

NATURAL GAS PIPELINE CO. *v.* PANOMA
CORPORATION ET AL.

NO. 191. APPEAL FROM THE SUPREME COURT
OF OKLAHOMA.*

Argued March 28-29, 1955.—Decided April 11, 1955.

A State may not fix a minimum price to be paid for natural gas, after its production and gathering has ended, by a company which transports the gas for resale in interstate commerce; because such sale and transportation are subject to regulation by the Federal Power Commission exclusively.

271 P. 2d 354 and 272 P. 2d 425, reversed.

Douglas F. Smith argued the cause for appellant in Nos. 191 and 321. *Clarence H. Ross* argued the cause for appellant in No. 321. With them on the brief were *D. H. Culton*, *Coleman Hayes*, *Warren T. Spies* and *Arthur R. Seder, Jr.*

Mac Q. Williamson, Attorney General of Oklahoma, and *T. Murray Robinson* argued the cause for appellees in No. 191. *Hugh B. Cox* argued the cause for appellees in No. 321. With them on a joint brief were *Rayburn L. Foster*, *Harry D. Turner*, *R. M. Williams* and *Kenneth Heady*. *Mr. Robinson* and *Leon Shipp* also filed a brief for appellees in No. 191.

PER CURIAM.

In these cases Oklahoma has attempted to fix a minimum price to be paid for natural gas, after its production and gathering has ended, by a company which transports the gas for resale in interstate commerce. We held in *Phillips Petroleum Co. v. Wisconsin*, 347 U. S. 672, that

*Together with No. 321, *Natural Gas Pipeline Co. v. Corporation Commission of Oklahoma et al.*, also on appeal from the same court, argued March 29, 1955.

such a sale and transportation cannot be regulated by a State but are subject to the exclusive regulation of the Federal Power Commission. The *Phillips* case, therefore, controls this one.

We disagree with the contention of the appellees that *Cities Service Gas Co. v. Peerless Oil and Gas Co.*, 340 U. S. 179, and *Phillips Petroleum Co. v. Oklahoma*, 340 U. S. 190, are applicable here. In those cases we were dealing with constitutional questions and not the construction of the Natural Gas Act. The latter question was specifically not passed upon in those cases.

Reversed.

MR. JUSTICE DOUGLAS, being of opinion that State regulation of price is permissible until the Federal price regulation permitted by *Phillips Petroleum Co. v. Wisconsin*, 347 U. S. 672, is imposed, dissents.

MR. JUSTICE HARLAN took no part in the consideration or decision of these cases.