

PRELIMINARY STATEMENT - PART V - BALANCING ACCOUNTS  
DISTRIBUTION INTEGRITY MANAGEMENT PROGRAM  
BALANCING ACCOUNT (DIMPBA)

N  
N  
N

1. Purpose

N

The DIMPBA is an interest bearing balancing account recorded on SoCalGas' financial statements. Pursuant to D.08-07-046, TY 2008 General Rate Case (GRC), effective January 1, 2008, the DIMPBA will record the difference between actual and authorized costs associated with SoCalGas' Distribution Integrity Management Program (DIMP). The DIMPBA is effective for the GRC cycle of 2008 through 2011.

2. Applicability

See Disposition section.

3. Rates

The balance in the DIMPBA will be included in gas rates upon Commission approval.

4. Accounting Procedures

SoCalGas maintains this account by making monthly entries as follows:

- a) A debit entry to record actual O&M costs related to SoCalGas' DIMP,
- b) A credit entry equal to one-twelfth of the cost authorized in rates related to SoCalGas' DIMP, and
- c) An entry equal to interest on the average of the balance in the account during the month, calculated in the manner described in Preliminary Statement, Part I, J.

5. Disposition

Any over- or under-collected balance at the end of each year within the GRC cycle will be carried over to the following year. Any unspent DIMP funds at the end of the current GRC cycle will be returned to customers in rates in SoCalGas' next GRC cycle.

N

(TO BE INSERTED BY UTILITY)  
ADVICE LETTER NO. 3890  
DECISION NO. 08-07-046

ISSUED BY  
**Lee Schavrien**  
Senior Vice President  
Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)  
DATE FILED Aug 11, 2008  
EFFECTIVE Jan 1, 2008  
RESOLUTION NO. \_\_\_\_\_