



DRA

*Division of Ratepayer Advocates
California Public Utilities Commission*

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April 5, 2012

Honorable Felipe Fuentes
California State Assembly
State Capitol, Room 5136
Sacramento, CA 95814

RE: AB 1694 (Fuentes) – Support if amended

Dear Assemblymember Fuentes:

DRA (Division of Ratepayer Advocates) is the independent consumer advocate within the California Public Utilities Commission (CPUC). DRA's statutory mandate is to obtain the lowest possible rate for utility service consistent with reliable and safe service levels. DRA also advocates for customer and environmental protections in connection with utility service.

DRA supports if amended your AB 1694, which would authorize the CPUC to adopt a "risk-based inspection schedule" for inspecting mobile home park (MHP) natural gas and propane distribution systems.

AB 1694 would provide the CPUC with the ability to prioritize their MHP inspections to ensure safe and reliable operations and maintenance. The CPUC then can better focus its resources on those MHP distribution systems identified as being more vulnerable to safety risks. DRA supports this goal. However, we are concerned that this bill would have the unintended consequence of reducing the frequency of inspections for roughly half of California's MHP's.

According to the CPUC's Feb 15th AB 1694 bill analysis, "50%, or 1,738, operators would be candidates for an extended cycle...~51% would have inspection intervals extended to up to 10 years". This more than doubles what current law allows – that MHP's natural gas distribution systems be inspected at least once every two to five years, depending on the size of the system. Delaying inspections by five years or more for roughly half of all California MHP's is too long.

Therefore DRA recommends AB 1694 be amended to require the CPUC to inspect MHP's distribution systems no less often than every seven years pursuant to the CPUC adopting a "risk-based inspection schedule". This will provide the CPUC with more

flexibility to focus on the bad actors, but will also not overly delay other important MHP inspections.

If you have any questions or would like to discuss this matter further, please call DRA's Legislative Director Matthew Marcus, at (916) 327- 3455 or me at (415) 703- 2381.

Respectfully,

Joseph P. Como, Acting Director
Division of Ratepayer Advocates

By
Matthew Marcus
Legislative Director