



PRELIMINARY STATEMENT

III. MEMORANDUM ACCOUNTS

LONG TERM PROCUREMENT PLAN TECHNICAL ASSISTANCE MEMORANDUM ACCOUNT

1. Purpose

The purpose of the LTAMA is to record the technical assistance costs incurred by the Commission and paid by SDG&E in connection with the Commission's implementation and administration of the Long-Term Procurement Plan (LTPP) program. Pursuant to Decision 07-12-052, the Executive Director of the Commission is authorized to hire and manage one or more contractors to provide technical support to Commission staff in several areas. These areas include work performed on: general program design, implementation and evaluation, design and evaluation of a more rigorous portfolio evaluation approach to long term resource planning, and other tasks identified by Commission staff to promote LTPP program goals and to maintain a reliable, cost-effective, and environmentally sound electric supply in California. Decision 07-12-052 provides that the investor owned utilities (IOUs) will pay for the technical assistance costs incurred in these areas, and that the IOUs may record such payments in the LTAMA and later apply for recovery in rates.

2. Applicability

The LTAMA shall apply to all bundled customers.

3. Revision Date

Disposition of amounts in this account shall be determined in the applicable applications, or any other proceeding as authorized by the CPUC.

4. Rates

The LTAMA does not currently have a rate component.

5. Accounting Procedure

SDG&E shall maintain the LTAMA by making entries at the end of each month as follows:

- a. A debit entry equal to the technical assistance costs incurred by the Commission and paid by SDG&E in connection with the Commission's implementation and administration of the LTPP.
- b. A debit entry equal to the interest on the average of the balance at the beginning of the month and the balance after the entries above, at a rate equal to one-twelfth 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.

6. Account Disposition

The balance in the LTAMA will be transferred, on an annual basis, to the ERRA and reviewed as part of the annual ERRA proceeding.

(Continued)

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