



ELECTRIC PRELIMINARY STATEMENT PART CK
DISTRIBUTION BYPASS DEFERRAL RATE MEMO ACCOUNT

Sheet 1

CK. DISTRIBUTION BYPASS DEFERRAL RATE MEMORANDUM ACCOUNT (DBDRMA)

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1. **PURPOSE:** The purpose of the DBDRMA is to record the amount of any net discounted revenue resulting from electric rate Schedule E-31. The net discounted revenue is calculated by combining: (a) debit entries in situations where Schedule E-31 is used to retain customers that otherwise would bypass PG&E's system; and (b) credit entries in situations where Schedule E-31 is used to attract customers that otherwise would not take service from PG&E. The debit and credit entries are described more fully in Section 5, below. This account is established pursuant to Assembly Bill 2638, which added Public Utilities Code Section 454.1, authorizing utilities to discount prices to customers with loads over 20 kW peak demand who have received bona fide offers for electric service from an irrigation districts at rates less than PG&E's tarified rates and to recover the discount from customers with loads over 20 kW peak demand.
2. **APPLICABILITY:** The DBDRMA shall apply to all customer classes, except residential and small commercial customers with a maximum peak demand not in excess of 20 kW.
3. **REVISION DATE:** Disposition of the amounts in this account shall be determined in the Revenue Adjustment Proceeding (RAP), or any other proceeding as authorized by the Commission.
4. **DBDRMA RATES:** The DBDRMA does not currently have a rate component.
5. **ACCOUNTING PROCEDURE:** PG&E shall maintain the DBDRMA by making entries at the end of each month as follows:
 - a. For all situations where Schedule E-31 is used to retain customers, a debit entry equal to the difference between the otherwise-applicable tariff full revenue amount and the amount of revenue received under rate Schedule E-31.
 - b. For all situations where Schedule E-31 is used to attract customers, a credit entry equal to the difference between the amount of revenue received under rate Schedule E-31 and the marginal cost of serving attracted customers (calculated based upon the Commission's most recently adopted marginal costs for PG&E).
 - c. An 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.

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