

**ORIGINAL**

Decision No. 59436

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

SOUTHERN COUNTIES GAS COMPANY OF CALIFORNIA, a corporation,  
Complainant,

vs.

Case No. 6225

RICHFIELD OIL CORPORATION, a corporation,  
FIRST DOE CORPORATION, SECOND DOE CORPORATION and THIRD DOE CORPORATION,  
Defendants.

SOUTHERN COUNTIES GAS COMPANY OF CALIFORNIA, a corporation,  
Complainant,

vs.

Case No. 6245

SOUTHERN CALIFORNIA EDISON COMPANY, a corporation,  
Defendant.

Investigation on the Commission's own motion into the operations and practices of SOUTHERN CALIFORNIA EDISON COMPANY and RICHFIELD OIL CORPORATION.

Case No. 6267

Investigation on the Commission's own motion into the rates of SOUTHERN COUNTIES GAS COMPANY OF CALIFORNIA and SOUTHERN CALIFORNIA GAS COMPANY to determine whether said respondents should be directed to file tariff schedules offering semifirm gas service at just and reasonable rates to large steam-electric generating plant customers.

Case No. 6329

Investigation on the Commission's own motion to determine (1) whether the Commission should issue to RICHFIELD OIL CORPORATION certificates of public convenience and necessity as a gas corporation; (2) whether public convenience and necessity require RICHFIELD OIL CORPORATION to use any of the gas pipelines and facilities of PACIFIC LIGHTING GAS SUPPLY COMPANY, SOUTHERN CALIFORNIA GAS COMPANY, and/or SOUTHERN COUNTIES GAS COMPANY OF CALIFORNIA; and (3) whether public convenience and necessity require PACIFIC LIGHTING GAS SUPPLY COMPANY, SOUTHERN CALIFORNIA GAS COMPANY, and/or SOUTHERN COUNTIES GAS COMPANY OF CALIFORNIA to use any of the gas pipelines and facilities of RICHFIELD OIL CORPORATION.

Case No. 6330

In the Matter of the Application of SOUTHERN CALIFORNIA EDISON COMPANY, a corporation, under Section 1001 of the Public Utilities Code, for a Certificate that Public Convenience and Necessity require the construction, maintenance and operation of certain fuel gas facilities.

Application No. 39250

In the Matter of the Joint Application of SOUTHERN CALIFORNIA GAS COMPANY and SOUTHERN COUNTIES GAS COMPANY OF CALIFORNIA for an order authorizing them to file and place in effect in accordance with General Order 96 and Section 454 of the Public Utilities Code, a revised rate schedule applicable to utility steam-electric generating plants.

Application No. 40288

Appearances and Witnesses are listed in Appendix A.

CEASE AND DESIST ORDER

Whereas this Commission in Decision No. 58850, issued August 4, 1959, has found that Richfield Oil Corporation, in respect to its gas operations, is a public utility gas corporation subject to the jurisdiction of this Commission,

Whereas further hearings in Cases Nos. 6225, 6245 and 6267 and Applications Nos. 39250 and 40288 and original hearings in Cases Nos. 6329 and 6330 have been held in Los Angeles before Commissioner Matthew J. Dooley and Examiners Wilson E. Cline and Manley W. Edwards on October 5 and 6, 1959,

Whereas Southern Counties Gas Company of California, Southern California Gas Company and Pacific Lighting Gas Supply Company have moved that the Commission issue its order directing Richfield Oil Corporation to cease and desist from the delivery and sale of gas through its pipeline to Southern California Edison Company at its Mandalay steam-electric plant, and

Whereas the record herein shows and the Commission hereby further finds and concludes that:

(1) Richfield Oil Corporation, through its gas pipeline constructed without authorization from this Commission, has been and now is delivering gas for compensation to Southern California Edison Company for use as fuel at its Mandalay, Ventura County, California, steam-electric generating plant unlawfully and without authorization from this Commission;

(2) Richfield Oil Corporation has declined to submit to the jurisdiction of this Commission; and

(3) Neither Richfield Oil Corporation nor any other party has introduced sufficient evidence to show that public convenience and necessity require the continued operation and maintenance of Richfield's said gas pipeline and the delivery and sale of its gas to Southern California Edison Company for use as boiler fuel at its said Mandalay steam-electric generating plant;

Now therefore, good cause appearing,

IT IS HEREBY ORDERED that:

(1) Richfield Oil Corporation cease and desist from operating and maintaining the gas pipeline and facilities necessary to serve gas to Southern California Edison Company at its Mandalay, Ventura County, California, steam plant for boiler fuel use and cease and desist from delivering and selling gas through said pipeline to Southern California Edison Company at said Mandalay plant.

