



**ELECTRIC PRELIMINARY STATEMENT PART IO**  
**WILDFIRE MITIGATION BALANCING ACCOUNT - WMBA-E**

Sheet 1

IO. Wildfire Mitigation Balancing Account - Electric (WMBA-E)

1. PURPOSE: The purpose of the Wildfire Mitigation Balancing Account - Electric (WMBA-E) is to track actual expenses and capital expenditures against adopted amounts and to record associated expenses and capital revenue requirements for fire risk mitigation work, allocated to the electric distribution and generation functions, up to the aggregate expense and capital revenue requirements adopted for the 2023 GRC cycle (2023-2026). These costs include, but are not limited to, expenses and the revenue requirements associated with capital expenditures for: 1) Situational Awareness and Forecasting; 2) PSPS Operations and associated Customer Communications; 3) System Hardening, Enhanced Automation, and PSPS Impact Mitigations; 4) CWSP PMO; 5) Information Technology for Wildfire Mitigation; and 6) Enhanced Powerline Safety Settings. Costs recorded to the WMBA-E do not include costs recovered through the Catastrophic Event Memorandum Account (CEMA), the Fire Risk Mitigation Memorandum Account (FRMMA) or the Wildfire Mitigation Plan Memorandum Account (WMPMA). (T)

The WMBA-E is a one-way balancing account that records actual expenses and capital revenue requirements up to the total adopted expense and capital expenditures for the entire GRC funding cycle (2023-2026). (T)

Upon issuance of securitized debt to fund capital expenditures in the WMBA, capital revenue requirements related to these capital expenditures will be modified to exclude depreciation expense, the return on investment, and taxes, with the exception of property taxes.

This account is comprised of the following subaccounts: (T)

The Electric Distribution Subaccounts (one expense and one capital) track actual expenses and the capital revenue requirements associated with actual capital expenditures incurred up to the total adopted amounts for the GRC funding cycle allocated to the electric distribution function. See the 'REVISION DATE' section below for disposition of the balances in these subaccounts at the end of the funding cycle. (T)

The Generation Subaccounts (one expense and one capital) track actual expenses and the capital revenue requirement associated with actual capital expenditures incurred up to the total adopted amounts for the GRC funding cycle allocated to the generation function. See the 'REVISION DATE' section below for disposition of the balances in these subaccounts at the end of the funding cycle. (T)

2. APPLICABILITY: The WMBA applies to all customer classes, except for those schedules or contracts specifically excluded by the Commission. (L)

(Continued)

<i>Advice</i>	7090-E	<i>Issued by</i>	<i>Submitted</i>	<u>December 14, 2023</u>
<i>Decision</i>	D.22-06-033, D.23-11-069.	<b>Shilpa Ramaiya</b> <i>Vice President</i>	<i>Effective</i>	<u>January 1, 2023</u>
			<i>Resolution</i>	



**ELECTRIC PRELIMINARY STATEMENT PART IO**  
**WILDFIRE MITIGATION BALANCING ACCOUNT - WMBA-E**

Sheet 2

IO. Wildfire Mitigation Balancing Account - Electric (WMBA-E) (Cont'd)

- 3. REVISION DATE: Disposition of balances in the expense subaccounts will be done on an aggregated basis at the end of the GRC funding cycle. If the aggregate total actual expenses are less than the aggregated total adopted expenses at the end of the GRC funding cycle, PG&E will refund the underspent balances to customers through the Annual Electric True-Up (AET) advice letter, or another tier 2 advice letter, or propose an alternative disposition of the total overcollection as part of its next GRC application. If the aggregate total actual capital expenditures are less than the total adopted capital expenditures at the end of the GRC funding cycle, PG&E will refund the revenue requirement associated with the underspent amount to customers through the AET advice letter, or another tier 2 advice letter, or propose an alternative disposition of the total overcollection as part of its next GRC application.
- 4. RATES: The WMBA does not have a rate component.
- 5. ACCOUNTING PROCEDURE: PG&E will maintain a subledger to track the capital expenditures incurred as recorded in its accounting system of record. If the aggregated capital expenditures incurred at the end of the rate case cycle are less than the total adopted amounts, entry c) and d) will be recorded. The following entries will be made at the end of each month, or as applicable, excluding an allowance for Revenue Fees and Uncollectible (RF&U) accounts expense:

ELECTRIC DISTRIBUTION SUBACCOUNTS: Entries a) and b) apply only to the expense subaccount and entries c), d) and e) apply only to the capital subaccount: (T)

- a) A credit entry equal to one-twelfth of the adopted expenses allocated to the electric distribution function;
- b) A debit entry equal to the actual expenses incurred allocated to the electric distribution function;
- c) A credit entry equal to the revenue requirement associated with aggregated 2023 through 2026 adopted capital expenditures allocated to the electric distribution function;
- d) A debit entry equal to the capital revenue requirement associated with the aggregated 2023 through 2026 actual capital additions incurred for the electric distribution function. Capital-related revenue requirements include depreciation expense, the return on investment, federal and state income taxes, and property taxes associated with the costs of installed equipment;
- e) A debit or credit entry to adjust capital revenue requirements related to securitized capital expenditures to exclude depreciation expense, the return on investment, and taxes excluding property taxes; (N)  
(N)
- f) An entry to record the transfer of amounts to or from other accounts as approved by the Commission; and (T)
- g) An entry equal to the interest on the average of the balance in this account at the beginning of the month and the balance in this account 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, H.15, or its successor. (T)

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Advice	7181-E	Issued by	Submitted	March 1, 2024
Decision	D.24-02-011	<b>Shilpa Ramaiya</b>	Effective	March 31, 2024
		Vice President	Resolution	

*Regulatory Proceedings and Rates*



**ELECTRIC PRELIMINARY STATEMENT PART IO**  
**WILDFIRE MITIGATION BALANCING ACCOUNT - WMBA-E**

Sheet 3

IO. Wildfire Mitigation Balancing Account - Electric (WMBA-E) (Cont'd)

5. ACCOUNTING PROCEDURE (Cont'd):

- GENERATION SUBACCOUNTS: Entries a) and b) apply only to the expense subaccount (T)  
and entries c) and d) apply only to the capital subaccount: (T)
- a) A credit entry equal to one-twelfth of the adopted expenses allocated to the generation (T)  
function; (T)
- b) A debit entry equal to the actual expenses incurred allocated to the generation function;
- c) A credit entry equal to the revenue requirement associated with aggregated 2023 (N)  
through 2026 adopted capital expenditures allocated to the generation function; (N)
- d) A debit entry equal to the capital revenue requirement associated with the aggregated (T)  
2023 through 2026 actual capital additions incurred for the generation function. (T)  
Capital-related revenue requirements include depreciation expense, the return on  
investment, federal and state income taxes, and property taxes associated with the  
costs of installed equipment;
- e) An entry to record the transfer of amounts to or from other accounts as approved by the (D)  
Commission; and
- f) An entry equal to the interest on the average of the balance in this account at the  
beginning of the month and the balance in this account 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, H.15, or its successor.

Advice 7090-E  
Decision D.22-06-033,  
D.23-11-069.

Issued by  
**Shilpa Ramaiya**  
Vice President  
Regulatory Proceedings and Rates

Submitted December 14, 2023  
Effective January 1, 2023  
Resolution