

Decision 01-08-063 August 23, 2001

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

The Utility Reform Network, the California
Mobile Home Resource and Action Association,
and Does 1-100,

Complainants,

vs.

Four Seasons Mobile Home Park, The Franciscan
Mobile Country Club, Rancho Santa Teresa
Mobile Home Estates, Diablo Mobile Lodge,
Friendly Village Mobile Home Park, Pepper Tree
Estates Mobile Home Park, Spanish Ranch
Mobile Home Park Number 1, Riverbend
Mobilehome Park, Hilton Mobile Home Park,
Hillview Mobile Home Park, and Does 1-100,

Defendants.

Case 00-08-035
(Filed August 23, 2000)

DECISION APPROVING SETTLEMENT, WITH MODIFICATION

I. Summary

This decision modifies a settlement (the full text of the settlement is attached as the Appendix to this decision) between The Utility Reform Network (TURN) and the California Mobile Home Resource and Action Association (CMHRAA) and ten defendant mobile home parks captioned above. The complainants charged that defendants were not in compliance with Public

Utilities Code Section 739.5,¹ which (among other things) prohibits gas master meter customers from retaining natural gas rebates they receive from a gas utility.

Parties arrived at a settlement once TURN and CMHRAA were satisfied that the defendant mobile home parks had disbursed all of the gas rebates to their sub-metered customers. The defendant mobile home parks also agreed to pass on any future gas rebates in a timely manner.

We find the settlement to be reasonable, except for the fact that it specifically provides that no interest will be paid on the moneys returned to the mobile home parks' sub-metered customers. This allows the mobile home park owners to unjustly enrich themselves. Therefore, we modify the settlement to provide for the payment of interest.

II. Background and Procedural History

This complaint concerns ten mobile home parks within the service territory of Pacific Gas & Electric Company (PG&E) citing violations of Section 739.5.² The defendant mobile home parks are master-meter customers of PG&E, and provide natural gas service on a sub-metered basis to their tenants. Pursuant to Section 739.5(a), mobile home parks must charge their tenants the same rate for natural gas service that would be applicable if the tenants were receiving service directly from PG&E. Pursuant to Section 739.5(b) defendants are prohibited from retaining natural gas rate rebates they receive from PG&E.

¹ All section references are to the Public Utilities Code, unless otherwise stated.

² The complaint recites additional defendants as "Does 1-100" but no defendants beyond those initially named have been added, e.g., as signatories to the settlement. Therefore, today's decision is conclusion only as to the named defendants.

When such rebates occur, they are required to be distributed to the accounts of the tenants based on the amount of usage incurred by each tenant during the previous monthly billing period.

On March 1, 2000, PG&E submitted Advice Letter 2218-G setting forth its plan for refunding to customers \$319.6 million in overcollected revenues in the Core Fixed Cost Account (CFCA). The Refund Plan was filed in compliance with Decision (D.) 00-02-046 in PG&E's General Rate Case.

On March 31, 2000, PG&E submitted a Second Revised Refund Plan in Advice Letter 2218-G-B. The Second Revised Refund Plan removed proposed implementation costs from the total Refund Plan amount and clarified refund eligibility for former core customers. The total amount to be refunded, including interest through April 30, 2000, was \$319,617,000.

PG&E began distributing gas rate refunds to customers during the May 2000 billing cycle, in accordance with its Second Revised Refund Plan. Those refunds appeared on customers' bills as the "Gas Refund Credit" (Credit). PG&E also included a bill insert in core customers' bills commencing with the start of the refund that included the following statement:

This 'Gas Refund Credit' results from surplus revenues created by high customer gas use during the last two years as a result of colder than normal weather. The 'Gas Refund Credit' shown on this bill is your share of a refund approved by the California Public Utilities Commission.

For master-metered customers with sub-metered accounts, the bill insert included the following additional statement:

In accordance with California Public Utilities Code Section 739.5(b), you are required to distribute to your users the refund received from PG&E. This refund is calculated for each user by determining the ratio of the user's usage to the total therms for your account during the last billing period, and then applying

that percentage to the total refund amount. For any questions, call PG&E at 1-800-743-5000.

Sub-metered customers did not receive direct notification from PG&E about the Credit.

The complainants alleged that defendants received the Gas Refund Credit in their PG&E bills for either May or June 2000. The complaints further allege that defendants retained all or part of the Gas Refund Credit distributed by PG&E and did not distribute the full amount of that refund to their tenants. According to TURN and CMHRAA, the defendants violated Section 739.5 by not promptly returning the Gas Refund Credit to their sub-metered customers.

