

DOCKET NUMBER T-36270 - LOUISIANA PUBLIC SERVICE COMMISSION VS. IAN NELSON dba IAN'S AUTO BODY & TOWING. IN RE: ALLEGED VIOLATION OF LOUISIANA REVISED STATUTES TITLE 45:1177 FOR FAILURE TO PAY TO THE STATE A FEE FOR THE YEARS 2015, 2016, 2017 2018, 2019, AND 2020 FOR THE INSPECTION, CONTROL, AND SUPERVISION OF ITS BUSINESS SERVICE AND RATES AUTHORIZED IN COMMON CARRIER CERTIFICATE NUMBER 7783.

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ADMINISTRATIVE LAW JUDGE JOY GUILLOT

REDACTED

WITNESSES:

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1 **DOCKET NUMBER T-36270 - LOUISIANA PUBLIC SERVICE**
2 **COMMISSION VS. IAN NELSON dba IAN'S AUTO BODY & TOWING. IN**
3 **RE: ALLEGED VIOLATION OF LOUISIANA REVISED STATUTES**
4 **TITLE 45:1177 FOR FAILURE TO PAY TO THE STATE A FEE FOR THE**
5 **YEARS 2015, 2016, 2017 2018, 2019, AND 2020 FOR THE INSPECTION,**
6 **CONTROL, AND SUPERVISION OF ITS BUSINESS SERVICE AND**
7 **RATES AUTHORIZED IN COMMON CARRIER CERTIFICATE**
8 **NUMBER 7783.**

9 **ADMINISTRATIVE LAW JUDGE JOY GUILLOT:** We are reconvening the
10 transportation violation hearings. The next matter on the docket is Docket Number
11 T-36270 - Ian Nelson dba Ian's Auto Body & Towing. In re: Alleged violation of
12 Louisiana Revised Statute Title 45:1177 for failure to pay to the state fees for the
13 years 2015, 2016, 2017, 2018, 2019, and 2020 for inspection, control, and
14 supervision of its business, service, and rates authorized in Common Carrier
15 Certificate Number 7783. May I please have appearances -- may I please have
16 appearances.

17 **MS. TANIKA STARKS:** Tanika Starks on behalf of Staff.

18 **JUDGE GUILLOT:** Let the record reflect that there's no one present in the
19 courtroom today on behalf on Ian Nelson dba Ian's Auto Body & Towing. How
20 are we proceeding today?

21 **MS. STARKS:** Your Honor, we are prepared to move forward with the citation.

22 **JUDGE GUILLOT:** All right. Please proceed.

1 **MS. STARKS:** Your Honor, Louisiana Revised Statute 45:1177 requires LPSC
2 regulated carriers to pay an inspection and supervision fee, herein after referred to
3 as ISF fees, to the Louisiana Department of Revenue based on the carrier's revenue
4 for the year. In the General Order dated November 22, 2011, the Commission
5 authorized Staff to audit the carrier's inspection and supervision fee payments and
6 cite carriers for failing to comply with the ISF requirements. The Staff is able to
7 view those carriers' ISF payments because Louisiana Revised Statute
8 47:1508(B)(31) provides exemptions to the confidentiality of tax records so that
9 Louisiana Department of Revenue can provide ISF information to Staff. After
10 receiving the ISF payment information from Department of Revenue, the Auditing
11 Staff initiates the review of the information and refers to Transportation if it
12 requires a citation. In this docket, Your Honor, we're seeking to find the carrier
13 guilty of not properly paying their inspection and supervision fees for the years of
14 2015, 2017, 2018, 2019, and 2020; to order the carrier to submit their ISF fee
15 reports and pay those fees to LDR; to order the carrier to submit the proof of
16 submitting those reports and payments of those fees to the Public Service
17 Commission; to order the carrier to pay a \$25 citation fee as allowed by General
18 Order dated June 7, 2006; and to order the carrier to pay a \$500 fine. Your Honor,
19 at this time, Staff also requests that any time a financial number is stated, that it be
20 redacted from the record pursuant to 12.1 of the rules of practice and procedure of
21 the LPSC.

22 **JUDGE GUILLOT:** Are we seeking this because these financial numbers are
23 going to be tax numbers?

1 **MS. STARKS:** Yes, Your Honor.

2 **JUDGE GUILLOT:** Okay. Then that is granted. Please let the public testimony
3 redact any numbers, financial numbers, that are said into the public transcript will
4 be redacted. So that request is granted.

5 **MS. STARKS:** Thank you. Today, Your Honor, Staff has two witnesses. First,
6 we have from Auditing Division, Ms. Robin Pendergrass.

7 **Robin Pendergrass came forth as a witness; and, after having been duly sworn,**
8 **testified as follows:**

9 **DIRECT EXAMINATION BY MS. TANIKA STARKS**

10 **MS. STARKS:** Good morning, Ms. Pendergrass. How are you?

11 **MS. ROBIN PENDERGRASS:** I'm good.

12 **MS. STARKS:** Can you state your full name and business address for the record?

13 **MS. PENDERGRASS:** Yes. My name is Robin Pendergrass. My business
14 address is 602 North Fifth Street, Baton Rouge, Louisiana 70802.

15 **MS. STARKS:** Thank you. And where are you employed?

16 **MS. PENDERGRASS:** I'm employed with the Louisiana Public Service
17 Commission as the Audit Director.

18 **MS. STARKS:** And as the Audit Director, what are some of your duties?

19 **MS. PENDERGRASS:** My chief responsibility as the Audit Director is to
20 coordinate the activities of the LPSC Audit Division. That includes the
21 examination, review, analysis, and evaluation of accounting records, reports,
22 financial statements, and other documents of a company under the jurisdiction of

1 the LPSC in an effort to verify the accuracy, authenticity, and/or existence of
2 information.

3 **MS. STARKS:** Okay. And as it relates to ISF fees, auditing -- what does the Audit
4 Division review?

5 **MS. PENDERGRASS:** As related to inspection and supervision fees, the audit --
6 auditing reviews the ISF run provided by the Louisiana Department of Revenue to
7 verify that each company is filing correct ISF reports and making correct payments.

8 **MS. STARKS:** Okay. And is your testimony that the ISF revenue run reports are
9 sent by the Louisiana Department of Revenue?

10 **MS. PENDERGRASS:** Yes.

11 **MS. STARKS:** And how does the Auditing Division receive this information?

12 **MS. PENDERGRASS:** Auditing receives this information from the head of the
13 Commission's Utility Division, and the Commission gets that financial information
14 from the Department of Revenue and it has a listing of all the companies that we
15 regulate and that list has previously been provided by the Utilities Division of the
16 PSC.

17 **MS. STARKS:** Okay. And how does Auditing Division determine if a carrier is
18 paying the correct amount of fees?

19 **MS. PENDERGRASS:** The company compares the regulated revenues that are
20 reported to LDR by the carrier to the annual reports are provided to the PSC by the
21 carrier in order to determine if the amounts are correct and if the amounts match
22 the revenue amounts.

1 **MS. STARKS:** Okay. And in performing audits in this particular matter, did you
2 become familiar with the carrier cited in this case, Ian Nelson doing business as
3 Ian's Auto Body & Towing?

4 **MS. PENDERGRASS:** Yes, I did.

5 **MS. STARKS:** You have in front of you what has been marked as Staff Exhibit
6 A. Can you identify this document?

7 **MS. PENDERGRASS:** Yes. This is the original letter that was mailed to Ian
8 Nelson's Auto Body & Towing, and it is dated November 3, 2016.

9 **MS. STARKS:** And what was the reason for this letter?

10 **MS. PENDERGRASS:** After reviewing the LDR information, it was found that
11 the company was not sufficiently paying its ISF fees in 2015, and Staff notified
12 them with this letter and they were asked to provide documentation to support the
13 revenue that was reported on their ISF reports.

14 **MS. STARKS:** Okay. And according to this document, who sent this letter?

15 **MS. PENDERGRASS:** Mr. Lloyd Johnson provided this letter, and he was the
16 ISF auditor at the time.

17 **MS. STARKS:** Okay. And was he under your supervision when this letter was
18 sent?

19 **MS. PENDERGRASS:** Yes.

20 **MS. STARKS:** And is it Staff's understanding that he's no longer with the
21 Auditing Division?

22 **MS. PENDERGRASS:** Correct.

1 **MS. STARKS:** And did this letter provide a deadline for the carrier to submit these
2 documents?

3 **MS. PENDERGRASS:** Yes. The deadline was December 3, 2016.

4 **MS. STARKS:** And to your knowledge, was this letter sent to the address that the
5 carrier has on file with the Commission?

6 **MS. PENDERGRASS:** Yes, it was.

7 **MS. STARKS:** And to your knowledge, was this letter returned as undeliverable
8 for any reason?

9 **MS. PENDERGRASS:** No, it was not.

