



Gas Tariff Schedules

Applicable to

Island Energy



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I. GENERAL INFORMATION

1. Territory Served. Island Energy (“utility”) supplies all gas service in the entire area referred to as Mare Island, in the City of Vallejo, CA.

2. Measurement. Measurements will be made by use of a standard gas meter furnished by the utility unless otherwise specified on the Rate Schedule.

3. Confidentiality of Customer Information. Island Energy will maintain the confidentiality of all Customer information, including identification information and all data associated with gas, electric and other service consumption. Customers may request such information for their own use in writing from Island Energy, and such data will be provided in a timely manner.

II. GAS RULES

1. DEFINITIONS

Applicant: A person or entity requesting the utility to supply gas service, relocate gas facilities, or upgrade gas facilities.

Billing Period: A period of time, during which utility services are measured and for which such services are invoiced to Customers. The billing period will generally be between 27 and 33 calendar days.

Customer: The person or entity in whose name service is rendered as evidenced by the signature on the application, contract, or agreement for that service, or, in the absence of a signed instrument, by the receipt of payment of bills regularly issued in that persons name.

Customer Service Point: The point of connection between the facilities of the serving utility and the piping of the Customer's premises.

Developer: A company (or individual) which develops land or changes and enhances the use of a parcel of land or an existing building for some new purpose within the service area of utility.

Electronic Transfer: Paper-less exchange of data and/or funds, usually involving computer and telecommunications technology.

Eligible Expenses: Eligible Expenses are defined as gas equipment expenses incurred in the installation of new commercial natural gas distribution systems, including but not limited to pipes, valves, and regulators, but not the relocation or rearrangement of the existing gas system, pursuant to a Working Contract. Eligible Expenses do not include expenses incurred under the Working Contract for excavation, conduits, substructures and protective structures. Applicant shall remain responsible for the cost of all relocation, rearrangement and removal work, unless the work qualifies for reimbursement under Section 21.

Inevitable Accident: An occurrence causing an interruption in service which is outside of the control of the utility and which the utility could not have prevented by the utility's reasonable diligence in its operation of the subject facilities. Occurrences caused by the age of the utility systems shall not be deemed preventable.

High-pressure: Pressure greater than Low-pressure.

Low-pressure: Shall be an average pressure equivalent to fourteen inches of water column, or less.

Mailed: Any notice or other communication will be considered "mailed" when it is sent electronically (email, text or other electronic format) or enclosed in a sealed envelope, properly addressed, and deposited in any United States Post Office box, postage prepaid. The postmark date for notices or other communication sent electronically will be considered the date the communication was sent.

Mixed Use Residential/Commercial Development: Any development which incorporates both residential and commercial uses i.e. first floor retail or educational and second or third floor residential.

New Permanent Load: A New Permanent Load is a new load resulting from and/or benefited by the improvement or expansion of the existing natural gas system pursuant to a Working Contract.

Paid or Payment: Funds received by utility through postal service, utility payment office, utility authorized agent, credit card payments to the utility or deposited in utility bank account by Electronic Transfer.

Premises: All of the real property and apparatus employed in a single enterprise on an integral parcel of land undivided, excepting in the case of industrial, agricultural, oil field, resort enterprises and public or quasi-public institutions, by a dedicated or undedicated street, highway or other public thoroughfare or a railway. Automobile parking lots constituting a part of and adjacent to a single enterprise may be separated by an alley from the remainder of the Premises served. In the case of a premises on which a master meter is installed, premises shall refer to all of those residences, dwelling units, mobile home spaces, stores, offices or other places of business for which the consumption of gas is measured and assessed by the master meter.

Protective Structures: Are fences, retaining walls, grading, sound barriers, posts, barricades and other structures as required by the utility to protect its facilities or equipment.

Ready Access to Premises: Is where the Customer, or Applicant, makes access to the utility's facilities available in a manner that is safe and unobstructed to utility personnel and vehicles. This means that utility personnel will not come in contact with unrestrained animals while accessing utility equipment. It also means that the utility will have unobstructed ability to reach all utility equipment.

Temporary Service: Service for enterprises or activities which are temporary in character or where it is known in advance that service will be of a limited duration. Service which, in the opinion of the utility, is for operations of a speculative character or the permanency of which has not been established, also is considered Temporary Service.

Vessel: A means of transportation on water used for recreational, navigational or commercial purposes.

Working Contract: The Working Contract shall be that contractual agreement entered into by and between the utility and an Applicant for performing gas transmission or distribution system work under these Tariffs.

2. DESCRIPTION OF SERVICE

A. General

The character of service available at any particular location should be ascertained by inquiry at the utility's office. The utility's Rate Schedules are applicable for service where the Customer purchases their entire gas requirements from the utility, except when such Rate Schedules specifically provide otherwise.

B. Kind and Heating Value

The gas supplied by the utility is natural gas. The heating value of the gas may change from time to time as the supply from various natural gas fields, as gathered and transmitted to the utility may vary.

C. Pressure

Gas supplied at the outlet of a meter will normally be at low-pressure. Where gas is metered at Low-pressure, a cubic foot of gas shall be construed to be that volume of gas which, at the temperature and pressure existing in the meter, occupies one cubic foot. Gas will be supplied at high-pressure, upon approval of the utility, when and where such service is available from existing high-pressure utility facilities. High-pressure service shall be subject to change to higher or lower pressure at any time at the option of the utility. Where gas is served at pressures above the standard Low-pressure through positive displacement meters, the metered volume shall be corrected to a standard pressure of 14.73 pounds per square inch absolute. The utility shall, as appropriate, correct for deviation from Boyle's Law.

D. Conversion of Metered Volumes to Therms

For rate schedules that provide for the determination of therms the number of therms to be billed shall be the product of the metered Ccf or, if applicable, the corrected metered Ccf and a therm multiplier. This therm multiplier for meters registering in units of Ccf shall be determined by dividing the average heating value by 1000. The average heating value will be determined from the volume weighted average heating value for the period of deliveries.

E. Liability

Customer shall be and remain liable for any and all damages caused to the utility facilities or third parties as a result of Customer's failure to comply with the requirements of these tariffs or the proper use of Customer's equipment.

Nothing in any of these tariffs is intended to create any new or additional liability to the utility beyond that required by statute. It is the intent of the tariffs to limit the liability of the utility to the greatest extent allowed by law, and to maintain for the utility all applicable immunities and defenses allowed by law.

Utility shall have no liability for any damage, loss or injury caused in whole or part by Applicant's or Customer's active or passive negligent act or omission or reckless, wanton or intentional act.

All of Applicant's or Customer's duties under each of these tariffs involving safety, maintenance, repair or installation of facilities, including any duty to give notice to the utility of conditions of the facilities, shall also constitute a duty from the Applicant or Customer to all third parties with respect to those facilities, regardless of who owns or controls the facilities. Applicant's or Customer's failure to comply with these tariffs shall constitute a breach of duty to any injured or damaged third party, and Applicant or Customer shall be liable to any injured or damaged third party for any such injury or damages. If any portion of any of these tariffs is determined by a court

of competent jurisdiction to be illegal, it shall be severed from these tariffs and all other portions of these tariffs shall remain in full force and effect. Each and every section of these tariffs would have been adopted separately, even if any other section of the tariffs had not been adopted.

F. Indemnification

Customer or Applicant shall defend, indemnify and hold harmless utility against any claim, demand, loss or liability arising out of or related in any way to utility's equipment or facilities located on Customer's or Applicant's premises, to the fullest extent allowed by law. This duty to defend, indemnify and hold harmless shall arise even in the case of the active or passive or sole negligence of utility, or utility's reckless, wanton, malicious, fraudulent or intentional acts or omissions.

3. APPLICATION FOR SERVICE

A. Application

An application for service is required. Each Applicant for service may be required to sign an application on a form provided by the utility. The application forms may vary depending upon the type of service requested by the Applicant. Applicants desiring special rates and/or services may be required to complete additional forms and/or contracts in accordance with the utility's applicable tariffs. The application is a request for service and it does not bind the utility to serve except under its tariffs and under reasonable conditions. The application does not bind the Applicant to take service for a longer period than the minimum requirement of the utility's tariffs. These tariffs constitute the terms and conditions of the agreement between the utility and the Customer for service rendered, unless otherwise agreed to in writing.

Pursuant to the tariffs, the utility may at its sole discretion assess the Applicant's ability to pay its gas charges. Such assessment may include a credit check initiated by the utility at the Applicant's expense, contact of commercial references, or other measures, as discussed and agreed between the utilities and Applicant.

B. Information Required on Application

In addition to the information the utility may require from Applicant's in order to establish credit in accordance with Section 6.A. All Applicants shall provide such other information as the utility may reasonably require for service. This information includes, but is not limited to, the legal name of the Applicant(s), the name of the Applicant's spouse or other adults residing at the Premises, the service address, billing address, date service is wanted, whether gas service has previously been supplied to the Premises, whether Applicant is the owner, agent or tenant of the Premises, and the rate schedule desired (if optional schedules are available). In addition, the Applicant may be required to provide information necessary to the design, installation, maintenance and operation of the utility's facilities, including the proposed end use(s), the connected load, the number of residential dwelling units/spaces, the size or character of the appliance or apparatus to be installed, building plans, and other information required by the utility's applicable tariffs. The utility may also request credit information and authorization to run a credit check. Commercial and industrial accounts will be required to provide their North America Industrial Classification System (NAICS) Code(s).

