



**GAS PRELIMINARY STATEMENT PART BS**  
**CLIMATESMART BALANCING ACCOUNT**

Sheet 1

BS. CLIMATESMART BALANCING ACCOUNT – GAS (CSBA-G)

(N)

1. **PURPOSE:** The purpose of the gas ClimateSmart Balancing Account (CSBA) is track premiums and expenses related to the ClimateSmart program, as authorized in California Public Utilities Commission (CPUC) Decision (D.) 06-12-032. The 'Premium Subaccount' will compare premiums collected from participating ClimateSmart customers against expenses for greenhouse gas (GHG)-reduction projects. The 'Administration and Marketing Subaccount' will compare administration and marketing (A&M) expenses associated with PG&E's ClimateSmart program to the program budget authorized by the California Public Utilities Commission (CPUC). Pursuant to D.06-12-032, the A&M revenue requirement, including an allowance for Franchise Fees and Uncollectibles (FF&U), will be collected via distribution rates and recovered in the Core Fixed Cost Account (CFCA) and the Noncore Distribution Fixed Cost Account (NDFCA).
2. **APPLICABILITY:** The Premium Subaccount of the CSBA shall apply to all customers who sign-up for the voluntary ClimateSmart program. The Administration and Marketing Subaccount shall apply to all customer classes, except those specifically excluded by the Commission.
3. **RATES:** The gas Premium Subaccount of the CSBA has the following rate component of \$0.06528 per therm for customers participating in ClimateSmart program. The Administrative and Marketing Subaccount does not have a specific rate component.
4. **ACCOUNTING PROCEDURE:** The following entries shall be made at the end of each month:
  - a. Premium Subaccount
    - i. A credit entry equal to the gas premiums billed for the ClimateSmart program from participating customers, less an allowance for FF&U.
    - ii. A debit entry equal to the allocated gas expense for GHG-reduction projects as part of the ClimateSmart program.
    - iii. A debit or credit entry, as appropriate, to record the transfer to or from this subaccount as authorized by the CPUC.
    - iv. A debit or credit entry, as necessary, equal to the interest on the average of the balance at the beginning of the month and the balance for entries 4.a.i to 4.a.iii above at a rate equal to one-twelfth the cost-of-capital rate adopted in PG&E's latest cost-of-capital proceeding.
  - b. Administration and Marketing Subaccount
    - i. A credit entry equal to one-twelfth of the annual Administrative and Marketing amount authorized by the CPUC, excluding FF&U (see corresponding debit entries in the NDFCA and the Distribution Cost Subaccount of the CFCA).
    - ii. A debit entry equal to the allocated gas portion of administration expenses, including CPUC-authorized expenses for the California Climate Action Registry (CCAR).
    - iii. A debit entry equal to the allocated gas portion of marketing expenses.
    - iv. A debit or credit entry, as appropriate, to record the transfer to or from this subaccount as authorized by the CPUC.
    - v. A debit or credit entry, as necessary, equal to the interest on the average of the balance at the beginning of the month and the balance for entries 4.b.i to 4.b.iv 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.

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Issued by  
**Brian K. Cherry**  
 Vice President  
 Regulatory Relations

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