

LOUISIANA PUBLIC SERVICE COMMISSION

ORDER NUMBER T-37177

WET BANDITS ENERGY SERVICES AND RENTAL LLC
EX PARTE

Docket No. T-37177, In re: Application for a Common Carrier Certificate of non-hazardous oilfield waste, non-hazardous industrial solid waste and hazardous waste for disposal, statewide.

(Decided August 6, 2024.)

ORDER

Background

Wet Bandits Energy Services and Rental LLC (“Wet Bandits” or “Applicant”) filed an application (“Application”) with attachments on April 23, 2024, seeking from the Louisiana Public Service Commission (“LPSC” or “Commission”) a common carrier certificate authorizing it to transport non-hazardous oilfield waste, non-hazardous industrial solid waste, and hazardous waste for disposal, statewide. Notice of the Application was published in the Commission’s *Official Bulletin* on April 26, 2024, for a 15-day intervention period. No interventions were filed.

At a status conference on May 29, 2024, representatives of the Applicant and the Commission Staff agreed to the procedural schedule included in the *Report of Status Conference* issued on the same day. Pursuant to the schedule, Commission Staff and Wet Bandits filed their pre-hearing statements on July 22 and July 23, 2024, respectively. As there are no intervenors and Commission Staff supports the Application, the Application is considered unopposed.

Jurisdiction and Applicable Law

The Commission derives its jurisdiction over common carriers and public utilities from the Louisiana Constitution of 1974. Article IV, Section 21(B) of the Constitution provides, in pertinent part, that:

[t]he [C]ommission shall regulate all common carriers and public utilities and have such other regulatory authority as provided by law. It shall adopt and enforce reasonable rules, regulations and procedures necessary for the discharge of its duties, and shall have other powers and perform other duties as provided by law.

In addition, La. R.S. 45:163 provides that “[t]he [C]ommission has the power and authority necessary to supervise, govern, regulate, and control motor carriers...which transport household goods, passengers, or waste intrastate and to fix reasonable and just rates, fares, tolls, or charges for the commodities furnished or services rendered by such motor carriers.” La. R.S. 45:164 states that “[n]o motor carrier of waste shall operate without first having obtained from the [C]ommission

a common carrier certificate or contract carrier permit.” La. R.S. 45:164(B) provides that an applicant for a common carrier certificate, contract carrier permit, or expansion of authority granted in an existing certificate must prove fitness by proving all of the following:

- (1) The applicant holds, or is capable of acquiring, an insurance policy that complies with [C]ommission rules.
- (2) The applicant has the financial ability to provide the transportation of waste for disposal in a safe and efficient manner.
- (3) The applicant holds, or is capable of acquiring all the necessary authorizations required by any and all regulatory authorities for the transportation of waste for disposal.
- (4) The applicant holds, or is capable or [sic] acquiring for use, equipment and man power to provide transportation services in a safe and efficient manner.
- (5) The applicant has in place, or is capable of establishing, a safety program necessary for the safe and efficient transportation of waste for disposal.

The Commission’s *General Order* dated January 23, 2018 incorporated the above requirements into Rule 33 of the Commission’s *Rules of Practice and Procedure*, which now reads (in pertinent part) as follows:

- A. An applicant applying for a common carrier certificate, contract carrier permit, or expansion of authority granted in an existing certificate or permit authorizing the transportation of non-hazardous oilfield waste, hazardous waste or non-hazardous industrial solid waste shall prove fitness...in a hearing before an administrative law judge or hearing officer by proving that the applicant:
 1. holds, or is capable of acquiring, an insurance policy providing coverage of two hundred fifty thousand dollars for injury or death per person or five hundred thousand dollars per occurrence, and ten thousand dollars property damage,
 2. has the financial ability to provide the transportation of waste for disposal in a safe and efficient manner,
 3. holds, or is capable of acquiring, all of the necessary authorizations required by any and all regulatory authorities for the transportation of waste for disposal[,]
 4. holds, or is capable of acquiring for use, equipment and man power to provide transportation services in a safe and efficient manner, and
 5. has in place, or is capable of establishing, a safety program necessary for the safe and efficient transportation of waste for disposal.
- ...
- D. The provisions of this rule are applicable to all applications for common carrier certificates and contract carrier permits of waste and all applications for expansion of existing waste authority, including those applications which are presently pending before the Commission but have not yet gone to hearing on the merits.
- E. All restrictions on existing certificates or permits are valid until expansion of authority is applied for and a new certificate or

permit is granted. However, any restrictive language in any existing common carrier certificate or any contract carrier permit of waste that prevents the carrier from applying for expanded authority for any period of time is null and void...

F. Certificates or permits issued after the adoption of this rule shall not contain restrictions.

The Hearing

A hearing on the Application was convened on July 30, 2024, at which Wet Bandits and the Commission Staff appeared through counsel.

Testimony and Evidence Presented by the Applicant

In support of its Application, Wet Bandits presented the testimonies of David Thomas and Gary Land.