C. Changes in Load or Operation

It is the Customer's responsibility to notify the utility in writing within 15 days if the Customer makes any change in the connected load, in the number of residential dwelling units/spaces, or in the size or character of the appliances or apparatus. Such change(s) may require a new application for service and/or a change in the utility's service facilities and may result in the

Customer being transferred to a different tariff schedule and payment obligations for service upgrades.

D. Joint and Several Liability for Service/Beneficial Use

Where two or more Applicants join in one application or contract for utility service, they shall be jointly and severally liable under the terms of the application/contract and shall be billed by means of a single periodic bill mailed to the Customer designated to receive the bill. Whether or not the utility obtained a joint application or contract for residential service, where there is evidence that an adult(s) other than the Applicant resided at the Premises and benefited from utility service, the other adult(s) and the Applicant shall be jointly and severally liable for service rendered while such other adults resided at the Premises.

E. False or Inaccurate Information

The utility may refuse to provide service or may discontinue or disconnect service and/or may re-bill the account when:

1. The information provided to the utility on the application is false, incomplete, or inaccurate; or,
2. The Applicant has applied for service under a fictitious name or under the name of another to avoid payment of any utility bill or that the Applicant has requested service in his/her legal name to assist another in avoiding payment of any utility bill; or,
3. The Applicant and/or other adults residing with the Applicant have received the benefit of service without paying for it and are attempting to change the name on the account to avoid payment of any utility bill. In the event of a re-bill, the utility shall provide the Customer with the reason for such a re-bill.

4. CONTRACTS

Whether or not these tariffs require a written contract, the utility may require, in its sole discretion, a Customer to enter into a written contract as a condition to providing service. Contracts will be required when service is delivered under different rates, terms and conditions than set forth within the tariffs, in which event the Customer and utility shall acknowledge that the contract is in lieu of normal service.

5. SPECIAL INFORMATION AVAILABLE FOR CUSTOMERS

A. Tariffs Available

A copy of the Gas and Electric Tariffs are available at utility's office at 440 Walnut Avenue on Mare Island during normal work hours and can be viewed online at www.islandenergy.com.

B. Standards Available

The utility follows PG&E approved standards for all materials, design, construction, and services as documented in the PG&E's Greenbook

6. ESTABLISHMENT AND RE-ESTABLISHMENT OF CREDIT

Each Applicant for metered service is required to establish their credit to the satisfaction of the utility before service will be rendered.

A. Establishment of Credit

The Applicant's Credit will be deemed established:

1. If Applicant is the owner of record of and occupier of the Premises upon which the utility is requested to furnish service.
2. If the Applicant makes a cash deposit with the utility to secure the payment of any bills for service to be furnished by the utility under the application as provided in Section 7.
3. If the Applicant has previously been a Customer of the utility and has paid all bills for service within the period as set forth in Section 9 for a period of 12 consecutive months immediately prior to the date when the Applicant for service previously ceased to take service from the utility, provided such service occurred within two years from date of the new application for service.

B. Re-establishment of Credit

1. An Applicant who has been a gas Customer of the utility and whose service has been discontinued for failure to pay their gas bills within the period as set forth in Section 11 within the last 12 months of service may be required to re-establish their credit by making the regular cash deposit.
2. A Customer who fails to pay bills as provided in Section 9 may be required to pay said bills and re-establish credit by depositing, in cash, the amount provided for in Section 7. The requirement for the re-establishment of credit will apply

regardless of
payment

whether or not service has been discontinued for such non-

3. Where the financial condition of a Customer has changed so that the Customer represents a potential credit risk; or where the utility has received information that a Customer has left another utility's service territory with a bill that was unpaid 90 days or more after the billing date, the Customer may be required, as a condition of continued service, to re-establish credit pursuant to this section.

7. DEPOSITS

A. Amount of Deposit

1. Establishment of Credit.

The amount of deposit required to establish credit may be established by the utility pursuant to an assessment of the Applicant's credit worthiness. For commercial accounts covering gas and/or electric service, a deposit is required, the amount of which shall normally be twice the Customer's maximum monthly bill, but may be no more than three times the Customer's monthly average bill, as estimated by the utility for a business of similar size and character. For residential accounts covering gas and/or electric service, a flat rate of \$200 deposit will apply. This amount is deemed to be no more than twice the average monthly bill of an Island Energy residential customer. The utility will have sole discretion in determining the deposit amount, provided that the utility will not exercise undue economic hardship on Applicants.

2. Re-establishment of Credit.

The amount of deposit required to re-establish credit shall normally be twice the maximum monthly bill, but may be as high as three times the Customer's maximum monthly bill, as determined by the utility and in conformance to the rules stated in this Section 7. In addition, the Customer will be required to pay all amounts in arrears, all late payment fees, and a re-connection fee of \$15.00, if service has been disconnected. If service has been disconnected by any action other than the removal of a meter the reconnection fee shall be \$250.00 instead of \$15.00. These fees shall be doubled if requested by the Customer during times outside of normal work hours.

B. Return of Deposit

The amount on deposit will be applied to the Customer's bill during the first billing period after one (1) full year has elapsed, provided that the Customer has met the credit requirements of the utility. If the service is discontinued by request of the Customer while a deposit is held then the balance of any deposit remaining after the closing bill for service has been settled will be promptly returned to the Customer. Any overdue bill may be deducted from the deposit and the service may be discontinued until the deposit is restored to the original amount.

C. Interest on Deposits

If the utility requires a deposit and the deposit is placed into an investment account or into an interest bearing account the utility will pay interest on such deposits in an amount equal to the average rate of return over the last four full calendar quarters last preceding the return of the deposit less one (1%) percent if the deposit was placed into an investment account. If the deposit was placed into a simple interest bearing account, the interest to be paid will be the interest earned less one (1%) percent. In no event will utility be required to invest the deposit or place it into an interest bearing account. No interest will be paid if service is temporarily or permanently discontinued for nonpayment of bills.

8. NOTICES

A. Notices to Customers

1. Generally:

When notices from the utility to a Customer are required, they will be given in writing, either mailed, as defined in Section II, 1, to the Customer's mailing address, or delivered to Customer's service address, except that in emergencies the utility may give verbal notices in person or by telephone.

2. Termination of Service Notice:

a. Monthly bills for service are due and payable upon presentation and will be considered late if full payment is not received by the utility by the first day of the following month. If full payment is not received prior to the date of the next bill, a Termination of Service Notice for nonpayment of a delinquent account will be included on the next monthly bill setting forth the date for termination as the first day of the following month (see example in c. below). An additional notice will be sent to the service address when the occupants are renters and not responsible for the utility bill. Additional notice will include information on renter's legal rights should Utility not receive payment.

b. When no payment has been received by the utility prior to two days before the termination date set forth in subsection a. above a written final service termination notice shall be posted in a conspicuous place at the premises at least forty-eight (48) hours prior to termination of service.

c. Example of Timing for Termination of Service Notices. Utility bills for usage during the month of March will be mailed on April 9. A bill will be considered late if full payment is not received by May 1. If full payment is not prior to May 9, the date of the next bill, a Termination of Service notice will be included on that bill setting forth the date of termination as June 1. If full payment for the April 9 bill has not been received by May 29 (2 days prior to termination date), a final service termination notice shall be posted at the premises. If full payment for the April 9 bill is not received by noon on June 1, service will be terminated.

d. Prior to terminating service to Multiple Occupancy Residential Buildings and Mobile Home Parks, all procedures as required by law will be followed.

e. The Utility reserves the right to report any delinquency of payment to any appropriate credit reporting agencies and potential new utility providers.

B. Third Party Notification

For residential Customers who are 65 years of age or older, or who are "dependant adults" as defined in section 15610.23 of the Welfare and Institutions Code (generally one who has physical or mental limitations that restrict his or her ability to carry out normal activities or to protect his or her rights), a third party notification service, whereby the utility will attempt to notify a person designated by the Customer to receive notification when the Customers account is past due and subject to termination. The consent of the third party shall be required and the third shall not incur any liability for the account by virtue of the fact he or she consents to receive such third party notification.

C. Notices from Customers

Notices from a Customer to the utility may be given by written communication mailed to the utility's office, or physically delivered by the Customer, or the Customer's agent, at the utility's office, except when written notice is specifically required within these tariffs or in any written agreement.

Any Customer may initiate a complaint or request an investigation concerning service or charges by delivering a written complaint or request setting forth all of the facts necessary for utility to understand the nature of the complaint or request, including copies of any statements in issue.

9. RENDERING AND PAYMENT OF BILLS

A. Rendering of Bills

1. Bills for service will be rendered either once a month, or as otherwise required for opening and closing bills, or as provided under applicable tariff. When a monthly billing period is less than 27 days or more than 33 days the bill will be prorated.
2. Meters for Customers who receive metered service will be read as nearly as practical at regular intervals.
3. For billing purposes, each meter upon the Customer's premises will be considered separately and readings of two or more meters will not be combined except as follows:
 - a. Where combinations of meter readings are specifically provided for in rate schedules;
 - b. Where the maintenance of adequate service and/or where the utility's operating convenience require the installation of two or more meters upon the Customer's premises; or,
 - c. Customers are paying all of the cost of the wires between the meters.

B. Basis of Usage Used in Billings

All Customers who receive metered service will be billed on a monthly basis. When meters are read at regular intervals, each bill will be based on meter registrations, except as provided for herein. Estimated consumption may be used as the basis for billings, except for the month ending with the actual meter read. The actual meter registrations shall be used, less the estimated consumption used to calculate the previously estimated bills.

