



**ELECTRIC PRELIMINARY STATEMENT PART BK
TRANSMISSION REVENUE REQUIREMENT
RECLASSIFICATION MEMO ACCOUNT**

Sheet 1

BK. TRANSMISSION REVENUE REQUIREMENT RECLASSIFICATION MEMORANDUM ACCOUNT (TRRRMA)

1. **PURPOSE:** The purpose of the TRRRMA is to: 1) record the revenue requirement associated with costs requested by PG&E for recovery in transmission rates that are no longer deemed to be network transmission-related costs and, as such, are not allowed to be included in Federal Energy Regulatory Commission (FERC)-jurisdictional transmission rates, and 2) record, as a credit to the TRRRMA, any revenue requirement associated with costs already included by the California Public Utilities Commission (Commission) in electric distribution rates, but later included in FERC-jurisdictional transmission rates. The TRRRMA shall only include costs not disallowed by FERC or the Commission. Amounts tracked in the TRRRMA will be considered in a future Commission proceeding to determine the appropriateness of including these costs and credits in electric distribution rates.
2. **APPLICABILITY:** The TRRRMA shall apply to all customer classes, except for those specifically excluded by the Commission.
3. **REVISION DATE:** Disposition of the balances in the account will be addressed in a future General Rate Case (GRC) proceeding or other proceeding.
4. **TRRRMA RATES:** The TRRRMA does not currently have a rate component.
5. **ACCOUNTING PROCEDURE:** PG&E shall maintain the TRRRMA by making entries at the end of each month, or as applicable, as follows, including the allowance for Revenue Fees and Uncollectible (RF&U) accounts expense:
 - a. A debit entry equal to any expense and/or capital-related revenue requirement that FERC determines should not be included in FERC-jurisdictional transmission rates, including facilities where the California Independent System Operator Corporation no longer exercises operational control or are removed from PG&E's Formula Rate.
 - b. A credit entry equal to any revenue requirement already included in non-transmission rates by the Commission but are later included in FERC-jurisdictional rates and therefore, should not be collected in the CPUC-jurisdictional electric distribution rates.
 - c. A debit or credit entry, as appropriate, to record the transfer of amounts to or from other accounts as approved by the Commission, and
 - d. A debit or credit entry equal to the interest on the average of the balance at the beginning of the month and the balance after entries 4.a. and 4.b., 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. Effective January 1, 2026, the monthly interest rate equals the sum of 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, plus one-twelfth of the yield spread adjustment to the Commercial Paper Rate as authorized by the Commission, as defined in Electric Preliminary Statement Part H for electric accounts or Gas Preliminary Statement Part S for gas accounts. (N)