

## PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

COMMISSION ADVISORY AND  
COMPLIANCE DIVISION  
Energy Branch

RESOLUTION G-3065  
June 23, 1993

R E S O L U T I O N

RESOLUTION G-3065. PACIFIC GAS AND ELECTRIC COMPANY, SOUTHERN CALIFORNIA GAS COMPANY, SAN DIEGO GAS & ELECTRIC COMPANY, SOUTHWEST GAS CORPORATION, AND WASHINGTON WATER AND POWER COMPANY - ADOPTS PUBLIC UTILITY GAS CORPORATION SURCHARGE FOR MOBILEHOME PARK SAFETY INSPECTION AND ENFORCEMENT PROGRAM FOR FISCAL YEAR 1993-1994 AND AUTHORIZES TARIFF FILINGS.

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SUMMARY

1. The Commission enforces certain mobilehome park safety standards and funds this activity by a surcharge on mobilehome park operators. Pacific Gas and Electric Company, Southern California Gas Company, San Diego Gas & Electric Company, Southwest Gas Corporation, and Washington Water and Power Company collect the surcharge and have filed tariff schedules specifying the surcharge.
2. Section 4358(c) of the Public Utilities Code specifies that the surcharge shall not exceed 25 cents per space per month after July 1, 1992.
3. This Resolution approves a surcharge rate of \$0.18 per space per month beginning July 1, 1993. The rate is reduced from \$0.22 per space per month.

BACKGROUND

1. Sections 4351 through 4358 of the Public Utilities Code (Code) became law on January 1, 1991. They designate the Commission as the enforcement agency for establishing and implementing a Gas Safety Inspection and Enforcement Program (Gas Safety Program) for mobilehome parks with master-metered natural gas distribution systems (MHPs). The Commission is to verify compliance with federal and state pipeline safety laws and regulations, including the Commission's General Order 112-D.
2. Section 4358 authorizes recovery of the Commission's Gas Safety Program expenses through a surcharge on mobilehome park

operators. The maximum surcharge was set at \$0.30 per tenant per month from July 1, 1991 to June 30, 1992. Thereafter, the maximum surcharge reduced to \$0.25 per space per month. Resolution M-4760 set the surcharge at \$0.29 per tenant per month from July 1, 1991 to June 30, 1992. Resolution G-3002 set the surcharge at \$0.22 per space per month from July 1, 1992 to June 30, 1993.

## DISCUSSION

### 1. PROGRAM COST

The Utilities Safety Branch mobilehome program expense estimate for fiscal year 1993-1994 is \$766,000. These expenses include:

Personnel - \$557,000.

Eight inspectors and one attorney (part-time) are assigned to the mobilehome park program.

Operating Expense - \$178,000.

Operating expense elements include:

Travel: The Mobile Home Park staff spends a majority of time in the field conducting inspections;

Training: Staff members will attend courses and receive training in gas safety during '93-94;

Transportation: The MHP unit is equipped with four vehicles for use during inspections;

Mailings: Approximately 2,900 annual report forms will be sent out during fiscal '93-'94.

Overhead and Supplies.

Equipment - \$31,000.

Flame ionization units and corrosion equipment, computers, lextriever filing system.

### 2. FUNDING SOURCES

Department of Transportation - \$111,000.

Department of Transportation (DOT) will contribute \$111,000 to the Utilities Safety Branch for mobilehome park Commission inspections in gas safety during fiscal 1993-94.

Prior Year Carryover - \$131,000.

For the first year of operation of the Gas Safety Program (fiscal 1991-92), the mobilehome park safety unit operated with 17 person-months less than needed, creating a fund surplus. The surplus increased to \$187,000 during fiscal 1992-93 because budgeted personnel positions remained vacant. The surplus, less a contingency reserve of

\$56,000, will be applied toward the Gas Safety Program in fiscal 1993-94.

