



Noncore Transportation Service Eligibility, Requirements & Responsibilities

Noncore Service Eligibility

Commercial & Industrial Customers

Noncore-eligible customers are Commercial & Industrial (C&I) customers that have (actual or projected with verifiable documentation) consumption through a single meter that is equal to or greater than an annual monthly average of 20,800 therms per month and that elect noncore gas transportation service.

C&I customers not meeting the eligibility criteria for noncore service may qualify conditionally for noncore service by submitting a written request to SDG&E with verifiable information documenting the circumstances that will result in an expected load increase that would meet the minimum noncore eligibility requirements on a permanent basis. The customer's written request must acknowledge that if actual usage following the conditional classification is less than the required minimum, all bills previously rendered under the noncore rate will be re-calculated and billed in accordance with the otherwise applicable rate schedule. SDG&E reserves the right to accept or reject any such request.

Noncore C&I Distribution Level Service is provided to noncore customers under [SDG&E Schedule GTNC](#). Noncore C&I Transmission Level Service is provided to noncore customers under [SDG&E Schedule TLS](#).

Electric Generation Customers

All Electric Generation (EG) customers are eligible to elect noncore gas transportation service, regardless of usage. Noncore EG Distribution Level Service is provided to noncore customers under [SDG&E Schedule EG](#). Noncore EG Transmission Level Service is provided to noncore customers under [SDG&E Schedule TLS](#). EG customers receiving service under Schedule EG or Schedule TLS shall be separately metered unless it can be demonstrated that a separate meter is not economically feasible.

EG customers whose annual gas usage is equal to or less than 250,000 therms do have the option to elect core service under [SDG&E Schedule GN-3](#). EG customers with electric generation capacity less than or equal to one megawatt are eligible for core service, regardless of usage. Core EG customers are not required to separately meter EG gas usage. Under conditions when existing EG equipment is already separately metered, such metering will be kept in place unless the customer receives authorization from SDG&E to alter the metering configuration. Customers are generally responsible for all metering alteration costs.

Noncore Gas Transportation Service Requirements

Noncore Gas Transportation Service Terms & Conditions and Noncore Contract

The general terms and service conditions applying for noncore gas transportation service are described in the [Information on Natural Gas Services & Programs](#), [Noncore Gas Transportation Service Contract](#), and [SDG&E's Gas Rule 25](#).

All customers electing noncore gas transportation service are required to submit a completed [Noncore Gas Transportation Service Contract](#) (Form 142-1259). The Noncore Contract should be provided to Gas Customer Choice at GasChoice@sdge.com. Customers with multiple meters qualifying for noncore service must complete a separate noncore contract for each meter.



Gas Procurement & Gas Balancing Services

Noncore customers must either accept responsibility for managing their own gas procurement, scheduling, balancing, and certain transportation needs independently or through an assigned agent or arrange to have these needs fully managed by a Contracted Marketer ("CM"). See List of [Noncore Gas Service Providers](#) for the gas suppliers who provide noncore gas procurement options in the SDG&E territory, or you may call SDG&E's Business Contact Center at 1-800-336-7343.

SDG&E will provide the noncore customer or its' Contracted Marketer (CM) with balancing services. Under the balancing service rules, gas usage and gas deliveries into SDG&E's system must be balanced within a prescribed tolerance band or the customer or CM will be subjected to imbalance charges. Violations of the balancing rules are subject to balancing violation charges. See [SDG&E Schedule G-IMB](#), [SDG&E Gas Rule 1](#) and [SDG&E Gas Rule 30](#).

Metering & Billing Options

Based upon a customer's noncore service election, SDG&E is required to install, at the customer's expense, an automated meter reading (AMR) device which enables SDG&E/SoCalGas to remotely read the customer's noncore meter. See [SDG&E Gas Rule 14](#) and [SDG&E Gas Rule 27](#).

Gas Curtailment Responsibilities

Gas Curtailment Order & Curtailment Baseline Quantities

SDG&E gas customers can be curtailed in accordance with the provisions of [SDG&E's Gas Rule 14](#) with Noncore customers typically curtailed before core gas customers. Noncore service priorities are described in [SDG&E's Gas Rule 14](#) and are based on the end-use of the noncore customer with differentiations made between CA Independent System Operator (CAISO)-dispatched electric generators and non-CAISO-dispatched noncore customers (Cogeneration, non-CAISO-dispatched EG, Noncore C&I).

In the event of a curtailment of natural gas service, CAISO-dispatched electric generators are curtailed first in coordination with the grid operator(s), up to a summer/winter limit of 40%/60%. Non-CAISO-dispatched noncore customers are curtailed next. The volume of gas that Non-CAISO-dispatched noncore customers will be allowed to be burn during a gas curtailment will be based on their Curtailment Baseline Quantities (CBQ) for each noncore account/gas meter.

Non-CAISO-dispatched noncore customers will have a Summer CBQ and Winter CBQ based on historic, peak-day usage for each noncore account/gas meter. Customers with CBQs are curtailed on a pro rata basis and the authorized maximum hourly allowed gas usage for non-CAISO-dispatched noncore customers will be equal to a percentage of their CBQ divided by 24 hours, as specified by SDG&E. Noncore customers can be curtailed up to 100% of their usage.

For non-CAISO-dispatched noncore customers, Curtailment Baseline Quantities (CBQs) will be established annually as a customer's peak day consumption in summer (April through October) and in winter (November through March) within the previous 24 months. In the event a customer doesn't have 24 months of operating history, the customer's CBQ may be estimated. For new noncore customers, typically the Gas load study is used to determine what the CBQ will be for the facility. Once usage becomes available, then actual peak day usage is used for the CBQ. If you would like to know your CBQ,



contact your Account Executive, SDG&E's Business Contact Center at 1-800-336-7343 or email SDG&E Gas Customer Choice at GasChoice@sdge.com.

Gas Curtailment Event

In the event a gas curtailment, your Account Executive or an applicable person from *SDG&E Customer Success* department will let you know what your authorized hourly quantity (in therms) that you are allowed to use during gas curtailment. If your usage is above this authorized hourly value, the gas curtailment penalties will be \$5 per therm/per hour for each hour there is a violation, plus the daily balancing standby rate defined in [Schedule G-IMB](#), for each therm consumed during the curtailment period, in addition to the charges under the customer's applicable rate schedule.

Questions SDG&E Gas Customer Choice at GasChoice@sdge.com