



GAS PRELIMINARY STATEMENT PART X
LIQUEFIED NATURAL GAS BALANCING ACCOUNT

Sheet 1
 (T)

- X. LIQUEFIED NATURAL GAS BALANCING ACCOUNT (LNGBA) (T)
 - 1. PURPOSE: The purpose of the LNGBA is to record all transportation revenue from customers receiving service under gas rate schedule G-LNG – “Experimental Liquefied Natural Gas Service.” The balance in the LNGBA will be incorporated in rates in the next Annual Gas True-up of Balancing Accounts, or as otherwise authorized by the Commission. (T)
 - Descriptions of the terms and definitions used in this section are found in Preliminary Statement, Part C, or in Rule 1. (T)
 - 2. APPLICABILITY: The LNGBA balance will be collected from all customer classes except for those specifically excluded by the CPUC. (T)
 - 3. REVISION DATE: Disposition of the balance in this account shall be determined in the Annual Gas True-up of Balancing Accounts advice filing, or as otherwise authorized by the Commission. (T)
 - 4. RATES: The LNGBA does not currently have a rate component. (T)
 - 5. ACCOUNTING PROCEDURE:
 - PG&E shall maintain the LNGBA by making entries at the end of each month as follows: (T)
 - a. A credit entry equal to the transportation revenue for deliveries during the month under gas rate schedule G-LNG, excluding the allowance for franchise fees and uncollectible accounts (F&U) expense. (T)
 - b. A credit or debit entry to transfer all or a portion of the balance in the LNGBA to other balancing accounts for future rate recovery, as may be approved by the CPUC. (T)
 - c. An entry equal to interest on the average balance in the LNGBA at the beginning of the month and the balance at the end of the month after entries X.5.a and X.5.b 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)