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PRELIMINARY STATEMENT - PART VI - MEMORANDUM ACCOUNT Sheet 1 PERCENTAGE OF INCOME PAYMENT PLAN MEMORANDUM ACCOUNT (PIPPMA)

1. Purpose

The PIPPMA is an interest-bearing memorandum account that is recorded on the Utility's financial statements. In Decision (D.) 21-10-012, the Commission authorized the establishment of a Percentage of Income Payment Plan (PIPP) pilot program in an effort to reduce the number of low-income households at risk for disconnection. The PIPP pilot program will be in effect for a 4-year period. Pursuant to D.21-10-012, the PIPPMA will record administrative costs associated with the implementation of the PIPP pilot program.

Pursuant to Advice No. 5910, SoCalGas shall temporarily record PIPP incremental administrative costs in the Residential Disconnection Protections Memorandum Account (RDPMA) until the Commission has approved the creation of PIPPMA. Upon approval, PIPP-related administrative costs will be transferred from the RDPMA to PIPPMA.

2. Applicability

The PIPPMA shall apply to all customers except those specifically excluded by the Commission.*

3. Rates

The PIPPMA shall be applied to rates as described in the Disposition section below.

4. Accounting Procedures

SoCalGas shall maintain the PIPPMA by recording entries at the end of each month as follows, net of Franchise Fees and Uncollectibles (FF&U), where applicable:

- a. A debit entry equal to the actual operation and maintenance (O&M) costs and capital-related costs (i.e., depreciation, taxes, and return) associated with implementing the PIPP pilot program; and
- b. An entry equal to the interest on the average balance in the account at the beginning of the month and the balance after the entries above at a rate equal to 1/12 of the interest rate on three-month nonfinancial Commercial Paper for the previous month, as reported in the Federal Reserve Statistical Release, H.15, or its successor publication.

5. Disposition

The disposition of the account balance will be addressed in SoCalGas next general rate case or other applicable proceeding.

| * | See | \mathbf{D} | 21 | - 1 | Λ | Λ1 | 2 | |
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| -1- | See | | - 7. 1 | - 1 | l)- | w | | |

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(TO BE INSERTED BY UTILITY)
ADVICE LETTER NO. 5936
DECISION NO. 21-10-012

ISSUED BY **Dan Skopec**Vice President

Regulatory Affairs

(TO BE INSERTED BY CAL. PUC) SUBMITTED $$\operatorname{Feb}\ 4,\,2022$$

Dec 15, 2022

RESOLUTION NO.

EFFECTIVE

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