

on May 5, 1964, as BPL Company and on July 24, 1964, a Certificate of Amendment was filed with the Secretary of State of Ohio changing the name from BPL Company to Buckeye Pipe Line Company. It acquired the rights, powers, privileges and properties of The Buckeye Pipe Line Company, pursuant to Report and Order of June 8, 1964, at Application Docket No. 91299. Pursuant to Report and Order of May 17, 1965, at Application Docket No. 91996, Buckeye acquired the rights, powers, privileges and properties of Northern Pipe Line Company formerly a wholly owned subsidiary.

4. Buckeye Pipe Line Company by this application seeks the approval of the Commission for the beginning of the exercise of the additional right, power or privilege of transporting, storing and distributing petroleum and refined petroleum products in interstate and/or intrastate commerce for the public by means of pipe lines and appurtenances, such facilities consisting of approximately 113 miles of new pipe line not to exceed 18" in diameter commencing at its pump station near Macungie, Lehigh County, Pennsylvania, and extending Northwardly through Lehigh, Northampton, Carbon, Luzerne, Lackawanna, and Susquehanna Counties to a point on the Pennsylvania-New York State line south of Binghamton, New York, together with the necessary tanks, pumping equipment and connections, including connections at its delivery terminal near Dupont, Luzerne County,

Pennsylvania. The proposed pipe line will substantially parallel Buckeye's existing 14" pipe line along this route.

Buckeye's pipe line system is shown in black and red on Appendix A attached hereto and made a part hereof and the proposed line is shown thereon in orange. The cost of the above facilities in the Commonwealth of Pennsylvania is estimated to be \$10,800,000.

5. It is anticipated that additional capital will be required by applicant for the purposes of financing the matters and things involved in this application and for the purposes of financing construction in states other than Pennsylvania. Applicant will obtain all necessary approvals from the Commission.

6. The names and addresses of the Pennsylvania utility pipe line companies presently operating and furnishing service in the general area are shown in Appendix B attached hereto and are as follows:

Atlantic Pipe Line Company
260 South Broad Street
Philadelphia, Pennsylvania 19101

Sun Pipe Line Company
1608 Walnut Street
Philadelphia, Pennsylvania 19103

Mobil Pipe Line Company
Box 900
Dallas, Texas 75221

7. The following information is attached hereto as
Appendixes C and D:

Consolidated balance sheet of Buckeye Pipe
Line Company as of December 31, 1966, and

Consolidated statement of income for the year
ended on the same date.

8. Approval of this application is necessary and proper
for the following reasons:

Buckeye's existing 14" diameter refined products
pipe line north of Macungie serves the Allentown
and Scranton-Wilkes-Barre areas in Pennsylvania,
then proceeds into New York State and serves the
following consuming areas: Binghamton, Syracuse, Utica,
Geneva, Rochester and Buffalo. At the present time
the existing pipe line is operating at peak capacity
and the demand for transportation through this system
is increasing each year. In order to provide common
carrier facilities sufficient for the needs of Buckeye's
existing customers and to meet possible requests for
transportation by additional customers, additional
northbound capacity must be constructed.

WHEREFORE, Buckeye Pipe Line Company, applicant herein, prays your Honorable Commission to issue a Certificate of Public Convenience evidencing the approval of the beginning of the exercise of the right, power or privilege of transporting, storing, and distributing petroleum and refined petroleum products for the public, by means of pipe lines and appurtenances, such facilities extending northwardly from its pump station near Macungie, Lehigh County, Pennsylvania, to the Pennsylvania - New York State line South of Binghamton, New York and having a connection to its delivery terminal near Dupont, Luzerne County, Pennsylvania.

BUCKEYE PIPE LINE COMPANY

By Charles Ashmun

STATE OF NEW YORK :
SS:
COUNTY OF NEW YORK :

Charles Ashmun

, being duly sworn according to law, deposes and says that he is Vice President of Buckeye Pipe Line Company; that he is authorized to and does make this affidavit for it; and that the facts set forth are true and correct to the best of his knowledge, information and belief and he expects the said Buckeye Pipe Line Company to be able to prove the same at the hearing hereof.

