BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF HAWAII

In the Matter of the Application of)

SENTER PETROLEUM, INC.

For Extension of Motor Carrier

Certificate or Permit.

DOCKET NO. 02-0177

DECISION AND ORDER NO. 19549

2002 AUG 30 ₽ 3:39

Filed August 30, 2002 At 9.30 o'clock A .M.

Chief Clerk of the Commission

ATTEST: A True Copy KAREN HIGASHI Chief Clerk, Public Utilities Commission, State of Hawaii.

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DECISION AND ORDER

I.

application filed 3, Ву on July 2002. an SENTER PETROLEUM, INC. (Applicant) seeks commission approval to extend its authority under Permit No. 3807-P to include (1) the transportation of specific commodities (petroleum products) from the Port Allen Chevron Terminal to the Lihue Energy Service Center island of Kauai, pursuant to its contract with the Chevron U.S.A., Inc., and (2) the authority to enter into future contracts for the provision of petroleum transport services without having to file additional applications with the commission.1

¹By Decision and Order No. 19434, filed on June 27, 2001, in Docket No. 02-0148, Applicant was granted a temporary extension of its authority to operate as a contract carrier in the specific commodities (petroleum products) classification on the island of Kauai, limited to transporting petroleum products for Chevron U.S.A., Inc., from the Port Allen Chevron Terminal to the Lihue Energy Service Center. The temporary extension of authority is effective for a period of 120 days, until October 27, 2002.

In addition, in Docket No. 02-0148, Applicant requested authority to enter into future contracts to provide petroleum transport services without having to file additional applications with the commission. By Decision and Order No. 19434, the commission found that Applicant's request for this additional authority should be reviewed in a separate application for permanent authority, and, thus, Applicant's request was denied, without prejudice.

Applicant is currently authorized under Permit No. 3807-P as a contract carrier of property by motor vehicle over irregular routes on the island of Kauai, in the specific commodities classification under contract with Chevron U.S.A., Inc.: (1) for the delivery of petroleum products (bulk & packaged) to its six retail gas service stations situated between Waimea and Princeville (to include tires, batteries & accessories); and (2) for the delivery of bulk petroleum products to the accounts of Gray Line Kauai, Kauai Island Tours, Inc., Robert's Kauai U-Drive, Inc., Lihue Plantation, County of Kauai (Public Works), and Dynalectron Corp. (Pacific Missile Range).

Applicant served copies of the application on the Hawaii Transportation Association, which consists of carriers that may be affected by Applicant's proposed service, and on the Division of Consumer Advocacy, Department of Commerce and Consumer Affairs (Consumer Advocate). The Consumer Advocate did not participate in this proceeding, and no persons moved to intervene in this docket.

II.

Based upon our review of the record, we find that Applicant is fit, willing, and able to properly perform the proposed service for Chevron U.S.A., Inc., and to conform to Hawaii Revised Statutes (HRS) chapter 271 and the requirements and rules of the commission. We also find that the proposed service will meet the distinct needs of Chevron U.S.A., Inc., and, pursuant to HRS § 271-13, will be consistent with the public interest and

transportation policy declared in HRS chapter 271. Accordingly, we conclude that Applicant's request that its contract authority be extended to include the proposed service for Chevron U.S.A., Inc. should be granted.

We also find that Applicant should be allowed to enter into contracts in the future without having to file additional applications with the commission, provided that (1) such contracts are limited to the provision of the transportation of specific commodities (petroleum products) on the island of Kauai, and (2) Applicant files executed contracts for such services with the commission prior to the commencement of such services.

III.

THE COMMISSION ORDERS:

1. Applicant is authorized to operate as a contract carrier of property by motor vehicle over irregular routes on the island of Kauai in the specific commodities (petroleum products) classification, under contract with Chevron U.S.A., Inc., to transport: (1) petroleum products from the Port Allen Chevron Terminal to the Lihue Energy Service Center; (2) bulk and packaged petroleum products to Chevron U.S.A., Inc.'s six retail gas service stations situated between Waimea and Princeville (to include tires, batteries & accessories); and (3) bulk petroleum products to the accounts of Gray Line Kauai, Kauai Island Tours, Inc., Robert's Kauai U-Drive, Inc., Lihue Plantation, County of Kauai (Public Works), and Dynalectron Corp. (Pacific Missile Range).

- 2. Applicant may enter into contracts in the future without having to file additional applications with the commission, provided that (1) such contracts are limited to the provision of the transportation of specific commodities (petroleum products) on the island of Kauai, and (2) Applicant files executed contracts for such services with the commission prior to the commencement of such services.
- 3. Applicant shall surrender Permit No. 3807-P, and an amended permit reflecting the operating authority granted by this decision and order shall be issued.
- 4. Applicant shall file an executed contract between Applicant and Chevron U.S.A., Inc. that provides for the transportation of petroleum products from the Port Allen Chevron Terminal to the Lihue Energy Service Center.
- 5. Applicant shall comply with the foregoing requirements within 120 days after service of this decision and order. Failure to comply within the time specified constitutes cause for this commission to void this decision and order.

DONE at Honolulu, Hawaii this 30th day of August, 2002.

PUBLIC UTILITIES COMMISSION OF THE STATE OF HAWAII

Waymo H Kimura Chairman

The Held

Janet E. Kawelo, Commissioner

APPROVED AS TO FORM:

Benedyne S. Stone Commission Counsel

02-0177.sl

CERTIFICATE OF SERVICE

I hereby certify that I have this date served a copy of the foregoing <u>Decision and Order No.19549</u> upon the following parties, by causing a copy hereof to be mailed, postage prepaid, and properly addressed to each such party.

DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS DIVISION OF CONSUMER ADVOCACY P. O. Box 541 Honolulu, HI 96809

SENTER PETROLEUM, INC. 3011 Aukele Street Lihue, HI 96766

Catherine Sakato

DATED: August 30, 2002