February 25 in Monterey, and on April 2, June 24, and October 28 in Pomona. The California two-day written examination will be administered on March 31-April 1 in Pomona.

LEGISLATION:

SB 1552 (Kopp), as amended August 23, requires boards regulating certain licensees, including physicians and surgeons, to consider including training regarding the characteristics and methods of assessment and treatment of AIDS in specified continuing education and training requirements for those licensees. This bill was signed by the Governor on September 22 (Chapter 1213, Statutes of 1988).

The following is a status update on bills reported in CRLR Vol. 8, No. 3 (Summer 1988) at pages 124-25:

AB 4197 (Isenberg) authorizes BOE to establish a substance abuse diversion program. The bill contains a provision stating that the committees established therein are responsible for promoting the program to the public and within the profession, and for providing all licensees with written information concerning the program. An administrative fee, to be established by the Board, may be charged for participation in the program, but all costs of treatment shall be paid by the participant. This bill was signed by the Governor and chaptered (Chapter 384, Statutes of 1988).

AB 4622 (Bader), as amended June 8, authorizes a program of reciprocity between BOE and other state boards, specifying requirements which may include passage of a special examination prepared by any of several specified organizations in lieu of a recognized and approved state examination. This bill was signed by the Governor and chaptered (Chapter 405, Statutes of 1988).

AB 1924 (Bader), as amended August 4, would have required the Office of Statewide Health Planning and Development to create a special program to increase, particularly in underserved areas, the number of primary care osteopathic physicians and surgeons in the state. This bill was vetoed by the Governor on September 30.

AB 4197 (Isenberg), as amended August 26, would have specified that osteopathic medical students enrolled in an approved school are not to be discriminated against, as described therein. This bill was vetoed by the Governor on September 30.

AB 2565 (Keene), as amended August 26, would have clarified existing law regarding immunity of hospitals, persons, or organizations for peer review actions which are required to be reported to various state agencies. The bill would have established specific procedural guidelines for professional review actions and the reporting thereof in order for immunity from liability to attach. However, SB 2565 was vetoed by the Governor on September 30.

RECENT MEETINGS:

The Board's August 28 meeting was cancelled.

FUTURE MEETINGS:

To be announced.

PUBLIC UTILITIES COMMISSION

Executive Director: Victor Weisser
President: Stanley W. Hulett
(415) 557-1487

The California Public Utilities Commission (PUC) was created in 1911 to regulate privately-owned utilities and ensure reasonable rates and service for the public. Today the PUC regulates the service and rates of more than 25,000 privately-owned utilities and transportation companies. These include gas, electric, local and long distance telephone, radio-telephone, water, steam heat utilities and sewer companies; railroads, buses, trucks, and vessels transporting freight or passengers; and wharfingers, carloaders, and pipeline operators. The Commission does not regulate city- or district-owned utilities or mutual water companies.

It is the duty of the Commission to see that the public receives adequate service at rates which are fair and reasonable, both to customers and the utilities. Overseeing this effort are five commissioners appointed by the Governor with Senate approval. The commissioners serve staggered six-year terms.

In late 1987, the PUC renamed three of its organizational units to clarify their roles and responsibilities. The former Evaluation and Compliance Division, which implements Commission decisions, monitors utility compliance with Commission orders, and advises the PUC on utility matters, is now called the Commission Advisory and Compliance Division. The former Public Staff Division, charged with representing the long-term interests of all utility rate-payers in PUC rate proceedings, is now the Division of Ratepayer Advocates. The former Policy and Planning Division is now the Division of Strategic Planning.

The PUC is available to answer consumer questions about the regulation of public utilities and transportation companies. However, it urges consumers to seek information on rules, service, rates, or fares directly from the utility. If satisfaction is not received, the Commission's Consumer Affairs Branch (CAB) is available to investigate the matter. The CAB will take up the matter with the company and attempt to reach a reasonable settlement. If a customer is not satisfied by the informal action of the CAB staff, the customer may file a formal complaint.

MAJOR PROJECTS:

PG&E Attempts to Settle Diablo Canyon Costs Proceeding. Two months after the California Supreme Court upheld the authority of the PUC to grant interim rate increases, the PUC and Pacific Gas & Electric Company (PG&E) reached a proposed settlement allowing PG&E to raise electricity rates by $147.4 million to recover non-investment costs for the Diablo Canyon Nuclear Power Plant. Non-investment expenses include operation and maintenance costs, insurance, pensions and
The California projects have been selected, CCF will be responsible for managing the fund. It will operate over the next six years, with the goal of dispensing $3 million each year for programs including mass media programs, educational forums, and community outreach efforts which will target consumers most susceptible to deceptive marketing practices.

