PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

ENERGY DIVISION **RESOLUTION O-0102**
October 29, 2026

R E S O L U T I O N

Resolution O-0102. Zenith Energy West Coast Terminals LLC, Discontinuation of Service at Alamitos Terminal.

PROPOSED OUTCOME:

- Approves Zenith Energy West Coast Terminals LLC (Zenith Terminals) request for authorization to discontinue service at the Alamitos Terminal in accordance with the provisions of General Order 96-B, Energy Industry Rule 5.3.6.
- Grants Zenith Terminals authority to file a Tier 1 Advice Letter following discontinuance of service at the Alamitos Terminal to remove references to the Alamitos Terminal from its tariff.

SAFETY CONSIDERATIONS:

- Oil pipeline safety is the exclusive jurisdiction of the Office of the State Fire Marshal. Zenith Terminals and any subsequent property owner will comply fully with all regulations applicable to out-of-service and abandoned terminals.
- Zenith Terminals and any subsequent property owner will continue to perform required maintenance, testing, and inspection activities as required by federal and state requirements and regulations.

ESTIMATED COST:

- This Resolution does not address or approve any costs.
- Costs for ongoing maintenance activities will be covered by Zenith Terminals and any subsequent property owner. There are no ratepayers using the Alamitos Terminal, therefore, there is no cost recovery from ratepayers.

By Advice Letter 6-O, Filed on November 21, 2025.

SUMMARY

This Resolution O-0102 approves Zenith Energy West Coast Terminals LLC (Zenith Terminals) request for authorization to discontinue service at the Alamitos Terminal in accordance with the provisions of General Order 96-B, Energy Industry Rule 5.3.6. This Resolution O-0102 also grants Zenith Terminals authority to file a Tier 1 Advice Letter following discontinuance of service at the Alamitos Terminal to remove references to the Alamitos Terminal from its tariff.

BACKGROUND

Zenith Terminals filed Tier 3 AL 6-O on November 21, 2025, requesting to discontinue service at the Alamitos Terminal and authority to file a Tier 1 Advice Letter following discontinuance of service at the Alamitos Terminal to remove references to the Alamitos Terminal from its tariff. This discontinuance and authority were requested to be effective after Commission approval under the provisions of General Order 96-B, Energy Industry Rule 5.3.6.

Zenith Energy U.S., L.P. ("Zenith Energy") owns and operates three oil terminals located in Southern California: Alamitos, Dominguez Hills and Long Beach terminals. Currently, all three terminals are operated by Zenith Energy's wholly owned subsidiary, Zenith Terminals.

Energy Division issued a data request seeking additional background information from Zenith Terminals on their Alamitos, Dominguez Hills and Long Beach terminals. Local refineries owned by major oil companies have primary storage that is proprietary and located inside their facilities. They also utilize secondary storage from the Alamitos, Dominguez Hills and Long Beach terminals.[1]

Marathon's Docks 84/86 and 121 are connected to Long Beach Terminal. Local refiners and traders offload imported crude oil into tankage at the Long Beach Terminal and redeliver directly to their refineries or to temporary storage at the Dominguez Hills Terminal. Long Beach Terminal is used as secondary storage for local refineries. Long Beach Terminal has also been utilized by refiners and traders to offload imported

[1] Zenith Terminals July 30, 2026, Response to Data Request 2

vacuum gasoil (VGO)[2] into tankage. The VGO is then redelivered to refineries or to leased tankage at Dominguez Hills Terminal.[3]

Dominguez Hills Terminal's tankage is connected to all local refineries and the Long Beach Terminal. Dominguez Hills Terminal is used by refiners to store crude oil and VGO that was imported via the Long Beach Terminal. It is also used to redeliver the stored crude oil and VGO to local refineries and as a secondary storage facility for these refineries.[4]

Alamitos Terminal has historically been used on an as needed basis to store VGO. The tankage at Alamitos Terminal is connected to all local refineries and can store and redeliver VGO to refineries. Alamitos Terminal is not designed to receive imports and is not permitted to handle any product except VGO. Crude oil was never delivered or stored at Alamitos Terminal.[5]

In Decision ("D.") 21-09-029 the Commission approved Zenith Terminals' sale and lease-back of land underlying the Dominguez Hills terminal.