On September 21, 2000, the Commission served the defendant mobile home parks with the "Instructions to Answer." Defendants were notified that their responses were due October 21, 2000.

On October 17, 2000, TURN contacted the assigned Administrative Law Judge (ALJ) to inform her that the parties were attempting to settle the case and that the deadline for the defendants to file their answers to the complaint should therefore be extended. The ALJ granted an open-ended extension subject to a subsequent demand to answer by the ALJ.

Nearly four months passed after the ALJ granted the extension, and since no settlement had been filed, the assigned ALJ issued a Ruling on February 15, 2001, ordering the defendant mobile home parks to answer the complaint by February 26, 2001. A Prehearing Conference (PHC) was scheduled for March 9, 2001 to set a schedule for resolving the complaint.

Before the answers were due, TURN contacted the ALJ to indicate that the parties had reached a settlement. On February 28, 2001, TURN served parties with its "Notice of Stipulation Conference" which informed parties that a stipulation conference would be held during the PHC on March 9, 2001. Holding

a settlement conference is required pursuant to Rule 51.1(b) of the Commission's Rules of Practice and Procedure, and parties are required to receive seven days notice of the settlement conference. Therefore, TURN's notice was timely. TURN's notice also informed defendants that the ALJ had postponed the response date for defendants, with a revised date for the response to be rescheduled at the PHC. The draft stipulation document, "Joint Motion for Commission to Adopt Stipulations of Fact and Conclude Proceedings" accompanied TURN's notice to parties.

Nine of the 10 defendant mobile home parks were represented at the PHC on March 9, 2001. One defendant, Larry Wilson, representing Hillview Mobile Home Park, was unable to attend the PHC, but FAXed a letter to the ALJ on March 6, 2001, indicating that he had reviewed the draft stipulation and was willing to sign it.

At the PHC, TURN presented the stipulation document, and the ALJ and parties suggested a few minor changes. The ALJ ordered that the stipulation be filed and served no later than March 28, 2001. If the stipulation was filed by that date, the defendants would not be required to answer the complaint. The Joint Motion for Commission to Adopt Stipulations of Fact and Conclude Proceedings, which was signed by all ten named defendant mobile home parks, was filed on March 28, 2001.

III. Description of Settlement

The settlement provides as follows:

A. The parties affirm the defendants are now in compliance with Section 739.5

1. Franciscan Mobile Home Park (Franciscan)

On June 9, 2000, Franciscan received its bill for natural gas service from PG&E covering usage during the period of April 26, 2000 to May 26, 2000.

The bill, dated May 2000, included the Gas Refund Credit in the amount of \$33,572.08 from PG&E. Franciscan took no action to return the Credit to its sub-metered customers. The Credit did not appear on Franciscan's sub-metered customers' bills for July or August.

On August 16, 2000, subsequent to having been contacted by TURN and CMHRAA, Franciscan calculated the rebate owed to each of its sub-metered customers and credited the accounts of its sub-metered customers. The Credit appeared on the September bills mailed to Franciscan tenants.

2. Four Seasons Mobile Home Park (Four Seasons)

On May 25, 2000, Four Seasons received its bill for natural gas service from PG&E covering usage during the period of April 21, 2000 to May 22, 2000. The bill, dated May 22, 2000, included the Gas Refund Credit totaling \$8,074.68 from PG&E. The Credit did not appear on Four Seasons' sub-metered customers' bills for June, July or August.

On July 28, 2000, TURN and CMHRAA mailed a letter to Four Seasons demanding that Four Seasons return the Gas Refund Credit. On July 11, 2000, the billing company hired by Four Seasons calculated the rebate owed to each of its sub-metered customers and placed a credit on the September bills mailed to Four Seasons' tenants.

3. Rancho Santa Teresa Mobile Home Park (Rancho Santa Teresa)

On May 31, 2000, Rancho Santa Teresa received its bill for natural gas service from PG&E covering usage during the period April 24, 2000 to May 24, 2000. The bill, dated May 24, 2000, included the Gas Refund Credit totaling \$17,094.78 from PG&E. The Credit did not appear on Rancho Santa Teresa's sub-metered customers' bills for June, July or August.

On August 22, 2000, Rancho Santa Teresa calculated the rebate owed to each of its sub-metered customers and credited the accounts of its sub-metered customers. The Credit appeared on the September bills mailed to Rancho Santa Teresa tenants.

4. Diablo Mobile Lodge (Diablo)

On May 3, 2000, Diablo received its bills for natural gas service from PG&E covering usage during the period April 3, 2000 to May 2, 2000. The bills included the Gas Refund Credits from PG&E totaling \$3,276.16. The Credit did not appear on Diablo's sub-metered customers' bills for June, July or August.