If the utility is unable to read the Customer's meter on the scheduled reading date, the utility may bill the Customer for estimated consumption during the billing period, and make any necessary corrections when a reading is obtained. Estimated consumption for this purpose will be calculated considering the Customer's prior usage, the utility's experience with other Customers of the same class in that area, and the general characteristics of the Customer's operations. Adjustments for any underestimate or overestimate of a Customer's consumption will be reflected on the first regularly scheduled bill rendered and based on actual reading following the period of estimation.

C. Customer Requested Meter Re-reads

When a Customer requests that the utility re-read the same meter, after a meter reading has taken place on the normal reading date, the utility will charge the Customer \$15.00. The \$15.00

charge will be returned to the Customer if upon re-reading the meter is found that the meter was read inaccurately such that the Customer was over-billed.

D. Form of Bill Transfer

At the mutual option of the Customers and utility, bills may be transferred to Customers electronically. Customers requesting this service may be required to complete additional forms and agreements. Either party may discontinue electronic transfers with a 30 day written notice.

E. Payment of Bills

Bills for service are due and payable upon presentation. Payment shall be delivered to the office of the utility by post or phone, by electronic funds transfer or delivered to an authorized personnel of the utility. Bills rendered where the Customer's service is being removed, where the Customer is vacating the premises, or where the Customer is discontinuing the service shall be paid on presentation.

1. Late Payment Fee for Residential and Commercial Accounts

For residential and commercial accounts, unpaid balances on bills not received within twenty (20) days after being mailed to the Customer shall be subject to late payment fee of \$15 or 3 percent (3%) of the unpaid balance of the original bill, whichever is more.

2. Late Payment Fee for Municipal Accounts

For municipal accounts, unpaid balances on bills not postmarked or received within twenty-five(25) days after being mailed to the customer may be subject to a one and one-half percent (1 ½%) late payment fee or penalty.

3. Late Payment Fee for State Agencies

Where an account serves a state agency and payment is not received within 50 calendar days after the date of mailing of a bill, the late payment charge applicable to that account will be at a rate of one (1%) percent above the rate accrued on June 30th of the prior year by the Pooled Money Investment Account (PMIA), but not to exceed 15 percent, all as set forth in Government Code Section 926.17(b)(1). Such rate may be applied to and accrue on a state agency account only after 50 days from the date the bill was mailed.

The State of California shall be responsible for notification to the utility as to which accounts serve state agencies. The provision of the above paragraph shall apply only after such notification.

4. Late Payment for Large Government Contractors

Where a customer derives majority of his/hers revenue from contracts with agencies of the United States of America government and its average monthly utility bills, summed across all of its utility accounts with Island Energy, in excess of \$25,000 may apply to the utility for designation as a large government contractor. Island Energy reserves the right to perform a full credit check prior to designating a customer as a large government contractor. For accounts held by large government contractors, unpaid balances on bills not received with fifty (50) days after being mailed to the Customer shall be subject to a late payment fee of three percent (3%) of the unpaid balance of the original bill and shall be subject to the Discontinuation of Service provisions in the utility's tariff.

5. Returned Checks

Bills paid by a check that is dishonored, shall be subject to \$25 returned check charge. This charge will be added to the Customer's bill for each occurrence.

6. Additional Service Charge

The utility may require the payment of an additional collection charge if the utility sends an authorized representative to the Customer's premises to: (1) effect collection of, or (2) discontinue service for non-payment on a past due account. The collection charge shall be twenty-five (\$25) per visit to the premises.

7. Waiving of Minimum Bills

In case the Customer is unable to use the utility's service by reason of strikes, accidents, fires, bankruptcy or any cause beyond the Customer's control, the payment of the minimum charge may be waived by the utility during the time the Customer is unable to use such service.

10. DISPUTES

A. Disputed Bill

When a Customer disputes or questions their bill, they should first request an explanation from the utility. If the Customer thereafter believes they have been billed incorrectly they will be required to, bring or send the bill and a statement supporting their belief that their bill is not correct to:

Island Energy
440 Walnut Avenue
Mare Island, CA 94592-0001

To avoid having service turned off during the dispute, the Customer must enclose payment for the full amount of the bill made out to Island Energy. If the Customer is unable to pay the amount in dispute, they must inform the utility verbally or in writing of their inability to pay. Utility service will remain on until the utility completes its review of the Customer's bill. The utility will review the basis of the amount billed and communicate the results of its review to the Customer within 10 working days of receipt of the Customer's statement of dispute.

If it is found that the Customer's bill was not overstated by more than 2%, the Customer's payment will be disbursed accordingly, and the Customer will be assessed for a Twenty Five Dollar (\$25) disputed bill charge during the next billing period.

If it was found that the Customer's bill was overstated by more than 2%, the utility will bear the cost of the investigation, and the Customer's overpayment will be promptly refunded or credited to the next month's bill, per the Customer's choice.

B. Termination when Bill Disputed

A Customer who does not pay the full amount due, even when subject to dispute, shall be subject to the same termination for non-payment terms and conditions as any other Customer not disputing the bill.

11. DISCONTINUANCE OF SERVICE

A. Customer's Request for Service Discontinuance

When a Customer desires to terminate their service, they shall give the utility notice in writing two days before the desired termination date. . A Customer may be held responsible for all service furnished at the premises until two days after receipt of such notice by the utility, or until the date of termination specified in the notice, whichever date is later.

When a Customer desires to terminate their responsibility for service during a calendar month, the gas rate applied to that month's consumption is not available on the closing date due to the changing gas commodity prices. Any mid-month closing accounts will be closed at previous month's gas rate.

In the event that a Customer terminates service under any rate schedule and re-initiates service under the same, or any other, rate schedule at the same location within 12 months, there will be a reconnection charge equal to the minimum charge which would have been billed had the Customer not terminated service.

B. Non-Payment of Bills

A discontinuance of service notice for nonpayment of a delinquent account will be mailed at least fifteen (15) calendar days prior to termination of service. At least twenty four (24) hours prior to termination of service, notification by telephone shall be given or at least forty eight (48) hours prior to termination of services a written notice of termination shall be posted in a conspicuous place at the premises.

A Customer's service may be discontinued for non-payment of a bill for service provided at any previous location served by the utility if that bill is not paid in accordance with these tariffs. If a Customer is receiving more than one service, any or all services may be discontinued when any service, regardless of location, is discontinued for non-payment.

The utility will not terminate service to a Customer on any Saturday, Sunday, legal holiday, or at any time during which the business offices of the utility are not accessible to the public. Service wrongfully terminated shall be restored without charge for the restoration of service, and a notification thereof shall be mailed to the Customer at the billing address.

C. Unsafe Equipment

1. The utility may deny or discontinue service to a Customer when:

- a. The utility determines, using commonly accepted Industry Standards including, but not limited to, those published by the National Fire Protection Association (NFPA), Uniform Building Code (UBC), and the American National Standards Institute (ANSI), that the Premises' piping, appliances, or other equipment or the use of either, is unsafe, or;
- b. Any governmental agency, authorized to enforce laws, ordinances, or regulations involving gas facilities and/or the use of gas, notifies the utility in writing that the Customer's gas facilities and/or use of gas is unsafe or not in compliance with such laws, ordinance, or regulations.

2. Communications on Unsafe Equipment

At the time of denial or discontinuance of service as stated in Section 11.C the utility will;

- a. Post a written notice, stating the reason for denial or discontinuance and referring to this Section, at a conspicuous place at the premises, or
- b. Personally deliver the written notice to the occupant of the Premises, and

- c. Within 24 hours of service termination or denial of service, send a copy of the written notice to the Customer in the mail to the billing address.

3. Restoration of Service

The utility will not connect or restore service until:

- a. The utility determines the Customer's gas facilities, appliances or other gas equipment, or the use of either, has been made safe, or
- b. The utility has received written notice from the appropriate governmental agency that the Premises meet applicable laws, ordinances or regulations. It is the Customer's responsibility to resolve the matter with the governmental agency.

4. Responsibility for Inspection

The utility does not assume any responsibility of inspecting or repairing the Customer's gas facilities, appliances or other gas equipment or any part thereof and assumes no liability therefore.

D. Unauthorized Use

The utility may discontinue service if the acts of the Customer or the conditions upon his/her Premises indicate intent to deny the utility full compensation for services rendered, including, but not limited to, tampering or unauthorized use. Discontinuance of service for nonpayment of bill for unauthorized use shall be in accordance with the provisions of these tariffs for service.

E. Fraud

The utility may refuse or discontinue service if the acts of the Customer or condition on his/her Premises indicate intent to defraud the utility.

F. Non-Compliance with the Utility's Tariffs

Utility may discontinue service to a Customer in the event that Customer fails to comply with any provision of its tariffs relating to payment (except where a dispute as to the correctness of the bill has been raised and is pending as set forth in Section 10.A) or the safety of the Customer's equipment, if, after written notice delivered to the Customer's billing address of premises, the Customer fails to comply with the notice within seven (7) days. This notice may be waived when, in the opinion of the utility, either a dangerous condition has been discovered or a bona fide emergency is found to exist on a Customer's Premises, or in the case of a Customer utilizing the service in such a manner as to make it dangerous for occupants of the Premises, thus rendering the immediate discontinuance of service to the Premises imperative.

