

PRELIMINARY STATEMENT
(Continued)

17. Energy Savings Assistance Program (ESA) Surcharge Mechanism

A. Purpose

The purpose of the ESA Surcharge Mechanism is to establish the procedure to be utilized in adjusting the Public Purpose Programs rates, of which the ESA surcharge is a component, in order to recover the costs associated with the ESA program, in accordance with D.03-03-007.

A. Applicability

The ESA surcharge applies to all rate schedules and certain special contracts subject to the jurisdiction of the Commission.

B. Definitions

Franchise Fees and Uncollectibles (FF&U) Allowance: The FF&U allowance shall be based on the rate derived from the Utility's most recent general rate decision.

Interest Rate: The monthly interest rate will equal one-twelfth of the interest rate on Commercial Paper (3 months) for the previous month as published in the Federal Reserve Statistical Release, H.15 or its successor.

C. ESA Balancing Account

The following entries shall be made to this account at the end of each month:

1. A debit entry equal to the amount of incremental administrative expenses, including weatherization, energy efficiency measures and education costs, associated with the ESA program.
2. A credit entry equal to the revenue collected through the ESA surcharge, less the FF&U.
3. A debit or credit entry equal to interest on the monthly average balance at the Interest Rate.

(Continued)

Advice Letter No. 72-E

Issued by
Gregory S. Sorensen

Date Filed December 28, 2016

Decision No. _____

Name
President
Title

Effective January 1, 2017

Resolution No. _____

PRELIMINARY STATEMENT
(Continued)

17. Energy Savings Assistance Program (ESA) Surcharge Mechanism (Continued)

D. ESA Balancing Account

In conjunction with the appropriate proceeding, if an over-collection exists in the balancing account, it will be refunded to customers. If an under-collection exists in the balancing account, it will not be billed to customers.

E. Reasonableness Review

In conjunction with the appropriate proceeding, the Utility shall file with the Commission a report on the reasonableness of recorded ESA Program costs includable in the ESA Balancing Account during the Record Period.

Advice Letter No. 72-E

Issued by
Gregory S. Sorensen
Name
President
Title

Date Filed December 28, 2016

Decision No. _____

Effective January 1, 2017

Resolution No. _____