

PRELIMINARY STATEMENT - PART VI - MEMORANDUM ACCOUNTS
INJECTION ENHANCEMENT COST MEMORANDUM ACCOUNT (IECMA)

Sheet 1

1. Purpose

The IECMA is an interest-bearing memorandum account recorded on SoCalGas' financial statements. Pursuant to the May 8, 2017 "SoCalGas Summer Reliability and Storage Inventories" Letter from California Public Utilities (CPUC) Executive Director Timothy Sullivan, SoCalGas establishes the IECMA to record all incremental costs associated with the Injection Enhancement Plan and Injection Enhancement Memorandum between SoCalGas' System Operator and SoCalGas' Gas Acquisition Department, as outlined in Advice No. 5139. Pursuant to the March 13, 2018 "Injection Required for SoCalGas Summer Reliability and Storage Inventories" Letter from California Public Utilities (CPUC) Executive Director Alice Stebbins, SoCalGas modifies the IECMA to also record all incremental costs associated with the Second Injection Enhancement Plan and Second Injection Enhancement Memorandum between SoCalGas' System Operator and SoCalGas' Gas Acquisition Department, as outlined in Advice No. 5275. The IECMA is effective May 8, 2017.

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N

2. Applicability

This account shall apply to all gas customers except for those specifically excluded by the Commission.

3. Rates

See Disposition Section.

4. Accounting Procedures

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

- a. A debit entry equal to all incremental costs to support SoCalGas' storage requirements for system reliability associated with the Injection Enhancement Plan and Second Injection Enhancement Plan;
- b. An entry to amortize the IECMA balance as authorized by the Commission; and
- c. An entry equal to interest on the average balance in the subaccount during the month, calculated in the manner described in Preliminary Statement, Part I, J.

N
N

5. Disposition

The disposition of the IECMA balance will be addressed in SoCalGas' next General Rate Case or other future proceeding.

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 5276
 DECISION NO.

ISSUED BY
Dan Skopec
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 SUBMITTED Mar 30, 2018
 EFFECTIVE Mar 13, 2018
 RESOLUTION NO. _____