G. Usage of Service Detrimental to Other Customers

The utility will not provide service to gas equipment, the operation of which will be detrimental to other gas service, using commonly accepted Industry Standards including, but not limited to the Uniform Building Code (UBC), American National Standards Institute (ANSI), and those published by the National Fire Protection Association (NFPA), and will discontinue gas service to any Customer who continues to operate such equipment after being notified by the utility to discontinue operation.

12. RATES

The rates to be charged by the utility for gas service will be the rates in effect and on file in the utility's office(s) and online at www.islandenergy.com.

13. TEMPORARY SERVICE

The utility shall, if it will not result in undue hardship to its existing Customers, such as limited system capacity or excessive pressure drop, furnish Temporary Service under the following conditions:

1. The Applicant shall pay, in advance or otherwise as required by the utility, the full estimated cost installed, plus the estimated cost of removal, less the estimated salvage of the facilities necessary for furnishing service.
2. The Applicant shall establish credit as required by Section 6.A, except that the amount of deposit prescribed by Section 7.A shall not exceed the estimated bill for the duration of service.

14. SHORTAGE OF GAS SUPPLY AND INTERRUPTION OF DELIVERY

A. Shortage and Interruption

The utility will exercise reasonable diligence and care to furnish and deliver a continuous and sufficient supply of gas to the Customer, and to avoid any shortage or interruption of delivery of same. The utility will not be liable for interruption or shortage or insufficiency of supply, or any loss or damage occasioned thereby, if same is caused by Inevitable Accident, Acts of God, fire, strikes, riots, war or any other cause not within its control. It shall be deemed to be beyond the control of the utility where the interruption is due to an unanticipated failure of any part of the utility's systems.

B. Temporary Suspension for Repairs

The utility, whenever it shall find it necessary for the purpose of making repairs or improvements to its system, will have the right to suspend temporarily the delivery of gas. In all such cases, reasonable notice as circumstances will permit will be given to the Customer by telephone, communications mailed to the Customer, or publication in a local paper, and the making of such repairs or improvements will be prosecuted as rapidly as may be practicable, and, if practicable, at such times as will cause the least inconvenience to the Customers. In the event of a planned suspension of service for repairs or improvements where the utility has complied with the notice provisions of this Section or the Customer otherwise receives actual notice, utility shall not be liable for interruption or shortage or insufficiency of supply, or any loss or damage occasioned thereby.

C. Apportionment of Supply during Time of Shortage

Should a shortage of supply ever occur, the utility will apportion its available supply of gas among its Customers in the manner that appears to the utility to be most equitable under conditions then prevailing.

D. Curtailment Priorities

The utility may find it necessary to establish curtailment priorities in order to meet a curtailment of gas service to comport with supplier(s) or transporter(s) curtailment requirements. If this becomes necessary the utility shall do so in a timely manner in order to remain in compliance with all provisions involved with the purchase of gas for the service territory.

E. Liability of Utility

The utility shall not, by taking action pursuant to any portion of Section 14 or any other provision of these tariffs, be liable for any loss, damage, or injury, established or alleged, which may result or be claimed to result there from. In no event shall the utility be responsible for consequential, indirect, special, incidental, punitive or exemplary damages, or damage or loss caused by reason of loss of use, loss of profits or revenues, or cost of capital.

15. DISTRIBUTION LINE EXTENSIONS OR RELOCATIONS

This Section is applicable to changes to gas distribution lines of the utility's standard voltages necessary to furnish permanent gas service to Applicants.

A. Standards

The utility follows PG&E standards for primary and secondary distribution lines. The Applicant should use the PG&E Greenbook to plan, design, and engineer gas distribution line projects.

B. Ownership

The facilities installed under the provisions of this Section up to the Customer Service Point, shall be owned, operated, and maintained by the utility, except for Substructures and enclosures that are on, under, within, or part of a building or structure owned or under the control of Customer.

C. Point of Connection

The utility shall determine the point on the utility's system from which any extension will be made.

D. Private Lines

The utility may, at its sole discretion, serve an Applicant from connection facilities that are not owned, operated, and maintained by the utility.

E. Right of Way

Where new installations of, or changes to, gas distribution lines or facilities result in the need to locate such new facilities outside of utility's existing easements, Applicant shall, at its own cost, be responsible for conducting any engineering work or survey work necessary in order to provide utility with a description of the new location suitable for incorporation into a Grant of Easement or dedication of a PUE as part of a subdivision or other map, for the purpose of conveying to the utility an adequate easement for the maintenance, repair and replacement of the new or relocated facilities. If service facilities must cross property owned by a third party to serve Applicant, it is Applicant's responsibility to obtain and transfer to utility appropriate rights-of-way or easements, satisfactory to the utility for the maintenance, repair and replacement of the new or relocated facilities, at no cost to the utility.

F. Route of Line

The length and route of a distribution line project will be determined or approved by the utility based on the distance along the shortest most practical, available and acceptable route which is clear of obstructions from the utility's nearest permanent and available distribution facility.

G. Applications and Contracts; Exceptions

1. Each Applicant for a distribution line shall be required to submit to utility for its consideration and approval an application defining the project along with a deposit in the sum of Five Thousand Dollars (\$5,000), after which the Applicant shall execute a Working Contract prior to the utility approving and participating in the project. \$1,400 of

the deposit will be used for project administrative support and is non-refundable. The remaining \$3,600 of the deposit will be returned to Applicant after all invoices issued by utility for the project are paid in full and Applicant's responsibilities under the Working Contract or other agreement with utility are fulfilled. The utility reserves the right to apply the non-refundable portion of the deposit towards unpaid project related invoices.

2. In the event a project for a distribution line has an estimated overall cost of \$20,000 or less, a Working Contract may not be required provided 1) the Applicant signs a short form agreement which includes the obligation to maintain certain minimum insurance coverage and indemnify utility against claims or losses caused by Applicant during the course of the project for which the application is submitted, 2) the utility is to conduct all of the work necessary for completion of the project, including the design and installation of all new facilities, and 3) no transfer of title to facilities or easements is required.

3. Applicant and utility may agree that utility shall conduct all of the work necessary for completion of the project, including the design and installation of all new facilities.

4. If the utility is to conduct all of the work as set forth under Section 15(G)(2), Applicant shall remain responsible for all costs and expenses incurred by utility. Further, Sections 15(H)(2) through (9) shall not apply.

H. Applicant Responsibilities for New Distribution Facilities

Applicant is responsible for providing or installing the following items at Applicant's expense by Qualified Personnel, as defined herein, prior to the utility finalizing a distribution line, accepting dedication of the facilities, and connecting them to the utility's facilities:

1. All necessary information to the utility in order for the utility to design the new, relocated or expanded facilities, including but not limited to: improvement plans, grading plans, load information for the overall project to be served, site map, and preferred meter and other facility locations. Any of these items that require approval of the City of Vallejo shall be so approved before any construction begins. Where utility agrees to allow Applicant to design the facilities, Applicant shall provide sufficient information to allow utility to review and approve the design submitted by Applicant.

2. Coordination in joint trench planning and engineering with Qualified Personnel in conformance with utility standards.

3. All necessary trenching, back-filling, and other digging as required, subject to utility inspection.

4. All substructures and conduits, subject to utility inspection.

5. All poles and superstructures, subject to utility inspection.

6. All pipes, valves, regulators, and other gas equipment, all of which is to be completed by qualified personnel, and performed to the utility's standards, and are to be subject to utility inspection. The Applicant shall prepare the gas connection to the utility's facilities, but, will not make the final connection to the utilities facilities.

7. All protective structures set forth in the utility's standards, subject to utility inspection.

8. All manufacturers' warranties commensurate with the utility's standards, including a one year warranty on all workmanship and normal operations on newly installed facilities.

9. Qualified Personnel shall mean personnel who:

- a. Are technically competent to perform the work;
- b. Have access to, and utilize the proper equipment to perform the work;
- c. Have demonstrated financial responsibility commensurate with the scope of the work to be performed;
- d. Have adequate insurance coverage, such as workers compensation, liability and property damage;
- e. Furnish a surety bond for performance of the work if required;
- f. Are licensed in California for the work being performed;
- g. Are properly qualified for specific skill required including, but not limited to, the State of California High Voltage Safety Orders (Title 8, Chapter 4, Subchapter 5, Group 2); and
- h. Comply with applicable laws including, but not limited to, Equal Opportunity Regulations, OSHA, and EPA.

I. Utility Responsibilities for New Distribution Facilities

The utility will, at Applicant's expense:

1. Specify the point, or points, on the utility system from which Applicant will extend distribution lines.
2. Design the distribution facilities such that they conform to the standards of the utility as well as all applicable federal, state and local codes and ordinances for utility installations (such as, but not limited to the California Business and Professions Code). Where utility agrees to allow Applicant to design the facilities, utility shall review and approve the design submitted by Applicant.
3. Inspect facilities installed by Applicant.
4. Connect conductors to the utility's facilities.
5. Make any necessary arrangements of the utility's facilities to accommodate connection of Applicant's facilities.
6. Perform final testing prior to acceptance of the facilities.
7. Invoice Applicant on a monthly basis for all appropriate utility costs incurred, as defined herein, as the project is worked on and completed, with a final invoice upon completion. If project is expected to be or a duration of 60 days or less, Utility may choose to bill Applicant for all costs with a single final invoice upon completion.

J. Dedication of Facilities

Upon acceptable testing and acceptance by utility of the facilities for use in distribution of gas, ownership of all such facilities shall be transferred to the utility by a bill of sale.