Testimony of David Thomas

Mr. Thomas is the sole owner/member and President of the Applicant who testified regarding his responsibilities of managing the day-to-day operations of Wet Bandits. Mr. Thomas provided his employment background, stating that he has over 15 years of experience in the trucking and waste transportation industry, with many years as an owner-operator. Mr. Thomas noted that the Applicant is a Louisiana limited liability company formed on March 24, 2020, with its office in Choudrant, Louisiana and its sole terminal in Arcadia, Louisiana. Per Mr. Thomas, Wet Bandits did not begin operations until July 2023.

Mr. Thomas explained that the Applicant operates exclusively in Louisiana. Wet Bandits currently holds LPSC authority to transport saltwater through Common Carrier Certificate No. 8536. The Applicant's services consist of transporting saltwater for disposal and it is seeking waste transportation authority at the request of current clients to expand its service offerings. The Applicant has 15 employees, 12 of which are drivers. If the requested authority is granted, Mr. Thomas anticipates Wet Bandits will hire additional employees, including drivers. The Applicant currently utilizes owner-operators for some of its fleet, but plans to transition into using company drivers and trucks exclusively. Mr. Thomas understands and intends to comply with the LPSC rules regarding owner-operators.

Mr. Thomas identified proof of insurance for the Applicant and confirmed that the policies insure all of its equipment and drivers - including owner-operators, meet or exceed the minimum requirements, and will be renewed on or before expiration.¹ Mr. Thomas testified regarding Wet

¹ Mr. Thomas acknowledged a discrepancy in the spelling of the Applicant's name as listed on the *ACORD Certificate of Liability Insurance* admitted at the hearing as Applicant Ex. 2 and testified that the Applicant will remedy any spelling errors, if necessary, to comply with Commission rules.

Bandits' regulatory compliance, confirming that Wet Bandits is in good standing with the Louisiana Office of Secretary of State and state and federal regulatory agencies. Further, Mr. Thomas confirmed his understanding of myriad Commission rules and regulations, including filing annual reports, paying inspection and supervision fees, and maintaining current insurance documents on file with the Commission. Per Mr. Thomas, the Applicant intends to comply with all of the Commission's regulations. Mr. Thomas indicated that the Applicant has or is willing to acquire the necessary permits, equipment, finances, and personnel for the transportation of LPSC-regulated waste in a safe, efficient, and LPSC-compliant manner.

Mr. Thomas testified regarding the Applicant's financial condition: identifying documents depicting the Applicant's finances, asserting that the Applicant is financially able to provide safe and efficient transportation of waste, and stating there are no financial factors that would limit that ability. Mr. Thomas is willing and able to contribute capital to Wet Bandits if needed. According to Mr. Thomas, the Applicant is financially stable, has not filed for bankruptcy, has had no issues with payroll, has not been the subject of a tax audit, and is current on federal and state tax filings.

Mr. Thomas testified regarding the Applicant's equipment. Mr. Thomas identified an equipment list providing that the Applicant owns nine trucks and seven vacuum trailers with another five trucks under lease with owner-operators. According to Mr. Thomas, all of Wet Bandits' equipment is owned free of encumbrances except for two trucks and two trailers.

Testimony of Gary Land

Mr. Land is a Field Supervisor, Dispatcher, and the HSE Manager for Wet Bandits and has been employed by the Applicant since September 2, 2023. Mr. Land's duties include safety, equipment maintenance, and general day-to-day operations as delegated by Mr. Thomas. Mr. Land provided an overview of his employment experience, stating that he has been in the saltwater/exploration and production waste transportation industry since 2007, having previously worked in both management and driving roles.

Mr. Land addressed the Applicant's maintenance policies and practices, including pre- and post-trip inspections and maintenance schedules. Maintenance (including for owner-operator equipment) is performed by an in-house mechanic, except for warranty work or work requiring a computer, which is outsourced to a dealership. Mr. Land provided that all equipment to be used by the Applicant for LPSC-regulated waste transportation is in good working order. According to Mr. Land, the Applicant's trucks are equipped with GPS and forward-facing cameras, and are

governed to a speed of 75 miles per hour.

Mr. Land testified regarding the Applicant's driver hiring, training, and compensation. Driver applicants must complete prerequisites including motor vehicle and criminal background checks and a drug and alcohol screening. Wet Bandits requires drivers to have at least two years of experience transporting saltwater. Mr. Land stated that all new driver hires undergo a driving test with Mr. Land, orientation, and ride with an experienced driver for at least one week or longer depending on performance. Mr. Land identified a *Record of Road Test* form that documents the driving test.

Mr. Land addressed Wet Bandits' safety policies and practices, including recently adopted waste-specific policies. Mr. Land discussed the Applicant's *DOT Compliance Manual* and stated that it is provided to all employees who must sign an acknowledgment it has been received and read. Mr. Land detailed the Applicant's drug and alcohol and cell phone policies. Additionally, Mr. Land advised that Wet Bandits conducts daily and monthly safety meetings, discussed some of the topics discussed at those meetings, and noted the meetings are documented via a sign-in roster. According to Mr. Land, the Applicant is not currently a member of any safety networks but is willing to join, if requested. Mr. Land stated that the Applicant utilizes Crown Compliance as a third-party consultant who assists Wet Bandits in its safety policies and practices.

