

LARGE COMMERCIAL CUSTOM COMMODITY GAS SERVICE

UTILITY RATE SCHEDULE G-12

A. APPLICABILITY:

This schedule applies to large commercial customers who use at least 250,000 therms per year at one site and have retained gas direct access eligibility.

B. TERRITORY:

Within the service area of the City of Palo Alto and on land owned or leased by the City.

C. RATES:

Per Service

Monthly Customer Charge: \$311.00

Per Therm Charges (To be added to Customer Charge Per Therm

Supply Charges:

- 1. Commodity Charge..... \$0.20-\$2.00
- 2. Administrative Fee\$0.0227
- 3. PG&E Local Transportation\$0.0212

Distribution Charge:

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

D. TERM: Up to 5 years

E. SPECIAL CONDITIONS:

- 1. 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.
- 2. Qualifying customers who choose to be charged under this rate schedule are required to sign a contract and confirmation schedule with CPAU and adhere to rules and regulations set forth in CPAU Rule and Regulation No. 5 (Contracts).
- 3. The Commodity Charge shall be based upon the customer load shape and size, term, and market prices. The other components of the rate: Administrative Fees, Transportation Charges, Distribution Charges and Monthly Customer Charge may be modified periodically with the Council’s approval.

CITY OF PALO ALTO UTILITIES

Issued by the City Council



CITY OF PALO ALTO
UTILITIES

LARGE COMMERCIAL CUSTOM COMMODITY GAS SERVICE

UTILITY RATE SCHEDULE G-12

(Continued)

4. The Commodity Charge component of this rate and the term will be set at the time when the customer signs the Contract. Rate options available under Contract may include, but are not limited to, commodity rate caps, collars, forward strips, and trigger rates. Pricing for such products, including any necessary fees, will fall within the Commodity Charge range set forth in Section C, Part 1 of this Schedule. A rate cap is defined as a floating rate with a guaranteed maximum price. A rate collar is defined as a floating rate with maximum and minimum rate levels. Forward strips are defined as a set rate for a set term calculated by taking the average rate over a specified period of time. A rate trigger is a mechanism wherein the customer could set a specific rate level and if the market rate reaches that level, the customer rate is automatically set at that level.
5. The Administrative Fee is equal to the allocable administrative and overhead costs incurred by the City in providing the gas service.
6. PG&E Local transportation charge is equal to the cost of transporting gas from PG&E City Gate to the Palo Alto City Gate.
7. Total monthly charge = therms used during the month X (Commodity Charge + Administrative Fee + PG&E Local Transportation Charge + Palo Alto Local Distribution Charge) + Monthly Customer Charge.
8. The customer must remain on this term rate for the term indicated on the Confirmation Schedule, providing the customer continues to receive distribution services from the City. The confirmation Schedule shall indicate the Customer's approximate gas usage (load) over the term of the contract. This load shall be served solely by CPAU.
9. Qualifying customers 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.
10. A customer may request a renewal of this rate with a 30-day advance written notice. The commodity charge for the renewed period will be based on the market prices and other pricing factors that exist at the time the rate is renewed. Customers electing not to renew the Contract will be returned to an applicable full-service gas rate schedule of their choice. If no choice is made, the customer will be placed on G-3.

{End}

