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and is thus dead for this session. The bill would have dissolved the Commission and, in its most recent amended version, transferred the authority to assess fines and take disciplinary action against auctioneers to the Department of Consumer Affairs. (See CRLR Vol. 8, No. 1 (Winter 1988) p. 99; Vol. 7, No. 4 (Fall 1987) pp. 99-100; Vol. 7, No. 3 (Summer 1987) p. 124; Vol. 7, No. 2 (Spring 1987) p. 98; and Vol. 7, No. 1 (Winter 1987) p. 90 for background information.)

RECENT MEETINGS:

In November 1987, the Commission released its workload statistics for July through November 1987. During the reporting period, over \$32,000 in revenue from the new applications was collected. A total of 202 applications were filed; 62 exams were administered, with 51 applicants passing for an overall 82% pass rate during the period. Eighty-one new licenses were issued while 26 temporary permits were issued. For 1986 through the current 1988 reporting period, 1014 licenses were renewed. Through November 1987, there were 1,190 valid licenses; 974 of those are auctioneers, and 216 (150 corporations, 27 partnerships, 39 individuals) are auction companies.

At the Board's December 14 meeting in Sacramento, Howard "Gus" Hall was reelected as Board President; Vance VanTassell was elected Vice-President; and Judy Johnson was elected Secretary.

Also at the December 14 meeting, S.M. "Sandy" Hochman recommended that temporary permits no longer be issued. Executive Officer Wyant noted that a temporary permit may be issued once an applicant has submitted all fees and documents, including the surety bond, provided he/she has applied to take the exam within 45 days. Wyant agreed that it may not be rational to allow people to operate before they have taken the exam, but no complaints have been received against temporary permit holders. No action was taken on the issue.

The Board also discussed the use of state investigators as opposed to hiring or contracting with private investigators. (See CRLR Vol. 7, No. 4 (Fall 1987) p. 99 for background information.) Executive Officer Wyant advised the Board that the Department of Finance has approved the Commission's requested \$47,000 budget augmentation, but it is still subject to approval by the legislature and the Governor. The Board noted the need for continual training of state

investigators, case control, the disadvantages of hiring one or two direct employees, the need for a broad geographic distribution of people to minimize travel and per diem costs, the difficulty in assuring the quality of private contractors, and the inability of private contractors to compel the production of records. A subcommittee of Board members Vance VanTassell and Georgetta Banks was appointed to lend assistance to Executive Officer Wyant as needed in developing the best plan.

During the Board's January 29 meeting in Costa Mesa, Wyant presented a statistical profile on complaints received in the last two years, which showed that over 99% originated in either the Sacramento/San Francisco area or the Los Angeles basin.

Board President Hall announced the resignation of Board member Judy Johnson, effective February 1. She has accepted an appointment by Governor Deukmejian to the San Diego Regional Water Quality Control Board.

FUTURE MEETINGS:

To be announced.

BOARD OF CHIROPRACTIC EXAMINERS

Executive Director: Edward Hoefling (916) 445-3244

In 1922, California voters approved an initiative which created the Board of Chiropractic Examiners. The Board licenses chiropractors and enforces professional standards. It also approves chiropractic schools, colleges, and continuing education courses.

The Board consists of seven members, including five chiropractors and two public members.

Dr. Lee Kauffman, whose term on the Board has expired, was recently replaced by Louis E. Newman, DC, of Santee. Dr. Newman was appointed to the Board by Governor Deukmejian.

RECENT MEETINGS:

At its February 18 meeting, the Board discussed the results of the November 1987 licensure examination. Of 228 individuals who took the examination for the first time, 149 passed (65.3% pass rate). Of 164 people retaking the exam, 136 passed (92.9% pass rate). There were 17 people in the multiple retake category, and 9 passed the exam (52.9% pass rate). Overall, 409 candidates took the exam, with 294 passing (71.88% pass rate). The Board appointed a committee

consisting of Dr. Jackie Bartels and Patricia Quibell to review examination appeals.

FUTURE MEETINGS:

To be announced.

