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Decision 92-04-027 April 8, 1992

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Southern California Gas Company for expedited approval of five long term supply agreements. (U904G)	)	Application 91-04-038 (Filed April 26, 1991)

ORDER OF DISMISSAL

Application 91-04-038 was filed by Southern California Gas Company (SoCalGas) to seek pre-approval of five separate long-term supply contracts. SoCalGas submitted these contracts for Commission pre-approval pursuant to Commission Decision 89-11-060. These are the first contracts so submitted.

Hearings were held and the contested issues fully explored by interested parties. A proposed decision was prepared by the presiding Administrative Law Judge and released for public comment pursuant to Public Utilities Code § 311(d).

On April 1, 1992, SoCalGas filed a "Notice of Withdrawal of Application." By the Notice, SoCalGas informed the Commission that it had taken steps to terminate the five contracts for which it had sought pre-approval. Given this action, SoCalGas sought to "withdraw its request for approval of said contracts" and "request[ed] that this proceeding be terminated" (Notice, p. 1-2).

SoCalGas' application provides an opportunity to clarify the circumstances in which withdrawal or dismissal of a pending action before the Commission ceases to be a matter of right and becomes dependent upon our discretion. The matter has been addressed in prior unpublished decisions of the Commission and finds a direct analogy in decisions of the Supreme

Court of California respecting the circumstances in which litigants may seek dismissal of a pending appeal. The issue requires a balancing of a general disposition to permit litigants to control their interaction with governmental bodies with the necessity that entities such as courts and this Commission advance the public business while disposing of private claims and petitions. While earlier California cases suggested that litigants had this right, those cases were arrested by the decision of the Supreme Court in *Chadbourne v. Superior Court*, 60 Cal.2d 723, 731, n.5 (1964). In *Chadbourne* the court asserted its discretion to refuse to permit a dismissal where the case involved issues of substantial importance and would impinge upon the orderly development of the law. Accord, *Liberty Mutl. Ins. Co. v. Fales*, 8 Cal.3d 712, 716 (1973). In *Fales* the court again asserted its interest in protecting a capacity to address issues of continuing public interest. Not only do we take a similar view, but we find it consistent with unpublished Commission precedent. In D.92757 (1981) the Commission had been presented with an application from Southern California Edison and Pacific Gas and Electric to build the Harry Allen-Warner Valley coal plant. There, as here, the Commission had a proposed decision before it when the utilities sought to withdraw their application. The Commission issued a decision granting the request to withdraw the application and Commissioner Grimes appended a concurring opinion.

We need not speculate on the possible circumstances which would cause us to regard dismissal or withdrawal as no longer a matter of right. It is sufficient that we indicate that submission of a matter upon an evidentiary record and obtaining a proposed decision within the meaning of Section 311(d) involve steps which clearly make termination a matter of the Commission's discretion.

Since withdrawal at this point is dependent upon the consent of the Commission, we now turn to the reasons asserted by the utility in seeking such requested disposition of its application. SoCalGas asserts that it would be "adversely affected" if it were to commit now to the arrangements entered into on March 15, 1991. We agree.

Therefore, good cause appearing,

IT IS ORDERED that Application 91-04-038 is dismissed and the proceeding closed, effective today.

Dated April 8, 1992, at San Francisco, California.

DANIEL Wm. FESSLER
President
JOHN B. OHANIAN
PATRICIA M. ECKERT
NORMAN D. SHUMWAY
Commissioners

We will file a written concurring opinion.

/s/ DANIEL Wm. FESSLER
/s/ JOHN B. OHANIAN
/s/ PATRICIA M. ECKERT
/s/ NORMAN D. SHUMWAY
Commissioners

I CERTIFY THAT THIS DECISION WAS APPROVED BY THE ABOVE COMMISSIONERS TODAY.

NEIL J. SHULMAN, Executive Director

FESSLER, COMMISSION PRESIDENT, CONCURRING:

It is with considerable reluctance that I join the majority in consenting to the withdrawal of the five long term contracts presented for pre-approval by the applicant in this proceeding. Because this move was made following submission on the full record developed by the Administrative Law Judge, the issuance of a Proposed Decision, and on the eve of our own disposition of the matter, I wish to briefly address the procedure and then the substantive issues.

