



GAS PRELIMINARY STATEMENT PART EJ
GAS STORAGE BALANCING ACCOUNT (GSBA)

Sheet 1

EJ. Gas Storage Balancing Account (GSBA)

1. **PURPOSE:** The purpose of the Gas Storage Balancing Account (GSBA) is to track and record actual expenses and capital revenue requirements based on actual capital expenditures, compared to the revenue requirements based on the adopted capital expenditures for PG&E's natural gas storage facilities, excluding Gill Ranch. The GSBA is a two-way balancing account. The account is subject to a reasonableness review.
2. **APPLICABILITY:** The GSBA applies to all customer classes, except for those schedules or contracts specifically excluded by the Commission.
3. **REVISION DATE:** Upon completion of a reasonableness review in PG&E's next General Rate Case (GRC) or another future rate case application, disposition of the balances in this account will be determined through the Core Fixed Cost Account (CFCA) and Noncore Customer Class Charge Account (NCA) in the Annual Gas True-Up, or as otherwise authorized by the Commission.
4. **RATES:** The GSBA does not have a rate component.
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:
 - a. A credit entry equal to one-twelfth of the adopted annual revenue requirements;
 - b. A debit entry equal to the actual expenses incurred, including applicable benefits burden;
 - c. A debit or credit entry equal to the capital revenue requirement associated with the actual capital expenditures incurred. Capital-related revenue requirements include depreciation expense, return on rate base at the authorized cost of capital, federal and state income taxes, and property taxes, associated with the capital asset additions;
 - d. An entry to record the transfer of amounts to or from other accounts as approved by the Commission; and
 - e. 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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