

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

COMMISSION ADVISORY AND
COMPLIANCE DIVISION
Energy Branch

RESOLUTION G-2931
January 15, 1991

R E S O L U T I O N

RESOLUTION G-2931. FOUR CORNERS PIPE LINE COMPANY IS AUTHORIZED TO REMOVE CERTAIN DESTINATION POINTS FROM ITS TARIFFS FOR LINE 8.

BY ADVICE LETTER 19, FILED ON OCTOBER 11, 1990.

SUMMARY

1. By Advice Letter 19, filed October 11, 1990, Four Corners Pipe Line Company (FCPL) requests authority to delete: (1) Signal Hill, Spring at Cherry Avenue, Signal Hill, Los Angeles County and (2) Garfield Avenue, north of Southern Avenue, South Gate, Los Angeles County, both of which are now destinations on the tariff sheet for its Line No. 8.
2. The requested changes for the Pipe Line No. 8 tariff sheet, Cal P.U.C No. 161 "Applying On The Transportation Of Crude Petroleum And Indirect Liquid Products By Pipeline From Points Enumerated In Table Of Rates To Points Enumerated In Table Of Rates," are the result of a relocation of FCPL's facilities within the City of Signal Hill (City) and deletion of a destination no longer receiving shipments using FCPL's Line No. 8.
3. This Resolution grants FCPL's request.

BACKGROUND

1. The City of Signal Hill is constructing street, water, sewer, and storm drain improvements on Spring and Orange Streets which are within the city limits. These improvements require FCPL to re-construct its facilities to provide the required clearances from City's facilities.
2. FCPL advised its customers in the area where the improvement project is located to arrange for the relocation of their service connections. The customer ATSC Hathaway, Signal Hill Terminal Corporation listed as Signal Hill, Spring at Cherry Avenue, Signal Hill, Los Angeles County was not interested in reconstructing its service connection to FCPL's Line No. 8.

3. Shipments are no longer being made through Line No. 8 to the other location: Garfield Avenue, north of Southern Avenue, South Gate, Los Angeles County (Lundy Thagard) which is proposed to be deleted. Lundy Thagard, located on Line No. 35, is a producer of roofing materials and uses the residue from other refineries which is trucked to its refinery.

NOTICE

1. The Commission calendar of October 15, 1990 contained a notice of the filing of this Advice Letter
2. FCPL mailed copies of this Advice Letter to its customers. In addition, FCPL mailed a letter to Chemoil Corporation a customer located in the City of Signal Hill, and confirmed that this customer would not connect to the relocated pipeline.

PROTESTS

1. No protests to this Advice Letter have been received.

DISCUSSION

1. FCPL is reconstructing its Line No. 8 to comply with the request from the City of Signal Hill, which is now improving its streets. The construction necessitates the reconstruction of Line No. 8 to provide clearances for the construction project.
2. FCPL customers in the vicinity of this street improvement project were approached to determine if the customer was going to reconstruct its facilities to meet the clearance requirements.
3. ATSC Hathaway, Signal Hill Terminal Corporation designated as Signal Hill, Spring at Cherry Avenue, Signal Hill, Los Angeles County on Tariff Sheet PUC 161 (Line No. 8) showed no interest in maintaining its service connection.
4. The other destination being deleted from the tariff for Line No. 8 is located on Line No. 35. The customer at this destination produces roofing materials from heavier petroleum products as raw material. This heavier material cannot be transported through Line No. 8. There have been no shipments through Line No. 8 to this destination for several years. Improving Line 8 to transport the heavier material would not be economical. Also FCPL's, tariffs currently provide only for the transportation of crude petroleum.

FINDINGS

1. The City of Signal Hill is making street improvements which require the relocation and reconstruction of Line No. 8 of Four Corners Pipe Line Company.

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2. Customer at a destination point on Line No. 8, designated as Signal Hill, Spring at Cherry Avenue, Signal Hill, Los Angeles County (ATSC Hathaway, Signal Hill Terminal Corporation) located in this construction area has shown no interest in maintaining a connection to this pipeline.

3. A destination point on Line No. 35, designated as Garfield Avenue, north of Southern Avenue, South Gate, Los Angeles County (Lundy Thagard via Line 35) has received no shipments of crude petroleum, through Line No. 8, for several years.

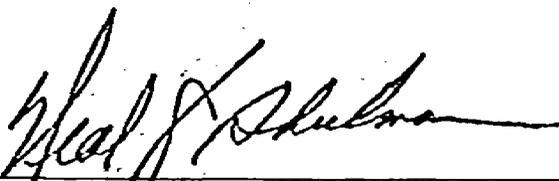
4. Requiring regulated utilities to construct or maintain facilities which are not and not likely to be used is an unreasonable expense for the utility and its customers who eventually pay for such expenditures.

THEREFORE, IT IS ORDERED that:

1. Four Corners Pipe Line Company is authorized to place into effect the tariff sheets accompanying Advice Letter 19.
2. Advice Letter 19, and the accompanying tariff sheets, shall be marked to show that they were approved for filing by Commission Resolution G-2931 and made effective on or after the date of this Resolution.
3. This Resolution is effective today.

I hereby certify that this Resolution was adopted by the Public Utilities Commission at its regular meeting on January 15, 1991. The following Commissioners approved it:

PATRICIA M. ECKERT
President
G. MITCHELL WILK
JOHN B. OHANIAN
Commissioners



Neal J. Shulman
Executive Director