I. VOLUNTARY DISMISSAL OR WITHDRAWAL OF A MATTER WHICH HAS PROCEEDED THUS FAR IN OUR PROCESS IS NOT A MATTER OF RIGHT:

Whatever the right of an applicant to seek dismissal or to withdraw a matter upon which there have been no proceedings, I am firmly of the view that once an evidentiary record has been developed and a proposed decision issued pursuant to Public Utilities Code § 311(d) such a step is no longer of right but is dependent upon our consent. In the absence of such a policy all manner of mischief may go unchecked. Parties would be free to engage our resources and put opponents or intervenors to considerable expense and no little risk only to moot the controversy in the event of an adverse proposed decision. Further, our ability to discharge our own public responsibilities could be thwarted, as is the case here, by the sudden removal of a vehicle which presents the occasion to answer certain vital questions of general interest. The dimension of those questions and that interest leads me to the substantive issues attending the contracts presented to the Administrative Law Judge. These questions have remained unanswered since we formally invited submission of contracts for what amounts to pre-approval by our order in D.89-11-060[1].

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[1]D.89-11-060 is not reported in the Cal. P.U.C.2d. In the slip opinion, Appendix A, page 1, we stated:

> The utilities may seek approval, under a procedure similar to the Expedited Application Docket (EAD) procedure, for contracts with terms of five years or longer, and for contracts with their affiliates. All contracts submitted for advance review must contain a 'regulatory out' clause which will insure that if the Commission does not approve the contract under the EAD pre-approval process, the utility will be relieved from the terms and conditions of the contract without penalty.

In its submission before the Administrative Law Judge, SoCalGas asserted that these are the first contracts that it has submitted pursuant to D.89-11-060 and that they represent a major commitment by SoCal on behalf of its core customers.

II. THE NEED FOR A COHERENT AND PREDICTABLE COMMISSION POLICY ON LONG TERM GAS PROCUREMENT:

As I have noted, the proposed decision was circulated and available for public comment pursuant to Section 311(d). The importance of the issues it addressed was further enhanced by our recent *en banc* on gas procurement. To the degree that the proposed decision had been read and discussed it requires comment. The sentiments which follow illustrate my unhappiness with the current state of our policy in this vital area and set the stage for the proposals which I wish to put forth.

A. MY DIFFICULTY WITH THE PROPOSED DECISION: The proposed disposition of these cases was, from my perspective, unsatisfactory both for what it did and, more importantly, failed to do. In my view, the proposed opinion appears to telegraph mixed signals to an industry which expects the Commission to speak with an authoritative voice on acceptable gas procurement strategies. This is especially true since we held this matter until *after* we had the benefit of the *en banc* on gas procurement. Rather than use this application as the vehicle for advancing a policy adoption of the proposed opinion would have:

* blown hot and cold on the "utility" of long-term contracts;

* hinted strongly that we prefer long-term contracts to be indexed to spot prices;

* declined to reject our recent decision which formally invited submission of contracts for what amounts to pre-approval (D.89-11-060);

* apparently interpreted that decision as justifying pre-approval only if there is utterly no element of risk to the core; and

concluded by admitting that the entire subject is a grand mess which we ought at some *future time* in some *unspecified proceeding* address and reform.

To me the essence of the sad tale was admitted at pages 28--30:

> The need for the Commission to determine the reasonableness of SoCal's, or for that matter any gas utility's, core gas procurement is that under the current regulatory framework the utility has little, if any, incentive, other than the threat of disallowance, to make efforts to lower its gas costs. If the utility had incentives to search out the most cost effective gas supplies the need for the Commission's micro-management of the core gas supply procurement practices of the utility would be greatly reduced. Recognizing this we continue to explore possible alternative regulatory frameworks that create the proper incentives for utilities while providing protection for captive ratepayers.

Surely, we can use the process created in D.89-11-060 to advance rather than confuse the issues surrounding this major topic.

B. ISSUES IMPLICATED IN THE INSTANT DECISION:

As I reflect on the contracts, the evaluation process, and the proposed decision it seems to me that the following central issues were presented:

1. *Do we wish to repudiate D.89-11-060 and terminate once and for all time the invitation for utilities to present long-term contracts for pre-approval?* Speaking for myself, I would have answered that question in the negative. If that was the implicit goal of the proposed decision I have three objections. The first is moral, the second pragmatic, and the third policy based.