K. Development Refund for New Residential Subdivisions

In the event a Qualified Developer (as defined under Section 22.D) engages in any residential redevelopment in residential areas identified in the Mare Island Re-use Plan, as amended from time to time, the utility will provide refunds to cover a portion of the development costs for newly connected residential load, on a per unit basis. The amount of the refund shall be strictly limited to \$83 per single-family unit; \$60 per multifamily unit of no more than eight units per building; and \$45 per unit for multifamily units of greater than eight units per building. Refunds will be specified in the contracts defining the connection project and will include all monies the Applicant will receive from the utility associated with the project. This one-time refund shall become applicable after 90 days of occupancy of each unit and payable within 45 days of receipt of notice from such Developer and the transfer of facilities and easements in accordance with the Working Contract. The fund from which the refunds are drawn from shall be identified as the "Residential Reimbursement Fund". The Residential Reimbursement Fund was funded through the collection of two percent (2%) of the Gross Annual Receipts for the gas services provided by utility. The Residential Reimbursement Fund had a maximum balance of One Hundred Thousand Dollars (\$100,000). Once the balance in the Residential Reimbursement Fund reaches the maximum level the collection at the rate set forth herein was suspended until the fund level dropped below One Hundred Thousand Dollars (\$100,000). Any obligation to contribute to under this provision was terminated on June 30, 2013. On June 30, 2013 the fund balance was at its maximum level of \$100,000. The Utility will continue to pay refunds for development costs for newly connected residential loads from the Fund until the fund is depleted at which time any obligations of the Utility under this section shall cease. If a refund is sought and payable under this Section 15 L for any given project, no other refund or reimbursement can be applied for under these tariffs.

L. Utility Expense; Contract Labor and Overhead

All costs and expenses incurred by the utility under this Section 15 shall be fully reimbursed to the utility by Applicant as such charges are incurred and billed for by the utility. The rate for contract labor and overhead is set forth in Rate Schedule MISC. All invoices shall include a detailed breakdown for the costs incurred.

16. SERVICE CONNECTIONS

This Section is applicable to the connection of new Customers to the utility's distribution system at standard utility pressures necessary to furnish gas service to Applicant.

A. Standards

The utility follows PG&E standards for primary and secondary distribution lines. The Applicant should use the PG&E Greenbook to plan, design, and engineer gas distribution line projects.

B. Ownership

The facilities installed under the provisions of this Section up to the Customer Service Point, shall be owned, operated, and maintained by the utility, except for Substructures and enclosures that are on, under, within, or part of a building or structure owned or under the control of Customer.

C. Private Lines

The utility may, at its sole discretion and under certain terms and conditions, serve an Applicant from connection facilities that are not owned, operated, and maintained by the utility.

D. Right of Way

Where new installations of, or changes to, gas distribution lines or facilities result in the need to locate such new facilities outside of utility's existing easements, Applicant shall, at its own cost, be responsible for conducting any engineering work or survey work necessary in order to provide utility with a description of the new location suitable for incorporation into a Grant of Easement or dedication to of a PUE as part of a subdivision or other map, for the purpose of conveying to the utility an adequate easement for the maintenance, repair and replacement of the new or relocated facilities. If service facilities must cross property owned by a third party to serve Applicant, it is Applicant's responsibility to obtain and transfer to utility appropriate rights-of-way or easements, satisfactory to the utility for the maintenance, repair and replacement of the new or relocated facilities, at no cost to the utility.

E. Temporary Service

Facilities for temporary service shall be installed in accordance with this Section 16. The Applicant shall be responsible for all costs related to the design, installation and removal of requested facilities.

F. Applications and Contracts; Exceptions

1. Each Applicant for a Customer connection shall be required to submit to utility for its consideration and approval an application defining the project along with a deposit in the sum of Five Thousand Dollars (\$5,000), after which The Applicant shall execute a Working Contract prior to the utility approving and participating in the project. \$1,400 of the deposit will be used for project administrative support and is non-refundable. The remaining \$3,600 of the deposit will be returned to Applicant after all invoices issued by utility for the project are paid in full and Applicant's responsibilities under the Working Contract or other agreement with utility are fulfilled. The application fee shall apply to the project, which may include both gas and electric components. The utility reserves the right to apply the non-refundable portion of the deposit towards unpaid project related invoices.
2. In the event a project for a Customer connection has an estimated overall cost of \$10,000 or less, a Working Contract may not be required provided a) the Applicant signs a short form agreement which includes the obligation to maintain certain minimum insurance coverage and indemnify utility against claims or losses caused by Applicant during the course of the project for which the application is submitted, b) the utility is to conduct all of the work necessary for completion of the project, including the design and installation of all new facilities, and c) no transfer of title to facilities or easements is required.
3. Applicant and utility may agree that utility shall conduct all of the work necessary for completion of the project, including the design and installation of all new facilities.
4. If the utility is to conduct all of the work as set forth under Section 16(F)(2) or (3), Applicant shall remain responsible for all costs and expenses incurred by utility. Further, Sections 16(I)(2) through (9) shall not apply.

G. Obligation of Customer to Provide Access

1. The Applicant shall be responsible for providing the utility with ready access to the premises.
2. The utility shall at all times have the right to enter and leave Applicant's premises for any purpose connected with the furnishing of gas service. The purposes include, but are not limited to, meter reading, inspection, testing, routine repairs, replacement, maintenance, emergency work, and the exercise of any and all rights secured to it by law, or under the utility's tariffs.
3. If the utility determines that its access to premises is impaired then the Applicant or Customer will at their expense either correct the access or clearance infractions or pay the utility its costs to relocate the facility to a new location which is acceptable to the utility. Applicant or Customer will be responsible for the expense of such relocation along with any expense that is incurred in relocating non-utility facilities. Failure to comply with corrective measure within 30 days of notification by the utility can result in discontinuance of service.

H. Connections to Utility Equipment

Only personnel authorized by the utility are allowed to connect or disconnect service conductors to or from the utility's facilities, remove meters, remove the utility owned facilities, or perform any work upon the utility owned facilities. Failure to abide by this provision may result in discontinuance of service, and may result in additional legal actions taken by the utility.

I. Applicant Responsibilities for Service Installation

Applicant is responsible for providing and installing the following items at Applicants expense by Qualified Personnel (as defined in Section 15.H.9 hereinabove), conforming to the utility's standards, prior to the utility connecting the Customer to the utility's facilities:

1. All necessary information to the utility in order for the utility to design the new, relocated or expanded facilities. Such information may include but is not limited to: improvement plans, grading plans, load information for the overall project to be served, site map, and preferred meter and other facility locations. Any of these items that require approval of the City of Vallejo shall be so approved before any construction begins. Where utility agrees to allow Applicant to design the facilities, Applicant shall provide sufficient information to allow utility to review and approve the design submitted by Applicant.
2. Coordination in joint trench planning and engineering with Qualified Personnel in conformance with utility standards.
3. All necessary trenching, back-filling, and other digging as required, subject to utility inspection.
4. All substructures and conduits, subject to utility inspection.
5. All poles and superstructures, subject to utility inspection.
6. All pipes, valves, regulators, and other gas equipment required to complete the connection of the Applicant's facilities to the utility's distribution system, subject to utility

inspection. The Applicant shall prepare the gas connection to the utility's facilities but will not make the final connection to the utility's facilities.

7. All protective structures set forth in the utility's standards, subject to utility inspection.
8. All manufacturers' warranties commensurate with the utility's standards, including a one year warranty on all workmanship and normal operations on newly installed facilities.
9. Provide the utility with evidence that all required local government inspections have been satisfactorily cleared before requesting connection.

J. Utility Responsibilities for Service Installation

The utility will at Applicant's expense:

1. Determine the point on the utility's system at which the connection will be made.
2. Design the distribution facilities such that they conform to the standards of the utility as well as all applicable federal, state and local codes and ordinances for utility installations (such as, but not limited to the California Business and Professions Code). Where utility agrees to allow Applicant to design the facilities, utility shall review and approve the design submitted by Applicant.
3. Inspect facilities installed by Applicant.
4. Connect conductors to the utility's facilities.
5. Make all necessary arrangements for the utility's facilities to accommodate connection of Applicant's facilities.
6. Invoice Applicant on a monthly basis for all utility costs incurred as the project is worked on and completed. All invoices shall include a detailed breakdown for the costs incurred.

K. Dedication of Facilities

Upon acceptable testing and acceptance by the utility of the facilities for use in distribution of gas, ownership of all such facilities shall be transferred to the utility.

L. Metering Facilities

1. General
 - a. The Applicant is responsible for the installation of a meter base that meets the utility's standards and that will accommodate a utility meter(s) unless the service connection was installed by the utility.
 - b. The utility will meter the delivery of all natural gas, unless otherwise provided for in the utility's tariffs.
 - c. All utility meters and associated metering equipment shall be located at some protected location on the Applicant's premises as approved by the utility.

- d. The load served at each meter location will be clearly designated by the Customer. Load served behind one meter may not be transferred to be served by another meter unless the Customer received prior utility approval.

2. Number of Meters

A single meter is required for each single enterprise operating in one building or group of buildings or other development on a single premises such as, but not limited to, a commercial business, school campus, industrial manufacturer, residence, or recreational vehicle or mobile home park, unless otherwise approved by the utility.

The utility will normally install only one meter for each premises except:

- a. When otherwise required or allowed under the utility's rate schedules,
- b. When determined by the utility, for its operating convenience to be consistent with its engineering design,
- c. When required by law or local ordinance; or,
- d. When additional services are granted by the utility.

