Schedule No. G-OSD Sheet 1
OFF-SYSTEM DELIVERY SERVICE

APPLICABILITY N

Applicable to transportation of natural gas on the Utility's Transmission System off-system to the Pacific Gas & Electric Company (PG&E) system. Service under this Schedule is available to any creditworthy party. All eligible participants are collectively referred to herein as "Customers" unless otherwise specified.

TERRITORY

Applicable throughout the service territory.

RECEIPT POINTS

The Receipt Points available for service under this schedule are a Receipt Point Access Contract, a City Gate Pool agreement as defined in Schedule No. G-POOL, or a SoCalGas storage account.

OFF-SYSTEM DELIVERY POINTS

The Delivery Point available for service under this schedule is the Kern River Station delivery point for PG& E or other PG&E interconnection points that may be added in the future.

RATES

Rate	Description of Service	Rate Structure	Rate (per Dth)
G-OSDI	Interruptible	100% Volumetric	$0.05
G-OSDF	Firm	To be determined in open season	To be determined in open season

BILLING CALCULATION

Monthly Volumetric Charge:

The Volumetric Charge for each billing period shall be calculated using the applicable volumetric rate multiplied by the scheduled quantities during the billing period.

Monthly Volumetric Charge = Volumetric Rate * Quantities of Gas scheduled during billing period N

(Continued)

Schedule No. G-OSD Sheet 2
OFF-SYSTEM DELIVERY SERVICE

(Continued)

SPECIAL CONDITIONS N

GENERAL

1. The definitions of the principal terms used in this schedule are found either herein or in Rule No. 1, Definitions.

2. Any disputed bill will be treated in accordance with Rule No. 11, Disputed Bills.

3. As a condition precedent to service under this schedule, an executed Receipt Point Master Agreement (RPMA) and an Off-System Delivery Service Contract (OSD) (Form Nos. 6597-18 and 6597-19) are required. All contracts, rates and conditions are subject to revision and modification as a result of CPUC order or rules.

4. Customer must meet the Utility's applicable credit requirements.

5. The term of service shall be for a minimum of one day.

NOMINATIONS AND BALANCING

6. Nominations are required for gas transported under this rate schedule. See Rule No. 30, Transportation of Customer-Owned Gas, for details.

7. A customer may opt to designate one and only one nominating agent in addition to itself at any one time to nominate on all OSD service under a customer's RPMA. The nominating agent shall be specified in the customer's RPMA and shall apply to all OSD service under that customer's RPMA. Customer must provide appropriate written authorization to the Utility of its intent to add or change a designated nominating agent via the Nomination and Trading Authorization Form (Form No. 9924). Such designation shall be subject to that nominating agent complying with applicable tariff and contractual provisions. Customer shall provide appropriate written notice to the Utility of its intent to terminate a nominating agent via the Termination of Nominating or Trading Agent Form (Form No. 9926).

8. The Utility will make available physical displacement capability at the receipt points on an interruptible basis at the applicable G-OSDI rate as shown above. N

(Continued)

Schedule No. G-OSD Sheet 3
OFF-SYSTEM DELIVERY SERVICE

(Continued)

SPECIAL CONDITIONS (Continued) N

FIRM OFF-SYSTEM SERVICE OPEN SEASON

9. The Utility with hold an open season for firm off-system delivery service to the PG&E system that would require new facilities at either the Adelanto/Kramer Junction area or Kern River Station. Firm off-system delivery service will be sold to customers willing to commit to long-term contracts with use-or-pay provisions or reservation charges priced at the utilities' rolled-in system average transmission rates. Utility will work with PG&E to inform potential customers of the cost impacts to the PG&E system at each of the delivery locations. If the demand for facilities exceeds the availability of these facilities, Utility will increase the use-or-pay commitment associated with the facilities (up to 100%) or prorate bid quantities depending on rate structure, in order to equate demand with supply. Utility will seek CPUC approval of these contracts before any construction of the facilities begins. N