Charles Ashmun

Sworn to and subscribed

before me this 15th day

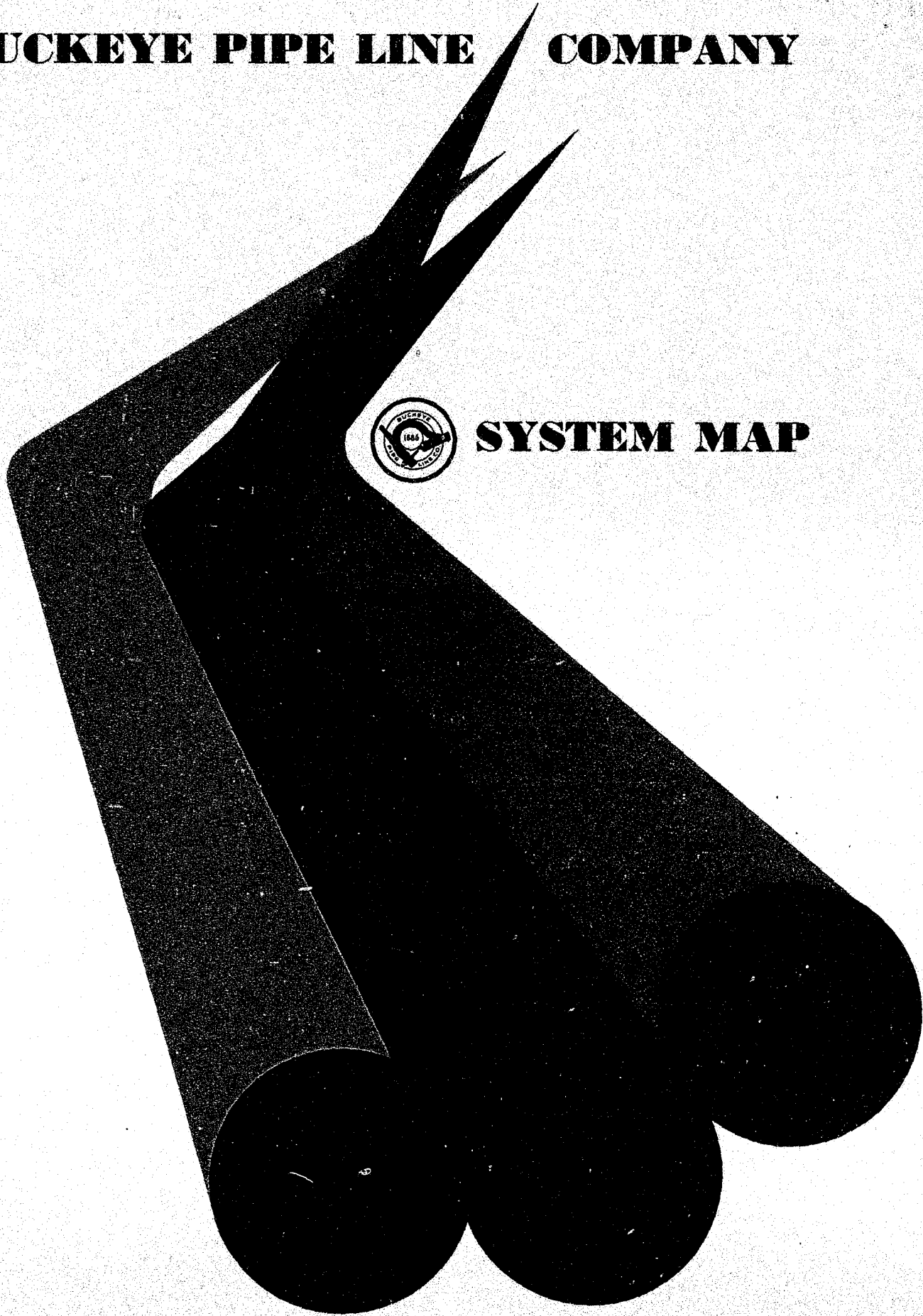
of February, 1967.
Burr A. Towl, Jr.