CALIFORNIA ENERGY COMMISSION

*Executive Director: Stephen Rhoads
Chairperson: Charles R. Imbrecht
(916) 324-3008*

In 1974, the legislature created the State Energy Resources Conservation and Development Commission, better known as the California Energy Commission (CEC). The Commission's major regulatory function is the siting of power plants. It is also generally charged with assessing trends in energy consumption and energy resources available to the state; reducing wasteful, unnecessary uses of energy; conducting research and development of alternative energy sources; and developing contingency plans to deal with possible fuel or electrical energy shortages.

The Governor appoints the five members of the Commission to five-year terms, and every two years selects a chairperson from among the members. Commissioners represent the fields of engineering or physical science, administrative law, environmental protection, economics, and the public at large. The Governor also appoints a Public Adviser, whose job is to ensure that the general public and other interested groups are adequately represented at all Commission proceedings.

The five divisions within the Energy Commission are: (1) Conservation; (2) Development, which studies alternative energy sources including geothermal, wind and solar energy; (3) Assessment, responsible for forecasting the state's energy needs; (4) Siting and Environmental, which does evaluative work in connection with the siting of power plants; and (5) Administrative Services.

The CEC publishes *Energy Watch*, a summary of energy production and use trends in California. The publication provides the latest available information about the state's energy picture. *Energy Watch*, published every two months, is available from the CEC, MS-22, 1516 Ninth Street, Sacramento, CA 95814.

MAJOR PROJECTS:

Santa Maria Aggregate Project. Santa Maria Aggregate Corporation filed



an application for certification with the CEC on July 27, 1987 to construct a bituminous diatomite and petroleum coke fired circulating fluidized bed combustor demonstration power plant in northern Santa Barbara County. The proposed plant, which is located two miles north of Casmalia on Black Road, will generate approximately fifty megawatts by a single steam turbine. The electrical power produced will be sold to Pacific Gas and Electric Company. Pozolan, a substitute for cement, will be collected from the bottom ash and fly ash of the combustor.

Currently, Commission hearings are being conducted to take evidence and hear oral argument on motions to compel discovery and other discovery matters regarding the application for certification. The Commission is also hearing requests for clarification of reimbursement issues. (See CRLR Vol. 8, No. 1 (Winter 1988) pp. 101-02 for background information.)

California Natural Gas Curtailment. Informational hearings were held on February 10 in Sacramento on the recent natural gas curtailments in California. CEC's Fuels Planning Committee, which conducted the hearings, attempted to determine whether the gas curtailment was an isolated incident or a symptom of long-term fundamental problems within the gas industry. The Committee was particularly interested in hearing from gas and electric utilities, industrial firms, natural gas producers, marketers and brokers, interstate gas transmission companies, and representatives of residential ratepayer groups.

The Committee addressed the following questions at the hearing:

-To what extent did natural gas purchasing practices cause the curtailments? To what extent were purchasing practices influenced by federal and state regulatory activities?

-How did the curtailment impact industrial firms and the state's economy?

-To what extent did third-party gas transport activities influence the need to curtail?

-What are some of the possible short- and long-term implications to the industry and ratepayer?

-Does this curtailment indicate a need for additional pipeline capacity or storage facility?

-What risks, short- and long-term, might the residential and small commercial customers be experiencing?

-What changes have or will occur which will reduce the potential or curtailments in the future?

-What was the extent of the shortage?

The hearing was attended by representatives from utilities (both in-state and Canadian), gas marketers, industrial firms, interstate pipeline companies, and consumers. Representatives from gas companies described the curtailment process and offered their analysis of the cause of curtailment: in their view, the December/January weather pattern was the primary culprit. Secondary causes offered were storage volume and regulations governing the purchase of gas.

Concern was expressed over the reliability of spot gas purchases. Spot gas purchases are those purchases of available gas on the market at that time and on that day. The debate focused on the size of the spot gas market as contrasted with the long-term contract market; that is, those contracts with terms of five, ten, or fifteen years.

1988 Energy Development Report. The CEC staff has prepared a draft 1988 Energy Development Report (EDR), which outlines energy technology development trends, describes associated issues and opportunities for California, and solicits information on research, development, and demonstration priorities.

The purpose of the EDR is to fulfill legislative requirements specified in Public Resources Code section 25604, and is designed to provide consensus on California's energy research, demonstration, and development priorities. The statute mandates that a biennial report be submitted to the Governor and the legislature concerning state energy development trends as well as new and existing technologies.