If the Commission becomes convinced that a precedent is in error it should be clearly repudiated lest the public be confused with a resulting waste of time and treasure. In this context, *if* the Commission was so minded we ought to clearly declare that, upon reflection and in light of the experience documented in this proceeding, we now deem pre-approval an unwise strategy in an evolving gas industry. Costs were incurred by SoCalGas in negotiating these contracts and seeking to gain the approval we had invited. We surely have the right to change our mind and, indeed, the duty to do so if we are convinced that we made a mistake. What we do not have a right to do is advertise a policy we have no intention of honoring.

My second objection is that the proposed opinion failed to put the pre-approval process out of its misery if that is our objective.

At the policy level, I have become convinced that long-term contracts may have some benefit especially if physical or economic exigencies (e.g., the necessity to keep coal seam gas wells constantly producing, or the necessity for a seller who has already contracted for pipeline capacity to make productive use of that expensive right) have set the stage for a *discount* over an indexed spot price. It is evident that a pre-approval climate would make that bitter pill far more palatable for the seller for at least a defined market share would have been guaranteed and the contract extricated from the costs and uncertainty of further entanglement with regulation.

2. *If we do not intend to reverse and rescind D.89-11-060, what are the standards which will guide the Commission in granting or withholding pre-approval?* It would appear from this proceeding that so long as there is *any* element of risk that the contract will have *any* adverse economic impact upon the core we cannot grant pre-approval. If this is our intent I wonder that we are not fooling ourselves for how could we ever pre-approve any long-term contract. I am particularly troubled by the decision's treatment of Contract 5. We speculate

that the pricing mechanism might go awry because the gas will be delivered over the new Kern River Pipeline to SoCal Gas. There are two objections: the absence of current data on an index for spot gas delivered on a pipeline with no operational history; and the possibility that an arbitration proceeding might devise an "entirely different pricing mechanism." [See page 36 of the proposed decision]. We then particularize our first objection announcing the fear that "[t]here is no way to know whether the average price of Kern River spot gas will be reasonable in relation to gas from other areas." To me this is fanciful and betrays a deep seated lack of faith in the entire experiment with the forces of competition. It is precisely the type of fanciful fear that would lead a reader to believe that the invitation extended in D.89-11-060 was either insincere or has now been revoked.[2]

C. MY OWN PREFERENCE:

Predicated upon our recent *en banc* and the record developed in this proceeding, I was prepared to join in the formulation of Commission policy on long-term gas procurement. Before I outline the policies I would have recommended to my colleagues, a few words on the question of process. In my preliminary discussion with Commission staff I was startled to encounter some resistance to the idea that the Commission could develop policy in the context of specific proceedings such as the instant application. Several individuals expressed concern as the propriety of our taking such a step in a proceeding in which all parties who might be affected were not participants. The apparent conclusion dictated by this concern is that the Commission should be limited in its attempts to formulate policy to broadly advertised rulemakings. I acknowledge the value of such proceedings but reject the idea that they are the exclusive vehicle for discharging our many responsibilities. One thing appears certain, we are not restrained by any concept of constitutional due process for none is offended by an administrative body crafting policy decisions of *prospective application* in the context of specific proceedings. Indeed, to my knowledge, it has been decades since anyone seriously thought to challenge the propriety of what amounts to administrative common law development. See, e.g., *NLRB v. Wyman-Gordon Co.*, 394 U.S. 759 (1969).

Given my perception that a clarification of our views on long-term gas procurement is overdue, I would have sought agreement of my colleagues to the following propositions:

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[2]By contrast, the second fear may be sound. I have not seen the contract language and thus do not know whether any constraints are placed upon the arbitrator's discretion. Clearly the parties are capable of defining the role for the arbitrator in a manner which would preclude the emergence of a "totally different pricing mechanism." In the future such a gratuitous problem should be avoided in any contract presented for pre-approval.

* Long-term gas contracts have a legitimate place in a utility's procurement strategy.

* The pricing mechanism for such long-term contracts should not seek to "out guess" the market but rather should be prepared to follow it.

* A *per se* reasonable way to follow the market is to adopt a pricing mechanism which is capped at or provides a discount to spot prices for natural gas at the well-head.

