



ELECTRIC PRELIMINARY STATEMENT PART IK Sheet 1 (N)
POWER CHARGE INDIFFERENCE ADJUSTMENT PREPAYMENT BALANCING ACCOUNT (N)

IK. POWER CHARGE INDIFFERENCE ADJUSTMENT PREPAYMENT BALANCING ACCOUNT (N)

A. PURPOSE: The purpose of the Power Charge Indifference Adjustment (PCIA) Prepayment Balancing Account (PPBA) is to record prepayments of PCIA obligations received from individual Direct Access (DA) customers or from a Community Choice Aggregator (CCA) on behalf of a defined set of CCA customers, pursuant to the prepayment directives approved by the California Public Utilities Commission (Commission or CPUC) in Decisions (D.) 18-10-019 and D.20-08-004. (N)

The PPBA will be comprised of sub-accounts, where each subaccount will be dedicated to an individual prepayment agreement reached between PG&E and any DA customer or individual CCA entity and approved by the Commission via an application submitted pursuant to Ordering Paragraph (OP) 12 of D.18-10-019 (Prepayment Application).

B. APPLICABILITY: Each subaccount in the PPBA will be attributable to the Portfolio Allocation Balancing Account (PABA) vintage subaccounts based on the customer's otherwise applicable vintage PCIA assignment for purposes of amortizing the balance in the PPBA pre-payer subaccount to the PABA vintage subaccounts.

C. REVISION DATE: The disposition of the balances in the respective prepayment subaccounts will be in accordance with the Commission-approved prepayment application or as otherwise determined by the Commission.

D. RATES: This account does not have a rate component.

E. ACCOUNTING PROCEDURE: PG&E shall maintain the PPBA by making monthly entries to the subaccounts as follows:

A. [Pre-payer 1] PCIA Prepayment Subaccount

a. A credit amount equal to the actual amount of the PCIA obligations received pursuant to agreements reached between PG&E and prepaying DA customers or CCA entities prepaying on behalf of its customers.

b. A debit entry to transfer a portion of the pre-paid PCIA obligation to the PABA. This amount of the pre-paid PCIA obligation that will be transferred will be determined in accordance with the Commission-approved Prepayment Application as:

i. The calculated PCIA shadow bill amount the prepaying customer would have owed for the month if it had not prepaid, or

ii. An amount that amortizes the prepaid PCIA obligation on a straight-line basis or over the estimated life of the PCIA prepayment obligation or other reasonable period as determined by the Commission. (N)

(Continued)



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IK. POWER CHARGE INDIFFERENCE ADJUSTMENT PREPAYMENT BALANCING ACCOUNT (N)
(Cont'd)

E. ACCOUNTING PROCEDURE (Cont'd): (N)

A. [Pre-payer 1] PCIA Prepayment Subaccount (Cont'd)

c. A credit entry equal to the interest on the average of the balance in the beginning of the month and the balance after the entries above, unless otherwise specified in the Prepayment Application, equal to the one-twelfth of the interest rate on three-month nonfinancial Commercial Paper for the previous month, as reported in the Federal Reserve Statistical Release, H.15, or its successor publication. (N)