

FILED

COM/MBK/jds 6/24/2025

#### 06/24/25 BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNA AM A2502001

In the Matter of the Application of Shell California Pipeline Company LLC for Authority to Withdraw its Pipeline from Public Utility Service.

Application 25-02-001

## ASSIGNED COMMISSIONER'S SCOPING MEMO AND RULING

This scoping memo and ruling sets forth the issues, need for hearing, schedule, category, and other matters necessary to scope this proceeding pursuant to Public Utilities Code Section 1701.1 and Article 7 of the Commission's Rules of Practice and Procedure (Rules).

#### 1. Procedural Background

On February 5, 2025, Shell California Pipeline Company LLC (Applicant) filed Application (A.)25-02-001, a request for authority to withdraw two petroleum pipelines, the Carson to LAX line and the Carson to Van Nuys line, from common carrier service with the intention to operate them as private pipelines.

A prehearing conference was held on April 7, 2025, to address the issues of law and fact, determine the need for hearing, set the schedule for resolving the matter, and address other matters as necessary. A ruling directing filing of additional information from the applicant was issued on April 18, 2025, to which the applicant responded on April 22, 2025, by filing an amended application clarifying that the applicant seeks to terminate its public utility status as part of this application. No protests have been filed in response to either the initial application or the amendment to the application. After considering the application as amended, discussion at the prehearing conference, and information filed by the applicant, I have determined the issues and initial schedule of the proceeding to be set forth in this scoping memo. I have also determined that no environmental and social justice issues have been raised at this time.

#### 2. Issues

The issues to be determined or otherwise considered are:

- 1. Is the public interest served by withdrawing the LAX and Van Nuys pipelines from public utility service?
- (a) Will any safety requirements be lessened with the withdrawal of the two pipelines from common carrier service? If so, how?
- (b) How will the applicant's non-affiliated customers, if any, be impacted by the withdrawal?
- (c) Are the pipelines useful and necessary to provide utility service to the public?
- 2. Is the proposed pipeline withdrawal of service exempt from the California Environmental Quality Act?
- (a) What physical changes, if any, would be implemented if the pipelines are withdrawn from service?
- 3. Does the withdrawal of service of the pipelines comply with the Commission's Tribal Lands Transfer Policy?
- 4. Should the Applicant's status as a public utility be terminated if the withdrawal of both pipelines is approved?
- (a) Will the Applicant have any remaining common carrier pipelines or other property dedicated to performing a service for, or delivering a commodity to, the public, consistent with the Public Utilities Code?
- (b) Does the Applicant have any remaining regulatory responsibilities as a public utility that must be fulfilled prior to removing all property from dedication to public

use, such as, but not limited to, annual report filings, payment of regulatory fees, outstanding complaints filed with the Customer Affairs Branch, or citations or enforcement actions by the Commission, or outstanding advice letter filings?

# 3. Need for Evidentiary Hearing

There are no issues of materially disputed fact. Accordingly, no evidentiary hearing is needed.

## 4. Schedule

The following schedule is adopted here and may be modified by the Administrative Law Judge (ALJ) as required to promote the efficient and fair resolution of the application:

Event	Date
Applicant Supplemental Testimony <sup>1</sup>	July 24, 2025
Proposed decision	October 2025
Commission decision	November 2025

The proceeding will stand submitted upon the filing of supplemental testimony, unless the ALJ requires further evidence or argument. Based on this schedule, the proceeding will be resolved within 18 months as required by Public Utilities Code Section 1701.5.

<sup>&</sup>lt;sup>1</sup> Applicant to file and serve a supplemental testimony not to exceed 15-pages that answers each issue question in the same order as presented in this scoping ruling with citation to the previously provided application and supplements the record with additional testimony, where necessary.

# 5. Category of Proceeding and Ex Parte Restrictions

This ruling confirms the Commission's preliminary determination<sup>2</sup> that this is a ratesetting proceeding. Accordingly, ex parte communications are restricted and must be reported pursuant to Article 8 of the Rules.

