

Decision No. 59902

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

SOUTHERN COUNTIES GAS COMPANY
OF CALIFORNIA, a corporation,

Complainant,

v.

RICHFIELD OIL CORPORATION, a
corporation,

Defendant.

Case No. 6448

INTERIM ORDER

The complaint herein contains two causes of action. It alleges in part that complainant is a public utility furnishing natural gas service, and has been certificated by the Commission to engage in such business in its service area. It is alleged that defendant owns and operates a 58 mile 20-inch pipeline from Cuyama Valley to the Mandalay steam electric generating station of Southern California Edison Company through which it sells and delivers natural gas produced in Cuyama Valley to Edison; that the Mandalay station is within complainant's service area; and that defendant is and will continue to be engaged in furnishing natural gas to the public or some portion thereof, for compensation.

Complainant alleges that on or about April 2, 1960 defendant commenced construction of a 6-inch gas pipeline approximately eight miles in length, which will extend from the area of Rincon Point, Ventura County, immediately adjacent to

the Pacific Ocean, to a point near Casitas Springs north of the City of Ventura, also in Ventura County.

Complainant alleges it is informed and believes that at the last mentioned location defendant intends to connect such 6-inch pipeline with the 20-inch Mandalay pipeline through which defendant is selling natural gas to Edison; that defendant is to use such 6-inch pipeline to transmit and sell natural gas produced by defendant at its Rincon oil and gas field to Edison at said Mandalay station.

It is alleged further, on information and belief, that defendant has engaged more than one contractor on a cost-plus basis, each working on an accelerated schedule of twelve hours per day and seven days per week in order to complete the 6-inch pipeline within a period of two weeks; and that the gas to be delivered and sold by defendant through said 6-inch and 20-inch pipelines to Edison will be used by the latter as boiler fuel to generate electricity for sale to and use by the general public.

Complainant alleges that defendant is a gas corporation within the meaning of Public Utilities Code sec. 222; that the 6-inch pipeline is designed to be an extension of defendant's gas plant; that defendant has neither applied for nor obtained a certificate authorizing such construction, as required by Code sec. 1001; and that public convenience and necessity do not and will not require such construction.

Complainant requests in part that the Commission forthwith issue its order requiring defendant to cease and desist from such construction until the Commission makes and files its decision on the complaint or until further Commission order.

The relief sought by complainant is contemplated by the

Public Utilities Code under the circumstances alleged in the complaint. Section 1006 provides as follows:

"1006. When a complaint has been filed with the commission alleging that a public utility of the class specified in Section 1001 is engaged or is about to engage in construction work without having secured from the commission a certificate of public convenience and necessity as required by this article, the commission may, with or without notice, make its order requiring the public utility complained of to cease and desist from such construction until the commission makes and files its decision on the complaint or until the further order of the commission."


Good cause appearing, IT IS ORDERED that Richfield Oil Corporation, a corporation, pending further Commission order herein, shall immediately cease and desist and shall refrain from constructing the 6-inch pipeline more particularly described in the complaint herein.


Case No. 6448 is hereby assigned to Commissioner Dooley and Examiner Cline, and hearing is set before such presiding officers, or such Commissioner or Examiner as may hereafter be designated, at ten o'clock a.m. on Monday, April 18, 1960, in the Commission Court Room, The Mirror Building, 145 South Spring Street, Los Angeles, California, it being found that public necessity requires a hearing on less than ten days' notice.


The Secretary is directed to cause a certified copy of this order, together with a copy of the complaint herein, to be served forthwith by registered mail upon Richfield Oil Corporation, a corporation. Said defendant is directed to serve and file its answer to the complaint herein not later than the date of hearing, unless further time be granted by the presiding officer. The Secretary is also directed to


cause a certified copy of this order to be served forthwith by registered mail upon Southern Counties Gas Company of California, a corporation.

Dated at San Francisco, California, this 11th day of April, 1960.



President






Commissioners