

**PUBLIC UTILITIES COMMISSION**

505 VAN NESS AVENUE



March 23, 2020

**Advice Letter 4166-G &  
Supplemental 4166-G-A**

Erik Jacobson  
Director, Regulatory Relations  
Pacific Gas and Electric Company  
77 Beale Street, Mail Code B10C  
P.O. Box 770000  
San Francisco, CA 94177

**SUBJECT: Modify Revenue Adjustment Mechanisms in Compliance with PG&E's  
2019 Gas Transmission and Storage Decision 19-09-025**

Dear Mr. Jacobson:

Advice Letter 4166-G & Supplemental 4166-G-A are effective as of January 1, 2019.

Sincerely,

A handwritten signature in cursive script that reads "Edward Randolph".

Edward Randolph  
Deputy Executive Director for Energy and Climate Policy/  
Director, Energy Division



**Erik Jacobson**  
Director  
Regulatory Relations

Pacific Gas and Electric Company  
77 Beale St., Mail Code B13U  
P.O. Box 770000  
San Francisco, CA 94177

Fax: 415-973-3582

October 23, 2019

**Advice 4166-G**

(Pacific Gas and Electric Company ID U 39 G)

Public Utilities Commission of the State of California

**Subject:     Modify Revenue Adjustment Mechanisms in Compliance with  
PG&E's 2019 Gas Transmission and Storage Decision 19-09-025**

Pacific Gas and Electric Company (PG&E) submits revisions to its gas tariffs. The affected tariff sheets are listed on the enclosed Attachment 1.

**Purpose**

This advice letter implements revisions to Pacific Gas and Electric Company's (PG&E) gas tariffs in accordance with PG&E's 2019 Gas Transmission and Storage (GT&S) Decision (D.) 19-09-025, Ordering Paragraph (OP) 93, effective January 1, 2019. Separate advice letters are being submitted on October 23, 2019 to make other tariff modifications required by D.19-09-025. These advice letters include Advice 4165-G, Advice 4167-G, Advice 4168-G, and Advice 4169-G.

**Background**

On November 17, 2017, PG&E filed an application at the CPUC requesting that the Commission adopt its gas transmission & storage (GT&S) revenue requirement, cost allocation, and rate design for the period of 2019-2022. On September 23, 2019, the CPUC issued D.19-09-025, which addresses the issues before the Commission related to PG&E's application. This Advice Letter is submitted to implement preliminary statement changes necessary to comply with Section 14.5 of the Decision.

**Tariff Revisions**

- Gas Preliminary Statement Part F – Core Fixed Cost Account (CFCA) and Gas Preliminary Statement Part J – Noncore Customer Class Charge Account (NCA) have been modified in compliance with Section 14.5 “to recover the revenue requirement associated with depreciation and decommissioning of Los Medanos and Pleasant Creek Storage Facilities from all customers in

end-use rates”<sup>1</sup> and return incidental negotiated storage revenues allocated to core and noncore customers.<sup>2</sup>

- Gas Preliminary Statement Part CP – Gas Transmission and Storage Revenue Sharing Mechanism (GTSRSM) has been modified to remove the \$30 million seed and change the timing of the annual transfer to December 31.<sup>3</sup> Additionally, pursuant to OP 82, in a separate advice letter to be submitted no later than November 22, 2019, PG&E will propose to modify the local transmission subaccount of the GTSRSM to change the transfer of the noncore portion from the Noncore subaccount of the NCA to a new Local Transmission subaccount of the NCA. This change ensures that noncore backbone customers will not pay local transmission costs.

This submittal would not increase any current rate or charge, cause the withdrawal of service, or conflict with any rate schedule or rule.

### **Protests**

Anyone wishing to protest this submittal may do so by letter sent via U.S. mail, facsimile or E-mail, no later than November 12, 2019, which is 20 days after the date of this submittal. Protests must be submitted to:

CPUC Energy Division  
ED Tariff Unit  
505 Van Ness Avenue, 4<sup>th</sup> Floor  
San Francisco, California 94102

Facsimile: (415) 703-2200  
E-mail: EDTariffUnit@cpuc.ca.gov

Copies of protests also should be mailed to the attention of the Director, Energy Division, Room 4004, at the address shown above.

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<sup>1</sup> D.19-09-025, Section 14.5, Cost Recovery Mechanisms, pg. 289. Page 290 of D.19-09-025 approves PG&E’s proposed preliminary statement modifications, “We find the PG&E’s proposals to retain, change or discontinue these accounts are just and reasonable. No party protests PG&E’s proposals.”

<sup>2</sup> D.19-09-025, Section 14.5.4, page 292 of D. 19-09-025 states, “PG&E’s proposal to remove noncore storage, and the related \$30 million seed value, is reasonable as, pursuant to the NGSS, PG&E will eliminate its standard firm storage service. We also find that PG&E’s proposal to change the timing for the annual transfer to coincide with its other balancing accounts is reasonable.” PG&E will file a subsequent separate advice letter to remove the storage subaccount upon completion of the Late Implementation Amortization described in Appendix H, Table 2. Additionally, eliminating the \$30 million seed renders the Revenue Sharing subaccount of the GTSRSM obsolete.

<sup>3</sup> Ibid

The protest shall also be sent to PG&E either via E-mail or U.S. mail (and by facsimile, if possible) at the address shown below on the same date it is mailed or delivered to the Commission:

Erik Jacobson  
Director, Regulatory Relations  
c/o Megan Lawson  
Pacific Gas and Electric Company  
77 Beale Street, Mail Code B13U  
P.O. Box 770000  
San Francisco, California 94177

Facsimile: (415) 973-3582  
E-mail: PGETariffs@pge.com

Any person (including individuals, groups, or organizations) may protest or respond to an advice letter (General Order 96-B, Section 7.4). The protest shall contain the following information: specification of the advice letter protested; grounds for the protest; supporting factual information or legal argument; name, telephone number, postal address, and (where appropriate) e-mail address of the protestant; and statement that the protest was sent to the utility no later than the day on which the protest was submitted to the reviewing Industry Division (General Order 96-B, Section 3.11).

### **Effective Date**

PG&E requests that this Tier 2 advice submittal become effective January 1, 2019 in accordance with the Administrative Law Judge's December 11, 2018 Ruling making GT&S revenue requirements effective January 1, 2019.

### **Notice**

In accordance with General Order 96-B, Section IV, a copy of this advice letter is being sent electronically and via U.S. mail to parties shown on the attached list and the parties on the service list for A.17-11-009. Address changes to the General Order 96-B service list should be directed to PG&E at email address PGETariffs@pge.com. For changes to any other service list, please contact the Commission's Process Office at (415) 703-2021 or at Process\_Office@cpuc.ca.gov. Send all electronic approvals to PGETariffs@pge.com. Advice letter submittals can also be accessed electronically at: <http://www.pge.com/tariffs/>.

/S/

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Erik Jacobson  
Director, Regulatory Relations

Attachments

cc: Service List A.17-11-009



# ADVICE LETTER SUMMARY

## ENERGY UTILITY



MUST BE COMPLETED BY UTILITY (Attach additional pages as needed)

Company name/CPUC Utility No.: Pacific Gas and Electric Company (ID U39 G)

Utility type:

- ELC       GAS       WATER  
 PLC       HEAT

Contact Person: Annie Ho

Phone #: (415) 973-8794

E-mail: PGETariffs@pge.com

E-mail Disposition Notice to: AMHP@pge.com

### EXPLANATION OF UTILITY TYPE

ELC = Electric      GAS = Gas      WATER = Water  
 PLC = Pipeline      HEAT = Heat

(Date Submitted / Received Stamp by CPUC)

Advice Letter (AL) #: 4166-G

Tier Designation: 2

Subject of AL: Modify Revenue Adjustment Mechanisms in Compliance with PG&E's 2019 Gas Transmission and Storage Decision 19-09-025

Keywords (choose from CPUC listing): Compliance,

AL Type:  Monthly  Quarterly  Annual  One-Time  Other:

If AL submitted in compliance with a Commission order, indicate relevant Decision/Resolution #: D.19-09-025

Does AL replace a withdrawn or rejected AL? If so, identify the prior AL: No

Summarize differences between the AL and the prior withdrawn or rejected AL:

Confidential treatment requested?  Yes  No

If yes, specification of confidential information:

Confidential information will be made available to appropriate parties who execute a nondisclosure agreement. Name and contact information to request nondisclosure agreement/ access to confidential information:

Resolution required?  Yes  No

Requested effective date: 1/1/19

No. of tariff sheets: 12

Estimated system annual revenue effect (%): N/A

Estimated system average rate effect (%): N/A

When rates are affected by AL, include attachment in AL showing average rate effects on customer classes (residential, small commercial, large C/I, agricultural, lighting).

