



**ELECTRIC PRELIMINARY STATEMENT PART BU
VEGETATION MANAGEMENT BALANCING ACCOUNT**

Sheet 1

BU. VEGETATION MANAGEMENT BALANCING ACCOUNT (VMBA)

1. PURPOSE

The purpose of the VMBA is to record actual expenses related to Routine Vegetation Management, Enhanced Vegetation Management, Tree Mortality and Fire Risk Reduction work up to adopted amounts for the entire GRC funding cycle. PG&E may amend the VMBA to include additional vegetation management programs. The VMBA is a one-way balancing account.

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(D)

2. APPLICABILITY

The VMBA is applicable to all rate schedules, except those expressly authorized by the Commission.

3. REVISION DATE

Disposition of the balance in this account will be at the end of the funding cycle. Any overcollections at the end of the rate case cycle will be returned to customers through a regularly scheduled Annual Electric True-up (AET) Advice Letter or other rate change advice letter, or as otherwise authorized by the Commission through the Distribution Revenue Adjustment Mechanism.

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(T)

4. RATES

The VMBA does not have a rate component.

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5. ACCOUNTING PROCEDURE

PG&E will maintain the VMBA by making entries at the end of each month, or as applicable, excluding an allowance for Revenue Fees and Uncollectible (RF&U) accounts expense, as follows:

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(T)
(T)

(Continued)



**ELECTRIC PRELIMINARY STATEMENT PART BU
VEGETATION MANAGEMENT BALANCING ACCOUNT**

Sheet 2

BU. VEGETATION MANAGEMENT BALANCING ACCOUNT (VMBA) (Cont'd.)

- 5. ACCOUNTING PROCEDURE (Cont'd) (T)
 - a. A debit entry equal to PG&E's actual VMBA expenses for the month. (T)
 - b. A credit entry equal to one-twelfth of the amounts adopted in PG&E's GRC or other base revenue proceeding for vegetation management expense. (T)
 - c. An entry to record the transfer of amounts to or from other accounts as approved by the Commission.
 - d. An entry equal to interest on the average balance in the account at the beginning of the month and the balance after the above entries at a rate equal to one-twelfth the interest rate on three-month Commercial Paper for the previous month, as reported in the Federal Reserve Statistical Release, G.13 or its successor.

(D)

(D)