PRELIMINARY STATEMENTS

Part VV. Electric Vehicle Infrastructure Memorandum Account ("EVIMA")

a. Purpose

Pursuant to Assembly Bill ("AB") 841 (Stats. 2020, Ch. 372), the EVIMA is established to track the BVES-incurred costs of all electrical distribution infrastructure on the utility side of the customer's meter for all customers installing separately metered infrastructure to support charging stations, other than those in single-family residences. This memorandum account applies to costs incurred by BVES related to electric vehicle infrastructure installed under the provisions of Rule 24 between April 21, 2025 and January 1, 2027, the implementation date of (N) BVES's 2027-2030 general rate case. Costs that are eligible for recovery as part of the (N) ratemaking approved in BVES's current Transportation Electrification Programs, such as Charge Ready Transport and Charge Ready 2 Programs, do not apply to this account.

(N)

Costs tracked in the EVIMA shall be limited to the carrying costs and any post-in service costs, from April 21, 2025 through January 1, 2027, on approved Rule 24 projects not to exceed $540,900, plus any applicable engineering and legal costs. Any costs tracked in the EVIMA will be separately reviewed for reasonableness in BVES's next general rate case or any other proceeding deemed appropriate by the Commission and, upon approval, transferred to the Distribution subaccount of the Base Revenue Requirement Balancing Account (BRRBA) for recovery in customers' rates.

(N)

Per AB 841, electrical distribution infrastructure shall include poles, vaults, service drops, transformers, mounting pads, trenching, conduit, wire, cable, meters, other equipment as necessary, and associated engineering and civil construction work.

Pursuant to Ordering Paragraph 5 of Resolution E-5168, the EVIMA will include the cost categories listed in the discussion section of the Resolution.

b. Accounting Procedure

The EVIMA monthly entries should be as follows:

1. A debit entry equal to BVES's recorded Operations and Maintenance, engineering and legal expenses incurred for BVES Electric Rule 24 and (T) compliance with Public Utilities Code Section 740.19(c);

2. A debit entry equal to BVES's recorded incremental capital-related revenue requirement at GSWC's authorized rate of return and related (T) expenses (including income taxes, ad valorem tax, depreciation, other applicable taxes and fees, and an authorized rate of return on recorded (T) rate base) incurred for BVES Electric Rule 24 and compliance with Public Utilities Code Section 740.19(c);

3. An entry to record interest by applying one-twelfth of the three month Commercial Paper rate (expressed as an annual rate) as reported in the Federal Reserve Statistical Release, H.15, or its successor publication to the EVIMA's average monthly balance.

c. Disposition

Costs tracked in the EVIMA shall be separately reviewed for reasonableness in BVES's next general rate case or any other proceeding deemed appropriate by the Commission and, upon approval, transferred to the Distribution subaccount of the Base Revenue Requirement Balancing Account (BRRBA) for recovery in customers' rates.