Tariff schedules affected: See Attachment 1

Service affected and changes proposed<sup>1</sup>: N/A

Pending advice letters that revise the same tariff sheets: N/A

<sup>1</sup>Discuss in AL if more space is needed.

**Protests and all other correspondence regarding this AL are due no later than 20 days after the date of this submittal, unless otherwise authorized by the Commission, and shall be sent to:**

CPUC, Energy Division  
Attention: Tariff Unit  
505 Van Ness Avenue  
San Francisco, CA 94102  
Email: [EDTariffUnit@cpuc.ca.gov](mailto:EDTariffUnit@cpuc.ca.gov)

Name: Erik Jacobson, c/o Megan Lawson  
Title: Director, Regulatory Relations  
Utility Name: Pacific Gas and Electric Company  
Address: 77 Beale Street, Mail Code B13U  
City: San Francisco, CA 94177  
State: California Zip: 94177  
Telephone (xxx) xxx-xxxx: (415)973-2093  
Facsimile (xxx) xxx-xxxx: (415)973-3582  
Email: [PGETariffs@pge.com](mailto:PGETariffs@pge.com)

Name:  
Title:  
Utility Name:  
Address:  
City:  
State: District of Columbia Zip:  
Telephone (xxx) xxx-xxxx:  
Facsimile (xxx) xxx-xxxx:  
Email:

Cal P.U.C. Sheet No.	Title of Sheet	Cancelling Cal P.U.C. Sheet No.
35333-G	GAS PRELIMINARY STATEMENT PART CP GAS TRANSMISSION AND STORAGE REVENUE SHARING MECHANISM Sheet 1	32758-G
35334-G	GAS PRELIMINARY STATEMENT PART CP GAS TRANSMISSION AND STORAGE REVENUE SHARING MECHANISM Sheet 2	33461-G
35335-G	GAS PRELIMINARY STATEMENT PART CP GAS TRANSMISSION AND STORAGE REVENUE SHARING MECHANISM Sheet 3	33462-G, 33463-G
35336-G	GAS PRELIMINARY STATEMENT PART F CORE FIXED COST ACCOUNT Sheet 1	31165-G
35337-G	GAS PRELIMINARY STATEMENT PART F CORE FIXED COST ACCOUNT Sheet 2	33815-G
35338-G	GAS PRELIMINARY STATEMENT PART F CORE FIXED COST ACCOUNT Sheet 3	33816-G
35339-G	GAS PRELIMINARY STATEMENT PART F CORE FIXED COST ACCOUNT Sheet 4	33817-G
35340-G	GAS PRELIMINARY STATEMENT PART J NONCORE CUSTOMER CLASS CHARGE ACCOUNT Sheet 2	33482-G
35341-G	GAS PRELIMINARY STATEMENT PART J NONCORE CUSTOMER CLASS CHARGE ACCOUNT Sheet 3	33819-G
35342-G	GAS TABLE OF CONTENTS Sheet 1	35310-G
35343-G	GAS TABLE OF CONTENTS Sheet 4	35313-G
35344-G	GAS TABLE OF CONTENTS Sheet 5	35068-G



**GAS PRELIMINARY STATEMENT PART CP** Sheet 1  
**GAS TRANSMISSION AND STORAGE REVENUE SHARING MECHANISM**

**CP. Gas Transmission & Storage Revenue Sharing Mechanism (GTSRSM)**

- 1. **PURPOSE:** The purpose of the Gas Transmission & Storage (GT&S) Revenue Sharing Mechanism (GTSRSM) is to record the customer portion of recorded total revenue over- or under-collections (derived for backbone transmission, local transmission and storage). (T)  
(T)

The disposition of this account will be the 12-month period from January 1 through December 31. (There will be a transitional 15-month disposition period for October 1, 2018 through December 31, 2019.) (T)  
(T)

- 2. **APPLICABILITY:** The revenue sharing mechanism shall apply to all customer classes, except for those specifically excluded by the Commission.
- 3. **REVISION DATES:** Disposition of the balances in the subaccounts of this account shall be through the Customer Class Charge in the Annual Gas True-up (AGT) advice letter process.
- 4. **RATES:** GTSRSM rates are included in the effective rates set forth in each rate schedule (including Preliminary Statement, Part B), as applicable.
- 5. **ACCOUNTING PROCEDURE:** The revenue sharing mechanism consists of the following three subaccounts: (T)

**BACKBONE SUBACCOUNT:** The purpose of backbone subaccount is to record the difference between the adopted backbone revenue requirement and recorded backbone revenues, whether an over-collection or an under-collection, to be shared 50% to customers and 50% to shareholders. [Note: Core Reservation is balancing account protected and therefore not included in this calculation. Rate Schedule G-XF is subject to incremental ratemaking and therefore also not included. In accordance with the Gas Accord V Settlement Agreement, the Customer Access Charge (CAC) is also not subject to the sharing mechanism.]

**LOCAL TRANSMISSION SUBACCOUNT:** The purpose of the local transmission subaccount is to record the difference between the adopted local transmission revenue requirement and recorded local transmission revenues, whether an over-collection or an under-collection, to be shared 75% to customers and 25% to shareholders. [Note: Core Local Transmission is balancing account protected and therefore not included in this calculation.]

(Continued)





**GAS PRELIMINARY STATEMENT PART CP**  
**GAS TRANSMISSION AND STORAGE REVENUE SHARING MECHANISM**

Sheet 3

5. ACCOUNTING PROCEDURE (Ctd.):

b. Local Transmission Subaccount

The following entries, net of an allowance for Revenue Fees and Uncollectible (RF&U) accounts expense, shall be made to this subaccount, as applicable:

- 1) A monthly debit equal to 75% of one-twelfth of the authorized local transmission revenue requirement and the related 2019 GT&S undercollection. (T)
- 2) A monthly credit equal to 75% of the recorded local transmission revenue and the related 2019 GT&S Late Implementation Amortization revenues. (T)
- (D)
- (D)
- 3) An annual entry to transfer the balance in this subaccount as of December 31 of each year to the Core subaccount of the Core Fixed Cost Account (CFCA) and the Noncore subaccount of the Noncore Customer Class Charge Account (NCA). The distribution of the balance will be 50% to core and 50% to noncore (T)
- (T)
- 4) A monthly entry equal to interest on the average balance in the subaccount 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. Storage Subaccount

The following entries, net of an allowance for Revenue Fees and Uncollectible (RF&U) accounts expense, shall be made to this subaccount, as applicable:

- 1) A monthly debit entry equal to 75% of one-twelfth of the authorized storage revenue requirement and the related 2019 GT&S undercollection. (T)
- 2) A monthly credit entry equal to 75% of the recorded storage revenue and the related 2019 GT&S Late Implementation Amortization revenues. (T)
- (D)
- (D)
- 3) If the balance is over-collected, on December 31 each year, a debit entry to transfer the accumulated balance to the Core subaccount of the Core Fixed Cost Account (CFCA) and the Noncore subaccount of the Noncore Customer Class Charge Account (NCA). The distribution of the balance will be 50% to core and 50% to noncore. If the balance is under-collected, PG&E is at risk and will transfer the balance to earnings. (T)
- (T)
- 4) A monthly entry equal to interest on the average balance in the subaccount 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)



**GAS PRELIMINARY STATEMENT PART F  
CORE FIXED COST ACCOUNT**

Sheet 1

F. CORE FIXED COST ACCOUNT (CFCA)

- 1. **PURPOSE:** The purpose of the CFCA is to record the authorized GRC distribution base revenue amounts (with credits and adjustments), certain other core transportation costs, and transportation revenue from core customers. Any under- or overcollection in this account will be incorporated into core transportation rates in the next Annual Gas True-up of Balancing Accounts.

