

PRELIMINARY STATEMENT - PART VI - MEMORANDUM ACCOUNTS  
WINTER DEMAND RESPONSE MEMORANDUM ACCOUNT (WDRMA)

Sheet 1

1. Purpose

The WDRMA is an interest-bearing memorandum account recorded on SoCalGas' financial statements. Pursuant to the Letter from Energy Division to SoCalGas on 2016-2017 Winter Demand Response (WDR) Programs, SoCalGas establishes the WDR 2016-2017 subaccount of the WDRMA to track all costs associated with the proposed gas demand response programs in its service territory for the winter of 2016 as directed by the Director of Energy Division on September 13, 2016. Pursuant to the Letter from Energy Division to SoCalGas on 2017-2018 and 2018-2019 WDR Programs, SoCalGas establishes the WDR 2017-2018 and WDR 2018-2019 subaccounts of the WDRMA to track all costs associated with the proposed gas demand response programs in its service territory for the winters of 2017-2018 and 2018-2019, as directed by the Director of Energy Division on November 16, 2017. SoCalGas' 2016-2017 WDR Program is established in response to the uncertainty surrounding the availability of gas storage and withdrawal capabilities at Aliso Canyon during the upcoming winter of 2016-2017. SoCalGas' 2017-2018 and 2018-2019 WDR Programs are established to support reliability.

Pursuant to the letter dated April 12, 2018 from the Director of the Energy Division, SoCalGas establishes the Long-Term Winter Demand Response Program Subaccount to record the costs associated with the filing of an application and development of a suite of demand response programs beyond the 2018-2019 winter season.

The WDRMA is effective September 15, 2016.

2. Applicability

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

3. Rates

See Disposition Section.

4. WDR 2016-2017 Subaccount - Accounting Procedures

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

- a. A debit entry equal to actual operating and maintenance (O&M) costs associated with SoCalGas' 2016-2017 WDR Program;
- b. A debit entry equal to the capital-related costs (e.g., depreciation, return and taxes) associated with SoCalGas' 2016-2017 WDR Program;
- c. An entry to amortize the subaccount balance as authorized by the Commission; and
- d. 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.

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(TO BE INSERTED BY UTILITY)  
 ADVICE LETTER NO. 5303  
 DECISION NO.

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

(TO BE INSERTED BY CAL. PUC)  
 SUBMITTED May 31, 2018  
 EFFECTIVE Oct 25, 2018  
 RESOLUTION NO. \_\_\_\_\_

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WINTER DEMAND RESPONSE MEMORANDUM ACCOUNT (WDRMA)

Sheet 2

(Continued)

5. WDR 2017-2018 Subaccount - Accounting Procedures

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

- a. A debit entry equal to actual O&M costs associated with SoCalGas' 2017-2018 WDR Program;
- b. A debit entry equal to the capital-related costs (e.g., depreciation, return and taxes) associated with SoCalGas' 2017-2018 WDR Program;
- c. An entry to amortize the subaccount balance as authorized by the Commission; and
- d. 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.

6. WDR 2018-2019 Subaccount - Accounting Procedures

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

- a. A debit entry equal to actual O&M costs associated with SoCalGas' 2018-2019 WDR Program;
- b. A debit entry equal to the capital-related costs (e.g., depreciation, return and taxes) associated with SoCalGas' 2018-2019 WDR Program;
- c. An entry to amortize the subaccount balance as authorized by the Commission; and
- d. 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.

7. Disposition

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

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