PUC Hearings To Review Regulation of California's Freight Industry. The PUC scheduled formal hearings to begin on November 7 in San Francisco to discuss how best to regulate California's general transportation industry. The call for a comprehensive review of trucking regulation stems from an en banc hearing held last March. (See CRLR Vol. 8, No. 2 (Spring 1988) p. 120 for background information.)

A prehearing conference was held in San Francisco on September 7. Parties were asked to comment on two broad topics: general issues in trucking regulation, and concrete suggestions for program change. The PUC set forth the following six general trucking areas for comment: consumer benefits, economic efficiency, adequate service, safety, sub-hauling, and transitional effects.

On August 24, the PUC filed an order instituting an investigation (OII) in the Matter of the Regulation of General Freight Transportation by Truck. This order lays out a framework for a comprehensive review of Commission objectives in regulating general freight. Parties were invited to comment through written testimony on the present program and to present suggestions for more appropriate regulatory programs.

Telecommunications: Alternative Regulatory Framework Proceeding. The PUC is conducting a three-phase investigation into a PacBell request for restructuring of rates. (See CRLR Vol. 8, No. 1 (Winter 1988) pp. 105-06 for detailed background information.) In Phase I, PacBell and GTE proposed flexible pricing for Com-Star vertical services such as call waiting, call forwarding, and three-way calling. Other services included in the flexible pricing proposal are centerx (PacBell-operated switching replacing costly onsite systems) and high-speed digital private line services. Business customers are the primary users of these services, and the new price structure would allow PacBell to compete in this market.

By setting a price ceiling at current rates and a floor at its cost, PacBell claims it would be able to provide these services to large business customers at competitive rates. With more customers, the cost of providing these services would decrease, and the lower prices would benefit business customers.

In Phase I, the PUC approved a settlement on September 29 after rejecting a PacBell proposal to privately negotiate long-term contracts with business customers. The Commission refused to consider allowing any confidential negotiations.

The settlement is a three-way agreement in which business customers receive increased competition and lower rates for these services; PacBell and GTE receive greater freedom from regulatory oversight and flexibility in pricing; and other providers are allowed to compete with some of PacBell's services.

Phase II, which will examine alternative approaches to ratemaking, was scheduled for hearing beginning in early November.

SDG&E Customer Charge Dropped. On July 8, the PUC rescinded a $4.80 monthly service charge that San Diego Gas & Electric Company's (SDG&E) residential customers had been paying since January 1, on top of the charges for the amount of electricity used. The change in rate design will not affect the revenue SDG&E receives from residential ratepayers overall, but will reduce rates for 80% of ratepayers. Senior citizens, low-income customers, and mobile-home residents who use small quantities of electricity will see their bills reduced $1-$3 per month. The monthly bills of the majority of ratepayers will be reduced by about 47 cents.

Charging one rate for fixed costs and another based on the actual amount of energy used is known as "unbundling" of rates. Although the customer charge was dropped, the PUC emphasized that it remains committed to the concept of "unbundling" rates as a means of providing utility customers with a "direct link between their actions and the bills they receive."

In approving SDG&E's request to withdraw the charge, the PUC recognized unprecedented opposition from Utility Consumers' Action Network (UCAN), the City of San Diego, Rate Watchers, and members of the public by dropping the charge. In spite of support for the charge by the PUC's Division of Ratepayer Advocates, an administrative law judge ruled that "SDG&E customers have spoken loud and clear" and found that "the charge is simply not worth the confusion it has caused."

AT&T Communications Rate Reduction. On June 17, the PUC ordered AT&T to reduce intrastate rates by 10% or $168 million annually, and to refund its customers $110 million over six months through a 17.5% credit from
SUMERS often face when they use energy
response to the exorbitant bills con-

flexibility in setting baseline rates while
that the new rates be established by
attempts at energy conservation, and
fear that SB 987 may lead to the
abolition of baseline rates. (See supra
report on UCAN.) Previously, the PUC
was required to make a certain amount
of energy available at 75% to 85% of the
average rate to users. Consumer groups
feel this forces energy conservation-conscious
ratepayers to subsidize their less thrifty
neighbors.

