



ELECTRIC PRELIMINARY STATEMENT PART KG
PROVIDER OF LAST RESORT MEMORANDUM ACCOUNT (POLRMA)

Sheet 1

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KG. Provider of Last Resort Memorandum Account (POLRMA)

(N)

1. **PURPOSE:** The purpose of the Provider of Last Resort Memorandum Account (POLRMA) is to allow PG&E, at its option, to track incremental administrative and/or procurement costs caused by an Involuntary Return of Community Choice Aggregation (CCA) or Direct Access (DA) customers to PG&E's bundled procurement service, in lieu of using the tariffed calculation for one or both of these cost categories, as permitted by Decision (D.)24-04-009. Pursuant to that decision, PG&E is authorized, at its option, to adjust the procurement and/or administrative component of the Re-Entry Fees based on actual procurement and/or administrative costs incurred during the deregistration of a Community Choice Aggregator or Electric Service Provider (ESP) during an Involuntary Return of customers to Provider of Last Resort (POLR) service.

If PG&E, in an Involuntary Return, opts to track incremental administrative and/or procurement costs, it shall make the election in accordance with Rule 22 (for DA) or Rule 23 (CCA), as applicable. The POLRMA will have a subaccount for each Involuntary Return of customers from a single CCA or ESP (each a load-serving entity or "LSE").

2. **APPLICABILITY:** The POLRMA shall apply to all bundled customers involved in a mass involuntary return of DA or CCA customers to PG&E's bundled procurement services as defined in Rules 22 and 23.
3. **REVISION DATE:** The activity and balances within this account shall be determined as noted below:

Procurement costs incurred to serve PG&E's bundled service customers, including those customers involuntarily returned to PG&E's procurement service, will continue to be recorded and recovered through the operation of PG&E's Energy Resource Recovery Account (ERRA) balancing account. The procurement cost component of the Re-Entry Fees, when recovered, will reimburse PG&E's ERRA balancing account.

Recorded costs in POLRMA will be recovered through the payment of the LSE's Re-Entry Fees and/or residual Re-Entry Fees paid by the LSE's mass involuntarily returned customers, as authorized in PG&E's Rule 22 and Rule 23. If incremental administration costs are tracked, they will be recovered through the administration component of the LSE's Re-Entry Fees and/or residual Re-Entry Fees paid by the LSE's mass involuntarily returned customers, as authorized in PG&E's Rule 22 and Rule 23, and reimburse the POLRMA.

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ELECTRIC PRELIMINARY STATEMENT PART KG
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KG. Provider of Last Resort Memorandum Account (POLRMA) (Cont'd.)

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3. REVISION DATE: (Cont'd.)

Any incremental tracked costs in POLRMA shall be subject to CPUC review and approval through a formal application process prior to disposition in customer rates.

4. RATES: The POLRMA does not have a rate component.

5. ACCOUNTING PROCEDURE: In the event PG&E elects to track incremental costs, it shall make entries for each LSE subaccount as follows:

a. Incremental Administration Costs

If PG&E elects to track incremental administration costs, it will record the following entries:

- 1) A debit entry equal to the recorded incremental administrative costs associated with the LSE's Involuntary Return.
- 2) A credit entry to reflect the administrative cost component of the Re-Entry Fees paid by the LSE and/or the LSE's mass involuntarily returned customers, as authorized in PG&E's Rule 22 and Rule 23.

b. Incremental Procurement Costs

If PG&E elects to track incremental procurement costs, it will record the following entries:

- 1) A debit entry equal to the recorded incremental procurement costs associated with the LSE's Involuntary Return.
- 2) A credit entry to reflect the procurement cost component of the Re-Entry Fees paid by the LSE and/or the LSE's mass involuntarily returned customers, as authorized in PG&E's Rule 22 and Rule 23.
- 3) A debit or credit entry, as appropriate, to record the transfer of amounts to or from other accounts as authorized by the CPUC.
- 4) A debit or credit entry, as appropriate, equal to the interest on the average of the balance at the beginning of the month and the balance after the entries 4.a. to 4.e. above, 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.

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