

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Resolution M-4831
Administrative Services Division

February 8, 2018

R E S O L U T I O N

Resolution M-4831. Adopts level of Public Utilities Commission Transportation Reimbursement Account (PUCTRA) User Fees, effective January 1, 2018.

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.

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 regulatory activities.

DISCUSSION

The fee levels set by this resolution for most passenger vehicle operators will decrease to .0015 of gross revenue. Fee levels for operators of passenger vehicles that seat not more than 15 passengers will decrease to 0.0025 of gross revenue. All passenger vehicle operators will pay a \$10 quarterly or \$25 annual fee.

Fee levels for vessel operators and pipeline corporations are unchanged from the fee levels set in Resolution M-4829.

The total fee level of \$8,174,000 set for the railroad corporations reflects a \$328,000 decrease from the \$8,502,000 level set for 2017. The estimated fund reserve as of June 30, 2018 is \$23,603,000. Please see Appendix A for the 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, passenger vehicle operators and vessel common carriers. Two parties filed comments: Rasier-CA LLC (Rasier) and the Greater California Livery Association (GCLA).

Rasier supports the decrease in fees to .0015 of gross revenue, given the historical expenditures and revenues in the PUCTRA fund.

Rasier also asserts that its gross revenue should not include “pass-through” fees that are beyond compensation for transportation but paid by passengers such as tips to its drivers, airport pickup and drop off fees, and bridge toll fees.

Alternatively, Rasier suggested that the definition of gross intrastate revenues with respect to pass-through fees be clarified in the TNC Rulemaking (R.)12-12-011.

The issue of pass-through fees is outside the scope of the resolution and not considered here. Rasier may seek clarification of that issue in R. 12-12-011.

GCLA asserts that although its members could save as much as 40% in PUCTRA fees, they do not support the proposed decrease. Instead, GCLA prefers that the fee remain at its current level to ensure that the Commission retains the ability to

increase the number of transportation enforcement staff to meet its goal to increase public safety and regulation enforcement.

In response to comments, the Administrative Services Division (ASD) believes the Commission can accommodate lower fees, and maintain sufficient funding levels to pursue improvements to public safety through increased enforcement activities and augmented staff resources. ASD therefore proposes a modest fee reduction from 1/3 of 1% (0.00333) to 1/4 of 1 percent (0.0025).

THEREFORE, IT IS ORDERED THAT:

Effective January 1, 2018, the current PUCTRA user fees provided for in Section 421 of the Public Utilities Code are hereby fixed at the following levels:

CLASS

FEE

Passenger Vehicle Operators:	
Charter Party Carriers, including Transportation Network Carriers, and Passenger Stage Corporations	Except as noted below, 3/20 of 1% of gross revenue (0.0015) 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 1/4 of 1% (0.0025).
Vessel Operators:	
Common Carrier Vessel Operator	3/10 of 1% (0.003) of gross revenue plus minimum \$10 quarterly fee or \$25 annual fee
Railroad Corporations:	
Class I:	
Burlington Northern Santa Fe	\$2,274,916.60
Union Pacific	\$5,572,123.40
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. Fee statements submitted by a prime carrier shall indicate the name and gross earnings of each subcarrier in sufficient detail to enable the CPUC to cross-reference earnings and determine appropriate fee amounts among the respective carriers. Similarly, a fee statement submitted by a subcarrier shall indicate its gross earnings associated with each prime carrier.

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.

I hereby certify that the Public Utilities Commission adopted this Resolution at the meeting on February 8, 2018.

Timothy J. Sullivan
Executive Director

APPENDIX A

0461 Public Utilities Commission Transportation Reimbursement Account

Fund Condition Statement

	2016-17	2017-18
BEGINNING BALANCE	\$14,885,000	\$19,610,000
Prior Year Adjustments	95,000	-
Adjusted Beginning Balance	\$14,980,000	\$19,610,000
REVENUES, TRANSFERS, AND OTHER ADJUSTMENTS		
Revenues:		
Quarterly Public Utilities Commission Fees	18,701,000	18,011,000,000
Public Utilities Commission-Penalties on Quarterly Fees	2,000	2,000
Other Regulatory Licenses and Permits	1,450,000	1,450,000
Income From Surplus Money Investments	24,000	25,000
Total Revenues, Transfers, and Other Adjustments	\$20,177,000	\$19,488,000
Total Resources	\$35,157,000	\$39,098,000
EXPENDITURES AND EXPENDITURE ADJUSTMENTS		
Expenditures:		
Public Utilities Commission State Operations	14,563,000	17,887,000
Statewide General Admin Expense (Pro Rata)	966,000	958,000
Financial Information System for CA	18,000	20,000
Total Expenditures and Expenditure Adjustments	\$15,547,000	\$18,865,000
FUND BALANCE	\$19,610,000	\$20,233,0000