

City of Palo Alto Utilities
MONTHLY RETAIL GAS CHARGES (by Rate Schedule)

Customer Rate Schedule	Monthly Service Charge	Energy Charges (\$/therm)				Date of Last Rate Change
		Commodity	Distribution	Voluntary PaloAltoGreen Gas Program Charge	Cap and Trade Compliance	
G-1 Tier 1	\$9.88	Market*	0.4392	--	Market*	2/1/2015
G-1 Tier 2			0.9846	--		
G-1-G Tier 1	\$9.88	Market*	0.4392	0.12	Market*	2/1/2015
G-1-G Tier 2			0.9846	0.12		
G-2	\$74.86	Market*	0.6147		Market*	2/1/2015
G-2-G	\$74.86	Market*	0.6147	0.12	Market*	2/1/2015
G-3	\$361.18	Market*	0.6071		Market*	2/1/2015
G-3-G	\$361.18	Market*	0.6071	0.12	Market*	2/1/2015

*Commodity and Cap and Trade Compliance Charges change monthly and current and past charges can be found online: <http://www.cityofpaloalto.org/civicax/filebank/documents/30399>

Tier Cutoffs		
Tier Cutoffs for G-1 (30-day billing cycle)	Summer (April 1 to October 31)	Winter (November 1 to March 31)
Tier 1	First 20 therms	First 60 therms
Tier 2	Over 20 therms	Over 60 therms

Definitions

Commodity: Cost of providing energy supply to the City of Palo Alto, including gas transportation costs. Commodity cost changes every month and is based on the monthly natural gas Bidweek Price Index for delivery at PG&E Citygate, accounting for delivery losses to the Customer’s Meter.

Distribution: Cost of all distribution system components (pipes, meters, etc.)

Cap and Trade Compliance: The Cap and Trade Compliance Charge reflects the City’s cost of regulatory compliance with the state’s Cap and Trade Program, including the cost of acquiring compliance instruments sufficient to cover the City’s Gas Utility’s compliance obligations. The Cap and Trade Compliance Charge will change in response to changing market conditions, retail sales volumes and the quantity of allowances required.

Voluntary PaloAltoGreen Gas Program: The PaloAltoGreen Gas Program provides for the reduction of green-house gas (GHG) emissions associated with a customer’s gas usage, through the purchase of certified environmental offsets, with a preference to projects located in California. Purchases are made to match 100% of the therm usage at the customer’s facility every month, (the 100% Renewable/Full Green option), or in 100 therm blocks (an option for customers on the G-2 or G-3 Rate Schedules)

More details on utility rate schedules and adjustments: cityofpaloalto.org/ratesoverview