GAS PRELIMINARY STATEMENT PART FV Sheet 1
BIOMETHANE PROCUREMENT PROGRAM ADMINISTRATIVE BALANCING ACCOUNT (BPPABA)

FV. BIOMETHANE PROCUREMENT PROGRAM ADMINISTRATIVE BALANCING ACCOUNT (BPPABA)

1. PURPOSE: The BPPABA is a two-way balancing account that records actual expenses associated with implementing and administering the Biomethane Procurement Program.

2. APPLICABILITY: The BPPABA applies to all customer classes, except for those schedules or contracts specifically excluded by the Commission.

3. REVISION DATE: Disposition of the balance in this account will be through the Annual Gas True-up (AGT) advice letter process, or as otherwise authorized by the Commission, through the Core Cost subaccount in the Core Fixed Cost Account and Noncore Subaccount in the Noncore Customer Class Charge Account. The portion of costs allocated to core and noncore customers is based on the cost allocation factor shown in Gas Preliminary Statement Part C.3.a. for “Other – Equal Distribution Based on All Transportation Volumes” in effect at the balance is transferred to the applicable revenue adjustment mechanisms for recovery.

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

5. ACCOUNTING PROCEDURE:

   PG&E shall make the following entries at the end of each month, as applicable, as follows, excluding amounts for Revenue, Fees, and Uncollectibles:

   1) A debit entry equal to actual incremental administrative costs associated with implementing and administering the Biomethane Procurement Program;

   2) A debit or credit entry equal to the capital revenue requirement associated with actual capital additions incurred for implementing the program. Capital-related revenue requirements include depreciation expense, the return on investment, federal and state income taxes, and property taxes associated with the costs of installed equipment;

   3) A debit/(credit) entry, as appropriate, to record the transfer of amounts to or from other accounts as approved by the Commission; and

   4) 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. (N) | | | | (N)