As described in A.24-11-011, the Alamitos Terminal has served a small number of customers for a number of years.[6] These customers are local refineries.[7] At the time of A.24-11-011, the Alamitos Terminal only had two remaining customers with term contracts for service, both of which were scheduled to conclude in May 2025.[8] By mutual agreement those customer contracts were not renewed for a new term, and all remaining customers that were then using the Alamitos Terminal received services on a month-to-month basis.[9]

In D.25-05-008, the Commission approved Zenith Terminals' request for authorization to transfer the Alamitos terminal and a related tank and easements owned by Zenith Terminals, collectively, "Alamitos Terminal" to a new, wholly-owned subsidiary of Zenith Energy known as 690 N. Studebaker LLC, "in anticipation of the future

[2] VGO is an intermediate product produced during the refining process that is then used as a feedstock for additional refining processes.
[3] Zenith Terminals July 30, 2026, Response to Data Request 2
[4] *Id*
[5] *Id*
[6] A.24-11-011 at 2
[7] Zenith Terminals July 30, 2026, Response to Data Request 2
[8] *Id*; D.25-05-008 at 2
[9] *Id*

discontinued operation and sale of the Alamitos Terminal."[10] Zenith Terminals will continue to operate the assets until service at Alamitos Terminal is discontinued.

On December 1, 2025, Zenith Energy executed a membership interest purchase agreement ("MIPA") as part of a related transaction that, subject to Commission approval, will transfer its outstanding membership interests in Zenith Terminals to a third party, excluding Alamitos Terminal.[11] Subsequently, Zenith Energy filed an application (A.25-12-021) seeking Commission approval of the MIPA pursuant to Public Utilities Code 854. Zenith Terminals plans to discontinue service at Alamitos Terminal shortly prior to closing the MIPA transaction.[12] D.26-09-011 approved the MIPA transaction on September 3, 2026.[13]

Zenith Terminals and any subsequent property owner will complete the requisite entitlement process with various entities such as local government and, if required, the Coastal Commission to decommission and demolish the existing terminal facilities.

NOTICE

Notice of AL 6-O was made by publication in the Commission's Daily Calendar on November 26, 2025.

PROTESTS

Advice Letter 6-O was not protested.

DISCUSSION

Zenith Terminals filed Tier 3 AL 6-O seeking approval to discontinue service at the Alamitos Terminal in accordance with the provisions of General Order 96-B, Energy Industry Rule 5.3.6 and authority to file a Tier 1 Advice Letter following discontinuance of service at the Alamitos Terminal to remove references to the Alamitos Terminal from

[10] See Application ("A.") 24-11-011 at 2; D.25-05-008 at 3
[11] The MIPA requires the transfer of Alamitos Terminal to 690 N. Studebaker LLC (as previously authorized by the Commission in D.25-05-008) prior to closing of the proposed transaction.
[12] Zenith Energy notified the Commission and the service list of A.25-12-021 via email on July 16, 2026 that 690 N. Studebaker LLC had changed its name to Sea Ranch Development LLC. Zenith Energy stated that this is purely a ministerial occurrence with no impact on the company, its business or its assets; it is only a change of company name.
[13] D.26-09-011

its tariff. This is not a ministerial determination that may be approved via staff disposition and must be approved by the Commission via resolution pursuant to General Order 96-B, General Rule 7.6.2.

Energy Division inquired as to whether the remaining customers were still using the Alamitos Terminal. Zenith Terminals responded, stating the remaining customers have transferred services to their own storage terminals or to Zenith Terminals' Dominguez Hills terminal as of May 27, 2026.[14] There are currently no customers using the Alamitos Terminal.

