

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA**

Order Instituting Rulemaking on the
Commission's Own Motion to Adopt New
Safety and Reliability Regulations for
Natural Gas Transmission and Distribution
Pipelines and Related Ratemaking
Mechanisms

R.11-02-019
(Filed February 24, 2011)

**MOTION OF VALERO SERVICES, INC.
FOR PARTY STATUS**

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December 12, 2011

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I. INTRODUCTION

Pursuant to Rule 1.4 of the California Public Utilities Commission's Rules of Practice and Procedure, Valero Services, Inc. respectfully moves to become a party in the above-captioned rulemaking.

II. COMMUNICATIONS

Communications and correspondence regarding this proceeding should be directed to the following individual:

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III. DESCRIPTION OF PARTY

Valero Services, Inc. ("Valero") is a Delaware corporation with its primary place of business located in San Antonio, Texas. Valero provides various

administration and support services to other companies within the Valero family of companies, including Valero Refining Company – California (“VRC-CA”) and Ultramar Inc. (“Ultramar”).

IV. STATEMENT OF INTEREST

VRC-CA is a Delaware corporation with its primary place of business located in San Antonio, Texas. VRC-CA currently owns and operates the Valero Benicia Refinery in Benicia, California. Ultramar is a Nevada corporation with its primary place of business located in San Antonio, Texas. Ultramar currently owns and operates the Valero Wilmington Refinery in Wilmington, California. Valero submits that good cause exists to permit its intervention in this proceeding. Valero has a direct and substantial interest in this instant proceeding, as VRC-CA and Ultramar each consume over 30,000 MMBtu per day from Pacific Gas and Electric Company (“PG&E”) and Southern California Gas Company (“SoCalGas”). PG&E’s and SoCalGas’ Implementation Plans filed in this proceeding have the potential to significantly increase customer costs and cause a change in the level of service from PG&E and SoCalGas to VRC-CA and Ultramar. The rate decisions and revenue requirements made in the proceeding will directly affect both VRC-CA and Ultramar. In addition, any change in service could affect the business operations of both VRC-CA and Ultramar. No other party can adequately represent VRC-CA, Ultramar or Valero’s interests in this proceeding.

V. CONCLUSION

Accordingly, Valero respectfully requests that the Commission grant Valero's motion for party status with the full rights attendant to such status.

Respectfully Submitted,

/s/ Ethan A. Jones

Ethan A. Jones
Assistant Counsel to Valero Services, Inc.

December 12, 2011