10 **MS. STARKS:** At this time, Your Honor, Staff moves to file, offer, introduce into
11 evidence what has been labeled as Staff Exhibit A, which is the original audit letter
12 sent to the carrier dated November 3, 2016.

13 **JUDGE GUILLOT:** I have in front of me what's been marked as Staff Exhibit A,
14 which is a letter on Commission letterhead dated November 3, 2016 sent to Ian
15 Nelson, Ian's Auto Body & Towing. Staff Exhibit A is admitted.

16 **MS. STARKS:** Thank you, Your Honor. To your knowledge, did the carrier ever
17 respond to this letter by submitting proof of their ISF fees?

18 **MS. PENDERGRASS:** No, they did not.

19 **MS. STARKS:** And what happened after there was no response?

20 **MS. PENDERGRASS:** On February 12, 2019, I emailed Nikki Harris, she was
21 the company's secretary, and I notified her of the continued noncompliance with
22 the 2015 ISF and I updated the audit to include 2017.

23 **MS. STARKS:** Okay. And what prompted you to send this email?

1 **MS. PENDERGRASS:** I was notified by the Transportation Division that they
2 were holding the company's stamps pending compliance with the open ISF audit.

3 **MS. STARKS:** Okay. And can you account for the lapse in time from the time of
4 Mr. Lloyd's 2016 letter and your email in 2019?

5 **MS. PENDERGRASS:** Yes. Mr. Johnson left the Commission at the end of 2017,
6 and we didn't hire another full-time ISF auditor until August of 2021. So during
7 that approximate three-and-a-half year period, I attempted to handle the ISF audits
8 in addition to my duties as Audit Director. And most of these audits were initiated
9 as companies came in for a docketed matter, or in the case of most towing
10 companies, when they attempted to renew their stamps.

11 **MS. STARKS:** Okay. So it was just an oversight or it wasn't just until Ms. Tammy
12 notified you about the stamps that it was pushed forward?

13 **MS. PENDERGRASS:** It was just until she notified me about the stamps.

14 **MS. STARKS:** Okay. And did Ms. Harris respond to this email that you sent in
15 February 12, 2019?

16 **MS. PENDERGRASS:** Yes, she did. She responded back via email and claimed
17 that the regulated revenues previously reported on the 2015 annual report were
18 incorrect. And so I informed her that the annual reports are sworn statements and
19 that the company could either report the corrected revenues to LDR and pay the
20 additional fees or she could amend the 2015 annual report and provide supporting
21 documentation.

22 **MS. STARKS:** And did the company take any of those actions that you told her,
23 Ms. Nelson, to do?

1 **MS. PENDERGRASS:** No.

2 **MS. STARKS:** I'm sorry. Ms. Harris to do?

3 **MS. PENDERGRASS:** No.

4 **MS. STARKS:** And what happened next?

5 **MS. PENDERGRASS:** Ms. Donna Nelson contacted me regarding the open audit
6 in September of 2021. I explained to her that due to the lapse in time, that the audit
7 would now include the years of 2018, 2019, and 2020. I also followed up with an
8 email that recapped our conversations and the annual reports in question and
9 detailed calculations showing what the company should have paid to LDR.

10 **MS. STARKS:** And did the company complete any of those actions that were
11 listed after the phone call and the email?

12 **MS. PENDERGRASS:** No.

13 **MS. STARKS:** And what happened after that?

14 **MS. PENDERGRASS:** On December 10, 2021, Ms. Nelson contacted me again
15 and inquired about what she needed to file. I responded by sending her the previous
16 email, which included the compliance steps broken down into detail, and I also
17 provided a deadline of January 14, 2021 for the company to obtain compliance or
18 that a citation would be issued.

19 **MS. STARKS:** And did the company send any of those documents over to obtain
20 compliance by the January 14th date?

21 **MS. PENDERGRASS:** No.

22 **MS. STARKS:** Did the company make any further contact?

23 **MS. PENDERGRASS:** No, they did not.

1 **MS. STARKS:** So what did -- what action did you take next?

2 **MS. PENDERGRASS:** Next, I referred the case to Ms. Tammy Burl, the
3 Transportation Division Administrator, to issue a citation.

4 **MS. STARKS:** Okay. Can you turn your attention to what Staff has previously
5 labeled as Staff Exhibit B, in globo? Can you identify this document?

6 **MS. PENDERGRASS:** Yes. This is the audit memo that I sent to Ms. Burl and
7 my request to issue a citation to the company.

8 **MS. STARKS:** And were there any documents attached to this memo?

9 **MS. PENDERGRASS:** Yes. I included all of the correspondence between myself
10 and the carrier. I attached the annual reports for 2015, 2017, 2018, 2019, and 2020,
11 as well as a chart that I created from the LDR ISF run for this particular carrier.
12 And the chart shows the details of the carrier's quarterly gross receipts and
13 payments and ISF information all the way from 2014 through 2021.

14 **MS. STARKS:** And does the audit memo correspond to your testimony regarding
15 all the contact and correspondence that you've had with carrier?

16 **MS. PENDERGRASS:** Yes, it does.

17 **MS. STARKS:** And by what method did you send this memo?

18 **MS. PENDERGRASS:** It was sent by email on February 8, 2022.

19 **MS. STARKS:** Okay. Your Honor, at this time, I'd like to offer, file, and introduce
20 into evidence what Staff has labeled as Staff Exhibit B, in globo, which is the audit
21 memo prepared by Ms. Pendergrass for receipt of Ms. Burl, along with its
22 attachments. It doesn't include the -- for the sake of the volume of the record, the
23 annual reports that were also included as attachments.

1 **JUDGE GUILLOT:** I've got in front of me which is Staff Exhibit B, in globo,
2 which Ms. Pendergrass' audit memorandum and attachments. It is not all of the
3 attachments that Ms. Pendergrass testified to. The attachments that are missing are
4 the --

5 **MS. STARKS:** Annual reports.

6 **JUDGE GUILLOT:** -- the annual reports that were submitted. So besides the
7 annual reports, though, it is the full audit memorandum?

8 **MS. STARKS:** Yes, Your Honor.

9 **JUDGE GUILLOT:** So we're just going to call it audit memorandum with
10 attachments. So Staff B, in globo, is admitted.

11 **MS. STARKS:** Thank you, Your Honor. To your knowledge, was a citation issued
12 to the company?

13 **MS. PENDERGRASS:** Yes. A citation was issued, I believe, on February 10,
14 2022.

15 **MS. STARKS:** Okay. And after the issuance of the citation, to your knowledge,
16 did Staff have contact with LDR?

17 **MS. PENDERGRASS:** Yes. Staff requested the total intrastate gross receipts for
18 the carrier for 2015 through 2020.

19 **MS. STARKS:** Can you turn your attention to what Staff has labeled Staff Exhibit
20 F? And if you don't have it, I can provide you a copy.

21 **MS. PENDERGRASS:** I have two Es.

22 **MS. STARKS:** Okay. Your Honor, may I approach the witness?

23 **JUDGE GUILLOT:** Yes.

1 **MS. PENDERGRASS:** Yes.

2 **MS. STARKS:** Can you --

3 **MS. PENDERGRASS:** This is the letter from Commission Secretary, Brandon
4 Frey to LDR.

5 **MS. STARKS:** And can you turn your attention to the actual report, which is the
6 second page?

7 **MS. PENDERGRASS:** Yes. And this is the report from LDR listing all of the
8 information requested.

9 **MS. STARKS:** And did you review this document?

10 **MS. PENDERGRASS:** I did.

11 **MS. STARKS:** And after reviewing this document, what did you conclude?

12 **MS. PENDERGRASS:** I determined that the revenue amount reported to LDR
13 for 2017 did not match the revenue amount reported to the LPSC on the company's
14 annual report; and then in 2018, the revenue amounts reported to LDR were not
15 cumulative, nor did the fourth quarter revenues match the annual reports for that
16 year. And finally, LDR indicated that although estimated payments were made,
17 that the company never actually filed ISF reports for the first quarter of 2019.

18 **MS. STARKS:** Okay. And after receiving this document, to your knowledge, was
19 the hearing date continued?

20 **MS. PENDERGRASS:** Yes, it was.

21 **MS. STARKS:** And did you contact the carrier after reviewing these documents?

22 **MS. PENDERGRASS:** Yes. I contacted Ms. Donna Nelson by email.

23 **MS. STARKS:** Can you turn your attention to what Staff has labeled Exhibit C?

1 **MS. PENDERGRASS:** Yes.

2 **MS. STARKS:** Can you identify this document?

3 **MS. PENDERGRASS:** Yes. This is the email that I sent to Ms. Donna Nelson
4 where I explained what we concluded in the LDR quarterly ISF filings, the issues
5 with the annual reports and their payments to LDR, and I notified them that the
6 hearing would be continued from April 1 to May 5, 2021 to give them time to
7 resolve the issues.

8 **MS. STARKS:** Can you go into a bit of detail what you -- what you recommended
9 that the carrier do regarding this letter? I mean, email. I'm sorry.

