



**ELECTRIC PRELIMINARY STATEMENT PART GB**  
**GREENHOUSE GAS REVENUE BALANCING ACCOUNT (GHGRBA)**

Sheet 1

**GB. GREENHOUSE GAS REVENUE BALANCING ACCOUNT (GHGRBA)**

1. **PURPOSE:** The purpose of the Greenhouse Gas Revenue Balancing Account (GHGRBA) is to record the difference between the electric portion of the GHG revenues generated through the auction of consigned GHG allowances, less any revenues approved to be set aside and the GHG revenues returned to electric customers. This account also tracks the difference between the electric portion of the proceeds from the sale of consigned Low-Carbon Fuel Standard (LCFS) credits, less any approved program costs and the LCFS revenues returned to electric customers.
2. **APPLICABILITY:** The GHGRBA shall apply to all customer classes, except for those specifically excluded by the Commission.
3. **REVISION DATE:** Disposition of the balance in this account shall be determined in a proceeding as determined by the Commission, and through the Annual Electric True-Up (AET) advice letter filing.
4. **RATES:** The rates applicable to GHGRBA are set forth in Preliminary Statement Part I.
5. **ACCOUNTING PROCEDURE:** The GHGRBA includes two subaccounts:

The GHG Revenue Subaccount records the difference between the electric portion of the GHG revenues generated through the auction of consigned GHG allowances, less any revenues approved to be set aside and the GHG revenues returned to electric customers.

The LCFS Revenue Subaccount records the difference between the electric portion of the proceeds from the sale of consigned LCFS credits, less any approved program costs and the LCFS revenues returned to electric customers. Pursuant to D.20-12-027, PG&E is required to develop and propose programs for the use of the LCFS holdback credit revenue to comply with the annual requirement in both CARB's LCFS regulation as well as the requirements in that decision. In addition to developing and proposing additional programs, PG&E may adjust current programs to comply with future annual requirements.

The LCFS programs, budgets and duration of the programs are approved via PG&E's annual LCFS Implementation Plan advice letters filed with the CPUC. Annual compliance of the programs is determined by the overall spend across PG&E's LCFS Holdback portfolio. Cost categories for the programs generally include, but are not limited to, the value to the customer (depending on the program, this may include direct customer incentives, installation costs, tool development, and capital expenditures), administrative, Measurement, Education and Outreach, and Evaluation.

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**GREENHOUSE GAS REVENUE BALANCING ACCOUNT (GHGRBA)**

Sheet 2

**GB. GREENHOUSE GAS REVENUE BALANCING ACCOUNT (GHGRBA) (Cont'd.)**

**5. ACCOUNTING PROCEDURE: The GHGRBA includes two subaccounts: (Cont'd.)**

**a. GHG Revenue Subaccount (Cont'd.)**

PG&E shall maintain the GHGRBA by making entries to this account at the end of each month as follows, as appropriate:

- 1) A credit entry equal to the GHG revenues generated from the auction of consigned GHG allowances;
- 2) A debit entry equal to GHG revenue approved to be set aside for marketing and public relations, which is transferred to the Marketing and Public Relations Subaccount in the Greenhouse Gas Expense Memorandum Account (GHGEMA);
- 3) A debit entry equal to the GHG revenue approved to be set aside for customer outreach and education, which is transferred to the Customer Outreach and Education Subaccount in the GHGEMA;
- 4) A debit entry equal to the GHG revenue approved to be set aside for administrative activities, which is transferred to the Administrative Subaccount in the GHGEMA;
- 5) A debit entry equal to the GHG revenue approved to be set aside and transferred to the Disadvantaged Communities Green Tariff Subaccount, the Community Solar Green Tariff Subaccount, the Disadvantaged Communities Single-Family Solar Homes Subaccount within the Public Policy Charge Balancing Account and the Solar On Multifamily Affordable Housing Balancing Account, for funding of approved programs.
- 6) A debit entry equal to the portion of GHG allowance revenues returned to customers, net of an allowance for Revenue Fees and Uncollectible (RF&U) accounts expense.
- 7) A debit entry equal to the amount paid to the California Air Resources Board (CARB) or any other authority as ordered by the Commission;
- 8) A debit or credit entry to transfer amounts to and from other accounts upon approval by the Commission and,
- 9) An entry equal to the interest on the average of the balance in this account at the beginning of the month and the balance in this account after the above entries 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.

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