* Any utility which forms a contract involving payment of a "premium" over spot indexing has the burden of proof that it reflects specific avoided costs of a dimension that render core ratepayers neutral on its incursion.

* Any "discount" over spot indexing should redound on a 50/50 basis to the utility ratepayers and shareholders.

* Any long-term contract with a pricing mechanism which floats so as to reflect spot prices or which discounts such an index may be submitted for and shall be pre-approved upon verification that it conforms to these policies.

* Before a utility could divert income to its shareholders as an earned fifty per cent share of a savings over spot indexing there would have to be a Commission proceeding to verify that such savings had, in fact, been achieved.

* A proposed contract containing a premium over spot could be presented for Commission pre-approval with the outcome dependent upon proof that cost offsets or other benefits would render the core ratepayers neutral as to its incursion.

As a first step in implementing these clarified policies, I would have remanded the instant contracts, or at least Contract 5. In the proceedings before the Administrative Law Judge the seller apparently put on an impressive showing that the 5 cents/Dth premium fails to compensate for the bargained for volume flexibility. [See proposed decision discussion at pages 37, 38]. Had the contracts been remanded it strikes me that there were two other potential "savings" which should have been explored on the record. Long-term contracts avoid transactional costs when contrasted with the alternative of recontracting every thirty days on the spot market. Of course, the avoided transactional costs work in favor of both the buyer *and* seller. Also, the knowledge that a certain volume of gas is obligated under contract relieves the utility of storage costs which represent an alternative means of meeting our insistence that gas supplies for the core be secure. What are the costs of placing gas into, holding and then extracting it from storage facilities?

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Under the terms of today's Commission order these and other vital questions remain unanswered. I look forward to the occasion to address them.

Daniel Wm. Fessler, President

April 8, 1992
San Francisco, California

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April 8, 1992

Commissioner John B. Ohanian, Concurring:

Today's order grants the Withdrawal of Application of Southern California Gas Company (SoCalGas) for approval of five long term gas supply contracts. I must express concern that SoCalGas has chosen to withdraw at this time. A "311" Decision was circulated. Many hours of Commission time have been spent discussing this matter amongst the Commissioners, the staff, SoCalGas and the gas suppliers. Now, SoCalGas simply wishes to withdraw the application. I believe we should grant the request, but that I have an obligation to address the crucial issues raised by the application.

The expressed reason for the Notice is that better alternatives are available. This is precisely the point raised by DRA in its opposition to our approval of the contracts. Further, this is also similar to part of ALJ Barnett's recommendation to dismiss the contracts.

In the interests of providing guidance to California's utilities in the future, I wish to explain what I view as a reasonable contract to be presented to the Commission for advance approval. In short, there is little reason, if any, for our utility companies to pay more than the spot gas price. I will recommend rejecting any contract which comes before me for advance approval with a price above the spot gas price unless it meets a few narrowly constructed tests. My reasoning follows.

The key item is price. In my mind, the spot gas price is reflective of the market price of gas. The spot gas price is set in transactions between thousands of gas producers, tens of thousands of well informed gas buyers, in a market where information is generally available, and the incentives are to get the best price possible. I have yet to hear a persuasive reason why this is not a competitive market.

Some have argued that the spot market does not reflect the costs of exploration and production of new gas supplies. I disagree. Every seller of natural gas has a choice to sell or not to sell the gas from his well. This decision is based in large part upon his individual forecast of future gas prices. If the producer believes prices will rise in the future then that producer will be inclined to keep the gas in ground and wait for the price increase. A producer who does not believe prices will rise will

tend to sell the gas and look for new supplies for future operations.

If enough producers believe tomorrow's price will be higher, and keep their production off of the market, then supply becomes shorter and prices rise. If producers believe prices will be lower tomorrow, then more of them attempt to sell gas and prices fall. This is straightforward economics.

Despite the wishful thinking of many producers, substantial gas supplies are available today precisely because producers do not believe prices will be higher tomorrow. One must wonder why a regulatory agency is expected to reach a contrary view of exploration and production from the very people who do exploration and production.

In fact, it appears that the current move by producers in Texas and Oklahoma and Louisiana to enact government control over production is an admission that there is simply so much gas available that it makes no sense for individuals to withhold gas from the market. Since the market will not enforce a monopoly pricing scheme these producers have gone to state governments in hopes of establishing state run cartels. I would add here that producers who choose to rely upon government protection when times are tough may not like the results when times are good.

