

PRELIMINARY STATEMENTS

Part WW. Greenhouse Gas Allowance Revenue Balancing Account

(N)

A. Purpose

The purpose of the Greenhouse Gas (“GHG”) Allowance Revenue Balancing Account (“GHGARBA”) is to track and defer revenues from the sale of GHG allowances for subsequent allocation to eligible customer classes. The GHGARBA will record the amount of GHG revenues actually returned to customers, and the actual amount of GHG revenues BVES receives through consigning allowances to the cap-and-trade auction. GHGARBA is established pursuant to Decision No. 21-08-026.

B. Procedure

The Utility will:

1. Record the revenues from sales of GHG allowance sold via the cap-and-trade program auctions.
2. Record disbursement issued Climate Credit to customers.
3. Monthly interest on the balancing account will accrue at 1/12 of the interest rate on 3-month Commercial Paper for the previous month, as published in the Federal Reserve Statistical Release, H.15 or its successor publication.

C. Allocation

Upon declaration by the California Public Utilities Commission (“CPUC”) that the GHG allocation methodology is ready for implementation, BVES may begin to allocate allowance revenues recorded in the GHGARBA to eligible customer classes. The outstanding balance in the GHGARBA, including accrued interest, must be amortized over a reasonable period so that all deferred revenues are distributed within 24 months.

1. California Climate Credit

Beginning in April 2022, BVES will issue a California Climate Credit in compliance with CPUC Decision No. 21-08-026. The purpose is to return to eligible customers revenues generated from the sale of greenhouse gas emissions allowances (permits) required as part of California’s Cap-and-Trade Program for greenhouse gas emissions which was developed in response to the California Global Warming Solutions Act of 2006 (AB-32).

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(continued)

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C. Allocation (continued)

1. California Climate Credit (continued)

Customers taking service under the following rate schedule tariffs are eligible for the credit:

The Residential Credit applies to accounts for residential customers active at the time of the credit distribution described below.

- The following residential rate schedules shall have credit applied twice per year in the billing cycles for April and October per customer account:

Schedule D;
Schedule DLI;
Schedule DE;
Schedule DO.

- The following residential rate schedules shall have credit applied twice per year in the billing cycles for April and October per customer account multiplied by the recorded number of sub-units at the customer premises:

Schedule DM;
Schedule DMS

The Small Business Credit applies to all electric sales for eligible Small Business customers as defined below.

- The following customers shall qualify as eligible Small Business customers under this schedule:

Schedule A1

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