

PRELIMINARY STATEMENT
(Continued)

W. Storm Expense Balancing Account (SEBA)

A. Purpose

Pursuant to Commission Decision (D.) 26-03-017, the Storm Expense Balancing Account (SEBA) will track the difference between the expenses accrued by Liberty Utilities (CalPeco Electric) LLC ("Liberty CalPeco") related to storm restoration for storm events that do not qualify for Catastrophic Events Memorandum Account (CEMA) recovery, and the CPUC authorized storm restoration expenses.

B. Applicability

The SEBA is applicable to all rate schedules.

C. Definitions

1. Storm Event Expense: All amounts paid by Liberty CalPeco that are directed toward incremental labor and non-labor restoration-related expenses for storm events that do not qualify for Catastrophic Event Memorandum Account recovery, including:
 - i. Restoring utility service to the Utility's Customers;
 - ii. Repairing, replacing, or restoring damaged Utility facilities; and
 - iii. Complying with governmental agency orders.
2. CPUC authorized storm restoration expenses: The revenue requirement authorized by the Commission in Liberty's General Rate Case Decision (GRC).

<u>Decision</u>	<u>Authorized SEBA Revenue Requirement</u>
D.26-03-017	\$1,350,0000

D. Procedure

1. Entries to the SEBA shall be made when a storm event occurs and the expenses do not qualify for CEMA recovery.
2. Liberty shall apply interest to the average net balance in the SEBA account 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 publication. Accumulated interest will be included in the amount on which interest is accrued, but will be identified as a separate component of the RUBA account.

E. Effective Date

The SEBA is effective as of June 1, 2026.

F. Account Disposition

The SEBA is a two-way balancing account. Recorded costs above the authorized revenue requirement in the SEBA may be recovered in rates only after a request by the Utility, a showing of reasonableness, and approval by the Commission. Such a request may be made by formal application specifically for that purpose, by inclusion in a subsequent general rate case, or other rate setting filing.

Advice Letter No. 295-E Eric Schwarzrock
Name

Issued by

Date Filed: May 1, 2026

Decision No. D.26-03-017 President
Title

Effective Date: June 1, 2026

Resolution No. _____