The CEC staff invited public comment on the EDR at a series of workshops in February and March. The workshops were designed to provide an exchange of information as well as determine California's energy, research, and development priorities.

The workshops focused on such issues as energy production, conversion, and use technologies which provide the best potential for reducing California's vulnerability to out-of-state actions; the current commercial availability of various energy technologies; the energy planning criteria most significant in designing technology research and development programs; and the optimum level of diversity in fuels used in the transportation sector.

The final EDR will summarize results from the Energy Technology Status Report and provide a review and evaluation of utility-sponsored research and develop-

ment programs, in addition to establishing an action plan for research and development to accelerate the use of advanced technology.

Energy Innovation Awards. CEC Chair Charles R. Imbrecht announced that for the fifth year, California will be participating in the National Awards Program for Energy Innovation. The awards program, which began in 1984, is part of a joint state and federal effort to identify unique conservation and renewal energy projects and to promote the sharing of these energy-saving accomplishments and technologies. Since the project began, California has nominated 41 state award-winning projects to the U.S. Department of Energy for federal award consideration. Of those 41 projects, nine received a Special Recognition Award and 29 received a National Award.

Workshops will be held in the fall of 1988 to encourage participation and discuss past award-winning projects. For additional information, contact Gwen Quigg at CEC, (916) 324-3326.

LEGISLATION:

AB 2887 (Chandler). Existing law requires the Commission to certify sites and related facilities for electric transmission lines. This bill would expand the definition of an electric transmission line to include any electric powerline of 110 kilovolts or more transmission capacity constructed by one or more publicly-owned public utilities to carry electric power either to or from the utility's distribution facilities or power plant and located wholly within the state. The bill would specify that the CEC's jurisdiction would extend only to that portion within the state. AB 2887 is pending in the Assembly Utilities and Commerce Committee.

AB 3202 (Tanner), as introduced on February 10, would prohibit the CEC, in certifying applications to site or construct a power plant, from making a finding that a proposed facility complies with applicable air quality standards unless complete emissions offsets can be verified. This bill is pending in the Assembly Natural Resources Committee.

AB 3344 (Tanner) would provide that integrated projects of two or more generating units each under fifty megawatts is a thermal power plant for purposes of CEC jurisdiction if they produce more than fifty megawatts when taken together. (See CRLR Vol. 8, No. 1 (Winter 1988) p. 102 and Vol. 7, No. 1 (Winter 1987) p. 91 for examples of problems created by the lack of legis-



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lation in this area.) This bill is pending in the Assembly Natural Resources Committee.

AB 3555 (Moore), as introduced on February 17, would require the CEC to follow specified priorities in determining the location of new electric transmission lines. This bill is pending in the Assembly Natural Resources Committee.

AB 3993 (Baker) would appropriate \$147,345,000 from the PVEA; \$116,400,000 of that appropriation would be allocated to the CEC. (See CRLR Vol. 7, No. 1 (Winter 1987) p. 91 for background information on the PVEA.) This bill is pending in the Assembly Natural Resources Committee.

AB 4420 (Sher) would require the CEC, in consultation with the Air Resources Board, to conduct a study and report to the legislature and the Governor on or before March 1, 1990, on how global warming trends may affect California's agriculture and water supplies. *AB 4420* is pending in the Assembly Natural Resources Committee.

AB 4655 (Tanner) would require the CEC to consider the impact that new building standards for residential and nonresidential buildings relating to energy conservation have on indoor air pollution. This bill is pending in the Assembly Natural Resources Committee.

SB 1821 (Rosenthal) would direct the Commission, by February 1, 1989, to prepare and submit a report to the legislature containing a summary of CEC loans and grants exceeding \$10,000 made during the previous fiscal year. *SB 1821* has passed the Senate and is awaiting Assembly committee assignment.

SB 1823 (Rosenthal) would require the Commission, by December 1, 1989, to prepare and submit to the legislature a report analyzing the extent to which public utility investments in new electric transmission lines and electric power purchases contribute to excess capacity and oversupply and the need for customers to pay for that excess capacity and oversupply through increased electric rates. *SB 1823* is pending in the Senate Committee on Energy and Public Utilities.

