



ELECTRIC PRELIMINARY STATEMENT PART CL
DISTRIBUTED ENERGY RESOURCES MEMORANDUM ACCOUNT

Sheet 1

CL. DISTRIBUTED ENERGY RESOURCES MEMORANDUM ACCOUNT (DERMA)

1. PURPOSE: The purpose of the DERMA is to record, by customer class, the costs of waived standby charges and any quantifiable benefits provided by distributed energy resources, pursuant to Public Utilities Code Sections 353.1, 353.3 and 353.9.
2. APPLICABILITY: The DERMA 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. DERMA RATE: The DERMA does not have a rate component.
5. ACCOUNTING PROCEDURE: Separate subaccounts will be set up by customer class. The following entries shall be for each subaccount each month.
 - a. A debit entry equal to the waived standby charges from the customer class during the month.
 - b. A credit entry equal to any quantifiable benefits provided by distributed energy resources applicable to that customer class.
 - c. A monthly entry equal to the interest on the average balance in the account at the beginning of the month and the balance after the above entries, at the 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.13 or its successor.