

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	\$.56970	\$.16008	\$.72978	\$.00068	\$.03742	\$.36955	\$ 1.13743
Tier II	.68041	.16008	.84049	.00068	.03742	.36955	1.24814
GN-12 - CARE Residential Gas Service							
Basic Service Charge	\$ 4.00						\$ 4.00
Cost per Therm							
Baseline Quantities	\$.34983	\$.16008	\$.50991	\$.00068	\$.02411	\$.36955	\$.90425
Tier II	.43840	.16008	.59848	.00068	.02411	.36955	.99282
GN-15 - Secondary Residential Gas Service							
Basic Service Charge	\$ 6.00						\$ 6.00
Cost per Therm	\$.70610	\$.16169	\$.86779	\$.00068	\$.03742	\$.36955	\$ 1.27544
GN-20 - Multi-Family Master-Metered Gas Service							
Basic Service Charge	\$ 25.00						\$ 25.00
Cost per Therm							
Baseline Quantities	\$.56970	\$.16008	\$.72978	\$.00068	\$.03742	\$.36955	\$ 1.13743
Tier II	.68041	.16008	.84049	.00068	.03742	.36955	1.24814
GN-25 - Multi-Family Master Metered Gas Service - Submetered							
Basic Service Charge	\$ 25.00						\$ 25.00
Cost per Therm							
Baseline Quantities	\$.56970	\$.16008	\$.72978	\$.00068	\$.03742	\$.36955	\$ 1.13743
Tier II	.68041	.16008	.84049	.00068	.03742	.36955	1.24814
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	\$.26333	\$.13026	\$.39359	\$.00068	\$.02411	\$.36955	\$.78793
Next 500	.18653	.13026	.31679	.00068	.02411	.36955	.71113
Next 2,400	.11213	.13026	.24239	.00068	.02411	.36955	.63673
Over 3,000	.01465	.13026	.14491	.00068	.02411	.36955	.53925
Winter (October - May)							
First 100	\$.25828	\$.15551	\$.41379	\$.00068	\$.02411	\$.36955	\$.80813
Next 500	.18148	.15551	.33699	.00068	.02411	.36955	.73133
Next 2,400	.10708	.15551	.26259	.00068	.02411	.36955	.65693
Over 3,000	.00960	.15551	.16511	.00068	.02411	.36955	.55945

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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	\$.45412	\$.13026	\$.58438	\$.00068	\$.03742	\$.36955	\$.99203
Next 500	.35812	.13026	.48838	.00068	.03742	.36955	.89603
Next 2,400	.26512	.13026	.39538	.00068	.03742	.36955	.80303
Over 3,000	.14327	.13026	.27353	.00068	.03742	.36955	.68118
Winter (October - May)							
First 100	\$.45412	\$.15551	\$.60963	\$.00068	\$.03742	\$.36955	\$ 1.01728
Next 500	.35812	.15551	.51363	.00068	.03742	.36955	.92128
Next 2,400	.26512	.15551	.42063	.00068	.03742	.36955	.82828
Over 3,000	.14327	.15551	.29878	.00068	.03742	.36955	.70643
GN-50 - Core Natural Gas Service for Motor Vehicles							
Basic Service Charge	\$ 25.00						\$ 25.00
Cost per Therm							
Summer (June - September)	\$.07287	\$.11589	\$.18876	\$.00068	\$.03742	\$.36955	\$.59641
Winter (October - May)	.07287	.14708	.21995	.00068	.03742	.36955	.62760
GN-60 - Core Internal Combustion Engine Gas Service							
Basic Service Charge	\$ 25.00						\$ 25.00
Cost per Therm							
Summer (June - September)	\$.77630	\$.11589	\$.89219	\$.00068	\$.03742	\$.36955	\$ 1.29984
Winter (October - May)	.77630	.14401	.92031	.00068	.03742	.36955	1.32796
GS-66 - Core Small Electric Power Generation Gas Service							
Basic Service Charge	\$ 25.00						\$ 25.00
Cost per Therm							
Summer (May - October)	\$.09028	\$.13026	\$.22054	\$.00068		\$.36955	\$.59077
Winter (November - April)	.09028	.15551	.24579	.00068		.36955	.61602
GN-70 - Noncore General Gas Transportation Service							
Basic Service Charge	\$ 100.00						\$ 100.00
Cost per Therm							
Summer (June - September)	\$.14698	\$ (.03688)	\$.11010	\$.00068	\$.03742		\$.14820
Winter (October - May)	.14698	(.03688)	.11010	.00068	.03742		.14820
TFF - Transportation Franchise Fee Surcharge Provision							
TFF Surcharge per Therm							\$.00366
MHPS - Master-Metered Mobile Home Park Safety Inspection Provision							
MHPS Surcharge per Space per Month							\$.21000

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[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 \$0.00291 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	\$.17968	\$.18110	\$.17365	\$.15928	\$.15928	\$.17365	
Storage	.02379	.02398					
Summer			.00000	.00000	.00000	.00000	
Winter			.02525	.03119	.02812	.02525	
FCAM Balancing Account Adjustment *	(.04339)	(.04339)	(.04339)	(.04339)	(.04339)	(.04339)	\$ (.03688)
Total Rate Adjustment	<u>\$.16008</u>	<u>\$.16169</u>					
Total Rate Adjustment (Summer)			<u>\$.13026</u>	<u>\$.11589</u>	<u>\$.11589</u>	<u>\$.13026</u>	<u>\$ (.03688)</u>
Total Rate Adjustment (Winter)			<u>\$.15551</u>	<u>\$.14708</u>	<u>\$.14401</u>	<u>\$.15551</u>	<u>\$ (.03688)</u>

* The FCAM surcharge includes an amount of <\$.03688> 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 \$.00193 per therm to amortize the CARE Balancing Account. This amount is not related to current program year expenses.