PRELIMINARY STATEMENT
VEGETATION MANAGEMENT BALANCING ACCOUNT

HHH. VEGETATION MANAGEMENT BALANCING ACCOUNT (N)

This Vegetation Management Balancing Account ("VMBA") records incremental expenses related to all vegetation management activities. BVES may amend the VMBA to include additional vegetation management activities, if required, by General Orders 95 and 165, and any other current or future order or decision by the Commission, for which the Commission has not already authorized rate recovery.

BVES's Vegetation Management 2023-2026 budget includes $2.7 million in rates for vegetation management activities. Any BVES vegetation management amounts incurred that are above $2.7 million and below the $3.1 million Vegetation Management budget cap will be tracked in the VMBA.

1. PURPOSE

The purpose of the VMBA is to record the vegetation management incremental costs incurred by BVES but are not otherwise covered in BVES's revenue requirement. These activities shall include, but not limited to, routine and enhanced Transmission and Distribution vegetation management; dead, dying, and diseased tree removal; and any other vegetation management activities.

2. APPLICABILITY

The VMBA applies to all customer classes and rate schedules, except for those specifically excluded by the Commission.

3. RATES

The VMBA does not have a rate component.

4. ACCOUNTING PROCEDURES

BVES shall maintain the VMBA by making entries at the end of each month as follows:

a. A debit entry shall be made to the VMBA at the end of each month to record incremental costs incurred for vegetation management activities.

b. Interest shall accrue to the VMBA on a monthly basis by applying a rate equal to one-twelfth of the 3-month Commercial Paper Rate (non–financial), 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 VMBA shall be effective on January 1, 2023.

6. DISPOSITION

Annually, BVES will transfer any under-collection in the VMBA, with interest, to the Base Revenue Requirement Balancing Account and such transferred amount shall be administered in accordance with the disposition provisions of the Base Revenue Requirement Balancing Account. (N)

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