LOUISIANA PUBLIC SERVICE COMMISSION

ORDER NUMBER T-36197

LOUISIANA PUBLIC SERVICE COMMISSION VS. SOUTHERN SOIL ENVIRONMENTAL INC.

<u>Docket No. T-36197</u>, In Re: Alleged violation of La. R.S. 45:161 through 180.1, by operating beyond the scope of authority in Common Carrier Certificate Number 8120 on ninety-five (95) counts occurring on or about February 03, 2020 through February 10, 2020.

(Decided at the April 27, 2022 Business and Executive Session)

I. Background

The Louisiana Public Service Commission ("LPSC" or "Commission") Staff issued a citation to Southern Soil Environmental Inc. ("Southern Soil") for the alleged violation of La. R.S. 45:161 through 180.1 by operating beyond the scope of authority in Common Carrier Certificate Number 8120 on ninety-five (95) counts occurring on or about February 03, 2020 through February 10, 2020.

Staff conducted an audit of E&P Waste Manifests maintained by the Louisiana Department of Natural Resources, Office of Conservation from February 1, 2020 to February 29, 2020. At the conclusion of its investigation, Staff found evidence that Southern Soil violated La. R.S. 45:161 through 180.1 by operating beyond the scope of authority in Common Carrier Certificate Number 8120 on ninety-five (95) counts occurring on or about February 03, 2020 through February 10, 2020.

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..."

Finally, Commission General Order dated January 23, 2018 states:

"No motor carrier of waste shall operate as a common carrier or contract carrier without first having obtained from the Commission a common carrier certificate or a contract carrier permit..."

"Waste is classified as non-hazardous oilfield waste, non-hazardous industrial solid waste, or hazardous waste. "Non—hazardous oilfield waste" means waste defined

as non-hazardous oilfield waste or exploration and production waste by the Louisiana Environmental Quality Act, La. R.S. 30:2001 et seq., and regulations adopted pursuant thereto disposed of at facilities not owned or operated by said transporters. "Non-hazardous industrial solid waste" means waste defined as non-hazardous industrial solid waste by the Louisiana Environmental Quality Act, La. R.S. 3012001 et seq., and regulations adopted pursuant thereto disposed of at facilities not owned or operated by said transporters. "Hazardous waste" means waste defined as hazardous waste by the Louisiana Environmental Quality Act, La. R.S. 3022001 et seq., and regulations adopted pursuant thereto disposed of at facilities not owned or operated by said transporters."

III. Stipulation

In response to the citation, Mr. Kenneth R. Jenkins, the President of Southern Soil, signed an Affidavit and Stipulation admitting to violating La. R.S. 45:161 through 180.1 by operating beyond the scope of authority in Common Carrier Certificate Number 8120 on ninety-five (95) counts occurring on or about February 03, 2020 through February 10, 2020.

In the Affidavit and Stipulation, Mr. Jenkins agreed to the imposition of a \$25,000.00 fine conditioned on the following:

- 1. Agree to the imposition of a \$25,000.00 fine for pleading guilty to violations mentioned herein;
- Obtain a common carrier certificate from the Commission authorizing Southern Soil Environmental Inc. to transport non-hazardous oilfield waste for disposal intrastate;
- 3. Implement changes to the corporate training policy that provides that all employees will receive an orientation on LPSC-related statutes, rules, and orders upon employment, and thereafter on an annual basis. The policy will state that failure to comply with LPSC-related statutes, rules, and orders shall be cause for disciplinary actions or dismissal of the employee; and
- 4. Remit all payments due in certified funds, and submit this executed Affidavit and Stipulation with the payment and citation fee in the amount of \$25,025.00 by April 13, 2022.

Additionally, Mr. Jenkins agreed that the Affidavit and Stipulation is to be a global settlement between the Louisiana Public Service Commission Staff and Southern Soil of any and all violations of transporting non-hazardous oilfield waste without authority occurring before November 24, 2021. However, this agreement will not limit the ability of any person or body, politic or municipal, other than the Louisiana Public Service Commission Staff, from filing a complaint pursuant to La. R.S. 45:1196.

IV. Commission Action

On motion of Commissioner Greene, seconded by Commissioner Skrmetta, 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 Vice Chairman Francis, and unanimously adopted, the Commission voted to accept the Affidavit and Stipulation executed on April 11, 2022 for the fines and fees totaling \$25,025.00.

IT IS THEREFORE ORDERED THAT:

- 1. The Affidavit and Stipulation executed on April 11, 2022 for fines and fees totaling \$25,025.00 is accepted; and,
- 2. This Order is effective immediately.

BY ORDER OF THE COMMISSION BATON ROUGE, LOUISIANA

May 19, 2022



BRANDON M. FREY SECRETARY /S/ LAMBERT C. BOISSIERE, III

DISTRICT III

CHAIRMAN LAMBERT C. BOISSIERE, III

/S/ MIKE FRANCIS

DISTRICT IV

VICE CHAIRMAN MIKE FRANCIS

/S/ FOSTER L. CAMPBELL

DISTRICT V

COMMISSIONER FOSTER L. CAMPBELL

/S/ ERIC F. SKRMETTA

DISTRICT I

COMMISSIONER ERIC F. SKRMETTA

/S/ CRAIG GREENE

DISTRICT II

COMMISSIONER CRAIG GREENE