



ELECTRIC PRELIMINARY STATEMENT PART DZ
DEPARTMENT OF ENERGY LITIGATION BALANCING ACCOUNT

Sheet 1

DZ. DEPARTMENT OF ENERGY LITIGATION BALANCING ACCOUNT (DOELBA)

1. **PURPOSE:** The purpose of the DOELBA is to track, record and provide for the crediting to customers of any proceeds, net of costs, from PG&E's lawsuit against the Department of Energy (DOE) filed in the Federal Court of Claims on January 22, 2004, regarding the DOE's breach of spent fuel contracts and any additional claims for reimbursement that PG&E may have against DOE arising out of or related to spent fuel contracts. This account ensures the proper crediting and allocation of proceeds and costs for the benefit of customers as determined by the Commission between the Diablo Canyon and Humboldt Bay nuclear power plants. The DOELBA will expire after litigation is completed, proceeds have been received, and the Commission has authorized disposition of the balance.
2. **APPLICABILITY:** The DOELBA balances shall be credited to rates upon successful resolution of the DOE litigation and collection and receipt of proceeds. If PG&E's efforts in the DOE litigation are unsuccessful, the costs recorded to the DOELBA shall be recovered in rates at the time the litigation is completed.
3. **REVISION DATE:** Disposition of the balance in the account shall be through the Annual Electric True-Up Advice Letter, as authorized by the Commission. (T)
4. **DOELBA RATES:** This account does not have a rate component. (T)
5. **ACCOUNTING PROCEDURES:** The DOELBA has two sub-accounts:

Utility Generation Sub-account

The Utility Generation sub-account records DOE litigation proceeds and incremental litigation costs allocated to generation customers. The balance in this sub-account will be transferred to the Portfolio Allocation Balancing Account (PABA).

Nuclear Decommissioning Sub-account

The Nuclear Decommissioning sub-account records DOE litigation proceeds and incremental litigation costs allocated to nuclear decommissioning customers. The balance in this sub-account will be transferred to the Nuclear Decommissioning Adjustment Mechanism (NDAM).

DOE Litigation and Claims Proceeds: Claims Proceeds received are allocated as follows: (T)

Year	Utility Generation	Nuclear Decommissioning
2023	13.3%	86.7%
2024	15.3%	84.7%
2025	19.0%	81.0%
2026	0.0%	100.0%

(N)

(N)
(L)

(Continued)

Advice 7089-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



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Sheet 2

5. ACCOUNTING PROCEDURES (Cont'd)

DOE Incremental Litigation Costs: These are costs incurred or paid by PG&E on or after January 22, 2004, in connection with the DOE litigation. Incremental litigation costs shall include the costs PG&E incurs for outside counsel, expert witnesses, document and discovery services, and other charges to PG&E specifically associated with work done by outside counsel for PG&E on PG&E's lawsuit against DOE filed in the Federal Court of Claims on January 22, 2004. The costs of PG&E's Law Department directing the litigation shall not be recorded in the DOE Costs Sub-Account. Costs associated with the utility generation are allocated to PABA customers, and costs associated with the nuclear decommissioning are allocated to NDAM customers.

(L)

(L)

A) Utility Generation Sub-account

PG&E shall make entries at the end of each month as applicable, as follows:

1. A credit entry equal to the DOE utility generation litigation proceeds.
2. A debit entry equal to the DOE utility generation litigation costs.
3. A debit or credit entry to transfer the balance to or from any other accounts as approved by the Commission, and
4. 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 H.15 or its successor.

B) Nuclear Decommissioning Sub-account

PG&E shall make entries at the end of each month as applicable, as follows:

1. A credit entry equal to the DOE nuclear decommissioning litigation proceeds.
2. A debit entry equal to the DOE nuclear decommissioning litigation costs.
3. A debit or credit entry to transfer the balance to or from any other accounts as approved by the Commission, and
4. 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 H.15 or its successor.