Notary Public

My Commission expires:

BURR A. TOWL, JR.
Notary Public, State of New York
No. 31-4005430
Qualified in New York County
Term Expires March 29, 1967





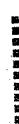



BUCKEYE PIPE LINE COMPANY



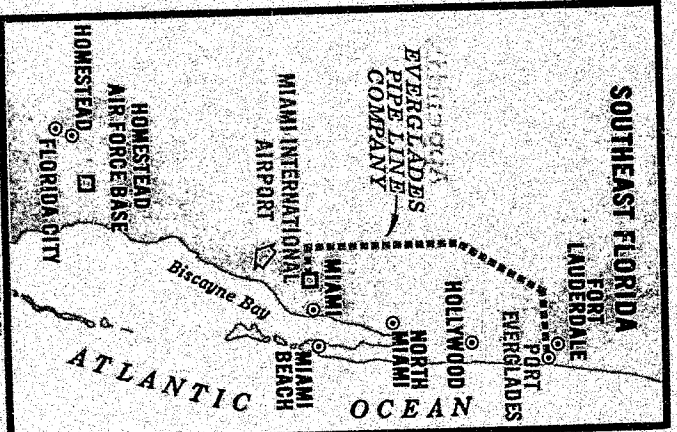
SYSTEM MAP

Buckeye Pipe Line Company

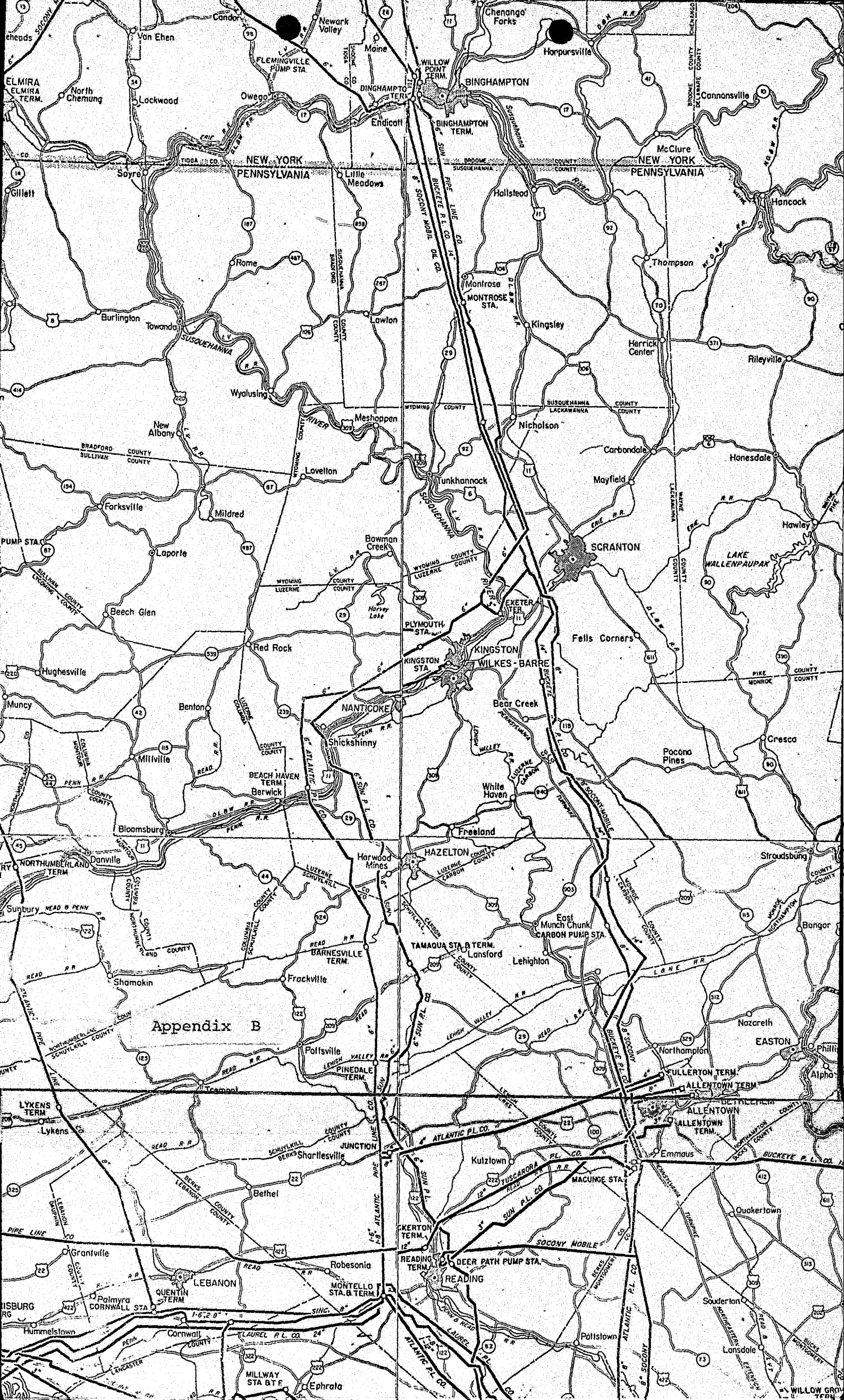
LEGEND

-  CRUDE OIL LINES
-  PRODUCT LINES
-  PRODUCT LINES (JOINTLY OWNED)
-  GATHERING LINES
-  REFINERIES
-  PRODUCT TERMINALS
-  CRUDE CONNECTING CARRIERS
-  PRODUCTS CONNECTING CARRIERS

Scale of Miles
0 50 100



Appendix A



Appendix B

BUCKETEY PIPE LINE COMPANY AND SUBSIDIARY

Consolidated Balance Sheet

December 31, 1966
with comparative figures for 1965

	1966	1965
<u>Assets</u>		
Current asset:	\$ 795,540	\$ 1,007,414
Cash	431,509	1,833,167
Marketable securities, at cost which approximates market	6,708,897	5,490,598
Receivables:	660,551	472,423
Transportation revenue	7,369,448	5,963,021
Other	1,109,022	1,123,641
Materials and supplies, at or below average cost	102,399	143,202
Prepaid expenses	9,807,918	10,070,445
Total current assets	164,000	279,620
Investments and advances, at cost:	594,060	1,117,240
The Pennsylvania Railroad Company capital stock	164,000	279,620
Everglades Pipe Line Company	758,060	1,396,860
Total investments and advances	174,901,382	156,225,478
Property, plant and equipment, at cost	60,701,000	58,241,688
Less accumulated depreciation	114,200,382	97,983,790
