

RULE NO. 23

MOBILEHOME PARK UTILITY UPGRADE PROGRAM

PURPOSE

This Rule sets forth the general terms and conditions applicable to the Mobilehome Park Utility Upgrade Program (MHP Program). Pursuant to Commission Decision (D.) 14-03-021, the Company is authorized to offer the MHP Program to master-metered submetered Mobilehome Parks or Manufactured Housing Communities (collectively referred to as MHP). The MHP Program is a voluntary three-year "living pilot" program to convert approximately 10 percent of MHP spaces within the Company's service territory. Subject to the requirements and limitations set forth in this Rule and the applicable MHP Program documents, the Company will convert all submetered spaces and common use services within an eligible MHP from master-metered submetered gas distribution service to direct Company gas distribution service.

APPLICABILITY

The MHP Program is available to all eligible master-metered submetered MHPs within the Company's service territory as defined in the Preliminary Statement of this California Gas Tariff. Within the eligible MHPs, the only eligible MHP spaces are those permitted by the California Department of Housing and Community Development (HCD). Recreational vehicle parks and spaces are not eligible for the MHP Program.

A. DEFINITIONS

Specific terms used in this Rule are defined below. Additional definitions are also found in Rule No. 1, Definitions of this California Gas Tariff.

Beyond the meter: "Beyond the meter" facilities include - the infrastructure and substructures necessary to extend facilities from the Service Delivery Point to the Mobilehome exterior line stub (i.e., the point of connection on the Mobilehome). The Company will not be responsible for any part of the point of connection material, including labor, or any work that would require an alteration permit. "Beyond the meter" facilities are the responsibility of the MHP Owner/Operator. The Mobilehome exterior line stub outlet will continue to be part of the Mobilehome and be the responsibility of the MHP Resident.

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A. DEFINITIONS (Continued)

Common Use Area:	All designated buildings, areas, or facilities within an MHP that are intended to be used by all MHP Residents and/or the MHP Owner/Operator. Energy costs for serving the common area are paid by the MHP Owner/Operator.
Legacy System:	The existing MHP master-metered submetered system.
Manufactured Housing Community:	Any area or tract of land where two or more manufactured home lots are rented or leased, held out for rent or lease, or were formerly held out for rent or lease and later converted to subdivision, cooperative, condominium, or other form of resident ownership, only to accommodate the use of manufactured homes constructed pursuant to the National Manufactured Housing Construction and Safety Standards Act of 1974.
Meter Shed:	A structure used to help protect the meter set assembly from potential damage due to the accumulation of snow and ice.
MHP Resident:	A person who has tenancy in an MHP under a rental agreement, or who lawfully occupies a Mobilehome.
Mobilehome:	Refer to Rule No. 1, Definitions, of this California Gas Tariff.
Mobilehome Park (MHP):	Refer to Rule No. 1, Definitions, of this California Gas Tariff.
Mobilehome Space:	Designated area within an MHP that is owned, rented, or held out for rent, to accommodate a Mobilehome used for human habitation.
MHP Owner/Operator:	The party that has legal obligation for the MHP.
Service Delivery Point:	The point where the Company's facilities (pipe, valves, meter set assemblies and associated equipment) are connected to the pipe (house line) owned by either the MHP Owner/Operator or the MHP Resident, normally adjacent to the location of the meter.

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A. DEFINITIONS (Continued)

To the Meter: "To the meter" facilities include all infrastructure (e.g. connection fittings, pipe, valves, risers, regulators, and meters) and any substructures necessary to complete the gas distribution and service line extensions to the Service Delivery Point.

B. PROGRAM ELIGIBILITY

1. MHPs must meet all of the following criteria to be eligible for the MHP Program:
 - a. Receive natural gas service from the Company through a master-meter and supply gas service to MHP Residents on a single premise through:
 - a submetered natural gas system; or
 - the master-meter, provided that the MHP's electric service is supplied through a submetered system.
 - b. Receive natural gas service from the Company under the following rate schedule:
 - Schedule No. GS-25/GN-25/SLT-25 – Multi-Family Master-Metered Gas Service – Submetered;
 - c. Operate under a current and valid license from the governmental entity with relevant authority;
 - d. If operated on leased real property, the land lease agreement must continue for a minimum of 20 years from the effective date of the *Mobilehome Park Utility Upgrade Program Agreement* (Form 913.2); and
 - e. Not be subject to an enforceable condemnation order and/or to a pending condemnation proceeding.

Eligibility does not guarantee acceptance into the MHP Program, nor does it guarantee conversion to direct gas distribution service from the Company.

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B. PROGRAM ELIGIBILITY (Continued)

2. An MHP Owner/Operator who elects to participate in the MHP Program must comply with all general rules, rights and obligations set forth in this Rule. In addition, MHP Program participants must complete and/or execute and comply with the following MHP Program documents:
 - a. CPUC's *Application for Conversion of Master Meter Service at Mobilehome Park or Manufactured Housing Community to Direct Service from Electric or Gas Corporation* (Form of Intent);
 - b. *Mobilehome Park Utility Upgrade Program Application* (MHP Application) (Form 913.1, 07/2014); and
 - c. *Mobilehome Park Utility Upgrade Program Agreement* (MHP Agreement) (Form 931.2, 07/2014).

