

MOBILE HOME PARK GUIDE

NORTHERN NEVADA

1150 E. William Street
Carson City, NV 89701
Phone: (775) 684-6101
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Consumer Complaints: (775) 684-6100



SOUTHERN NEVADA

9075 W. Diablo Dr., Ste. 250
Las Vegas, NV 89148
Phone: (702) 486-7210
Fax: (702) 486-7206

Consumer Complaints: (702) 486-2600

This guide was prepared to assist the owner, landlord, manager or tenant of a mobile home park ("MHP") which resells utility services in understanding how to bill utility services in accordance with the rules of the serving utility, Nevada Administrative Code ("NAC") and Nevada Revised Statutes ("NRS").

MHP GENERAL OBLIGATIONS

The statutes (NRS) enacted by the Nevada Legislature and the administrative regulations (NAC) adopted by the Public Utilities Commission of Nevada ("PUCN") specify and explain the obligations of landlords who provide utility services to their tenants. It is essential for landlords to be familiar with the statutes and regulations. Copies of both can be obtained from the PUCN by calling (702) 486-7210 in Las Vegas or (775) 684-6101 in Carson City, or from the Nevada Legislature's website at <http://www.leg.state.nv.us/NRS/> and <http://www.leg.state.nv.us/NAC/>.

Mobile home park landlords who resell natural gas, electric or water utility services are responsible for the following:

1. Understanding and complying with NRS 704.905 - 704.960 and NAC 704.980 - 704.991.
2. Ensuring that the utility facilities in the park are adequately maintained, inspected and tested: NRS 704.920; NAC 704.982.
3. Maintaining adequate records: NRS 704.940(9); NAC 704.986.
4. Submitting an annual report of the park's activities to the PUCN: NRS 704.960; NAC 704.987.
5. Providing service to its tenants in a manner consistent with the rules, tariffs or ordinances of the utility or governmental entity from which the park receives service: NRS 704.930(1).
6. Adhering to the following general regulations in billing its customers for gas or electric utility service:
 - a. Itemizing each component of the billing for utility services on the monthly rental statement presented to each tenant: NRS 704.940(8). See Samples.
 - b. Computing charges in the manner authorized by the PUCN: NRS 704.940 and NAC 704.985.
 - c. Determining whether to charge a tenant service charge for gas or electric service, and treating it pursuant to applicable requirements: NRS 704.940 and NAC 704.983.

7. Landlords are specifically prohibited from:
 - a. Charging tenants more for utility services than what they are charged by the serving utility: NRS 704.940(1) & (4).
 - b. Billing tenants for common area costs if such costs can be readily identified: NRS 704.940(3); NAC 704.985(4)(b).
 - c. Charging a service charge for water service other than the charge imposed by a water utility serving the park: NRS 704.940(4); NAC 704.985(1)(a)(4).

BILLING

1. The total amount which tenants pay for utility services on a monthly basis, exclusive of any tenant service charges, must not exceed the amount which the park pays to the serving utility.
2. In mobile home parks equipped with submeters, the amount that the tenant can be charged for utility service is calculated in the following manner:
 - a. Each month the following calculations shall be made: the monthly service charge, plus any charges for outdoor lights and late charge fees or penalties, will be subtracted from the total bill that the park has received from the utility. The remaining dollar amount shall be divided by the commodity billing units stated on the bill from the utility. The resulting figure which results determines the monthly rate per unit of service provided to each tenant. The per unit rate which results from that calculation will then be multiplied by the units used by each tenant to compute the total monthly usage charge for each tenant.
 - b. In order to determine the amount of the landlord's service charge which will be

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recovered from each tenant, the amount of any landlord's service charge assessed by the serving utility is divided by the number of tenants in the park who use that service.

- c. The total utility bill of each tenant is computed by adding the sum of the tenant's charge for usage, the tenant's prorated portion of the landlord's service charge imposed by the utility provider, and the tenant service charge for gas or electric services. The tenant service charge is discussed in detail later in this section.
3. If the mobile home park is not equipped with submeters, the total utility charge, excluding any billing for common area usage, is prorated to all tenants by dividing the total amount of the utility bill, excluding common areas and late fees, by the number of tenants. The individual tenant's service charge for gas and electric service, if any, is then added to that amount to determine the tenant's total utility bill.
4. Late charges in excess of those that could be charged by the serving utility cannot be assessed. The amount of the late charge must not be more than the tenant would be required to pay the utility or alternative seller for the same delinquency. NAC 704.988.