Net property, plant and equipment	301,723	346,763
Deferred charges and other assets, at cost less applicable amortization		

\$125,068,083 \$109,797,858

Liabilities and Stockholder's Equity

	1966	1965
<u>Current liabilities:</u>		
Note payable	\$ 476,000	-
Current instalments on long-term debt	4,107,616	2,297,616
Accounts payable:	3,039,385	2,464,414
Transportation revenue	2,454,200	1,948,954
Other	5,493,585	4,413,368
Accrued expenses and taxes	4,730,431	3,305,733
Total current liabilities	14,807,632	10,106,767
Deferred Federal income taxes (Note 2)	5,247,674	5,999,831
Provision for future stock options (Note 3)	315,788	511,785
<u>Long-term debt, excluding current instalments (Note 4):</u>		
2.85% promissory note - due December 1, 1970	2,630,000	2,980,000
3-1/2% consolidated sinking fund debentures - due September 1, 1971	9,000,000	10,259,000
4.50% notes - due September 1, 1971	7,200,000	-
4.70% notes - due June 1, 1985	20,000,000	20,000,000
4.70% notes - due June 1, 1987	5,460,000	5,720,000
4-7/8% notes - due May 1, 1978	1,736,000	1,869,000
5-1/4% notes - due June 1, 1985	4,000,000	5,200,000
5-1/4% mortgage note - due December 29, 1986	277,704	292,320
Total long-term debt	51,203,704	47,311,320
<u>Stockholder's equity:</u>		
Common stock without par value. Authorized and Issued 14,000 shares	14,176,786	14,176,786
Additional paid-in capital	2,264,531	2,264,531
Retained earnings (Note 4)	37,051,968	30,426,833
Total stockholder's equity	53,493,285	46,868,150

