



SCHEDULE GN-3

Sheet 1

NATURAL GAS SERVICE FOR CORE NON-RESIDENTIAL CUSTOMERS
(Includes Rates for GN-3, GN-3C, GN-3/GTC and GN-3/GTCA)

APPLICABILITY

Applicable to core nonresidential natural gas service, including both procurement service and transportation-only service including Core Aggregation Transportation (CAT). Also applicable to service not provided under any other rate schedule. This schedule is not available to electric generation customers who generator's rated capacity exceeds one megawatt, refinery customers, and enhanced oil recovery customers, whose gas consumption exceeds 250,000 therms per year.

The GN-3 rate is applicable to natural gas procurement and transportation service to nonresidential core customers and to separately metered, common area use service to residential detached homes. This schedule is optionally available to customers with separately metered, common area use service to residential, multi-family accommodations, as defined in Rule 1.

The GN-3C cross-over rate is a core procurement service for previous transportation-only customers returning to core procurement service customers with annual consumption over 50,000 therms, as set forth in Special Condition 8.

The GN-3/GTC (GTC) and GN-3/GTCA (GTCA) rates are applicable to intrastate gas transportation-only services as set forth in Special Conditions 9-14.

Non-profit group living facilities taking service under this schedule may be eligible for a 20% low-income rate discount on their bill, if such facilities qualify to receive service under the terms and conditions of Schedule G-CARE.

Agricultural Employee Housing Facilities, as defined in Schedule G-CARE, may qualify for a 20% CARE discount on the bill if all eligibility criteria set forth in Form 142-4032 or Form 142-4035 is met.

TERRITORY

Within the entire territory served natural gas by the Utility.

RATES

	<u>GN-3</u>	<u>GN-3-C</u>	<u>GTC/GTCA</u>
<u>Customer charges</u> , \$ per meter per month:	\$10.00	\$10.00	\$10.00

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RATES (continued)

Volumetric charges, \$ per therm:

	<u>GN-3</u>	<u>GN-3C</u>	<u>GTC/GTCA</u> ²
Procurement Charge (0 to 1,000)	\$0.29694 R	\$0.35989	N/A
<u>Transportation Charge</u>	<u>\$0.24472</u>	<u>\$0.24472</u>	<u>\$0.24472</u>
Total Charge	\$0.54166 R	\$0.60461	\$0.24472
Procurement Charge (1,001 to 21,000)	\$0.29694 R	\$0.35989	N/A
<u>Transportation Charge</u>	<u>\$0.11314</u>	<u>\$0.11314</u>	<u>\$0.11314</u>
Total Charge	\$0.41008 R	\$0.47303	\$0.11314
Procurement Charge (Over 21,000)	\$0.29694 R	\$0.35989	N/A
<u>Transportation Charge</u>	<u>\$0.07598</u>	<u>\$0.07598</u>	<u>\$0.07598</u>
Total Charge	\$0.37292 R	\$0.43587	\$0.07598

² The rates for core transportation-only customers, with the exception of customers taking service under Schedule GT-NGV, include any FERC Settlement Proceeds Memorandum Account (FSPMA) credit adjustments.

Standby Service Fee for GTC/GTCA Customers

Per decatherm \$10

This fee shall be assessed to customers only during curtailments of transportation services to firm noncore customers. This fee will apply only to the difference between the customer's nominations and their confirmed deliveries.

The customer's storage volumes, if available, may be used to offset the standby service fee. Revenues collected from this fee shall be credited to the Utility's Non-Margin Fixed Cost Account (NMFCA). Curtailments of standby services provided to core customers are described in Rule 14.

GTC/GTCA customers who receive service under this schedule shall also be eligible for standby services ahead of such services offered to noncore customers, including core subscription customers.

Billing adjustments may be necessary to reflect changes in volumes used in developing prior periods' transportation charges.

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Sheet 3

NATURAL GAS SERVICE FOR CORE NON-RESIDENTIAL CUSTOMERS
(Includes Rates for GN-3, GN-3C, GN-3/GTC and GN-3/GTCA)

RATES (Continued)

Franchise Fee Differential

A Franchise Fee Differential of 1.03% will be applied to the monthly billings calculated under this schedule for all customers within the corporate limits of the City of San Diego. Such Franchise Fee Differential shall be so indicated and added as a separate item to bills rendered to such customers.

Minimum Charge

The Minimum Charge shall be the applicable monthly Customer Charge.

Late Payment Charge

A late payment charge may be added to the customer's bill whenever a customer fails to pay for services under this schedule as set forth in Rule 9, Rendering and Payment of Bills.

Additional Charges

Rates may be adjusted to reflect any applicable taxes, franchise fees or other fees, regulatory surcharges, and interstate or intrastate pipeline charges that may occur.

