

SCHEDULE 4

LARGE COMMERCIAL AND INDUSTRIAL

Applicable to commercial and industrial service to customers with annual consumption in excess of 250,000 therms based on the customer's prior calendar year consumption, or estimated annual consumption for new customers, as set forth in Section 15.36.050 of the Municipal Code.

RATES:

- **Daily Service Charge per Meter** \$11.5069

- **Transmission Charge (per therm)**
 - Tier I: 0 – 20,833 therms \$0.2561
 - Tier II: 20,834 – 83,333 therms \$0.1811
 - Tier III: 83,334 – 166,667 therms \$0.1331
 - Tier IV: Over 166,667 therms \$0.0988

- **Cost of Gas (per therm)**
 - Applicable to all usage Non-Core Commodity Charge

USE PRIORITY:

Service under this schedule shall have priority in the use of gas over customers served under other rate schedules, except Schedules 1, 2, 3, and 5 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 Schedules 1, 2, 3, and 5. 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) Gas supplied under this schedule shall be subject to shutoff of service without notice to the customer in the event of nonpayment exceeding fifteen (15) days from the date of mailing of a statement to the customer.
- (3) Long Beach Energy Resources' (ER) cost of gas is defined as an amount equal to ER's weighted average cost per therm of gas supply purchased, necessary to meet the forecasted Core and Non-Core demand for the month. In addition, the cost of gas shall include the cost to administer the transportation, purchasing, remarketing, balancing, etc. of ER's natural gas requirements, as well as the cost for any financial transactions implemented to reduce market exposure for the cost of gas. The gas purchased will be comprised of any one or combination of three increments of supply as follows:
 - (a) Interstate supplies delivered into the Southern California Gas (SoCalGas) intrastate pipeline system without consideration of SoCalGas (or any other intrastate pipeline company providing similar services) pipeline transportation and other system costs associated with intrastate delivery to the City of Long Beach (City);
 - (b) Gas storage withdrawals; and
 - (c) Any local gas delivered directly into ER's pipeline system.
- (4) The Non-Core Commodity Charge under this Schedule will be determined on a monthly basis and shall equal ER's projected cost of gas. There will be no markup to the customer above ER's actual cost of gas as determined by actual expenditures, but not including any discounts or rebates.
- (5) The cost of all gas purchased by ER shall be assigned to either the Core or Non-Core Commodity Charge according to the price of each increment. The Non-Core demand (Rates Schedules 4 and 7) shall be met with sufficient volumes of the highest cost increment(s) of gas.
- (6) All Customers eligible for service under this Schedule, may at any time elect to switch to Schedule 9 in order to procure their own gas at a possible savings by entering into a written Transportation/Service Agreement with the City.

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