On July 28, 2000, TURN and CMHRAA mailed a letter to Diablo demanding that Diablo return the Credit immediately. On September 1, 2000, subsequent to the receipt of TURN and CMHRAA's demand letter, Diablo calculated the rebate owed to each of its sub-metered customers. The Credit appeared on the September bills mailed to Diablo's tenants.

5. Friendly Village Mobile Home Park (Friendly Village)

Beginning in May 2000, Friendly Village received its bills for natural gas service from PG&E and Unicom containing Gas Refund Credits. PG&E gave a gas rebate to Unicom in the amount of \$12,231.98. Unicom passed that rebate on to the park in increments. As of the October 2000 Unicom bill, the park had received a total of \$3,450.20 in rebates. The Credit did not appear on Friendly Village's sub-metered customers' bills for June, July, August, September or October.

On July 30, 2000, TURN and CMHRAA mailed a letter to Friendly Village demanding that they return the Credit immediately. In late October 2000, Friendly Village calculated the rebate owed to each of its sub-metered customers and, instead of crediting just the amount that the Park had thus far

received in rebates, Friendly Village decided to refund the entire amount, even though it will not receive the entire rebate amount until the middle of 2001. The Credit appeared on the November bills mailed to Friendly Village's tenants.

**6. Pepper Tree Estates Mobile Home Park
(Pepper Tree)**

In May 2000, Pepper Tree received its bill for natural gas service from PG&E covering usage during the previous month. The bill included the Gas Refund Credit from PG&E in the amount of \$9,705.13. The Credit did not appear on Pepper Tree's sub-metered customers' bills for June, July or August.

On August 7, 2000, TURN and CMHRAA mailed a letter to Pepper Tree demanding that Pepper Tree return the Credit immediately, or be named as a Defendant in a complaint filed with the Commission or an appropriate state court. On August 17, 2000, subsequent to the receipt of TURN and CMHRAA's demand letter, Pepper Tree calculated the rebate owed to each of its sub-metered customers and credited the accounts of its sub-metered customers. The Credit appeared on the September bills mailed to Pepper Tree's tenants.

**7. Spanish Ranch No. 1 Mobile Home Park
(Spanish Ranch)**

On June 6, 2000, Spanish Ranch received its bill for natural gas service from Enron covering usage during the previous month. The bill included a \$9,999.99 Gas Refund Credit from PG&E. Subsequent bills include credits of \$9,999.99 on July 11 and \$6,773.28 on August 7. The total credits provided to Spanish Ranch over the three months was \$26,773.26. The Credit did not appear on Spanish Ranch's sub-metered customers' bills for June, July or August.

On August 17, 2000, subsequent to having been contacted by the homeowners board based on information provided to them by CMHRAA and TURN, Spanish Ranch calculated the rebate owed to each of its sub-metered

customers and credited the accounts of its sub-metered customers. The Credit appeared on the September bills mailed to Spanish Ranch's tenants.

8. Riverbend Mobile Home Park (Riverbend)

On May 18, 2000, Riverbend received its bill for natural gas service from PG&E covering usage during the previous month. The bill included the Gas Refund Credit from PG&E which totaled \$5,959.82. The Credit did not appear on Riverbend's sub-metered customers' bills for June, July or August.

On August 8, 2000, subsequent to having been contacted by a CMHRAA member residing in the park, Riverbend calculated the rebate owed to each of its sub-metered customers and credited their accounts. The Credit appeared on the September bills mailed to Riverbend's tenants on August 25, 2000.

9. Hilton Mobile Home Park (Hilton)

On May 17, 2000, Hilton received its bill for natural gas service from PG&E covering usage during the previous month. The bill included the Gas Refund Credit from PG&E which totaled \$2,511.11. The credit did not appear on Hilton's sub-metered customers' bills for June, July, August or September.

On August 30, 2000, subsequent to the filing of the instant complaint at the Commission and being contacted by representatives of the Western Manufactured Housing Communities Association, Hilton calculated the rebate owed to each of its sub-metered customers and credited their accounts. The credit appeared on the October bills mailed to Hilton's tenants.

10. Hillview Mobile Home Park (Hillview)

In mid-June 2000, Hillview received its bill for natural gas service from PG&E covering usage during the previous month. The bill included a \$1,120.33 Gas Refund Credit from PG&E. A subsequent PG&E bill received in

July included a \$212.63 Gas Refund Credit. The total Credit received from PG&E was \$1,332.96. Through the September billing cycle, the Credit did not appear on Hillview's sub-metered customers' bills.