# 6. Public Outreach

Pursuant to Public Utilities Code Section 1711(a), where feasible and appropriate, before determining the scope of the proceeding, the Commission sought the participation of those likely to be affected, including those likely to derive benefit from, and those potentially subject to, a decision in this proceeding. This matter was noticed on the Commission's daily calendar. Where feasible and appropriate, this matter was incorporated into engagements conducted by the Commission's External Affairs Division with local governments and other interested parties.

## 7. Intervenor Compensation

Pursuant to Public Utilities Code Section 1804(a)(1), a customer who intends to seek an award of compensation must file and serve a notice of intent to claim compensation by May 7, 2025, 30 days after the prehearing conference.

## 8. Response to Public Comments

Parties may, but are not required to, respond to written comments received from the public. Parties may do so by posting such response using the "Add Public Comment" button on the "Public Comment" tab of the online docket card for the proceeding.

<sup>&</sup>lt;sup>2</sup> Resolution ALJ-176-3559 at page 1.

## 9. Public Advisor

Any person interested in participating in this proceeding who is unfamiliar with the Commission's procedures or has questions about the electronic filing procedures is encouraged to obtain more information at <u>https://www.cpuc.ca.gov/about-cpuc/divisions/news-and-public-informationoffice/public-advisors-office</u> or contact the Commission's Public Advisor at 866-849-8390 or 866-836-7825 (TTY), or send an e-mail to <u>public.advisor@cpuc.ca.gov</u>.

#### 10. Filing, Service, and Service List

The official service list has been created and is on the Commission's website. Parties should confirm that their information on the service list is correct and serve notice of any errors on the Commission's Process office, the service list, and the ALJ. Persons may become a party pursuant to Rule 1.4.<sup>3</sup>

When serving any document, each party must ensure that it is using the current official service list on the Commission's website.

This proceeding will follow the electronic service protocol set forth in Rule 1.10. All parties to this proceeding shall serve documents and pleadings using electronic mail, whenever possible, transmitted no later than 5:00 p.m., on the date scheduled for service to occur. When serving documents on the ALJ, parties must only provide electronic service. Parties must not send hard copies of documents to the ALJ unless specifically instructed to do so.

When serving documents on Commissioners or their personal advisors, whether or not they are on the official service list, parties must only provide

<sup>&</sup>lt;sup>3</sup> The form to request additions and changes to the Service list may be found at <u>https://www.cpuc.ca.gov/-/media/cpuc-website/divisions/administrative-law-judge-division/documents/additiontoservicelisttranscriptordercompliant.pdf</u>

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electronic service. Parties must not send hard copies of documents to Commissioners or their personal advisors unless specifically instructed to do so.

Persons who are not parties but wish to receive electronic service of documents filed in the proceeding may contact the Process Office at <u>process\_office@cpuc.ca.gov</u> to request addition to the "Information Only" category of the official service list pursuant to Rule 1.9(f).

The Commission encourages those who seek information-only status on the service list to consider the Commission's subscription service as an alternative. The subscription service sends individual notifications to each subscriber of formal e-filings tendered and accepted by the Commission. Notices sent through subscription service are less likely to be flagged by spam or other filters. Notifications can be for a specific proceeding, a range of documents and daily or weekly digests.

#### **11.** Receiving Electronic Service from the Commission

Parties and other persons on the service list are advised that it is the responsibility of each person or entity on the service list for Commission proceedings to ensure their ability to receive emails from the Commission. Please add "@cpuc.ca.gov" to your email safe sender list and update your email screening practices, settings and filters to ensure receipt of emails from the Commission.

#### 12. Assignment of Proceeding

Matthew Baker is the assigned Commissioner and Trevor Pratt is the assigned ALJ for the proceeding.

#### IT IS RULED that:

- 1. The scope of this proceeding is described above and is adopted.
- 2. The schedule of this proceeding is set forth above and is adopted.

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- 3. Evidentiary hearing is not needed.
- 4. The category of the proceeding is ratesetting.

Dated June 24, 2025, at San Francisco, California.

/s/ MATTHEW BAKER

Matthew Baker Assigned Commissioner