

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	\$.42439	\$ 1.26070
Tier II	.67202	.22941	.90143	.00068	.04491	.42439	1.37141
GN-12 - CARE Residential Gas Service							
Basic Service Charge	\$ 4.00						\$ 4.00
Cost per Therm							
Baseline Quantities	\$.31829	\$.22941	\$.54770	\$.00068	\$.02550	\$.42439	\$.99827
Tier II	.40686	.22941	.63627	.00068	.02550	.42439	1.08684
GN-15 - Secondary Residential Gas Service							
Basic Service Charge	\$ 6.00						\$ 6.00
Cost per Therm	\$.69610	\$.23107	\$.92717	\$.00068	\$.04491	\$.42439	\$ 1.39715
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	\$.42439	\$ 1.26070
Tier II	.67202	.22941	.90143	.00068	.04491	.42439	1.37141
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	\$.42439	\$ 1.26070
Tier II	.67202	.22941	.90143	.00068	.04491	.42439	1.37141
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	\$.23505	\$.19936	\$.43441	\$.00068	\$.02550	\$.42439	\$.88498
Next 500	.15825	.19936	.35761	.00068	.02550	.42439	.80818
Next 2,400	.08385	.19936	.28321	.00068	.02550	.42439	.73378
Over 3,000	(.01363)	.19936	.18573	.00068	.02550	.42439	.63630
Winter (October - May)							
First 100	\$.23000	\$.22461	\$.45461	\$.00068	\$.02550	\$.42439	\$.90518
Next 500	.15320	.22461	.37781	.00068	.02550	.42439	.82838
Next 2,400	.07880	.22461	.30341	.00068	.02550	.42439	.75398
Over 3,000	(.01868)	.22461	.20593	.00068	.02550	.42439	.65650

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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	\$.42439	\$ 1.11909
Next 500	.35375	.19936	.55311	.00068	.04491	.42439	1.02309
Next 2,400	.26075	.19936	.46011	.00068	.04491	.42439	.93009
Over 3,000	.13890	.19936	.33826	.00068	.04491	.42439	.80824
Winter (October - May)							
First 100	\$.44975	\$.22461	\$.67436	\$.00068	\$.04491	\$.42439	\$ 1.14434
Next 500	.35375	.22461	.57836	.00068	.04491	.42439	1.04834
Next 2,400	.26075	.22461	.48536	.00068	.04491	.42439	.95534
Over 3,000	.13890	.22461	.36351	.00068	.04491	.42439	.83349
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	\$.42439	\$.72638
Winter (October - May)	.07193	.21567	.28760	.00068	.04491	.42439	.75758
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	\$.42439	\$ 1.34314
Winter (October - May)	.68869	.21260	.90129	.00068	.04491	.42439	1.37127
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		\$.42439	\$.71360
Winter (November - April)	.08917	.22481	.31398	.00068		.42439	.73905
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							\$.00436
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.