

CALIFORNIA LEGISLATURE

2001-02 SECOND EXTRAORDINARY SESSION

ASSEMBLY JOURNAL

RECESS JOURNAL NO. 1

INTERIM STUDY RECESS

Assembly Chamber, Sacramento  
Tuesday, October 16, 2001

Pursuant to the provisions of Joint Rule 59, the following Assembly Journal for the 2001-02 Second Extraordinary Session was printed while the Assembly was in Interim Study Recess:

ENGROSSMENT AND ENROLLMENT REPORTS

Assembly Chamber, September 28, 2001

Mr. Speaker: Pursuant to your instructions, the Chief Clerk has examined:

Assembly Bill No. 86

And reports the same correctly enrolled, and presented to the Governor on the 28th day of September, 2001, at 12:15 p.m.

E. DOTSON WILSON, Chief Clerk

Assembly Chamber, October 2, 2001

Mr. Speaker: Pursuant to your instructions, the Chief Clerk has examined:

Assembly Bill No. 9

Assembly Bill No. 21

Assembly Bill No. 26

Assembly Bill No. 28

Assembly Bill No. 48

Assembly Bill No. 57

Assembly Bill No. 61

Assembly Bill No. 69

And reports the same correctly enrolled, and presented to the Governor on the 2nd day of October, 2001, at 2 p.m.

E. DOTSON WILSON, Chief Clerk

SPECIAL COMMITTEE MEETINGS

By unanimous consent, the following committee was permitted to meet:

Energy Costs and Availability, on October 9, 2001, at 1 p.m., in Room 4202.

**MESSAGES FROM THE GOVERNOR**

The following message from the Governor was received and ordered printed in the Journal:

Governor's Office, Sacramento  
October 11, 2001

*To the Members of the California Legislature:*

I am signing Assembly Bill 48XX which would enact the Solar Training, Education and Certification Act of 2001.

In signing this measure, I am also directing the Employment Development Department to implement the training provisions of the bill within existing resources.

Sincerely,

GRAY DAVIS

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The following veto message from the Governor was received and ordered printed in the Journal and the bill ordered to the unfinished business file:

**Veto Message—Assembly Bill No. 9**

Governor's Office, Sacramento  
October 14, 2001

*To Members of the California State Assembly:*

*I am returning Assembly Bill 9XX without my signature.*

This bill would authorize end-use customers to aggregate their electric loads as individual consumers with private aggregators or as members of their local community with community choice aggregators.

Last June, approximately two percent of the customer load in the territory served by the three investor-owned utilities (IOUs) were receiving power from direct access providers. The Public Utilities Commission (PUC) recently suspended direct access, but the percentage of load subject to direct access transactions grew to as much as 13 percent or more prior to the suspension. That growth creates a significant and unfair cost burden for those customers who continue to receive power from the IOUs and the Department of Water Resources.

This rapid growth in direct access necessitates more concise cost-containment provisions for the remaining IOU customers than those contained in this bill, and those provisions should apply to *all* direct access contracts.

Moreover, this bill does not clearly authorize fees to cover costs that may result when direct access customers return to service with an IOU, which would create new and unanticipated procurement obligations for the IOU. Those new procurement obligations could come about solely because the direct access provider no longer chooses to provide service to its customers because of rising electricity costs, and instead passes that burden on to the IOU and its customers.

Any efforts to allow direct access must be equitable for all stakeholders.

Sincerely,

GRAY DAVIS

RECEIPT

I acknowledge receipt this 14th day of October 2001 at 11:32 p.m., of Assembly Bill No. 9xx without the Governor's signature, together with a statement of his objections thereto, signed by the Governor, delivered to me personally by Pamela Oto.

HUGH R. SLAYDEN  
Acting Chief Clerk of the Assembly

**PROCLAMATION OF THE GOVERNOR**

The following Proclamations of the Governor were received and printed in the Journal:

**PROCLAMATION**

by the  
Governor of the State of California

WHEREAS, an extraordinary occasion has arisen and now exists requiring that the Legislature of the State of California be convened in extraordinary session; and

WHEREAS, on January 3rd, 2001, I convened the 2001–02 First Extraordinary Session of the Legislature to deal with a broad range of energy issues, including the availability and supply of electrical power and natural gas; and

WHEREAS, on May 14th, 2001, after the first extraordinary session was adjourned, I convened the Second Extraordinary Session of the Legislature to deal again with a broad range of energy issues; and

WHEREAS, it is necessary to convene the Third Extraordinary Session of the Legislature to conclude deliberations and take action on specific critical energy issues;

NOW, THEREFORE, I GRAY DAVIS, Governor of the State of California, by virtue of the power and authority vested in me by Article IV, Section 3(b) of the Constitution of the State of California, do hereby convene the Legislature of the State of California to meet in extraordinary session at Sacramento, California, on the 9th day of October, 2001, at a time appointed by each house of the Legislature of said day for the following purpose and to legislate upon the following subjects:

To consider and act upon legislation affecting the operation, maintenance, finances, and financial viability of investor-owned utilities that provide electricity or natural gas to California residents and businesses, including their procurement portfolios and practices, and service by alternate energy providers in their service territory.

IN WITNESS WHEREOF, I have hereunto set my hand  
and caused the Great Seal of the State of California  
to be affixed this 27th day of September, 2001.

GRAY DAVIS  
Governor of California

ATTEST:

BILL JONES  
Secretary of State



**PROCLAMATION**  
by the  
Governor of the State of California

WHEREAS, on September 27, 2001, pursuant to Article IV, section 3(b) of the Constitution of the State of California, I issued a Proclamation convening the Legislature of the State of California to meet in extraordinary session on October 9, 2001, to consider and act upon legislation affecting the operation, maintenance, finances, and financial viability of investor-owned utilities that provide electricity or natural gas to California residents and businesses, including their procurement portfolios and practices, and service by alternate energy providers in their service territory; and

WHEREAS, the principal purpose of that extraordinary session was to consider enactment of legislation to implement a Memorandum of Understanding between the California Department of Water Resources and Southern California Edison, an investor-owned utility whose financial viability has been the subject of serious concern; and

WHEREAS, on October 2, 2001 the California Public Utilities Commission and Southern California Edison announced that they have settled litigation pending between them in a manner which, if approved by the United States District Court for the Central District of California, will restore the financial viability of Southern California Edison; and

WHEREAS, that settlement agreement, if approved, will make it unnecessary for the Legislature to address further the financial viability of Southern California Edison in a third extraordinary session;

NOW, THEREFORE, I GRAY DAVIS, Governor of the State of California, by virtue of the power and authority vested in me by Article IV, section 3(b) of the Constitution of the State of California, do hereby rescind the Proclamation issued on September 27, 2001, convening the Legislature of the State of California to meet in extraordinary session on October 9, 2001.

IN WITNESS WHEREOF I have hereunto set my hand  
and caused the Great Seal of the State of California  
to be affixed this 2nd day of October 2001.

GRAY DAVIS  
Governor of California

ATTEST:

BILL JONES  
Secretary of State



(NOTE: The above Proclamations were received and entered in the Journal record although a Third Extraordinary Session was not convened.)

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ROBERT M. HERTZBERG, Speaker

PAM CAVILEER, Minute Clerk