



SCHEDULE GPC

Sheet 1

GAS PROCUREMENT FOR CORE CUSTOMERS

APPLICABILITY

Applicable to core customers who elect to purchase natural gas from the Utility, including the benefits derived from utility-managed storage service. Pursuant to D.02-08-065, this schedule is not available to electric generation, refinery, and enhanced oil recovery customers whose gas consumption exceeds 250,000 therms during the most recent 12-month period. For customers with less than 12 months of historical data, the usage level shall be determined on a pro rata basis using the months for which usage is available.

TERRITORY

Within the territory where natural gas is provided by the Utility.

RATES

<u>Procurement Charges</u>	<u>GPC</u> <u>\$ per Therm</u>
Cost of Gas	0.26277
Capacity Charge 4/	0.03483
Carrying Cost of Storage in Inventory Charge	0.00002
FF&U	<u>0.00536</u>
Subtotal	0.30298
Receipt Point Access Charge 2/	0.00547
Plus, Brokerage Fees (w/FF&U)	0.00188
Total GPC Rate	<u>0.31033</u>
GPC-A Rate	\$0.32407
GPC-S Rate	\$0.30357

The GPC rates are applicable to customers who are not billed for service under GPC-A rates.

GPC-A Rate equals the higher of the total GPC Rate or the Border Price plus authorized franchise fees and uncollectible expenses, and receipt point access charges, and the authorized core brokerage fee. See Special Condition 3 of Schedule GPC for calculation methodology.

The GPC-A rates are applicable for the first 12 months of service for: (1) customers who transfer from noncore service to core procurement service, except noncore customers who have been disqualified from noncore service and are required to return to core service; (2) core transportation customers who consumed over 50,000 therms in the last 12 months, unless such customers were returned to utility procurement because their gas supplier is no longer doing any business in California, or (3) core transportation customers with annual consumption over 50,000 therms who return to core procurement service and switch back to transportation-only service within 90 days.

The Total GPC rate above shall be subject to change no more than twice per month upon five (5) days written notice to reflect changes in the per unit charges listed above.

The total GPC-A rate above will be filed on or before the ninth calendar day of each month with the rate becoming effective on the tenth calendar day of the month.

The GPC-S rate is for the purpose of calculating the gas franchise fee surcharge as defined in Schedule GP-SUR. See Special Condition 4 for calculation methodology.

~~1/ Includes a core interstate transition cost surcharge (CITCS) of \$0.00000 per therm.~~

2/ Receipt Point Access Charge grossed-up for FF&U.

(Continued)



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SPECIAL CONDITIONS (Continued)

- 5. Initial Term of Service: The initial term of service under this schedule shall be one year, except as follows. Noncore customers who transfer to core transportation-only service shall be obligated to that service for a period of 12 months, at which time they may transfer to bundled core transportation and utility procurement service for the balance of their five-year obligation to core service.
 - a. Subsequent to the implementation of D.02-08-065, all current noncore customers, except electric generation, refinery, and enhanced oil recovery customers using in excess of 250,000 therms per year, as defined above, will be provided 90 days to exercise a one-time option to terminate their current contracts in order to elect core service.
- 6. Notice to Leave/Notice to Return: Customers electing to leave core utility procurement service must give Utility 30 days written notice of their intent to procure from another service provider. Customers must give the Utility 30 days written notice of their intent to return to utility procurement service.

Core Aggregation Customers are subject to the terms and conditions set forth in Rule 32 - Core Aggregation Transportation.
- 7. Capacity Charge: The capacity charge reflects the Utility's forecast weighted average cost of transportation (WACOT) for core customers, based on firm interstate reservation charges and brokered capacity costs.
- 8. Receipt Point Access (RPA) Charge: The RPA charge reflects the Utility's cost of procuring SoCalGas receipt point access.
- 9. Brokerage Fees: Service under this schedule provides for utility brokerage services associated with gas procurement.
- 10. Franchise Fees & Uncollectibles Adjustment (FF&U): Charges to Utility power plants (i.e. UEG customers) shall be adjusted to remove all franchise fees and uncollectibles.
- ~~11. CITCS: This surcharge recovers the above market costs of the Utility's firm reservations of interstate pipeline capacity on El Paso's pipeline system.~~