10 **MS. PENDERGRASS:** Yes. I explained to her the issues with the 2017, that their
11 revenue amounts didn't match, and then I explained to her that she didn't file
12 quarterly reports that were cumulative and that she would need to go back and
13 amend those reports and provide me with documentation as well as make any
14 additional payments necessary and provide proof of payment to me for that. And
15 then I also explained to her that for the 2019, although she did make an estimated
16 payment according to LDR, that she never actually filed a form and that as long as
17 -- until she filed that form, that they would continue to assess penalties and interest.

18 **MS. STARKS:** Okay. And what date was this email sent?

19 **MS. PENDERGRASS:** It was sent on March 25, 2022.

20 **MS. STARKS:** At this time, Your Honor, Staff moves to file, offer, introduce what
21 has been labeled as Staff Exhibit C, which is -- which is the email sent to Ms. Donna
22 Nelson from Ms. Pendergrass dated March 25, 2022.

1 **JUDGE GUILLOT:** I have in front of me what's been marked as Staff Exhibit C.
2 It is an email from Robin Pendergrass to Donna Nelson dated Friday, March 25,
3 2022. Staff Exhibit C is admitted.
4 **MS. STARKS:** Thank you.
5 **JUDGE GUILLOT:** The subject line is forward Ian's Auto Body & Towing 7783
6 ISF audit. Admitted.
7 **MS. STARKS:** Thank you, Your Honor. And to date, has the carrier responded
8 to this email or any other correspondence?
9 **MS. PENDERGRASS:** No.
10 **MS. STARKS:** To date, has the carrier come into compliance by completing the
11 actions as instructed by the Staff in the correspondence?
12 **MS. PENDERGRASS:** No, they have not.
13 **MS. STARKS:** And for the Court's clarity and reference, who is Ms. Donna
14 Nelson in reference to the company?
15 **MS. PENDERGRASS:** To my understanding, I believe she took over as the
16 secretary for the company as well as their bookkeeper after Ms. Nikki Harris left
17 the company.
18 **MS. STARKS:** Okay. So to the best of your knowledge, she would be the -- a
19 representative of the company?
20 **MS. PENDERGRASS:** Yes.
21 **MS. STARKS:** Okay. Your Honor, that's all the questions that I have for Ms.
22 Pendergrass.

1 **JUDGE GUILLOT:** Okay. I think I have a couple of questions. As far as
2 representatives with the company, the only people you corresponded with was
3 either Ms. Nikki Harris or Ms. Donna Nelson?

4 **MS. PENDERGRASS:** Yes, Your Honor.

5 **JUDGE GUILLOT:** Okay. Was Ms. Nikki Harris also -- what was your
6 understanding of her role in the company?

7 **MS. PENDERGRASS:** She was the secretary at the time that she was there.

8 **JUDGE GUILLOT:** Okay. I just want to be clear because your email -- your
9 Staff Exhibit 3, you talk about years '17, '18, and '18. Did I get that right, '17 and
10 '18, but your audit memorandum, you talk about '15, '17, '18, '19, and '20.

11 **MS. PENDERGRASS:** The initial audit was for 2015, and then by the time Ms.
12 Burl notified me that the company was waiting for their stamps pending
13 compliance, I reviewed for '16 and '17. Sixteen, they were compliant, so '17, I
14 added -- I tacked onto that audit. So at that point, it was 2015 and 2017. Then time
15 lapsed again where they didn't respond to anything, and so by that point, we added
16 '18, '19, and '20. And I did review 2021, but we didn't add that to the actual audit.

17 **JUDGE GUILLOT:** Okay. And you're saying they were in compliance with '16?

18 **MS. PENDERGRASS:** Yes.

19 **JUDGE GUILLOT:** Not in compliance with '15, not in compliance with '17.
20 What about '18, '19, '20?

21 **MS. PENDERGRASS:** For '18, their -- that's when their revenues were -- they
22 weren't cumulative, so they were not compliant for '18. Nineteen, their revenues

1 matched -- their revenues matched, I believe, for that. It's just they were missing
2 the first report for the first quarter. And so they still need to file that.

3 **JUDGE GUILLOT:** Okay. And in '20?

4 **MS. PENDERGRASS:** And in '20, I believe they were compliant or they -- they
5 may have --

6 **JUDGE GUILLOT:** You can look at your notes if you need to -- I mean what you
7 have in front of you.

8 **MS. PENDERGRASS:** Actually, I need to use my [INAUDIBLE] spreadsheet.
9 So for -- again for '19, they were missing the first quarter, and for '20, they were -
10 - the problem was is their annual report, they actually overreported to LDR for that
11 quarter -- for that [INAUDIBLE]. So as of now, the years that they are
12 noncompliant are for 2015, 2017, 2018, and 2019.

13 **JUDGE GUILLOT:** Fifteen, '17, '18, '19. The 2019, is it just -- the
14 noncompliance, is it just that first quarter?

15 **MS. PENDERGRASS:** Yes.

16 **JUDGE GUILLOT:** Okay. And then the issue with 2018 is that the numbers are
17 not cumulative?

18 **MS. PENDERGRASS:** And they underreported to LDR.

19 **JUDGE GUILLOT:** Underreported. And then what were the issues in '17?

20 **MS. PENDERGRASS:** And for '17, they underreported to LDR.

21 **JUDGE GUILLOT:** Underreported. And then in '15?

22 **MS. PENDERGRASS:** For '15, they underreported. And then the rest were
23 compliant.

1 **JUDGE GUILLOT:** So they filed all their paperwork except for the first quarter
2 of 2019?
3 **MS. PENDERGRASS:** Correct.
4 **JUDGE GUILLOT:** Underreported in 2015, underreported in 2017,
5 underreported in 2018.
6 **MS. PENDERGRASS:** Yes, Your Honor.
7 **JUDGE GUILLOT:** Okay. Any redirect on that?
8 **MS. STARKS:** No redirect, Your Honor.
9 **JUDGE GUILLOT:** Anything else we need to address with Ms. Pendergrass?
10 **MS. STARKS:** No, Your Honor.
11 **JUDGE GUILLOT:** Thank you for your testimony. You're excused. Quick
12 question for the attorney. You mentioned some confidential, we're leaving it out
13 from the transcript, but does any of this information need to go under seal as far as
14 exhibits?
15 **MS. STARKS:** Yes, Your Honor. I apologize for that oversight.
16 **JUDGE GUILLOT:** Okay.
17 **MS. STARKS:** Yes. We have a few exhibits that are tax documents and --
18 **JUDGE GUILLOT:** But at this point, the only thing that I've admitted was Staff
19 Exhibit B, in globo --
20 **MS. STARKS:** I don't --
21 **JUDGE GUILLOT:** -- does contain some Department of Revenue forms.
22 **MS. STARKS:** Yes.
23 **JUDGE GUILLOT:** So do you want to put that Exhibit B under seal?

1 **MS. STARKS:** Yes, Your Honor, we can.

2 **JUDGE GUILLOT:** So as Exhibit B contains financial information, we're going
3 to put it under seal. Okay.

4 **MS. STARKS:** Your Honor, I call Ms. Tammy Burl as our next witness.

5 **Tammy Burl came forth as a witness; and, after having been duly sworn,**
6 **testified as follows:**

7 **DIRECT EXAMINATION BY MS. TANIKA STARKS**

8 **MS. STARKS:** Good morning, Ms. Burl.

9 **MS. TAMMY BURL:** Good morning.

10 **MS. STARKS:** Can you state your full name and business address for the record,
11 please?

12 **MS. BURL:** Yes. Tammy Burl, 602 North Fifth Street, Baton Rouge, Louisiana
13 70802.

14 **MS. STARKS:** And who are you employed by?

15 **MS. BURL:** The Louisiana Public Service Commission Transportation Division.

16 **MS. STARKS:** And what's your role?

17 **MS. BURL:** I'm the Transportation Administrator.

18 **MS. STARKS:** What are some of those duties of the --

19 **MS. BURL:** I oversee the day-to-day operations of the Transportation Division to
20 ensure compliance of all the motor carriers that are regulated by the LPSC,
21 including annual reports, insurance renewals, inspection and supervision fees, and
22 any other requirement as required by orders of the Commission.

23 **MS. STARKS:** Okay. And you heard Ms. Pendergrass' testimony, correct?

1 **MS. BURL:** Yes.

2 **MS. STARKS:** She testified to -- referring to the carrier, Ian Nelson doing
3 business as Ian's Auto Body & Towing, she said she referred you -- she referred to
4 you for a citation to be issued to them. Upon receiving that citation memo, what
5 do you do next?

6 **MS. BURL:** Once I receive the memo, I reviewed the documents that Ms.
7 Pendergrass had inside of the memo as well her recap of what she had indicated
8 what was on the LDR inspection and supervision fee runs to the annual reports that
9 were actually filed with the Transportation Division.

