



GAS PRELIMINARY STATEMENT PART DD Sheet 1
GENERAL RATE CASE GAS TRANSMISSION & STORAGE MEMORANDUM ACCOUNT
(GRCGTSMA)

DD. GENERAL RATE CASE GAS TRANSMISSION & STORAGE MEMORANDUM ACCOUNT
(GRCGTSMA)

1. **PURPOSE:** The purpose of the General Rate Case Gas Transmission & Storage Memorandum Account (GRCGTSMA) is to record the gas transmission and storage under or overcollections resulting from a final GRC decision that is approved after the effective date of the adopted revenue requirements. Pursuant to decision (D.) 22-06-033, the GRCGTSMA records the difference between the final adopted 2023 GRC revenue requirements and the placeholder revenue requirements incorporated into rates on January 1, 2023. Note that the below accounting procedures will be expanded to include 2024 GRC revenue requirements should a final decision be approved in 2024. The GRCGTSMA also records the revenue requirement adopted in PG&E's GT&S Capital Expenditures 2011-2014 Decision, D.22-07-007.

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2. **APPLICABILITY:** The GRCGTSMA shall apply to all customer classes, except for those specifically excluded by the Commission.

3. **REVISION DATES:** Disposition of the balances in the account are detailed in the subaccount descriptions.

4. **RATES:** The GRCGTSMA does not have a separate rate component.

5. **ACCOUNTING PROCEDURE:** The GRCGTSMA consists of the following subaccounts:

CORE BACKBONE SUBACCOUNT: The purpose of the Core Backbone Subaccount is to record the under or overcollection resulting from the difference between the adopted 2023 GRC core backbone revenue requirement and the placeholder revenue requirement included in rates on January 1, 2023. The Core Backbone Subaccount also records the core portion of the backbone revenue requirement adopted in D.22-07-007. Disposition of the balance in this subaccount shall be through the Core Fixed Cost Account (CFCA) – Core Cost Subaccount.

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CORE LOCAL TRANSMISSION SUBACCOUNT: The purpose of the Core Local Transmission Subaccount is to record the under or overcollection resulting from the difference between the adopted 2023 GRC core local transmission revenue requirement and the placeholder revenue requirement included in rates on January 1, 2023. The Core Local Transmission Subaccount also records the core portion of the local transmission revenue requirement adopted in D.22-07-007. Disposition of the balance in this subaccount shall be through the Core Fixed Cost Account (CFCA) - Core Cost Subaccount.

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CORE STORAGE SUBACCOUNT: The purpose of the Core Storage Subaccount is to record the under or overcollection resulting from the difference between the adopted 2023 GRC core storage revenue requirement and the placeholder revenue requirement included in rates on January 1, 2023. The Core Storage Subaccount also records the core portion of the storage revenue requirement adopted in D.22-07-007. Disposition of the balance in this subaccount shall be through the Core Fixed Cost Account (CFCA) – Core Cost Subaccount.

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NONCORE BACKBONE SUBACCOUNT: The purpose of the Noncore Backbone Subaccount is to record the under or overcollection resulting from the difference between the adopted 2023 GRC noncore backbone revenue requirement and the placeholder revenue requirement included in rates on January 1, 2023. The Noncore Backbone Subaccount also records the noncore portion of the Backbone Revenue Requirement adopted in D.22-07-007. Disposition of the balance in this subaccount shall be through the Gas Transmission and Storage Revenue Sharing Mechanism-Backbone Subaccount.

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GAS PRELIMINARY STATEMENT PART DD Sheet 2
GENERAL RATE CASE GAS TRANSMISSION & STORAGE MEMORANDUM ACCOUNT
(GRCGTSMA)

DD. GENERAL RATE CASE GAS TRANSMISSION & STORAGE MEMORANDUM ACCOUNT
(GRCGTSMA) (Cont'd.)

5. ACCOUNTING PROCEDURE: The GRCGTSMA consists of the following subaccounts:
(Cont'd.)

NONCORE LOCAL TRANSMISSION SUBACCOUNT: The purpose of the Noncore Local Transmission Subaccount is to record the under or overcollection resulting from the difference between the adopted 2023 noncore local transmission revenue requirement and the placeholder revenue requirement included in rates on January 1, 2023. The Noncore Local Transmission Subaccount also records the noncore portion of the Local Transmission revenue requirement adopted in D.22-07-007. Disposition of the balance in this subaccount shall be through the Gas Transmission and Storage Revenue Sharing Mechanism-Local Transmission Subaccount.

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a) Core Backbone Subaccount

The following entries shall be made to the Core Backbone Subaccount, net of an allowance for Revenue Fees and Uncollectible (RF&U) accounts expense, upon implementation of a final decision in the 2023 GRC, or monthly as applicable:

- 1) A one-time debit entry equal to the adopted annual 2023 GRC core backbone revenue requirement, prorated monthly beginning January 1, 2023, until the final 2023 GRC decision is implemented;
- 2) A one-time credit entry equal to the annual core backbone placeholder revenue requirement included in gas rates on January 1, 2023, prorated monthly until the final 2023 GRC is implemented;
- 3) A one-time debit entry equal to the core backbone revenue requirement adopted in D.22-07-007;
- 4) An entry to record the transfer of amounts to or from other accounts as approved by the Commission; and
- 5) An entry equal to interest on the average balance in the account at the beginning of the month and the balance after the above entries, at a rate equal to one-twelfth of the interest rate on three-month Commercial Paper for the previous month, as reported in the Federal Reserve Statistical Release, H.15 or its successor.

