

PRELIMINARY STATEMENT - PART V - BALANCING ACCOUNTS  
COMPANY USE FUEL FOR LOAD BALANCING ACCOUNT (CUFLBA)

Sheet 1

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1. Purpose

The CUFLBA is an interest bearing balancing account recorded on SoCalGas' financial statements. Pursuant to the BCAP Decision 09-xx-xxx, the purpose of this account is to balance the difference between actual costs for company-use fuel for load balancing purposes with the revenues intended to recover these costs.

2. Applicability

This account shall apply to all gas customers.

3. Rates

The projected year-end CUFLBA balance will be applied to gas transportation rates.

4. Accounting Procedures

SoCalGas shall maintain the CUFLBA by recording entries at the end of each month, net of FF&U, as follows:

- a) A debit entry equal to the recorded cost for company-use fuel for load balancing purposes;
- b) A credit entry equal to the recorded revenues to recover these costs;
- c) An entry to amortize the previous year's balance; and
- d) An entry equal to the interest on the average of the balance in the account during the month, calculated in the manner described in Preliminary Statement, Part I, J.

5. Disposition

In each annual October regulatory account balance update filing, SoCalGas will amortize the projected year-end balance effective January 1 of the following year. The projected year-end balance will be allocated on an Equal Cents Per Therm (ECPT) basis.

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(TO BE INSERTED BY UTILITY)  
ADVICE LETTER NO. BCAP  
DECISION NO.

ISSUED BY  
**Lee Schavrien**  
Senior Vice President  
Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)  
DATE FILED \_\_\_\_\_  
EFFECTIVE \_\_\_\_\_  
RESOLUTION NO. \_\_\_\_\_