10 **MS. STARKS:** Okay. Can you turn your attention to what Staff has labeled
11 Exhibit D, in globo?

12 **MS. BURL:** Yes.

13 **MS. STARKS:** And we're going to focus on the first set of documents. Can you
14 tell me what this first page is?

15 **MS. BURL:** Yes. The first -- I believe it's the first five documents is the Motor
16 Carrier Annual Report for Ian Nelson doing business as Ian's Auto Body & Towing
17 for the year of 2016. I'm sorry 2015.

18 **MS. STARKS:** Okay. And is this the same name and address that is on file for
19 the Commission for this carrier?

20 **MS. BURL:** Wait. My apologies. I read that wrong. It's for the year 2016. Okay.
21 Let me back up. It's labeled as 2016 by the carrier, but it is actually their 2015
22 annual report that was received in April of 2016.

23 **MS. STARKS:** Thank you for that clarification.

1 **JUDGE GUILLOT:** So I have a 2015 annual report?

2 **MS. BURL:** Yes ma'am.

3 **MS. STARKS:** Yes, Your Honor. All right. And is the name and address on this
4 first page the same name and address as on file for this carrier with the
5 Commission?

6 **MS. BURL:** Yes.

7 **MS. STARKS:** And I want to turn your page to -- turn your attention to Page 3 of
8 this 5 page document. According to this document, what was the company's
9 intrastate revenue for this year?

10 **MS. BURL:** As indicated on Line 1, Column 1 of their income statement, their
11 LPSC regulated intrastate operating revenue was [REDACTED].

12 **MS. STARKS:** And how was it determined that this amount was inconsistent or
13 required some type of notice to the carrier?

14 **MS. BURL:** When I look at this figure compared to the chart that Ms. Pendergrass
15 attached to her audit memo, it did not match. It was a greater number than what
16 was in the audit memo.

17 **MS. STARKS:** And to the best of your knowledge, that would be what Staff called
18 underreporting?

19 **MS. BURL:** Yes.

20 **MS. STARKS:** Of revenue?

21 **MS. BURL:** Correct.

22 **MS. STARKS:** And can you turn your attention to Page 4 of this document?

23 **MS. BURL:** Yes.

1 **MS. STARKS:** Who submitted this document on behalf of the company?

2 **MS. BURL:** This document was signed in front of a notary by Donna Marie
3 Nelson.

4 **MS. STARKS:** And according to this document, what is her position with the
5 company?

6 **MS. BURL:** Vice president.

7 **MS. STARKS:** And when was this document notarized?

8 **MS. BURL:** April 14, 2016.

9 **MS. STARKS:** Okay. We're going to move to the next set of documents, and it's
10 stapled together for your -- for easiness. What is this document?

11 **MS. BURL:** This is the 2016 Motor Carrier Annual Report for Ian Nelson doing
12 business as Ian's Auto Body & Towing.

13 **MS. STARKS:** Okay. And is the name and address on this document the same
14 name and address that is on file with the Commission?

15 **MS. BURL:** Yes.

16 **MS. STARKS:** And when was this document received by the Commission?

17 **MS. BURL:** March 14, 2017.

18 **MS. STARKS:** Give me one second. If I can turn your attention to page -- it
19 doesn't have a number at the bottom, but it will be the page with income statement.
20 It should be Page 3. Can you tell the Court what was placed as the carrier's
21 intrastate income for the year?

22 **MS. BURL:** Yes, [REDACTED].

1 **MS. STARKS:** And how did you determine -- how was it determined that this
2 number was -- was it determined that this number was inconsistent?
3 **MS. BURL:** It actually determined that the number was consistent with what was
4 filed on the audit report by Ms. Pendergrass, which also showed [REDACTED].
5 **MS. STARKS:** Okay. And so is Staff understanding that for the 2016 year, this
6 carrier was compliant?
7 **MS. BURL:** From the documents I have, yes.
8 **MS. STARKS:** And if you can turn your attention to the next page, who was this
9 annual report submitted by?
10 **MS. BURL:** Ian Nelson.
11 **MS. STARKS:** And who is he labeled as -- his position of the company?
12 **MS. BURL:** The owner.
13 **MS. STARKS:** And when was this document notarized according to this
14 document?
15 **MS. BURL:** March 6, 2017.
16 **MS. STARKS:** Okay. And is there anything else you would want the Court to
17 know regarding this document?
18 **MS. BURL:** No.
19 **MS. STARKS:** So turn our attention to the next set of documents. Can you tell
20 the Court with this document is?
21 **MS. BURL:** This is the Motor Carrier Annual Report for 2017 for Ian Nelson
22 doing business as Ian's Auto Body & Towing.

1 **MS. STARKS:** And is the name and address the same name and address that is on
2 file with the Commission?

3 **MS. BURL:** Yes.

4 **MS. STARKS:** Okay. And when was this document received by the
5 Transportation Division according to this document?

6 **MS. BURL:** This document was received August 20, 2018.

7 **MS. STARKS:** Okay. And if I turn our attention to Page 3 of this particular set
8 of documents, according to this page, what was the company's intrastate revenue
9 for the year?

10 **MS. BURL:** It appears the copy I have was the rejected annual report that was
11 filed. It's my understanding that a corrected annual report was received, but I don't
12 know that exact number without having the report in front of me. I can just tell you
13 it was received on August 20th even though it is labeled their '18 annual report, it
14 was their 2017 annual report. I do have a copy of the accepted report in my office
15 that I could provide if we would like to take a break.

16 **MS. STARKS:** Your Honor, Staff requests a break so that Ms. Burl can receive
17 those documents for Your Honor.

18 **JUDGE GUILLOT:** A break to get the right document?

19 **MS. STARKS:** Yes, Your Honor, please.

20 **JUDGE GUILLOT:** Take like a one, two minute break so you can get your correct
21 document. Okay. We'll do that. Taking a break.

22 **[OFF THE RECORD]**

23 **[BACK ON THE RECORD]**

1 **JUDGE GUILLOT:** Now we're back on the record in this docket. Okay. So Ms.
2 Burl handed out a different document. Do you want to add this to the pile or do
3 you want to do a substitution?
4 **MS. STARKS:** I'll substitute it, Your Honor.
5 **JUDGE GUILLOT:** Okay. Put that up there and so we will substitute. So let's
6 start over then with this document.
7 **MS. STARKS:** Okay. Ms. Burl, can you turn your attention to what's going to be
8 labeled -- what's going to be substituted into Staff Exhibit D, what was just passed
9 out, can you tell the Court what this document is?
10 **MS. BURL:** Yes. This is the Motor Carrier Annual Report for Ian Nelson doing
11 business as Ian's Auto Body & Towing received on October 29, 2018, and it is their
12 2017 annual report that was mislabeled.
13 **MS. STARKS:** Mislabeled by the carrier.
14 **MS. BURL:** By the carrier as far as the report year. It is their 2017 annual report.
15 **MS. STARKS:** Okay. Thank you. And is the name on this -- and address on this
16 report the same name and address as on file with the Commission?
17 **MS. BURL:** Yes.
18 **MS. STARKS:** Okay. Can you turn your attention to Page 3 of this document?
19 **MS. BURL:** Yes.
20 **MS. STARKS:** According to the top line, Line 1, and the first column, what is the
21 -- what was the company's intrastate revenue for this year?
22 **MS. BURL:** [REDACTED].

1 **MS. STARKS:** And how was it determined that this amount was inconsistent or
2 incorrect?

3 **MS. BURL:** I compared it to the LDR run chart provided by Ms. Pendergrass.

4 **MS. STARKS:** Okay. And in your comparison, what did you determine?

5 **MS. BURL:** I determined that the amount on the annual report was more than what
6 was reported to the Louisiana Department of Revenue for the year 2017.

7 **MS. STARKS:** So it's Staff's understanding that the company overreported in the
8 -- for their 2017 year?

9 **MS. BURL:** It was determined that they underreported to LDR for the 2017 year.

10 **MS. STARKS:** Thank you. And according to Ms. Pendergrass' chart that you
11 received, what was the actual number that was given to LDR from the carrier?

12 **MS. BURL:** For the fourth quarter of 2017, it was [REDACTED].

13 **MS. STARKS:** And that -- and to your understanding that would be their revenue
14 for the year?

15 **MS. BURL:** Correct. LDR has -- they have to report their revenue cumulatively
16 every quarter from January 1st to the end of each quarter.

17 **MS. STARKS:** Okay. Thank you. Can you turn your attention to the next set of
18 documents? Can you tell the Court what these documents are?

19 **MS. BURL:** Yes. This is the carrier's 2018 annual report for Ian Nelson doing
20 business Ian's Auto Body & Towing that was received at the Commission on April
21 2, 2019.

22 **MS. STARKS:** And is the name and address on this annual report the same that is
23 on file with the Commission?

1 **MS. BURL:** Yes.