In AL 6-O Zenith Terminals states that the shutdown of the Alamitos Terminal will not impact competition and overall storage capacity in the region as there are numerous competitors that operate over twenty-two competing locations across Southern California as well as Zenith Terminals' other remaining terminals.

Energy Division inquired as to what methods are used to transport VGO at Alamitos Terminal and how discontinuation of service would impact the area.[15] Zenith Terminals replied stating, VGO is transported to and from Alamitos Terminal via pipelines wholly owned by Zenith Terminals. There has never been another method of transportation for VGO at Alamitos Terminal. Prior to the remaining customers ending service at Alamitos Terminal, Zenith Terminals negotiated agreements with these customers that allowed these customers to ship VGO on Zenith Terminals' pipeline system, therefore bypassing the need for storage at Alamitos Terminal.[16]

Zenith Terminals also stated that Line 2000, owned by Plains All American Pipeline, is connected to the Dominguez Hills Terminal. Olympus Terminals also owns a pipeline that connects into the Zenith Terminals pipeline system.[17]

Zenith Terminals stated that the section of pipeline that connects Alamitos Terminal and Marathon Refinery Wilmington provides connectivity to other facilities and provides the option to utilize other third-party docks such as the one operated by Olympus Terminals. This section of pipeline will continue to transport crude oil and VGO if the discontinuation of service at Alamitos Terminal is approved.[18]

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[14] Zenith Terminals June 3, 2026, Response to Data Request 1; Zenith Terminals June 5, 2026, Response to Data Request 1 Follow-Up
[15] Zenith Terminals July 30, 2026, Response to Data Request 2
[16] *Id*
[17] *Id*
[18] *Id*

Zenith Terminals stated, as the demand for refining capacity diminished, the role of the Alamitos Terminal lessened disproportionately. The reduced crude runs allow refiners to strategically convert crude to VGO and back again as requirements change, bypassing any need for a third party VGO tankage and the resulting expenses. Since the Alamitos Terminal is only permitted for VGO, it is not an option for storing finished fuels, making the terminal of limited value to local refiners.[19]

Zenith Terminals stated in AL 6-O that Alamitos Terminal does not have any dedicated employees. All operations and maintenance work is conducted by employees that service all three terminals operated by Zenith Terminals. While Zenith Terminals expects that there may eventually be a small reduction in force of two to three employees if the request to discontinue service at Alamitos Terminal is granted, any such reduction, should it occur, will not impact safety or the service levels provided to Zenith Terminals' customers.

Energy Division inquired as to the status of the terminal if the discontinuation of service is granted. Zenith Terminals replied, stating that they are in discussions with Office of the State Fire Marshal (OSFM) to determine if out-of-service or abandoned status is appropriate. Zenith Terminals confirmed that they and any subsequent property owner will fully comply with all state and federal regulations applicable to the out-of-service or abandoned status of the terminal.[20]

Energy Division inquired as to the costs associated with any remaining required maintenance activities. Zenith Terminals stated that the terminal assets have been emptied of hazardous materials and are being cleaned and certified vapor free. Once cleaned and vapor free, there will be no required maintenance, testing, nor inspection activities. Zenith Terminals confirmed that they and any subsequent property owner will be responsible for all costs related to maintenance, testing, and inspection activities as required by federal and state requirements and regulations.[21]

According to AL 6-O, a copy of the advice letter was provided to all parties listed on the attached Service List. No parties contested Zenith Terminals' request to discontinue service.

With respect to the substantive request, the Commission finds, based on the Energy Division's review of information provided in AL 6-O, the response to Data Request 1,

[19] *Id*
[20] Zenith Terminals June 3, 2026, Response to Data Request 1
[21] *Id*

the response to Data Request 1 Follow-Up, and the response to Data Request 2, the discontinuation of service at the Alamitos Terminal is just and reasonable pursuant to General Order 96-B, Energy Industry Rule 5.3.6. The request to file a Tier 1 Advice Letter following discontinuance of service at the Alamitos Terminal to remove references to the Alamitos Terminal from Zenith Terminals' tariff is reasonable and consistent with General Order 96-B, Energy Industry Rule 5.1.

