

Decision No. 37067

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

ORIGINAL

In the Matter of the Application of
HENRY M. GUENSER and SOPHIA E. GUENSER,
doing business as BUILDERS BRICK COMPANY,
for an order authorizing the sale by and
the purchase from the Southern California
Gas Company, of surplus natural gas for
industrial purpose.

Application No. 26129

BY THE COMMISSION:

OPINION AND ORDER

In this application Henry M. Guenser and Sophia E. Guenser, doing business as Builders Brick Company, ask the Commission for permission to be served with natural gas by Southern California Gas Company under its applicable surplus gas tariffs without standby equipment and fuels.

According to the application Builders Brick Company is engaged in the business of manufacturing and sales of common red brick; further, for a period of approximately fifteen years the Southern California Gas Company supplied gas service to the Builders Brick Company under the surplus industrial schedules until the year 1942, when it was necessary that they discontinue the manufacture of brick due to the manpower shortage.

It is the petitioners' contention that the tariffs of the Southern California Gas Company, other than the surplus schedules, are such that they could not manufacture and sell common red brick at a profit under the existing price ceilings. Further, that such price ceilings are not sufficient to absorb the cost of construction and maintenance of a standby plant.

We are informed by the petitioners that gas would be used only during the summer period, and since they had been receiving gas service under the surplus tariffs previous to 1942, they were thoroughly familiar with the

shut-off provisions and would fully comply with the curtailment provisions of the above-mentioned surplus tariffs; that they would, when notified by the Gas Company during curtailment periods, shut off the surplus gas being used by them and not turn it on again until notified by the utility that a sufficient amount of gas was available for their operations, regardless of whether or not the loss of materials was involved.

The surplus tariffs of the Southern California Gas Company 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 installation of auxiliary fuel supply. To permit the applicants 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 of conserving critical 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 California Gas Company to render surplus gas service to applicants. However, this is contingent upon the petitioners' full compliance with the carrying out of any shut-off orders the utility may issue; and it is understood that they will not demand continuous gas service during the curtailment period even though their production is interrupted and the loss of materials may be involved.

In accordance with the above conditions the Commission is therefore of the opinion that a deviation is warranted and that the petition of applicants should be granted. In view of the circumstances and interests involved no public hearing is deemed necessary, and good cause appearing,

IT IS HEREBY FOUND AS A FACT that Southern California Gas Company is warranted in supplying gas to Henry M. Guenser and Sophia E. Guenser, doing business as Builders Brick Company, under its appropriate surplus tariffs, and

IT IS HEREBY ORDERED that Southern California Gas Company may render surplus gas service to Henry M. Guenser and Sophia E. Guenser, doing business as Builders Brick Company at 17602 South Western Avenue, Moneta, California, and at the rates and under the conditions of applicable filed tariffs, provided that the period of such service shall not exceed the duration of the war, plus six months, unless otherwise authorized by the Commission.

The effective date of this order shall be the date hereof.

Dated at San Francisco, California, this 23rd day of

May, 1944.

Richard Kachre
Justus J. Cullen
Francis A. Havens

James H. Powell
Commissioners