2 **MS. STARKS:** And was this annual report mislabeled or labeled correctly by the
3 carrier as for the year?

4 **MS. BURL:** It was labeled correctly in one spot under the calendar year and
5 incorrectly under physical. They are not a physical year end. They are a calendar
6 year end, which makes their report due April 30th of the following year. And that
7 looks to be the confusion on Page 1.

8 **MS. STARKS:** Okay. And is that consistent with all of the annual reports that
9 we've looked over?

10 **MS. BURL:** Somewhat, yes.

11 **MS. STARKS:** And I'll turn your attention to the third page of this particular
12 document. Can you tell the Court what was the carrier's intrastate revenue for this
13 year?

14 **MS. BURL:** [REDACTED].

15 **MS. STARKS:** And how did you determine -- how was it determined that this was
16 inconsistent -- an inconsistent revenue amount as related to LDR?

17 **MS. BURL:** When I reviewed the recap of the log from Ms. Pendergrass, it showed
18 that their fourth quarter had only reported [REDACTED], which should have been a
19 cumulative number based on what was filed with the Louisiana Department of
20 Revenue, which was [REDACTED] -- [REDACTED] was reported in the fourth quarter of 2018.

21 **MS. STARKS:** So it's Staff's understanding that the -- according to these
22 documents, did the carrier overreport or underreport their revenue to -- on the
23 annual report?

1 **MS. BURL:** They underreported to the Louisiana Department of Revenue based
2 on their annual report filed with the Commission.

3 **MS. STARKS:** Okay. Thank you for that clarity. And I'm going to turn your
4 page -- attention to Page 4. According to this document, who signed -- who
5 submitted this annual report to the Commission?

6 **MS. BURL:** This annual reported was notarized by Ms. Nikki Harris.

7 **MS. STARKS:** It was submitted by Ms. Nikki Harris or notarized by Ms. Nikki
8 Harris?

9 **MS. BURL:** Ms. Nikki Harris is the one that went in front of a notary and had this
10 notarized.

11 **MS. STARKS:** Okay.

12 **MS. BURL:** So I'm going to assume that she's the one that mailed it.

13 **MS. STARKS:** Okay. And on what date was this notarized?

14 **MS. BURL:** March 28, 2019.

15 **MS. STARKS:** Okay. Now I'll turn your attention to the next set of documents.
16 What is -- can you tell the Court what this is?

17 **MS. BURL:** Yes. This is the motor carrier's 2019 annual report, Motor Carrier
18 Annual Report for Ian Nelson dba Ian's Auto Body & Towing received on June 5,
19 2020.

20 **MS. STARKS:** Okay. And is the name and address on this document the same as
21 on file for this carrier?

22 **MS. BURL:** Yes.

1 **MS. STARKS:** And I'll turn your attention to Page 3 of this document. According
2 to this document, what was the carrier's intrastate revenue for this year?

3 **MS. BURL:** [REDACTED].

4 **MS. STARKS:** And did you determine that this amount was also inconsistent?

5 **MS. BURL:** As of the time of the audit memo from Ms. Pendergrass, yes. They
6 reported for 2019. It appears they did not file any ISF quarterly reports with the
7 Department of Revenue, and so therefore, I would say they underreported because
8 they did not file any reports with LDR.

9 **MS. STARKS:** Okay. And according to Page 4 of this document, who submitted
10 this annual report to the Commission?

11 **MS. BURL:** Ian Nelson

12 **MS. STARKS:** And according to this document, who is he?

13 **MS. BURL:** The sole proprietor.

14 **MS. STARKS:** And when was this document notarized?

15 **MS. BURL:** May 26, 2020.

16 **MS. STARKS:** And this next document, can you tell the Court what this is?

17 **MS. BURL:** This is the motor carrier's 2020 annual report. Again, they mislabeled
18 it as the '21, but it is their 2020 annual report. And there is an attachment, which
19 is my email, having them confirm that this is their 2020 annual report, I believe it's
20 going to be like six pages in, is the email confirming that it's the 2020 annual report
21 for Ian Nelson dba Ian's Auto Body & Towing for 2020.

22 **MS. STARKS:** And whom did you email to get that clarification?

1 **MS. BURL:** One of my staff, Ms. Ebony Brown, emailed the email address on file
2 for Iansautobody1437@Yahoo.com and it was addressed to Mr. Nelson.

3 **MS. STARKS:** Okay.

4 **MS. BURL:** The second page is the response to Ms. Ebony, but it is not -- they
5 didn't put their name at the bottom, so I'm not quite sure who actually responded
6 to that email.

7 **MS. STARKS:** But it was an email from the address that's on file with the
8 Commission?

9 **MS. BURL:** Yes.

10 **MS. STARKS:** Okay. And it did clarify that this was the 2020 --

11 **MS. BURL:** Yes.

12 **MS. STARKS:** -- annual report? Okay. Thank you. Can you turn your attention
13 to Page 3 of this document?

14 **MS. BURL:** Yes.

15 **MS. STARKS:** According to the top of the page, what was the carrier's intrastate
16 revenue for the year?

17 **MS. BURL:** [REDACTED].

18 **MS. STARKS:** And was it determined that this number was inconsistent or correct
19 as well?

20 **MS. BURL:** Yes. It was determined that based on the run recap from Ms.
21 Pendergrass that they had not filed or reported any ISF returns for the year 2020.

22 **MS. STARKS:** Okay. And can you turn your attention to Page 4? According to
23 this document, who submitted this annual report to the Commission?

1 **MS. BURL:** Ian Nelson.

2 **MS. STARKS:** And what date was this notarized?

3 **MS. BURL:** May 28, 2021.

4 **MS. STARKS:** Okay. And attached to this annual report -- can you turn your
5 attention to the second to last page of it? Can you tell the Court what this particular
6 document is?

7 **MS. BURL:** The second to last page?

8 **MS. STARKS:** Yes.

9 **MS. BURL:** Okay. Yes. This is the letter to the carrier letting them know that
10 their report was late and that they had been assessed a late fee of \$500.

11 **MS. STARKS:** Okay. And can you tell the Court what the next page is along with
12 the notation at the bottom?

13 **MS. BURL:** The next page is a copy of the letter I sent to the company. They
14 returned that letter back to me with a \$500 payment with a little note saying that
15 they sent it in with a check but here's another check. And that's signed by Ms.
16 Nelson.

17 **MS. STARKS:** Ms. Donna Nelson?

18 **MS. BURL:** Donna Nelson, yes.

19 **MS. STARKS:** Thank you. Your Honor, at this time, Staff moves to introduce
20 what has been labeled as Staff Exhibit D, in globo, which is the annual reports for
21 the carrier in this matter for the years 2015, 2016, 2017, 2018, 2019, and 2020.

22 **JUDGE GUILLOT:** I have in front of me what's been marked as Staff Exhibit D,
23 in globo, which is the Motor Carrier Annual Reports for Ian Nelson, Ian's Auto

1 Body & Towing for 2015, 2016, 2017, 2018, 2019, and 2020. Are these
2 confidential?

3 **MS. STARKS:** Yes, Your Honor.

4 **JUDGE GUILLOT:** So this would be under seal. Staff Exhibit D is admitted
5 under seal.

6 **MS. STARKS:** Thank you, Your Honor. And after reviewing these annual reports
7 and comparing them with the chart provided by Ms. Pendergrass, what did you do
8 next?

9 **MS. BURL:** I proceeded to issue a citation to the carrier.

10 **MS. STARKS:** Okay. Can you turn your attention to what has been labeled as
11 Staff Exhibit E, in globo? Can you identify this document for the Court?

12 **MS. BURL:** Yes. This is the citation issued in T-36270 to Ian Nelson dba Ian's
13 Auto Body & Towing, mailed to Ian Nelson at 2338 Jonesboro, West Monroe,
14 Louisiana 71292 for a hearing date of April 1, 2022.

15 **MS. STARKS:** Okay. And when was this document sent?

16 **MS. BURL:** It was mailed on February 11, 2022.

17 **MS. STARKS:** Okay. And is that your -- did you personally prepare this citation?

18 **MS. BURL:** My Staff prepared this citation for my signature and review. After
19 review, I did sign the citation.

20 **MS. STARKS:** Okay. And was the citation published to your knowledge -- the
21 best of your knowledge, was the citation published in LPSC Bulletin Number 1262
22 on January 7, 2022?

1 **MS. BURL:** It was published in 1265 on February 18, 2022, I believe is the correct
2 date.

3 **MS. STARKS:** Okay. And how was this letter -- how was this citation mailed?

4 **MS. BURL:** It was mailed both regular mail and certified mail.

5 **MS. STARKS:** Okay. Your Honor, at this time, Staff -- I'm sorry. I'm going to
6 reword this question. Were there any attachments with the citation?

7 **MS. BURL:** Yes. I attached the audit memo, but I did not include the copies of
8 the ISF reports or the copies of the third page of the annual report, which were in
9 the audit memo. I removed those before I attached it to the citation.