The discontinuation of service and authority to file a Tier 1 Advice Letter requested by AL 6-O are therefore approved effective October 29, 2026, consistent with General Order 96-B, Energy Industry Rule 5.3.6 and 5.1.

COMMENTS

This is an uncontested matter in which the resolution grants the relief requested. Accordingly, pursuant to PU Code 311(g)(2), the otherwise applicable 30-day period for public review and comment is being waived.

FINDINGS AND CONCLUSIONS

1. Zenith Terminals filed AL 6-O requesting authorization to discontinue service at the Alamitos Terminal in accordance with the provisions of General Order 96-B, Energy Industry Rule 5.3.6 and requesting authority to file a Tier 1 Advice Letter following discontinuance of service at the Alamitos Terminal to remove references to the Alamitos Terminal from its tariff.

2. All remaining customers have transfer services to their own storage terminals or to Zenith Terminals' Dominguez Hills terminal as of May 27, 2026.

3. The section of pipeline that connects Alamitos Terminal and Marathon Refinery Wilmington provides connectivity to other facilities and provides the option to utilize other third-party docks. It will continue to transport crude oil and VGO if the discontinuation of service at Alamitos Terminal is approved.

4. The Alamitos Terminal is only permitted for VGO and is not an option for storing finished fuels. This makes the Alamitos Terminal of limited value to local refiners.

5. Zenith Terminals confirmed that the terminal assets have been emptied of hazardous materials and are being cleaned and certified vapor free. Once cleaned and vapor free, there will be no required maintenance, testing, nor inspection

activities.

6. Zenith Terminals is seeking out-of-service or abandoned status for Alamitos Terminal with Office of the State Fire Marshal.

7. Zenith Terminals confirmed that they and any subsequent property owner will be responsible for all costs related to maintenance, testing, and inspection activities as required by federal and state requirements and regulations.

8. Zenith Terminals and any subsequent property owner will complete the requisite entitlement process with various entities such as local government and, if required, the coastal commission to decommission and demolish the existing terminal facilities.

9. The discontinuation of service and authority to file a Tier 1 Advice Letter requested in AL 6-O are just and reasonable pursuant to General Order 96-B, Energy Industry Rule 5.3.6 and 5.1.

THEREFORE IT IS ORDERED THAT:

1. The request of Zenith Energy West Coast Terminals LLC to discontinue service at Alamitos Terminal as requested in Advice Letter 6-O pursuant to General Order 96-B, Energy Industry Rule 5.3.6, is approved.

2. The request of Zenith Energy West Coast Terminals LLC to be given authority to file a Tier 1 Advice Letter following discontinuance of service at the Alamitos Terminal to remove references to the Alamitos Terminal from its tariff as requested in Advice Letter 6-O pursuant to General Order 96-B, Energy Industry Rule 5.1, is approved.

3. Zenith Energy West Coast Terminals LLC shall file a Tier 1 advice letter (AL) within 30 days of the effective date of this resolution to request to remove references to the Alamitos Terminal from its tariff. References to the Alamitos Terminal shall be removed from Zenith Energy West Coast Terminals LLC's tariff upon staff approval of the AL.

4. Zenith Terminals and any subsequent property owner shall fully comply with all state and federal regulations applicable to out-of-service or abandoned terminals.

This Resolution is effective today.

The foregoing resolution was duly introduced, passed and adopted at a conference of the Public Utilities Commission of the State of California held on October 29, 2026; the following Commissioners voting favorably thereon:

/s/ LEUWAM TESFAI
Leuwam Tesfai
Executive Director

JOHN REYNOLDS
President

DARCIE L. HOUCK
KAREN DOUGLAS
MATTHEW BAKER
CHRISTINE HARADA
Commissioners

Dated October 29, 2026, at San Francisco, California