



GAS PRELIMINARY STATEMENT PART Y
CUSTOMER ENERGY EFFICIENCY ADJUSTMENT

Sheet 1

Y. CUSTOMER ENERGY EFFICIENCY ADJUSTMENT (CEEA)

- 1. PURPOSE: The purpose of the Customer Energy Efficiency Adjustment (CEEA) is to: 1) reflect in rates any incentives earned under the Customer Energy Efficiency (CEE) incentive mechanism; 2) to track the gas portion of PG&E's energy efficiency (EE) program expenses against the gas Public Purpose Program (PPP) surcharge portion of authorized EE program funding; and 3) to track the gas portion of Low Income Energy Efficiency (LIEE) program expenditures against the gas PPP surcharge portion of LIEE program funding. (D) (T)
(T)
- 2. APPLICABILITY: The CEEA shall apply to all rate schedules and contracts for gas service subject to the jurisdiction of the Commission, except for those schedules and contracts specifically excluded by the Commission.
- 3. RATES: The Customer Energy Efficiency Incentive Account (CEEIA) balance is included in the effective transportation rates set forth in each gas rate schedule (see Preliminary Statement, Part B), as applicable. The other two subaccounts of the CEEA are one-way expense tracking accounts and do not have rate components. (T)
- 4. ACCOUNTING PROCEDURE: The CEEA consists of the following three subaccounts: (T)
 - The "Customer Energy Efficiency Incentive Account" (CEEIA) purpose is to record amounts to be reflected in rates for any incentives earned or penalties incurred by PG&E under the Customer Energy Efficiency (CEE) incentive mechanism. (D)
 - The "Gas Public Purpose Program Energy Efficiency Balancing Account" (PPPEEBA), as authorized in Ordering Paragraph 13 of Decision 97-12-103, purpose is to track the gas portion of PG&E's EE program expenditures against the gas PPP surcharge portion of authorized EE program funding.
 - The "Gas Public Purpose Program Gas Low-Income Balancing Account" (PPPLIBA) purpose is to track the gas portion of LIEE program expenditures against the gas PPP surcharge portion of LIEE program funding.

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Sheet 2

Y. CUSTOMER ENERGY EFFICIENCY ADJUSTMENT (CEEA) (Cont'd.)

- 5. Customer Energy Efficiency Incentive Account (CEEIA): The following entries will be made to this subaccount each month or as applicable:
 - a. A debit or credit entry equal to the gas portion of CEE shareholder incentives earned or penalties incurred by PG&E, as authorized by the Commission to be recovered in rates;
 - b. A credit entry equal to the revenue from the CEE Incentive Rate component, excluding an allowance for Revenue Fees and Uncollectible (RF&U) accounts expense; (T)
 - c. A debit or credit entry equal to any amounts authorized by the Commission to be recorded in this subaccount;
 - d. A debit or credit entry, as appropriate, to transfer the balance to other accounts for recovery in rates, upon approval by the Commission; and
 - e. Interest does not accrue in this subaccount pursuant to Decision (D.) 07-09-043.

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Sheet 3

Y. CUSTOMER ENERGY EFFICIENCY ADJUSTMENT (CEEA) (Cont'd.)

- 6. Gas Public Purpose Program Energy Efficiency Balancing Account (PPPEEBA): The following entries will be made to this subaccount each month or as applicable:
 - a. A debit entry equal to the gas portion of authorized EE program expenses. (T)
 - b. A credit entry equal to one-twelfth of the gas portion of authorized EE funding for the current program year. (see corresponding debit entry in gas Preliminary Statement Part BA - Public Purpose Program Surcharge-Energy Efficiency). (D)
(T)
 - c. A one-time debit entry equal to the gas portion of the initially authorized revolving loan amount and any subsequent amount authorized by the Commission (see corresponding credit entry in the On-Bill Financing Balancing Account (OBFBA-G) subaccount of Gas Preliminary Statement Part DJ – Energy Efficiency Financing Balancing Account – Gas (EEFBA-G); the gas portion of OBF expenses are recorded in entry 6.a, above.). (N)
(N)
(T)
 - d. A debit entry equal to the gas portion of a write-off for any OBF loan defaults (See offsetting tracking entries in OBFBA-G subaccount of the EEFBA-G). (N)
 - e. A credit entry to partially reverse the OBF loan pool transfer made in entry 6c, above, equal to the write off for any OBF loan default recorded in entry 6d, above. (T)
 - f. A one-time debit entry equal to the gas portion of the initially authorized credit enhancements (CEs) and any subsequent CEs authorized by the Commission (see corresponding credit entry in the Credit Enhancement Balancing Account (CEBA-G) subaccount of the EEFBA-G; the gas portion of financing pilot expenses are recorded in entry 6.a, above). (N)
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 - g. A debit entry equal to the gas portion of a write-off for any CEs (see offsetting tracking entries in CEBA-G subaccount of the EEFBA-G). |
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 - h. A credit entry to partially reverse the CEs made in entry 6f, above, equal to the write off for any CEs recorded in entry 6g, above. |
(N)
 - i. A debit or credit entry equal to any amounts authorized by the CPUC to be recorded in this subaccount. (T)
(T)
 - j. A debit or credit entry, as appropriate, to record the transfer of amounts to or from other accounts, as approved by the CPUC. (T)
(T)
 - k. An entry equal to the interest on the average balance at the beginning of the month and the balance after the above entries are made, at a rate equal to one-twelfth 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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Sheet 4

Y. CUSTOMER ENERGY EFFICIENCY ADJUSTMENT (CEEA) (Cont'd.)

- 7. Gas Public Purpose Program Gas Low-Income Balancing Account (PPPLIBA): The following entries will be made to this subaccount each month or as applicable: (L)
 - a. A debit entry equal to the gas portion of expenses incurred for authorized LIEE program-related activities; |
 - b. A credit entry equal to one-twelfth of the gas PPP surcharge portion of authorized LIEE funding for the current program year. (See corresponding debit entry in gas Preliminary Statement Part BH - Public Purpose Program Surcharge-Low Income Energy Efficiency); |
 - c. A debit or credit entry equal to any amounts authorized by the CPUC to be recorded in this subaccount; |
 - d. A debit or credit entry, as appropriate, to record the transfer of amounts to or from other accounts, as approved by the Commission; |
 - e. An entry equal to the interest on the average balance at the beginning of the month and the balance after the above entries are made, at a rate equal to one-twelfth 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. | (L)