

ORIGINAL

Decision No. 79282

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application for an order )  
authorizing the issuance of )  
stock under Section 818 of the )  
Public Utilities Code prepared )  
in accordance with Article 8 )  
of the Rules of Practice and )  
Procedure before the Public )  
Utilities Commission. )

Application No. 52913  
Filed October 7, 1971

O P I N I O N

Humble Pipe Line Company of California seeks an order of the Commission authorizing it to issue and sell 2,500 shares of its no par value common stock at a stated value of \$10 per share for the purpose of obtaining initial working capital.

Applicant is a California corporation incorporated on or about September 24, 1971. Its Articles of Incorporation authorize the company to engage in the specific business primarily of gathering and transporting oil, gas and petroleum products by pipe line, as a public utility or otherwise. It proposes to become a subsidiary of Humble Pipe Line Company, which is a subsidiary of Humble Oil and Refining Company, the latter being a subsidiary of Standard Oil Company of New Jersey.

After consideration the Commission finds that:

(1) the proposed stock issue is for a proper purpose;  
(2) the money, property or labor to be procured or paid for by the issue of the stock herein authorized is reasonably required for the purpose specified herein; and (3) such purpose is not, in whole or in part, reasonably chargeable to operating expenses or to income. On the basis of these findings we conclude that the application should be granted. A public hearing is not necessary.

In issuing our order herein, we place applicant and its shareholders on notice that we do not regard the number of shares outstanding, the total stated value of the shares nor the dividends paid as measuring the return it should be allowed to earn on its investment in plant, and that the authorization herein granted is not to be construed as a finding of the value of the company's stock or properties nor as indicative of amounts to be included in proceedings for the determination of just and reasonable rates.

O R D E R

IT IS ORDERED that:

1. Humble Pipe Line Company of California, on or after the effective date hereof and on or before January 31, 1972, for the purpose specified in the application, may issue not exceeding 2,500 shares of its no par value common stock at a stated value of \$10 per share.

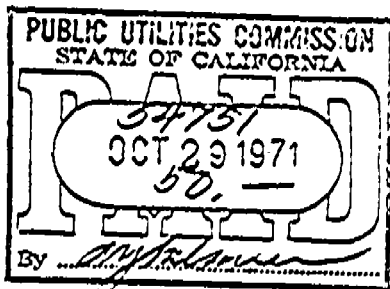
2. Humble Pipe Line Company of California shall file with the Commission a report as required by General Order No. 24-B, which order, insofar as applicable, is hereby made a part of this order.

3. This order shall become effective when Humble Pipe Line Company of California has paid the fee prescribed by Section 1904.1 of the Public Utilities Code, which fee is \$50.

Dated at San Francisco, California,  
this 27th day of OCTOBER, 1971.

[Signature]  
Chairman  
William G. Jones, Jr.  
[Signature]

[Signature]  
Commissioners



Commissioner Vernon L. Sturgeon, being necessarily absent, did not participate in the disposition of this proceeding.