

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 | \$.80448 | \$.13448 | \$.93896 | \$.00577 | \$.06385 | \$.27691 | \$ 1.28549 | | R |
| Tier II | .91529 | .13448 | 1.04977 | .00577 | .06385 | .27691 | 1.39630 | | R |
| GN-12-CARE Residential Gas Service | | | | | | | | | |
| Basic Service Charge | \$ 4.00 | | | | | | | \$ 4.00 | |
| Cost per Therm | | | | | | | | | |
| Baseline Quantities | \$.56131 | \$.13448 | \$.69579 | \$.00577 | \$.05606 | \$.27691 | \$ 1.03453 | | R |
| Tier II | .64995 | .13448 | .78443 | .00577 | .05606 | .27691 | 1.12317 | | R |
| GN-15-Secondary Residential Gas Service | | | | | | | | | |
| Basic Service Charge | \$ 6.00 | | | | | | | \$ 6.00 | |
| Cost per Therm | \$.96527 | \$.13448 | \$ 1.09975 | \$.00577 | \$.06385 | \$.27691 | \$ 1.44628 | | R |
| GN-20-Multi-Family Master-Metered Gas Service | | | | | | | | | |
| Basic Service Charge | \$ 25.00 | | | | | | | \$ 25.00 | |
| Cost per Therm | | | | | | | | | |
| Baseline Quantities | \$.80448 | \$.13448 | \$.93896 | \$.00577 | \$.06385 | \$.27691 | \$ 1.28549 | | R |
| Tier II | .91529 | .13448 | 1.04977 | .00577 | .06385 | .27691 | 1.39630 | | R |
| GN-25-Multi-Family Master-Metered Gas Service-Submetered | | | | | | | | | |
| Basic Service Charge | \$ 25.00 | | | | | | | \$ 25.00 | |
| Cost per Therm | | | | | | | | | |
| Baseline Quantities | \$.80448 | \$.13448 | \$.93896 | \$.00577 | \$.06385 | \$.27691 | \$ 1.28549 | | R |
| Tier II | .91529 | .13448 | 1.04977 | .00577 | .06385 | .27691 | 1.39630 | | R |
| 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 | \$.46526 | \$.13448 | \$.59974 | \$.00577 | \$.05606 | \$.27691 | \$.91813 | | R |
| Next 500 | .35888 | .13448 | .49336 | .00577 | .05606 | .27691 | .81176 | | R |
| Next 2,400 | .25532 | .13448 | .38980 | .00577 | .05606 | .27691 | .70820 | | R |
| Over 3,000 | .10677 | .13448 | .24125 | .00577 | .05606 | .27691 | .55965 | | R |
| GN-40-Core General Gas Service (non-Covered Entities) | | | | | | | | | |
| Basic Service Charge | \$ 11.00 | | | | | | | \$ 11.00 | |
| Transportation Service Charge | \$ 780.00 | | | | | | | \$ 780.00 | |
| Cost per Therm | | | | | | | | | |
| First 100 | \$.65899 | \$.13448 | \$.79347 | \$.00577 | \$.06385 | \$.27691 | \$ 1.14000 | | R |
| Next 500 | .52602 | .13448 | .66050 | .00577 | .06385 | .27691 | 1.00703 | | R |
| Next 2,400 | .39657 | .13448 | .53105 | .00577 | .06385 | .27691 | .87758 | | R |
| Over 3,000 | .21088 | .13448 | .34536 | .00577 | .06385 | .27691 | .69189 | | R |