On August 30, 2000, subsequent to having been contacted by TURN and CMHRAA, Hillview calculated the rebate owed to each of its sub-metered customers and credited their accounts. The Credit appeared on bills mailed to Hillview's tenants as part of their October billing statement.

B. Disposition of the Complaint

The parties agree that the stipulation set forth in the agreement satisfies all claims raised in the complaint against named defendants under Section 739.5. Defendants promise to comply with Section 739.5 in the event that additional rebates are issued in the future. Defendants further promise that such rebates will be distributed to sub-metered customers within two billing cycles of receipt from the utility.

The parties ask the Commission to terminate all further proceedings in this case and issue an order consistent with the stipulation.

TURN acknowledged at the PHC that the stipulation covers only the ten named defendant mobile home parks. If TURN finds that other mobile home parks are not in compliance with Section 739.5, it will have to file a new complaint before the Commission. Under the settlement, this complaint will be closed.

Further, the settlement document includes the following statement: "...Plaintiffs agree not to seek attorney fees from defendants but will request compensation from the Commission's intervenor trust fund at no cost to

defendants.”³ In its Notice of Intent to Claim Compensation (NOI), TURN indicates why it agreed not to seek compensation from the defendants: “This provision relied, in part, on the belief that the defendants are not included under Section 1801.3 as entities from whom such compensation can be sought.” (NOI, April 6, 2001, p. 1.)

By approving this settlement agreement, the Commission is not expressing any opinion as to whether TURN is entitled to recovery from the Advocates Trust Fund. The Commission will consider that matter separately when TURN files for such compensation.

IV. Discussion

In order for a settlement to be approved by the Commission, the settlement must be: (1) reasonable in light of the whole record, (2) consistent with law, and (3) in the public interest. Rule 51.1(e).⁴

A. Reasonable in Light of the Whole Record

The record of this proceeding shows that the ten defendant mobile parks were not in compliance with Section 739.5, in that Gas Refund Credits were not passed on to defendants’ sub-metered customers. After being informed of the requirements of Section 739.5, the defendants have complied with that provision, and all rebates have been fully disbursed to the sub-metered customers served by the defendants.

³ While the settlement agreement refers to the “intervenor trust fund,” TURN’s Notice of Intent to Claim Compensation, makes it clear that the “fund” referred to is the Advocates Trust Fund.

⁴ All rule citations are to the Commission Rules of Practice and Procedure, unless otherwise specified.

The parties agreed that defendants would not calculate or pay interest charges for the period beginning June 1, 2000, until the date the payments or credits were made. We find that it is not reasonable for the mobile home parks to avoid the payment of interest; this leads to unjust enrichment on the part of the mobile home parks. We order that interest be paid at the rate of 7% per annum, compounded monthly, beginning 30 days from the receipt of the rebates and extending to the time when the rebates were disbursed to defendants' sub-metered customers.

The modified settlement is reasonable in light of the whole record.

B. Consistent with the Law

The terms of the settlement demonstrate that the defendants are now in compliance with Public Utilities Code Section 739.5, in that all of the Gas Refund Credits have been passed on to the defendants' sub-metered customers. Further, defendants agree to comply with Section 739.5 within a reasonable timeframe, if additional rebates are issued in the future.

C. In the Public Interest

The settlement would serve the public interest because the defendant mobile home parks have now passed the rebates on to their sub-metered customers and made a commitment to pass any future rebates on in a timely manner. There are no outstanding violations of the Public Utilities Code by the defendants. Therefore, the stipulation which is set forth as Appendix A, satisfies all claims raised in the complaint against the named defendants under Section 739.5. Also, it is consistent with the public interest that the sub-metered customers receive interest on the rebate money paid to them by the mobile home parks.

For these reasons, the Commission finds that the settlement, as modified, is reasonable in light of the whole record, is consistent with the law,

and is in the public interest. The settlement, as modified, is approved pursuant to Rules 51 through 51.10.

V. Comments on Draft Decision

The draft decision of ALJ Karen A. Jones in this matter was mailed to the parties in accordance with Pub. Util Code § 311(g)(3) and Rule 77.7 of the Rules of Practice and Procedure. Comments were received from the following parties: TURN (July 30, 2001), Four Seasons (August 1, 2001), Hillview (August 3, 2001), and Franciscan, Rancho Santa Teresa, Diablo, Friendly Village, Pepper Tree, Spanish Ranch, Riverbend, and Hilton (August 6, 2001).