**Surcharge for fiscal 1993-94 - \$524,000.**

The Gas Safety Program requires \$524,000 in additional funds (See Appendix A). These funds will be obtained through the MHP surcharge. Based on 243,000 regulated spaces, the Utilities Safety Branch derived a surcharge of 18 cents per space per month for fiscal 1993-94. This rate represents a \$0.04 per space per month reduction from the 1992-93 fiscal year. The rate reduction is primarily due to the surplus from prior years.

#### RECOMMENDATION

3. The gas utilities now collect a \$0.22 surcharge. The surcharge should be reduced to \$0.18 for bills rendered on and after July 1, 1993 by gas utilities upon all master-metered mobilehome park operators.

4. The Management Services Division, the Safety Division, and the Commission Advisory and Compliance Division have reviewed this Resolution and recommend it. It complies with Public Utilities Code Section 4358.

#### NOTICE

1. Notice was provided by publication in the Commission Agenda for the Meeting of June 23, 1993.

#### PROTESTS

1. No protests have been received.

#### FINDINGS

1. Sections 4351 through 4358 of the Public Utilities Code (Code) designate the Commission as the enforcement agency for the Gas Safety Program. The provisions of the Code became operative on July 1, 1991.

2. Section 4358 authorizes recovery of the Commission's Gas Safety Program expenses through a uniform billing per space or lot surcharge on mobile home park operators. A reasonable surcharge for the fiscal year 1993-4 is \$0.18 per space per month. This does not exceed the legal maximum of \$0.25 per space per month as set forth in the Public Utilities Code Section 4358(c).

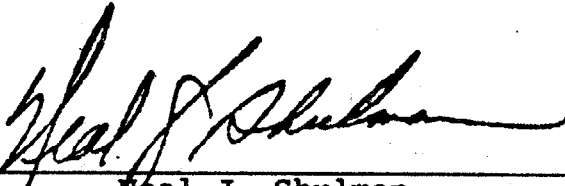
3. The fees, as collected, should be separately identified and forwarded to the Commission at the same time and in the same fashion as other monies collected for deposit in the Public Utilities Commission Utilities Reimbursement Account.

June 23, 1993

**THEREFORE, IT IS ORDERED that:**

1. The surcharge for the gas safety inspection and enforcement program for mobilehome parks with master-metered natural gas distribution systems (MHPs) shall be \$0.18 per mobilehome space per month for the period from July 1, 1993 until June 30, 1994.
2. Pacific Gas and Electric Company, Southern California Gas Company, San Diego Gas & Electric Company, Southwest Gas Corporation, and Washington Water and Power Company shall file advice letters on or before July 1, 1993; to be effective July 1, 1993; reflecting the reduced surcharge in tariff rate schedules and preliminary statements.
3. The fees, as billed, shall be separately identified and forwarded to the Commission at the same time and in the same fashion as other monies collected for deposit in the Public Utilities Commission Reimbursement Account.
4. This Resolution is effective today.

I hereby certify that this Resolution was adopted by the Public Utilities Commission at its regular meeting on June 23, 1993. The following Commissioners approved it:



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Neal J. Shulman  
Executive Director

DANIEL Wm. FESSLER  
President  
PATRICIA M. ECKERT  
NORMAN D. SHUMWAY  
P. GREGORY CONLON  
Commissioners

**APPENDIX A**  
**MOBILEHOME PARK BUDGET**  
**(1993-1994)**

(1) EXPENSE ELEMENTS

Personnel.....	\$557,000
Operations.....	178,000
Equipment.....	<u>31,000</u>
Total	\$766,000

(2) FUNDING SOURCE

Department of Transportation Contribution .....	\$111,000
Budget surplus..	\$187,000
Less contingency	<u>56,000</u>
Total .....	131,000
Surcharge revenue .....	<u>524,000</u>
Total .....	\$766,000

(3) DERIVATION OF MHP SURCHARGE

Required annual surcharge revenue = monthly surcharge  
No. of spaces times 12 months

$\frac{\$524,000}{243,000 \times 12} = \$0.18 \text{ per space per month}$