

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Administrative Services
Budget and Fiscal Services

Resolution No. M-4829
December 1, 2016

RESOLUTION

Resolution M-4829. Adopting Level of Public Utilities Commission Transportation Account Fees for Fiscal Year 2016-17.

SUMMARY

Public Utilities Code Section 421 states:

The commission shall annually determine a fee to be paid by every passenger stage corporation, charter-party carrier of passengers, pipeline corporation, for-hire vessel operator, common carrier vessel operator, railroad corporation, and commercial air operator and every other common carrier and related business subject to the jurisdiction of the commission, except as otherwise provided in Article 3 (commencing with Section 431) of this chapter and Chapter 6 (commencing with Section 5001) of Division 2.

The Commission finds that for fiscal year 2016-17, the Public Utilities Commission Transportation Reimbursement Account fees should be fixed as follows:

<u>CLASS</u>	<u>FEE</u>
Passenger Vehicle Operators (Charter Party Carriers, including Transportation Network Carriers, and Passenger Stage Corporations)	Except as noted below, 1/4 of 1% of gross revenue plus \$10.00 quarterly fee or \$25 annual fee. The fee on gross revenue derived from transportation provided in a vehicle that seats not more than 15 passengers shall be 1/3 of 1%.
Vessel Operators: Common Carrier Vessel Operator	1/2 of 1% of gross revenue plus minimum \$10 quarterly fee or \$25 annual fee.
For-Hire Vessel Operator	\$25 each

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Railroad Corporations:

Class I:

Burlington Northern Santa Fe	2,366,232
Union Pacific	5,795,688

Class II and III (shortline)	0.27% of gross revenue, minimum of \$500 each.
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Pipeline Corporations	3/100 of 1% of gross revenue
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BACKGROUND

Public Utilities Code Section 421 provides the legal basis for the establishment and annual determination of “user fees” which are the funding source in the annual Governor’s Budget for critical CPUC activities regulating varied transportation “common carriers,” including railroad and pipeline corporations, charter party carriers (including Transportation Network Carriers), passenger stage corporations, and ferries. These common carriers are privately-owned entities subject to CPUC regulation for safety and licensing compliance. The Commission issues an annual resolution to set these fees for its regulation activities.

DISCUSSION

The fee levels set by this resolution for passenger vehicle operators, vessel operators and pipeline corporations are unchanged from the fee levels set for fiscal year 2014-15. The total fee level of \$8,502,000 set for the railroad corporations reflects an \$869,000 increase from the \$7,633,000 level set for fiscal year 2015-16. This increase is primarily the result of aggregate impacts due to various employee compensation and cost allocation (distributed administration) adjustments. The estimated fund reserve as of June 30, 2017 is \$14,075,891. Please see Appendix A for Fund Condition Statement.

COMMENTS ON DRAFT RESOLUTION

In accordance with Public Utilities Code Section 311(g), CPUC published this draft resolution on its website and sent copies to the class I railroads.

Comments received:

THEREFORE, IT IS ORDERED THAT:

For the fiscal year 2016-17 the fees provided for in Section 421 of the Public Utilities Code are hereby fixed at the following levels, effective January 1, 2017:

<u>CLASS</u>	<u>FEE</u>
Passenger Vehicle Operators (Charter Party Carriers, including Transportation Network Carriers, and Passenger Stage Corporations)	Except as noted below, 1/4 of 1% of gross revenue plus \$10 quarterly fee or \$25 annual fee. The fee on gross revenue derived from transportation provided in a vehicle that seats not more than 15 passengers shall be 1/3 of 1%.
Vessel Operators: Common Carrier Vessel Operator	1/2 of 1% of gross revenue plus minimum \$10.00 quarterly fee or \$25 annual fee.
For-Hire Vessel Operator	\$25 each
Railroad Corporations: Class I: Burlington Northern Santa Fe Union Pacific	2,366,232 5,795,688
Class II and III (shortline)	0.27% of gross revenue, minimum of \$500 each.
Pipeline Corporations	3/100 of 1% of gross revenue

For the sole purpose of providing a more economical, simple and efficient method of collecting and accounting for fees required to be charged and collected under the Public Utilities Commission Transportation Reimbursement Account, passenger vehicle and vessel operators who engage the services of sub carriers as prime carriers are responsible for the payment of the fees on the gross earnings of sub carriers. Such services of sub carriers by these prime carriers shall be evidenced by a written document.

For fiscal year 2016-17, the penalty provided for in Section 405 of the Public Utilities Code for default of the payment of the fee provided for in Section 421 of the Public Utilities Code shall remain fixed at 25% of the amount of the fee.

DRAFT

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I hereby certify that the Public Utilities Commission adopted this Resolution at the meeting on December 1, 2016.

Timothy J. Sullivan
Executive Director

APPENDIX A

0461 Public Utilities Commission Transportation Reimbursement Account

Fund Condition Statement

	2015-16	2016-17
BEGINNING BALANCE	\$ 12,120,510	\$ 14,883,891
REVENUES, TRANSFERS, AND OTHER ADJUSTMENTS	127,636	
Revenues:		
Quarterly Public Utilities Commission Fees	14,998,338	13,567,000
Public Utilities Commission - Penalties on Quarterly Fees	3,726	1,000
Other Regulatory Licenses and Permits	1,512,016	2,268,000
Income From Surplus Money Investments	13,936	4,000
Transfers and Other Adjustments:		
Total Revenues, Transfers, and Other Adjustments	16,528,016	15,840,000
Total Resources	28,776,162	30,723,891
EXPENDITURES AND EXPENDITURE ADJUSTMENTS		
Expenditures:		
Public Utilities Commission State Operations	13,869,271	16,630,000
Financial Information System for CA	23,000	18,000
Total Expenditures and Expenditure Adjustments	13,892,271	16,648,000
FUND BALANCE	\$ 14,883,891	\$ 14,075,891