

**PENNSYLVANIA  
PUBLIC UTILITY COMMISSION  
Harrisburg, PA 17120**

Public Meeting held December 19, 2024

Commissioners Present:

Stephen M. DeFrank, Chairman  
Kimberly Barrow, Vice Chair  
Kathryn L. Zerfuss  
John F. Coleman, Jr.  
Ralph V. Yanora

Application for Approval of Abandonment by  
Sunoco Pipeline L.P. of a Portion of Its Petroleum  
Products Pipeline Transportation Service from  
Salem, Chelsea, and Twin Oaks to Willow Grove  
located in Montgomery County, Pennsylvania

Docket Number:  
A-2024-3051549

**ORDER**

**BY THE COMMISSION:**

On October 4, 2024, Sunoco Pipeline L.P. (Sunoco Pipeline), Utility Code 140001, filed the above-captioned Application with the Pennsylvania Public Utility Commission (Commission) seeking a Certificate of Public Convenience authorizing the abandonment of a portion of its petroleum products pipeline transportation service from Salem, Chelsea, and Twin Oaks to Willow Grove, located in Montgomery County, Pennsylvania. The Application was filed pursuant to Sections 1102(a)(2) and 1103(a) of the Public Utility Code, 66 Pa. C.S. §1102(a)(2) and 1103(a). For the reasons expressed herein, the

Commission approves Sunoco Pipeline's Application to abandon a portion of its petroleum products pipeline transportation service.

Sunoco Pipeline currently operates pipelines pursuant to Certificates of Public Convenience granted by this Commission and by the Federal Energy Regulatory Commission. Sunoco Pipeline states that these pipelines transport petroleum products, including refined products such as gasoline and fuel oils, and natural gas liquids, including propane, ethane, and butane, in intrastate and interstate service. Sunoco Pipeline provides intrastate transportation service between points in Pennsylvania pursuant to the rates set forth in its Tariff Pipeline-Pa. P.U.C. No. 16, Supplement 9. Application ¶3.

Sunoco Pipeline states that the abandonment of a portion of its petroleum products pipeline transportation service from Salem, Chelsea, and Twin Oaks to Willow Grove will result in the abandonment of one destination point listed in its tariff, Willow Grove. Sunoco Pipeline states that it is not seeking to abandon any pipeline facilities associated with the abandonment of its Willow Grove destination point. Sunoco Pipeline also states that in the past approximately 13 years, there have been no shipments delivered to its Willow Grove destination point, and that there is a complete lack of utilization of facilities at Willow Grove. Sunoco Pipeline states that it no longer receives revenues previously generated from providing service to this destination point. Sunoco Pipeline further states that in the most recent past, the only shipper was Sunoco L.P. Sunoco Pipeline states that there is no prospect of future use of this destination point. Sunoco Pipeline also states that there is no harm to the public in abandoning service to a destination point that has not been utilized in approximately 13 years. Sunoco Pipeline states that in the past five years, it has incurred a \$6,000 tank inspection related expense at its Willow Grove destination point. Application ¶¶1,2 and Sunoco Pipeline Response to Data Request No. 2.

Sunoco Pipeline states that due to the complete lack of use and revenue generated by its Willow Grove destination point in the past approximately 13 years, continued service

is clearly uneconomic. Sunoco Pipeline also states that this destination point has not been used for delivery of products since 2011. Sunoco Pipeline states that the products transported to its Willow Grove destination point included heating oil and gasoline. Sunoco Pipeline further states that it has no reasonable forward-looking expectation of use or earning revenues sufficient to support continued service to its Willow Grove destination point. Sunoco Pipeline states that the proposed abandonment will have no adverse effects on customers because there are no customers. Sunoco Pipeline has provided a copy of a signed letter of non-opposition from Sunoco L.P. Application ¶¶5-11 and Exhibit D.

