

# LOUISIANA PUBLIC SERVICE COMMISSION

ORDER NO. T-31232

## LOUISIANA PUBLIC SERVICE COMMISSION VERSUS YOUNG OILFIELD SERVICES, LLC (BOSSIER CITY, LOUISIANA)

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*Docket Number T-31232 Louisiana Public Service Commission vs Young Oilfield Services, LLC (Bossier City, Louisiana) In re: Alleged violation of Louisiana Revised Statutes Title 45:161 through 180.1 as amended, by operating outside the authority granted in LPSC No. 7219 on two hundred, eleven counts; allegedly occurring on or about April 02, 2009 through April 24, 2009.*

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(Decided at the April 21, 2010 Business and Executive Meeting)

### OVERVIEW:

On December 30, 2009, the Louisiana Public Service Commission issued a citation to Young Oilfield Services, LLC (Bossier City, Louisiana) ("Carrier"), directing the Carrier to show cause at a hearing to be held on February 18, 2010, why it should not be found guilty of violating Louisiana Revised Statutes Title 45:161 through 180.1, as amended, by operating intrastate beyond its LPSC authority on two hundred eleven counts, allegedly occurring on or about April 2, 2009 through April 24, 2009. Notice of this proceeding was published in the January 8, 2010 edition of the Commission's Official Bulletin.

A Status Conference was scheduled in this matter for February 4, 2010. Prior to the scheduled Status Conference, counsel for the Carrier, Mr. Brandon Brown, the Carrier, Mr. Anthony Young and the Carrier's wife, met with Staff to discuss the allegations in the citation. The Carrier has had saltwater authority since February 8, 2007. Mr. Young explained that he was ill during the month of April, 2009 and was not personally running the day to day operations of the Carrier. He explained that the former manager of the company was seeing to the daily operations on his behalf and was very aggressive in seeking business and provided services beyond the Carrier's scope of authority. The manager has since been fired. Mr. Young admitted that as a result, the Carrier had illegally transported and disposed of the 211 loads of waste in question. Said loads involved the transportation and disposal of "rainwater" which is regulated Exploration and Production Waste. Staff requested documentation of the amount of money earned on these loads and also requested verification that the Transportation Tax and Inspection & Supervision Fees owed on these loads had been paid.

As requested, the Carrier provided extensive documentation to the Commission with regards to earnings and the payment of taxes and fees. From Staff's review of the documents, it

appeared that these were all short hauls of rainwater. As a result, the Carrier grossed approximately \$250.00 per load. In addition, all taxes and fees had been paid on these loads. Since a standard fine of \$2,000.00 per count, with \$1,000.00 per count suspended, would have put the Carrier out of business, Staff suggested a fine of \$20,000.00, the approximate amount netted after the payment of a driver, fuel and taxes and fees. The Carrier agreed to plead guilty to the two hundred eleven counts and to pay a fine of \$20,000.00.

The Carrier is a first offender and has applied for waste authority. The Carrier has reached a restrictive amendment with the interveners and the unopposed waste application is pending.

This violation matter was continued without date to give the parties time to execute a stipulation and present same to the Commission at the April 21, 2010 Business and Executive Session for approval.

By Affidavit and Stipulation dated March 26, 2010, the Carrier entered a plea of guilty to the alleged violations, waived its right to a hearing and agreed to pay a fine of \$20,000.00 and further agreed to pay a citation fee of \$25.00. It was agreed that the total of \$20,025.00, would be paid within 15 days of the issuance of the Order herein.

#### **STAFF RECOMMENDATION:**

Staff recommended that the Commission exercise its original and primary jurisdiction herein under Rule 57 and accept the agreement between Staff and the Carrier, wherein the Carrier agreed to plead guilty to 211 counts of transporting waste without authority and agreed to pay a fine of \$20,000.00 and a citation fee of \$25.00, for a total of \$20,025.00, to be paid within 15 days of the issuance of the Order herein.

#### **COMMISSION ACTION:**

On motion of Commissioner Skrmetta, seconded by Commissioner Holloway, with Commissioner Field concurring and Commissioners Boissiere and Campbell temporarily absent, the Commission voted to assert its original and primary jurisdiction pursuant to Rule 57. On motion of Commissioner Holloway, seconded by Commissioner Skrmetta, with Commissioner Field concurring and Commissioners Boissiere and Campbell temporarily absent, the Commission voted to accept the Staff Recommendation and adopt the agreement between Staff and the Carrier, wherein the Carrier agreed to plead guilty to 211 counts of transporting waste without authority

and agreed to pay a fine of \$20,000.00 and a citation fee of \$25.00, for a total of \$20,025.00, to be paid within 15 days of the issuance of the Order herein.

**IT IS THEREFORE ORDERED:**

That the agreement and stipulation between Staff and the Carrier, wherein the Carrier agreed to plead guilty, be and is hereby accepted and that Young Oilfield Services, LLC, is hereby ordered to pay a fine of \$20,000.00, and further pay a citation fee of \$25.00, the fine and citation fee, for a total of \$20,025.00, to be paid within 15 days of the issuance of the Order herein.

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

July 26, 2010

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

/S/ JAMES M. FIELD  
DISTRICT II  
VICE CHAIRMAN JAMES M. FIELD

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

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

  
EVE KAHAO GONZALEZ  
SECRETARY

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