



GAS SCHEDULE G-OEC

Sheet 1

Gas Delivery to Off-System End-Use Customers

APPLICABILITY: This rate schedule* provides for the delivery of natural gas to Off-System End-Use Customers from a PG&E Backbone Transmission Facility. A Customer on this rate schedule must procure gas supply from a supplier other than PG&E. The following requirements must be met to qualify for service under this schedule:

1. The Customer does or can take pipeline delivery service directly from an interstate pipeline, a private pipeline, or an alternative fuel source, and such service does not in any way depend on services being provided by another CPUC-regulated Local Distribution Company (LDC), even if the Customer still maintains a connection to that utility's facilities.
2. If the Customer is a new Customer and the interstate or private service connections do not currently exist, the Customer must verify through a legal declaration that such connections would be made, and service would not be provided by a California LDC, absent a connection to PG&E's transmission system.

TERRITORY: Schedule G-OEC is available only to End-Use Customers located outside of PG&E's Service Territory.

RATES: Rates and charges will be negotiated.

FEES AND TAXES: Customer may pay a franchise fee surcharge for gas volumes transported by PG&E. (See Schedule G-SUR for details.) The Customer will be responsible for any applicable costs, taxes, and/or fees incurred by PG&E in taking delivery of third-party gas from Backbone or interstate sources.

(T)

- NEGOTIATED RATE GUIDELINES:
1. PG&E may distinguish between parties in offering negotiated rates by evaluating differences in circumstances and conditions, including, but not limited to, differences occurring upstream of, downstream of, or at the Customer's location, and differences affecting either the cost of service to the Customer or Customer's market alternatives.
 2. Negotiations with Customers under this rate schedule will be conducted without undue preference or undue discrimination to the Customer or to any third party. Negotiated rates for G-OEC service shall not be less than PG&E's short-run marginal cost of providing the service.

CREDIT-WORTHINESS: Customer must meet the creditworthiness requirements specified in gas Rule 25.

* PG&E's gas tariffs are on line at www.pge.com

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Sheet 2

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CUSTOMER SERVICE CONNECTION:	To interconnect to the PG&E Backbone Transmission System the Customer will build and be responsible for maintaining the necessary facilities at the Customer's cost and for payment of the meter set and other special facilities charges, unless otherwise agreed to by PG&E. Connections to these Customers will be under the provisions of gas Rule 2, or another similar agreement.	(N)
SERVICE AGREEMENT:	A <u>Gas Transportation Service Agreement</u> (GTSA) (Form No. 79-866) and an Exhibit K to the GTSA are required for service under this schedule. The initial term of the GTSA will be for one (1) year and will continue month to month thereafter.	
CURTAILMENT OF SERVICE:	Service may be curtailed. Curtailment provisions will be specified in Exhibit K.	
BALANCING SERVICE:	Balancing provisions are specified in GTSA Exhibit K. Unless otherwise negotiated with PG&E, Customers cannot aggregate imbalances under a <u>Noncore Balancing Aggregation Agreement</u> (NBAA) (Form No. 79-869) or trade imbalances.	
BACKBONE TRANSMISSION TRANSPORTATION SERVICE:	Transportation service for delivery to G-OEC Customers must be under Schedule G-AFTOFF, G-AAOFF, G-NFTOFF, or G-NAAOFF.	
NOMINATIONS:	Nominations are required for gas delivered under this schedule. See gas Rule 21 for details.	(N)