

Decision 83 02 028 FEB 2 - 1983

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of Application of FOUR)
CORNERS PIPE LINE COMPANY, a Delaware)
Corporation, and NORRIS OIL CO., a)
Nevada Corporation for authority to)
sell utility property, under the)
provisions of Section 851 of the)
Public Utilities Code of the State of)
California.)

Application 82-10-43
(Filed October 15, 1982)

O P I N I O N

Four Corners Pipe Line Company (Four Corners) is a corporation organized and existing under and by virtue of the laws of the State of Delaware with its principal place of business in Long Beach, California. A certified copy of its Articles of Incorporation is on file with the Commission as Exhibit A in Application 60600.

Four Corners is operating as a common carrier by pipeline of both crude petroleum and petroleum products between points in California under tariffs on file with this Commission. Authority to sell utility property is being sought under Public Utilities (PU) Code Section 851.

The subject pipeline was acquired by Four Corners in May 1978 at a cost of \$33,364. The net book value as of September 1, 1982 was \$27,175 and this is to be the sale price.

The buyer, Norris Oil Co. (Norris), is a Nevada Corporation with its principal place of business in Ventura, California. Copies of its Articles of Incorporation, balance sheet, and income statement are attached to the application. It is engaged in exploring for and production of oil and gas.

It is alleged that the pipeline is no longer necessary or useful to Four Corners in the performance of its duties to the public. The pipeline is connected to Rincon Island which is owned by Norris. The only shipper using the facilities is Norris, the prospective buyer. No other shippers will be using the pipeline and the sale will permit Norris to operate and maintain the pipeline according to its needs. Four Corners will benefit because it will eliminate an asset from its rate base which is no longer of benefit to its shippers.

Norris will operate the pipeline for its own use and not as a common carrier. Upon approval of the proposed sale, Four Corners will file under Code Section 491 for a tariff revision canceling its presently effective rate charged for the transportation of crude petroleum through the pipeline in its Local Gathering Tariff, Cal. P.U.C. No. 50.

Findings of Fact

1. The proposed transfer will not be adverse to the public interest.
2. A public hearing is not necessary.

Conclusions of Law

1. The application should be granted.
2. There is no reason why this order should not be effective today in order to allow the transaction to be consummated as soon as possible.

O R D E R

IT IS ORDERED that:

1. On or before March 1, 1983, Four Corners Pipe Line Company (Four Corners) may sell and transfer the public utility petroleum pipeline referred to in the application to Norris Oil Co. according to the terms and conditions attached to the application.

2. Four Corners shall notify the Commission, in writing, of the transfer of title within 30 days.

3. Four Corners shall file a cancellation of its rate in Local Gathering Tariff, Cal. P.U.C. No. 50 within 10 days of the transfer of the pipeline.

4. Upon compliance with all of the terms and conditions of this order, Four Corners shall be relieved of its public utility obligation in connection with the transferred petroleum pipeline.

This order is effective today.

Dated FEB 2 1983, at San Francisco, California..

LEONARD M. GRIMES, JR.
President

VICTOR CALVO

PRISCILLA C. GREW

DONALD VIAL

Commissioners

I CERTIFY THAT THIS DECISION
WAS APPROVED BY THE ABOVE
COMMISSIONERS TODAY.


Joseph E. Bodovitz, Executive Director