

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

COMMISSION ADVISORY AND
COMPLIANCE DIVISION
Energy Branch

RESOLUTION G-3130
June 8, 1994

R E S O L U T I O N

RESOLUTION G-3130 PACIFIC GAS AND ELECTRIC COMPANY,
SOUTHERN CALIFORNIA GAS COMPANY, SAN DIEGO GAS &
ELECTRIC, SOUTHWEST GAS CORPORATION, AND WASHINGTON
WATER POWER COMPANY - ADOPTS PUBLIC UTILITY GAS
CORPORATION SURCHARGE FOR MOBILEHOME PARK SAFETY
INSPECTION AND ENFORCEMENT PROGRAM FOR FISCAL YEAR 1994-
1995 AND AUTHORIZES TARIFF FILINGS.

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, Southwest Gas Corporation, and Washington Water 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 \$0.21 per space per month beginning July 1, 1994. The rate is increased from \$0.18 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 \$0.25 per space per

month. Resolution G-3065 set the surcharge at \$0.18 per space per month from July 1, 1993 to June 30, 1994.

DISCUSSION

1. PROGRAM COST

The Utilities Safety Branch mobilehome program expense estimate for fiscal year 1994-1995 is \$816,000. These expenses include:

Personnel - \$580,000.

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

Operating Expense - \$189,000.

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 '94-95;

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

Office Lease: Trinity Plaza;

Mailings: Approximately 2,900 annual report forms will be sent out during fiscal '94-95.

Overhead and Supplies.

Equipment - \$47,000.

Flame ionization units and ethane identifiers, computers, lextriever filing system.

2. FUNDING SOURCES

Department of Transportation - \$109,000.

Department of Transportation (DOT) will contribute \$109,000 to the Utilities Safety Branch for mobilehome park inspections in gas safety during fiscal 1994-95.

Prior Year Carryover - \$90,000.

During fiscal 1993-94, the Gas Safety Program experienced a surplus of \$90,000 because budgeted personnel positions remained vacant.

Surcharge for fiscal 1994-95 - \$617,000.

The Gas Safety Program requires \$617,000 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 21 cents per space per month for fiscal 1994-95. This rate

represents a \$0.03 per space per month increase from the 1993-94 fiscal year. The rate increase is primarily due to the inclusion of the expense to lease office space and the less than anticipated contribution from the DOT for fiscal 1993-94.

RECOMMENDATION

3. The gas utilities now collect a \$0.18 surcharge. The surcharge should be increased to \$0.21 for bills rendered on and after July 1, 1994 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 8, 1994.

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 1994-95 is \$0.21 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).

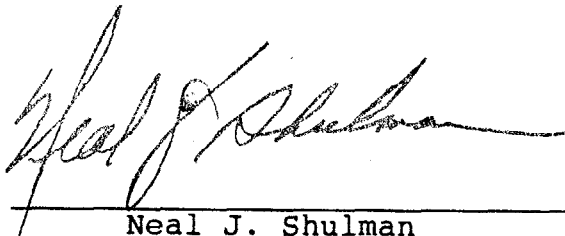
3. The fees, as collected, should be separately identified and forwarded to the Commission at the same time and in the same fashion as other monies collected for deposit in the Public Utilities Commission Utilities Reimbursement Account.

June 8, 1994

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 \$0.21 per mobilehome space per month for the period from July 1, 1994 until June 30, 1995.
2. Pacific Gas and Electric Company, Southern California Gas Company, San Diego Gas & Electric, Southwest Gas Corporation, and Washington Water Power Company shall file advice letters on or before July 1, 1994, to be effective July 1, 1994, reflecting the increased 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 8, 1994. The following Commissioners approved it:



Neal J. Shulman
Executive Director

DANIEL Wm. FESSLER
President
PATRICIA M. ECKERT
NORMAN D. SHUMWAY
P. GREGORY CONLON
JESSIE J. KNIGHT, Jr.
Commissioners

APPENDIX A
MOBILEHOME PARK BUDGET
(1994-1995)

(1) EXPENSE ELEMENTS

Personnel.....	\$580,000
Operations.....	189,000
Equipment.....	<u>47,000</u>
Total	\$816,000

(2) FUNDING SOURCE

Department of Transportation Contribution	\$109,000
Budget surplus.....	90,000
Surcharge revenue	<u>617,000</u>
Total	\$816,000

(3) DERIVATION OF MHP SURCHARGE

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

$\frac{\$617,000}{243,000 \times 12} = \$0.21 \text{ per space per month}$