Descriptions of the terms and definitions used in this section are found in Preliminary Statement, Part C or in Rule 1. Refer to Section C.3 for the cost allocation factors used to determine the core portion of certain costs.

- 2. **APPLICABILITY:** The CFCA applies to all core transportation rate schedules and contracts subject to the jurisdiction of the CPUC, except for those schedules and contracts specifically excluded by the CPUC.
- 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.
- 4. **FORECAST PERIOD:** The forecast test period will be as specified in the current Cost Allocation Proceeding.
- 5. **RATES:** CFCA rates are included in the effective rates set forth in each rate schedule (see Preliminary Statement, Part B), as applicable.
- 6. **ACCOUNTING PROCEDURE:** The CFCA consists of the following subaccounts:

The "Distribution Cost Subaccount" recovers the distribution base revenue requirement adopted in PG&E's General Rate Case (GRC), including Annual Attrition Adjustments and the Cost of Capital Proceedings, and the revenue requirement associated with depreciation and decommissioning the Los Medanos and Pleasant Creek Facilities adopted in PG&E's Gas Transmission & Storage (GT&S) rate case, that are allocated to core transportation customers based on the distribution base revenue allocation adopted in the Cost Allocation Proceeding.

(N)  
|  
(N)

The "Core Cost Subaccount" recovers non-distribution-related costs adopted by the Commission in various proceedings that are allocated to core transportation customers.

The "AB 32 Cost of Implementation Fee Core Subaccount" recovers the gas cost portion of the California Air Resources Board's (ARB) AB 32 Cost of Implementation Fee allocated to PG&E's core transportation customers.

(Continued)



**GAS PRELIMINARY STATEMENT PART F  
CORE FIXED COST ACCOUNT**

Sheet 2

F. Core Fixed Cost Account (CFCA) (Cont'd.)

6. ACCOUNTING PROCEDURE: (Cont'd.)

a. Distribution Cost Subaccount

The following entries will be made to this subaccount at the end of each month, or as applicable, excluding an allowance for Revenue Fees and Uncollectible (RF&U) account expense:

- 1) a credit entry equal to California Alternate Rates for Energy (CARE) shortfall resulting from core commercial deliveries under Schedule G-CARE, and customer charges under Schedule GL1-NGV;
- 2) a debit entry equal to one-twelfth of the core portion of the authorized GRC distribution base revenue amount (with credits and adjustments);
- 3) a credit entry equal to the revenue from the CFCA – Distribution Cost rate component;
- 4) a debit entry equal to one-twelfth of the revenue requirement associated with depreciation and decommissioning of the Los Medanos and Pleasant Creek facilities adopted in PG&E's GT&S rate case that is allocated on a core distribution basis; (N)
- 5) a credit entry, as appropriate, to record the rebates paid to customers associated with the 2006 Winter Gas Savings Program, which has corresponding entries in the Winter Gas Savings Program Transportation Subaccount of the CFCA and Winter Gas Savings Program Procurement Subaccount of the Purchased Gas Account; (T)
- 6) a debit entry equal to one-twelfth of the gas core portion of the ClimateSmart Administrative and Marketing revenue requirement, (see corresponding credit entry in the Administrative and Marketing Subaccount of the ClimateSmart Balancing Account); (T)
- 7) a debit or credit entry, as appropriate, to record the transfer of amounts from other accounts to this subaccount for recovery in rates, upon approval by the CPUC; (T)
- 8) a debit or credit entry equal to any expense adopted by the CPUC as a cost to be recovered in this subaccount; (T)
- 9) an entry equal to the core portion of the gain or loss on the sale of a gas distribution non-depreciable asset, as approved by the Commission; (T)
- 10) a credit entry equal to the amount of employee transfer fees allocated to PG&E's core gas ratepayers. The core portion is based on the "Distribution Base Revenue Requirement" factor from PG&E's Preliminary Statement Part C.3.a in effect at the time of the payment; (T)
- 11) a debit entry equal to one-twelfth of the adopted current year gas distribution revenue requirement allocated to core customers for best practices related to minimizing methane emissions. A corresponding credit entry (including both core and noncore) is recorded in Gas Preliminary Statement Part DZ, New Environmental Regulations Balancing Account, Item 5a, (T)
- 12) a debit entry equal to one-twelfth of the adopted current year gas distribution revenue requirement allocated to core customers for pilot projects and research and development (R&D) related to minimizing methane emissions. A corresponding credit entry (including both core and noncore) is recorded in Gas Preliminary Statement Part EA, Natural Gas Leak Abatement Program Balancing Account, Item 5a; and (T)

(Continued)



**GAS PRELIMINARY STATEMENT PART F  
CORE FIXED COST ACCOUNT**

Sheet 3

6. ACCOUNTING PROCEDURE: (Cont'd.)

a. Distribution Cost Subaccount (Cont'd)

13) an entry equal to interest on the average of the balance in the account at the beginning of the month and the balance in the account after above entries, at a rate equal to one-twelfth the interest rate of the three-month Commercial Paper for the previous month, as reported in the Federal Reserve Statistical Release, H.15, or its successor.

(L)  
|  
|  
|  
|  
(L)

b. Core Cost Subaccount

The following entries will be made to this subaccount at the end of each month, or as applicable, excluding an allowance for RF&U:

- 1) a credit entry equal to the revenue from the CFCA – Core Cost rate component;
- 2) a credit entry equal to the revenue from the local transmission rate component from core deliveries during the month;
- 3) a credit entry equal to the revenue from the core local transmission, core backbone, and core storage GT&S Late Implementation Amortization rate components;
- 4) a credit entry equal to the incidental negotiated storage revenues allocated to core customers;
- 5) a debit entry equal to the core portion of intervenor compensation payments authorized by the CPUC, recorded during the month;
- 6) a debit entry equal to one-twelfth of the core portion of the authorized local transmission revenue requirement,
- 7) a debit entry equal to one-twelfth of the core portion of the revenue requirement associated with depreciation and decommissioning of the Los Medanos and Pleasant Creek facilities adopted in PG&E's GT&S rate case that is allocated on an equal cents per therm basis;
- 8) a debit or credit entry, as appropriate, to record the transfer of amounts from other accounts to this subaccount for recovery in rates, upon approval by the CPUC;
- 9) an entry equal to 65.907 percent of the local transmission revenue shortfall or over-recovery resulting from a change in customers qualifying for backbone-level end-use service, and associated throughput reduction or increase, as applicable;
- 10) a debit or credit entry equal to any amounts authorized by the CPUC to be recorded in this subaccount;
- 11) a debit entry equal to one-twelfth of the core portion of the current year Self Generation Incentive Program (SGIP) revenue requirement authorized by the CPUC;
- 12) an entry equal to the core portion of the gain or loss on the sale of a gas transmission non-depreciable asset, as approved by the Commission;
- 13) a debit entry equal to the core gas portion of incremental administrative costs and amounts written off as uncollectible associated with the payment deferral plan for qualifying citrus and other agricultural growers pursuant to Resolution E-4065;
- 14) an entry equal to the core portion of the transportation revenue for deliveries during the month under gas rate schedule G-LNG. The distribution between core and noncore is the "equal distribution based on all transportation volumes" allocator as specified in Preliminary Statement Part C.3;

(T)  
(N)  
(N)  
(T)  
(T)  
(D)  
(D)  
(N)  
|  
(N)  
(T)  
(T)  
(T)  
(T)  
(T)  
(T)  
(T)

(Continued)



**GAS PRELIMINARY STATEMENT PART F  
CORE FIXED COST ACCOUNT**

Sheet 4

F. Core Fixed Cost Account (CFCA) (Cont'd.)

6. ACCOUNTING PROCEDURE: (Cont'd.)

b. Core Cost Subaccount (Cont'd.)

