



ELECTRIC PRELIMINARY STATEMENT PART KC Sheet 1
NON-TARIFFED PRODUCTS AND SERVICES MEMORANDUM ACCOUNT - (NTPSMA)

KC. Non-Tariffed Products and Services Memorandum Account (NTPSMA)

1. PURPOSE: The purpose of the Non-Tariffed Products and Services Memorandum Account (NTPSMA) is to track and record actual CPUC-jurisdictional expenses and revenue related to PG&E's New Revenue Development (NRD) Department Non-Tariffed Products & Services (NTP&S), MWC EL, effective January 1, 2023, through 2026. Consistent with Decision 23-11-069's requirement to retain all profits beyond reimbursing ratepayers for the adopted expense in 2023 and 2024, the NTPSMA also tracks and records the 2023 adopted profit of \$3.72 million and 2024 adopted profit of \$3.90 million returned to ratepayers through the revenue requirement authorized by D.23-11-069. As a result, the NTPSMA balance reflects actual profit greater than the 2023 adopted profit of \$3.72 million and 2024 adopted profit of \$3.90 million as well as actual profits in 2025 and 2026. (T)
(T)
(T)
(T)

The NTPSMA does not apply to PG&E's mover services program. Activity related to this program is recorded in the Non-Tariffed Products and Services Balancing Account (see Gas Preliminary Statement Part BT and Electric Preliminary Statement Part ET). (N)

The NTPSMA is comprised of the following two subaccounts:

The NRD 2023-2024 Subaccount tracks and records actual CPUC-jurisdictional expenses and revenue related to the NRD NTP&S program for 2023 and 2024 and the adopted profit for 2023 and 2024. Disposition of this subaccount balance will be via the 2027 GRC or as authorized by the Commission.

The NRD 2025-2026 Subaccount will track and record actual CPUC-jurisdictional NRD NTP&S expenses and revenues for 2025 and 2026. The annual difference between the NRD NTP&S revenues and expenses will be shared 50% to ratepayers and 50% to shareholders. The ratepayer portion of the net profits, after tax (if applicable), will be trued up in rates via the Annual Electric True Up (AET) or other rate changes. The final disposition of the 2025-2026 net profits will be subject to review and approval by the Commission in the 2027 GRC. (N)
2. APPLICABILITY: The NTPSMA will apply to all customer classes, except for those specifically excluded by the Commission.
3. REVISION DATE: Disposition of the balance in the subaccounts are described in the Purpose section of the subaccounts above. (T)
(T)
4. RATES: The NTPSMA does not have a rate component. (L)
(L)

(Continued)



ELECTRIC PRELIMINARY STATEMENT PART KC Sheet 2
NON-TARIFFED PRODUCTS AND SERVICES MEMORANDUM ACCOUNT - (NTPSMA)

KC. Non-Tariffed Products and Services Memorandum Account (NTPSMA) (Cont'd.)

5. ACCOUNTING PROCEDURE: The following entries will be made at the end of each month, or as applicable, excluding an allowance for Revenue Fees and Uncollectible (RF&U) accounts expense: (L)
- NRD 2023-2024 Subaccount: (N)
- a. A one-time debit entry equal to the 2023 adopted NRD Department NTP&S net profit of \$3.72 million (calculated as the difference between the adopted NRD Department NTP&S revenues less the adopted NTP&S expenses); (L)
 - b. A debit entry equal to one-twelfth of the 2024 adopted NRD Department NTP&S net profit of \$3.90 million (calculated as the difference between the adopted NRD Department NTP&S revenues less the adopted NRD Department NTP&S expenses);
 - c. A debit entry equal to actual NRD Department NTP&S operating expenses;
 - d. A credit entry equal to actual NRD Department NTP&S operating revenues;
 - e. An entry to transfer amounts to or from another account as authorized by the Commission; and
 - f. A debit or credit, as appropriate, equal to interest on the average balance in the account 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. (L)
- NRD 2025-2026 Subaccount: (N)
- a. A credit entry equal to the actual NRD Department NTP&S operating revenues;
 - b. A debit entry equal to the actual NRD Department NTP&S operating expenses;
 - c. A debit entry equal to ratepayers' share of the difference between the actual NRD Department NTP&S operating revenues and NRD Department NTP&S operating expenses that is transferred to another account as authorized by the Commission;
 - d. A debit entry equal to shareholders' share of the difference between the actual NRD Department NTP&S operating revenues and NRD Department NTP&S operating expenses;
 - e. A debit or credit, as appropriate, equal to interest on the average balance in the account 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. (N)