All parties indicate that they will accept the settlement agreement, as modified. In addition, TURN indicates in its filing that if the Commission requires the payment of interest, it should also direct the defendants to submit filings detailing their calculation of the interest owed and demonstrating that interest payments are being properly credited to sub-metered tenants. TURN also suggests that since there are likely to be questions regarding the precise implementation of this modification, the Commission should also direct the Energy Division to assist the defendants in properly calculating the amount and allocation of interest credits. Both of TURN's proposals have merit and we will adopt them.

We have taken the comments into account, as appropriate, in finalizing this order.

Findings of Fact

1. The ten defendant mobile home parks received Gas Refund Credits from PG&E beginning in May and June 2000.
2. The defendant mobile home parks did not take prompt action to return the Gas Refund Credits to their sub-metered customers.

3. By not returning the Gas Refund Credits to their sub-metered customers, the defendant mobile home parks were in violation of Public Utilities Code Section 739.5.

4. All rebates have now been fully disbursed to the sub-metered customers served by defendants.

5. The defendants did not pay interest on the rebates which were disbursed to their sub-metered customers.

6. Defendants are now in compliance with Section 739.5, and promise to comply with Section 739.5 in the event additional rebates are issued in the future.

7. As conduct guidance for defendants and other similarly situated mobile home parks, today's order should be made effective immediately.

Conclusions of Law

1. The modified settlement is reasonable in light of the whole record because defendants have disbursed all rebates to their sub-metered customers and have been ordered to pay interest on the rebates.

2. The modified settlement is consistent with the law because the defendants are now in compliance with Public Utilities Code Section 739.5.

3. The modified settlement is in the public interest because defendants have now complied with Section 739.5 and all rebates have been paid to sub-metered customers and defendants have been ordered to pay interest on the rebates. Also, defendants promise to pass on any future rebates in a timely manner.

O R D E R

IT IS ORDERED that:

1. The Joint Motion for Commission to Adopt Stipulations of Fact and Conclude Proceedings is approved, with the modification specified herein.

2. Interest shall be paid to defendants' sub-metered customers at the rate of seven percent (7%) per annum, compounded monthly, beginning 30 days from the date the defendants received the rebates and continuing until the time that the rebates were passed on to their sub-metered customers.

3. By November 1, 2001, the defendants shall submit filings to the Director, Energy Division detailing their calculation of the interest owed and demonstrating that interest payments have been properly credited to sub-metered tenants.

4. The Energy Division shall assist the defendants in properly calculating the amount and allocation of interest credits, if such help is requested by the defendants.

5. This proceeding is closed.

This order is effective today.

Dated August 23, 2001, at San Francisco, California.

LORETTA M. LYNCH
President
HENRY M. DUQUE
RICHARD A. BILAS
CARL W. WOOD
GEOFFREY F. BROWN
Commissioners

APPENDIX
BEFORE THE PUBLIC UTILITIES
COMMISSION OF THE STATE OF CALIFORNIA

The Utility Reform Network (TURN), the)	
California Mobile Home Resource and)	
Action Association (CMRAA), and)	
Does 1-100,)	
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The Franciscan Mobile Country Club,)	
Rancho Santa Teresa Mobile Home Estates,)	
Diablo Mobile Lodge,)	
Friendly Village Mobile Home Park,)	
Pepper Tree Estates Mobile Home Park,)	
Spanish Ranch Mobile Home Park Number 1,)	
Riverbend Mobilehome Park,)	
Hilton Mobile Home Park,)	
Hillview Mobile Home Park, and)	
Does 1-100,)	
)	
Defendants.)	
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JOINT MOTION FOR COMMISSION TO ADOPT STIPULATIONS OF FACT
AND CONCLUDE PROCEEDINGS

Dated: March 28, 2001.

**BEFORE THE PUBLIC UTILITIES
COMMISSION OF THE STATE OF CALIFORNIA**

)	
TURN and CMRAA)	
Complainants)	
vs.)	Case No. 00-08-035
)	
Four Seasons Mobile Home Park et. al.)	
)	
Defendants)	

**JOINT MOTION FOR COMMISSION TO ADOPT STIPULATIONS OF
FACT AND CONCLUDE PROCEEDINGS**

Pursuant to Rule 51 of the Commission’s Rules of Practice and Procedure, the plaintiffs and defendants in this proceeding jointly move the Commission to adopt the proposed stipulations of fact contained in this filing. The proposed stipulations resolve the complaints brought by plaintiffs against named defendants under Pub. Util. Code §739.5 and should end the need for further proceedings in this case. The parties therefore urge that the Commission issue a final order consistent with the stipulations in this filing. The proposed stipulations and request for termination of further proceedings are in the public interest because there are no outstanding violations of the Public Utilities Code by named defendants. The proposed stipulation is unopposed by any of the named parties in this case.