10 **MS. STARKS:** Okay. Your Honor, at this time, we -- Staff moves to introduce -
11 - file, offer, and introduce into evidence what has been labeled as Staff Exhibit E,
12 in globo, which is the citation that -- and its attachments that was issued to the
13 carrier.

14 **JUDGE GUILLOT:** I have what's been marked as Staff Exhibit E, in globo,
15 which is the citation issued to Ian Nelson dba Ian's Auto Body & Towing in Docket
16 Number T-36270. The attachments are the audit memo, the November 3, 2016
17 letter, a email dated December 10, 2021, and the chart generated by Ms.
18 Pendergrass. Those are the attachments that I have for Staff Exhibit E, in globo.
19 Staff Exhibit E, is admitted -- in globo.

20 **MS. STARKS:** Thank you, Your Honor. And you stated that this citation was
21 sent by regular mail and certified?

22 **MS. BURL:** Yes.

23 **MS. STARKS:** And what address was the citation mailed to?

1 **MS. BURL:** 2338 Jonesboro, West Monroe, Louisiana 71292.

2 **MS. STARKS:** And is this the same address that's on file for the carrier here at
3 the Commission?

4 **MS. BURL:** Yes.

5 **MS. STARKS:** Okay. And was the regular mail returned or deemed as
6 undeliverable for any reason?

7 **MS. BURL:** No.

8 **MS. STARKS:** And was the citation delivered by certified mail?

9 **MS. BURL:** Yes.

10 **MS. STARKS:** You have before you what Staff had previously labeled as Staff
11 Exhibit E1, but for Your Honor we can label it as F if that's fine.

12 **JUDGE GUILLOT:** Yes.

13 **MS. STARKS:** Okay. Can you tell the Court what this document is?

14 **MS. BURL:** Yes. This is a copy of the green card that was returned to us for the
15 citation.

16 **MS. STARKS:** Okay. And what does this document indicate?

17 **MS. BURL:** It has an indication of CV19 with initials -- I'm not quite sure, KKCS,
18 on February 16, 2022.

19 **MS. STARKS:** Does this document indicate that it was delivered to the carrier?

20 **MS. BURL:** Yes.

21 **MS. STARKS:** Your Honor, at this time, Staff would like to file, offer, and
22 introduce a copy of the green card that was returned to Transportation Division for
23 the citation that was issued.

1 **JUDGE GUILLOT:** Do you have the original?

2 **MS. STARKS:** I'm looking for it. [INAUDIBLE] I don't have it on hand, Your
3 Honor, but I can provide it if necessary.

4 **JUDGE GUILLOT:** I always like to make sure that the copy I have is actually --

5 **MS. STARKS:** I usually have it.

6 **JUDGE GUILLOT:** -- [INAUDIBLE] when doing copies.

7 **MS. STARKS:** I don't have it on hand. I usually have all the green cards here,
8 Your Honor. I don't know if it ran away. I don't have it on me, Your Honor. I'm
9 sorry.

10 **JUDGE GUILLOT:** Okay. I have Staff Exhibit F, which is a copy of one side of
11 the return receipt marked CV19. The original was not provided; this is just a copy.
12 I'm going to admit Exhibit F. I'm going to make you make the COVID 19
13 argument at the end of the hearing.

14 **MS. STARKS:** No problem.

15 **JUDGE GUILLOT:** But I'm admitting Exhibit F.

16 **MS. STARKS:** Thank you, Your Honor. And after the issuance of the citation,
17 have you had any contact with the carrier?

18 **MS. BURL:** No.

19 **MS. STARKS:** Okay. I'm going to turn your attention to you what has -- what
20 was previously labeled as Staff Exhibit F, but it's going to be G now and it has the
21 letterhead for the Commission. Can you tell the Court what this document is?

22 **MS. BURL:** Yes. This is a letter to the Secretary of the Louisiana Department of
23 Revenue requesting information about Ian Nelson dba Ian's Auto Body & Towing.

1 It's requesting information about their account with that office and what they filed
2 in regards to their inspection and supervision fees, any payments that were received
3 for those years, '15 through 2020.

4 **MS. STARKS:** Okay. And what date was this document sent?

5 **MS. BURL:** This document was mailed on February 11, 2022.

6 **MS. STARKS:** Okay. And are these type of requests sent to LDR routinely type
7 of cases?

8 **MS. BURL:** Yes.

9 **MS. STARKS:** And did you personally prepare this letter for signature?

10 **MS. BURL:** Yes, I did.

11 **MS. STARKS:** And whose signature is at the bottom of this document?

12 **MS. BURL:** The Executive Secretary, Brandon Frey.

13 **MS. STARKS:** Okay. And did -- after sending this letter, did LDR respond?

14 **MS. BURL:** Yes, they did.

15 **MS. STARKS:** I'd like to turn your attention to the second page. Can you tell the
16 Court what this document is?

17 **MS. BURL:** Yes. This is a response to the letter from the Executive Secretary
18 giving a detailed outline of the gross receipts reported on the runs as well as the ISF
19 fee they paid, interest and penalties, and what the balance is on each one of those
20 accounts. I can go through those individually. I'll just go by year and fourth quarter
21 if that's okay with the Court. When this report was submitted back to me, it
22 indicated that Department of Revenue received on the fourth quarter 2015 gross
23 receipts of [REDACTED]. They did pay fees of [REDACTED], some penalties and some

1 interest with a balance due of zero. 2016, they indicated the fourth quarter, they
2 reported [REDACTED], they paid [REDACTED] in -- I'm sorry. They paid fees for all four
3 quarters and their balance due for that year was zero. 2017, their fourth quarter
4 report was [REDACTED]. They paid fees for all of those quarters and their balance due
5 was zero. 2018, it shows their fourth quarter was [REDACTED]; however, I will note that
6 it appears by looking at -- from quarter one to two that it was not cumulative, and
7 that's why we believe quarter four is incorrect, but they do have balance on zero on
8 that account. For 2019, it shows that they did not file a report for the first quarter.
9 They paid an estimate of [REDACTED] for that quarter. They made filings for the three
10 quarters after; their fourth quarter was [REDACTED] with a balance due of zero. And
11 on the third page, their 2020 fourth quarter showed [REDACTED] -- [REDACTED]. They
12 did make some payments but they do have balances on the third and fourth quarter.

13 **MS. STARKS:** Okay. And how was -- how did this docket aid in determining the
14 difference in the annual reports, the income that was reported there, and the income
15 that was reported to LDR?

16 **MS. BURL:** So obviously after we submitted this letter to LDR and during the
17 course of the entire ISF audit by the Audit Division, this confirms that even though
18 they did not respond to Staff with the requested documents, they did go back and
19 make some filings and made payments. However, it also confirms that the amount
20 that they reported on their annual reports were not consistent with their sworn
21 statements of their annual reports, particularly 2016 was correct. I did include it in
22 the citation just as a note because I wanted to make there were no changes to that
23 after it was filed. 2015, it shows that the fees do not match their sworn statement.

1 2017 shows that it does not match their sworn statement. 2018 shows that it does
2 not match their sworn statement. However, in 2000 -- at this time I was made aware
3 that in 2019 they overreported to LDR based on their annual report, and in 2020
4 they overreported to LDR based on their annual report.

5 **MS. STARKS:** So in the instances that -- that the two reports or two revenues
6 don't match, what would be Staff's request with the carrier?

7 **MS. BURL:** We would request that they amend their inspection and supervision
8 fee quarterly reports to match the amount that's on their sworn statements. If they
9 believe that what was in that original filed annual report is incorrect, we do give
10 them the opportunity to file an amended annual report. However, that amended
11 annual report must include backup documents that can justify the new intrastate
12 regulated amount. We typically ask for either income statements, copies of the
13 invoices. In this case, they're a nonconsensual towing company so we may ask for
14 general ledgers that show all of their income and what they are and points out which
15 ones are regulated by the Public Service Commission, so it's very clear that when
16 they amend those reports that they are properly reporting to the sworn statements.

17 **MS. STARKS:** Okay. Your Honor, at this time, Staff would offer -- moves to
18 offer, file, introduce what has been -- what will be labeled as Staff Exhibit G, in
19 globo, which is the correspondence with the Staff and LDR regarding the carrier's
20 ISF fees and reports.

21 **JUDGE GUILLOT:** I have in front of me what's been marked as Staff Exhibit G,
22 in globo. It is a letter on Commission letterhead dated February 11, 2022 to -- from
23 the Executive Secretary, Brandon Frey, to Kevin Richard, Secretary of Revenue.

1 The attachment is a letter dated -- on Louisiana Department of Revenue letterhead
2 dated March 22, 2022 to Brandon Frey, Executive Secretary from Kelli Jumper,
3 Director Taxpayer Compliance SSEW Division. Staff Exhibit G, in globo, is
4 admitted.

5 **MS. STARKS:** We request its being admitted as confidential, Your Honor.

