

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Yucaipa Mobilehome Residents' Association ("YMRA"), a California nonprofit corporation, by Len Tyler, President of YMRA, as representative of the residents of Knollwood Mobilehome Park; Edna Jenkins, a represented Member of YMRA, an individual and resident Of Knollwood Mobilehome Park; and Nancy L. Carlisle, a represented member of YMRA, an Individual and resident of Knollwood Mobilehome Park,

Complainants,

vs.

Knollwood Mobilehome Estates, Ltd., a California Partnership, doing business as Knollwood Mobilehome Estates,

Defendant.

Case 01-06-008
(Filed June 4, 2001)

**ADMINISTRATIVE LAW JUDGE'S RULING REQUIRING
RESPONSE TO ORDER GRANTING REHEARING**

In Decision (D.) 03-08-077, the Commission concluded that complainants in this case had proved that allocation of trenching costs associated with submetered gas and electric utility system improvements is required by Pub. Util. Code § 739.5. It reversed D.03-01-063 on that issue and remanded D.03-01-063 for further proceedings (1) to determine the proper allocation of trenching

costs and (2) to remove those trenching costs attributable to the gas and electric improvements from the \$111,445 passed on to mobilehome park residents as part of a rent increase.

Having concluded that complainants had met their burden of showing that allocation of the trenching costs is required, the Commission stated:

In the present case, it is clear that some of the \$111,445.00 in trenching costs must be allocated to submetered gas and electric system improvements, which are within our exclusive jurisdiction. By establishing that allocation is required, complainants have effectively shifted the burden of proof to Knollwood to demonstrate how much of the trenching costs should be allocated to water system improvements. [Citing *Home Owners Association of Lamplighter v. Lamplighter Mobile Home Park*, D.99-02-001, 84 CPUC2d 727, 734.] Only those costs may be passed through in rent increases consistent with Section 739.5. (D.03-08-077, at 9.)

There is sufficient evidence on the record to suggest, as complainants urged, that the trenching costs at issue be shared equally among water, gas and electric facilities installed in the trench. This would require that two-thirds of the trenching costs, or \$74,296.67, be removed from the rent increase on grounds that the park owner already receives compensation via a submetering discount provided in Pub. Util. Code § 739.5 for maintenance and repair of the submetered gas and electric systems.

All records of costs in this matter are within the control of defendant. Accordingly, this ruling requires defendant to file and serve a pleading, with supporting declarations as necessary, either agreeing that allocation of the trenching costs should be made on a basis of equal sharing among water, gas and electric facilities, or showing why an alternative allocation of trenching costs is appropriate. The pleading should be filed and served within 45 days of the date of this ruling. Complainants are directed to respond to defendant's pleading

within 45 days of receipt. A determination will then be made on whether the Commission's remand order can be resolved based on the pleadings, or whether further hearings on the allocation issue are necessary.

Nothing in this ruling precludes settlement of this matter between the parties.

IT IS RULED that:

1. Defendant Knollwood Mobilehome Estates, Ltd., is directed within 45 days of the date of this ruling to file and serve a pleading, with supporting declarations as necessary, either agreeing with an equal sharing of trenching costs among the three utilities or showing why an alternative allocation of trenching costs is appropriate.

2. Complainants Yucaipa Mobilehome Residents' Association, et al., are directed within 45 days of receipt of defendant's pleading to respond to that pleading, with supporting declarations as necessary.

Dated September 5, 2003, at San Francisco, California.

/s/ GLEN WALKER
Glen Walker
Administrative Law Judge

CERTIFICATE OF SERVICE

I certify that I have by mail this day served a true copy of the original attached Administrative Law Judge's Ruling Requiring Response to Order Granting Rehearing on all parties of record in this proceeding or their attorneys of record.

Dated September 5, 2003, at San Francisco, California.

/s/ ELIZABETH LEWIS
Elizabeth Lewis

N O T I C E

Parties should notify the Process Office, Public Utilities Commission, 505 Van Ness Avenue, Room 2000, San Francisco, CA 94102, of any change of address to insure that they continue to receive documents. You must indicate the proceeding number on the service list on which your name appears.

The Commission's policy is to schedule hearings (meetings, workshops, etc.) in locations that are accessible to people with disabilities. To verify that a particular location is accessible, call: Calendar Clerk (415) 703-1203.

If specialized accommodations for the disabled are needed, e.g., sign language interpreters, those making the arrangements must call the Public Advisor at

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(415) 703-2074, TTY 1-866-836-7825 or (415) 703-5282 at least three working days in advance of the event.