- 15) a debit entry equal to the core portion of biomethane incentive and study payments. The core portion is based on the "Other – Equal Distribution Based on All Transportation Volumes" factor from PG&E's Preliminary Statement Part C.3.a in effect at the time of the payment; (T)
- 16) a debit or credit entry equal to the core customers' portion of the difference between one-twelfth of the core portion of the authorized annual electricity costs revenue requirement, and the core portion of the actual electricity expenses incurred to provide gas transmission and storage services to PG&E's customers (The core portion of actual electricity costs is based on the cost allocation factor shown in Gas Preliminary Statement Part C.3.a. for "Other – Equal Distribution Based on All Transportation Volumes.) (T)
- 17) a debit entry equal to one-twelfth of the core portion of pension related revenue requirement allocated to the Gas Transmission and Storage function; and (T)
- 18) a debit entry equal to one-twelfth of the adopted current year gas transmission revenue requirement allocated to core customers for best practices related to minimizing methane emissions consistent with new regulatory requirements pursuant to Senate Bill 1371 and Commission Decision 17-06-015. A corresponding credit entry (including both core and noncore) is recorded in Gas Preliminary Statement Part DZ, New Environmental Regulations Balancing Account, Item 5b. The core portion of the adopted revenue requirement is based on the "Other-Equal Distribution Based on All Transportation Volumes" allocator adopted in Gas Preliminary Part C, Gas Accounting Terms & Definitions, 3.a. Cost Allocation Factors. (T)
- 19) a debit entry equal to one-twelfth of the adopted current year gas transmission revenue requirement allocated to core customers for pilot projects and research and development (R&D) related to minimizing methane emissions consistent with new regulatory requirements pursuant to Senate Bill 1371 and Commission Decision 17-06-015. A corresponding credit entry (including both core and noncore) is recorded in Gas Preliminary Statement Part EA, Natural Gas Leak Abatement Program Balancing Account, Item 5b. The core portion of the adopted revenue requirement is based on the "Other-Equal Distribution Based on All Transportation Volumes" allocator adopted in Gas Preliminary Part C, Gas Accounting Terms & Definitions, 3.a. Cost Allocation Factors. (T)
- 20) an entry equal to interest on the average of the balance in the account at the beginning of the month and the balance in the account after entries above, at a rate equal to one-twelfth the interest rate of the three month Commercial Paper for the previous month, as reported in the Federal Reserve Statistical Release. H.15, or its successor (T)



**GAS PRELIMINARY STATEMENT PART J  
NONCORE CUSTOMER CLASS CHARGE ACCOUNT**

Sheet 2

J. NONCORE CUSTOMER CLASS CHARGE ACCOUNT (NCA) (Cont'd.)

6. ACCOUNTING PROCEDURE: (Cont'd.)

a. Noncore Subaccount

The following entries will be made to this subaccount each month, or as applicable, excluding an allowance for Revenue Fees and Uncollectible (FF&U) account expense:

- 1) a debit entry equal to one-twelfth of the noncore portion of the procurement-related G-10 employee discount allocation shown on Preliminary Statement Part C.2;
- 2) a debit entry equal to the noncore portion of intervenor compensation and any other expense adopted by the CPUC as a cost to be included in this subaccount;
- 3) a credit entry equal to the NCA-Noncore revenue;
- 4) a credit entry equal to the incidental negotiated storage revenues allocated to noncore customers; (N)  
(N)
- 5) an debit or credit entry, as appropriate, to record the transfer of amounts from other accounts to this subaccount for recovery in rates, upon approval by the CPUC; (T)
- 6) an entry equal to 34.093 percent of the local transmission revenue shortfall or over-recovery resulting from a change in customers qualifying for backbone-level end-use service, and associated throughput reduction or increase, as applicable; (T)
- 7) a debit entry equal to one-twelfth of the noncore portion of the current year Self Generation Incentive Program (SGIP) revenue requirement authorized by the CPUC; (T)
- 8) an entry equal to the noncore portion of the gain or loss on the sale of a gas transmission non-depreciable asset, as approved by the Commission; (T)
- 9) a debit entry equal to the noncore gas portion of incremental administrative costs and amounts written off as uncollectible associated with the payment deferral plan for qualifying citrus and other agricultural growers pursuant to Resolution E-4065; (T)
- 10) an entry equal to the noncore portion of the transportation revenue for deliveries during the month under gas rate schedule G-LNG. The distribution between core and noncore is the "equal distribution based on all transportation volumes" allocator as specified in Preliminary Statement Part C.3; (T)
- 11) a debit or credit entry equal to the noncore customers' portion of the difference between one-twelfth of the noncore portion of the authorized annual electricity costs revenue requirement, and the noncore portion of the actual electricity expenses incurred to provide gas transmission and storage services to PG&E's customers (The noncore portion of actual electricity costs is based on the cost allocation factor shown in Gas Preliminary Statement Part C.3.a. for "Other – Equal Distribution Based on All Transportation Volumes.); (T)
- 12) a debit entry equal to one-twelfth of the noncore portion of pension related revenue requirement allocated to the Gas Transmission and Storage function; (T)  
(T)

(Continued)



**GAS PRELIMINARY STATEMENT PART J  
NONCORE CUSTOMER CLASS CHARGE ACCOUNT**

Sheet 3

J. NONCORE CUSTOMER CLASS CHARGE ACCOUNT (NCA) (Cont'd.)

6. ACCOUNTING PROCEDURE: (Cont'd.)

a. Noncore Subaccount (Cont'd.)

- 13) a debit entry equal to one-twelfth of the adopted current year gas transmission revenue requirement allocated to noncore customers for best practices related to minimizing methane emissions consistent with new regulatory requirements pursuant to Senate Bill 1371 and Commission Decision 17-06-015. A corresponding credit entry (including both core and noncore) is recorded in Gas Preliminary Statement Part DZ, New Environmental Regulations Balancing Account, Item 5b. The noncore portion of the adopted revenue requirement is based on the "Other-Equal Distribution Based on All Transportation Volumes" allocator adopted in Gas Preliminary Part C, Gas Accounting Terms & Definitions, 3.a. Cost Allocation Factors. (T)
- 14) a debit entry equal to one-twelfth of the adopted current year gas transmission revenue requirement allocated to noncore customers for best practices related to pilot projects and research and development (R&D) related to minimizing methane emissions consistent with new regulatory requirements pursuant to Senate Bill 1371 and Commission Decision 17-06-015. A corresponding credit entry (including both core and noncore) is recorded in Gas Preliminary Statement Part EA, Natural Gas Leak Abatement Program Balancing Account, Item 5b. The noncore portion of the adopted revenue requirement is based on the "Other-Equal Distribution Based on All Transportation Volumes" allocator adopted in Gas Preliminary Part C, Gas Accounting Terms & Definitions, 3.a. Cost Allocation Factors. (T)
- 15) a debit entry equal to one-twelfth of the noncore portion of the revenue requirement associated with depreciation and decommissioning of the Los Medanos and Pleasant Creek facilities adopted in PG&E's GT&S rate case; and (N)  
(N)
- 16) an entry equal to interest on the average of the balance in the subaccount at the beginning of the month and the balance after entries from above, 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)  
(T)

b. Distribution Subaccount

The following entries will be made to this subaccount each month, or as applicable, excluding an allowance for RF&U:

- 1) a one-time entry equal to the noncore distribution portion of the authorized GRC base revenue requirement;
- 2) a debit entry equal to one-twelfth of the gas noncore portion of the ClimateSmart Administrative and Marketing revenue requirement, (see corresponding credit entry in the Administrative and Marketing Subaccount of the ClimateSmart Balancing Account)
- 3) an entry equal to any other amounts adopted by the CPUC to be included in this subaccount;
- 4) a credit equal to the NCA-Interim Relief and Distribution revenue;
- 5) a credit entry equal to the Noncore Distribution Fixed Cost Account (NDFCA) revenue;
- 6) a credit equal to the NCA Distribution revenue;

