



**GAS SCHEDULE G-EG**

Sheet 1

**GAS TRANSPORTATION SERVICE TO ELECTRIC GENERATION**

**APPLICABILITY:** This rate schedule<sup>1</sup> applies to the transportation of natural gas used in: (a) electric generation plants served directly from PG&E gas facilities that have a maximum operation pressure greater than sixty pounds per square inch (60 psi); (b) all Cogeneration facilities that meet the efficiency requirements specified in the California Public Utilities Code Section 216.6<sup>2</sup> and other electric generation facilities that meet an overall electric efficiency of at least 45%; (c) solar electric generation plants, defined herein and (d) Advanced Electrical Distributed Generation technology that meets all of the conditions specified in Public Utilities Code Section 379.8, as defined in Rule 1, and are first operational at a site prior to January 1, 2016. This schedule does not apply to gas transported to non-electric generation loads.

Customers on Schedule G-EG with minimum usage of 250,000 therms per year or installed capacity of 500kW or larger are typically required to be classified as Noncore End-Use Customers, per Rule 1 must procure gas supply from a third-party gas supplier, not from a Core Procurement Group, as defined in Rule 1. Pursuant to Gas Rule 1 Core Transportation Service and Noncore End-Use Customer definitions, such customers may request Core Transportation Service under Gas Schedule G-NR2 ("Large Commercial") subject to PG&E approval

See Rule 12 for details on core and noncore reclassification.

Per D. 15-10-032 and D. 18-03-017, transportation rates include GHG Compliance Cost for non-covered entities. Customers who are directly billed by the Air Resources Board (ARB), i.e., covered entities, are exempt from paying AB 32 GHG Compliance Costs through PG&E's rates.<sup>3</sup> A "Cap-and-Trade Cost Exemption" credit for these costs will be shown as a line item on exempt customers' bills.<sup>4,5</sup>

**TERRITORY:** Schedule G-EG applies everywhere within PG&E's natural gas Service Territory.

<sup>1</sup> PG&E's gas tariffs are available on-line at [www.pge.com](http://www.pge.com).  
<sup>2</sup> Efficiency Standard: In accordance with PU Code Section 216.6, at least 5 percent of the facility's total output must be in the form of useful thermal energy. Where useful thermal energy follows power production, the useful annual power output plus one-half the useful annual thermal energy output must equal no less than 42.5 percent of any natural gas and oil energy input.  
<sup>3</sup> Covered entities are not exempt from paying costs associated with LUF Gas and Gas used by Company Facilities.  
<sup>4</sup> The exemption credit will be equal to the effective non-exempt AB 32 GHG Compliance Cost Rate (\$ per therm) included in Preliminary Statement – Part B, multiplied by the customer's billed volumes (therms) for each billing period.  
<sup>5</sup> PG&E will update its billing system annually to reflect newly exempt or newly excluded customers to conform with lists of Directly Billed Customers provided annually by the ARB.

**Note:** Customers who are directly billed by Air Resources Board (ARB) for ARB AB32 Administration Fees are exempt from PG&E's ARB AB32 Cost of Implementation (COI) rate component. Customers on the Directly Billed list, as provided annually by the ARB, may change from year to year. The exemption credit will be equal to PG&E's currently-effective ARB AB32 COI per-therm rate component (as shown in PG&E's Preliminary Statement, Part B – "Default Tariff Rate Components"), times the customer's billed volumes (therms) for each billing period.

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**GAS SCHEDULE G-EG**

Sheet 2

**GAS TRANSPORTATION SERVICE TO ELECTRIC GENERATION**

RATES:  
(Cont'd.)

The following charges apply to this schedule. They do not include charges for service on PG&E's Backbone Transmission System:

1. Customer Access Charge:

The applicable Per-Day Customer Access Charge specified below is based on the Customer's Average Monthly Use, as defined in Rule 1. Usage through multiple noncore meters on a single premises will be combined to determine Average Monthly Usage. Customers taking service under this schedule who also receive service under other noncore rate schedules at the same premises will be charged a single Customer Access Charge under this schedule.

Average Monthly Use (Therms)	Per Day
0 to 5,000 therms	\$2.13929
5,001 to 10,000 therms	\$6.37249
10,001 to 50,000 therms	\$11.86060
50,001 to 200,000 therms	\$15.56581
200,001 to 1,000,000 therms	\$22.58466
1,000,001 and above therms	\$191.57655

2. Transportation Charge:

Customers will pay one of the following rates for gas delivered in the current billing period:

- a. The Backbone Level Rate applies to Backbone Level End-Use Customers as defined in Rule 1.
 

Backbone Level Rate:	\$0.13919 per therm (l)
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- b. All Other Customers: \$0.34307 per therm (l)

Customers may be required to pay a franchise fee surcharge for gas volumes transported by PG&E. (See Schedule G-SUR for details.)

In addition, the Customer will also be responsible for any applicable costs, taxes, and/or fees incurred by PG&E in taking delivery of gas supplied from a source other than PG&E from intra- or interstate sources.