\$125,068,083 \$109,797,858

BUCKEYE PIPE LINE COMPANY AND SUBSIDIARY

Statement of Consolidated Earnings and Retained Earnings

Year ended December 31, 1966
with comparative figures for 1965

	<u>1966</u>	<u>1965</u>
Income:		
Transportation revenue	\$31,120,175	\$29,060,432
Interest, dividends and miscellaneous	<u>540,856</u>	<u>655,924</u>
	31,661,031	29,716,356
Expenses:		
Transportation	6,757,468	6,191,659
Maintenance	2,639,693	2,336,759
General and administrative	3,142,145	3,091,018
Depreciation	2,210,244	3,252,201
Taxes, state and other	2,869,035	2,339,182
Interest and other charges (less interest capitalized \$1,174,412, 1966; and \$568,727, 1965)	<u>1,617,316</u>	<u>1,277,987</u>
	<u>19,235,901</u>	<u>18,488,806</u>
Earnings before Federal Income Taxes	12,425,130	11,227,550
Federal income taxes (note 2)	<u>-</u>	<u>-</u>
Net earnings (note 2)	12,425,130	11,227,550
Retained earnings at beginning of year	<u>30,426,838</u>	<u>25,164,288</u>
	42,851,968	36,391,838
Dividends declared	<u>5,800,000</u>	<u>5,965,000</u>
Retained earnings at end of year (note 4)	<u>\$37,051,968</u>	<u>\$30,426,838</u>

See accompanying notes to financial statements.

BUCKEYE PIPE LINE COMPANY AND SUBSIDIARY

Notes to Financial Statements

December 31, 1966

(1) Principles of Statement Presentation

The consolidated financial statements include the accounts of the company and Buckeye Tank Terminals, Inc., a wholly-owned subsidiary. All intercompany accounts have been eliminated in consolidation. Long Island Pipe Line Corporation, a non-operating wholly-owned subsidiary, was merged with and into the parent company on November 15, 1966.

The company annually files financial statements with the Interstate Commerce Commission in accordance with the Commission's Uniform System of Accounts. The accompanying financial statements differ from those to be filed with the Commission in that deferred Federal income taxes amounting to \$5,247,674, shown separately herein, and deferred investment credit amounting to \$739,195, deducted herein from property, plant and equipment, will be shown as appropriations of retained earnings; and the provision for future stock options, shown separately in the accompanying balance sheet, will be added to additional paid-in capital.

(2) Federal Income Taxes

The taxable income of the company will be included in the consolidated Federal income tax return filed by The Pennsylvania Railroad Company. Pennsylvania Railroad has informed Buckeye that no Federal income tax will be payable for the year ended December 31, 1966. Accordingly, no provision has been made for current Federal income tax in the accompanying statement of earnings and retained earnings. The company's provision for current Federal income tax computed on a separate return basis would have been approximately \$3,340,000 for the year ended December 31, 1966 and \$3,830,000 for the year ended December 31, 1965.

For financial statement purposes, depreciation is calculated on the straight-line method as prescribed by the Interstate Commerce Commission. However, for tax purposes, the company uses the shorter guideline lives permitted by the Internal Revenue Service and also employs accelerated methods of depreciation, thereby reducing current taxable income. Since July, 1964, no provision has been made in the accounts for deferred Federal income taxes arising from the excess of tax depreciation over book depreciation. The omission of deferred Federal income taxes from the current statement of earnings and retained earnings conforms to I.C.C. regulations; however, in the opinion of the company's auditors, it is not in accordance with generally accepted accounting principles. Moreover, such deferred taxes as previously had been provided are being restored to income as a reduction of depreciation on a straight-line basis over the estimated remaining service lives of the assets which gave rise to the deferred taxes. Had the method

(Continued)

BUCKEYE PIPE LINE COMPANY AND SUBSIDIARY

Notes to Financial Statements, Continued

2) Federal Income Taxes, Continued

of accounting recommended by the auditors been followed, current earnings would have been charged with a provision for deferred Federal income taxes of approximately \$2,650,000; there would have been no restoration to current income of prior deferred taxes, amounting to \$513,420; and the deferred Federal income taxes reflected in the balance sheet at December 31, 1966 would have been increased, and retained earnings correspondingly reduced, by \$6,049,369 as a result of the cumulative effect of such entries since July, 1964.

Deferred Federal income taxes appearing in the balance sheet at December 31, 1966 have been further reduced by \$238,737 during the year as a result of certain depreciation adjustments by the Internal Revenue Service on review of the company's income tax return for 1962.

