



**ELECTRIC PRELIMINARY STATEMENT PART CC**  
**REAL TIME ENERGY METERING MEMORANDUM ACCOUNT**

Sheet 1

CC. REAL TIME ENERGY METERING MEMORANDUM ACCOUNT (RTEMMA)

1. **PURPOSE:** The purpose of the RTEMMA is to record PG&E's operating and maintenance expenses and capital-related revenue requirements associated with the real time energy metering (RTEM) equipment and related infrastructure only to the extent those costs are not reimbursed under the California Energy Commission's (CEC's) metering programs approved by ABX1-29. In ABX1-29 signed into law by Governor Davis, the CEC will provide certain funding for the purchase of real time meters and related infrastructure in order to facilitate energy conservation and help alleviate the state energy crisis. The operating and maintenance costs shall include, but not be limited to, payments to communications and other vendors and telephone companies for installation and communication fees, software server software, RTEM servers and application program costs, meter order processing costs during installation and customer training, meter reading costs, costs of maintaining or replacing RTEM meters, and customer education costs. Capital related costs shall include, but not be limited to, equipment and engineering/installation labor for meters and communications equipment, servers, workstations and infrastructure to initiate, process, and transfer meter reads, applications software, and other third-party software. PG&E will record costs to the RTEMMA until it begins recovering these costs in its next General Rate Case.
2. **APPLICABILITY:** The RTEMMA shall apply to all customer classes, unless any classes are specifically excluded by the Commission.
3. **REVISION DATE:** Disposition of amounts in this account shall be determined in the Revenue Adjustment Proceeding (RAP), or any other proceeding as authorized by the Commission.
4. **RTEMMA RATE:** The RTEMMA does not have a rate component.
5. **ACCOUNTING PROCEDURE:** PG&E shall maintain the RTEMMA by making entries at the end of each month as follows::
  - a. A debit entry equal to the amounts recorded in PG&E's Operations and Maintenance, and Administrative and General Expense Accounts that were incurred as a result of RTEM and were not otherwise reimbursed under the CEC's ABX1-29 and metering programs.

(N)

(N)

(Continued)



**ELECTRIC PRELIMINARY STATEMENT PART CC**  
**REAL TIME ENERGY METERING MEMORANDUM ACCOUNT**

Sheet 2

CC. REAL TIME ENERGY METERING MEMORANDUM ACCOUNT (RTEMMA) (Cont'd.)

5. ACCOUNTING PROCEDURE: (Cont'd.)

b. A debit entry for capital-related revenue requirements, if any, for RTEM, which were not reimbursed under the CEC's ABX1-29 metering programs, equal to:

- 1) Depreciation expense on the average of the beginning and the end-of-month balance of plant installed associated with RTEM, at one-twelfth of the annual depreciation rates approved by the CPUC for these plant accounts; plus
- 2) The return on investment on the average of the beginning and the end-of-month balance of plant installed associated with RTEM, at one-twelfth of the annual rate of return on distribution investment last adopted for PG&E's Electric Department by the CPUC; less
- 3) The return on the average of beginning and end-of-month accumulated depreciation, and on average accumulated net of deferred taxes on income resulting from the normalization of federal tax depreciation, at one-twelfth the annual rate of return on distribution investment last adopted for PG&E Electric Department by the CPUC.

c. A debit entry equal to federal and state taxes based on income associated with item 5.b. above, calculated at marginal tax rates currently in effect. This will include all applicable statutory adjustments.

For federal and state taxes, this will conform to normalization requirements as applicable. Interest cost will be at the percentage of net investment last adopted by the CPUC with respect to PG&E.

d. A debit entry equal to the monthly property taxes on the plant installed.

e. 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, G.13 or its successor.

(N)

(N)