

**ORIGINAL**

Decision No. 55854

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of )  
VALLEY PIPE LINE COMPANY, a )  
California corporation, to withdraw )  
all of its filed and presently )      Application No. 39476  
effective tariff schedules and to )  
permanently abandon and to dis- )  
continue operations as a public )  
utility and common carrier. )

OPINION AND ORDER

Applicant is a public utility pipe line operating in intrastate commerce between points in California. It transports crude oil from Emidio Pump Station, situated approximately south of Bakersfield and east of Taft in Kern County, and from Kettleman North Dome Unit's Pump Station in the Kettleman Hills area east of Avenal in Kings County, to Estero Tank Farm and Terminal in Estero Bay, San Luis Obispo County, where the oil is loaded into cargo vessels for further transportation. By this application, authority is sought to withdraw all of its filed and presently effective tariff schedules and to discontinue permanently its operations as a public utility pipe line.

The application states that at the present time all of applicant's stock is owned by The Texas Company and that since August 1945, The Texas Company has been applicant's sole shipper. The application further states that the shipper has informed applicant that it has no more crude oil for shipment from the San Joaquin Valley and that it has no objection to applicant's permanently discontinuing service as a public utility pipe line. Applicant states that it has surveyed all of the crude oil shippers along its system and has been unable to secure any new shippers.

It asserts that transportation via pipe line and marine transportation from pumping stations to refining centers is not economically competitive with existing and available direct pipe line connections for the total through movement. For that reason, applicant asserts that it is not feasible to remain on a standby basis and continue to incur expenses which would eventually force applicant into bankruptcy.

In the circumstances, it appears, and the Commission finds, that public convenience and necessity no longer require the operation of pipe line service by Valley Pipe Line Company. The application will be granted. A public hearing is not necessary.

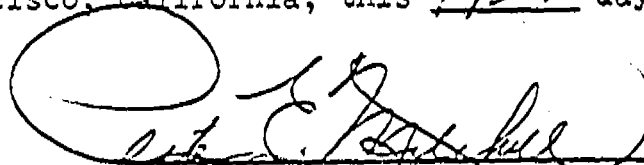
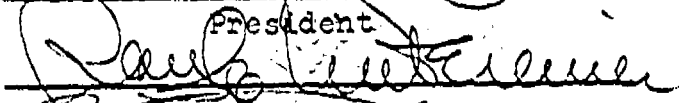


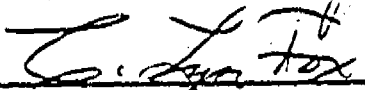
Therefore, good cause appearing,

IT IS HEREBY ORDERED that Valley Pipe Line Company, a California corporation, be, and it hereby is, authorized to discontinue service as a public utility pipe line and, on not less than thirty days' notice to the Commission and the public, to cancel its presently effective tariff schedules on file with this Commission.

IT IS HEREBY FURTHER ORDERED that the authority herein granted shall expire unless exercised within sixty days after the effective date of this order.

This order shall become effective twenty days after the date hereof.

Dated at San Francisco, California, this 19<sup>th</sup> day of November, 1957.

  
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President  
  
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Commissioners