TENANT SERVICE CHARGES

1. Each landlord reselling gas or electric utility services has the option of establishing a tenant service charge pursuant to NRS 704.940(5) and the following terms and conditions set forth in the regulations which have been adopted by the PUCN. NAC 704.980 to 704.991. Those provisions include:
 - a. Amounts deposited or collected in the tenant's service charge account may not be used to maintain, repair or replace utility lines or equipment serving the common area of the mobile home park.
 - b. Any money collected by the landlord as the tenant service charge must be deposited in a separate interest bearing account in a federally insured financial institution. The interest must be retained in the account and used in the same manner as the principal. A separate account for each utility must be established and withdrawals for repairs, replacements, preventive maintenance or payment of associated federal income tax related to a particular utility service must be made from the respective account in the manner set forth in this section.
2. No funds may be withdrawn from the tenant service charge account for tenant service charges without obtaining prior written approval from the PUCN. NAC 704.984. To apply for the PUCN's approval to utilize monies from the tenant's service charge account, the

landlord shall file an application with the PUCN which includes:

- a. An explanation of the manner in which he intends to utilize the funds that are being requested.
 - b. A schedule showing the proposed or actual costs of repairs, replacements, preventive maintenance or federal income tax liability.
 - c. An explanation of the actions the landlord took to ensure that any costs which it has or will incur are reasonable. This explanation should include any oral or written bids which were obtained.
 - d. A copy of the most recent statement for the account received from the financial institution in which the funds are deposited showing the current amount in the fund and the projected balance in the fund, if the PUCN authorizes the expenditures which are being requested.
 - e. In the event the expenditure would substantially deplete the fund, a statement indicating that the landlord would be capable of funding any emergency repairs or replacements which might occur in the future.
 - f. A statement describing how any costs for repairs or replacements in excess of the fund balance will be paid.
 - g. A copy of the notice of withdrawal to be provided to the tenants.
 - h. Copies of all invoices, cancelled checks and work orders relating to the repairs.
3. The minimum amount of a request for use of tenant's service charge funds is \$500. Expenditures of less than \$500 shall be aggregated in a single filing.
 4. The landlord shall notify customers in writing of the authorization request to use tenant service charge funds. This notification shall include a general explanation of the contemplated use for the funds and shall be provided to the customer with the first monthly billing for utility services after the request has been submitted to the PUCN. The notice must include a general explanation of the manner in which the landlord is required to collect, deposit and disburse the money that the landlord assesses and collects from his tenants as a service charge, a statement that the money may be used only for federal income taxes which must be paid as a result of the collection of the service charge, for preventive maintenance or for repairing or replacing utility lines or equipment, state the balance in the account as it appears on the statement issued by the financial institution which is included in the application for permission to withdraw money, state the amount of money he has requested

permission to withdraw; and include a statement that the notice is not an increase in rent or service charge.

5. The PUCN will review the application to determine whether the withdrawal of the requested amount or a portion thereof from the account is consistent with the provisions of NRS 704.940. Upon receipt of the PUCN's approval, the landlord may withdraw funds up to the level of the amount authorized by the PUCN.
6. A landlord who sells a mobile home park or otherwise transfers ownership of a mobile home park shall transfer any balance in the service charge account to the new owner and shall, within forty- five (45) days after the transfer, file with the PUCN documents which verify that the fund has been transferred.

TENANT COMPLAINTS

Tenants who believe the landlord has violated any of the provisions of NRS 704.930, 704.940 or 704.960 may complain to the PUCN's Consumer Complaint Resolution Division ("Division") by calling (775) 684-6100 in Northern Nevada and (702) 486-2600 in Southern Nevada.

Landlords must cooperate fully with the Division's investigation of the tenant's complaint.

- Parks must retain billing records for at least 3 years. See NAC 704.986.
- Books and records must be available upon request to the PUCN to verify charges made to tenants.

If unable to resolve the complaint, the Division shall transmit the complaint and its recommendations to the Commission.

The Commission shall investigate, and if probable cause exists, give notice and hold a public hearing.

