



San Diego Gas & Electric Company  
San Diego, California

Original Cal. P.U.C. Sheet No. \_\_\_\_\_

Canceling \_\_\_\_\_ Cal. P.U.C. Sheet No. \_\_\_\_\_

**SCHEDULE TLS**

Sheet 1

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INTRASTATE TRANSPORTATION SERVICE  
FOR TRANSMISSION LEVEL CUSTOMERS

APPLICABILITY

Applicable to firm intrastate transportation and interruptible intrastate transportation service for transmission level customers. Transmission Level Service is service to (1) noncore customers (noncore commercial/industrial, electric generation, enhanced oil recovery and international), as currently defined in the Utility's tariffs that are served directly from the Utility's transmission system, (2) noncore electric generation customers who are served directly from the Utility's high pressure distribution system, are located within five miles of the nearest Utility transmission line, and whose average annual usage is equal to or greater than 50 million therms, (3) customers who were previously classified by California Public Utilities Commission (CPUC) decision as transmission service level customers, (4) noncore customers served from a combination of the Utility's transmission and distribution systems on a single premises, (5) wholesale customers, and (6) customers who Bypass Utility service.

RATE DESIGN OPTIONS

This Schedule consists of two rate design options:

1. Class-Average Volumetric Rate Option
2. Reservation Rate Option.

TERRITORY

Applicable throughout the service territory.

(Continued)

1D5

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INTRASTATE TRANSPORTATION SERVICE  
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RATES

Class-Average Volumetric Rate Option

Transportation Charges (CA)

Rate, per therm

TLS-C-CA, Commercial/Industrial .....	\$0.00000
TLS-EG-CA, Electric Generation* .....	\$0.00000

\* The amount of gas applicable under the electric generation rate is determined in accordance with the provisions stated in Special Condition 16 herein.

Additional Charges

Rates may be adjusted to reflect any applicable taxes, franchise or other fee or regulatory surcharges approved or directed by the CPUC.

Reservation Rate Option

Contract Quantity

Customer will reserve a specified uniform Daily Reservation Quantity (DRQ) for service under this rate option subject to the Utility's capacity availability. The Daily Reservation Quantity shall be reflected in Schedule A of the Master Services Contract as scheduled quantities applicable to RS service. Metered usage above Customer's DRQ on a daily basis will be subject to a volumetric transportation charge for non-Bypass or Bypass customers, respectively, as specified in Special Conditions 4.a.ii and 4.b.i.

(Continued)

2D6

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INTRASTATE TRANSPORTATION SERVICE  
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RATES (Continued)

Reservation Rate Option (Continued)

Reservation Charge (RC)

Customer will pay a monthly reservation charges based on its DRQ.

Daily Reservation Rate

Rate, per therm/per day

TLS-C-RC, Commercial/Industrial .....	\$0.00000
TLS-EG-RC, Electric Generation* .....	\$0.00000

Usage Charge for RC

In addition to the Reservation Charge, Customer will pay an RS Usage Charge for gas consumed by Customer up to its DRQ.

Rate, per therm

TLS-C-RS, Commercial/Industrial .....	\$0.00000
TLS-EG-RS, Electric Generation* .....	\$0.00000

\* The amount of gas applicable under the electric generation rate is determined in accordance with the provisions stated in Special Condition 16 herein.

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**SCHEDULE TLS**

INTRASTATE TRANSPORTATION SERVICE  
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RATES (Continued)

Reservation Rate Option (Continued)

Volumetric Transportation Charges for Non-Bypass Customers (NV)

Transportation Charges

In addition to a Reservation Charge and a Usage Charge for gas consumed by Customer up to its DRQ, a Non-Bypass customer will pay a volumetric transportation charge for gas consumed by Customer above its DRQ.

Rate, per therm

TLS-C-NV, Commercial/Industrial .....	\$0.00000
TLS-EG-NV, Electric Generation* .....	\$0.00000

Volumetric Charge for Bypass Customers (BV)

Transportation Charges

In addition to a Reservation Charge and a Usage Charge for gas consumed by Customer up to its DRQ, a Bypass customer will pay a volumetric transportation charge for gas consumed by Customer above its DRQ.

