LOUISIANA PUBLIC SERVICE COMMISSION

ORDER NO. T-35404

LOUISIANA PUBLIC SERVICE COMMISSION VS. SOUTHERN FLUID SOLUTIONS, LLC (CENTER, TEXAS)

<u>Docket No. T-35404</u>, In Re: Alleged violation of La. R.S. 45:161 through 180.1 and General Order dated January 23, 2018, by operating beyond the scope of authority in Common Carrier Certificate Number 8151 by transporting non-hazardous oilfield waste on fifty-two (52) counts occurring on or about April 01, 2019 through June 30, 2019.

(Decided at the January 22, 2020 Business and Executive Session)

I. Background

The Louisiana Public Service Commission ("LPSC" or "Commission") Staff issued a citation to Southern Fluid Solutions, LLC (Center, Texas) ("Southern Fluid") for fifty-two counts operating beyond the scope of authority in Common Carrier Certificate Number 8151 by transporting non-hazardous oilfield waste.

As the result of a complaint, Staff conducted an investigation of E&P Waste Manifests maintained by three Louisiana waste disposal facilities for the months of April through June of 2019. At the conclusion of its investigation, Staff found evidence that Southern Fluid violated La. R.S. 45:161 through 180.1 and General Order dated January 23, 2018, by operating beyond the scope of authority in Common Carrier Certificate Number 8151 by transporting non-hazardous oilfield waste on fifty-two counts.

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, Southern Fluid signed an Affidavit and Stipulation admitting to the violation and agreed to a fine of \$2,000.00 per count, with \$1,000.00 of the fine per count suspended conditioned on Southern Fluid 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.

Southern Fluid also agreed in the Affidavit and Stipulation to the following:

- To obtain a common carrier certificate from the Commission authorizing the transportation of non-hazardous oilfield waste for disposal intrastate;
- To implement changes to its corporate training policy which provide that all employees will receive an orientation on LPSC-related statutes, rules, and orders upon employment, and thereafter on an annual basis; and,
- That the stipulation is a global settlement between the Louisiana Public Service Commission Staff and Southern Fluid Solutions, LLC of any and all violations of transporting non-hazardous oilfield waste without authority occurring before November 12, 2019.

Southern Fluid also agreed to remit to the Commission the fine of \$1,000.00 per count, together with a \$25.00 citation fee, for a total fine of \$52,025.00, paid by certified funds, pursuant to the following payment plan:

January 9, 2020	\$8,725.00	
February 28, 2020	\$8,660.00	
March 31, 2020	\$8,660.00	
April 30, 2020	\$8,660.00	
May 29, 2020	\$8,660.00	
June 30, 2020	\$8,660.00	

IV. Commission Action

On motion of Commissioner Campbell, seconded by Chairman Francis, 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 Campbell, seconded by Commissioner Boissiere, and unanimously adopted, the Commission voted to accept the Affidavit and Stipulation executed on January 9, 2020, for fines and fees totaling \$52,025.00.

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IT IS THEREFORE ORDERED THAT:

- 1. The Affidavit and Stipulation executed on January 9, 2020, for fines and fees totaling \$52,025.00 is accepted; and,
- 2. This Order is effective immediately.

BY ORDER OF THE COMMISSION BATON ROUGE, LOUISIANA February 7, 2020

DISTRICT

CHAIRMAN MIKE FRANCIS

DISTRICT II

VICE CHAIRMAN CRAIG GREENE

DISTRICT V

COMMISSIONER FOSTER L. CAMPBELL

BRANDON M. FREY

SECRETARY

DISTRICT III

COMMISSIONER LAMBERT C. BOISSIERE, III

DISTRICT I

COMMISSIONER ERIC F. SKRMETTA