C. MHP PROGRAM COMPONENTS

1. Form of Intent

The Form of Intent (Appendix C to D.14-03-021) will be accepted January 1, 2015, through March 31, 2015 (90-day period). The MHP Owner/Operator must complete and submit the Form of Intent concurrently to both the Commission's Safety Enforcement Division (SED) and the Company. Any Form of Intent received after the 90-day period will be placed on a waiting list for the MHP Program.

- a. Prioritization of MHPs in the MHP Program
 - (i) All Forms of Intent received for the MHP Program will be reviewed and prioritized as follows: (1) SED will prioritize MHPs that are gas only or dual system (gas and electric service), and (2) the California Department of Housing and Community Development (HCD) will prioritize MHPs that are electric only.

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C. MHP PROGRAM COMPONENTS (Continued)

1. Form of Intent (Continued)

a. Prioritization of MHPs in the MHP Program (Continued)

- (ii) The Company will receive a list of prioritized MHPs and will then pre-select MHPs for conversion based on prioritization status, the number of spaces the Company is authorized to convert, and other relevant factors (available resources, coordination with other entities, etc.). The Company will undertake its best efforts to communicate and coordinate with other energy utilities, municipal entities, and/or water and telecommunications providers to maximize efficiencies where possible.

2. MHP Application

After an MHP has been pre-selected to participate in the MHP Program, the MHP Owner/Operator is required to complete and submit the MHP Application. The MHP Application sets forth the additional information and documentation the MHP Owner/Operator should provide in order for the Company to commence the engineering and planning process for installing the Company's gas distribution system within the MHP.

3. MHP Agreement

After the Company has engineered and planned the associated gas distribution system and has received from the MHP Owner/Operator the name of the MHP's Contractor and the cost for the "beyond the meter" work, the Company and the MHP Owner/Operator must execute an MHP Agreement. The MHP Agreement sets forth the terms and conditions applicable to both the Company and the MHP Owner/Operator with regard to the conversion process.

Once the MHP Agreement has been executed and all applicable pre-construction terms and conditions have been satisfied, the MHP is considered accepted into the MHP Program and construction will commence.

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C. MHP PROGRAM COMPONENTS (Continued)

4. Construction

- a. The Company or its designated contractor will perform all necessary "to the meter" construction, as set forth in this Rule and the MHP Agreement. The Company will install services to both occupied and unoccupied MHP spaces, but will not install a meter set assembly on unoccupied spaces.
- b. In common areas, consistent with existing requirements for the Company to safely and efficiently connect its service facilities with its natural gas main pipeline facilities, the Company will terminate its service facilities at a location as close as possible to the exterior of the building/structure nearest to the Company's main pipeline facilities. The selected location shall be as close as practicable to the existing service delivery point(s); however, some flexibility in the construction approach is necessary to address various situations that exist in current installations.
- c. The MHP Owner/Operator's selected contractor will perform all necessary "beyond the meter" construction as set forth in this Rule and the MHP Agreement.
- d. In areas subject to heavy snowfall, it may be necessary that a Meter Shed be installed to help protect Company facilities. Notwithstanding any other provision of this California Gas Tariff, as part of the MHP Program the Company or its designated contractor will install Meter Sheds, as necessary, during the "to the meter" construction process. Upon cutover to the Company's gas distribution system, the Meter Shed shall be owned and maintained by the MHP Owner/Operator as set forth in Section C.7.b of this Rule.

5. MHP Legacy System

The MHP Owner/Operator shall continue to own, operate and maintain the Legacy System until cutover to direct service through the Company's gas distribution system.

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C. MHP PROGRAM COMPONENTS (Continued)

6. Cutover of Service

- a. Cutover to the Company's gas distribution system will occur only after the inspection and approval of the MHP "beyond the meter" facilities by the appropriate jurisdictional authorities.
- b. The MHP Owner/Operator's MHP master-meter submetered discount will continue in full and will only cease at complete cutover of the entire MHP system to direct service from the Company.
- c. Upon cutover to direct Company service, MHP Residents will become customers of the Company and will receive gas service from the Company in accordance with all applicable rates, rules and conditions set forth in this California Gas Tariff, except as otherwise noted in Section D of this Rule.

7. Ownership of Facilities After Conversion

- a. Upon cutover to direct Company service, the Company will own, operate, and maintain the "to the meter" gas distribution system within the MHP in accordance with all applicable rates, rules and conditions set forth in this California Gas Tariff.
- b. Notwithstanding Section 7.a., the MHP Owner/Operator shall own and maintain any and all Meter Sheds installed during the "to the meter" construction process, in accordance with all state and local jurisdictional codes, and all applicable provisions of this California Gas Tariff.
- c. The MHP Owner/Operator shall own, operate and maintain all "beyond the meter" facilities within the MHP in accordance with state and local jurisdictional codes and ordinances. The Company shall have no responsibility for, or liability related to, the "beyond the meter" facilities.