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GAS PRELIMINARY STATEMENT PART DD Sheet 3
GENERAL RATE CASE GAS TRANSMISSION & STORAGE MEMORANDUM ACCOUNT
(GRCGTSMA)

DD. GENERAL RATE CASE GAS TRANSMISSION & STORAGE MEMORANDUM ACCOUNT
(GRCGTSMA) (Cont'd.)

5. ACCOUNTING PROCEDURE: The GRCGTSMA consists of the following subaccounts:
(Cont'd.)

b) Core Local Transmission Subaccount

The following entries shall be made to the Core Local Transmission Subaccount, net of RF&U, upon implementation of a final decision in the 2023 GRC, or monthly as applicable:

- 1) A one-time debit entry equal to the adopted annual 2023 GRC core local transmission revenue requirement, prorated monthly beginning January 1, 2023, until the final 2023 GRC decision is implemented;
- 2) A one-time credit entry equal to the annual core local transmission placeholder revenue requirement included in rates on January 1, 2023, prorated monthly until the final 2023 GRC decision is implemented;
- 3) A one-time debit entry equal to the core local transmission revenue requirement, adopted in D.22-07-007; (N)
(N)
- 4) An entry to record the transfer of amounts to or from other accounts as approved by the Commission; and (T)
- 5) An entry equal to interest on the average balance in the account at the beginning of the month and the balance after the above entries, at a rate equal to one-twelfth of the interest rate on three-month Commercial Paper for the previous month, as reported in the Federal Reserve Statistical Release, H.15 or its successor. (T)

c) Core Storage Subaccount

The following entries shall be made to the Core Storage Subaccount, net of RF&U, upon implementation of a final decision in the 2023 GRC, or monthly as applicable:

- 1) A one-time debit entry equal to the adopted annual 2023 GRC core storage revenue requirement, prorated monthly beginning January 1, 2023, until the final 2023 GRC decision is implemented;
- 2) A one-time credit entry equal to the core storage placeholder revenue requirement included in rates on January 1, 2023, prorated monthly until the final 2023 GRC decision is implemented;
- 3) A one-time debit entry equal to the core storage revenue requirement, adopted in D.22-07-007; (N)
(N)
- 4) An entry to record the transfer of amounts to or from other accounts as approved by the Commission; and (T)
- 5) An entry equal to interest on the average balance in the account at the beginning of the month and the balance after the above entries, at a rate equal to one-twelfth of the interest rate on three-month Commercial Paper for the previous month, as reported in the Federal Reserve Statistical Release, H.15 or its successor. (T)

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GAS PRELIMINARY STATEMENT PART DD Sheet 4
GENERAL RATE CASE GAS TRANSMISSION & STORAGE MEMORANDUM ACCOUNT
(GRCGTSMA)

DD. GENERAL RATE CASE GAS TRANSMISSION & STORAGE MEMORANDUM ACCOUNT
(GRCGTSMA) (Cont'd.)

5. ACCOUNTING PROCEDURE: The GRCGTSMA consists of the following subaccounts:
(Cont'd.)

d) Noncore Backbone Subaccount

The following entries shall be made monthly to the Noncore Backbone Subaccount, net of RF&U, upon implementation of a final decision in the 2023 GRC, or monthly as applicable:

- 1) A one-time debit entry equal to the adopted annual 2023 GRC noncore backbone revenue requirement, prorated monthly beginning January 1, 2023, until the final 2023 GRC decision is implemented;
- 2) A one-time credit entry equal to the annual noncore backbone placeholder revenue requirement incorporated into rates on January 1, 2023, prorated monthly until the 2023 GRC final decision is implemented;
- 3) A one-time debit entry equal to the noncore backbone revenue requirement, adopted in D.22-07-007; (N)
(N)
- 4) An entry to record the transfer of amounts to or from other accounts as approved by the Commission; and (T)
- 5) An entry equal to interest on the average balance in the account at the beginning of the month and the balance after the above entries, at a rate equal to one-twelfth of the interest rate on three-month Commercial Paper for the previous month, as reported in the Federal Reserve Statistical Release, H.15 or its successor. (T)

e) Noncore Local Transmission Subaccount

The following entries shall be made to the Noncore Local Transmission Subaccount, net of RF&U, upon implementation of a final decision in the 2023 GRC, or monthly as applicable:

- 1) A one-time debit entry equal to the adopted annual 2023 GRC noncore local transmission revenue requirement, prorated monthly beginning January 1, 2023, until the final 2023 GRC decision is implemented;
- 2) A one-time credit entry equal to the annual noncore local transmission placeholder revenue requirement included in rates on January 1, 2023, prorated monthly until the final 2023 GRC decision is implemented;

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GAS PRELIMINARY STATEMENT PART DD Sheet 5
GENERAL RATE CASE GAS TRANSMISSION & STORAGE MEMORANDUM ACCOUNT
(GRCGTSMA)

DD. GENERAL RATE CASE GAS TRANSMISSION & STORAGE MEMORANDUM ACCOUNT
(GRCGTSMA) (Cont'd.)

5. ACCOUNTING PROCEDURE: The GRCGTSMA consists of the following six subaccounts:
(Cont'd.)

e) Noncore Local Transmission Subaccount (Cont'd.)

- 3) A one-time debit entry equal to the noncore local transmission revenue requirement, adopted in D.22-07-007; (N)
(N)
- 4) An entry to record the transfer of amounts to or from other accounts as approved by the Commission; and (T)
- 5) An entry equal to interest on the average balance in the account at the beginning of the month and the balance after the above entries, at a rate equal to one-twelfth of the interest rate on three-month Commercial Paper for the previous month, as reported in the Federal Reserve Statistical Release, H.15 or its successor. (T)