



**ELECTRIC PRELIMINARY STATEMENT PART GQ** Sheet 1  
ENERGY EFFICIENCY FINANCING BALANCING ACCOUNT - ELECTRIC (EEFBA-E)

GQ. Energy Efficiency Financing Balancing Account - Electric (EEFBA-E)

1. **PURPOSE:** The purpose of the Energy Efficiency Financing Balancing Account – Electric (EEFBA-E) is to record the electric portion of loan and credit enhancement activity under PG&E’s energy efficiency (EE) financing programs. This account records the electric portion of the authorized revolving loan pool net of amounts written-off by PG&E due to default, and tracks loan amounts and loan repayment activities under PG&E’s On-Bill Financing program (OBF), as initially authorized in Decision (D.) 09-09-047, and applicable tariffs. The OBF loan program is subject to the availability of funds and any increase to the revolving loan pool is covered by the fund-shifting or budget augmentation rules laid out in D.09-09-047 or subsequent Commission authorization. Pursuant to D.09-09-047, the amounts recorded in this account will not be included in the calculation of PG&E’s EE program cost effectiveness. Due to the revolving nature of the funds, amounts recorded in this account are not considered energy efficiency program expenses.

The EEFBA-E also records the electric portion of ratepayer funds used for credit enhancements (CEs), less any claims paid to financial institutions due to loan defaults, net of recoveries, to support the EE financing loans by financial institutions, pursuant to the CA Code of Regulations, D.12-11-015, D.13-09-044, subsequent Commission decisions and applicable tariffs. The CEs secured financing pilots adopted in D.13-09-044 are: Single Family Loan Program, Off-Bill Small Business Lease Pilot, Small Business On-Bill Lease, Small Business On-Bill Loan, Master-Metered Multifamily Financing Program and Energy Finance Line item Charge. D.12-11-015 adopted CEs to support American Recovery and Reinvestment Act (ARRA) Continuation (Third Party Financing) pilots.

EEFBA-E also tracks the electric portion of program administration of California Alternative Energy & Advanced Transportation Financing Authority (CAEATFA), PG&E’s information technology and market strategies cost, and Statewide Marketing, Education and Outreach (SWME&O) costs approved per D.21-08-006 and incurred beginning July 1, 2022. Prior to July 1, 2022, these costs were tracked within Procurement Energy Efficiency Balancing Account (see Preliminary Statement DI). The approved costs will be funded via unspent and public purpose program charges from customers.

2. **APPLICABILITY:** The EEFBA-E shall apply to all customer bills for service under all rate schedules and contracts for electric service subject to the jurisdiction of the Commission, except for those rate schedules or contracts specifically excluded by the Commission.
3. **REVISION DATE:** Disposition of the balance in this account shall be through the Annual Electric True-Up advice letter process, or as otherwise authorized by the Commission at such time as the OBF program services and/or secured financing program services or other financing pilot program services are no longer recorded in this account.
4. **RATES:** The EEFBA-E does not have a separate rate component.

(N)  
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(N)

(L)  
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(L)

(Continued)

<i>Advice</i>	6618-E	<i>Issued by</i>	<i>Submitted</i>	June 14, 2022
<i>Decision</i>	21-08-006	<b>Meredith Allen</b>	<i>Effective</i>	June 14, 2022
		<i>Vice President, Regulatory Affairs</i>	<i>Resolution</i>	



**ELECTRIC PRELIMINARY STATEMENT PART GQ** Sheet 2  
ENERGY EFFICIENCY FINANCING BALANCING ACCOUNT - ELECTRIC (EEFBA-E)

5. ACCOUNTING PROCEDURES: The EEFBA-E consists of two subaccounts. (L)

The "On-Bill Financing Balancing Account" (OBFBA-E) purpose is to record the electric portion of the authorized revolving loan pool net of amounts written-off by PG&E due to default, and to track loan amounts and loan repayment activities under PG&E's OBF pursuant to D.09-09-047, and subsequent Commission decisions. (L)

The "Credit Enhancement Balancing Account" (CEBA-E) purpose is to record the electric portion of ratepayer funded CEs for EE financing programs implemented in compliance with D.12-11-015, D.13-09-044 and subsequent Commission decisions; to track the transfer of CEs from this subaccount directly or through an intermediary, to secure loans made to customers in case of default; and record costs and incremental funding associated with continued support of the financing programs and administration cost in compliance with D.21-08-006. (L)  
(L)/(T)  
(L)/(T)

a. On-Bill Financing Balancing Account (OBFBA-E) subaccount

The following entries shall be made to the subaccount, each month or as applicable:

1. A credit entry equal to the electric portion of the initial authorized revolving loan amount, and any subsequent amount authorized by the Commission (see corresponding debit entry in electric Preliminary Statement Part DI Electric Procurement Energy Efficiency Balancing Account (PEEBA). The electric portion of OBF program expenses are recorded in the PEEBA);
2. A debit entry equal to the electric portion of the amount loaned to customers;
3. A credit entry equal to the electric portion of loan repayments;
4. A debit entry equal to the electric portion of any OBF loans written off due to defaults (see corresponding credit entry 5. below);
5. A credit entry equal to any OBF loan defaults, as an offsetting entry to entry 4. above for tracking purposes only (the debit entry to record the electric portion of default expense is in the PEEBA);
6. A debit or credit entry, as appropriate, to record the transfer of amounts to or from other accounts as approved by the CPUC; and
7. 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 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.



**ELECTRIC PRELIMINARY STATEMENT PART GQ** Sheet 3  
ENERGY EFFICIENCY FINANCING BALANCING ACCOUNT - ELECTRIC (EEFBA-E)

5. ACCOUNTING PROCEDURES (Cont'd.)

b. Credit Enhancements Balancing Account (CEBA-E) subaccount

The following entries shall be made to the subaccount, each month or as applicable:

1. A credit entry equal to the electric portion of the initial amount authorized for credit enhancement, and any subsequent credit enhancement amount authorized by the Commission (see corresponding debit entry in electric Preliminary Statement Part DI – PEEBA for transfer occurred before July 1, 2022. The electric portion of financing pilot program expenses are recorded in the PEEBA before July 1, 2022); (T)  
(T)
2. A debit entry equal to the electric portion of CEs transferred to the California Hub for EE Financing (CHEEF), or other entity designated to administer CEs, to secure loans made in accordance with applicable agreements;
3. A credit entry equal to the electric portion of CEs, including interest earned on funds held by the CHEEF, or other entity designated to administer CEs, that are returned to secure future loans in accordance with applicable agreements;
4. A debit entry equal to the electric portion of actual CE program expenses beginning July 1, 2022; (N)  
(N)
5. A credit entry equal to one-twelfth of the electric portion of authorized CE funding for the current program year beginning July 1, 2022 (see corresponding debit entry in electric Preliminary Statement Parts EF - Procurement Energy Efficiency Revenue Adjustment Mechanism (PEERAM)); (N)  
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(N)
6. A debit entry equal to the electric portion of any amount disbursed to a financial institution by the CHEEF, or other entity designated to administer CEs, as a result of any claims made due to loan defaults, net of recoveries, or other event that reduces the amount of CEs available for future loans, in accordance with provisions of the CA Code of Regulations and applicable agreements (see corresponding credit entry 7. below); (T)
7. A credit entry as an offsetting entry to entry 6. above for tracking purposes only (the debit entry to record the electric portion of default expense is in the PEEBA); (T)
8. A debit or credit entry, as appropriate, to record the transfer of amounts to or from other accounts as approved by the CPUC; and (T)
9. 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 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. (T)