

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-10-Residential Gas Service | | | | | | | | |
| Basic Service Charge | \$5.00 | | | | | | | \$5.00 |
| Cost per Therm | | | | | | | | |
| Baseline Quantities | \$.73294 | \$.19984 | \$.93278 | \$.00139 | \$.02947 | \$.29111 | \$ 1.25475 | I |
| Tier II | .84375 | .19984 | 1.04359 | .00139 | .02947 | .29111 | 1.36556 | I |
| GN-12-CARE Residential Gas Service | | | | | | | | |
| Basic Service Charge | \$4.00 | | | | | | | \$4.00 |
| Cost per Therm | | | | | | | | |
| Baseline Quantities | \$.48816 | \$.19984 | \$.68800 | \$.00139 | \$.01755 | \$.29111 | \$.99805 | I |
| Tier II | .57681 | .19984 | .77665 | .00139 | .01755 | .29111 | 1.08670 | I |
| GN-15-Secondary Residential Gas Service | | | | | | | | |
| Basic Service Charge | \$6.00 | | | | | | | \$6.00 |
| Cost per Therm | \$.88171 | \$.19984 | \$ 1.08155 | \$.00139 | \$.02947 | \$.29111 | \$ 1.40352 | I |
| GN-20-Multi-Family Master-Metered Gas Service | | | | | | | | |
| Basic Service Charge | \$25.00 | | | | | | | \$25.00 |
| Cost per Therm | | | | | | | | |
| Baseline Quantities | \$.73294 | \$.19984 | \$.93278 | \$.00139 | \$.02947 | \$.29111 | \$ 1.25475 | I |
| Tier II | .84375 | .19984 | 1.04359 | .00139 | .02947 | .29111 | 1.36556 | I |
| GN-25-Multi-Family Master-Metered Gas Service-Submetered | | | | | | | | |
| Basic Service Charge | \$25.00 | | | | | | | \$25.00 |
| Cost per Therm | | | | | | | | |
| Baseline Quantities | \$.73294 | \$.19984 | \$.93278 | \$.00139 | \$.02947 | \$.29111 | \$ 1.25475 | I |
| Tier II | .84375 | .19984 | 1.04359 | .00139 | .02947 | .29111 | 1.36556 | I |
| 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 | \$.38779 | \$.19984 | \$.58763 | \$.00139 | \$.01755 | \$.29111 | \$.89768 | I |
| Next 500 | .28973 | .19984 | .48957 | .00139 | .01755 | .29111 | .79962 | I |
| Next 2,400 | .19427 | .19984 | .39411 | .00139 | .01755 | .29111 | .70416 | I |
| Over 3,000 | .04748 | .19984 | .24732 | .00139 | .01755 | .29111 | .55737 | I |
| 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 | \$.60748 | \$.19984 | \$.80732 | \$.00139 | \$.02947 | \$.29111 | \$ 1.12929 | I |
| Next 500 | .48490 | .19984 | .68474 | .00139 | .02947 | .29111 | 1.00671 | I |
| Next 2,400 | .36557 | .19984 | .56541 | .00139 | .02947 | .29111 | .88738 | I |
| Over 3,000 | .18209 | .19984 | .38193 | .00139 | .02947 | .29111 | .70390 | I |
| GN-50-Core Natural Gas Service for Motor Vehicles | | | | | | | | |
| Basic Service Charge | \$25.00 | | | | | | | \$25.00 |
| Cost per Therm | \$.10134 | \$.19984 | \$.30118 | \$.00139 | \$.02947 | \$.29111 | \$.62315 | I |

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| 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 | \$.28220 | \$.19984 | | \$.48204 | \$.00139 | \$.02947 | \$.29111 | \$.80401 |
| GN-66-Core Small Electric Power Generation Gas Service | | | | | | | | |
| Basic Service Charge | \$ 25.00 | | | | | | | \$ 25.00 |
| Cost per Therm | \$.27613 | \$.19984 | | \$.47597 | \$.00139 | | \$.29111 | \$.76847 |
| GN-70-Noncore General Gas Transportation Service | | | | | | | | |
| Basic Service Charge | \$ 100.00 | | | | | | | \$ 100.00 |
| Transportation Service Charge | \$ 780.00 | | | | | | | \$ 780.00 |
| Cost per Therm | \$.16986 | (\$.02764) | | \$.14222 | \$.00139 | \$.02947 | | \$.17308 |
| TFF-Transportation Franchise Fee Surcharge Provision | | | | | | | | |
| TFF Surcharge per Therm | | | | | | | | \$.00383 |
| TDS – Transportation Distribution System Shrinkage Charge | | | | | | | | |
| TDS Charge per Therm | | | | | | | | \$.00163 |
| 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 | \$.02249 | | |
| Reservation | .22103 | | |
| IRRAM Surcharge | .00000 | \$.00000 | |
| Balancing Account Adjustments | | | |
| FCAM* | (.04368) | (.02764) | |
| GHGBA** | | | |
| Non-Covered Entities | | | |
| Covered Entities | | | |
| Total Rate Adjustment | \$.19984 | (\$.02764) | |

* The FCAM surcharge includes an amount of (\$.02764) per therm related to the difference between Southwest Gas' authorized margin and recorded revenues intended to recover these costs.

** Pursuant to D.15-10-032, Company costs incurred to comply with the California Air Resources Board (ARB) natural gas supplier Cap-and-Trade Program are to be included in transportation rates and recovered from Non-Covered Entities. Covered Entities, who are directly regulated by the ARB, are only responsible for paying for emission costs related to lost and unaccounted for gas (LUAF).