If the Commission finds that the owner of the mobile home park has violated any of the provisions under which he is required to operate, the owner shall be ordered to cease and desist from any further violation, and may be subject to an administrative fine pursuant to NRS 703.380.

If the violation involves an overcharge for utility service, the PUCN shall determine the amount of the overcharge to the tenant, and order the landlord to return that amount to the tenant within a specified amount of time.

The PUCN shall compel compliance by any appropriate civil remedy if the landlord fails or refuses to comply with its order.

DEFINITIONS/GLOSSARY

- **Commodity Billing Unit:** The unit used to measure the quantity of service provided by a utility to the landlord and by a landlord to his tenants.

- **Common Area:** Any area in a mobile home park other than areas tenants have rented or leased for their exclusive occupancy or use.
- **Cubic Feet:** An alternative commodity billing unit for natural gas and water.
- **Gallon:** The commodity billing unit for water; may also be billed in cubic feet.
- **Kilowatt Hour:** Electricity commodity billing unit.
- **Landlord:** Landlord has the meaning ascribed to it in NRS 118B.014: "Landlord means the owner or lessor of a manufactured home lot and the owner or lessor of a manufactured home park."
- **Landlord's Service Charge:** The service charge which the landlord pays to a utility.
- **Manufactured or Mobile Home Park:** Manufactured (or Mobile) home park has the meaning ascribed to it in NRS 118B.017: "an area or tract of land where two or more manufactured homes or manufactured home lots are rented or held out for rent. The terms do not include an area or tract of land where: 1) More than half of the lots are rented overnight or for less than 3 months for recreational vehicles; 2. Manufactured homes are used occasionally for recreational purposes and not as permanent residences."
- **Mobile Home Park Which Resells Utility Services:** A mobile home park which purchases gas, electricity or water or any combination of these from a utility for resale through a privately owned system for distribution to the park's tenants, also known as a master metered mobile home park.
- **Service Charge:** That portion of a bill for utility services which is a fixed monthly amount regardless of the quantity consumed.
- **Submeter:** The meter which measures an individual tenant's consumption of gas, electricity or water or any combination of these, in a mobile home park which resells utility services.
- **Tenant Service Charge:** The service charge for gas or electric utility service which is assessed and collected by the landlord from each tenant in a mobile home park which resells utility services.
- **Therm:** The commodity billing unit for gas; may also be cubic feet.
- **Utility:** A public utility or a city, county or other governmental entity which provides electric, gas or water service to a mobile home park.

(DATE)

TO THE RESIDENTS OF _____
(Name of Park)

This notice is to advise you that the landlord of the Park has made an application to the Public Utilities Commission of Nevada to withdraw \$_____ from its service charge fund to make necessary repairs and improvements to the gas system for the park, and for reimbursement of past utility-related expenditures. Specifically, this money is to be used for _____

The monthly service charge assessed to each tenant for usage of utilities is the financial source of this fund. These funds have been placed in a separate interest-bearing account at _____ (financial institution). The current balance in the account is approximately \$_____. Funds may be withdrawn only for federal income taxes on the service charge account or for utility-related expenses at this Park. Any withdrawal from the service charge account requires approval by the Public Utilities Commission of Nevada. The maintenance and repair of the system meets this requirement.

This notice is NOT an increase in rent or service charges. If approved, withdrawal of the funds will NOT increase your monthly utility service charge.

If you have any questions, please contact me at: _____

Also, please feel free to contact:
Public Utilities Commission of Nevada
Consumer Complaint Resolution
1150 E. William Street
Carson City, NV 89701
(775) 684- 6100

Las Vegas:
9075 W. Diablo Drive, Suite 250
Las Vegas, NV 89148
(702) 486-2600
Fax (702) 486-7206

(DATE)

TO THE RESIDENTS OF _____
(Name of Park)

This notice is to advise you that the landlord of the Park has made an application to the Public Utilities Commission of Nevada to withdraw \$_____ from its service charge fund to make necessary repairs and improvements to the electric system for the park, and for reimbursement of past utility-related expenditures. Specifically, this money is to be used for: _____

The monthly service charge assessed to each tenant for usage of utilities is the financial source of this fund. These funds have been placed in a separate interest-bearing account at _____ (financial institution). The current balance in the account is approximately \$_____. Funds may be withdrawn only for federal income taxes on the service charge account or for utility-related expenses at this Park. Any withdrawal from the service charge account requires approval by the Public Utilities Commission of Nevada. The maintenance and repair of the system meets this requirement.

