

LOUISIANA PUBLIC SERVICE COMMISSION

ORDER NO. T-32201

LOUISIANA PUBLIC SERVICE COMMISSION VERSUS SELECT ENERGY SERVICES, LLC (GAINESVILLE, TEXAS)

Docket Number T-32201 - Louisiana Public Service Commission vs. Select Energy Services, LLC (Gainesville, Texas). In re: Alleged violation of Louisiana Revised Statutes Title 45:161 through 180.1 as amended, by operating Intrastate beyond the scope of authority in LPSC Number 7454 on forty-six (46) counts; allegedly occurring on or about September 1, 2011 through October 31, 2011.

(Decided at the April 26, 2012 Business and Executive Meeting)

OVERVIEW:

On January 12, 2012, the Louisiana Public Service Commission issued a citation to Select Energy Services, LLC (Gainesville, Texas), directing the Carrier to show cause at a hearing to be held on April 11, 2012, why it should not be found guilty of violating Louisiana Revised Statutes Title 45:161 through 180.1 as amended, by operating Intrastate beyond the scope of authority in LPSC Number 7454 on forty-six (46) counts; allegedly occurring on or about September 1, 2011 through October 31, 2011. Notice of this proceeding was published in the January 20, 2012, edition of the Commission's Official Bulletin.

Select Energy Services, LLC currently has authority under LPSC No. 7454 to transport saltwater for disposal. However, on the dates in questions Select Energy Services, LLC, transported E&P waste, namely oil & water base mud to the White Oaks Landfill for disposal. Select Energy Services, LLC did not have authority to transport E&P waste on the dates in question. Select Energy scheduled a meeting with Staff to discuss its business activities and what could be transported without LPSC authority. Select Energy then filed an application for waste authority. It stopped making those loads which required LPSC authority. Shortly thereafter, a complaint was made by another LPSC certificated carrier and Staff obtained the UIC-28's from the landfill which confirmed the illegal loads made prior to the meeting with Staff. The citation was issued and on April 5, 2012, the matter was continued without date to give the parties time to negotiate a plea agreement.

By stipulation and agreement dated April 5, 2012, the Carrier agreed to plead guilty to the alleged violations, waived its right to a hearing and agreed to pay a fine of \$2,000.00, per count, with

\$1,500.00 per count being suspended, conditioned on Select Energy Services, LLC not committing any additional violations within the following 12 months, from the date the agreement was executed herein. It was agreed that the unsuspended portion of the fine and the citation fee, for a total of \$23,025.00, would be paid within 15 days of the date of the agreement.

The Carrier agreed that it had violated Louisiana Revised Statutes Title 45:161 through 180.1 as amended, by operating beyond the scope of authority in LPSC Number 7454 on forty-six (46) counts. The Carrier is a first offender and the plea agreement and fine are consistent with other recent pleas and fines approved by the Commission.

STAFF RECOMMENDATION:

That the Commission exercise its original and primary jurisdiction herein under Rule 57 and accept the agreement between Staff and the Carrier, dated April 5, 2012, wherein the Carrier agreed to plead guilty and agreed to pay a fine of \$2,000.00, per count, with \$1,500.00 per count being suspended, subject to Select Energy Services, LLC not committing any additional violations within the following 12 months, from the date the agreement was executed herein and agreed that the unsuspended portion of the fine and the citation fee, for a total of \$23,025.00, would be paid within 15 days from the date the agreement was issued herein.

COMMISSION ACTION:

On motion of Commissioner Field, seconded by Commissioner Boissiere, and unanimously adopted, the Commission voted to exercise its original and primary jurisdiction pursuant to Rule 57.

On motion of Commissioner Field, seconded by Commissioner Boissiere, and unanimously adopted, the Commission voted to accept the Staff Recommendation and approve the agreement between Staff and the Carrier, dated April 5, 2012, wherein the Carrier agreed to plead guilty and agreed to pay a fine of \$2,000.00, per count, with \$1,500.00 per count being suspended, subject to Select Energy Services, LLC not committing any additional violations within the following 12 months, from the date the agreement was executed herein and agreed that the unsuspended portion of the fine and the citation

fee, for a total of \$23,025.00, must be paid within 15 days from the date of the issuance of the Order herein.

IT IS THEREFORE ORDERED:

That the Guilty Plea entered into by the Carrier, Select Energy Services, LLC to the allegations that it had violated Louisiana Revised Statutes Title 45:161 through 180.1 as amended, by operating Intrastate beyond the scope of authority in LPSC Number 7454 on forty-six (46) counts; allegedly occurring on or about September 1, 2011 through October 31, 2011, be and is hereby accepted and that a fine of \$2,000.00, per count, with \$1,500.00 per count being suspended is hereby imposed, the suspended portion of the fine being conditioned on not committing any additional violations within the following 12 months, from the date the agreement was executed herein. The Carrier is further ordered to pay a citation fee of \$25.00, the unsuspended portion of the fine and the citation fee, for a total of \$23,025.00, to be paid within 15 days of the issuance of the Order herein.

**BY ORDER OF THE COMMISSION
BATON ROUGE, LOUISIANA
May 8, 2012**

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

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

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

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


**EVE KAHAO GONZALEZ
SECRETARY**

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