3) Stock Options

Options to purchase common stock of Buckeye Pipe Line Company outstanding at the time of the merger of Buckeye into Pennsylvania Company, a subsidiary of The Pennsylvania Railroad Company, were converted into options to purchase either 4-5/8% cumulative preferred stock of Pennsylvania Company or common stock of The Pennsylvania Railroad Company. Provision was made in the accounts as of the date of merger by a charge to additional paid-in capital for the maximum potential loss resulting from the excess of cost to Buckeye of acquiring stock to satisfy these options over the total amounts payable by optionees. Differences arising on exercise of options are charged against this provision.

On December 31, 1965 there were outstanding options to purchase 1,725 shares of Pennsylvania Company preferred stock and 31,055 shares of The Pennsylvania Railroad Company common stock. During 1966, options with respect to 14,948 of the common shares were exercised at an aggregate option price of \$327,183. The corresponding cost of acquiring the shares to satisfy these options was \$523,180 resulting in a charge to the provision for future stock options of \$195,997. At December 31, 1966 there remained outstanding options to purchase 1,725 shares of Pennsylvania Company preferred stock and 16,107 shares of The Pennsylvania Railroad Company common stock at an aggregate option price of \$449,170.

4) Long-term Debt

Instalments on long-term debt are payable in the approximate amounts of \$4,100,000 in 1967, \$4,500,000 in 1968 and 1969, \$6,500,000 in 1970, \$8,600,000 in 1971, \$1,500,000 in 1972 and 1973, \$2,000,000 in 1974 through 1983, \$1,700,000 in 1984, \$2,000,000 in 1985, \$300,000 in 1986, and \$500,000 in 1987.

(Continued)

BUCKEYE PIPE LINE COMPANY AND SUBSIDIARY

Notes to Financial Statements, Continued(4) Long-term Debt, Continued

The long-term debt agreements contain provisions restricting the use of retained earnings, under certain conditions, for the payment of dividends or purchase of the company's common stock. At December 31, 1966, retained earnings subject to such restrictions amounted to \$15,164,288.

*File
A.B.K.*

Before the
PENNSYLVANIA PUBLIC UTILITY COMMISSION

SECRETARY'S OFFICE
PUBLIC UTILITY
COMMISSION

MAR 7 4 35 PM '67

RECEIVED

Re: Application of
:
BUCKEYE PIPE LINE COMPANY,
:
an Ohio corporation, for
:
approval to begin to offer,
:
render, furnish or supply
:
service to the public by pipe-
:
line in the transportation of
:
petroleum and petroleum products,
:
said pipeline generally
:
paralleling an existing pipeline
:
of said company and extending
:
from the pump station of Buckeye
:
Pipe Line Company near Macungie,
:
Lehigh County, northwardly to
:
the Pennsylvania-New York boundary
:
line at a point south of Binghamton,
:
New York, and having a connection
:
to its delivery terminal near
:
Dupont, Luzerne County.

Application Docket

No. A.93666

DOCKET
MAR 8 1967
[Signature]

PROOF OF SERVICE OF APPLICATION

RECORD
FOLDER

COMMONWEALTH OF PENNSYLVANIA)
: SS:
COUNTY OF DAUPHIN)

JACK F. ASCHINGER, being duly sworn according to law,
deposes and says that he is a member of the firm of Metzger, Hafer,
Keefer, Thomas and Wood, Harrisburg, Pennsylvania, attorneys for the
above named Applicant; that he caused service of a copy of the above
Application to be made upon the following pipeline carriers: Atlantic
Pipe Line Company, Sinclair Pipe Line Company, Mobil Pipe Line Company,
Laurel Pipe Line Company and Sun Pipe Line Company, by sending the
same, by first class mail, certified, postage prepaid, on March 7, 1967;
and that a copy of the transmittal letter pertaining to the Application
and a list of all parties upon whom service was made, is attached hereto.

Jack F. Aschinger

Jack F. Aschinger

Sworn to and subscribed before
me this 7th day of
March, 1967.