The following is a status update on
bills discussed in CRLR Vol. 8, No. 3
(Summer 1988) at pages 126-27:
AB 3489 (Moore), as amended on
August 25, requires the PUC to suspend
the certificate or permit of any pas-
enger stage corporation, highway permit
carrier, household goods carrier, or
charter-party carrier of passengers that
has consistently failed to maintain its
vehicles in safe condition. Each carrier
would be required to submit an annual
list of all vehicles used in transportation
for compensation. The bill also directs
the PUC to investigate every business
listed in the yellow pages as providing
louisine-for-hire or charter bus service
for compliance, and institute appropri-
ate civil or criminal proceedings against
suspected violators. This bill was signed
by the Governor on September 29 (Chap-
ter 1546, Statutes of 1988).

AB 2494 (Friedman), as amended
August 30, requires specified notices of
termination of service by public utilities
to residents of multifamily residential
structures and mobile home parks. It
also prohibits termination of services
for the indebtedness of the owner or
operator on utility service for other
properties. This bill was signed by
the Governor on September 29 (Chap-
ter 1533, Statutes of 1988).

AB 3368 (Wright) would have re-
quired any ratemaking authority, as
defined, which requires or permits com-
petitive bidding for electrical resources,
to ensure that all potential purchasers
and sellers of electricity have fair and
nondiscriminatory access to transmission
services. This bill died in the Assembly
Committee on Utilities and Commerce
in May.

SB 2822 (Alquist), as amended on
June 30, directs the PUC to investigate
problems associated with metallic bal-
loons which may contact and short-
circuit electrical power lines, and to
report its findings to the legislature by
January 31, 1990. This bill was signed
by the Governor on September 21 (Chap-
ter 1122, Statutes of 1988).

SB 2519 (Rosenthal), as amended
August 23, directs the PUC to conduct
a study of cancer and other medical
risks which may be related to exposure
to electromagnetic fields produced by
electrical utility facilities. This bill was

in excess of the baseline rate during cold
weather. Consumers have faced two to
three times their normal bill when
charged for energy at the “second tier”
rate.

Consumer groups opposed this bill,
contending that it discourages individ-
ual attempts at energy conservation,
and fear that SB 987 may lead to the
abolition of baseline rates. (See supra
report on UCAN.) Previously, the PUC
was required to make a certain amount
of energy available at 75% to 85% of the
average rate to users. Consumer groups
simply instructs the PUC to ensure
utility revenue requirements are met
without charging excessive rates.

The bill also requires any revenue
generated from increasing baseline rates
to be used to lower the rate above the
baseline. Consumer groups feel this
forces energy conservation-conscious
ratepayers to subsidize their less thrifty
neighbors.

LEGISLATION:

Hearings on Realigning Residential
Energy Rates. On July 19, the PUC
began hearings to implement SB 987
(Dills). (See CRLR Vol. 8, No. 3 (Sum-
mer 1988) p. 127 for background infor-
mation.) The bill allows the PUC greater
flexibility in setting baseline rates while
attempting to avoid excessive rate in-
creases for consumers. SB 987 requires
that the new rates be established by
November 1, but most utilities are ask-
ing the PUC for extensions until 1989
or 1990, when general rate case decisions
are final.

Legislators proposed the bill as a
response to the exorbitant bills con-
sumers often face when they use energy

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signed by the Governor on September 29 (Chapter 1551, Statutes of 1988). 

AB 4075 (Katz) would have required costs of deleting 976 access to be borne by the 976 service provider, but was withdrawn by its author. 

AB 4174 (Moore) directs the PUC to conduct an investigation and hearings on the establishment of telephone rates with respect to whether there should be no additional charge to subscribers for tone-dialing service. This bill was signed by the Governor (Chapter 673, Statutes of 1988). 

AB 4579 (Moore), which requires specified disclosures by owners/operators of coin-operated telephones for public use which provide operator-assisted services by other than a telephone corporation, was also signed by the Governor (Chapter 648, Statutes of 1988). 

SB 680 (Rosenthal), as amended on June 27, would have required the PUC to complete its ongoing investigation into the regulation of telephone corporations operating within service areas, but was vetoed by the Governor on September 26. 

SB 1762 (Rosenthal), requiring the PUC to order phone companies to develop a program for inside wiring repair in rental housing, died in the Assembly Committee on Utilities and Commerce. 

