



Rate Alert for January 2025

Natural Gas Rate Increase

Southern California Gas Company (SoCalGas) last published a Rate Alert in July 2024 and reported that its residential average natural gas bundled rate (natural gas transportation, public purpose surcharge and gas commodity) was changing to \$1.93/therm. Since then, SoCalGas has updated its core procurement rate forecast from \$0.57 to \$0.47.¹ Using the updated core procurement rate forecast of \$0.47, the residential average natural gas bundled rate declines from \$1.93/therm to \$1.82/therm.

Throughout the year, SoCalGas submits requests to the California Public Utilities Commission (CPUC) to change our rates. Consolidating all the 2024 approved decisions has resulted in an increase in gas transportation and public purpose surcharge rates, effective January 1, 2025. As a result, SoCalGas’s bundled residential average gas rates will increase by approximately 1 cent/therm or 0.7% from \$1.82/therm to \$1.83/therm.

Considering all these impacts, the residential average natural gas bundled rate declines from \$1.93/therm to \$1.83/therm.

Compared to SoCalGas’s previous Rate Change Alert (July 2024), the January 2025 monthly bill show a decrease of \$4 per therm for non-CARE and \$2 per them for CARE customers.

Estimated Annual Residential Bill Impacts of All Approved Natural Gas Rate Changes from 2024 ²					
Type of Customer	July 2024 Monthly Bill	January 2025 Impact commodity forecast change	January 2025 Impact transportation & public purpose surcharge change	January 2025 Monthly Bill	% Decrease
Non-CARE	\$71	-\$4	+\$1	\$68	-4%
CARE	\$40	-\$2	+\$1	\$39	-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 the bundled rate increase include the following:

- Update to SoCalGas’s core procurement rate forecast.³
- 2024 Residential and Core Commercial sales volumes were lower than forecasted. As a result, rates were under-collected in 2024 and will have to be collected in 2025.
- Decreased costs related to SoCalGas’s uncollected residential accounts, system reliability, and storage integrity.
- A decrease in the company’s cost of capital and greenhouse gas compliance costs.

Additional details regarding these rate increases can be found in [Advice Letter 6421-G](#) for transportation rate changes, and [Advice Letter 6393-G](#) for public purpose surcharge rate increases.

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 This core procurement rate is a forecast only and does not reflect actual core procurement rates customers will pay in 2025. Every October, in its Regulatory Account Update Filing, SoCalGas presents a forecast of the average annual core procurement rate for the subsequent year. SoCalGas’s October 2024 Regulatory Account Update Filing (AL 6384-G-A) includes a 2025 core procurement rate forecast of \$0.47 per therm. This core procurement rate is illustrative only. Actual core procurement rates, established monthly, could be higher or lower. See your bill for actual procurement rates.

² 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.

³ The core procurement rate is a forecast only and does not reflect actual core procurement rates customers will pay in 2025. This core procurement rate forecast is illustrative only. Actual core procurement rates are established monthly could be higher or lower.