

CITY OF VERNON
NATURAL GAS DEPARTMENT

Schedule G-1

RESIDENTIAL GAS SERVICE

APPLICABILITY

This schedule applies to natural gas service to individually metered single family premises, including those separately metered in a multi-family complex, that have elected natural gas service from City of Vernon's natural gas distribution system.

RATES

Monthly Service Charge: \$10

Transportation Charge: 29.212 Cents per Therm

Commodity Charge: Commodity Charge is equal to the City's Weighted Average Cost of Gas calculated at the SoCalGas Citygate for gas purchased by the City for each month for customers purchasing gas from the City. Gas supply will consist of monthly index price gas, daily market priced gas, and long-term supply purchased for customers purchasing gas from the City. The Commodity Charge includes the cost of transporting the gas to the SoCalGas Citygate. Bond-financed, prepaid gas may be provided to customers at prices not to exceed market prices for monthly index price gas. From time-to-time, the Commodity Charge may include a Purchased Gas Adjustment that will be used maintain a zero sum gain to COV for gas sales.

Commodity Administrative Fee: 0.300 Cents per Therm

SPECIAL NOTES

1. Residential customers receiving natural gas service from the City of Vernon are not eligible for Schedule G-CARE (SoCalGas Rate), or any other SoCalGas rates or SoCalGas benefit programs.
2. Costs for connection of Customer's facility to City's gas system shall be shared between Customer and City. City shall contribute an amount equal to the greater of (1) four cents per Therm multiplied by Customer's projected annual usage, not to exceed fifty percent of the total connection cost incurred for work done by the City; or (2) three times the projected annual transportation revenue to City from the account. Customer shall pay the

balance of costs. The total connection cost includes traffic control, trenching, piping, repaving, and installation of the meter, regulator(s), and other equipment required by the City. See also Rule 14. An "Application and Contract for Natural Gas Service" is required.

3. In the event of curtailment, any Customer unable or unwilling to curtail shall be assessed penalty based on the rate per Therm that SoCalGas would charge customers whose volumes used are in violation of curtailment. The City shall not be liable for damages caused by curtailment, discontinuance, or shut off of gas service.
4. Gas purchased under this schedule shall be used only by the Customer and such Gas may not be sold, transported, assigned, distributed, exchanged, or otherwise transferred to benefit another customer or provide non-municipal natural gas to any natural gas user, transporter, or consumer within the City.
5. Any additional transmission costs, taxes, fees, regulatory surcharges, and interstate or intrastate pipeline charges, incurred by City on behalf of Customer will be passed through to Customer at cost.