

STATEMENT OF RATES
EFFECTIVE RATES APPLICABLE TO NORTHERN CALIFORNIA DIVISION SCHEDULES [1] [2] [3] [4]

Schedule No. and Type of Charge	Southwest Margin	Charges [5] and Adjustments	Subtotal Gas Usage Rate	Other Surcharges		Gas Cost	Effective Sales Rate
				CPUC	PPP [6]		
GN-10 - Residential Gas Service							
Basic Service Charge	\$ 5.00						\$ 5.00
Cost per Therm							
Baseline Quantities	\$.56131	\$.22941	\$.79072	\$.00068	\$.04491	\$.41065	\$ 1.24696
Tier II	.67202	.22941	.90143	.00068	.04491	.41065	1.35767
GN-12 - CARE Residential Gas Service							
Basic Service Charge	\$ 4.00						\$ 4.00
Cost per Therm							
Baseline Quantities	\$.32104	\$.22941	\$.55045	\$.00068	\$.02550	\$.41065	\$.98728
Tier II	.40960	.22941	.63901	.00068	.02550	.41065	1.07584
GN-15 - Secondary Residential Gas Service							
Basic Service Charge	\$ 6.00						\$ 6.00
Cost per Therm	\$.69610	\$.23107	\$.92717	\$.00068	\$.04491	\$.41065	\$ 1.38341
GN-20 - Multi-Family Master-Metered Gas Service							
Basic Service Charge	\$ 25.00						\$ 25.00
Cost per Therm							
Baseline Quantities	\$.56131	\$.22941	\$.79072	\$.00068	\$.04491	\$.41065	\$ 1.24696
Tier II	.67202	.22941	.90143	.00068	.04491	.41065	1.35767
GN-25 - Multi-Family Master Metered Gas Service - Submetered							
Basic Service Charge	\$ 25.00						\$ 25.00
Cost per Therm							
Baseline Quantities	\$.56131	\$.22941	\$.79072	\$.00068	\$.04491	\$.41065	\$ 1.24696
Tier II	.67202	.22941	.90143	.00068	.04491	.41065	1.35767
Submeter Discount per Occupied Space	\$(10.95)						\$(10.95)
GN-35 - Agricultural Employee Housing & Nonprofit Group Living Facility Gas Service							
Basic Service Charge	\$ 8.80						\$ 8.80
Cost per Therm							
Summer (June - September)							
First 100	\$.23780	\$.19936	\$.43716	\$.00068	\$.02550	\$.41065	\$.87399
Next 500	.16100	.19936	.36036	.00068	.02550	.41065	.79719
Next 2,400	.08660	.19936	.28596	.00068	.02550	.41065	.72279
Over 3,000	(.01088)	.19936	.18848	.00068	.02550	.41065	.62531
Winter (October - May)							
First 100	\$.23275	\$.22461	\$.45736	\$.00068	\$.02550	\$.41065	\$.89419
Next 500	.15595	.22461	.38056	.00068	.02550	.41065	.81739
Next 2,400	.08155	.22461	.30616	.00068	.02550	.41065	.74299
Over 3,000	(.01593)	.22461	.20868	.00068	.02550	.41065	.64551

