

**LOUISIANA PUBLIC SERVICE COMMISSION**

**ORDER NO. T-35575**

**LOUISIANA PUBLIC SERVICE COMMISSION**

**VS.**

**DAVIS ELITE ENERGY SERVICES, LLC (KILGORE, TEXAS)**

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***Docket No. T-35575, In Re: Alleged violation of La. R.S. 45:161 through 180.1, by operating Intrastate without LPSC authority to transport saltwater utilized in oil well exploration and production on three hundred twenty-four (324) counts; allegedly occurring on or about April 30, 2019 through May 31, 2019.***

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(Decided at the November 13, 2020 Business and Executive Session)

**I. Background**

The Louisiana Public Service Commission (“LPSC” or “Commission”) Staff issued a citation to Davis Elite Energy Services, LLC (“Davis Elite”) for three hundred twenty-four counts of operating intrastate without LPSC authority to transport saltwater utilized in oil well exploration and production.

Staff conducted an audit of E&P Waste Manifests maintained by the Louisiana Department of Natural Resources, Office of Conservation from the month of May 2019. As a result of this audit, Staff discovered three hundred twenty-four UIC-28 manifests which showed that Davis Elite violated La. R.S. 45:161 through 180.1 by hauling saltwater utilized in oil well exploration and production without authority.

**II. Jurisdiction**

The Commission exercises jurisdiction over common carriers and public utilities 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.”

Further, La R.S. 45:171(A) provides that “[n]o person shall violate or knowingly assist in the violation of any of the provisions of this Chapter or any of the rules, regulations, orders, or decrees of the commission...”

**III. Stipulation**

In response to the citation, Davis Elite signed an Affidavit and Stipulation admitting to the violation and agreed to a fine of \$80,000.00, with \$40,000.00 of the fine suspended conditioned on Davis Elite not being found guilty, entering a plea of guilty, or entering a plea of no contest to any additional violations for a period of one year. Davis Elite also agreed to remit to the

Commission the fine of \$40,000.00 per count, together with a \$25.00 citation fee, for a total fine of \$40,025.00, paid by certified funds, on or before October 9, 2020.

Davis Elite also agreed in the Affidavit and Stipulation to implement changes to its corporate training policy to provide that all employees will receive an orientation on LPSC-related statutes, rules and orders upon employment, and thereafter on an annual basis; and,

**IV. Commission Action**

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

On motion of Commissioner Skrmetta, seconded by Vice Chairman Greene, and unanimously adopted, the Commission voted to accept the Affidavit and Stipulation executed on October 2, 2020.

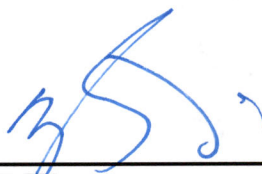
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**IT IS THEREFORE ORDERED THAT:**

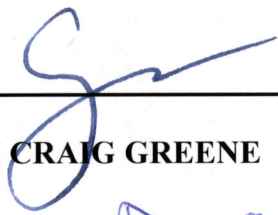
1. The Affidavit and Stipulation executed October 2, 2020, for fines and fees totaling \$40,025.00 is accepted; and,
2. This Order is effective immediately.

**BY ORDER OF THE COMMISSION  
BATON ROUGE, LOUISIANA**

December 1, 2020



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**DISTRICT IV  
CHAIRMAN MIKE FRANCIS**



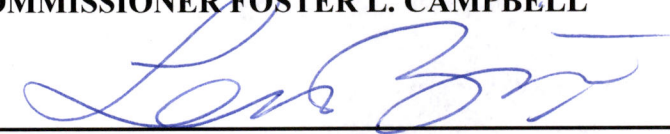
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**DISTRICT II  
VICE CHAIRMAN CRAIG GREENE**



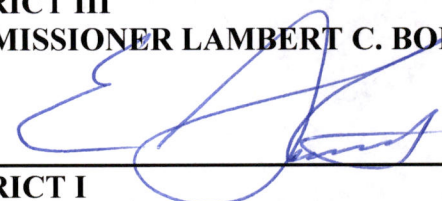
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**DISTRICT V  
COMMISSIONER FOSTER L. CAMPBELL**



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**BRANDON M. FREY  
SECRETARY**



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**DISTRICT III  
COMMISSIONER LAMBERT C. BOISSIERE, III**



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**DISTRICT I  
COMMISSIONER ERIC F. SKRMETTA**