I. STIPULATION OF FACTS

A. Common Facts For All Named Defendants

1. Defendants purchase natural gas from PG&E at a discount designed to cover the average costs of providing sub-metered service to its tenants.
2. Pursuant to Public Utilities Code Section 739.5(a), Defendants are required to charge its sub-metered customers the same rate for natural gas service that would be applicable if PG&E were providing the service directly.
3. Pursuant to Public Utilities Code Section 739.5(b), Defendants are prohibited from retaining natural gas rate rebates it receives from PG&E. When such rebates occur, Defendants are required to distribute to, or credit the accounts of, its tenants based on the amount of usage incurred by each tenant during the previous monthly billing period.
4. On March 1, 2000, PG&E submitted Advice Letter 2218-G setting forth its plan for refunding to customers \$319.6 million in overcollected revenues in the Core Fixed Cost Account (CFCA). The Refund Plan was filed in compliance with Decision (D.) 00-02-046 in PG&E's General Rate case.
5. On March 31, 2000, PG&E submitted a Second Revised Refund Plan in Advice Letter 2218-G-B. The Second Revised Refund Plan removed proposed implementation costs from the total Refund Plan amount and

clarified refund eligibility for former core customers. The total amount to be refunded, including interest through April 30, 2000, was \$319,617,000.

6. Pursuant to its Second Revised Refund Plan, PG&E began distributing gas rate refunds to core customers during the May 2000 billing cycle. Such refunds appeared on customers' bills as the "Gas Refund Credit."

7. Pursuant to its Second Revised Refund Plan, PG&E included a bill insert in core customers bills commencing with the start of the refund that included the following statement: "This 'Gas Refund Credit' results from surplus revenues created by high customer gas use during the last two years as a result of cooler than normal weather. The 'Gas Refund Credit' shown on this bill is your share of a refund approved by the California Public Utilities Commission." For master-metered customers with sub-metered accounts, the bill insert included the following additional statement: "In accordance with California Public Utilities Code Section 739.5(b), you are required to distribute to your users the refund received from PG&E. This refund is calculated for each user by determining the ratio of the user's usage to the total therms for your account during the last billing period, and then applying that percentage to the total refund amount. For any questions, call PG&E at 1-800-743-5000." Sub-metered customers did not receive direct notification from PG&E about the Gas Refund Credit.

8. Defendants received bills for natural gas service that included a gas refund credit from PG&E along with a notice which stated, “In accordance with California Public Utilities Code Section 739.5(b), you are required to distribute to your users the refund received from PG&E. This refund is calculated for each user by determining the ratio of the user’s usage to the total therms for your account during the last billing period, and then applying that percentage to the total refund amount. For any questions, call PG&E at 1-800-743-5000.”

B. Facts Specific to Each Defendant

Defendant Franciscan Mobile Home Park

1. On June 9, 2000, Franciscan received its bill for natural gas service from PG&E covering usage during the period of April 26, 2000 to May 26, 2000. The bill, dated May, 2000, included the Gas Refund Credit from PG&E. The Gas Refund Credit totaled \$33,572.08.
2. After receiving the Gas Refund Credit, Franciscan took no action to return the Gas Refund Credit to its sub-metered customers. The Gas Refund Credit did not appear on Franciscan’s sub-metered customers’ bills for July or August.

3. On August 16, 2000, subsequent to having been contacted by TURN and CMRAA, Franciscan calculated the rebate owed to each of its sub-metered customers and credited the accounts of its sub-metered customers. The credit appeared on the September bills mailed to Franciscan tenants.

Defendant Four Seasons Mobile Home Park

1. On May 25, 2000 Four Seasons received its bill for natural gas service from PG&E covering usage during the period of April 21, 2000 to May 22, 2000. The bill, dated May 22, 2000, included the Gas Refund Credit from PG&E. The Gas Refund Credit totaled \$8,074.68.
2. The Gas Refund Credit did not appear on Four Season's sub-metered customers' bills for June, July, or August.
3. On July 28, 2000, TURN and CMRAA mailed a letter to Four Seasons demanding that Four Seasons return the gas refund credit immediately, or be named as a Defendant in a complaint filed with the Commission or an appropriate state court.
4. On July 11, 2000, the billing company hired by Four Seasons calculated the rebate owed to each of its sub-metered customers and placed a credit on the September bills mailed to Four Seasons' tenants.