(2) Any provisions of the interim order in Decision No. 58850 issued August 4, 1959, which are inconsistent with this order are hereby deleted as of the effective date of this order.

The effective date of this order shall be twenty days after the date hereof.

The Secretary is directed to cause certified copies of this order promptly to be served upon Richfield Oil Corporation, Southern California Edison Company, Pacific Lighting Gas Supply Company, Southern California Gas Company, and Southern Counties Gas Company of California and to cause copies to be mailed promptly to the other parties in each of the proceedings herein.

Dated at San Francisco, California, this 9th day of October, 1959.

[Signature] President  
[Signature]  
[Signature]

Commissioners

APPENDIX A  
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LIST OF APPEARANCES

Reginald L. Vaughan, William P. Gray, Joseph R. Rensch, Prentiss Moore, Milford Springer and Robert M. Olson, Jr., for Southern Counties Gas Company of California, complainant in Cases Nos. 6225 and 6245; intervenor in Case No. 6267; protestant in Application No. 39250; and respondent in Cases Nos. 6329 and 6330.

Rollin E. Woodbury, C. Robert Simpson, and Bruce Renwick by Rollin E. Woodbury and C. Robert Simpson, and Harry W. Sturges, Jr., by Rollin E. Woodbury, for Southern California Edison Company, defendant in Case No. 6245; respondent in Case No. 6267; applicant in Application No. 39250; and interested party in Cases Nos. 6225, 6329 and 6330, and Application No. 40288.

Ball, Hunt & Hart by Joseph A. Ball, Clark Heggeness and Mervyn Phelm, for Richfield Oil Corporation, defendant in Case No. 6225; respondent in Cases Nos. 6267 and 6330; and interested party in Case No. 6245 and Application No. 39250.

Reginald L. Vaughan, Herman F. Selvin, T. J. Reynolds, L. T. Rice and H. P. Letton, Jr., for Southern California Gas Company, interested party in Cases Nos. 6225, 6245 and 6267; protestant in Application No. 39250; and respondent in Cases Nos. 6329 and 6330.

Chickering and Gregory by Sherman Chickering and C. Hayden Ames, and H. G. Dillin, for San Diego Gas and Electric Company, intervenor in Cases Nos. 6225, 6245 and 6267; protestant in Application No. 39250; and interested party in Cases Nos. 6329 and 6330, and Application No. 40288.

Brobeck, Phleger & Harrison by George D. Rives and Gordon E. Davis, for California Manufacturers Association, intervenor in Cases Nos. 6225, 6245 and 6267; and interested party in Application No. 39250 and Cases Nos. 6329 and 6330, and Application No. 40288.

Henry E. Jordan, Chief Engineer-Secretary, Bureau of Franchises & Public Utilities, and Wahlfred Jacobsen, City Attorney, by Leslie E. Still, Deputy City Attorney, for the City of Long Beach; J. F. DuPaul, City Attorney, by Frederick B. Holoboff, Deputy City Attorney, for City of San Diego; interested parties in Cases Nos. 6225, 6245 and 6267 and Application No. 39250.

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LIST OF APPEARANCES--Contd.

Gerald H. Trautman, for Standard Oil Company of California, interested party in Application No. 40288 and Case No. 6329.

Wallace K. Downey, for California Portland Cement Company; William L. Knecht, for California Farm Bureau Federation; Donald J. Carman, Richard Edsall and W. T. Johnson, for California Electric Power Company; H. E. Gulick, for City of Glendale; and T. M. Chubb and R. W. Russell, for the Department of Public Utilities and Transportation, and Alfred H. Driscoll, for City Attorney's Office of the City of Los Angeles; interested parties in Cases Nos. 6225, 6245, 6267, 6329 and 6330 and Applications Nos. 39250 and 40288.

