

LOUISIANA PUBLIC SERVICE COMMISSION

ORDER NO. T-33942

LOUISIANA PUBLIC SERVICE COMMISSION VERSUS NATIONAL OILWELL VARCO, LP (HOUSTON, TX)

In re: Alleged violation of the Commission's rules and regulations governing the leasing of motor vehicles as stated in Order No. 9901 (amended), dated April 3, 1968, by authorizing vehicles not affiliated with National Oilwell Varco, LP to utilize Common Carrier Certificate 5275-N on 65 counts occurring on or about November 1 through November 30, 2014.

(Decided at the March 22, 2016 Business and Executive Meeting)

Background

National Oilwell Varco, LP (“NOV”) is an oilfield service company that holds a Louisiana Public Service Commission (“LPSC” or “Commission”) common carrier certificate authorizing the transportation of oilfield waste, solid industrial waste, and hazardous waste. In the course of conducting a quarterly audit of waste manifests, Staff determined that NOV had allowed drivers unaffiliated with NOV to utilize its common carrier certificate number. This activity constitutes “farming out” of NOV’s operating rights and is a violation of the Commission’s orders. Consequently, issued a citation for NOV’s sixty-five violations.

Jurisdiction

The Commission exercises jurisdiction over common carriers in Louisiana pursuant to Article IV, Section 21(B) of the Louisiana Constitution, which states:

The commission 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.

Staff Recommendation

In response to the citation, NOV agreed to admit to authorizing vehicles not affiliated with NOV to utilize the common carrier certificate on 64 counts, the imposition of a \$2,000.00 fine on each count with \$1,500.00 of each count’s fine suspended, contingent on NOV not committing any violations for a year from the executed affidavit and stipulation, and a \$25 citation fee. Staff recommended that the Commission exercise its original and primary jurisdiction under Rule 57 to consider the Affidavit and Stipulation executed on February 25, 2016, approve the Affidavit and Stipulation for fines and fees totaling \$32,025.00, and dismiss the one count that was duplicative.

Commission Action

On motion of Vice Chairman Angelle, seconded by Commissioner Campbell, and unanimously adopted, the Commission voted to assert its original and primary jurisdiction and take this matter up pursuant to Rule 57.

On motion of Vice Chairman Angelle, seconded by Commissioner Campbell, and unanimously adopted, the Commission voted to accept the Staff recommendation.

IT IS THEREFORE ORDERED:

That the Affidavit and Stipulation executed on February 25, 2016, is accepted. Accordingly, all conditions of the Affidavit and Stipulation are given effect. The one count that is duplicative is dismissed.

This order is effective immediately.

**BY ORDER OF THE COMMISSION
BATON ROUGE, LOUISIANA
April 11, 2016**

/S/ CLYDE C. HOLLOWAY
DISTRICT IV
CHAIRMAN CLYDE C. HOLLOWAY

S/ SCOTT A. ANGELLE
DISTRICT II
VICE CHAIRMAN SCOTT A. ANGELLE

/S/ FOSTER L. CAMPBELL
DISTRICT V
COMMISSIONER FOSTER L. CAMPBELL

/S/ LAMBERT C. BOISSIERE
DISTRICT III
COMMISSIONER LAMBERT C. BOISSIERE, III


EVE KAHAO GONZALEZ
SECRETARY

/S/ ERIC F. SKRMETTA
DISTRICT I
COMMISSIONER ERIC F. SKRMETTA