

SEP 8 1995

Decision 95-09-026 September 7, 1995

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application )  
of FOUR CORNERS PIPE LINE COMPANY, )  
a Delaware corporation, and )  
HILLCREST BEVERLY OIL CORPORATION, )  
a California corporation, for )  
authority to sell interest in )  
utility property, pursuant to the )  
provisions of Section 851 of the )  
Public Utilities Code for the State )  
of California. )

Application 94-05-055  
(Filed May 31, 1994;  
amended March 14, 1995)

ORIGINAL

OPINION

Pursuant to Public Utilities Code § 851, ARCO Pipe Line Company, a Delaware corporation, formerly known as Four Corners Pipe Line Company (Seller), and Hillcrest Beverly Oil Corporation, a California corporation (Buyer), jointly apply for approval of the sale and transfer of a portion of Seller's pipeline facilities in Cheviot Hills Gathering System (subject property).

The application states that the subject property is no longer necessary or useful to Seller in the performance of its duties to the public, and Buyer proposes to acquire and operate the subject property for its own use and not as a common carrier system.

As of March 31, 1994, the net book value of the subject property was \$4,040, and the Pipeline Sale and Purchase Agreement provides for its sale for \$41,667 plus additional consideration in the form of relief from potential liabilities and future costs associated with the subject property.

Letters from applicants state that Buyer has total assets of \$2,000,000 and spill and liability insurance of \$5,000,000.

Notice of the filing of the application appeared in the Commission's Daily Calendar of June 3, 1994. No protests have been received.

Findings of Fact

1. Seller is a public utility pipeline corporation subject to the jurisdiction of this Commission.
2. Seller and Buyer have entered into an agreement for the sale and transfer of a portion of Seller's pipeline facilities in Cheviot Hills Gathering System (subject property).
3. Buyer is a California corporation which intends to acquire and operate the subject property for its own use and not as a common carrier system.
4. There is no known opposition to the sale and transfer proposed by applicants.
5. The proposed sale and transfer of the subject property is not adverse to the public interest.
6. A public hearing is not required.

Conclusion of Law

The application should be approved to the extent set forth in the following order.

O R D E R

IT IS ORDERED that:

1. On or after the effective date of this order, ARCO Pipeline Company (ARCO) may sell, and Hillcrest Beverly Oil Corporation may buy, the interests of ARCO in the pipelines as set forth in the Pipeline Sale and Purchase Agreement dated the 29th day of March 1994 between applicants.
2. Within 30 days of the sale and transfer, ARCO shall notify the Commission in writing of that fact, and within such period shall file with the Commission's Docket Office a true copy of the instrument by which such transaction has been accomplished.

3. Within 30 days of the sale and transfer, ARCO shall file any necessary revised tariffs as prescribed in General Order Series 96.

4. Upon compliance with the conditions of this order, ARCO shall stand relieved of its public utility obligations with regard to the transferred pipelines.

5. This docket is closed.

This order becomes effective 30 days from today.

Dated September 7, 1995, at Los Angeles, California.

DANIEL Wm. FESSLER  
President  
P. GREGORY CONLON  
JESSIE J. KNIGHT, JR.  
HENRY M. DUQUE  
Commissioners

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

*Wesley Franklin*  
Acting Executive Director