PRELIMINARY STATEMENT - PART VI - MEMORANDUM ACCOUNTS Sheet 1
AFFILIATE TRANSFER FEE ACCOUNT (ATFA)

1. Purpose N

The ATFA is a memorandum account recorded on SoCalGas' financial statements. The purpose of the ATFA is to record fees received by SoCalGas from covered affiliates when an employee of SoCalGas is transferred, assigned, or otherwise employed by that affiliate. A covered affiliate is one that is engaged in the provision of a product that uses gas or electricity, or the provision of services that relate to the use of gas or electricity, and is not otherwise exempted. This account is authorized by Ordering Paragraph 1 of D.97-12-088, which adopted Appendix A, Rule V.G.2.c.

2. Applicability N

The ATFA shall apply to gas customers.

3. Rates

See Disposition Section.

4. Accounting Procedures N

SoCalGas shall maintain the ATFA account by recording monthly entries, net of FF&U, as follows: T

a. A credit entry equal to fees received by SoCalGas from a covered affiliate when an employee of SoCalGas is transferred, assigned, or otherwise employed by the covered affiliate. As described in Rule V.G.2.c., fees do not apply to all employee transfers, e.g., clerical workers, and the transfer of employees during the initial implementation period. N
b. An entry to amortize the balance; and
c. An entry equal to interest on the average balance in the account during the month, calculated in the manner described in Preliminary Statement, Part I, J. N

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5. Disposition N

In its annual October regulatory account balance update filing, SoCalGas will amortize the projected year-end ATFA balance in transportation rates effective January 1 of the following year. The projected year-end balance for the ATFA will be allocated to core and non-core customer classes on an Equal Cents Per Therm (ECPT) basis. N