Master metering may be approved if, in the opinion of the utility, master metering is in the best interest of the parties involved. However, if the master meter Customer submeters and furnishes gas to individual tenants, the rates and charges to the tenant must not exceed those charges that would apply if the tenant were purchasing gas directly from the utility.

3. Multiple Occupancy

In a building with two or more tenants, or where the utility furnishes more than one meter on the same premises, the utility's meters shall normally be grouped at one central location or as otherwise specified by the utility. In such cases each meter position or socket shall be clearly and permanently marked by the Applicant, Customer, or owner of the premises to indicate the particular unit, occupancy, or load supplied by it.

M. Required Connection Equipment

The Applicant, or Customer, shall, at their sole liability, risk and expense, be responsible to furnish, install, own, maintain, inspect, and keep in good and safe condition, all facilities of any kind or character on Applicant's or Customer's premises that are not the responsibility of the utility but are required for the Applicant or Customer to receive service. Such equipment shall include but not be limited to termination equipment, valves, pipes and all equipment within all buildings, connectors, meter bases and sockets, meter and instrument housing, service valves, machinery and apparatus of any kind or character.

N. Liability

The utility shall incur no liability for damage, loss or injury occasioned by:

1. Applicant or Customer owned equipment in support of Applicant's or Owner's transmission and delivery of energy, or;
2. The active or passive negligence, omission of proper protective devices, want of proper care, or wrongful act of Applicant or Customer or any of Applicant's or Customer's agents, employees

or licensees in installing, maintaining, using, operating or interfering with the utility's equipment.

O. Facility Tampering

The Applicant or Customer shall provide a suitable means acceptable to the utility for placing the utility's seals on meter rings and covers of service enclosures and instrument enclosures that protect unmetered and pressurized pipes. Only utility authorized employees shall be authorized to break such seals once installed. However, in an emergency the utility may allow a public authority or other appropriate party to break the seal. Any unauthorized tampering with utility seals or connection of Applicant or Customer owned facilities to unmetered pipes is prohibited and is subject to discontinuance of service and other appropriate actions.

P. Building Code Requirements

Any service equipment and other related equipment owned by the Applicant or Customer as well as any vault, room, enclosure, or lifting facilities for the installation of the utility equipment, shall conform to applicable laws, codes, and ordinance of all governmental authorities having jurisdiction.

Q. Reasonable Care

Applicant or Customer shall exercise reasonable care to prevent the utility's natural gas equipment and related facilities that are located on the Applicant's or Customer's premises from causing or suffering damage, destruction or interference, and will inform the utility of any such potential or actual damage, destruction or interference immediately. Applicant or Customer may be required to install protective devices, including a mechanical protection (barrier posts, etc.), suitable to the utility if the utility deems it appropriate. Applicant or Customer must also install any protective devices necessary to protect itself and third parties from suffering injury or damage from, or causing damage to, the utility's electrical equipment and related facilities. However, utility reserves the right to require modification or removal of such protective devices if such protective devices interfere with utility's provision of services or control of utility's facilities.

R. Government Inspection

The utility will only establish service to the Applicant or Customer following notice from the governmental authority having jurisdiction that the facilities have been installed and inspected in accordance with any applicable laws, codes, ordinances, rules or regulations, and are safe to pressurize.

S. Damaged Facilities

When others damage the utility's facilities, the repair will be made by the utility at the expense of the party responsible for the damage. Applicants and Customers are responsible for repairing their own facilities.

T. Relocations and Rearrangements

The Customer shall be responsible for the costs incurred by the utility for any relocation or rearrangement of utility equipment that is the result of any work conducted, or caused to be conducted within the utility's service territory. Any change to the utility's system required under this section will be subject to the application and construction process described in Section 15 as applicable.

U. Enlargements

The Customer shall be responsible for the costs incurred by the utility to meet any load increase at the Customer's facilities, plus any repair of any damage done due to the Customer overloading the utility's equipment.

V. Utility Expense; Contract Labor and Overhead

All costs and expenses incurred by the utility under this Section 15 shall be fully reimbursed to the utility by Applicant as such charges are incurred and billed for by the utility. The rate for contract labor and overhead is set forth in Rate Schedule MISC. All invoices shall include a detailed breakdown for the costs incurred.

17. NON-STANDARD AND SPECIAL FACILITIES

A. General

Special Facilities are considered to be existing, enlarged or new facilities installed, used and/or maintained by the utility at the Applicant's request in addition to, as enlargements of, as alternate to, or in substitution for, the standard facilities which the utility would normally install, maintain or use and which represent additional costs to the utility over normally installed facilities. These facilities can include, but are not limited to, Customer connection costs, installation and/or maintenance of facilities downstream of the meter, and facilities where the cost is in excess of the standard connection costs. Except where provided by rate schedule, installation and/or maintenance of special facilities will be made at the utility's option, provided the type of special facilities requested is acceptable to the utility and the utility agrees to the installation and/or maintenance of the special facilities, under the conditions set forth in this Section.

B. Customer Status

A Temporary Service Customer will not be eligible to apply for Special Facilities.

C. Utility Limitations

The utility shall install/maintain the requested facilities so long as the facilities do not pose, in the opinion of the utility, a hardship on the utility.

D. Basis of Cost

The Applicant will execute a contract covering the installation and/or maintenance of special facilities. In addition to providing for the payment of charges as determined under a rate schedule, the contract will provide for the following:

1. An estimate of the cost of the special facility that the Applicant is requesting the utility to install and/or maintain; and,
2. The one-time payment amount equal to the portion of the total estimated cost of the facility multiplied by a factor of 1.75. This payment shall not be refundable should Customer's use of the special facilities not last as long as initially projected for any reason.

E. Payment Schedule

At the mutual agreement of the utility and the Customer a contract may be entered into that will provide for extended payments of the amount calculated in 17.D.

F. Contract Responsibilities

If the utility is required to alter or rearrange the special facilities Applicant shall be notified of such necessity and shall be responsible for all costs the utility incurs in converting this service or shall terminate service under this agreement.

G. Ownership of Equipment

At all times, Special Facilities shall remain the property of the utility.

H. Termination Provisions

The Applicant may terminate a Special Facility contract on 30-day notice unless otherwise specified within a mutually agreed to contract between the Customer and the utility.

18. METER TESTS AND ADJUSTMENTS OF BILLS

A. General

When regular, accurate meter readings are not available or the gas usage has not been accurately measured, the utility may estimate the Customer's gas usage for billing purposes on the basis of information including, but not limited to, the physical condition of the metering equipment, available meter readings, records of historical use and the general characteristics of the Customer's load and operation.

B. Meter Tests

Any Customer may, upon not less than 15 working days notice, require the utility to test the accuracy of any meter through which service is provided to the Customer. When a Customer requests a meter test within 24 months of the completion of a meter test finding that the meter is operating accurately and where the results of the prior test were provided to the Customer, the Customer shall pay the utility \$50.00, escalated by CPI from January 1997, in advance for the meter test.

The amount so charged will be returned to the Customer if the meter is found, upon test, to register more than 2% fast, or slow, under conditions of normal operation.

The Customer shall have the right to require the utility to conduct the test on the meter serving that Customer in the Customer's presence, or in the presence of an expert or other representative appointed by the Customer at the time of the request for a meter test.

All meters will be tested at the time of their installation and no meter will be placed in service or allowed to remain in service that has an error in registration in excess of 2% under conditions of normal operation.

C. Adjustment of Bills for Meter Error

A meter error is incorrect gas registration resulting from a malfunctioning or defective meter or pressure correction device. It does not include billing error, unauthorized use, or an error in registration caused by meter tampering by an unauthorized person. It also does not include conditions such as incorrect meter readings, meter dial-overs, or switched meters. Where meter error is discovered as the result of a meter test, the utility may render an adjusted bill to the Customer for the amount of the undercharge, and shall issue a refund or credit to the Customer for the amount of the overcharge, computed back to the date that the utility determines the meter error commenced, except that the period of adjustment shall not exceed one year. Such adjusted bill shall be computed in accordance with the following:

1. **Fast Meter.** If a meter is found to be registering more than 2% fast, the utility shall refund to the Customer the amount of the overcharge based on the corrected meter readings or the utility's estimate of the gas usage either for the known period of meter error or, if the period of error is not known, for the period during which the meter was in use, in either situation not exceeding six months.

2. **Slow Meter.** If a meter is found to be registering more than 2% slow, the utility may bill the Customer for the amount of the undercharge based on corrected meter readings

or the utility's estimate of the gas usage either for the known period of meter error or, if the period of meter error is not known, for the period the meter was in use, in either situation not exceeding 6 months.

3. Non-registering Meter. If a meter is found to be non-registering, the utility may bill the Customer for the amount of the undercharge based on the utility's estimate of the gas service used but not registered, for a period not exceeding one year.

D. Adjustment of Bills for Billing Error

A billing error is an error by the utility that results in incorrect billing charges to the Customer. Billing errors may include incorrect meter reads or clerical errors by a utility representative such as applying the wrong rate, wrong billing factor, or an incorrect calculation. Billing error does not include meter error or unauthorized use, nor any error in billing resulting from meter dial over caused by other than the utility, switched or mismarked meters by other than the utility, inaccessible meter, failure of the Customer to notify the utility of changes in the Customer's equipment or operation, or failure of the Customer to take advantage of a rate or condition of service for which the Customer is eligible.

