

PRELIMINARY STATEMENT - PART VI - MEMORANDUM ACCOUNTS
GAIN/LOSS ON SALE MEMORANDUM ACCOUNT (GLOSMA)

Sheet 1

1. Purpose

The GLOSMA is an interest bearing memorandum account recorded on SoCalGas' financial statements. The purpose of the GLOSMA was to initially record the gain-on-sale associated with the sale of the 36 lots at Playa del Rey (PdR) and Marina del Rey (MdR), pursuant to Decision (D.) 06-04-032 dated April 13, 2006, pending the outcome of the Gain on Sale Rulemaking (R.) 04-09-003. Pursuant to Advice No. 3642-A, the GLOSMA was modified to record only the ratepayers' allocation of the after tax gains or losses associated with the sale of utility assets pursuant to the mechanism adopted by D. 06-05-041 dated May 25, 2006 and modified by D.06-12-043 dated December 14, 2006, and Resolution G-3399 dated July 26, 2007.

2. Applicability

The GLOSMA shall apply to gas customers.

3. Rates

See Disposition Section.

4. Accounting Procedures

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

- a. A credit entry equal to the ratepayers' allocation of any after tax gains associated with the sale of utility assets.
- b. A debit entry equal to the ratepayers' allocation of any after tax losses associated with the sale of utility assets.
- c. An entry equal to amortization as authorized by the Commission; and,
- d. An entry equal to the interest on the average balance in the account during the month, calculated in the manner described in the Preliminary Statement, Part I, J.

5. Disposition

The ratepayers' allocation of the after tax gains or losses described in entries a. and b. shall be grossed-up for income taxes as described in Preliminary Statement, Part XII, Gain/Loss on Sale Mechanism. In its annual October regulatory account balance update filing, SoCalGas will amortize the projected year-end balance in transportation rates effective January 1 of the subsequent year. The projected year-end balance for the GLOSMA will be allocated to core and non-core customer classes by Equal Percent of Authorized Margin (EPAM) basis.

(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. _____

N
D
N
|
|
|
|
N
T
T
N
N
D