

Natural Gas Rate Increase

On January 29, 2025, SoCalGas filed Supplemental Advice Letter 6430-G-A to revise transportation rates following the final decision in the General Rate Case (GRC) D.24-12-074 and Cost Allocation Proceeding (CAP) D.24-07-009. As a result, SoCalGas's bundled (gas transportation, public purpose surcharge and gas commodity)¹ residential average gas rates will increase by approximately 24 cents/therm or 13.1% from \$1.83/therm to \$2.07/therm².

Estimated Residential Bill Impacts of All Approved Natural Gas Rate Changes Effective February 1, 2025 ³					
Type of Customer	January 2025 Monthly Bill	February 2025 Impact commodity forecast change ⁴	February 2025 Bill Increase (\$) transportation and public purpose surcharge change	February 2025 Monthly Bill	% Bill Increase
Non-CARE	\$68	\$0	+\$8	\$76	11.7%
CARE	\$39	\$0	+\$4	\$43	11.3%

Customers enrolled in the California Alternate Rates for Energy (CARE) program receive a 20% discount on their bill. The climate credit is \$86.60 per household to be given in April 2025.

The primary drivers for this rate change include the following:

- A final decision in SoCalGas's General Rate Case which authorized funding for investments needed in SoCalGas's infrastructure to maintain safety, reliability, and efficiency of its natural gas transmission, distribution, and storage systems. These systems also provide necessary natural gas service to power plants for the production of electricity that is delivered to customers through the electric grid.
- Lower residential and business natural gas usage led to an increase in rates, as authorized in SoCalGas's 2024 Cost Allocation Proceeding (CAP) decision. When usage is lower than forecasted, SoCalGas needs to increase rates to recover the required revenues.

Additional details regarding these rate increases can be found in <u>Advice Letter 6430-G-A</u>, which, as of April 22, 2025, is pending approval for transportation rate changes.

Customers can find Ways to Save tools, energy savings tips, Assistance Programs, and billing options to help save energy and manage monthly bills year-round at **socalgas.com**.

¹ Natural Gas Transportation Service transports gas from "City Gate to meter". The Backbone Transportation Service (BTS) is for service from Receipt Point to Citygate. Public Purpose surcharge pays for public goods programs. Commodity charges are the gas of cost and changes monthly.

²Core procurement rates are established monthly and may be higher or lower.

³ Non-CARE bill estimate based on a typical non-CARE customer average monthly usage of 37 therms per month. CARE bill estimate based on a typical CARE customer average monthly usage of 27 therms per month. Usage in colder months, like January, typically exceeds the average monthly usage, which would result in higher bills for those months than reflected.

⁴ January and February Gas procurement rate consists of SoCalGas border price of 0.39230. Brokerage Fee, BTS and FFU vary slightly due to the recent transportation rate change via SoCalGas <u>Advice Letter 6430-G-A</u>.