



PRELIMINARY STATEMENT

Sheet 1

III. MEMORANDUM ACCOUNTS
REAL-TIME METERING MEMORANDUM ACCOUNT (RTEMMA)

1. Purpose

The purpose of the RTEMMA is to record the costs associated with the utility's approved Real-Time Energy Metering (RTEM) program as outlined in the Commission's Decision (D.) 01-05-032, dated May 3, 2001. This program is designed to install real-time energy meters for SDG&E's large customers with peak demand of 100 kW or more.

2. Applicability

The RTEMMA shall apply to all customers, unless any customer classes are specifically excluded by the Commission.

3. Rates

The RTEMMA does not have a rate component.

4. Accounting Procedure

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

a. RTEM Capital Expenditures Account

A debit entry equal to the capital-related costs, including depreciation, return on investment and related taxes, attributable to capital investment made to implement this program. Capital investment for the RTEM program includes, but is not limited to, procurement and installation of meters for customers subject to the program.

b. RTEM Operation and Maintenance (O&M) Costs Account

A debit entry equal to the incremental O&M costs incurred by the Utility associated with this program, including but not limited to, the costs of marketing, contract administration, regulatory reporting, program design, telecommunications, operation and maintenance of equipment and evaluation.

c. A credit entry to transfer all or a portion of the balance in the RTEMMA to other balancing accounts for future rate recovery, as may be approved by the Commission.

d. A debit entry equal to the interest on the average of the balance at the beginning of the month and the balance after the entry 4.a. for each account, 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, G.13, or its successor publication.

5. Disposition

Recovery of amounts in the RTEMMA shall be authorized in the utility's 2003 Performance-Based Ratemaking (PBR) and Cost-of-Service proceeding.

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