6 **JUDGE GUILLOT:** And that is admitted under seal.

7 **MS. STARKS:** Thank you. And after receiving this report from LDR, what did
8 you do next?

9 **MS. BURL:** I forwarded this letter from LDR, I forwarded that to Ms. Pendergrass
10 for her to review and, you know, ask that she would go ahead and maybe reach out
11 to the motor carrier again to see if we could get these final issues resolved without
12 having to go to a hearing.

13 **MS. STARKS:** Okay. And to the best of your knowledge did Ms. Pendergrass
14 reach out to the carrier regarding that particular notice or chart?

15 **MS. BURL:** Yes. The email was Exhibit C in this record.

16 **MS. STARKS:** Okay. To the best of your knowledge, did the carrier respond in
17 any way?

18 **MS. BURL:** To my knowledge, no, they didn't respond to me.

19 **MS. STARKS:** Okay. Did the Transportation Division request a continuance in
20 this matter after receiving that letter?

21 **MS. BURL:** We did. We felt we needed to give the carrier a little more time to
22 respond to Ms. Pendergrass' email.

1 **MS. STARKS:** Okay. And I'd like to turn your attention to what Staff had
2 previously labeled as Staff Exhibit G, but it's going to be Staff Exhibit H. Can you
3 identify this document?

4 **MS. BURL:** Yes. This is the Ruling on Motion to Continue and the Notice of
5 Rescheduled Hearing Date issued by the administrative law judge, which I mailed
6 myself to Ian Nelson dba Ian's Auto Body & Towing LL -- Auto Body & Towing.
7 And I mailed that on March 28, 2022 by both US First Class Mail and certified
8 mail.

9 **MS. STARKS:** Okay. And does this notice provide the hearing date, time, and
10 location for the citation hearing?

11 **MS. BURL:** Yes. It shows the hearing today, Thursday, May 5, 2022 at 9:30 a.m.
12 here at the Galvez Building of the Public Service Commission.

13 **MS. STARKS:** And were any documents enclosed with this notice?

14 **MS. BURL:** No.

15 **MS. STARKS:** Okay. And is the address that the notice was sent to the same
16 address on file with the Commission?

17 **MS. BURL:** Yes, and on the service list.

18 **MS. STARKS:** Okay. Thank you. Your Honor, at this time, Staff moves to file,
19 offer, introduce into the record as Staff Exhibit H, I believe, what is the Ruling on
20 Motion to Continue and Notice of Rescheduled Hearing Date in this docket that
21 was signed by Your Honor on March 25, 2022 and sent to the carrier.

22 **JUDGE GUILLOT:** I have in front of me what's been marked as Staff Exhibit H.
23 It is the Ruling on Motion to Continue and Notice of Rescheduled Hearing Date

1 issued on March 25, 2022 with an additional notation on the bottom of the first
2 page. Staff Exhibit H is admitted.

3 **MS. STARKS:** Thank you, Your Honor. And was the -- you stated that you sent
4 this citation by regular and US certified mail. Was the regular mail returned for
5 any reason?

6 **MS. BURL:** No.

7 **MS. STARKS:** Was the notice claimed -- the certified mail claimed or received -
8 - or did you receive the returned receipt from the -- from it?

9 **MS. BURL:** Yes. I received the green card back showing a signature of Ian
10 Nelson, and he received that on March 31, 2022.

11 **MS. STARKS:** And are you referring to what Staff has initially labeled Staff
12 Exhibit H but will be Staff Exhibit I?

13 **MS. BURL:** Yes.

14 **MS. STARKS:** Your Honor, at this time, Staff offers -- Staff moves to offer, file,
15 introduce into the record what is a copy of the green card that was -- that's received
16 by Staff for the issuance of the notice of the scheduled hearing to the carrier.

17 **JUDGE GUILLOT:** Okay. Do you have the original?

18 **MS. STARKS:** Yes, Your Honor.

19 **JUDGE GUILLOT:** Thank you. What I have in front of me is Staff Exhibit I,
20 which is a copy of the signed return receipt. I also so have the original in front of
21 me, and the copy matches the original. Thank you. So I'm admitting Staff Exhibit
22 I, which is the signed return receipt with the certified mail number ending in 4768.

1 **MS. STARKS:** Ms. Burl, does the tracking number ending in 4768 on the green
2 card match the last four digits that was on the bottom of the notice of the rehearing?

3 **MS. BURL:** Yes.

4 **MS. STARKS:** Okay. And the person's name as the recipient on this document,
5 Ian Nelson, is that the same name of the owner of the company that's on file with
6 the Commission?

7 **MS. BURL:** Yes.

8 **MS. STARKS:** As of today, has a representative of the carrier or of the company
9 submitted the appropriate documents to come into compliance with LPSC?

10 **MS. BURL:** No, they have not.

11 **MS. STARKS:** Have you had any contact with the carrier since the notice of the
12 rescheduled hearing was issued?

13 **MS. BURL:** No, I have not.

14 **MS. STARKS:** And what is Staff seeking specifically in this citation?

15 **MS. BURL:** Staff is seeking that the carrier be found guilty of not properly paying
16 their inspection and supervision fees for the years '15, '17, '18, and that their
17 reports and ISFs do not match for '19 and '20, and that the carrier be ordered to
18 amend their ISF reports for those years and to submit the appropriate additional
19 fees and payments to Department of Revenue within 60 days, they also be ordered
20 to submit proof of amending those reports and submitting any additional payments
21 to Revenue within 10 days of submitting that to LDR, and that the carrier be ordered
22 to pay the \$25 citation fee as allowed in that June 7, 2006 Order, and that they be
23 fined in this particular case \$500 for not filing the proper returns and making the

1 proper payments with LDR, and that that \$500 fine be submitted to the Commission
2 in certified funds within 60 days of issuance of any order in this docket.

3 **MS. STARKS:** Okay. Thank you. And is there anything else that you would like
4 the Court to know regarding this particular carrier in this particular docket?

5 **MS. BURL:** Not other than the green card that's signed as C19. We would like to
6 discuss that.

7 **MS. STARKS:** Your Honor, would you prefer --

8 **JUDGE GUILLOT:** I mean, unless she has facts to provide to it, legal argument
9 would be yours --

10 **MS. STARKS:** Okay.

11 **JUDGE GUILLOT:** -- unless there's some facts she needs to provide. She's a
12 fact witness.

13 **MS. STARKS:** Okay. That's fine.

14 **JUDGE GUILLOT:** Okay. I don't know if you have any fact questions for her.

15 **MS. STARKS:** Are you -- I do, Your Honor. Are you aware of any USPS policy
16 regarding COVID-19?

17 **MS. BURL:** Yes. During the pandemic, I did go on the US -- after several green
18 cards started becoming returned with CV or COVID-19, I went onto the post office
19 website to look and see what their policy was for the COVID-19 procedures, and I
20 -- that's where I found the procedures that were issued by the United States Post
21 Office in regards to why green cards were coming back as COVID-19 and it was
22 just to keep safe distance practices between the mail carrier and the recipient of the
23 mail, and that they were to put COVID 19 -- what I read on the internet, was they

1 were to put COVID-19 on the green card when they leave the document at the
2 location that's on the green card.

3 **MS. STARKS:** And to the best of your knowledge, has this policy been -- is this
4 policy still effective or has it been terminated in any way?

5 **MS. BURL:** To my knowledge, it hasn't been terminated. I do still have some
6 green cards that come back with COVID-19 on them whereas some are signed, but
7 the policy, the last time I looked, was a few months ago, it was still in place.

8 **MS. STARKS:** Okay. That's all I have for her, Your Honor.

9 **JUDGE GUILLOT:** Okay. I have a couple of questions. Just initially, is Ian's
10 Auto Body & Towing a certificated carrier?

11 **MS. BURL:** Yes, they are.

12 **JUDGE GUILLOT:** What is their certificate number?

13 **MS. BURL:** Their certificate number is 7783.

14 **JUDGE GUILLOT:** And what type of carrier are they?

15 **MS. BURL:** They are a nonconsensual towing company.

16 **JUDGE GUILLOT:** If you would turn to Staff Exhibit G, which is the letter from
17 Brandon Frey to Kevin Richard, more specifically, the response. I just want to
18 clarify, is it your understanding that those numbers, the intrastate gross receipts
19 numbers, those should be cumulative in the fourth quarter of each year?

20 **MS. BURL:** Yes, that's correct, Your Honor.

21 **JUDGE GUILLOT:** So when I'm -- when looking at -- theoretically, when
22 looking at the total regulated intrastate operating revenue on an annual report, those
23 should match the fourth quarter intrastate and gross receipts?

1 **MS. BURL:** That is correct.

2 **JUDGE GUILLOT:** Is there a difference between fourth quarter intrastate gross
3 receipts and total regulated intrastate operating revenue?

4 **MS. BURL:** No, Your Honor. We just use different terminology from Department
5 of Revenue.