SB 2144 (Rosenthal), as amended on March 21, would require the CEC, on or before January 1, 1990, to establish guidelines for the award of reasonable advocate's fees, expert witness fees, and other costs of participation or intervention in any CEC hearing or proceeding, other than one for power facility and site certification, to any participant or intervenor meeting specified requirements regarding substantial contribution to the proceeding and financial hardship

as a result of participation. This bill was scheduled for an April 11 hearing in the Senate Appropriations Committee.

SB 2431 (Garamendi) would require the CEC to prepare and submit a report to the legislature by July 1, 1989, on the projected need for additional electrical and gas transmission rights-of-way for the next five, twelve, and twenty years, including specified studies, analyses, and recommendations regarding public and private ownership and control. This bill was set for an April 12 hearing in the Senate Committee on Energy and Public Utilities.

SB 2434 (Alquist) would require the CEC's biennial electricity report to include specified additional information on power plant air pollution emissions, and estimated costs for control of air pollution emissions. This bill was set for an April 12 hearing in the Senate Committee on Energy and Public Utilities.

RECENT MEETINGS:

At its February 17 meeting, the Commission unanimously directed staff to proceed with rulemaking procedures to change the Fuel and Energy Reporting System contained in Title 10, California Code of Regulations. The forms and instructions in question are used to compile the Quarterly Fuel and Energy Report. The most recent revision of these forms took place in January 1984. The Commission's vote is not legally required to start this process, but the vote approved resources for staff to begin collecting testimony on the proposed revisions. Staff plans to solicit and compile suggested changes from the public, and publish a summary of these changes by this summer.

Three contracts were also approved at the February meeting: URS Corporation was awarded \$63,000 to develop methodology for the seismic-resistant design of power plants by using input from both the power industry and seismic design experts; a contract for \$99,983 went to C.M.J. Engineering, Inc., which will gather data from local building departments on residential and nonresidential building characteristics, monitor building department enforcement of the Energy Efficiency Standards, and provide on-site training on the Second Generation Energy Efficiency Standards; and the GAMA Corporation received \$30,000 to design communications and data flow systems for the Energy Emergency Center.

FUTURE MEETINGS:

General CEC business meetings are held every other Wednesday in Sacramento.

HORSE RACING BOARD

Secretary: Leonard Foote
(916) 920-7178

The California Horse Racing Board (CHRB) is an independent regulatory board consisting of seven members. Each member serves a four-year term and receives no compensation other than expenses incurred for Board activities.

The purpose of the Board is to allow parimutuel wagering on horse races while assuring protection of the public, encouraging agriculture and the breeding of horses in this state, generating public revenue, providing for maximum expansion of horse racing opportunities in the public interest, and providing for uniformity of regulation for each type of horse racing.

The Board has jurisdiction and power to supervise all things and people having to do with horse racing upon which wagering takes place. If an individual, his/her spouse, or dependent holds a financial interest or management position in a horse racing track, he/she cannot qualify for Board membership. An individual is also excluded if he/she has an interest in a business which conducts parimutuel horse racing or a management or concession contract with any business entity which conducts parimutuel horse racing. (In parimutuel betting, all the bets for a race are pooled and paid out on that race based on the horses' finishing positions, absent the state's percentage and the track's percentage.) Horse owners and breeders are not barred from Board membership. In fact, the legislature has declared that Board representation by these groups is in the public interest.

The Board licenses horse racing tracks and allocates racing dates. It also has regulatory power over wagering and horse care.

MAJOR PROJECTS:

OAL Disapproval of Regulatory Action. On November 3, 1987, the CHRB submitted to the Office of Administrative Law (OAL) nineteen pages of proposed regulations (sections 2056 through 2061, Title 4 of the California Code of Regulations) to govern inter-track simulcast wagering. (See CRLR Vol. 7, No. 4 (Fall 1987) p. 103; Vol. 7, No. 3 (Summer 1987) p. 128; and Vol. 7, No. 2 (Spring 1987) p. 101 for background information.) The regulations pertain to the intrastate simulcasting of horse races for wagering at extended facilities; the permitting of and standards for extended wagering facilities and