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*Advice* 4166-G  
*Decision* 19-09-025

*Issued by*  
**Robert S. Kenney**  
*Vice President, Regulatory Affairs*

*Submitted* October 23, 2019  
*Effective* January 1, 2019  
*Resolution*



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Advice 4166-G  
Decision 19-09-025

Issued by  
**Robert S. Kenney**  
Vice President, Regulatory Affairs

Submitted  
Effective  
Resolution

October 23, 2019  
January 1, 2019



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## **Attachment 2**

### **Redline Tariffs**



**GAS PRELIMINARY STATEMENT PART CP**  
GAS TRANSMISSION AND STORAGE REVENUE SHARING MECHANISM

Sheet 1

CP. Gas Transmission & Storage Revenue Sharing Mechanism (GTSRSM)

1. PURPOSE: The purpose of the Gas Transmission & Storage (GT&S) Revenue Sharing Mechanism (GTSRSM) is to record ~~the difference between~~ the customer portion of recorded total revenue over- or under-collections (derived for backbone transmission, local transmission and storage) ~~and the \$30.0 million seed value embedded in rates (as allocated to backbone and local transmission).~~

The disposition of this account will be the 12-month period from ~~October~~ January 1 through ~~September 30~~ December 31. ~~(There will be a transitional 15-month disposition period for October 1, 2018 through December 31, 2019.)~~

2. APPLICABILITY: The revenue sharing mechanism shall apply to all customer classes, except for those specifically excluded by the Commission.
3. REVISION DATES: Disposition of the balances in the subaccounts of this account shall be through the Customer Class Charge in the Annual Gas True-up (AGT) advice letter process.
4. RATES: GTSRSM rates are included in the effective rates set forth in each rate schedule (including Preliminary Statement, Part B), as applicable.
5. ACCOUNTING PROCEDURE: The revenue sharing mechanism consists of the following ~~four~~ three subaccounts:

**BACKBONE SUBACCOUNT:** The purpose of backbone subaccount is to record the difference between the adopted backbone revenue requirement and recorded backbone revenues, whether an over-collection or an under-collection, to be shared 50% to customers and 50% to shareholders. [Note: Core Reservation is balancing account protected and therefore not included in this calculation. Rate Schedule G-XF is subject to incremental ratemaking and therefore also not included. In accordance with the Gas Accord V Settlement Agreement, the Customer Access Charge (CAC) is also not subject to the sharing mechanism.]

**LOCAL TRANSMISSION SUBACCOUNT:** The purpose of the local transmission subaccount is to record the difference between the adopted local transmission revenue requirement and recorded local transmission revenues, whether an over-collection or an under-collection, to be shared 75% to customers and 25% to shareholders. [Note: Core Local Transmission is balancing account protected and therefore not included in this calculation.]

(Continued)

Advice	3727-G	Issued by	Date Filed	July 1, 2016
Decision	16-06-056	<b>Steven Malnight</b>	Effective	August 1, 2016
		Senior Vice President	Resolution	
		Regulatory Affairs		



**GAS PRELIMINARY STATEMENT PART CP** Sheet 2  
**GAS TRANSMISSION AND STORAGE REVENUE SHARING MECHANISM**

5. ACCOUNTING PROCEDURE (Ctd.):

STORAGE SUBACCOUNT: The purpose of the storage subaccount is to record the difference between the adopted storage revenue requirement and recorded storage revenues, if resulting in an over-collection, to be shared 75% to customers and 25% to shareholders. PG&E is at risk for 100% of any net under-collections. [Note: Core Storage is balancing account protected and therefore not included in this calculation.] Also, no noncore storage costs or revenues will be recorded to this subaccount for the period beginning April 1, 2020, except for Late Implementation Amortization amounts until completed.

~~If PG&E identifies and wishes to make incremental additions to its storage facilities or operations that are expected to produce incremental storage revenues, PG&E will file an advice letter with the CPUC to show the expected costs and the expected revenues of the project. In the advice letter, PG&E will ask to add the revenue requirements associated with the project to the adopted storage revenue requirements only for purposes of administering the revenue sharing mechanism. PG&E will also include all recorded revenues in the sharing mechanism, including incremental revenues obtained because of the new storage project.~~

~~REVENUE SHARING SUBACCOUNT: The purpose of the revenue sharing subaccount is to record the difference between the customer portion of recorded total revenue over or under collections, as determined in the subaccounts described above, and the \$30.0 million seed value embedded in rates.~~

a. Backbone Subaccount

The following entries, net of an allowance for Revenue Fees and Uncollectible (RF&U) accounts expense, shall be made to this subaccount, as applicable:

- 1) A monthly debit equal to 50% of one-twelfth of the authorized backbone revenue requirement and the related 2015-2019 GT&S undercollection.
- 2) A monthly credit equal to 50% of the recorded backbone revenue and the related 2015-2019 GT&S Late Implementation Amortization revenues.
- ~~3) A monthly credit entry equal to 50% of one-twelfth of the seed value embedded in backbone rates.~~
- ~~43) An annual entry to transfer the balance in this subaccount as of December 31 of each year to the Core subaccount of the Core Fixed Cost Account (CFCA) and the Noncore subaccount of the Noncore Customer Class Charge Account (NCA). The distribution of the balance will be 50% to core and 50% to noncore. On September 30 of each year, an annual debit or credit entry to transfer the accumulated balance to the Revenue Sharing Subaccount of this balancing account.~~
- 54) A monthly entry equal to interest on the average balance in the subaccount 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

(Continued)





**GAS PRELIMINARY STATEMENT PART CP** Sheet 3  
**GAS TRANSMISSION AND STORAGE REVENUE SHARING MECHANISM**

5. ACCOUNTING PROCEDURE (Ctd.):  
b. Local Transmission Subaccount

The following entries, net of an allowance for Revenue Fees and Uncollectible (RF&U) accounts expense, shall be made to this subaccount, as applicable:

- 1) A monthly debit equal to 75% of one-twelfth of the authorized local transmission revenue requirement and the related 2015-2019 GT&S undercollection.
- 2) A monthly credit equal to 75% of the recorded local transmission revenue and the related 2015-2019 GT&S Late Implementation Amortization revenues.
- ~~3) A monthly credit entry equal to 75% of one-twelfth of the seed value embedded in local transmission rates.~~
- ~~43) An annual entry to transfer the balance in this subaccount as of December 31 of each year to the Core subaccount of the Core Fixed Cost Account (CFCA) and the Noncore subaccount of the Noncore Customer Class Charge Account (NCA). The distribution of the balance will be 50% to core and 50% to noncore. On September 30 of each year, an annual debit or credit entry to transfer the accumulated balance to the Revenue Sharing Subaccount of this balancing account.~~
- 54) A monthly entry equal to interest on the average balance in the subaccount 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.

c. Storage Subaccount

The following entries, net of an allowance for Revenue Fees and Uncollectible (RF&U) accounts expense, shall be made to this subaccount, as applicable:

- 1) A monthly debit entry equal to 75% of one-twelfth of the authorized storage revenue requirement and the related 2015-2019 GT&S undercollection.
- 2) A monthly credit entry equal to 75% of the recorded storage revenue and the related 2015-2019 GT&S Late Implementation Amortization revenues.
- ~~3) A monthly credit entry equal to 75% of one-twelfth of the seed value embedded in storage rates.~~
- ~~43) If the balance is over-collected, on ~~September 30~~ December 31 each year, a debit entry to transfer the accumulated balance to the Core subaccount of the Core Fixed Cost Account (CFCA) and the Noncore subaccount of the Noncore Customer Class Charge Account (NCA). The distribution of the balance will be 50% to core and 50% to noncore ~~Revenue Sharing Subaccount of this balancing account~~. If the balance is under-collected, PG&E is at risk and will transfer the balance to earnings.~~
- 54) A monthly entry equal to interest on the average balance in the subaccount 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

(Continued)

Advice	3848-G	Issued by	Date Filed	June 12, 2017
Decision	17-05-013	<b>Robert S. Kenney</b>	Effective	January 1, 2017
		Vice President, Regulatory Affairs	Resolution	



**GAS PRELIMINARY STATEMENT PART CP**  
GAS TRANSMISSION AND STORAGE REVENUE SHARING MECHANISM

Sheet 3

Release, H.15 or its successor.