Genevieve C. Maganel

Notary Public

NOTARY PUBLIC

My Commission Expires:

My Commission Expires June 5, 1969
Harrisburg, Pa. Dauphin County

LEON D. METZGER
GEORGE H. HAFER
ROY J. KEEFER
CHARLES E. THOMAS
WILLIAM H. WOOD
JOHN C. KELLEY
JAMES K. THOMAS
ROBERT L. RUBENDALL
HEATH L. ALLEN
JACK F. ASCHINGER
ALBERT J. TOMALIS
N. DAVID RAHAL
FRANCIS J. O'GORMAN, JR.
JOSEPH PAGE HAFER

LAW OFFICES
METZGER, HAFER, KEEFER, THOMAS AND WOOD
KLINE BUILDING
208-210 WALNUT STREET
HARRISBURG, PA. 17108

TELEPHONE 238-8225
AREA CODE 717
HULL, LEIBY AND METZGER
(1943-1966)
COUNSEL
CHAS. W. HULL

March 7, 1967

Atlantic Pipe Line Company
26 South Broad Street
Philadelphia, Pennsylvania 19101

Gentlemen:

Re: Application of Buckeye Pipe Line Company, an Ohio corporation, for approval to begin to offer, render, furnish or supply service to the public by pipeline in the transportation of petroleum and petroleum products, said pipeline generally paralleling an existing pipeline of said company and extending from the pump station of Buckeye Pipe Line Company near Macungie, Lehigh County, northwardly to the Pennsylvania-New York boundary line at a point south of Binghamton, New York, and having a connection to its delivery terminal near Dupont, Luzerne County. A.93666

Gentlemen:

Notice is hereby given that the above captioned Application has been filed with the Pennsylvania Public Utility Commission. In accordance with Commission instructions we enclose a copy of this Application.

Very truly yours,

METZGER, HAFER, KEEFER, THOMAS AND WOOD

By

Jack F. Aschinger
Jack F. Aschinger

JFA:br
Enc.
Certified Mail

RECEIVED
MAR 7 4 35 PM '67
SECRETARY'S OFFICE
PUBLIC UTILITY
COMMISSION

cc: Laurel Pipe Line Company
Trindle & Fallowfield Roads
Camp Hill, Pennsylvania 17011

Mobile Pipe Line Company
Box No. 900
Dallas, Texas 75221

Sinclair Pipe Line Company
GT Corporation System
123 South Broad Street
Philadelphia, Pennsylvania 19109

Sun Pipe Line Company
1608 Walnut Street
Philadelphia, Pennsylvania 19103

Pennsylvania Public Utility Commission
North Office Building
Harrisburg, Pennsylvania

B. A. Towl, Jr., Esq.
Buckeye Pipe Line Company
30 Rockefeller Plaza
New York, N. Y. 10020

Proof of Publication

WILKES-BARRE
TIMES LEADER

THE EVENING NEWS

(Under Act No. 587, approved May 16th, 1929)

SECRETARY'S OFFICE
PUBLIC UTILITY
COMMISSION

APR 4 8 16 AM '67

RECEIVED

1193666

STATE OF PENNSYLVANIA, }
COUNTY OF LUZERNE } ss:

Margaret George being duly sworn according to law, deposes and says that she is bookkeeper for the **TIMES-LEADER-THE EVENING NEWS** of Wilkes-Barre, Pa., a daily newspaper published in the city of Wilkes-Barre, County of Luzerne and State aforesaid, by the **WILKES-BARRE PUBLISHING COMPANY**; that the said **TIMES-LEADER-THE EVENING NEWS** was established in 1939, and that the printed notice for publication hereto attached is exactly as printed in the regular editions of the **TIMES-LEADER-THE EVENING NEWS** on the following dates, viz:

March 20, 27, 1967

Affiant further deposes and says that the **TIMES-LEADER-THE EVENING NEWS** is a newspaper of general circulation, and that neither the affiant nor the **TIMES-LEADER-THE EVENING NEWS** is interested in the subject matter of the aforesaid notice or advertisement, and that all allegations in the foregoing statement as to time, place and character of publication are true.