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C. MHP PROGRAM COMPONENTS (Continued)

7. Ownership of Facilities After Conversion (Continued)

- d. The MHP Owner/Operator shall retain ownership of the Legacy System and will be responsible for its removal. Legacy System removal or retirement costs are not authorized for reimbursement through the MHP Program. The Company shall have no responsibility for, or liability related to, the MHP Legacy System.

8. Safety

Safety is of paramount importance. The MHP Owner/Operator and the "beyond the meter" contractor are solely responsible for performing the "beyond the meter" work in a safe manner and in accordance with all applicable laws, codes, ordinances, rules and regulations, including but not limited to the Universal Plumbing Code, and the MHP Agreement.

9. Reimbursement to MHP Owner/Operator

The MHP Owner/Operator is responsible for hiring the "beyond the meter" contractor, in accordance with the terms of the MHP Agreement. The Company will reimburse the MHP Owner/Operator for reasonable and prudently incurred expenses for "beyond the meter" construction performed pursuant to the MHP Program.

Reimbursable "beyond the meter" expenditures shall include costs relating to any modification or retrofit of the exterior of the Mobilehome and costs associated with service relocations and rearrangements. They do not include upgrades, or other service modification(s) requested by the MHP Owner/Operator and/or by the MHP Residents beyond what is being provided by the MHP Program.

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C. MHP PROGRAM COMPONENTS (Continued)

9. Reimbursement to MHP Owner/Operator (Continued)

Reimbursable expenditures related to common areas shall not include costs for, and the Company is not responsible for, the installation, modification, and/or permitting of necessary MHP owned gas pipeline facilities, or other non-Company owned facilities necessary to accommodate gas riser installations. Moreover, the Company is not responsible for any "beyond the meter" work necessary to connect the newly established service delivery points to existing delivery points whether such connections are external or internal to the building/structure.

The estimated amount eligible for reimbursement will be stated in the MHP Program Agreement.

10. Modifications to the Mobilehome

Modifications to the individual Mobilehome, including modifications to the Company connection that may be required to complete the conversion, must be authorized by the registered owner of the Mobilehome prior to the modifications being made. Obtaining such authorization is the responsibility of the MHP Owner/Operator. Authorization from a resident who is not the registered owner is not sufficient.

D. INTERACTION WITH OTHER COMPANY TARIFF RULES, TERMS, CONDITIONS

1. MHP Residents

Upon cutover to direct company service, MHP Residents will become customers of the Company, and will receive gas service pursuant to all applicable rates, rules and conditions set forth in this California Gas Tariff, with the following exceptions:

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D. INTERACTION WITH OTHER COMPANY TARIFF RULES, TERMS, CONDITIONS
(Continued)

1. MHP Residents (Continued)

- a. Rule No. 3, Application for Service and Rule No. 7, Deposits – Existing MHP Residents who become customers of the Company through the MHP Program will be deemed “grandfathered” into their service accounts, and new customer credit checks, service establishment fees and deposits will be waived on a one-time basis. Thereafter, MHP Residents will be subject to the Establishment and Reestablishment of Credit provisions set forth in Rule No. 6 and the Discontinuance of Service provisions set forth in Rule No. 11.
- b. California Alternate Rates for Energy (CARE) Program – MHP Residents participating in the CARE program prior to conversion will be deemed “grandfathered” into the CARE program upon establishment of service with the Company without having to recertify or reapply, provided the customer of record remains the same. This is a one-time exception to the CARE program eligibility requirements at the time of service conversion. Thereafter, all CARE program eligibility requirements will apply.
- c. Medical Baseline Allowance – MHP Resident households that receive a medical baseline allowance prior to conversion will be deemed “grandfathered” and will continue to receive the same medical baseline allowance without having to recertify or reapply, provided that the resident in the household who initially qualified for the additional medical baseline allowance continues to reside in the household. This is a one-time exception to the Medical Baseline program eligibility requirements at the time of service conversion. Thereafter, all Medical Baseline eligibility program requirements will apply.

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D. INTERACTION WITH OTHER COMPANY TARIFF RULES, TERMS, CONDITIONS
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2. MHP Owner/Operator

Gas service provided by the Company to the MHP Owner/Operator is subject to all applicable rates, rules and conditions set forth in this California Gas Tariff, with the following exceptions:

Rule No. 15, Gas Main Extensions and Rule No. 16, Gas Service Extensions – Because Southwest Gas will design and install the new distribution line/main extension at no cost to the MHP Owner/Operator, those portions of Rule Nos. 15 and 16 pertaining to applicant responsibilities or options are not applicable to MHP Owners/Operators while participating in the MHP Program. This may include, but not be limited to, applicant responsibilities, allowances, contributions or advances, refunds, and design and installation options.