



PRELIMINARY STATEMENT

Sheet 1

III. MEMORANDUM ACCOUNTS

RENEWABLES PORTFOLIO STANDARD MEMORANDUM ACCOUNT (RPSMA)

1. Purpose

Pursuant to Commission Decision (D.) 06-10-050, the purpose of the RPSMA is to record the RPS technical contractor costs allocated to SDG&E for the purpose of performing tasks related to advancing RPS Program goals. The total annual costs incurred by the Commission shall not exceed \$400,000. In the event that this maximum annual amount is not expended in any year of the contract period, the unspent amount may carry-over and be expended in subsequent years. The total annual costs and any additional carry-over costs shall be paid by each utility (PGE, SCE and SDG&E) on a proportional basis in relationship to retail sales reported each year in the March 1 RPS compliance report (or other report each year as directed by the Executive Director). Payments will be recorded until December 31, 2010 and shall not exceed a total of \$1.6 million.

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2. Applicability

The RPSMA does not have a rate component.

3. Accounting Procedure

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

- a. A debit entry equal to the payments related to RPS technical contractor costs allocated to the Utility.
- 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. Account Disposition

SDG&E shall request the recovery of the balance in the RPSMA in the annual ERRRA proceeding, or other proceeding as authorized by the Commission.