This notice is NOT an increase in rent or service charges. If approved, withdrawal of the funds will NOT increase your monthly utility service charge.

If you have any questions, please contact me at: _____

Also, please feel free to contact:
Public Utilities Commission of Nevada
Consumer Complaint Resolution
1150 E. William Street
Carson City, NV 89701
(775) 684-6100, (702) 486-2600

Las Vegas:
9075 W. Diablo Drive, Suite 250
Las Vegas, NV 89148
(702) 486-2600
Fax (702) 486-7206

BEFORE THE PUBLIC UTILITIES COMMISSION OF NEVADA

Application of _____)
_____)
_____)
_____ to withdraw money from _____)
Service Charge fund for electric or gas _____)
Service for Mobile Home Park. _____)
_____)

APPLICATION

This application is being respectfully submitted by the Landlord to the Commission to request permission to withdraw funds from the Service Charge fund for electric or gas service for Mobile Home Parks, per the Nevada Revised Statutes 704.940 and the Nevada Administrative Code (“NAC”) 704.984.

(a) The money to be withdrawn from the account will be used for the following:

(b) The actual cost of the federal income taxes or the preventative maintenance or repairing or replacing utility lines or equipment is: (please attach documentation)

(c) The steps taken to ensure the costs are reasonable are as follows:

(d) The following bids were obtained, if any:

(e) Please attach a copy of the most recent statement for the Service Charge fund issued by the financial institution in which the money is deposited showing the current account balance.

(f) The account balance, if the Commission approves this Application, will be as follows:

(g) If the costs of the repairs or replacements exceed the balance in the account, the costs above the account balance will be paid in the following manner:

(h) Please attach a copy of the notice provided to the tenants as required by NAC 704.984(3).

Gas Bill

Tenant Name: _____

Space No: _____ Billing Period: _____

Meter Reading

This Month = _____

Last Month = _____

Usage (Difference) = _____

Commodity Charge

Usage in Therms _____ x Effective Rate \$ _____ \$ _____

Parks Service Charge (Prorated) _____ \$ _____

Tenant Service Charge (Optional) _____ \$ _____

Amount Due \$ _____

Unmetered

Amount Park Charged \$ _____ ÷ Number of Tenants _____ = \$ _____

Tenant Service Charge (Optional) _____ \$ _____

Amount Due \$ _____

Electric Bill

Tenant Name: _____

Space No: _____

Billing Period: _____

Meter Reading

This Month = _____

Last Month = _____

Usage (Difference kWh) = _____

Commodity Charge

Usage in kWh _____ x Effective Rate \$ _____ \$ _____

Parks Service Charge (Prorated) _____ \$ _____

Tenant Service Charge (Optional) _____ \$ _____

Amount Due \$ _____

Unmetered

Amount Park Charged \$ _____ ÷ Number of Tenants _____ = \$ _____

Tenant Service Charge (Optional) _____ \$ _____

Amount Due \$ _____

Computing the Effective Rate per Space for a Master Meter Park

[Nevada Administrative Code 704.985](#) Requires this Methodology

Step One: Develop Net bill

Take Total Park Bill	\$ _____	(1)
Subtract Customer Service Charge	\$ _____	(2)
Net Bill	\$ _____	(3)

Step Two: Develop Effective kWh Rate Per Unit

Divide Net Bill by Park Usage		
Net Bill	\$ _____	(4)
Divide by Total Park Usage (kWh)	_____	(5)
Effective Rate per Unit	\$ _____	(6)

Step Three: Prorate Customer Charge per Unit

Divide Customer Charge by Number of Units		
Customer Charge	\$ _____	(7)
Divide by Number of Units	\$ _____	(8)
Customer Charge per Unit	\$ _____	(9)

Step Four: Compute an Individual Bill

Take Effective Rate per Unit (line 6)	\$ _____	(10)
Multiply by Monthly kWh Usage	_____	(11)
(Total from lines 10 and 11) =	\$ _____	(12)
Add Customer Charge per Unit (line 9)	\$ _____	(13)
Add Individual Tenant Service Charge	\$ _____	(14)

Total Customer Bill	\$ _____	
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