3. Cap-and-Trade Cost Exemption \$0.08595 per therm

The Cap-and-Trade Cost Exemption is applicable to customers who are identified by the California Air Resources Board (CARB) as being Covered Entities for their Greenhouse Gas (GHG) emissions as part of the Cap-and-Trade program. Applicable Cap-and-Trade Cost Exemptions may be provided from the date CARB identifies a customer as being a Covered Entity, or provided based upon documentation satisfactory to the Utility for the time period for which the customer was a Covered Entity, whichever is earlier.

See Preliminary Statement, Part B for Default Tariff Rate Components.

NEGOTIABLE  
RATES:

Rates under this schedule may be negotiated.

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**GAS SCHEDULE G-EG**

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**GAS TRANSPORTATION SERVICE TO ELECTRIC GENERATION**

LIMITATION OF GAS USE: (Cont'd.) Gas use in excess of this Limitation will be billed at the applicable non-generation rate schedule. (L)

Subject to the Meter Requirement Section above, electric generation customers will make available upon request any measurement devices required to directly or indirectly determine the net-electric generation. PG&E shall have the right to read, inspect and/or test all such measurement devices during normal business hours. Additional gas and/or steam metering facilities required to separately determine gas usage to which the electric generation rate, or for monitoring compliance with Public Utilities Code 216.6, may be installed, owned and operated by PG&E; however, PG&E may, at its sole discretion, utilize estimated data to determine such gas usage, or compliance.

MULTIPLE FUEL USE: If multiple fuels are used at a facility, the net amount of electricity generated from using natural gas will be determined each month as follows: (L)

- 1. If the generation facility burns two or more fuels simultaneously, the net electricity generation will be allocated between those fuels based on the Btu input of each fuel. However, if the use of natural gas supplements coke, biomass, or other waste products, (e.g., gas produced in waste water treatment plants or landfill gas), such use will qualify for Schedule G-EG without a Btu-based allocation, provided it does not exceed the limitation defined in the Limitation of Gas Use section herein.
- 2. If the generation facility alternates between natural gas and another fuel, the net amount of electricity generation fueled by gas will be determined by either: (a) meter readings when the fuel change occurs; or (b) the portion of allocated amount calculated by the procedures stated in 1., above, prorated by the number of hours or days that natural gas is used.

SOLAR ELECTRIC GENERATION PROJECTS: A solar electric generation project utilizes solar energy as the primary fuel in the generation of electricity, uses gas as a secondary fuel constituting 25 percent or less of the total fuel utilized on an equivalent basis, has a natural gas efficiency utilization rate of more than 60 percent, and qualifies as a small power production facility under the Public Utility Regulatory Policies Act of 1978. (L)

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**GAS SCHEDULE G-EG**

Sheet 5

**GAS TRANSPORTATION SERVICE TO ELECTRIC GENERATION**

NOTICE OF CHANGE IN OPERATION:	<p>Customers must notify PG&amp;E in writing within thirty (30) days if they make any material change either in the amount of, or character of, the gas appliances or apparatuses installed upon Customer's premises to be served under this schedule, that render the facility incapable of meeting the efficiency standards mentioned above and in Public Utilities Code 216.6.</p> <p>Each year, cogeneration customers are required to certify that they continued to meet Public Utilities Code 216.6 efficiency standards during the previous calendar year. In addition, PG&amp;E retains the right to physically verify the efficiency standards and to require some or all cogeneration customers to provide additional documentation showing that they did meet the standards.</p> <p>PG&amp;E has the right to install any additional metering required to verify compliance with these standards unless otherwise previously agreed to, in writing, by PG&amp;E. If the efficiency standards are not met during any calendar year or, if the Customer fails to provide certification to PG&amp;E, the gas service may be rebilled for that year, and all subsequent usage billed at the otherwise-applicable rate schedule until the Customer can demonstrate the facility again meets such standards.</p>	(L)
SERVICE AGREEMENT:	A <u>Natural Gas Service Agreement</u> (NGSA) (Form 79-756) is required for service under this schedule. The initial term of the NGSA will be for one (1) year.	
SHRINKAGE:	Transportation volumes will be subject to a shrinkage allowance in accordance with Rule 21.	
NOMINATIONS:	Nominations are required for gas transported under this schedule. See Rule 21 for details.	
CURTAILMENT OF SERVICE:	Service under this schedule may be curtailed. See Rule 14 for details.	
BALANCING:	Service hereunder shall be subject to all the applicable terms, conditions and obligations of Schedule G-BAL.	
BACKBONE TRANSMISSION TRANSPORTATION SERVICE:	Transportation service on PG&E's Backbone Transmission System must be taken in conjunction with this schedule under Schedule G-AFT, G-SFT, G-AA, G-NFT, or G-NAA. A separate Gas Transmission Service Agreement (GTSA) (Form 79-866) and appropriate exhibits must be executed for such service. The GTSA can be held by the Customer or by another party, such as the Customer's gas supplier.	(L)