Sunoco Pipeline states that pursuant to 66 Pa. C.S. § 1102(a), the Public Utility Code requires Commission approval via a Certificate of Public Convenience for the Abandonment of Public Utility Service. Sunoco Pipeline also states that to obtain approval of the proposed abandonment, it must show the proposed abandonment is necessary or proper for the service, accommodation, convenience, or safety of the public, and demonstrate that the proposed abandonment is in the public interest, pursuant to 66 Pa. C.S. § 1103(a). Sunoco Pipeline further states that in 2018, the Commission entered an Opinion and Order<sup>1</sup> that clarified the Abandonment of Service Standard for a pipeline to partially abandon service is a four-factor test including:

- a) The extent of the loss to the utility;
- b) The prospects of the system being used in the future;
- c) Balancing of the utility's loss with the hardship on the public; and
- d) The availability of alternative service.

Sunoco Pipeline states that this is not a strict standard of review, but these factors envelop the considerations examined in numerous prior decisions addressing public utilities' abandonment of service. Application ¶¶12-15.

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<sup>1</sup> See *Application of Laurel Pipe Line Company L.P.*, Docket Nos. A-2016-2575829 et al.

Sunoco Pipeline states that the first factor mentioned above, the extent of the loss to the utility, focuses on the loss to utility operations and whether a rate increase would cure the utility's loss. Sunoco Pipeline states that the extent of the loss to the utility is clear because there have been no revenues generated from transportation at the destination point proposed to be abandoned for the past approximately 13 years. Sunoco Pipeline also states that no examination of associated expenses is needed as any associated expenses are a further loss given the complete lack of revenue. Sunoco Pipeline states that no rate increase can cure this loss. Sunoco Pipeline has provided a confidential copy of its lost revenues. Sunoco Pipeline states that the first factor weighs completely in favor of granting the Application and allowing the abandonment. Application ¶¶19-20 and Exhibit C.

Sunoco Pipeline states that the second factor mentioned above, prospects of the system being used in the future, also very clearly weighs in favor of granting the Application and allowing abandonment. Sunoco Pipeline states that there is essentially no prospect of this tariff destination point being used in the future. Sunoco Pipeline also states that it has no indication whatsoever of any shipper being interested in utilizing the destination point proposed to be abandoned. Sunoco Pipeline states that based on the lack of prospects of the system being used in the future, this second factor weighs in favor of granting the Application and allowing the abandonment. Application ¶¶22-24.

Sunoco Pipeline states that the third factor mentioned above, balancing the utility's loss with the hardship to the public, weighs in favor of granting the Application. Sunoco Pipeline states that since its Willow Grove destination point has not been used in the past approximately 13 years, there is no hardship imposed on the public by the abandonment. Sunoco Pipeline states that based on there being no hardship imposed on the public, this third factor weighs in favor of granting the Application and allowing the abandonment. Application ¶¶25-26.

Sunoco Pipeline states that the fourth factor mentioned above, the availability of alternative service, is not relevant in this situation. Sunoco Pipeline states that there are no current customers utilizing the service, and thus there are no customers that will need to utilize an alternative service because of the abandonment. Sunoco Pipeline also states that there are alternatives available for the shipment of refined products and propane, including rail, trucks, and other pipelines. Sunoco Pipeline states that based on no need for an alternative service due to the abandonment, this fourth factor weighs in favor of granting the Application and allowing the abandonment. Application ¶¶28.

Sunoco Pipeline states that the Commission must weigh the above factors and not focus on specific cost-benefit criteria.<sup>2</sup> Sunoco Pipeline states that once substantial evidence is provided to fulfill the multi-factor test, the Commission can approve issuance of a Certificate of Public Convenience for Abandonment of Utility Service. Sunoco Pipeline also states that all four abandonment factors weigh in favor of granting the Application. Sunoco Pipeline again states that the destination point proposed to be abandoned has not been used in approximately 13 years, that there is a complete loss of revenue, that there are no prospects of the destination point being used in the future, there is no harm to the public, and to the extent alternatives are relevant, multiple alternatives exist. Sunoco Pipeline further states that granting this Application is fully consistent with prior Commission orders regarding Sunoco Pipeline's pipeline service, where even when abandoned or suspended portions of pipelines were being utilized at the time of the requested abandonment, the abandonment was granted.<sup>3</sup> Application ¶¶16-18.