Rate, per therm

TLS-C-BV, Commercial/Industrial .....	\$0.00000
TLS-EG-BV, Electric Generation* .....	\$0.00000

\* The amount of gas applicable under the electric generation rate is determined in accordance with the provisions stated in Special Condition 16 herein.

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4D6

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INTRASTATE TRANSPORTATION SERVICE  
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RATES (Continued)

Reservation Rate Option (Continued)

Additional Charges

Rates may be adjusted to reflect any applicable taxes, franchise or other fees or regulatory surcharges approved or directed by the CPUC.

Monthly Minimum Charge

The Monthly Minimum Charge shall apply to a Bypass customer only. The Monthly Minimum Charge shall recover the Utility's actual Customer-related service costs. Customer-related service costs shall be limited to actual operations and maintenance costs of the metering equipment and other related facilities at the Customer's meter(s) that are owned and operated by the Utility necessary to deliver gas in accordance with the Utility's rules and procedures, good industry practice, and governmental regulations. The Utility shall determine actual Customer related service costs for each eligible Customer not later than 30 days following a request by the Customer and shall seek CPUC approval of the resulting Monthly Minimum Charge by Advice Letter. The approved Monthly Minimum Charge for each Customer shall apply only when the charge exceeds the total reservation and volumetric transportation charges for TLS service and shall be applied in lieu of the total reservation and volumetric transportation charges.

SPECIAL CONDITIONS

GENERAL

1. Definitions: The definitions of principal terms used in this schedule are found either herein or in Rule 1, Definitions.
2. Number of Therms: The number of therms to be billed shall be determined in accordance with Rule 2.

(Continued)

5D6

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INTRASTATE TRANSPORTATION SERVICE  
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SPECIAL CONDITIONS (Continued)

GENERAL (Continued)

3. Bypass Customers: Bypass is defined in Rule 1.

A customer who has Bypassed may elect to resume tariff service under one of the other non-Bypass rate options under this schedule, as described below, if the following conditions are met: (a) Customer must cease to receive service from an alternate supply source or an Alternate Gas Transportation Service Provider and (b) Customer must physically disconnect from the alternate supply source or the Alternate Gas Transportation Service Provider.

4. Eligibility for Rate Options:

a. Non-Bypass Customers:

- i. Class-Average Volumetric Rate Option; or
- ii. Reservation Rate Option with RC and NV Charges

b. Bypass Customers:

- i. Reservation Rate Option with RC and B Charges.

5. Level of Service

Potentially Capacity-Constrained Areas

- i. Firm service is provided up to the Customer's awarded firm noncore capacity. Any usage above the firm awarded noncore capacity is considered interruptible for curtailment purposes.
- ii. Full Requirements service is not available.

6. Multiple Use Customer: Customers may receive service under this schedule (a) separately, or (b) in combination with another rate schedule(s). Where service is rendered under (b), a separate monthly customer charge will be applicable for service under each schedule with a customer charge unless otherwise stated.

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INTRASTATE TRANSPORTATION SERVICE  
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SPECIAL CONDITIONS (Continued)

GENERAL (Continued)

7. Utility Service Agreement: As a condition precedent to service under this schedule, an executed Request for Retail Noncore Gas Services (Form 142-1259) is required. All contracts, rates and terms and conditions are subject to revision and modification as a result of CPUC order.

8. Term:

- a. The contract term for CA and RC charges under this schedule shall be a minimum of three years.
- b. The contract term for NV and BV charges under this schedule shall be a minimum of one month.
- c. In the event a Customer does not subsequently execute an agreement for an additional term, service will continue to be provided monthly under the a) NV charge for non-Bypass customers or b) BV charge for Bypass customers.
- d. A customer may elect to terminate an existing contract and enter into a new contract at the same or greater DRQ in order to align its term with the triennial Firm Access Rights period.

