



ELECTRIC PRELIMINARY STATEMENT PART JC Sheet 1 (N)
VOLUNTARY ALLOCATION AND MARKET OFFER MEMORANDUM ACCOUNT (VAMOMA-E) (N)

JC. VOLUNTARY ALLOCATION AND MARKET OFFER MEMORANDUM ACCOUNT (VAMOMA-E) (N)

1. PURPOSE: The purpose of the VAMOMA is to track and record incremental costs incurred for staffing and information technology systems needed for administering the VAMO. Such costs may include amounts related to, but not limited to, information technology work, systems, staffing, reporting, forecasting and other reasonable expenditures to implement the VAMO. (N)
2. APPLICABILITY: The VAMOMA will apply to all customer classes, except for those specifically excluded by the Commission.
3. REVISION DATES: Disposition of the balance in the account will be through an ERRA forecast application or other application as authorized by the Commission through the Portfolio Allocation Balancing Account.
4. RATES: The VAMOMA does not have a separate rate component.
5. ACCOUNTING PROCEDURE: The following entries will be made each month, or as applicable:
 - a) A debit entry equal to incremental expenses;
 - b) A debit or credit entry equal to the capital revenue requirement associated with the actual capital expenditures incurred. Capital-related revenue requirements include depreciation expense, return on rate base at the authorized cost of capital, federal and state income taxes, and property taxes, associated with the capital asset additions;
 - c) An entry to record the transfer of amounts to or from other accounts as approved by the Commission; and
 - d) An entry equal to interest on the average balance in the account at the beginning of the month and the balance after the above entries, 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. (N)

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