

STATEMENT OF RATES
RATES APPLICABLE TO NORTHERN CALIFORNIA SERVICE AREA [1] [2]

| Schedule No. and Type of Charge | Margin | Charges [3] and | | Subtotal Gas Usage Rate | Other Surcharges | | Gas Cost | Effective Sales Rate |
|---|-----------|--------------------|------------|----------------------------|------------------|-----------|------------|-------------------------|
| | | Adjustments | | | CPUC | PPP | | |
| GN-10-Residential Gas Service | | | | | | | | |
| Basic Service Charge | \$5.00 | | | | | | | \$5.00 |
| Cost per Therm | | | | | | | | |
| Baseline Quantities | \$.68838 | \$.34400 | \$ 1.03238 | \$.00068 | \$.05803 | \$.27889 | \$ 1.36998 | |
| Tier II | .79919 | .34400 | 1.14319 | .00068 | .05803 | .27889 | 1.48079 | |
| GN-12-CARE Residential Gas Service | | | | | | | | |
| Basic Service Charge | \$4.00 | | | | | | | \$4.00 |
| Cost per Therm | | | | | | | | |
| Baseline Quantities | \$.42613 | \$.34400 | \$.77013 | \$.00068 | \$.04474 | \$.27889 | \$ 1.09444 | |
| Tier II | .51477 | .34400 | .85877 | .00068 | .04474 | .27889 | 1.18308 | |
| GN-15-Secondary Residential Gas Service | | | | | | | | |
| Basic Service Charge | \$6.00 | | | | | | | \$6.00 |
| Cost per Therm | \$.82966 | \$.34400 | \$ 1.17366 | \$.00068 | \$.05803 | \$.27889 | \$ 1.51126 | |
| GN-20-Multi-Family Master-Metered Gas Service | | | | | | | | |
| Basic Service Charge | \$25.00 | | | | | | | \$25.00 |
| Cost per Therm | | | | | | | | |
| Baseline Quantities | \$.68838 | \$.34400 | \$ 1.03238 | \$.00068 | \$.05803 | \$.27889 | \$ 1.36998 | |
| Tier II | .79919 | .34400 | 1.14319 | .00068 | .05803 | .27889 | 1.48079 | |
| GN-25-Multi-Family Master-Metered Gas Service-Submetered | | | | | | | | |
| Basic Service Charge | \$25.00 | | | | | | | \$25.00 |
| Cost per Therm | | | | | | | | |
| Baseline Quantities | \$.68838 | \$.34400 | \$ 1.03238 | \$.00068 | \$.05803 | \$.27889 | \$ 1.36998 | |
| Tier II | .79919 | .34400 | 1.14319 | .00068 | .05803 | .27889 | 1.48079 | |
| Submetered Discount per Occupied Space | (\$11.01) | | | | | | | (\$11.01) |
| GN-35-Agriculture Employee Housing & Nonprofit Group Living Facility Gas Service | | | | | | | | |
| Basic Service Charge | \$ 8.80 | | | | | | | \$ 8.80 |
| Cost per Therm | | | | | | | | |
| First 100 | \$.33574 | \$.34400 | \$.67974 | \$.00068 | \$.04474 | \$.27889 | \$ 1.00405 | |
| Next 500 | .24285 | .34400 | .58685 | .00068 | .04474 | .27889 | .91116 | |
| Next 2,400 | .15244 | .34400 | .49644 | .00068 | .04474 | .27889 | .82075 | |
| Over 3,000 | .00674 | .34400 | .35074 | .00068 | .04474 | .27889 | .67505 | |
| GN-40-Core General Gas Service | | | | | | | | |
| Basic Service Charge | \$11.00 | | | | | | | \$11.00 |
| Transportation Service Charge | \$780.00 | | | | | | | \$780.00 |
| Cost per Therm | | | | | | | | |
| First 100 | \$.57540 | \$.34400 | \$.91940 | \$.00068 | \$.05803 | \$.27889 | \$ 1.25700 | |
| Next 500 | .45929 | .34400 | .80329 | .00068 | .05803 | .27889 | 1.14089 | |
| Next 2,400 | .34627 | .34400 | .69027 | .00068 | .05803 | .27889 | 1.02787 | |
| Over 3,000 | .16415 | .34400 | .50815 | .00068 | .05803 | .27889 | .84575 | |
| GN-50-Core Natural Gas Service for Motor Vehicles | | | | | | | | |
| Basic Service Charge | \$25.00 | | | | | | | \$25.00 |
| Cost per Therm | \$.09577 | \$.34400 | \$.43977 | \$.00068 | \$.05803 | \$.27889 | \$.77737 | |

