

DEC 6 1995

Decision 95-12-009 December 6, 1995

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of Texaco California Pipelines Inc., a Delaware corporation, and Vintage Petroleum, Inc., a Delaware 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.

ORIGINAL

Application 95-08-057 (Filed August 24, 1995)

OPINION

Pursuant to Public Utilities Code § 851, Texaco California Pipelines Inc. (Seller), a Delaware corporation with principal offices in Bakersfield, and Vintage Petroleum, Inc. (Buyer), a Delaware corporation with principal offices in Tulsa, Oklahoma, jointly apply for approval of the sale and transfer of a portion of Seller's pipeline facilities in the Shiells Canyon and South Mountain-Bridge Area 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 June 15, 1995, the net book value of the subject property was \$176,355. The purchase agreement, attached to the application as Exhibit E, provides for the sale of the property and assignment of Seller's interests in franchises and rights-of-way for a total of \$210,000. Buyer has agreed to pay all costs associated with any future removal, relocation, or abandonment of the subject property, and it has agreed to be responsible for potential environmental liabilities arising out of operation of the property.

Notice of the filing of the application appeared in the Commission's Daily Calendar of October 10, 1995. 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 the Shiells Canyon and South Mountain-Bridge Area gathering system (subject property).
3. Buyer is a Delaware 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 are 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, Texaco California Pipelines Inc. (Seller) may sell, and Vintage Petroleum, Inc., may buy, the interests of Seller in the pipelines as set forth in the Purchase and Sale Agreement effective May 11, 1995, between applicants.
2. Within 30 days of the sale and transfer, Seller 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, Seller shall file any necessary revised tariffs as prescribed in General Order Series 96.

4. Upon compliance with the conditions of this order, Seller 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 December 6, 1995, at San Francisco, California.

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