Defendant Rancho Santa Teresa Mobile Home Park

1. On May 31, 2000 Rancho Santa Teresa received its bill for natural gas service from PG&E covering usage during the period of April 24, 2000 to May 24, 2000. The bill, dated May 24, 2000, included the Gas Refund Credit from PG&E. The Gas Refund Credit totaled \$17,094.78.
2. The Gas Refund Credit did not appear on Rancho Santa Teresa's sub-metered customers' bills for June, July, or August.
3. On August 22, 2000, Rancho Santa Teresa calculated the rebate owed to each of its sub-metered customers and credited the accounts of its sub-metered customers. The credit appeared on the September bills mailed to Rancho Santa Teresa tenants.

Defendant Diablo Mobile Lodge

1. On May 3, 2000 Diablo Mobile Lodge received its bills for natural gas service from PG&E covering usage during the period of April 3, 2000 to May 2, 2000. The bills included the Gas Refund Credits from PG&E totalling \$3,276.16.
2. The Gas Refund Credit did not appear on Diablo's sub-metered customers' bills for June, July, or August.

3. On July 28, 2000, TURN and CMRAA mailed a letter to Diablo Mobile Lodge demanding that Diablo return the gas refund credit immediately, or be named as a Defendant in a complaint filed with the Commission or an appropriate state court.
4. On September 1, 2000, subsequent to the receipt of TURN and CMRAA's demand letter, Diablo Mobile Lodge calculated the rebate owed to each of its sub-metered customers and credited the accounts of its sub-metered customers. The credit appeared on the September bills mailed to Diablo's tenants.

Defendant Friendly Village Mobile Home Park

1. Starting in May of 2000, Friendly Village MHP received its bills for natural gas service from PG&E and Unicom containing Gas Refund Credits. PG&E gave a gas rebate to Unicom in the amount of \$12,231.98. Unicom has passed that rebate on to the park in increments. As of the October 2000 Unicom bill, the park had received a total of \$3,450.20 in rebates.
2. The Gas Refund Credit did not appear on Friendly Village's sub-metered customers' bills for June, July, August, September or October.
3. On July 30, 2000, TURN and CMRAA mailed a letter to Friendly Village Mobile Home Park demanding that they return the gas refund credit immediately, or be named as a Defendant in a complaint filed with the Commission or an appropriate state court.

4. In late October of 2000, Friendly Village calculated the rebate owed to each of its sub-metered customers and, instead of crediting just the amount that the Park had thus far received in rebates, Friendly Village decided to refund the entire amount, in an effort to make up for the past five months. Friendly Village will not receive the entire rebate amount until the middle of 2001. The credit appeared on the November bills mailed to Friendly Village's tenants.

Defendant Pepper Tree Estates Mobile Home Park

1. In May of 2000, Pepper Tree Estates received its bill for natural gas service from PG&E covering usage during the previous month. The bill included the Gas Refund Credit from PG&E. The Gas Refund Credit totaled \$9,705.13.
2. The Gas Refund Credit did not appear on Pepper Tree Estates sub-metered customers' bills for June, July, or August.
3. On August 7, 2000, TURN and CMRAA mailed a letter to Pepper Tree Estates demanding that Pepper Tree Estates return the gas refund credit immediately, or be named as a Defendant in a complaint filed with the Commission or an appropriate state court.
4. On August 17, 2000, subsequent to the receipt of TURN and CMRAA's demand letter, Pepper Tree Estates calculated the rebate owed to each of its sub-metered customers and credited the accounts of its sub-metered customers.

The credit appeared on the September bills mailed to Pepper Tree Estates tenants.

Defendant Spanish Ranch No. 1 Mobile Home Park

1. On June 6 2000, Spanish Ranch No. 1 MHP received its bill for natural gas service from Enron covering usage during the previous month. The bill included a \$9,999.99 Gas Refund Credit from PG&E. Subsequent bills included Gas Refund Credits of \$9,999.99 on July 11 and \$6,773.28 on August 7. The total Gas Refund Credits provided to Spanish Ranch No. 1 MHP over these three months was \$26,773.26.
2. The Gas Refund Credit did not appear on Spanish Ranch No. 1 MHP sub-metered customers' bills for June, July, or August.
3. On August 17, 2000, subsequent to having been contacted by the homeowners board based on information provided to them by CMRAA and TURN, Spanish Ranch No. 1 MHP calculated the rebate owed to each of its sub-metered customers and credited the accounts of its sub-metered customers. The credit appeared on the September bills mailed to Spanish Ranch No. 1 MHP tenants.

Defendant Riverbend Mobile Home Park

1. On May 18 2000, Riverbend MHP received its bill for natural gas service from PG&E covering usage during the previous month. The bill included the Gas Refund Credit from PG&E. The Gas Refund Credit totaled \$5,959.82.
2. The Gas Refund Credit did not appear on Riverbend MHP sub-metered customers' bills for June, July, or August.
3. On August 8, 2000, subsequent to having been contacted by a CMRAA member residing at the park, Riverbend MHP calculated the rebate owed to each of its sub-metered customers and credited the accounts of its sub-metered customers. The credit appeared on the September bills mailed to Riverbend MHP tenants sent to residents on August 25, 2000.