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				CPUC	PPP [6]		
GN-40 - Core General Gas Service							
Basic Service Charge	\$ 11.00						\$ 11.00
Cost per Therm							
Summer (June - September)							
First 100	\$.44975	\$.19936	\$.64911	\$.00068	\$.04491	\$.41065	\$ 1.10535
Next 500	.35375	.19936	.55311	.00068	.04491	.41065	1.00935
Next 2,400	.26075	.19936	.46011	.00068	.04491	.41065	.91635
Over 3,000	.13890	.19936	.33826	.00068	.04491	.41065	.79450
Winter (October - May)							
First 100	\$.44975	\$.22461	\$.67436	\$.00068	\$.04491	\$.41065	\$ 1.13060
Next 500	.35375	.22461	.57836	.00068	.04491	.41065	1.03460
Next 2,400	.26075	.22461	.48536	.00068	.04491	.41065	.94160
Over 3,000	.13890	.22461	.36351	.00068	.04491	.41065	.81975
GN-50 - Core Natural Gas Service for Motor Vehicles							
Basic Service Charge	\$ 25.00						\$ 25.00
Cost per Therm							
Summer (June - September)	\$.07193	\$.18447	\$.25640	\$.00068	\$.04491	\$.41065	\$.71264
Winter (October - May)	.07193	.21567	.28760	.00068	.04491	.41065	.74384
GN-60 - Core Internal Combustion Engine Gas Service							
Basic Service Charge	\$ 25.00						\$ 25.00
Cost per Therm							
Summer (June - September)	\$.68869	\$.18447	\$.87316	\$.00068	\$.04491	\$.41065	\$ 1.32940
Winter (October - May)	.68869	.21260	.90129	.00068	.04491	.41065	1.35753
GS-66 - Core Small Electric Power Generation Gas Service							
Basic Service Charge	\$ 25.00						\$ 25.00
Cost per Therm							
Summer (May - October)	\$.08917	\$.19936	\$.28853	\$.00068		\$.41065	\$.69986
Winter (November - April)	.08917	.22481	.31398	.00068		.41065	.72531
GN-70 - Noncore General Gas Transportation Service							
Basic Service Charge	\$ 100.00						\$ 100.00
Cost per Therm							
Summer (June - September)	\$.14698	\$.01001	\$.15699	\$.00068	\$.04491		\$.20258
Winter (October - May)	.14698	.01001	.15699	.00068	.04491		.20258
TFF - Transportation Franchise Fee Surcharge Provision							
TFF Surcharge per Therm							\$.00435
MHPS - Master-Metered Mobile Home Park Safety Inspection Provision							
MHPS Surcharge per Space per Month							\$.21000

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				CPUC	PPP [6]		

[1] Customers taking only transportation service will pay the Effective Sales Rate less the Interstate Reservation Charge and Gas Cost components of the Effective Sales Rate, plus a Transportation Service Charge of \$780 per month and an amount of \$0.00285 per therm for distribution system shrinkage. The PGA Balancing Account Adjustment is applicable to customers converting from sales service to transportation service for the greater period of either 12 months or the conclusion of the amortization period upon which the Balancing Account Adjustment was developed. The volume charge for customer-secured natural gas transportation will also be subject to the TFF Surcharge, if applicable. The TFF Surcharge shall be the product of the customer-secured volumes transported, multiplied by the monthly projected cost of gas, excluding franchise fees and uncollectibles, multiplied by the most current authorized franchise fee factor.

[2] For the purpose of administering the tariff provisions of Rule No. 22, Transportation of Customer-Secured Natural Gas, of this California Gas Tariff, the otherwise applicable Procurement Charge is equal to the monthly projected cost of gas.

[3] In addition to the Effective Sales Rate, a Facilities Surcharge per therm applies to all natural gas volumes delivered in the Utility's Northern California Expansion Areas pursuant to the provisions of Section 16 of the Preliminary Statements of this California Gas Tariff.

[4] A Franchise Fee differential of 2.5% will be applied to monthly billings calculated for all rate schedules for all customers within the limits of the Town of Truckee.

[5] The Charges and Adjustments applicable to each tariff rate schedule includes the following components:

	GN-10, GN-12, GN-20, GN-25	GN-15	GN-35, GN-40	GN-50	GN-60	GN-66	GN-70
Upstream Intrastate Charges							
Reservation	\$.18619	\$.18766	\$.17994	\$.16505	\$.16505	\$.17994	
Storage	.02380	.02399					
Summer			.00000	.00000	.00000	.00000	
Winter			.02525	.03120	.02813	.02545	
FCAM Balancing Account Adjustment *	.01942	.01942	.01942	.01942	.01942	.01942	\$.01001
Total Rate Adjustment	<u>\$.22941</u>	<u>\$.23107</u>					
Total Rate Adjustment (Summer)			<u>\$.19936</u>	<u>\$.18447</u>	<u>\$.18447</u>	<u>\$.19936</u>	<u>\$.01001</u>
Total Rate Adjustment (Winter)			<u>\$.22461</u>	<u>\$.21567</u>	<u>\$.21260</u>	<u>\$.22481</u>	<u>\$.01001</u>

* The FCAM surcharge includes an amount of \$.01001 per therm related to the difference between Southwest's authorized 2010 margin and recorded revenues intended to recover these costs.

[6] The PPP Surcharge applies to all gas sales and transportation service excluding exempt customers as defined in Rate Schedule No. G-PPPS. The PPP Surcharge includes \$.00519 per therm to amortize the CARE Balancing Account. This amount is not related to current program year expenses.