9. Curtailement/Force Majeure

- a. In the event of curtailment, customers served hereunder will be curtailed in accordance with Rule 14. Charges for violation of curtailment shall apply as set forth in Rule 14.
- b. Applicable use-or-pay charges and RC reservation charges shall only be forgiven to the extent the customer's reduced consumption is specifically due to intrastate curtailment or an event of force majeure, as defined in Rule 1, on either the interstate or intrastate systems.

(Continued)

7D6

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SPECIAL CONDITIONS (Continued)

GENERAL (Continued)

- 10. Change of Customer's Apparatus or Equipment: In the event customers make a material change, either in the amount or character of their gas appliances or equipment, written notice thereof must be made to the Utility in accordance with Rule 3, Section C., Change in Load or Operation.
- 11. Conditional Reclassification: Customers who do not meet historical usage criteria for noncore rate classification under this schedule may conditionally qualify for noncore rate status by submitting a written request to the Utility and providing therein certified evidence documenting the customer's load increases which will meet the minimum consumption requirement on a permanent basis. The customer's written request must further acknowledge that if usage following conditional reclassification is less than the required minimum, the customer shall be rebilled in accordance with the rate schedule otherwise applicable to its usage. The Utility reserves the right to accept or reject any such request.
- 12. Electronic Meter Reading: Customers electing noncore service status must have electronic meter reading equipment installed at Customer's expense as a condition of noncore service.
- 13. Core Eligibility for TLS: Core customers who are eligible to elect noncore service may be placed on this schedule if they meet the requirements for transmission level service as defined in Rule 1.
- 14. Transportation and Balancing Rules: All terms and conditions of Rule 30 and Schedule G-IMB shall apply to the transportation of customer-owned gas under this schedule.

(Continued)

8D6

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INTRASTATE TRANSPORTATION SERVICE  
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SPECIAL CONDITIONS (Continued)

GENERAL (Continued)

15. Additional Balancing Requirements for Bypass Customers:

- a. As required to implement the special balancing provisions for a Bypass customer, Customer must contract for, and nominate, transportation services separately for any Bypass facility.
- b. Bypass customers are not subject to Schedule G-IMB daily balancing provisions in effect during the months of November through March, but they are subject to year-round daily balancing rules as described below.
- c. Bypass customers will be required to balance transportation deliveries with metered usage to within two imbalance limits each day of the year: 1) The daily imbalance cannot exceed plus or minus five percent ( $\pm 5\%$ ) of that day's metered usage, and 2) The accumulated daily imbalance cannot exceed plus or minus one percent ( $\pm 1\%$ ) of the customer's actual Utility usage in the same month of the prior year. The quantity used to determine the  $\pm 1\%$  accumulated daily imbalance limit may be adjusted by the Bypass customer who does not have actual Utility gas usage history or when forecasted future operations differ from historical. Requests for adjustment must be made in writing and submitted to the Utility before the first day of the month in question, preferably no fewer than 10 calendar days before. Utility System Operator will not be required to provide warnings or other notice that the customer is falling outside the prescribed balancing tolerances. The Bypass customer is responsible for tracking its own daily imbalance positions. Charges for noncompliance with these daily balancing limits will be calculated as the sum of the following:

(Continued)

9D6

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SPECIAL CONDITIONS (Continued)

GENERAL (Continued)

15. Additional Balancing Requirements for Bypass Customers: (Continued)

c. (Continued)

i. A noncompliance charge equal to \$0.10 per therm per day for each day when the daily imbalance exceeds  $\pm 5\%$  of the daily metered or determined usage. For each Operational Flow Order ("OFO") event day on which a customer exceeds its daily imbalance limit in a direction opposite to that of the event situation, there will be no noncompliance charge. For example, during an OFO due to over-nomination a balancing entity with a negative daily imbalance exceeding  $-5\%$  would not receive a noncompliance charge for this situation.

ii. A noncompliance charge equal to \$0.10 per therm per day for each day when the accumulated daily imbalance exceeds the  $\pm 1\%$  limit stated above. Accumulated daily imbalance charges will be assessed regardless of OFO events.