(Continued)

<i>Advice</i>	3848-G	<i>Issued by</i>	<i>Date Filed</i>	<u>June 12, 2017</u>
<i>Decision</i>	17-05-013	<b>Robert S. Kenney</b>	<i>Effective</i>	<u>January 1, 2017</u>
		<i>Vice President, Regulatory Affairs</i>	<i>Resolution</i>	<u></u>



**GAS PRELIMINARY STATEMENT PART CP**  
**GAS TRANSMISSION AND STORAGE REVENUE SHARING MECHANISM**

Sheet 4

~~5. ACCOUNTING PROCEDURE (Ctd.):~~

~~d. Revenue Sharing Subaccount~~

~~The following entries, net of an allowance for Revenue Fees and Uncollectible (RF&U) accounts expense, shall be made to this subaccount, as applicable:~~

- ~~1) A monthly debit entry equal to one-twelfth of the seed value embedded in rates (\$30.0 million annually).~~
- ~~2) On September 30 of each year, a debit or credit entry to transfer the accumulated balances in the Backbone Subaccount and Local Transmission Subaccount to this subaccount.~~
- ~~3) If the Storage Subaccount balance is over-collected, on September 30 of each year, a credit entry to transfer the accumulated balance in the Storage Subaccount to this subaccount.~~
- ~~4) An annual entry to transfer the balance in this subaccount as of September 30 of each year to the Core subaccount of the Core Fixed Cost Account (CFCA) and the Noncore subaccount of the Noncore Customer Class Charge Account (NCA). The distribution of the balance will be 50% to core and 50% to noncore.~~

**GAS PRELIMINARY STATEMENT PART F**  
**CORE FIXED COST ACCOUNT**

Sheet 1

F. CORE FIXED COST ACCOUNT (CFCA)

1. **PURPOSE:** The purpose of the CFCA is to record the authorized GRC distribution base revenue amounts (with credits and adjustments), certain other core transportation costs, and transportation revenue from core customers. Any under- or overcollection in this account will be incorporated into core transportation rates in the next Annual Gas True-up of Balancing Accounts.

Descriptions of the terms and definitions used in this section are found in Preliminary Statement, Part C or in Rule 1. Refer to Section C.3 for the cost allocation factors used to determine the core portion of certain costs.

2. **APPLICABILITY:** The CFCA applies to all core transportation rate schedules and contracts subject to the jurisdiction of the CPUC, except for those schedules and contracts specifically excluded by the CPUC.
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.
4. **FORECAST PERIOD:** The forecast test period will be as specified in the current Cost Allocation Proceeding.
5. **RATES:** CFCA rates are included in the effective rates set forth in each rate schedule (see Preliminary Statement, Part B), as applicable.
6. **ACCOUNTING PROCEDURE:** The CFCA consists of the following subaccounts:

The "Distribution Cost Subaccount" recovers the distribution base revenue requirement adopted in PG&E's General Rate Case (GRC), including Annual Attrition Adjustments and the Cost of Capital Proceedings, and the revenue requirement associated with depreciation and decommissioning the Los Medanos and Pleasant Creek Facilities adopted in PG&E's Gas Transmission & Storage (GT&S) rate case, that are allocated to core transportation customers based on the distribution base revenue allocation adopted in the Cost Allocation Proceeding.

The "Core Cost Subaccount" recovers non-distribution-related costs adopted by the Commission in various proceedings that are allocated to core transportation customers.

The "AB 32 Cost of Implementation Fee Core Subaccount" recovers the gas cost portion of the California Air Resources Board's (ARB) AB 32 Cost of Implementation Fee allocated to PG&E's core transportation customers.

(Continued)

<i>Advice</i>	3467-G		
<i>Decision</i>		<i>Issued by</i> <b>Brian K. Cherry</b> <i>Vice President</i> <i>Regulatory Relations</i>	<i>Date Filed</i> <u>April 1, 2014</u> <i>Effective</i> <u>May 1, 2014</u> <i>Resolution</i>

**GAS PRELIMINARY STATEMENT PART F**  
**CORE FIXED COST ACCOUNT**

Sheet 2

F. Core Fixed Cost Account (CFCA) (Cont'd.)

6. ACCOUNTING PROCEDURE: (Cont'd.)

a. Distribution Cost Subaccount

The following entries will be made to this subaccount at the end of each month, or as applicable, excluding an allowance for Revenue Fees and Uncollectible (RF&U) account expense:

- 1) a credit entry equal to California Alternate Rates for Energy (CARE) shortfall resulting from core commercial deliveries under Schedule G-CARE, and customer charges under Schedule GL1-NGV;
- 2) a debit entry equal to one-twelfth of the core portion of the authorized GRC distribution base revenue amount (with credits and adjustments);
- 3) a credit entry equal to the revenue from the CFCA – Distribution Cost rate component;
- ~~4)~~ a debit entry equal to one-twelfth of the revenue requirement associated with depreciation and decommissioning of the Los Medanos and Pleasant Creek facilities adopted in PG&E's GT&S rate case that is allocated on a core distribution basis;
- ~~4)5)~~ a credit entry, as appropriate, to record the rebates paid to customers associated with the 2006 Winter Gas Savings Program, which has corresponding entries in the Winter Gas Savings Program Transportation Subaccount of the CFCA and Winter Gas Savings Program Procurement Subaccount of the Purchased Gas Account;
- ~~5)6)~~ a debit entry equal to one-twelfth of the gas core portion of the ClimateSmart Administrative and Marketing revenue requirement, (see corresponding credit entry in the Administrative and Marketing Subaccount of the ClimateSmart Balancing Account);
- ~~6)7)~~ a debit or credit entry, as appropriate, to record the transfer of amounts from other accounts to this subaccount for recovery in rates, upon approval by the CPUC;
- ~~7)8)~~ a debit or credit entry equal to any expense adopted by the CPUC as a cost to be recovered in this subaccount;
- ~~8)9)~~ an entry equal to the core portion of the gain or loss on the sale of a gas distribution non-depreciable asset, as approved by the Commission; ~~and~~
- ~~9)10)~~ a credit entry equal to the amount of employee transfer fees allocated to PG&E's core gas ratepayers. The core portion is based on the "Distribution Base Revenue Requirement" factor from PG&E's Preliminary Statement Part C.3.a in effect at the time of the payment; ~~and~~
- ~~10)11)~~ a debit entry equal to one-twelfth of the adopted current year gas distribution revenue requirement allocated to core customers for best practices related to minimizing methane emissions. A corresponding credit entry (including both core and noncore) is recorded in Gas Preliminary Statement Part DZ, New Environmental Regulations Balancing Account, Item 5a~~-~~;
- ~~11)12)~~ a debit entry equal to one-twelfth of the adopted current year gas distribution revenue requirement allocated to core customers for pilot projects and research and development (R&D) related to minimizing methane emissions. A corresponding credit entry (including both core and noncore) is recorded in Gas Preliminary Statement Part EA, Natural Gas Leak Abatement Program Balancing Account, Item 5a; ~~and-~~
- ~~12)13)~~ 12) an entry equal to interest on the average of the balance in the account at the beginning of the month and the balance in the account after above entries, at a rate equal

(Continued)

<i>Advice</i>	3902-G	<i>Issued by</i>	<i>Date Filed</i>	October 31, 2017
<i>Decision</i>	17-06-015	<b>Robert S. Kenney</b>	<i>Effective</i>	October 11, 2018
		<i>Vice President, Regulatory Affairs</i>	<i>Resolution</i>	G-3538