O'Melveny & Myers, by Lauren M. Wright, for Riverside Cement Company, Division of American Cement Corporation, interested party in Application No. 40288.

Henry E. Jordan, for Bureau of Franchises and Public Utilities, City of Long Beach, interested party in Cases Nos. 6329 and 6330 and Application No. 40288.

Lynn L. McArthur, for City of Burbank, Public Service Department; K. L. Parker and Neal E. McClure, for City of Glendale; T. M. Goodrich, for City of Pasadena, Light and Power Department; Enright, Elliott & Betz, by J. T. Enright and Waldo A. Gillette, for Monolith Portland Cement Company; W. D. MacKay, for Challenge Cream and Butter Association; Thomas H. McGovern, for Western Oil and Gas Association; interested parties in Application No. 40288.

Reginald L. Vaughan, Oscar C. Sattinger, J. R. Elliott and Joseph R. Rensch, for Pacific Lighting Gas Supply Company, interested party in Cases Nos. 6225, 6245, 6267 and 6329, protestant in Application No. 39250, and interested party in Case No. 6329.

Clarence Unnevehr, for the Commission staff in Application No. 40288.

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LIST OF APPEARANCES (Contd.)

W. D. MacKay, for Challenge Cream and Butter Association; W. W. Miller, Willis T. Johnson and Donald J. Carman, for California Electric Power Company, interested parties in Case No. 6225 and Application No. 39250.

Philip T. Shacknove and W. H. Daum, Jr., for Brentwood Civic League, protestant in Application No. 39250.

Norman T. Elliott, Joseph T. Enright and Waldo A. Gillette, for Monolith Portland Cement Company; John H. Lauten, Assistant City Attorney, for the City of Glendale; Wendell R. Thompson, Assistant City Attorney, and T. M. Goodrich, General Manager of Light and Power Department, for the City of Pasadena; Lynn L. McArthur, for the City of Burbank, Donald T. Ford, Overton Lyman & Prince and John A. Erickson, for Southwestern Portland Cement Company; E. J. Spielman, for Upper Mandeville Canyon Propertyowners Association; F. T. Searls and John C. Morrissey by John C. Morrissey, for Pacific Gas and Electric Company, interested parties in Application No. 39250.

Franklin C. Campbell, H. J. McCarthy, Martin J. Porter and M. J. Kimball, for the Commission staff.

LIST OF WITNESSES

Marion L. Arnold, Manager of Natural Gas Operations of the Richfield Oil Corporation.

James F. Davenport, President of Edison Securities Company and Executive Vice President of Southern California Edison Company.

Cecil L. Dunn, Manager of the Rate Department of Southern Counties Gas Company of California.

W. Warren Gamel, Assistant Chief Accountant for the Production Department of Richfield Oil Corporation.

Robert C. Gentry, Oil and Gas Coordinator, Standard Oil Company of California.

Wallace E. Giles, Certified Public Accountant, Price Waterhouse & Company.

W. J. Herrman, Vice President of Southern California Gas Company.

D. E. Kelbey, Vice President and General Manager of Alex Robertson Company.

M. W. Kilbre, Manager of the Gas Department, General Petroleum Corporation.

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LIST OF WITNESSES (Contd.)

James A. Millen, Vice President of Southern Counties Gas Company of California.

Robert P. O'Brien, Vice President of Southern California Edison Company.

Mervyn W. Phelan, Attorney for the Richfield Oil Corporation.

Harold Quinton, President of Southern California Edison Company.

William H. Seamen, Supervisor of Petroleum Operations, Southern California Edison Company.

Frank N. Seitz, Vice President of Southern Counties Gas Company of California.

Raymond W. Todd, Vice President and Executive Engineer of Pacific Lighting Gas Supply Company.

William J. Travers, Vice President of Richfield Oil Corporation.

K. C. Vaughan, Employee of Union Oil Company.

Jacob N. Wasserman, Attorney at Law, Washington, D. C.

Emmet E. Wolter, Manager of Department of Land Matters, Western Division, Signal Oil and Gas Company.

T. S. Zajac, Manager of the Gas Department, Shell Oil Company.

ADDITIONAL WITNESSES  
UNDER APPLICATION NO. 40288

A. R. Bailey, Keith Kelsey, C. D. Dierker.