d. The Utility will calculate daily imbalances after the calendar month for each balancing entity after processing the applicable meter data.

e. Monthly accumulated daily imbalance trading is allowed for remaining prior month-end accumulated daily imbalances. Any accumulated daily imbalances remaining after the trading period that are in excess of  $\pm 1\%$  of the prior months metered usage will be billed at the G-IMB Standby Procurement Charge or purchased by the Utility at the G-IMB Buy Back Rate. Any carry forward amount will set the beginning accumulated daily imbalance quantity.

(Continued)

10D6

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INTRASTATE TRANSPORTATION SERVICE  
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SPECIAL CONDITIONS (Continued)

ELECTRIC GENERATION

16. Amount of Gas Billed: Subject to Special Condition 18, the amount of gas to be billed at the electric generation rate for customers having both electric generation and non-electric generation end use on a single meter will be the lesser of:

- a. Total metered throughput; or
- b. A volume equal to the customer's recorded power production in kWh multiplied by the average heat rate for their electric generation facilities.

The difference between total meter throughput and the volume limitation specified herein will be charged the rate applicable to the other end use served off the meter. When required, as a condition of service under the electric generation rate, electric generation customers will provide the Utility with the average heat rate for electric generation equipment as supported by documentation from the manufacturer. If not available, operating data shall be used to determine customer's average heat rate.

17. Measurement Devices: Electric generation customers receiving electric generation service will make available upon request any measurement devices required to directly or indirectly determine the kilowatt-hours generated or the average heat rate for the electric generation equipment. The Utility shall have the right to read, inspect and/or test all such measurement devices during normal business hours. Additional gas and/or steam metering facilities required to separately determine gas usage to which the electric generation rate is applicable may be installed, owned and operated by the Utility in accordance with normal service rules, however, the Utility may, in accordance with SC 16 above, utilize estimated data to determine such gas usage.

18. Separate Metering: All electric generation customers receiving service at the electric generation transportation rate shall be separately metered unless it can be demonstrated that a separate meter is not economically feasible.

(Continued)

11D6

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SPECIAL CONDITIONS (Continued)

ELECTRIC GENERATION (Continued)

- 19. Cogeneration facilities with standby boilers will be treated as one customer for purposes of assessing customer charges, provided the customer has signed an affidavit (Form 143-1659) to the effect that its boiler system only operates when the cogeneration system is not operating.
- 20. Multiple Meters: For commercial and industrial customers served under this schedule through multiple meters on a single premises, as defined in Rule 1, the Utility shall combine all such meters, excluding meters serving electric generation equipment, for billing purposes in accordance with the provisions of Rule 17.B.

NEGOTIABLE TRANSPORTATION CHARGES

- 21. By mutual agreement, the Utility and the customer may negotiate intrastate transportation charges for a term of service of less than five years without CPUC approval. Any such negotiated transportation charges shall be set forth in the customer's service contract. All such service contracts must be submitted by letter to the CPUC and made available for public inspection. No other charges under this schedule shall be negotiable unless CPUC approval is first obtained.
- 22. The Utility may negotiate discounted contracts for a service term of five years or longer with customers served under this schedule. Such contracts must be submitted for prior approval from the CPUC.

FIRM NONCORE SERVICE IN POTENTIALLY CAPACITY-CONSTRAINED AREAS

- 23. Terms of Service: Unless otherwise specified herein, customers receiving service under this schedule are subject to the terms and conditions set forth in Rule 25, Gas Transportation Rules for Noncore Customers.
- 24. Term of Awarded Firm Noncore Capacity: If the term under the Customer's rate option is shorter than the term for firm noncore capacity awarded in a constrained area open season, then the customer's open season award shall carry over to its subsequent rate option contract. If the term under the Customer's rate option is longer than the term for firm noncore capacity awarded in a constrained area open season, then the customer's rate option commitments will apply and may not be reduced in subsequent open season.

(Continued)

12D6

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