

Schedule No. G-PPPS

SURCHARGE TO FUND PUBLIC PURPOSE PROGRAMS (PPP)

APPLICABILITY

Applicable to all gas sales and transportation service excluding service for: electric generation including cogeneration, enhanced oil recovery, wholesale for resale to end users, natural gas produced in California and transported on a proprietary pipeline, and the consumption of natural gas which California is prohibited for taxing under the United States Constitution or the California Constitution.

TERRITORY

Throughout the Company's certificated California service areas, except as may hereafter be provided.

RATES

Customer Class	PPP SURCHARGE AMOUNT PER THERM			
	Non-CARE Customers		CARE Customers	
	Southern CA	Northern CA/ South Lake Tahoe	Southern CA	Northern CA/ South Lake Tahoe
Core *				
Residential	\$.16808	\$.04491	\$.02550	\$.02550
Commercial/Industrial	\$.16808	\$.04491	\$.02550	\$.02550
Gas Engine	\$.16808	\$.04491	N/A	N/A
Natural Gas Vehicle	\$.16808	\$.04491	N/A	N/A
Non-Core **				
Commercial/Industrial	\$.16808	\$.04491	N/A	N/A

* Residential service includes Rate Schedule Nos. GS/GN/SLT-10, -12, -15, -20, and -25; and GS-11. Commercial/Industrial service includes Rate Schedule Nos. GS/GN/SLT-30, -35, -40, and -60. Natural Gas Vehicle service includes Rate Schedule No. GS-50/GN-50/SLT-50.

** Commercial/Industrial service includes Rate Schedule No. GS-70/GN-70/SLT-70.

The PPP surcharges are set forth in the currently-effective Statement of Rates of this California Gas Tariff and are incorporated herein by reference.

The number of therms shall be determined in accordance with the provisions of Rule No. 2C of this California Gas Tariff.

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(Continued)

SPECIAL CONDITIONS

1. The PPP surcharge is shown as a separate line item on a customer's bill. The purpose of the PPP surcharge is to recover the cost of public purpose programs such as low-income assistance, energy efficiency, and public interest research and development. The Company remits PPP revenue to the State Board of Equalization. These remittances are to be made quarterly by the last day of the month following a calendar quarter.
2. Commission Decision 04-08-010 requires the Company to file an Advice Letter with its proposed PPP surcharges by October 31 of each year, with a requested effective date of January 1 of the following year. The Company may file at other times if failure to make the rate change would result in a forecasted total rate increase of 10 percent or more on January 1 of the following year, as provided for in Decision 04-08-010. The PPP surcharge shall be calculated in accordance to formulas and throughput volumes specified in Decision 04-08-010.