

PRELIMINARY STATEMENT-PART VI-MEMORANDUM ACCOUNTS  
SYSTEM OPERATOR GAS ACCOUNT (SOGA)

Sheet 1

N  
N

1. Purpose

The SOGA is an interest bearing memorandum account that is recorded on SoCalGas' financial statements. Pursuant to Decision (D.) 16-10-004, SoCalGas' 2017 Triennial Cost Allocation proceeding (TCAP), the purpose of the SOGA is to record cost and revenue transactions resulting from operational imbalances and cash out provisions associated with the California Producer Operational Balancing Agreements (CPOBA) and the administration of the pipeline Operational Balancing Agreements (OBA).

N

2. Applicability

The SOGA will apply to gas customers.

3. Rates

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

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 cost transactions associated with buying gas in support of cashing out California producer imbalances and pipeline operating imbalances;
- b) A credit entry equal to revenue transactions associated with selling gas in support of cashing out California producer imbalances and pipeline operating imbalances;
- c) An entry to amortize the SOGA balance; and
- d) An entry equal to interest on the average of the 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 SOGA balance effective January 1 of the following year. The projected year-end balance will be allocated on an Equal Cents Per Therm (ECPT) basis.

N

(TO BE INSERTED BY UTILITY)  
ADVICE LETTER NO. 5060  
DECISION NO. 16-10-004

ISSUED BY  
**Dan Skopec**  
Vice President  
Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)  
DATE FILED Nov 14, 2016  
EFFECTIVE Jan 1, 2017  
RESOLUTION NO. \_\_\_\_\_