Defendant Hilton Mobile Home Park

1. On May 17 2000, Hilton MHP received its bill for natural gas service from PG&E covering usage during the previous month. The bill included the Gas Refund Credit from PG&E. The Gas Refund Credit totaled \$2,511.11.
2. The Gas Refund Credit did not appear on Hilton MHP sub-metered customers' bills for June, July, August, or September.

3. On August 30, 2000, subsequent to the filing of the complaint by plaintiffs at the CPUC and being contacted by representatives of the Western Manufactured Housing Communities Association, Hilton MHP calculated the rebate owed to each of its sub-metered customers and credited the accounts of its sub-metered customers. The credit appeared on the October bills mailed to Hilton MHP tenants.

Defendant Hillview Mobil Home Park

1. In mid-June of 2000, Hillview MHP received its bill for natural gas service from PG&E covering usage during the previous month. The bill included a \$1,120.33 Gas Refund Credit from PG&E. A subsequent PG&E bill received in July included a \$212.63 Gas Refund Credit. The total Gas Refund Credit received from PG&E was \$1,332.96.
2. Through the September billing cycle, the Gas Refund Credit did not appear on Hillview MHP sub-metered customers' bills.
3. On August 30, 2000, subsequent to having been contacted by TURN and CMRAA, Hillview MHP calculated the rebate owed to each of its sub-metered customers and credited the accounts of its sub-metered customers. As of September 26, 2000, the credit appeared on bills

mailed to Hillview MHP tenants as part of their October billing statement.

II. DISPOSITION OF COMPLAINT

1. The Parties agree that the stipulation set forth in this agreement satisfies all claims raised in this complaint against named Defendants under Public Utilities Code Section 739.5.
2. The Parties urge the Commission to terminate all further proceedings in this case and issue an order consistent with the stipulation.
3. The Defendants affirm, under penalty of perjury, that any documentation provided to TURN and CMRAA demonstrating compliance with PU Code §739.5 is fully accurate and that any written representations unsupported by source documents are true.
4. The Defendants promise to comply with PU Code §739.5 in the event that additional rebates are issued in the future. Defendants further promise that such rebates will be distributed to submetered customers within two billing cycles of receipt from the utility. In the event that an

- outside billing company is retained to send bills to park residents, defendants promise to provide rebate information to such billing companies within two billing cycles after receipt of the rebate.
5. The Plaintiffs agree not to seek civil or criminal penalties against named Defendants as permitted under Public Utilities Code §2111 and §2112. In addition, Plaintiffs agree not to seek attorney fees from defendants but will request compensation from the Commission's intervenor trust fund at no cost to defendants.
 6. The Plaintiffs agree that named Defendants shall not calculate or pay interest charges for the period beginning June 1, 2000 until the date the payments or credits were made.
 7. The Plaintiffs and Defendants urge the Commission to issue a final order consistent with the stipulations in this filing.
 8. The Plaintiffs and Defendants urge the Commission to find that approval of the stipulations are reasonable, consistent with law and in the public interest on the grounds that all rebates have been fully disbursed to the submetered customers served by the Defendants.
 9. The Plaintiffs and Defendants jointly request that additional proceedings be terminated apart from the issuance of a final Commission order.

C.00-08-035 ALJ/KAJ/eap

IN WITNESS THEREOF, each party has executed this stipulated agreement as of the date first shown above.

By /s/ MATTHEW FREEDMAN

MATTHEW FREEDMAN
Staff Attorney , The Utility Reform Network

By /s/ MELAN ALABRO

For:
DAVE HENNESSY
President, California Mobile Home Resource and Action Association

By /s/ PAUL T. JENSEN

Paul Jensen
Attorney representing Defendants Franciscan Mobile Country Club, Pepper Tree Estates Mobilehome Park, Hilton Mobilehome Park, Riverbend Mobilehome Park, Diablo Mobilehome Lodge, Spanish Ranch I Mobilehome Park, and Rancho Santa Teresa.

By _____

Larry W. Wilson
Owner, Hillview Mobile Home Park

By /s/ PAUL T. JENSEN

For:
Aimee Molsberry
Vice-President, Santiago Management Corporation, representing Defendant Friendly Village Mobilehome Estates.

By /s/ JAMES SQUERI

Jim Squeri
Attorney representing Defendant Four Seasons Mobilehome Park.

(END OF APPENDIX)