



PRELIMINARY STATEMENT

Sheet 1

III. MEMORANDUM ACCOUNTS
INDEPENDENT EVALUATOR MEMORANDUM ACCOUNT (IEMA)

1. Purpose

The purpose of the IEMA is to record third party costs associated with the use of Independent Evaluators in the Utility's long-term procurement activities and Renewables Portfolio Standard (RPS) programs, consistent with the provisions of Commission Decision (D.) 04-12-048 and D.05-07-039.

2. Applicability

The IEMA does not have a rate component.

3. Accounting Procedure

The Utility shall maintain the IEMA by making entries at the end of each month as follows:

- a. A debit entry equal to costs associated with the use of an Independent Evaluator in the Utility's long-term procurement activities and Renewable Portfolio Standard (RPS) programs.
- b. Interest shall be calculated on the average of the balance at the beginning of the month and the balance after entry 3.a, at a rate equal to one-twelfth of the interest rate on three-month Commercial Paper for the previous month, as reported in the Federal Reserve Statistical Release, H.15, or its successor publication.

4. Disposition

SDG&E shall request the recovery of the balance in the IEMA through the Energy Resource Recovery Account (ERRA) application, or other proceeding as authorized by the Commission. Pursuant to D.11-10-029 approved on 10/20/2011, SDG&E is authorized to transfer the balance in the IEMA to the ERRA on an annual basis.

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