SPECIAL CONDITIONS

Applicable to both Procurement and Transportation-Only Customers

1. Definitions. The definitions of principal terms used in this schedule are found either herein or in Rule 1, Definitions.
2. Number of Therms. The number of therms to be billed shall be determined in accordance with Rule 2.
3. Interruption of Service. Service under this schedule is subject to interruption in whole or in part without notice in case of actual or anticipated shortage of natural gas resulting from an insufficient supply, inadequate transmission or delivery capacity or facilities, or storage requirements. The utility will not be liable for damages occasioned by interruption of service supplied under this schedule. Such interruption of service shall be made in accordance with Rule 14.
4. Core and Noncore Service Split. If the customer splits its gas requirements between service under this schedule and noncore service, the customer shall be required to specify a fixed monthly quantity for service hereunder by month for the term of the customer's contract. The monthly contract quantity breakdown may be established on the basis of seasonal variations in the customer's usage in accordance with the customer's historic usage pattern. The Utility reserves the right to accept or reject such requested quantities after considering the customer's historic usage pattern and other evidence provided by the customer regarding operational changes affecting the customer's consumption. Notwithstanding monthly quantities subject to the term of the contract, the customer may request increases to the monthly quantities subject to approval by the Utility. In the event a customer's request for an increase is approved by the Utility, the incremental monthly quantity shall be subject to the Cross-Over rate and the entire core quantity shall be subject to a new five-year term.

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NATURAL GAS SERVICE FOR CORE NON-RESIDENTIAL CUSTOMERS

(Includes Rates for GN-3, GN-3C, GN-3/GTC and GN-3/GTCA)

SPECIAL CONDITIONS (Continued)

- 5. Rate Changes. The Utility will file procurement rate changes on the last business day of each month for rates to become effective on the first calendar day of the following month. The Cross-Over Rates which will be filed on or before the 9th calendar day of each month with the rate becoming effective on the 10th calendar day of the month.
- 6. Multiple Use Customer. Customers may receive service under this schedule separately or in combination with another rate schedule(s) through a single meter installation. When service is provided under more than one rate schedule, the highest customer charge applicable for the schedules under which service is provided shall be applied to the customer's bill.
- 7. Noncore Service Election. Customers served under this schedule may elect to be reclassified as noncore. Eligibility requirements are defined in Schedule GTNC, Schedule EG, and Schedule TLS. Customers electing noncore service status must sign the required natural gas service agreement and have electronic meter reading equipment installed at the customer's expense pursuant to the terms and conditions in Rule 27.
- 8. Term of Service. Noncore customers transferring to service under this schedule shall be obligated to a minimum five-year term of service. All other customers electing service under this schedule shall be obligated to a minimum one-year term of service. Core transportation-only customers using over 50,000 therms during the most recent 12 months, who elect to return to utility procurement service, shall be obligated to the cross-over rate GPC-A, as defined in Schedule GPC. Upon expiration of the applicable one-year or five-year commitment, the customer shall be on a month-to-month term thereafter.

The following Special Conditions are Applicable to Transportation-Only Customers:

- 9. Transportation Only Service Option. The GTC rate option is applicable to core customers with usage in excess of 120,000 therms annually or an average usage of 10,000 therms per month during the season gas is used, measured through a single gas meter; or core usage that is measured through the same gas meter or located on the same premises as noncore usage receiving intrastate transportation-only service for the same customer of record. Core customers who do not meet the above usage may opt to aggregate their loads with other core customers and receive core aggregation service as set forth in Rule 32. Customers electing this service option must make arrangements for the purchase and delivery of gas supplies to the Utility's service territory including Backbone Transportation service directly under SoCalGas' Schedule G-BTS, if applicable.

The GTCA rate option is available to core customers with usage in excess of 120,000 therms annually, either through an individual meter or from a group of end-use meters, where each end-use meter is classified as core usage and located within the Utility's service territory.

These service options must be taken in conjunction with Schedule GP-SUR.

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NATURAL GAS SERVICE FOR CORE NON-RESIDENTIAL CUSTOMERS
(Includes Rates for GN-3, GN-3C, GN-3/GTC and GN-3/GTCA)

SPECIAL CONDITIONS (Continued)

- 10. Gas Transportation Rules. Transportation service under this schedule is subject to the terms and conditions established in Rule 30, Transportation of Customer-Owned Gas, and Rule 32, Core Aggregation Transportation. T
- 11. Gas Imbalance Service. For GTC, Transportation Imbalance Service shall be provided to the customer under Schedule G-IMB. For GTCA, Transportation Imbalance Service shall be provided to the customer's ESP under Schedule G-IMB. T
- 12. Customer Responsible for Billing Under Core Aggregation Transportation. The customer is ultimately responsible for the payment of billing charges assessed to the customer's ESP/aggregator for services rendered under this schedule. See Rule 32 for further details. T
- 13. Utility Service Agreement. Customers electing service under the provisions of GTC shall be required to complete Form 142-1859, Request for Core Transportation-Only Services. This contract includes the documents necessary to execute service under this schedule. Customers electing service under the provisions of GTCA shall be responsible for complying with the applicable provisions set forth in Rule 32. T
- 14. Disputed Bills. All disputes between customers and their ESP/Aggregator shall be resolved solely by customers and the ESP/Aggregator, and such disputes shall not be subject to Commission jurisdiction. All disputes between the Utility and customers or between the Utility and ESP/Aggregators shall be subject to Commission jurisdiction. T

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