In short, the going price of gas is established in the only competitive gas market we observe. (In the absence of cartels or government interference.) I can see no reason, absent some tangible and quantifiable compensating consideration, why a utility would ever pay more than the spot gas price for gas.

In the past, California has been forced to pay higher prices because of constrained capacity, or other market imperfections. In today's climate we are experiencing an enormous expansion of pipeline capacity into California. This substantial capacity will allow gas competition between supply regions. It will be price which attracts supplies. And because more supplies can be reached than consumed, price can always attract needed gas. Our recent experience with spot gas during winter periods indicates that it can be as reliable as that from other areas.

Before I move on to what items may be appropriately considered as compensation for a "premium price", I will dispose of the concept of supply reliability as one of them. Many have argued that a "premium" is justified for a gas supply if it is a secure supply. I disagree. Reliable supply is driven by price, much as the spot market is driven. California is no stranger to reliable gas supplies which don't show up when prices are higher elsewhere. We have received tens of millions of dollars in refunds from successfully prosecuting a few cases against those who made the economic choice to sell elsewhere despite a contract. Yet, even

the dollar damages, well over ten years later, did not provide gas service when it was needed. I am also concerned about anecdotal information of gas moving east on pipelines in violation of the 100% delivery obligations when the price of gas is higher in the Great Lakes area. The thought of reliance upon the court system to ensure the "sanctity of contracts" is not reassuring if residential heat is turned off during a cold spell because prices in the midwest were higher.

The basic economic theory of contracts is that they reduce transaction costs for parties involved. It alleviates the need to continualy negotiate and find new market partners. These transaction costs are saved by both buyers and sellers. I do not see why only sellers would be expected to reap the gains from these efficiencies, and do not believe that transactions costs justify a premium.

ALJ Barnett, in his proposed decision, argued another economic tenet, large buyers get discounts because they save transactions costs for sellers. Indeed, one would be very hard pressed to find any unregulated industry where large credit-worthy buyers pay a premium. One could argue, as did ALJ Barnett, that our utilities should expect to receive discounts.

As Commission President Fessler has suggested, there may be take flexibility aspects of a contract which alleviate the need for storage related costs. If such cost savings can be quantified, they could be used to justify some premium. How winter deliveries would be assured at the discounted prices concerns me, but such a showing might be made. To the extent it is made, with solid quantification, and in the context of the following discussion, I could support advanced approval for a "premium" contract.

I will observe that the primary function of storage is core service reliability. Therefore, any premium would probably relate to seasonal purchasing considerations. If reliability could be assured by some means other than having the gas physically in California that would be a consideration. Though I remain concerned about the nature of the guarantee.

A showing of cost related benefits would need to indicate exactly how the subject contracts fit into the entire gas purchase planning for the utility. In the application which was pending before us we could not tell how these contracts fit the total gas requirement of the core market. If these were the only long-term contracts held by SoCalGas one could draw one set of conclusions about potential price stability and risk hedging. If these contracts represented the increment of gas supplies from 90% of cold year core requirements and 105% of core cold year requirements, then one may well reach a different conclusion.

As a final point, let me share an approach which may help clarify the type of showing that would be helpful. One can view gas purchasing by the utility as an insurance problem. The insurance question is how to minimize cost over time in a world where prices fluctuate. If a utility operates as an individual it would likely purchase an insurance policy and pay a premium because the individual risk is too great to bear. In years when prices are down the insured pays higher prices plus a premium. In years when prices are up the insurance policy would allow lower prices plus a premium. This is how insurance companies make money; aggregating risks faced by individuals into pools where collective risk is substantially lower and keeping the difference.

On the other hand, a utility can be viewed as a large pool of individuals who can self-insure. This keeps the premium with the utility and its customers. We simply must accept that when gas prices rise in the market that utility prices will also rise. However, utility customers will face these fluctuations only if gas prices rise generally reflecting the increased value of gas. This is a correct market signal and should not be kept from gas users. That is the purpose of reliance upon the market to send accurate price signals. It is also important to recognize that all seasonal fluctuations are eliminated through the use of the core balancing account. This feature of core purchasing is the single most important item in stabilizing residential bills.