**GAS PRELIMINARY STATEMENT PART F**  
**CORE FIXED COST ACCOUNT**

Sheet 2

to one-twelfth the interest rate of the 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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<i>Advice</i>	3902-G	<i>Issued by</i>	<i>Date Filed</i>	<u>October 31, 2017</u>
<i>Decision</i>	17-06-015	<b>Robert S. Kenney</b>	<i>Effective</i>	<u>October 11, 2018</u>
		<i>Vice President, Regulatory Affairs</i>	<i>Resolution</i>	<u>G-3538</u>

**GAS PRELIMINARY STATEMENT PART F**  
**CORE FIXED COST ACCOUNT**

Sheet 3

6. ACCOUNTING PROCEDURE: (Cont'd.)

b. Core Cost Subaccount

The following entries will be made to this subaccount at the end of each month, or as applicable, excluding an allowance for RF&U:

- 1) a credit entry equal to the revenue from the CFCA – Core Cost rate component;
- 2) a credit entry equal to the revenue from the local transmission rate component from core deliveries during the month;
- 3) a credit entry equal to the revenue from the core local transmission, core backbone, and core storage ~~2015~~-GT&S Late Implementation Amortization rate components;
- ~~4)~~ a credit entry equal to the incidental negotiated storage revenues allocated to core customers;
- ~~4)5)~~ a debit entry equal to the core portion of intervenor compensation payments authorized by the CPUC, recorded during the month;
- ~~5)6)~~ a debit entry equal to one-twelfth of the core portion of the authorized local transmission revenue requirement, ~~excluding the portion of the \$30 million seed value from the Gas Transmission and Storage Revenue Sharing Mechanism allocated to core local transmission;~~
- 7) a debit entry equal to one-twelfth of the core portion of the revenue requirement associated with depreciation and decommissioning of the Los Medanos and Pleasant Creek facilities adopted in PG&E's GT&S rate case that is allocated on an equal cents per therm basis;
- ~~6)8)~~ a debit or credit entry, as appropriate, to record the transfer of amounts from other accounts to this subaccount for recovery in rates, upon approval by the CPUC;
- ~~7)9)~~ an entry equal to 65.907 percent of the local transmission revenue shortfall or over-recovery resulting from a change in customers qualifying for backbone-level end-use service, and associated throughput reduction or increase, as applicable;
- ~~8)10)~~ a debit or credit entry equal to any amounts authorized by the CPUC to be recorded in this subaccount;
- ~~9)11)~~ a debit entry equal to one-twelfth of the core portion of the current year Self Generation Incentive Program (SGIP) revenue requirement authorized by the CPUC;
- ~~10)12)~~ an entry equal to the core portion of the gain or loss on the sale of a gas transmission non-depreciable asset, as approved by the Commission;
- ~~11)13)~~ a debit entry equal to the core gas portion of incremental administrative costs and amounts written off as uncollectible associated with the payment deferral plan for qualifying citrus and other agricultural growers pursuant to Resolution E-4065;
- ~~12)14)~~ an entry equal to the core portion of the transportation revenue for deliveries during the month under gas rate schedule G-LNG. The distribution between core and noncore is the "equal distribution based on all transportation volumes" allocator as specified in Preliminary Statement Part C.3;

(Continued)

<i>Advice</i>	3902-G		
<i>Decision</i>	17-06-015	<i>Issued by</i> <b>Robert S. Kenney</b> <i>Vice President, Regulatory Affairs</i>	<i>Date Filed</i> <u>October 31, 2017</u> <i>Effective</i> <u>October 11, 2018</u> <i>Resolution</i> <u>G-3538</u>

**GAS PRELIMINARY STATEMENT PART F**  
**CORE FIXED COST ACCOUNT**

Sheet 4

F.      Core Fixed Cost Account (CFCA) (Cont'd.)

6.      ACCOUNTING PROCEDURE: (Cont'd.)

b.      Core Cost Subaccount (Cont'd.)

~~13~~15) \_\_\_\_\_ a debit entry equal to the core portion of biomethane incentive and study payments. The core portion is based on the "Other – Equal Distribution Based on All Transportation Volumes" factor from PG&E's Preliminary Statement Part C.3.a in effect at the time of the payment;

~~14~~16) \_\_\_\_\_ a debit or credit entry equal to the core customers' portion of the difference between one-twelfth of the core portion of the authorized annual electricity costs revenue requirement, and the core portion of the actual electricity expenses incurred to provide gas transmission and storage services to PG&E's customers (The core portion of actual electricity costs is based on the cost allocation factor shown in Gas Preliminary Statement Part C.3.a. for "Other – Equal Distribution Based on All Transportation Volumes.)

~~15~~17) \_\_\_\_\_ a debit entry equal to one-twelfth of the core portion of pension related revenue requirement allocated to the Gas Transmission and Storage function; and

~~16~~18) \_\_\_\_\_ a debit entry equal to one-twelfth of the adopted current year gas transmission revenue requirement allocated to core customers for best practices related to minimizing methane emissions consistent with new regulatory requirements pursuant to Senate Bill 1371 and Commission Decision 17-06-015. A corresponding credit entry (including both core and noncore) is recorded in Gas Preliminary Statement Part DZ, New Environmental Regulations Balancing Account, Item 5b. The core portion of the adopted revenue requirement is based on the "Other-Equal Distribution Based on All Transportation Volumes" allocator adopted in Gas Preliminary Part C, Gas Accounting Terms & Definitions, 3.a. Cost Allocation Factors.

~~17~~19) \_\_\_\_\_ a debit entry equal to one-twelfth of the adopted current year gas transmission revenue requirement allocated to core customers for pilot projects and research and development (R&D) related to minimizing methane emissions consistent with new regulatory requirements pursuant to Senate Bill 1371 and Commission Decision 17-06-015. A corresponding credit entry (including both core and noncore) is recorded in Gas Preliminary Statement Part EA, Natural Gas Leak Abatement Program Balancing Account, Item 5b. The core portion of the adopted revenue requirement is based on the "Other-Equal Distribution Based on All Transportation Volumes" allocator adopted in Gas Preliminary Part C, Gas Accounting Terms & Definitions, 3.a. Cost Allocation Factors.

~~18~~20) \_\_\_\_\_ an entry equal to interest on the average of the balance in the account at the beginning of the month and the balance in the account after entries ~~F.6.b.1 through F.6.b.15~~ above, ~~are made~~, at a rate equal to one-twelfth the interest rate of the three month Commercial Paper for the previous month, as reported in the Federal Reserve Statistical Release. H.15, or its successor

**GAS PRELIMINARY STATEMENT PART J**  
**NONCORE CUSTOMER CLASS CHARGE ACCOUNT**

Sheet 2

J. NONCORE CUSTOMER CLASS CHARGE ACCOUNT (NCA) (Cont'd.)

6. ACCOUNTING PROCEDURE: (Cont'd.)

a. Noncore Subaccount

The following entries will be made to this subaccount each month, or as applicable, excluding an allowance for Revenue Fees and Uncollectible (FF&U) account expense:

- 1) a debit entry equal to one-twelfth of the noncore portion of the procurement-related G-10 employee discount allocation shown on Preliminary Statement Part C.2;
- 2) a debit entry equal to the noncore portion of intervenor compensation and any other expense adopted by the CPUC as a cost to be included in this subaccount;
- 3) a credit entry equal to the NCA-Noncore revenue;
- ~~4)~~ a credit entry equal to the incidental negotiated storage revenues allocated to noncore customers;
- ~~4)5)~~ an debit or credit entry, as appropriate, to record the transfer of amounts from other accounts to this subaccount for recovery in rates, upon approval by the CPUC;
- ~~5)6)~~ an entry equal to 34.093 percent of the local transmission revenue shortfall or over-recovery resulting from a change in customers qualifying for backbone-level end-use service, and associated throughput reduction or increase, as applicable;
- ~~6)7)~~ a debit entry equal to one-twelfth of the noncore portion of the current year Self Generation Incentive Program (SGIP) revenue requirement authorized by the CPUC;
- ~~7)8)~~ an entry equal to the noncore portion of the gain or loss on the sale of a gas transmission non-depreciable asset, as approved by the Commission;
- ~~8)9)~~ a debit entry equal to the noncore gas portion of incremental administrative costs and amounts written off as uncollectible associated with the payment deferral plan for qualifying citrus and other agricultural growers pursuant to Resolution E-4065;
- ~~9)10)~~ an entry equal to the noncore portion of the transportation revenue for deliveries during the month under gas rate schedule G-LNG. The distribution between core and noncore is the "equal distribution based on all transportation volumes" allocator as specified in Preliminary Statement Part C.3;
- ~~10)11)~~ a debit or credit entry equal to the noncore customers' portion of the difference between one-twelfth of the noncore portion of the authorized annual electricity costs revenue requirement, and the noncore portion of the actual electricity expenses incurred to provide gas transmission and storage services to PG&E's customers (The noncore portion of actual electricity costs is based on the cost allocation factor shown in Gas Preliminary Statement Part C.3.a. for "Other – Equal Distribution Based on All Transportation Volumes.);
- ~~11)12)~~ a debit entry equal to one-twelfth of the noncore portion of pension related revenue requirement allocated to the Gas Transmission and Storage function; ~~and~~

(Continued)

<i>Advice</i>	3848-G	<i>Issued by</i>	<i>Date Filed</i>
<i>Decision</i>	17-05-013	<b>Robert S. Kenney</b>	June 12, 2017
		<i>Vice President, Regulatory Affairs</i>	<i>Effective</i>
			January 1, 2017
			<i>Resolution</i>

**GAS PRELIMINARY STATEMENT PART J**  
**NONCORE CUSTOMER CLASS CHARGE ACCOUNT**

Sheet 3

J. NONCORE CUSTOMER CLASS CHARGE ACCOUNT (NCA) (Cont'd.)

6. ACCOUNTING PROCEDURE: (Cont'd.)

a. Noncore Subaccount (Cont'd.)

~~12~~13) a debit entry equal to one-twelfth of the adopted current year gas transmission revenue requirement allocated to noncore customers for best practices related to minimizing methane emissions consistent with new regulatory requirements pursuant to Senate Bill 1371 and Commission Decision 17-06-015. A corresponding credit entry (including both core and noncore) is recorded in Gas Preliminary Statement Part DZ, New Environmental Regulations Balancing Account, Item 5b. The noncore portion of the adopted revenue requirement is based on the "Other-Equal Distribution Based on All Transportation Volumes" allocator adopted in Gas Preliminary Part C, Gas Accounting Terms & Definitions, 3.a. Cost Allocation Factors.

~~13~~14) a debit entry equal to one-twelfth of the adopted current year gas transmission revenue requirement allocated to noncore customers for best practices related to pilot projects and research and development (R&D) related to minimizing methane emissions consistent with new regulatory requirements pursuant to Senate Bill 1371 and Commission Decision 17-06-015. A corresponding credit entry (including both core and noncore) is recorded in Gas Preliminary Statement Part EA, Natural Gas Leak Abatement Program Balancing Account, Item 5b. The noncore portion of the adopted revenue requirement is based on the "Other-Equal Distribution Based on All Transportation Volumes" allocator adopted in Gas Preliminary Part C, Gas Accounting Terms & Definitions, 3.a. Cost Allocation Factors.

~~14~~15) a debit entry equal to one-twelfth of the noncore portion of the revenue requirement associated with depreciation and decommissioning of the Los Medanos and Pleasant Creek facilities adopted in PG&E's GT&S rate case; and

~~15~~16) an entry equal to interest on the average of the balance in the subaccount at the beginning of the month and the balance after entries from ~~J.6.a.1 through J.6.a.11~~ above, ~~are made~~, 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.

b. Distribution Subaccount

The following entries will be made to this subaccount each month, or as applicable, excluding an allowance for RF&U:

- 1) a one-time entry equal to the noncore distribution portion of the authorized GRC base revenue requirement;
- 2) a debit entry equal to one-twelfth of the gas noncore portion of the ClimateSmart Administrative and Marketing revenue requirement, (see corresponding credit entry in the Administrative and Marketing Subaccount of the ClimateSmart Balancing Account)
- 3) an entry equal to any other amounts adopted by the CPUC to be included in this subaccount;
- 4) a credit equal to the NCA-Interim Relief and Distribution revenue;
- 5) a credit entry equal to the Noncore Distribution Fixed Cost Account (NDFCA) revenue;

(Continued)

Advice	3902-G	Issued by	Date Filed	October 31, 2017
Decision	17-06-015	<b>Robert S. Kenney</b>	Effective	October 11, 2018
		Vice President, Regulatory Affairs	Resolution	G-3538

**GAS PRELIMINARY STATEMENT PART J**  
**NONCORE CUSTOMER CLASS CHARGE ACCOUNT**

Sheet 3

- 6) a credit equal to the NCA Distribution revenue;

(Continued)

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<i>Advice</i>	3902-G	<i>Issued by</i>	<i>Date Filed</i>	<u>October 31, 2017</u>
<i>Decision</i>	17-06-015	<b>Robert S. Kenney</b>	<i>Effective</i>	<u>October 11, 2018</u>
		<i>Vice President, Regulatory Affairs</i>	<i>Resolution</i>	<u>G-3538</u>

**PG&E Gas and Electric  
Advice Submittal List  
General Order 96-B, Section IV**

AT&T	Downey & Brand	Pioneer Community Energy
Albion Power Company	East Bay Community Energy	Praxair
Alcantar & Kahl LLP	Ellison Schneider & Harris LLP	
	Energy Management Service	
Alta Power Group, LLC	Engineers and Scientists of California	Redwood Coast Energy Authority
Anderson & Poole	Evaluation + Strategy for Social Innovation	Regulatory & Cogeneration Service, Inc.
	GenOn Energy, Inc.	SCD Energy Solutions
Atlas ReFuel	Goodin, MacBride, Squeri, Schlotz & Ritchie	
BART	Green Charge Networks	SCE
	Green Power Institute	SDG&E and SoCalGas
Barkovich & Yap, Inc.	Hanna & Morton	
P.C. CalCom Solar	ICF	SPURR
California Cotton Ginners & Growers Assn	International Power Technology	San Francisco Water Power and Sewer
California Energy Commission	Intestate Gas Services, Inc.	Seattle City Light
California Public Utilities Commission	Kelly Group	Sempra Utilities
California State Association of Counties	Ken Bohn Consulting	Southern California Edison Company
Calpine	Keyes & Fox LLP	Southern California Gas Company
	Leviton Manufacturing Co., Inc. Linde	Spark Energy
Cameron-Daniel, P.C.	Los Angeles County Integrated Waste Management Task Force	Sun Light & Power
Casner, Steve	Los Angeles Dept of Water & Power	Sunshine Design
Cenergy Power	MRW & Associates	Tecogen, Inc.
Center for Biological Diversity	Manatt Phelps Phillips	TerraVerde Renewable Partners
City of Palo Alto	Marin Energy Authority	Tiger Natural Gas, Inc.
	McKenzie & Associates	
City of San Jose	Modesto Irrigation District	TransCanada
Clean Power Research	Morgan Stanley	Troutman Sanders LLP
Coast Economic Consulting	NLine Energy, Inc.	Utility Cost Management
Commercial Energy	NRG Solar	Utility Power Solutions
County of Tehama - Department of Public Works		Utility Specialists
Crossborder Energy	Office of Ratepayer Advocates	
Crown Road Energy, LLC	OnGrid Solar	Verizon
Davis Wright Tremaine LLP	Pacific Gas and Electric Company	Water and Energy Consulting Wellhead Electric Company
Day Carter Murphy	Peninsula Clean Energy	Western Manufactured Housing Communities Association (WMA)
		Yep Energy
Dept of General Services		
Don Pickett & Associates, Inc.		
Douglass & Liddell		