

Within six months of the effective date of the compliance tariff sheets resulting from this case, the Parties agree to meet to determine the customer usage, billing, financial, demographic and other data necessary to fully explore and present various rate design structures in SNGMO's next rate case proceeding, including information that would permit an assessment of the potential impact of straight fixed variable and traditional rate design structures on the Company and customers with different usage, cost causation, and demographic characteristics.

Thereafter, the Parties will work collaboratively to prepare and complete a report for submission to the Commission within 18 months of the completion of the case that will present in as factual and objective a manner as possible the results of the Parties' analysis regarding the operation and impacts of various rate design structures. Such report may also include individual sections where individual Parties may present their individual recommendations regarding appropriate rate design structures and any other complementary ratemaking mechanisms that Parties believe may be necessary or desirable to implement various structures. The Company shall have the responsibility to coordinate the preparation of the report.

Parties are free to take whatever position they believe is appropriate in regard to such matters. It is expressly understood that all Parties reserve the right to propose whatever rate design they desire in SNGMO's next rate case.