

TEMPORARY EMERGENCY COURT OF APPEALS

Mobil Oil Corp. v. Department of Energy

647 F.2d 142 (Temp. Emer. Ct. App. 1981) · Decided April 7, 1981

SUMMARY

The Emergency Court of Appeals reviews a second appeal involving the validity and effect of the Department of Energy's April 30, 1974 amendment to the Mandatory Petroleum Price Regulations. The court affirms the district court's revised judgment, holding that the amendment was invalid and that the judgment properly incorporated statutory limitations applicable after February 1, 1976, while declining to address the validity or effect of later regulations.

CASE DETAILS

COURT	Temporary Emergency Court of Appeals
WRITING FOR THE COURT	Jameson
JURISDICTION	USA
DECIDED	April 7, 1981
DISPOSITION	affirmed
PROCEDURAL POSTURE	Second appeal by the Department of Energy from the district court's judgment on remand modifying the judgment to incorporate the statutory limits of the amended Emergency Petroleum Allocation Act.
STANDARD OF REVIEW	On a second appeal following remand, review was limited to determining whether the district court's final decree complied with the prior opinion and mandate.
PRECEDENTIAL VALUE	precedential
PARTIES	Department of Energy v. Mobil Oil Corp.

TOPICS

- appellate procedure
- administrative law
- judicial review of agency action
- rulemaking
- commercial litigation

PRACTICE AREAS

- administrative law
- administrative procedure
- appellate procedure
- commercial litigation

QUESTIONS PRESENTED

1. Whether the district court's revised judgment complied with the prior opinion and mandate of the appellate court.
2. Whether the district court was required on remand to determine the validity and effect of the February 1, 1976 regulations.
3. Whether the judgment should further limit Mobil's passthrough of crude oil costs attributable to products exempt from price controls.

HOLDINGS

1. Review on a second appeal following remand is limited to determining whether the lower court reached its final decree in compliance with the prior appellate opinion and mandate; issues decided by the prior panel may not be reconsidered.
2. The district court's revised judgment complied with the prior mandate because it incorporated the provisions of section 4(b)(2)(D) of the amended Emergency Petroleum Allocation Act and did not permit a prohibited disproportionate allocation after February 1, 1976.
3. The court did not decide the validity or effect of the February 1, 1976 regulations or other subsequent regulations because the prior mandate did not require their consideration and the record was inadequate for review.

KEY QUOTATIONS

"The scope of review on this appeal is limited." (145)

"This court did not mandate a consideration of subsequent regulations; and the record before this court is not adequate to review the February 1, 1976 regulations, either as to substance or procedure." (146)

"We hold that the revised judgment, incorporating the provisions of § 4(b)(2)(D) of the EPAA, as amended, complied with the direction of the prior opinion for modification of the judgment to avoid possible conflict with the statute." (147)

FACTUAL BACKGROUND

The Department of Energy amended its Mandatory Petroleum Price Regulations on April 30, 1974, to require refiners to apportion costs to five products exempt from price controls on a volumetric basis. Mobil challenged the amendment, and the prior decision held it substantively and procedurally invalid, allowing Mobil to allocate increased costs associated with exempt products to covered products subject to statutory limits. After statutory amendments effective February 1, 1976, the district court revised its judgment to incorporate the requirement that certain products receive no more than a direct proportionate distribution by volume of increased crude oil costs.

PROCEDURAL HISTORY

The district court initially held invalid the Department of Energy's April 30, 1974 amendment to the Mandatory Petroleum Price Regulations as arbitrary and capricious and procedurally invalid under the Administrative Procedure Act. In a prior appeal, this court affirmed as modified and remanded for findings and modification of

the judgment to avoid a potential conflict with the amended Emergency Petroleum Allocation Act. On remand, the district court adopted Mobil's proposed amendments and entered a revised judgment. The Department of Energy appealed again, seeking further limitations on the relief.

DISPOSITION

affirmed

CASES CITED

- Mobil Oil Corporation v. Department of Energy, 610 F.2d 796 (Em. App. 1979)
- United States v. Camou, 184 U.S. 572, 574 (1902)
- In re Sanford Fork & Tool Co., 160 U.S. 247, 256 (1895)
- Bailey v. Henslee, 309 F.2d 840, 843-44 (8th Cir. 1962)
- Wilkinson v. Massachusetts Bonding & Insurance Co., 16 F.2d 66, 67 (5th Cir. 1926)

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