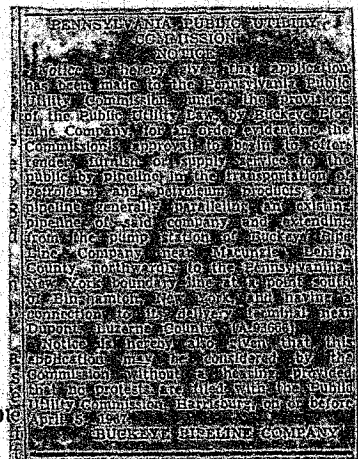
Margaret George

COPY OF NOTICE OR
PUBLICATION

Sworn to before me this 27th day
of March, 1967

James H. Hopper

JAMES H. HOPPER, CLERK PUBLIC
UTILITY COMMISSION, LUZERNE COUNTY, PA.
MY COMMISSION EXPIRES JANUARY 27, 1968



WILKES-BARRE
TIMES LEADER Dr.
THE EVENING NEWS

For publication above stated dates - - - - - \$ 16.50

Publishers Receipt for Advertising Costs:

The **TIMES-LEADER-THE EVENING NEWS**, a newspaper of general circulation, hereby acknowledges receipt of the costs as above and certifies that the same have been duly paid.

TIMES-LEADER-THE EVENING NEWS,

Per _____

APR 4 1967
ER

RECEIVED

Proof of Publication of Notice in the Evening Chronicle

Under Act No. 587, Approved May 16, 1929 and its amendments

STATE OF PENNSYLVANIA
COUNTY OF LEHIGH

SS:

A. 93666

COPY OF NOTICE OR ADVERTISEMENT

R. J. Hummel, Business Manager of the CALL-
CHRONICLE NEWSPAPERS, INC. of the County and State aforesaid,
being duly sworn, deposes and says that the EVENING CHRONICLE is a
newspaper of general circulation as defined by the aforesaid Act, whose
place of business is 101 N. Sixth St., City of Allentown, County and State
aforesaid, and that the said newspaper was established in 1870, since
which date the EVENING CHRONICLE has been regularly issued in said
County, and that the printed notice or advertisement attached hereto is
exactly the same as was printed and published in regular editions and
issues of the said EVENING CHRONICLE on the following dates, viz:

March 20th --

----- and the 27th day of March, A. D. 1967

Affiant further deposes that he is the designated agent duly
authorized by CALL-CHRONICLE NEWSPAPERS, INC., a corporation,
publisher of said EVENING CHRONICLE, a newspaper of general cir-
culation, to verify the foregoing statement under oath, and that affiant
is not interested in the subject matter of the aforesaid notice or
advertisement, and that all allegations in the foregoing statements as
to time, place and character of publication are true.

R. J. Hummel

Business Manager

Designated Agent, Call-Chronicle Newspapers, Inc.

SWORN to and subscribed before me this 27th day of

March 19 67

Miss Margaret E. Sealock

Notary Public

My Commission Expires:

NOTARY PUBLIC

Allentown, Lehigh County, Pa.

My Commission Expires Nov. 26, 1969

Publisher's Receipt for Advertising Costs

The CALL-CHRONICLE NEWSPAPERS, INC., publisher of the EVENING CHRONICLE, a newspaper of general
circulation, hereby acknowledges receipt of the aforesaid notice and publication costs and certifies that the same have
been duly paid.

CALL-CHRONICLE NEWSPAPERS, INC., a Corporation,
Publishers of the EVENING CHRONICLE, a Newspaper
of General Circulation

By M. Busch

A-75A 9-28-46 1M

APR 4 1967

RECORD
FOLDER

Susquehanna County, }
State of Pennsylvania, } ss:

A. 93666

E. E. Wootton, being duly sworn, says he is the publisher of the Susquehanna County Press, a weekly newspaper of general circulation, published at Susquehanna, Pa., in said county, which was established in January, 1834, and that the affiant is not interested in the subject matter of the notice or advertising, and that all of the allegations of the statement as to time, place and character of publications are true, and that a notice, whereof the annexed is a copy, was published in said paper on



.....29th.....day of.....March.....1967.
and.....day of.....196...
and.....day of.....196...
and.....day of.....196...
and.....day of.....196...

E. E. Wootton

Sworn and subscribed before me this *30th* day of
March.....A. D. 1967.

Mrs. Doris L. Capron.....Notary Public

My commission expires *Nov. 5, 1970*.....

RECORD
FOLDER

APR 2 1967
ER