SB 1822 (Rosenthal), as amended on June 9, requires every electrical, gas, and telephone corporation to prepare and submit an annual report to the PUC describing all significant transactions between the corporation and subsidiaries. This bill was signed by the Governor on September 7 (Chapter 759, Statutes of 1988). 

SB 1844 (Russell), as amended on August 23, declares that the PUC has no jurisdiction and control over the billing and collection practices of a telephone corporation for its services to an information provider furnishing any live or recorded video text or audio information or interactive message service. This bill was signed on September 23 (Chapter 1261, Statutes of 1988). 

SB 2655 (Rosenthal), as amended on August 1, directs the PUC to adopt and enforce operating requirements governing coin-operated and credit card-activated telephones available for public use, and owned and operated by a corporation or person other than a local telephone corporation. This bill was signed on September 20 (Chapter 1058, Statutes of 1988). 

SB 2787 (Nielsen) directs the PUC to prepare and submit to the legislature by July 1, 1989, a report on the availability to residential subscribers of the option to delete 976 service sexually explicit messages, including the capabilities for deletion of access which are in place on January 1, 1989, and an analysis of the costs and benefits of extending the deletion of access option to those subscribers in areas where deletion is not now available. This bill was signed by the Governor (Chapter 474, Statutes of 1988). 

SB 2402 (Roberti) was vetoed by the Governor on August 26. This bill would have required the PUC to submit its annual report to the Governor, which lists its transactions and proceedings for the previous fiscal year, to specified members of the legislature. 

SB 2582 (Mello) was signed by the Governor on August 20 (Chapter 472, Statutes of 1988). This bill permits the PUC access to the property of a charter party carrier of passengers, and authorizes it to inspect and copy the accounts, books, papers, and documents of the carrier. 

AB 3554 (Moore), which would have subjected the PUC to the Administrative Procedure Act's procedure for the adoption, amendment, and repeal of regulations, died in the Assembly Committee on Utilities and Commerce. 

AB 3490 (Moore), as amended on August 23, precludes the PUC from issuing a certificate of public convenience and necessity to specified carriers unless the carrier shows capability of complying with highway safety rules, and that it will observe state and federal hours of service regulations for its drivers; and that it has a preventive maintenance program for its vehicles, regularly checks the driving records of its drivers, has a safety education and training program, and maintains its vehicles in safe operating conditions. This bill was signed by the Governor on September 22 (Chapter 1175, Statutes of 1988). 

AB 4031 (Polanco) was signed by the Governor on September 9 (Chapter 784, Statutes of 1988). The bill requires the PUC, after January 1, 1989, to publish its orders and decisions within one year after issuance.

FUTURE MEETINGS:

The full Commission usually meets every other Wednesday in San Francisco.

STATE BAR OF CALIFORNIA
President: Colin Wied
(415) 561-8200
Toll-Free Complaint Number: 1-800-843-9053

The State Bar of California was created by legislative act in 1927 and codified in the California Constitution by Article VI, section 9. The State Bar was established as a public corporation within the judicial branch of government, and membership is a requirement for all attorneys practicing law in California. Today, the State Bar has over 110,000 members, more than one-seventh of the nation's population of lawyers. 

The State Bar Act designates the Board of Governors to run the State Bar. The Board President is elected by the Board of Governors at its June meeting and serves a one-year term beginning in September. Only governors who have served on the Board for three years are eligible to run for President. 

The Board consists of 23 members: fifteen licensed attorneys elected by lawyers in nine geographic districts; six public members variously appointed by the Governor, Assembly Speaker, and Senate Rules Committee and confirmed by the state Senate; a representative of the California Young Lawyers Association (CYLA) appointed by that organization's Board of Directors; and the State Bar President. With the exception of the CYLA representative, who serves for one year, and the State Bar president, who serves an extra fourth year upon election to the presidency, each Board member serves a three-year term. The terms are staggered to provide for the selection of five attorneys and two public members each year. 

The State Bar includes 22 standing committees, 16 sections in 14 substantive areas of law, Bar service programs, and the Conference of Delegates, which gives a representative voice to 127 local bar associations throughout the state. 

The State Bar and its subdivisions perform a myriad of functions which fall into six major categories: (1) testing State Bar applicants and accrediting law schools; (2) enforcing professional standards and enhancing competence; (3) supporting legal services delivery and access; (4) educating the public; (5) improving the administration of justice; and (6) providing member services. 

In August, five new attorneys were elected to the Board of Governors for 1988-89. The members will serve for three years. The new Board members are: Darrell W. Stevens, a sole prac-