

**LARGE COMMERCIAL GAS SERVICE**

UTILITY RATE SCHEDULE G-3

**A. APPLICABILITY:**

This schedule applies to service for large commercial customers who use at least 250,000 therms per year at one site and have retained gas direct access eligibility. This schedule also applies to City owned generation facilities.

**B. TERRITORY:**

This schedule applies anywhere the City of Palo Alto provides natural gas service.

**C. UNBUNDLED RATES:**

Per Service

Monthly Customer Charge: \$311.00

Commodity Rate: (To be added to Customer Charge)

Per Therm

Supply Charges:

- 1. Commodity Charge (Monthly Market Based) ..... \$0.10-\$2.00
- 2. Administrative Fee ..... \$0.0227
- 3. PG&E Local Transportation ..... \$0.0212

Distribution Charge:

- 1. Palo Alto Local Distribution ..... \$0.2884

**D. SPECIAL NOTES:**

**1. Calculation of Cost Components**

The actual bill amount is calculated based on the applicable rates in Section C above and adjusted for any applicable discounts, surcharges and/or taxes. On a customer's bill statement, the bill amount may be broken down into appropriate components as calculated under Section C.



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#### (A) **Commodity Charges**

The commodity charge is equal to the City's weighted average cost of gas calculated at the PG&E City Gate for gas purchased by the City at first of the month and daily market prices for that month. The commodity charge will fall within the minimum/maximum range set forth in Section C and include the cost of transporting the gas to the PG&E City Gate.

#### (B) **Administrative fee**

The Administrative fee is equal to the allocable administrative and overhead costs incurred by the City in providing the gas service.

#### (C) **PG&E Local Transportation**

PG&E Local transportation charge is equal to the cost of transporting gas from the PG&E's City Gate to the Palo Alto City Gate.

### 2. **Special Conditions**

Service under this schedule is subject to discontinuance in whole or in part, for operational reasons, or if the City experiences supply or capacity shortages. The City will exercise reasonable diligence and care to furnish and deliver continuous service and a sufficient quantity of gas to customers, but does not guarantee continuity of service or sufficiency of quantity. The City shall not be liable for any damage caused by interruption of service, if the interruption of service is caused by an act of God, Fire, Strikes, riots, war, or any other cause that is beyond the City's control.

### 3. **Request for Service**

A qualifying customer may request service under this schedule for more than one account or meter if the accounts are located on one site. A site shall be defined as one or more utility accounts serving contiguous parcels of land with no intervening public right-of- ways (e.g. streets) and have a common billing address.

### 4. **Changing Rate Schedules**

Customers may request a rate schedule change at any time to any applicable City of Palo Alto full-service rate schedule. Customers served under this rate schedule may elect Gas Direct Access at any time.

*{End}*