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| | Margin | Charges [3] and Adjustments | Subtotal Gas Usage Rate | Other Surcharges CPUC PPP | | Gas Cost | Effective Sales Rate | |
|---|-----------|-----------------------------------|----------------------------|------------------------------|-----------|-----------|-------------------------|---|
| GN-40-Core General Gas Service (Covered Entities) | | | | | | | | |
| Basic Service Charge | \$ 11.00 | | | | | | \$ 11.00 | |
| Transportation Service Charge | \$780.00 | | | | | | \$780.00 | |
| Cost per Therm | | | | | | | | |
| First 100 | \$.65899 | \$.07721 | \$.73620 | \$.00577 | \$.06385 | \$.27691 | \$ 1.08273 | R |
| Next 500 | .52602 | .07721 | .60323 | .00577 | .06385 | .27691 | .94976 | R |
| Next 2,400 | .39657 | .07721 | .47378 | .00577 | .06385 | .27691 | .82031 | R |
| Over 3,000 | .21088 | .07721 | .28809 | .00577 | .06385 | .27691 | .63462 | R |
| GN-50-Core Natural Gas Service for Motor Vehicles | | | | | | | | |
| Basic Service Charge | \$ 25.00 | | | | | | \$ 25.00 | |
| Cost per Therm | \$.11030 | \$.13448 | \$.24478 | \$.00577 | \$.06385 | \$.27691 | \$.59131 | R |
| GN-60-Core Internal Combustion Engine Gas Service | | | | | | | | |
| Basic Service Charge | \$ 25.00 | | | | | | \$ 25.00 | |
| Cost per Therm | \$.31220 | \$.13448 | \$.44668 | \$.00577 | \$.06385 | \$.27691 | \$.79321 | R |
| GN-66-Core Small Electric Power Generation Gas Service | | | | | | | | |
| Basic Service Charge | \$ 25.00 | | | | | | \$ 25.00 | |
| Cost per Therm | \$.29955 | \$.13448 | \$.43403 | \$.00577 | | \$.27691 | \$.71671 | R |
| GN-70-Noncore General Gas Transportation Service | | | | | | | | |
| Basic Service Charge | \$ 100.00 | | | | | | \$ 100.00 | |
| Transportation Service Charge | \$ 780.00 | | | | | | \$ 780.00 | |
| Cost per Therm | \$.18724 | (\$.02747) | \$.15977 | \$.00577 | \$.06385 | | \$.22939 | |
| TFF-Transportation Franchise Fee Surcharge Provision | | | | | | | | |
| TFF Surcharge per Therm | | | | | | | \$.00383 | R |
| TDS – Transportation Distribution System Shrinkage Charge | | | | | | | | |
| TDS Charge per Therm | | | | | | | \$.00155 | R |
| MHPS-Master-Metered Mobile Home Park Safety Inspection Provision | | | | | | | | |
| MHPS Surcharge per Space per Month | | | | | | | \$.21000 | |

STATEMENT OF RATES

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

[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 (non-Covered Entities), GN-50, GN-60, GN-66 | GN-40, (Covered Entities) | GN-70 |
|-------------------------------------|---|---|---------------------------|--------------------|
| Upstream Interstate Charges | | | | |
| Storage | \$.02112 | | \$.02112 | |
| Reservation | .19363 | | .19363 | |
| IRRAM Surcharge | .00000 | | .00000 | \$.00000 |
| Balancing Account Adjustments | | | | |
| FCAM* | (.14411) | | (.14411) | (.09131) |
| GHGBA** | | | | |
| Non-Covered Entities [a] | .05800 | | | .05800 |
| Covered Entities [a] | | | .00073 | |
| NERBA | .00051 | | .00051 | .00051 |
| NGLAPBA | .00215 | | .00215 | .00215 |
| MHPCBA | .00065 | | .00065 | .00065 |
| CDMIBA | .00253 | | .00253 | .00253 |
| Total Rate Adjustment | \$.13448 | | \$.07721 | (\$.02747) |

* The FCAM surcharge includes an amount of (\$.09131) 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).

[a] Pursuant to D.18-03-017, Covered and non-Covered entities have a component to recover the 2015-2017 net compliance costs and proceeds amortized over a twelve month period. Also included are the 2018 GHG costs which are amortized over an eighteen month period.