

PRELIMINARY STATEMENT - PART V - BALANCING ACCOUNTS
ENHANCED OIL RECOVERY ACCOUNT (EORA)

Sheet 1

1. Purpose

The EORA is an interest bearing balancing account recorded on SoCalGas' financial statements. The purpose of this account is to balance the difference between the authorized revenue requirement (excluding the transmission revenue requirement and Backbone Transportation Service (BTS) revenue requirement) and other non-gas costs as detailed below allocated to the Enhanced Oil Recovery (EOR) market with revenue intended to recover these costs.

2. Applicability

The EORA shall apply to all EOR gas customers.

3. Rates

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

4. Accounting Procedures

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

- a. A debit entry equal to one-twelfth of the authorized EOR revenue requirement;
- b. A debit entry equal to the recorded cost for the EOR portion of company-use fuel (excluding transmission company-use fuel);
- c. A debit entry equal to the recorded cost for the EOR portion of unaccounted for gas;
- d. A credit entry equal to the recorded EOR revenues;
- e. An entry to amortize the previous year's balance; and
- f. 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.

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. The projected year-end balance will be allocated on an Equal Percent of Authorized Margin (EPAM) basis excluding EOR.

D

T
DT

(TO BE INSERTED BY UTILITY)
ADVICE LETTER NO. 6194-G
DECISION NO.

ISSUED BY
Dan Skopec
Sr Vice President Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
SUBMITTED Sep 26, 2023
EFFECTIVE Oct 26, 2023
RESOLUTION NO. _____