



GAS PRELIMINARY STATEMENT PART FR
GENERAL OFFICE SALE BALANCING ACCOUNT (GOSBA)

Sheet 1

(N)
(N)

IR. General Office Sale Balancing Account (GOSBA) (Gas)

(N)
(N)

1. PURPOSE:

The purpose of the GOSBA is to record the net gain resulting from the sale of PG&E's San Francisco General Office complex (SFGO), the savings associated with no longer owning and operating the SFGO complex, and the costs associated with the sale transaction, pending transfer of these items to functional revenue requirement accounts through the AGT filings.

2. APPLICABILITY:

The GOSBA shall apply to all customer classes, except for those specifically excluded by the Commission.

3. REVISION DATE:

Disposition of the amounts in this account shall be determined in the Annual Gas True-up Proceeding or other proceeding authorized by the Commission.

4. GOSBA RATES:

The GOSBA does not have a rate component. However, PG&E will include a forecast of the annual credit amounts of items 5.a. and 5.b. in the AGT forecast beginning in 2022.

5. ACCOUNTING PROCEDURE:

PG&E will make the following entries to the GOSBA each month:

- a. Beginning January 1, 2022, a credit to amortize the gas portion of the gain on the sale of the SFGO to customers over a five year period. PG&E will submit an Advice showing the amount of the gain on sale on or before December 1, 2021;
- b. Beginning September 17, 2021, a credit of \$1.721 million per month (the gas portion of \$5.351 million) (prorated as necessary) in 2021 and of \$1.759 million per month (the gas portion of \$5.468 million) in 2022 to recognize the reduction in revenue requirement due to the elimination of the costs of owning and operating the SFGO;
- c. A debit entry equal to one twelfth of the forecast amount of entries 5.a and 5.b included in the AGT forecast;
- d. A credit entry equal to the average of gas portion of the un-amortized balance of the after-tax gain on the sale of the SFGO at a rate equal to one twelfth of 4.17%;
- e. An entry equal to interest on the average balance in the GOSBA at the beginning of the month and the balance at the end of the month after entries 5.a through 5.d above, at a rate equal to one-twelfth of 4.17%.
- f. At the end of each year. PG&E will make an entry to the GOSBA to transfer the accumulated balance to the functional revenue requirement mechanisms through the Annual Gas True-up Advice filing.

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