Over time an individual with insurance will always pay more than the expected value of what is being insured. The mutual insurance group will always pay exactly the value of what is being insured. I believe that utility customers represent a large enough pool that self-insurance makes sense.

In summary, let me state that I believe the market price of gas is set in the highly competitive spot market, that our utilities should generally expect discounts from the market price, and that any premium must be justified by a comprehensive and quantitative showing of the utility purchase program which proves value for the premium.

/s/ John B. Ohanian

San Francisco, California

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Commissioner Patricia M. Eckert, Concurring:

The instant application is not the proper vehicle to announce the Commission's policy with respect to long-term contracts affecting utility natural gas procurement practices. Yet the pronouncement of the Commission's policy on long-term gas procurement is long overdue. The utilities we regulate should have available to them Commission articulated standards upon which they can reasonably rely prior to the Commission's after-the-fact reasonableness review.

I agree with President Fessler's policy propositions as listed in his concurrence as follows:

1) Long-term gas contracts have a legitimate place in a utility's procurement strategy.

2) The pricing mechanism for such long-term contracts should not seek to "out guess" the market but rather should be prepared to follow it.

3) A *per se* reasonable way to follow the market is to adopt a pricing mechanism which is capped at or provides a discount to spot prices for natural gas at the well-head.

4) Any utility which forms a contract involving payment of a "premium" over spot indexing has the burden of proof that it reflects specific avoided costs of a dimension that render core ratepayers neutral on its incursion.

In advancing a policy statement, I propose that we notice the parties of our intent to announce such a policy in the existing gas procurement rulemaking, appropriately coordinated with our incentives investigation. Hearings should proceed in these dockets as soon as possible following a second informational en banc. The en banc should focus on gathering practical information based on expertise in the financial and procurement area. We should move quickly from the en banc to identify issues subject to evidentiary hearing and issues to be decided via comment rulemaking. I intend to pursue a 1992 year-end decision on a new core gas procurement policy.

Patricia M. Eckert

April 13, 1992
San Francisco, California

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Norman D. Shumway, Commissioner, concurring:

SoCal Gas filed this application seeking Commission pre-approval of five contracts for long-term gas supply. The application is the first to be filed pursuant to D.89-11-060, which stated the Commission's willingness to consider pre-approval of utility contracts with terms of five years or longer. For reasons discussed below, I am not convinced that pre-approval is a well-advised regulatory approach to assessing the merit of specific, long-term, utility gas supply contracts. I believe the Commission should reconsider several implications of this policy before affirming it and inviting further applications for long-term contract pre-approval.

As we have seen in the instant case, pre-approval of contracts is potentially very contentious and requires a detailed evaluation not only of contract terms, but of the accuracy of forecasts of the price, supply and demand for natural gas. As such, pre-approval of contracts requires, to my mind, excessive Commission over-sight, and indeed amounts to "micromanagement" of utility gas supply strategies.

Pre-approval of contracts reduces the risk to utility management of poor decisionmaking. This point is often over-looked by proponents of pre-approval, who cite only the unpalatable regulatory check provided by the threat of disallowance in annual contract reasonableness reviews. While I reserve judgment as to whether or not a reasonableness review is the most pragmatic approach to protect captive ratepayers, I believe the Commission must closely examine the existing regulatory framework, and the interrelationship of checks and

balances within it, before making changes which may unintentionally skew the balance we have striven to create.

We have before us a proceeding, commonly called the "Incentives OII" (I.90-08-006), which we intend to revive later this year and to expand to consider gas as well as electric utilities. The OII will provide us and any interested parties with an opportunity to review existing ratemaking mechanisms and to explore changes. This is one of several vehicles which we might use to reconsider the pre-approval policy stated in D.89-11-060, or at least assess the impact of such a policy upon utility risk.

However, I do not go so far as to oppose out of hand the suggestion of my colleagues that the Commission enunciate guidelines by which long-term gas supply contracts might be found per se reasonable. Let me be clear that the goal I envisage is an essentially pro forma application of such guidelines. I am willing to engage in the effort, recognizing that if it succeeds, we may avoid the contentiousness and limit the element of "micromanagement" which cause me concern, and still protect ratepayer interests. I suggest that we proceed cautiously and examine the patient carefully before performing major surgery.

NORMAN D. SHUMWAY
Commissioner

April 8, 1992
San Francisco, California