Where the utility overcharges, or undercharges, a Customer as the result of billing error, the utility may render an adjusted bill for the amount of the undercharge, and shall issue a refund or credit to the Customer for the amount of the overcharge, for the period of the billing error, but, not exceeding one year.

E. Adjustment of Bills for Unauthorized Use

Unauthorized use is the use of energy in noncompliance with the utility's tariffs or applicable law. It includes, but, is not limited to, meter tampering, unauthorized connection or reconnection, theft, fraud, intentional or unintentional use of gas whereby the utility is denied full compensation for gas service provided.

Where the utility determines that there has been unauthorized use of gas service, the utility may bill the Customer for the utility's estimate of such unauthorized use. Such estimated billing shall indicate unauthorized use for the most recent three years and, separately, unauthorized use beyond the three year period for collection as provided by law. However, nothing in this Section shall be interpreted as limiting the utility's rights and/or remedies in any provisions of any applicable law.

F. Limitation on Adjustment of Bills for Energy Use

For any error in billing not defined as billing error, meter error, or unauthorized use, the utility is not required to adjust the bill. However, any billing adjustment not specifically covered in the tariffs for an undercharge or overcharge shall not exceed one year.

G. Interest on Bills for Unauthorized Use

The utility will bill and collect interest at a rate which is the lesser of eighteen (18) percent per annum on unauthorized use billings from the date the unauthorized use commenced or the maximum interest allowed by law, as well as on any amortized repayment agreements.

H. Recovery of Associated Costs for Unauthorized Use

The utility will bill and collect the associated costs resulting from the unauthorized use including, but not limited to, investigative, repair and equipment damage costs.

19. SUPPLY TO SEPARATE PREMISES AND RESALE

A. Separate Metering

Separate Premises, even though owned by the same Customer, will not be supplied through the same meter, except as may be specifically provided for in the Rate Schedules.

B. Furnishing and Metering of Gas

Each single family dwelling unit, multi-family dwelling unit, mobile home park space, or non-residential tenant space shall be individually metered by the utility.

C. Other Uses and Premises

1. A Customer shall not furnish or use gas received from the utility upon other Premises, except for the utility's operating convenience, or for other purposes than those specified in the Customer's application for service or in the applicable Rate Schedule.
2. Sub-metering of gas is prohibited except as provided for in this Section. In the event that gas is sub-metered other than as provided for in this Section, the utility may either discontinue service to the Customer, or furnish gas directly to the sub-metered entity at the utility's option.

20. SPECIAL SERVICE CHARGES

The Customer may, at their discretion, request the utility and the utility at its discretion may provide, the service of investigation of the Customer's gas system on the Customer's side of the meter. Such investigation shall be conducted at a fee in accordance with Rate Schedule MISC. The Customer shall be informed of an estimate of these fees in advance of the inspection.

21. FACILITY RELOCATION FUND

A. General

As part of the ongoing efforts to redevelop Mare Island, a facility relocation fund ("Relocation Fund") will be established to provide financial assistance to the City of Vallejo ("City") or a Qualified Developer (as defined herein) for use in the relocation or reworking of electric and gas utility facilities in conjunction with City's redevelopment activities on Mare Island. There shall be but one fund from which both electric and gas relocation projects may receive funding. The same application procedure will be applicable to both and withdrawals from the Relocation Fund for gas projects will reduce the funds availability for electric projects and visa versa.

B. Contributions To Fund/Maximum Balance

The utility will commence regular contributions to the Relocation Fund by the collection of two percent (2%) of the gross annual receipts from the sale of electricity and gas by the utility. The Relocation Fund shall have a maximum balance of Three Hundred Fifty Thousand Dollars (\$350,000) at any one time. Contributions to the Relocation Fund shall continue on an ongoing basis until the maximum balance is attained. At such time the maximum balance is attained, all collections for this fund and contributions by the utility shall cease. If a withdrawal causes the balance in the Relocation Fund to drop below the maximum balance herein established, utility shall once again commence making contributions under these same terms beginning on the month following the month during which the Relocation Fund was so reduced. The Relocation Fund shall not be increased by receipt of interest on its balance at any time. Any interest earned on the principal balance shall be directed into utility's operational account for general purpose use. There shall be no monetary obligation by the utility under this Section 21 beyond the balance contained in the Relocation Fund.

C. *Withdrawal From Fund*

The City or any Developer under contract with the City for the redevelopment of any portion of Mare Island (“Qualified Developer”) may request assistance from the Relocation Fund for use in utility relocation made necessary by redevelopment activities on Mare Island. Any application of funds from the Relocation Fund must be utility related and limited to relocating electric and gas facilities in conformance with Mare Island Reuse Plan, as amended from time to time. The amount of support under the Relocation Fund is limited to the balance of the Relocation Fund as determined hereunder.

E. *Procedures for Withdrawal*

The City or a Qualified Developer may request a withdrawal from the Relocation Fund for use consistent with Mare Island Reuse Plan under the following criteria:

1. The City or Qualified Developer may request funds in support of the relocation of electric and/or gas distribution facilities owned by the utility on a specific project-by-project basis.
2. Such request shall be tendered to the utility in writing, indicating the specific project, and the amount requested, the time frame during which relocation activities should be completed, and any other information or data pertaining to the project which is required by the utility to meet both the funding and relocation requirements associated with the project.
3. The City and the utility shall work together to develop a form of request satisfactory to meet the needs of the City, any Qualified Developer and the utility.
4. The City and the utility shall endeavor to communicate on an ongoing basis so that any projects might be foreseen, and may be approached as efficiently as possible.
5. The City or any single Qualified Developer Shall not be entitled to a withdrawal of more than fifty percent (50%) of the Relocation Fund balance as it exists on the date and at the time of the submittal of the application under this section, after having deducted all amounts which are the subject of prior applications under consideration. In the event a prior application is denied prior to a final determination on the later application, the funds available to the later Applicant shall be recalculated as if the prior application had not been made. Prior to payment hereunder, the City or a Qualified Developer must (a) have submitted a project application, (b) paid the application fee, (c) entered into a Working Contract with utility, (d) completed the project in compliance with all of the terms of its agreements with utility and (e) be in compliance with these tariffs. Any failure to comply with the requirements of this Section shall result in the restoration of the funds earmarked for the City or a Qualified Developer to the Relocation Fund. The application for a withdrawal from the Relocation Fund will be processed in the order in which the applications are submitted.
6. In the event that the City or a Qualified Developer otherwise meets all of the criteria set forth in this Section 21 and the Executive Director has agreed to fund in whole or in part the relocation project, such Applicant may request to have the utility carry out the relocation project. The utility, if it accepts responsibility for the design and construction of the relocation project, shall charge the Relocation Fund for all engineering, design, construction, labor, equipment and other costs and expenses, to the extent of the funds would otherwise be available to the City or a Qualified Developer. Any costs above and

beyond the funds available hereunder shall be the sole responsibility of the Applicant as otherwise provided under these tariffs. For relocation project with estimated cost less than \$10,000, the utility General Manager shall have sole discretion to decide whether the utility will take on the project or not. For relocation project with estimated cost over \$10,000, the Executive Director shall have sole discretion to decide whether the utility will take on the project or not.

7. The Executive Director of Pittsburg Power Company (“PPC”) shall review each request for withdrawal from the Relocation Fund for all projects with an estimated cost of more than \$10,000, and shall, at the Executive Director’s sole discretion, decide to fund or not to fund the requested relocation project out of the Relocation Fund. The Executive Director’s decision will be based on the finding of whether or not the project is viable and can be completed successfully, is consistent with the Reuse Plan, as amended from time to time, and is consistent with the conditions of this Section. For all projects with an estimated cost of \$10,000 or less, the General Manager shall be responsible for the review and determination whether or not to approve the application, and in making such determination shall exercise the same discretion as that exercised by the Executive Director on projects with an estimated cost of more than \$10,000.

8. For projects with an estimated cost of more than \$10,000, a City or Qualified Developer who is not satisfied with the decision of the Executive Director, has recourse by appeal to the full Board of Directors of PPC (“Board”). In which event the City or Qualified Developer shall, within ten (10) days of the mailing of the Executive Director’s written decision, submit a written appeal containing all arguments in favor of the use of Relocation Funds for project, along with any relevant exhibits demonstrating compliance with the conditions of this Section to the Board. The Board will thereafter consider the appeal in a timely manner at a regular noticed meeting and its decision shall be final. For projects with an estimated cost of \$10,000 or less, the decision not to approve the use of funds from the Relocation Fund will, at the request of the Applicant, be reviewed by the Executive Director, whose determination shall be final.

9. The amount of funding available to the City or Qualified Developer under this procedure is strictly limited to the amount determined under Section 21(F)(5) above.

10. All funds held in and distributed from the Relocation Fund are public funds within the meaning set forth in California Labor Code sections 1720, et seq., and may or may not be subject to the prevailing wage laws contained therein. The City or Qualified Developer shall indemnify the utility and PPC against any and all claims regarding any failure to pay prevailing wages.

F. Limited Obligation

Other than as set forth in this Section 21 and in Sections 15.K, the utility shall incur no other obligation to fund the utility facility expenses incurred by the City or any developer.

G. Termination

The relocation fund shall terminate at the earlier of the following dates: a) the date on which those Qualified Developers having charge of redevelopment pursuant to the Reuse Plan, as amended from time to time, have completed their work or b) February 1, 2025.

