

# **SUP11-2, United Propane Gas Special Use Permit Application for a Propane Plant in a M1 (Industrial) Zoning District**

## **Location and Proposed Use**

The applicant, United Propane Gas, has applied for a special use permit to operate a propane plant on a M1 (Industrial) zoned parcel. In the M1 zoning district all uses require a special use permit.

The proposed propane plant would be utilized for the storage and distribution of propane gas. The use would be located on Stoney Brook Lane on an approximately three (3) acre portion of land – which is part of a larger 29-acre parcel – owned by the Page County Economic Development Authority (EDA).

The use would be adjacent to existing parcels owned by Holtzman Corporation and the Town of Luray. The parcel owned by the Holtzman Corporation is utilized for propane storage; in August of 1999, Holtzman Corporation received a special use permit to construct and operate the existing 30,000 gallon propane tank. The adjacent Town owned property is the location of the Town's recently constructed water filtration facility.

Attached to this report, is a map detailing the approximate location of United Propane Gas' proposed use, Holtzman Corporation's existing propane storage tank and the Town of Luray's water filtration facility.

## **Additional Background Information: Propane Gas and Propane Gas Storage**

The information below is intended to provide additional information regarding propane (source: Wikipedia):

*Propane is a three-carbon alkane, normally a gas, but compressible to a transportable liquid. A by-product of natural gas processing and petroleum refining, it is commonly used as a fuel for engines, oxy-gas torches, barbecues, portable stoves and residential central heating.*

*A mixture of propane and butane, used mainly as vehicle fuel, is commonly known as liquefied petroleum gas (LPG or LP gas). It may also contain small amounts of propylene and/or butylene. An odorant such as ethanethiol or thiophene is added so that people can easily smell the gas in case of a leak.*

*Propane is replacing wood and other traditional fuel sources in such places, where it is now sometimes called "cooking gas".*

*North American industries using propane include glass makers, brick kilns, poultry farms and other industries that need portable heat.*

*As of 2000, 6.9 million American households use propane as their primary heating fuel.*

*In North America, local delivery trucks called "bobtails", with an average tank size of 3,000 gallons, fill up large tanks (sometimes called pigs) that are permanently installed on the property, or other service trucks exchange empty cylinders of propane with filled cylinders. Large tractor-trailer trucks called "cargo-liners", with an average tank size of 10,000 gallons, transport the propane from the pipeline or refinery to the local delivery plant.*

*Propane is heavier than air. If a leak in a propane fuel system occurs, the gas will have a tendency to sink into any enclosed area and thus poses a risk of explosion and fire. The typical scenario is a leaking cylinder stored in a basement; the propane leak drifts across the floor to the pilot light on the furnace or water heater, and results in an explosion or fire. This property makes the use of propane generally unsuitable as a fuel for boats.*

*Propane is bought and stored in a liquid form (LPG), and thus fuel energy can be stored in a relatively small space.*

Mr. Eric Gibson, a representative from United Propane Gas, indicated that the propane plant would be required to submit annual "Tier II Chemical Inventory Reports" to the Environmental Protection Agency (EPA). In Virginia, the Commonwealth of Virginia's Department of Environmental Quality (DEQ) assumes regulation responsibility for "Tier II" reporting. According to Mr. Gibson, the Tier II reporting is the only "outside" regulatory requirement.

Below is a list of questions submitted to Mr. Gibson by Town staff related to the proposed propane plant. Mr. Gibson's answers are **highlighted**.

*1. How many storage tanks do you anticipate being at the site? How many pounds/gallons will likely be stored? **One or two 30,000 gallon bulk tanks.***

*2. Will it be limited to propane storage? Or will other fuels be stored at the site as well? **Storage will be limited to propane.***

*3. Who will have access to the site? General public? Or limited to United Propane employees? (I am thinking trucks would fill up here, and then go to residential and commercial locations...is this correct?) **The general public will be able to access the office for***

**purposes of making payments and placing orders. The storage area will not be accessible to the public, only to employees. Mr. Webb is correct that the delivery trucks (“bobtails”) will fill up at the plant then deliver at customer locations.**

*4. Do you anticipate fencing the site? Are there any security measures at the site? Is this generally deemed necessary for such a use?* **Fencing and security of the site will be in accordance with applicable codes and regulations.**

*5. Does United Propane have other similar facilities in the region?* **This will be UPG’s first plant in Virginia. At present, the closest operation UPG has to Luray is in Wilson and Greenville, North Carolina. However, we are also presently in process of acquiring property in Moorefield, West Virginia in order to begin operating the same type of plant as we will be operating in Luray.**

*6. Will there be an employee(s) at this site during business hours? How many employees would be associated with the use?* **There will be an office manager at the site during business hours. The delivery drivers will be come and go as delivery demands require. It is anticipated there will be 3-5 employees initially hired and that number may be subject to increase depending on business needs.**

*7. Can you describe some of the improvements that will be made to the site? (Entrance, grading, subterranean work?)* **Some initial dirt work may be required to prepare the site for installing the office building and storage tanks. Other improvements will include a concrete pad for the loading dock and concrete piers to hold the bulk tanks.**

*8. If approved, when do you anticipate operations beginning at the site?* **Once approved, we anticipate beginning construction within 90 days. This timeframe is subject to modification based on business needs.**

### **Other Considerations**

- Though a significant portion of the 29-acre EDA site is located in an identified 100 year floodplain, the area identified for the propane plant is not located in the 100 year floodplain.
- The applicant will be required to submit a detailed Site Plan to the Town’s Zoning Administrator for review. The Site Plan must be prepared in accordance with section 515 of the Town Code. Presently, the applicant is preparing a detailed Site Plan. No improvements will be allowed at the site until a Site Plan has been submitted and approved by the Town’s Zoning Administrator. A rough sketch of the

potential site layout is attached to this report, and is believed to be adequate for considering this special use permit request.

- Per the Town Code, the applicant will be required to adequately fence and secure the site. This is required in the M1 (Industrial) zoning district.
- The applicant can subdivide the three acres necessary to accommodate the propane plant at a later date.
- Stoney Brook Lane appears to be adequately surfaced and prepared to accommodate the proposed use. However, this portion of Stoney Brook Lane is presently owned by the EDA, and is not a dedicated public street. The Town Planner has been informed that the EDA is in the process of dedicating this portion of Stoney Brook Lane to the Town.

## **Summary**

The applicant, United Propane Gas, has applied for a special use permit to operate a propane plant in a M1 (Industrial) zoning district. The propane plant would be located on a three (3) acre parcel adjacent to an existing propane plant, and be surrounded by industrial uses. The site contains good road access, and (per the Town Code) would be required to be fenced and secured. The proposed propane plant is expected to be compatible with surrounding uses, and provide the Town with needed employment opportunities.