STATEMENT OF RATES
RATES APPLICABLE TO NORTHERN CALIFORNIA SERVICE AREA [1] [2]

| Schedule No. and Type of Charge | Margin | Charges [3] and Adjustments | | Subtotal Gas Usage Rate | Other Surcharges | | Gas Cost | Effective Sales Rate |
|---|-----------|-----------------------------|--|-------------------------|------------------|-----------|-----------|----------------------|
| | | | | | CPUC | PPP | | |
| GN-60-Core Internal Combustion Engine Gas Service | | | | | | | | |
| Basic Service Charge | \$ 25.00 | | | | | | | \$ 25.00 |
| Cost per Therm | \$.26352 | \$.34400 | | \$.60752 | \$.00068 | \$.05803 | \$.27889 | \$.94512 |
| GN-66-Core Small Electric Power Generation Gas Service | | | | | | | | |
| Basic Service Charge | \$ 25.00 | | | | | | | \$ 25.00 |
| Cost per Therm | \$.26352 | \$.34400 | | \$.60752 | \$.00068 | | \$.27889 | \$.88709 |
| GN-70-Noncore General Gas Transportation Service | | | | | | | | |
| Basic Service Charge | \$ 100.00 | | | | | | | \$ 100.00 |
| Transportation Service Charge | \$ 780.00 | | | | | | | \$ 780.00 |
| Cost per Therm | \$.15903 | \$.07309 | | \$.23212 | \$.00068 | \$.05803 | | \$.29083 |
| TFF-Transportation Franchise Fee Surcharge Provision | | | | | | | | |
| TFF Surcharge per Therm | | | | | | | | \$.00376 |
| TDS – Transportation Distribution System Shrinkage Charge | | | | | | | | |
| TDS Charge per Therm | | | | | | | | \$.00156 |
| MHPS-Master-Metered Mobile Home Park Safety Inspection Provision | | | | | | | | |
| MHPS Surcharge per Space per Month | | | | | | | | \$.21000 |

[1] Customers taking only transportation service will pay the Effective Sales Rate less the Interstate Reservation and Gas Cost components of the Effective Sales Rate, plus a Transportation Service Charge of \$780 per month and an amount for distribution shrinkage calculated by multiplying the currently effective Gas Cost rate per therm by the Lost and Unaccounted For Gas percentage of 0.56%. The PGA Balancing Account Adjustment is applicable to customers converting from sales service to transportation service for a period of 12 months. The volume charge for customer-secured natural gas transportation will also be subject to the TFF Surcharge.

[2] 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.

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

| Charges and Adjustments Description | GN-10, GN-12, GN-15, GN-20, GN-25, | | GN-35, GN-40, GN-50, GN-60, GN-66 | | GN-70 |
|-------------------------------------|------------------------------------|--|-----------------------------------|--|-------|
| | Upstream Interstate Charges | | | | |
| Storage | \$.02717 | | | | |
| Reservation | .21364 | | | | |
| IRRAM Surcharge | .00004 | | \$.00004 | | |
| FCAM Balancing Account Adjustment * | .10315 | | .07305 | | |
| Total Rate Adjustment | \$.34400 | | \$.07309 | | |

* The FCAM surcharge includes an amount of \$.07305 per therm related to the difference between Southwest Gas' authorized margin and recorded revenues intended to recover these costs.