

Decision No. 37066

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application  
of Bel-Air Brick Company for the  
Authorization to Purchase Gas at  
Surplus Rates.

Application No. 26130

BY THE COMMISSION:

**ORIGINAL**

OPINION AND ORDER

In this application Bel-Air Brick Company asks the Commission for permission to be served with natural gas by Southern Counties Gas Company of California under its applicable surplus gas tariffs.

According to the application Bel-Air Brick Company is engaged in the business of manufacturing brick for the Los Angeles Metropolitan Area, and its plant has been closed for the past fifteen months because the former sale price of \$13.00 per thousand for common brick did not permit profitable operations; further, due to the critical shortage of common brick the Office of Price Administration, under Order dated March 4, 1944, authorized an increase of \$2.00 per thousand for this material, which then made it profitable for applicant to reopen its plant.

Attached to and made a part of the application is a copy of the letter which petitioner received from the War Production Board, Washington, D. C., dated April 19, 1944, permitting it deliveries of not to exceed one million cubic feet in any one day, from April 15th to November 30th, inclusive, of each year. It is also pointed out in the War Production Board's letter that interruptions or deliveries may be required during any season of the year on short notice and may extend over a period of several days. The petitioner has stated in the application that it has provided for standby fuel for use during such curtailment periods.

The surplus tariffs of Southern Counties Gas Company of California were closed to new customers and to new uses of old customers by Decision No. 36518 dated July 27, 1943. Under Decisions Nos. 34797 and 35455, previously made, gas service supplied on a curtailable basis required the installation of an auxiliary fuel supply. To permit the applicant to receive surplus gas service under these conditions will constitute a deviation from the utility's filed tariffs and this Commission's orders.

The supply of natural gas in this area is limited; however, the Commission recognizes the necessity for the production of certain essential materials, as well as making the most efficient use of the fuels that are available.

Under the circumstances it appears that permission should be given Southern Counties Gas Company of California to render surplus gas service to applicant. However, this is contingent upon the petitioner's full compliance with the carrying out of any shut-off orders the utility may issue and, in addition, it is understood that the petitioner has installed adequate standby fuel storage and equipment to take care of its minimum requirements during the curtailment periods. Therefore, the Commission is of the opinion that a deviation is warranted and that the petition of the applicant should be granted. In view of the circumstances and interests involved, no public hearing is necessary, and good cause appearing,

IT IS HEREBY FOUND AS A FACT that Southern Counties Gas Company of California is warranted in supplying gas to Bel-Air Brick Company in an amount not to exceed one million cubic feet per day for the period from April 15th to November 30th, inclusive, of each year under its appropriate tariffs, and

IT IS HEREBY ORDERED that Southern Counties Gas Company of California may render surplus gas service to Bel-Air Brick Company, 2915 Nebraska Avenue, Santa Monica, California, and at the rates and under the conditions of applicable filed tariffs to the extent of one million cubic feet per day, the

amount permitted by the War Production Board, from April 15th to November 30th, inclusive, of each year; provided that the period of such service shall not exceed the duration of the present war, plus six months, unless otherwise authorized by the Commission.

The effective date of this order shall be the hereof.

Dated at San Francisco, California, this 23<sup>rd</sup> day of May

1944.

Richard K. Ladd  
Justice F. Casper  
Francis L. Hawkey  
James H. Doolittle  
 Commissioners