PRELIMINARY STATEMENT
IGFC MEMORANDUM ACCOUNT

**GGG. INCOME-GRADUATED FIXED CHARGE MEMORANDUM ACCOUNT** (N)

Bear Valley Electric Service, Inc. ("BVES") shall maintain the Income-Graduated Fixed Charge Memorandum Account ("IGFCMA").

1. PURPOSE
The purpose of the IGFCMA is to track all incremental expenses and capital-related costs (i.e. depreciation, taxes, and return) incurred for the implementation and administration of the income-graduated fixed charges.

2. APPLICABILITY
The IGFCMA applies to all residential customer classes, except for those specifically excluded by the Commission.

3. RATES
The IGFCMA does not have a rate component.

4. ACCOUNTING PROCEDURES
BVES shall maintain the IGFCMA by making entries at the end of each month as follows:

   a. Entries shall be made to the IGFCMA at the end of each month to record the costs to the account or appropriate subaccounts.

   b. Interest shall to the IGFCMA on a monthly basis by applying a rate equal to one-twelfth of the 3-month Commercial Paper Rate, as reported in the Federal Reserve Statistical Release, to the average of the beginning-of-month and the end-of-month balances.

5. EFFECTIVE DATE
The IGFCMA shall have the effective date of June 14, 2024.

6. DISPOSITION
Disposition of amounts recorded in the IGFCMA shall be determined in a subsequent regulatory proceeding, as authorized by the Commission. (N)

(Continued)