

CITY OF VERNON
NATURAL GAS DEPARTMENT

Schedule G-2

SMALL COMMERCIAL GAS SERVICE

APPLICABILITY

This schedule is for combined gas commodity and transportation service to small commercial customers using less than 250,000 Therms per year that have elected gas service through City of Vernon's natural gas system. This schedule is also applicable to all other non-residential customers that have elected Core Service.

RATES

Monthly Service Charge: \$50

Monthly Transportation Charges: Rate, in Cents per Therm

Tier I	0 – 4,187 Therms	17.312
Tier II	Over 4,187 Therms	7.735

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 to maintain a zero sum gain to COV for gas sales.

Commodity Administrative Fee: 0.30 Cents per Therm

SPECIAL NOTES

1. Customers purchasing Gas Commodity from City of Vernon shall provide an estimate of each month's consumption, days of operation, and a facility contact responsible for natural gas consuming equipment.
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 the City from the account. Customer shall pay the balance of the costs. The total connection costs include 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.