

PRELIMINARY STATEMENT - PART V – BALANCING ACCOUNTS
MASTER METER BALANCING ACCOUNT (MMBA)

Sheet 1

1. Purpose

The MMBA is an interest-bearing balancing account reflected on SoCalGas’ financial statements. The purpose of the MMBA is to record the incremental costs associated with the conversion of master-metered service (i.e., Mobile Home Park Conversion Program) at mobile home parks and manufactured housing communities to direct utility service. The Mobile Home Park (MHP) Conversion Pilot Program is a pilot program as authorized in Decision (D.) 14-03-021 and extended pursuant to Resolution E-4958. The Mobilehome Park Utility Conversion Program is a 10-year program, beginning January 1, 2021, with 2020 as a transition year, through 2030, as authorized in D.20-04-004. The MMBA will record program expenses for parks that are converted pursuant to Resolution E-4958. The MMBA will further record program expenses for parks that are converted pursuant to D.20-04-004. Pursuant to D.19-09-051, SoCalGas’ Test Year (TY) 2019 General Rate Case (GRC), the Commission approved costs for thirty-two MHP conversion projects that were completed through 2016 for inclusion in TY 2019 GRC. As a result, effective with the implementation of the TY 2019 GRC, the MMBA will no longer record O&M and capital-related costs on the “to-the-meter” assets associated with these MHP conversion projects.

N
N
D,N
N
D
N
N

2. Applicability

This account will be incorporated in gas distribution rates and apply to all gas distribution customers except for those specifically excluded by the Commission.

3. Rates

See Disposition Section.

4. Accounting Procedures

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

- a) A debit entry equal to the actual incremental revenue requirements (i.e., O&M and capital-related costs such as depreciation, taxes and return) associated with the “to the meter” Mobile Home Park conversion costs capitalized and placed in service upon system cutover to direct utility service, including incremental O&M start-up costs such as customer outreach, administration and other ongoing costs to implement the pilot program;

(Continued)

(TO BE INSERTED BY UTILITY)
 ADVICE LETTER NO. 5642
 DECISION NO. 20-04-004

ISSUED BY
Dan Skopec
 Vice President
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
 SUBMITTED Jun 8, 2020
 EFFECTIVE Jul 8, 2020
 RESOLUTION NO. _____

PRELIMINARY STATEMENT - PART V – BALANCING ACCOUNTS
MASTER METER BALANCING ACCOUNT (MMBA)

Sheet 2

(Continued)

4. Accounting Procedures (Continued)

- b) A debit entry equal to the actual incremental revenue requirements (i.e., amortization, income taxes and return), of the regulatory asset balance associated with “beyond the meter” Mobile Home Park conversion costs amortized in rates over a ten-year period at SoCalGas’ current authorized rate of return on ratebase;
- c) An entry equal to amortization of the MMBA balance 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 balance in the MMBA will be amortized in connection with SoCalGas’ annual regulatory account balance for gas transportation rates effective January 1 of the following year until mobile home park “to the meter” conversion costs are rolled into base rates in connection with a General Rate Case (GRC) or other applicable proceeding and “beyond the meter” costs are fully amortized over a ten-year period.

(TO BE INSERTED BY UTILITY)

ADVICE LETTER NO. 5539
DECISION NO. 19-09-051

2C8

ISSUED BY

Dan Skopec
Vice President
Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)

SUBMITTED Oct 31, 2019
EFFECTIVE Jan 1, 2020

RESOLUTION NO. _____

L
|
|
|
|
|
|
|
|
|
|
L