Mr. Land supplemented Mr. Thomas' testimony regarding Wet Bandits' equipment. According to Mr. Land, the Applicant intends to purchase three 2021 or newer trucks and three 2024-2025 tanker trailers. Mr. Land stated that these purchases will be added to the fleet and will ultimately replace older equipment presently in use by the Applicant.

In connection with their testimonies, the witnesses identified the following exhibits which were admitted:

Exhibit 1, <i>in globo</i>	A copy of the <i>Waste by Motor Vehicle Application</i> filed by Wet Bandits Energy Services and Rental LLC on April 23, 2024, with public attachments.
Exhibit 2	A copy of an <i>ACORD Certificate of Liability Insurance</i> dated July 23, 2024, identifying Wet Bandits Energy Services and Rental LLC ² as the insured.
Exhibit 3, <i>in globo</i>	Copies of the following financial documents for Wet Bandits Energy Services and Rental LLC (admitted confidentially under seal): <ul style="list-style-type: none">• Profit and Loss Statement, January - April 2024,• Profit and Loss Statement, August - December 2023, and

² The *ACORD Certificate of Liability Insurance* lists "Wet Bandits Energy Services & Rentals, LLC" as the insured, and Mr. Thomas acknowledged this spelling discrepancy. (*See*, Footnote 1, above.)

- IRS Schedule C (Form 1040), Profit or Loss from Business for 2022 tax year.

Exhibit 4, <i>in globo</i>	Copies of payment forms and receipts for Inspection and Supervision fees owed by Wet Bandits Energy Services and Rental LLC to the Louisiana Department of Revenue for the quarters ended September 30, 2023; December 31, 2023, and March 31, 2024 (admitted confidentially under seal).
Exhibit 5	A copy of a payment form and receipt for Inspection and Supervision fees owed by Wet Bandits Energy Services and Rental LLC to the Louisiana Department of Revenue for the quarter ended December 31, 2023 (admitted confidentially under seal).
Exhibit 6	A copy of an equipment list for Wet Bandits Energy Services and Rental LLC.
Exhibit 7	A copy of the <i>Record of Road Test</i> form for Wet Bandits Energy Services and Rental LLC.
Exhibit 8, <i>in globo</i>	Copies of the following <i>Safety Policies Addendum</i> [s] for Wet Bandits Energy Service [sic] and Rental LLC: <ul style="list-style-type: none"> • <i>Pre-Transportation, Load Inspection and Securing,</i> • <i>Hazardous Waste Transportation Policy,</i> and • <i>General Waste Management Policy.</i> And,
Exhibit 9	A copy of the Federal Motor Carrier Safety Administration <i>Company Snapshot</i> for Wet Bandits Energy Services and Rental LLC for the 24 months prior to July 27, 2024.

Commission Staff's Position

The Commission Staff expressed its support for the Application in its pre-hearing statement and confirmed at the hearing that there are no LPSC regulatory issues with Wet Bandits and that it supports the Application.

Conclusion

Having considered the Application of Wet Bandits, the testimony and evidence presented in support of the Application, the directives of the Commission's *General Order* dated January 23, 2018, Rule 33 of the Commission's *Rules of Practice and Procedure*, and other applicable law, we find that Wet Bandits has established its fitness to operate and that a common carrier certificate should be issued to the Applicant as requested.

Accordingly, **IT IS ORDERED** that Wet Bandits Energy Services and Rental LLC be issued a common carrier certificate authorizing operation in Louisiana intrastate commerce as a

common carrier of non-hazardous oilfield waste, non-hazardous industrial solid waste, and hazardous waste for disposal, statewide.

IT IS FURTHER ORDERED that the issuance of the common carrier certificate is conditioned upon the full compliance of Wet Bandits Energy Services and Rental LLC with the laws of the State of Louisiana and the rules and regulations of the Louisiana Public Service Commission.

BY ORDER OF THE COMMISSION
BATON ROUGE, LOUISIANA
August 6, 2024



A handwritten signature in blue ink, appearing to read "Brandon M. Frey".

BRANDON M. FREY
SECRETARY

/S/ MIKE FRANCIS

DISTRICT IV
CHAIRMAN MIKE FRANCIS

/S/ DAVANTE LEWIS

DISTRICT III
VICE CHAIRMAN DAVANTE LEWIS

/S/ FOSTER L. CAMPBELL

DISTRICT V
COMMISSIONER FOSTER L. CAMPBELL

/S/ ERIC F. SKRMETTA

DISTRICT I
COMMISSIONER ERIC F. SKRMETTA

/S/ CRAIG GREENE

DISTRICT II
COMMISSIONER CRAIG GREENE