

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

ENERGY DIVISION

**RESOLUTION O-0023
APRIL 23, 1998**

RESOLUTION

RESOLUTION O-0023. KOCH PIPELINE COMPANY, L.P. SEEKS APPROVAL TO CANCEL MOVEMENT FROM ITS TEN SECTION TANK FARM, KERN COUNTY, CA TO WEIR LEASE, KERN COUNTY, CA; CANCEL MOVEMENT ON ITS GATHERING POINTS ALONG 8 INCH PIPELINE EAST OF ITS TEN SECTION TANK FARM, KERN COUNTY, CA; AND ADD A RECEIPT POINT OF DERBY ACRES, KERN COUNTY, CA TO ITS TEN SECTION FARM, KERN COUNTY, CA. APPROVED.

BY ADVICE LETTER NO. 5, FILED ON FEBRUARY 23, 1998.

SUMMARY

1. Koch seeks to cancel movement on two lines and add a receipt point on another line.
2. No protests were filed.
3. This Resolution approves Advice Letter (AL) No. 5.

BACKGROUND

1. Koch Pipeline Company, L.P. (Koch) filed this advice letter seeking to cancel movement on one of its pipelines, cancel movement at one of its gathering points, and add a receipt point.
2. Koch seeks to cancel movement from its Ten Section Tank Farm, Kern County, CA to Weir Lease, Kern County, CA because the oil flows in the opposite direction.
3. Koch seeks to cancel movement at its gathering points along 8 inch pipeline east of its Ten Section Tank Farm, Kern County, CA because this pipeline has never been operated or used.
4. No further rate or routing is provided.

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5. Koch further seeks to add a receipt point of Derby Acres, Kern County, CA to the transport to its Ten Section Tank Farm because one of its shippers want to ship oil at this location.

NOTICE

1. Notice of AL No. 5 was made by sending copies of it to all crude oil tariff subscribers and shippers on Koch's pipelines at the time of filing.

PROTEST

1. No protests were received for AL No. 5.

DISCUSSION

1. AL No. 5 should be approved because Koch's cancellations were not protested by any other shipper or oil producer.

2. Koch's request in AL No. 5 to cancel movement from its Ten Section Tank Farm, Kern County, CA to Weir Lease, Kern County, CA should be approved because the oil flows in the opposite direction.

3. Koch's request in AL No. 5 to cancel movement at its gathering points along 8 inch pipeline east of its Ten Section Tank Farm, Kern County, CA should be approved because this pipeline has never been operated or used.

4. AL No. 5 should be approved because Koch's request for addition of another receipt point at Derby Acres, Kern County, CA to transport oil to its Ten Section Tank Farm is necessary to meet demand as an existing shipper will put ship at this location.

FINDINGS

1. Koch filed AL No. 5 on February 23, 1998 requesting cancellation of its movement from its Ten Section Tank Farm, Kern County, CA to Weir Lease, Kern County, CA because the oil flows in the opposite direction. Koch's request should be approved because it is reasonable.

2. Koch's request to cancel its movement at its gathering points along 8 inch pipeline east of its Ten Section Tank Farm, Kern County, CA is also reasonable because this pipeline has never been operated or used.

Resolution O-0023
Koch AL No. 5/BFS

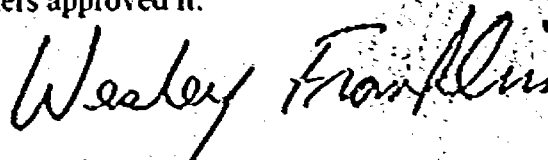
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3. Finally, Koch's request to add a receipt point of Derby Acres, Kern County, CA to the transport to its Ten Section Tank Farm should be approved because one of its shippers want to ship oil at this location.

THEREFORE IT IS ORDERED THAT:

1. Koch Pipeline Company, L.P.'s request for approval of Advice Letter No. 5 is approved.
2. This resolution is effective today.

I hereby certify that this Resolution was adopted by the Public Utilities Commission at its regular meeting on April 23, 1998. The following Commissioners approved it:



WESLEY M. FRANKLIN
Executive Director

Richard A. Bilas, President
P. Gregory Conlon
Jessie J. Knight, Jr.
Henry M. Duque
Josiah L. Neeper
Commissioners