22. CALIFORNIA PUBLIC BENEFITS PROGRAM FOR NATURAL GAS

A. General

Public Utilities Code Section 890 imposed a surcharge on all natural gas consumed in California and Section 892 requires that the surcharge be remitted to the State Board of Equalization. Section 898 exempts Island Energy, as a municipal utility, from the requirement of collecting and remitting the surcharge if its published tariffs offer certain public benefits programs such as home weatherization services, rate assistance for low-income customers, cost-effective energy efficiency and conservation activities, and public interest research and development.

B. Island Energy Public Benefits Fund for Natural Gas

The Island Energy Public Benefits Fund for Natural Gas charge is one percent (1%) of of the applicable Island Energy Delivery Charge, per therm.

The Public Benefits Fund for Natural Gas charge shall appear as a separate line item on the utility bills. The fee will be collected on the natural gas revenues of all Customers tied to Island Energy’s distribution system. The collected funds will be maintained in a separate account and disbursed for the Public Benefits Program for Natural Gas.

D. Island Energy Public Benefits Programs

The Island Energy Public Benefits Funds will be used to fund the following programs on a first come, first serve basis subject to available funds:

1. Residential Energy Advisory Services Program

Island Energy will provide free on-site residential energy analysis and advice on how to conserve energy. Also, Island Energy will provide free educational brochures and mailings to its customers demonstrating how they can conserve energy through demand side management techniques.

2. Residential Low Income Assistance Program

Island Energy will provide discounted natural gas rates to assist eligible low-income residential Customers with paying their utility bills. To be eligible to receive assistance from this program, an interested Customer must file an application with the utility and provide a copy of his/her U.S. Tax Return from the previous year along with other proof which is sufficient to establish all household income. To obtain the benefit under this program the total household income for any Applicant shall not exceed those amounts shown on the table below for the corresponding number of persons residing in the household. Eligible Applicants will receive a 20% discount on their residential gas rate. If a Customer’s financial situation is changed and no longer fulfill the low-income eligibility criteria, the Customer must notify the utility within thirty (30) days of the change. Each Customer receiving the reduced rate under this Program must reapply for eligibility at least once a year on or before the anniversary date of the first bill received showing a discount under this Program. In addition, the utility may request an updated verification of household income at its discretion. If the utility establishes that the Customer is no longer eligible for the program, the Customer will be removed from the program and the utility may render corrected billings under the full rate schedules hereunder for the period of ineligibility. Such customer will also be reported to the appropriate law enforcement agencies for fraud.

<u>Number of Persons in House-</u> <u>hold</u>	<u>Maximum Annual Household Income</u>
1-2	\$31,300
3	\$36,800

4	\$44,400
5	\$52,000
6	\$56,600
Each additional member, add:	\$7,600

3. Home Weatherization Services

The utility offers rebates for home insulation and installation of energy efficient windows. This program does not allow for reimbursements to developers of residential or commercial developments. In order to be considered for this rebate, the Customer must complete, sign and submit a Home Weatherization Program application form to the utility, along with an original or legible copy of the purchase receipt. A utility representative may call to schedule a physical inspection of the installed insulation or windows prior to issuing a rebate. Rebates under this program are the lesser of: (a) 50% of weatherization costs up to a maximum amount of \$1,000; or (b) 50% of the balance of the Public Benefits Fund for Natural Gas at the time the application is approved.

4. Commercial Energy Efficiency Rebate Program

This program is designed to provide certain rebates for designated energy conservation measures to commercial customers who receive natural gas service from the utility. Commercial customers desiring to improve energy efficiency within their facilities and seek to take advantage of this program may file an application with the utility in the form provided by the utility and posted on its website. The following additional requirements shall apply:

- a. The Applicant must be able to demonstrate that recently installed improvements or planned improvements, for which it seeks contribution to the expense of the improvements, will result in a reduction in the use of natural gas by at least 10%. The application must be accompanied by: (a) copies of any executed contract with a contractor who is going to install the energy efficiency improvement measures; (b) copies of any reports demonstrating the actual or, in the event the improvements have not yet been installed, anticipated energy savings; (c) invoices for qualified energy efficiency products purchased and installed, or to be installed; and, (d) any other supporting information.
- b. A utility representative may call to schedule a physical inspection of the planned or installed improvements or request further information in order to evaluate if and to what extent, the improvements qualify for reimbursement under this program.
- c. Funds originally earmarked under one application will be made available to other Customers if the Applicant fails to submit all required supporting documents and install the proposed energy efficiency improvements within the required time period.
- d. After installation and a three month window allowing the utility to collect natural gas consumption data from the service location which successfully demonstrates the requisite energy reduction, the utility will make the appropriate reimbursement. The utility has sole discretion to determine the applicable rebate amount and program eligibility and its determination shall be final in all cases.

e. Reimbursement is subject to funds available under the Public Benefits Fund Program and will be made available in the order in which all applications are received. . Rebates under this program are the less of (a) 50% of the project equipment cost up to a maximum amount of \$35,000; or (b) 50% of the balance of the Public Benefits Fund for Natural Gas at the time the application is approved.

f. The natural gas rebate catalog provides rebate calculations based on expected natural gas savings for replacement of the following types of equipment:

- Space heating
- Water heating
- Commercial Kitchens

Other types of equipment which improve the efficiency of natural gas consumption may be eligible for similar rebates using the natural gas rebate catalog calculations if the equipment is shown to improve efficiency under generally accepted engineering principles.



Rate Schedule GS-1
METERED INDUSTRIAL/COMMERCIAL GAS SERVICE

APPLICABILITY

This service is available to all non-residential Customers receiving metered gas service

TERRITORY

Applicable throughout the service territory.

RATES

Basic Service Fee, per meter per day.....\$0.50

Island Energy Delivery Charge, per Therm.....\$1.00

Energy Cost Pass Through, per Therm (See Special Condition 3.)

The minimum charge on this rate schedule shall equal the Basic Service Fee.

SPECIAL CONDITIONS:

1. Definitions: The definitions of terms used in this Rate Schedule are found either herein or in Section 2.1 of this Tariff.
2. Reconnection Charge: In the event that a Customer terminates service under this Rate Schedule and reinitiates service under this, or any other, Rate Schedule at the same location within 12 months, there will be a Reconnection Charge equal to the minimum charge which would have been billed had the Customer not terminated service.
3. As frequently there are changes to the charges for natural gas delivered to Island Energy there will be a change to the Energy Cost Pass Through Rate. This rate will equal the forecast total price for natural gas delivered to Island Energy divided by the forecast sales, plus an amortization of any prior over, or under, collections.



Rate Schedule GS-2
METERED RESIDENTIAL GAS SERVICE

APPLICABILITY

This service is applicable to all residential Customers receiving metered gas service. A residential Customer is defined as using a low-pressure domestic service for heating, cooking, water heating, or a combination thereof, in single family dwellings, flats, and apartments, separately metered by the utility and low-pressure service used in common for residential purposes by tenants in multi-family dwellings.

TERRITORY

Applicable throughout the service territory

RATES

Basic Service Fee, per meter per day \$0.15

Island Energy Delivery Charge, per Therm \$1.00

Energy Cost Pass Through, per Therm (See special condition 3.)

The minimum charge on the Rate Schedule shall be equal to the Basic Service Fee.

SPECIAL CONDITIONS

1. Definitions: The definitions of terms used in this Rate Schedule are found either herein or in 2.01.
2. Reconnection Charge: In the event that a Customer terminates service under this Rate Schedule and re-initiates service under this, or any other, Rate Schedule at the same location within 12 months, there will be a Reconnection Charge equal to the minimum charge which would have been billed had the Customer not terminated service.
3. As frequently there are changes to the charges for natural gas delivered to Island Energy there will be a change to the Energy Cost Pass Through Rate. This rate will equal the forecast total price for natural gas delivered to Island Energy divided by the forecast sales, plus an amortization of any prior over, or under, collections.



Rate Schedule SE
SERVICE ESTABLISHMENT FEE

APPLICABILITY

Applicable to all gas Customers requesting service from the utility, where all facilities are in place to allow the establishment of service by a single meter.

TERRITORY

Applicable throughout the service territory.

RATES

Service Establishment Charges

During normal working hours	\$15.00
During normal working hours with less than four hours notice	\$30.00
During non-working hours	\$60.00

SPECIAL CONDITIONS

1. The service establishment charge provided for herein is in addition to the charges calculated in accordance with all other charges and applicable tariffs. The charge will be made each time an account is opened, and will include a turn-on or reconnection of gas service requiring a meter set or change of name on the account, or additional meter read.



**Rate Schedule MISC
MISCELLANEOUS FEES**

APPLICABILITY

Applicable to all gas Customers requesting miscellaneous services from the utility.

TERRITORY

Applicable throughout the service territory.

RATES

Project Application Fee

\$5,000 deposit is required at the time when a project application is submitted to Island Energy.
\$1,400 will be charged against this deposit as administrative fee.

Island Energy Labor Rates

During normal working hours - Published City of Pittsburg Full Cost Hourly Rate
(7:30am to 4:00 pm) Monday through Friday and not holidays)

During non-normal working hours - 5 times Published City of Pittsburg Full Cost Hourly Rate

There will be a 1 hour minimum charge per event, billed in increments of one-half hour thereafter.

Project Administration Charge

In the case that the Utility handles contractor contracts and materials for the Customer, project costs including but not limited to equipment, materials, engineering and contractor fees will be subject to a 15% mark up to cover project administration costs.