Accordingly, Sunoco Pipeline requests that the Commission issue a Certificate of Public Convenience pursuant to 66 Pa. C.S. § 1102(a)(2) to permit Sunoco Pipeline to abandon of a portion of its petroleum products pipeline transportation service from Salem,

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<sup>2</sup> See *Borough of Duncannon v. Pa. Pub. Util. Comm'n*, 713 A.2d 737, 740 (Pa. Cmwlth. 1998).

<sup>3</sup> See *Application of Sunoco Pipeline, L.P.*, Docket Nos. A-2013-2371789, P-2013-2371775.

Chelsea, and Twin Oaks to Willow Grove in Montgomery County, Pennsylvania, resulting in the abandonment of its Willow Grove destination point.

Sunoco Pipeline concludes that approval of its Application is necessary and proper for the following reasons:

- 1) Due to the complete lack of use and revenue generated by its Willow Grove destination point in the past approximately 13 years, that to continue service is clearly uneconomic.
- 2) Sunoco Pipeline has provided a signed copy of a letter expressing non-opposition from the only shipper that utilized the Willow Grove destination point in the past approximately 13 years.
- 3) That despite the lack of prospects needing this destination point in the future, alternative delivery methods are available for the shipment of refined products and propane, including rail, truck, and other pipelines.

Notice of the filing of this Application was published in the *Pennsylvania Bulletin* on Saturday, October 19, 2024. Sunoco Pipeline published notice of this Application in the area newspaper<sup>4</sup> on October 14, 2024, and the notarized proof of publication was furnished to the Commission on October 23, 2024. No protests were filed, and no hearings were held.

Upon full consideration of the facts presented in this case, we concur with Sunoco Pipeline L.P.'s reasons for abandonment of a portion of its petroleum products pipeline transportation service from Salem, Chelsea, and Twin Oaks to Willow Grove located in Willow Grove, Montgomery County, Pennsylvania. Therefore, we approve Sunoco Pipeline L.P.'s Application to abandon a portion of its petroleum products pipeline transportation

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<sup>4</sup> The Reporter.

service from Salem, Chelsea, and Twin Oaks to Willow Grove, located in Willow Grove, Montgomery County, Pennsylvania. However, we note that the abandonment shall be completed in accordance with 52 Pa Code §§56.91 - 56.100; **THEREFORE,**

**IT IS ORDERED:**

1. That the Application for Sunoco Pipeline L.P.'s abandonment of a portion of its petroleum products pipeline transportation service from Salem, Chelsea, and Twin Oaks to Willow Grove, resulting in the abandonment of its Willow Grove destination point, located in Montgomery County, Pennsylvania is granted.

2. That a Certificate of Public Convenience be issued pursuant to 66 Pa. C.S. § 1102(a)(2) authorizing Sunoco Pipeline L.P. to abandon a portion of its petroleum products pipeline transportation service from Salem, Chelsea, and Twin Oaks to Willow Grove, resulting in the abandonment of its Willow Grove destination point, located in Montgomery County, Pennsylvania, as discussed in the body of this Order.

3. That Sunoco Pipeline, L.P. be permitted to file a tariff supplement on at least one day's notice to the Commission reflecting the abandoned destination point in Willow Grove, Montgomery County, Pennsylvania.

4. That a copy of this Order shall be served upon Sunoco Pipeline L.P., the Commission's Bureau of Investigation and Enforcement – Gas Safety Division, the Office of Small Business Advocate, and the Office of Consumer Advocate.

5. That this proceeding at Docket No. A-2024-3051549 be closed.

**BY THE COMMISSION,**



Rosemary Chiavetta

Secretary

(SEAL)

ORDER ADOPTED: December 19, 2024

ORDER ENTERED: December 19, 2024