SCHEDULE 2

SMALL COMMERCIAL AND INDUSTRIAL

Applicable to non-residential service of natural gas to commercial and industrial customers whose annual consumption does not exceed 12,000 therms based on the customer's prior calendar year consumption, or estimated annual consumption for new customers, as set forth in Section 15.36.030 of the Municipal Code.

RATES:

- **Daily Service Charge per Meter**
  
  $0.4932

- **Transmission Charge (per therm)**

  Tier I: All usage not to exceed 100 therms per summer month (April – November) or 250 therms per winter month (December – March) (prorated on a daily basis)
  
  $0.7833

  Tier II: All usage exceeding Tier I volumes but not exceeding 4,167 therms monthly (prorated on a daily basis)
  
  $0.4271

  Tier III: All usage exceeding 4,167 therms monthly (prorated on a daily basis)
  
  $0.1882

- **Cost of Gas (per therm)**

  Applicable to all usage

  Core Commodity Charge

USE PRIORITY:

Customers receiving service under this schedule shall have priority in the use of gas over customers served under other rate schedules, except Schedule 1 when there is curtailment or insufficient gas to supply the demands of all customers, and such customers shall be subject to discontinuance of service without notice in case of curtailment or threatened or actual shortage of gas in favor of customers under Schedule 1. The City shall not be liable for damages, which may be occasioned by the curtailment, discontinuance or shut off of such gas supply or service.
SPECIAL CONDITIONS:

(1) At all locations where gas is furnished or used under this schedule, the customer must install separate meters to measure gas subject to a different schedule or schedules.

(2) The Cost of Gas is defined in Special Condition 3 under Gas Rate Schedule 1 and the Core Commodity Charge is determined as set forth in Special Conditions 4 and 5 of Gas Rate Schedule 1.

For other applicable Special Conditions, refer to Special Conditions 6, 7, and 8 of Rate Schedule 1.