6 **JUDGE GUILLOT:** Okay. If you would turn to Staff Exhibit H, the Ruling on
7 Motion to Continue and Notice of Rescheduled Hearing Date, there is a notation at
8 the bottom. Did you or someone you supervise add that notation?

9 **MS. BURL:** Yes, I added it to the bottom.

10 **JUDGE GUILLOT:** And what did that notation indicate to you?

11 **MS. BURL:** That on March 28, 2022, I mailed to the respondent by both US Postal
12 first class and certified mail number 70022030000265714768, certified mail a
13 return receipt.

14 **JUDGE GUILLOT:** I don't have any further questions. Any redirect?

15 **MS. STARKS:** No. No, Your Honor.

16 **JUDGE GUILLOT:** Is there anything else we need to address with Ms. Burl on
17 the stand?

18 **MS. STARKS:** No. That's all I have for her, Your Honor.

19 **JUDGE GUILLOT:** Thank you very much. First, what is Staff seeking?

20 **MS. STARKS:** Your Honor, in this matter, Staff has provided both documentary
21 --

22 **JUDGE GUILLOT:** Hold on one moment. Something is beeping. Okay. Go
23 ahead. Start over.

1 **MS. STARKS:** Staff in this docket has provided both documentary and testimonial
2 evidence that the carrier, Ian Nelson dba Ian's Body and Towing, has failed to
3 properly pay their inspection fees -- inspection and supervision fees for the years
4 of 2015, 2017, 2018 and were properly reporting -- improperly reporting their fees
5 for 2019 and 2020 as authorized in Common Carrier Certificate 7783. The Staff is
6 seeking that the carrier be found guilty of not properly paying their inspection and
7 supervision fees for the years 2015, 2017, and 2018; that the carrier be ordered to
8 amend their ISF reports fees for those years including 2019 and 2020; and to submit
9 the appropriate additional ISF payments to the Louisiana Department of Revenue
10 within 60 days of this order from the Court; that they be ordered proof of amending
11 those reports and submitting all additional payments to the Department of Revenue
12 directly to the Public Service Commission within ten days after submitting to LDR;
13 and that the carrier be ordered to pay a \$25 citation fee as allowed for by General
14 Order dated June 7, 2006; and that the carrier be fined a specific amount of \$500
15 with all fines and fees submitted in certified funds within 60 days of the order of
16 this matter.

17 **JUDGE GUILLOT:** Let's break this down into two things. First, before I forget
18 about it, go ahead and make your argument on the CV19 service of the citation.

19 **MS. STARKS:** Your Honor, as Ms. Burl testified to, during the COVID era, USPS
20 decided to create this policy where instead of going up to the home or the business,
21 they -- and getting the recipient to sign for the document, they would provide the
22 document at the door and the delivery person would sign the actual green card as
23 delivered with the notation of CV19 with either their initial or routing number on

1 the green card and return it to -- and return as requested. This was an issue in
2 previous Docket Number T-36184 LSPC v Supermovers. Your Honor was on that
3 docket as well, and Staff submitted a post-hearing brief regarding this issue wherein
4 Staff argued that as a result of this policy the carrier was properly served and Your
5 Honor agreed with that argument in the order provided.

6 **JUDGE GUILLOT:** Okay. Staff is also seeking a guilty finding for the improper
7 reporting by the carrier in 2019 and 2020. Now, Revised Statute 45:1177, which is
8 what's cited in the citation, only requires the carrier to pay to the state a fee. It
9 doesn't use the language improper reporting. So --

10 **MS. STARKS:** Your Honor, as referenced in 45:1179, it requires the carrier to
11 submit those amended -- the amended annual -- the annual reports?

12 **JUDGE GUILLOT:** Hold on. Do you need a moment?

13 **MS. STARKS:** Please, Your Honor.

14 **JUDGE GUILLOT:** So you're saying 45:1179 is for improper reporting or for
15 the carrier to amend their reports? Because right now I'm just finding -- I'm just
16 asking for argument on the allegation of improper reporting because your citation
17 is for violation of Title 45:1177, for failure to pay. So it's just when I asked you
18 what you were seeking, you were seeking 2019 and 2020 for improper reporting.
19 And so I wanted to be clear whether -- you know, if it's 2019 had improper -- failure
20 to pay the state fee or was just improper reporting. So I'm just trying to clarify
21 what Staff's allegations are here at the hearing.

22 **MS. STARKS:** After the testimony and discovering the letter from LDR, Staff
23 determined that the carrier overpaid so they actually reported numbers that were

1 incorrect in the annual report. The annual report is a sworn statement that was
2 notarized and sent to LPSC so in order for them to amend those numbers in those
3 documents, it will require them to send -- provide supporting documentation for the
4 amended annual reports.

5 **JUDGE GUILLOT:** I get that's what you're asking for and there's laws to allow
6 for the amending of things. I'm talking violation here. So -- because the violation
7 in 1177 is just failure to pay, so --

8 **MS. STARKS:** Your Honor, can we leave this part of the docket open so I can do
9 further research on this particular question?

10 **JUDGE GUILLOT:** Okay. So you want to do a briefing?

11 **MS. STARKS:** Yes.

12 **JUDGE GUILLOT:** Because you're telling me 2015, 2017, 2018 was failure to
13 pay. I'm going off of your allegations of what you're telling --

14 **MS. STARKS:** Yeah. And I totally get it, yeah.

15 **JUDGE GUILLOT:** And 2019 and 2020 was improper reporting, not necessarily
16 failure to pay unless you also think those are failure to pay because the law says
17 shall pay to the state a fee. So what we're going to do is I'm going to let you do
18 argument to make sure that your violation --

19 **MS. STARKS:** Thank you.

20 **JUDGE GUILLOT:** -- not the ability to amend, that's separate, just the actual
21 violation, what state law they broke.

22 **MS. STARKS:** Gotcha.

1 **JUDGE GUILLOT:** Or order. I'm not saying there's not an order. So how long
2 do you want?

3 **MS. STARKS:** I don't need that long, Your Honor, not even a full week.

4 **JUDGE GUILLOT:** It's totally up to you.

5 **MS. STARKS:** I can have --

6 **JUDGE GUILLOT:** You're the prosecutor in this case.

7 **MS. STARKS:** I can have it to you by Monday. Monday is the 9th.

8 **JUDGE GUILLOT:** The 9th.

9 **MS. STARKS:** Yeah.

10 **JUDGE GUILLOT:** I don't want you working over the weekend. This is --
11 there's no need for this to be worked on the weekend. So how about we do, not
12 next Friday, the following Friday. If you file it early that's great.

13 **MS. STARKS:** Okay.

14 **JUDGE GUILLOT:** So we'll do Friday. If you file it early, then you file it early,
15 so Friday for the brief. Make clear what Staff is seeking as far as violations and
16 then what your supporting legal basis for that is, keeping in mind that you cited him
17 just under Title 45:1177. I know your citation also stated any other orders but if
18 there's any other state law or order.

19 **MS. STARKS:** Your Honor, for clarity, is that the 13th or the 20th?

20 **JUDGE GUILLOT:** One moment. So yes, that is Friday the 13th.
21 Congratulations. I'd rather you get it right than you get it in a hurry.

22 **MS. STARKS:** I agree.

1 **JUDGE GUILLOT:** So. This will be a recommendation. This is not part of the
2 minute entry. So anything else we need to address in this docket, any --

3 **MS. STARKS:** Regarding the green card. Will you -- how do you want to handle
4 that, Your Honor?

5 **JUDGE GUILLOT:** I admitted a copy and put it on the record that I didn't see
6 the original.

7 **MS. STARKS:** Okay.

8 **JUDGE GUILLOT:** So and you provided your argument on the CV19, so the
9 only thing we're having open -- the only thing is -- we have left open in this matter
10 is just the brief due on the 19th. As far as I know that's the only thing that I think,
11 so that's it.

12 **MS. STARKS:** That's it.

13 **JUDGE GUILLOT:** So that matter is done. Is there anything else we need to
14 address this morning in the transportation violation hearings?

15 **MS. STARKS:** No, Your Honor.

16 **JUDGE GUILLOT:** Okay. Then the transportation violation hearings are
17 adjourned for today, May 5, 2022, and we are done.

18


19 **(WHEREUPON, THE HEARING WAS ADJOURNED)**

20

1 I hereby certify that the foregoing pages 1 through 49 are true and correct to the best
2 of my knowledge of the Hearing held on May 5, 2022 in Baton Rouge, Louisiana.

3

4 **Rough Draft by:**

5 

6 **Kathy Dykes,**
7 **Court Reporter**

May 13, 2022

Date

8 **Proofed by:**

9 

10 **Kayla Fiorenza,**
11 **Court Reporter**

May 16, 2022

Date

12 **Finalized by:**

13 

14 **Kathy Dykes,**
15 **Court Reporter**

May 16, 2022

Date