Form 4) is performed. Applications must pertain to eligible installations made not earlier than the effective date of this rule and not

later than the program termination date.

(f) Completeness. Applicants must furnish completely and correctly all information required on the official rebate application. No application may be considered complete until all required information is correct and all forms and required supporting documentation are received by the commission.

(g) Incomplete applications. Applicants have 30 days from the date the Commission sends notice to correct any errors or omissions on the application. If a complete, correct application is not received by the commission within 30 days after notice has been sent, the application shall be void.

[Source: Added at 14 Ok Reg 3185, eff 7-25-97; Amended at 15 Ok Reg 3267, eff 7-13-98; Amended at 25 Ok Reg 2509, eff 7-11-08]

422:10-1-7. Conditions of Receipt of Rebate

The application forms prescribed by the Commission shall include conditions that the consumer agrees:

- (1) to practice environmentally sound operating principles;
- (2) not to modify the equipment for a period of five years from the date of installation in any way that would materially impair the equipment's performance with respect to energy conservation, energy efficiency or air quality;
- (3) not to remove the equipment from this state; and
- (4) not to remove eligible equipment permanently from service for a period of five years from the date of installation; and
- (5) to allow Commission inspection of the installation pursuant to Sec. 422:10-1-10 (relating to Verification; Safety; Disallowance; Refund).

[Source: Added at 14 Ok Reg 3185, eff 7-25-97; Amended at 15 Ok Reg 3267, eff 7-13-98]

422:10-1-8. Selection of equipment and installer

Selection of a water heater and an installer is solely the responsibility of the consumer. The Commission will not recommend equipment, dealers or installers.

[Source: Added at 14 Ok Reg 3185, eff 7-25-97]

422:10-1-9. Rebate amount; minimum efficiency factor

(a) The Commission may establish the rebate amount and the minimum energy efficiency factor for an eligible installation. The Commission may change this amount and efficiency factor at any time. If the Commission changes the rebate amount or the minimum energy efficiency factor, an applicant whose application is approved shall receive the amount that is in effect on the delivery date.

(b) In setting the amount of the rebate or the energy efficiency factor, the Commission may consider any or all of the following:

- (1) availability of funds;
- (2) the effectiveness of the program in increasing propane use;
- (3) dealer participation;
- (4) consumer acceptance;
- (5) administrative cost; and
- (6) energy-conservation, energy efficiency, or air-quality benefits.

[Source: Added at 14 Ok Reg 3185, eff 7-25-97; Amended at 17 Ok Reg 2999, eff 7-13-00; Amended at 25 Ok Reg 2509, eff 7-11-08]

422:10-1-10. Verification; safety; disallowance; refund

(a) Upon reasonable notice and at any reasonable time, an inspector, employee or agent of the Commission may enter premises where an eligible installation has taken place, to verify compliance with the requirement of the rebate program and/or LP Gas Administration rules. The Commission may perform such inspection prior to approving payment of a rebate.

(b) No rebate will be paid for any installation inspected and found to be out of compliance. If an installation found to be out of compliance is not brought into compliance within 30 days, the rebate will be disallowed.

(c) If an installation is inspected by the Commission after payment of a rebate and found not to be in compliance, the consumer shall have 30 days to bring the installation into compliance. If the installation is not brought into compliance at the end of 30 days, the consumer shall refund the full amount of the rebate to the Commission.

[Source: Added at 14 Ok Reg 3185, eff 7-25-97]

422:10-1-11. Assignment of rebate

The Commission may authorize payment of a rebate to a propane dealer only by assignment from a consumer. Rebate amounts assigned shall be those in effect at the time an application is approved. A consumer may apply to assign a rebate to a propane dealer by completing and submitting the form prescribed for that purpose by the Commission. A propane dealer or applicant who submits false information pertaining to the assignment of a rebate is subject to criminal and civil penalties under Sec. 422:10-1-14 (relating to Penalties).

[Source: Added at 14 Ok Reg 3185, eff 7-25-97; Amended at 15 Ok Reg 3267, eff 7-13-98]

422:10-1-12. Compliance

(a) An applicant or propane dealer may be suspended from or declared ineligible to participate in the rebate program if, in the judgment of the Commission director, the applicant or dealer has

submitted false information or otherwise violated rebate program rules.

(b) Within 30 days after the division director mails a notice of suspension or ineligibility to an applicant or propane dealer, the applicant or propane dealer may appeal the suspension or declaration of ineligibility in writing to the Commission. Action taken by the Commission with respect to such appeals are final.

[Source: Added at 14 Ok Reg 3185, eff 7-25-97]

422:10-1-13. Complaints

(a) Any person may file a complaint about an applicant, a propane dealer or another person regarding alleged violations of the rebate program rules. Complaints should be sent in writing to the Commission director at the address set forth in Sec. 422:10-1-6 (relating to Application).

(b) Complaints that an installation does not comply with the Commission's LP-gas safety rules should be sent in writing to the Commission director at the same address.

[Source: Added at 14 Ok Reg 3185, eff 7-25-97]

422:10-1-14. Penalties

Violations of propane water heater rebate program rules are subject to civil and criminal prosecution and penalties prescribed under O.S. 52 Sec. 420.28.

[Source: Added at 14 Ok Reg 3185, eff 7-25-97; Amended at 15 Ok Reg 3267, eff 7-13-98]