



PRELIMINARY STATEMENT

Sheet 1

II. BALANCING ACCOUNTS

POST-1997 ELECTRIC ENERGY EFFICIENCY BALANCING ACCOUNT (PEEEBA)

1. Purpose

Pursuant to California Public Utilities Commission (Commission) Decision (D.)97-12-103 and Resolution E-3792 of December 17 2002, the purpose of the PEEEBAs is to record the revenues and expenses associated with the electric Energy Efficiency Public Purpose Program (PPP), transference of PPP funds to a new administrator(s), and certain other adjustments to funding levels as authorized by the Commission Decision(s). Pursuant to Commission D.03-04-027, the Low-Income Energy Efficiency (LIEE) portion of the PEEEBAs shall be transferred to the Low-Income Energy Efficiency Balancing Account effective May 1, 2003. Pursuant to D.09-09-047, the PEEEBAs will track the corresponding activity in the 2009 bridge funding period and the 2010 – 2012 energy efficiency program cycle. The PEEEBAs also records the costs associated with the On-Bill Financing (OBF) Program adopted in D.05-09-043 and extended by D.09-09-047.

2. Applicability

The PEEEBAs applies to certain rate schedules and certain special contracts within the jurisdiction of the Commission.

3. Definitions

- a. Effective Date: The effective date of this account shall be January 1, 1998.
- b. Interest Rate: The Interest Rate shall be 1/12 of the most recent month's interest rate on Commercial Paper (prime, 3 months), published in the Federal Reserve Statistical Release, H.15. Should publication of the interest rate on Commercial Paper (prime, 3 months) be discontinued, interest will so accrue at the rate of 1/12 of the most recent month's interest rate on Commercial Paper, which most closely approximates the rate that was discontinued, and which is published in the Federal Reserve Statistical Release, H.15, or its successor publication.
- c. PEEEBA Revenue: Monthly PEEEBAs revenue equals the percentage of authorized PPP revenue pertaining to the Non-Low-Income Energy Efficiency program multiplied by the unbundled PPP revenue billed during the month.
- d. PEEEBA Expenses: Expenses authorized by the Commission associated with the electric Non-Low-Income Energy Efficiency PPP, as well as other program costs associated with the OBF program adopted in D.09-09-047. Actual expenses recorded to the PEEEBAs shall be those in compliance with the guidelines for expenses authorized by the Commission.

4. Accounting Procedure: The Utility shall make the following entries to the account:

- a. A credit entry equal to the monthly PEEEBAs revenue.
- b. A debit entry equal to the monthly PEEEBAs expenses.

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PRELIMINARY STATEMENT

Sheet 2

II. BALANCING ACCOUNTS

POST-1997 ELECTRIC ENERGY EFFICIENCY BALANCING ACCOUNT (PEEEBA)

4. Accounting Procedure: (Continued)

- c. A debit entry equal to the Non-Low-Income Energy Efficiency program performance incentives, as approved by the Commission.
- d. A debit entry equal to the actual costs of defaults associated with the OBF Program.
- e. An entry equal to monthly interest calculated by applying the Interest Rate to the average of the beginning balance and the ending balance.
- f. An entry to reflect the transfer of the EPEEBA net revenues to the PEEEEBA.

5. Account Disposition

Pursuant to Commission D.03-04-027, the Utility shall file by October 1 of each year an advice letter requesting to apply to the electric PPP rate¹ effective January 1 of the following year 1) the net amortization component of electric PPP account balances and 2) the Commission's currently authorized program budget revenue requirements for the PPPs.

¹ Public Utilities Code Section 399.8 addresses the non-low-income energy efficiency, renewable energy, and research, development and demonstration programs. Section 399.8 requires a separate rate component to collect revenues to fund these programs and that the rate component "may not exceed" the level of the rate component that was used to recover funds authorized pursuant to Section 381 on January 1, 2000.

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