

Natural Gas Rate Increase Alert

San Diego Gas & Electric® (SDGE™) last published a Rate Alert in October 2024 and reported that its residential average natural gas bundled rate (gas transportation, public-purpose surcharge and gas commodity) was changing to \$2.324/therm. Since then, SDGE has updated its core procurement rate forecast from \$0.58 to \$0.47.¹ Using the updated core procurement rate forecast of \$0.47, the residential average natural gas bundled rate declines from \$2.324/therm to \$2.222/therm.

Throughout the year, SDGE 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, SDGE's bundled residential average gas rates will increase by approximately 6 cents/therm or 2.6% from \$2.222/therm to \$2.281/therm.

Considering all these impacts, the residential average natural gas bundled rate declines from \$2.324/therm to \$2.281/therm.

Compared to SDG&E's previous Rate Change Alert (October 2024), the January 2025 monthly bill shows an estimated decrease of \$1 per therm for non-CARE and \$0 per therm for CARE customers.



Did You Know?

If you are having difficulty with living expenses and would like to learn more about discount programs and payment arrangements, visit sdge.com/assistance.

Estimated Annual Residential Bill Impacts of All Approved Gas Rate Increases from 2024 ²					
Type of Customer	October 2024 Monthly Bill	January 2025 Impact commodity forecast change	January 2025 Impact transportation and public-purpose surcharge change	January 2025 Monthly Bill	% Decrease
Non-CARE	\$58	-\$3	+\$2	\$57	-2%
CARE	\$39	-\$2	+\$2	\$39	0%

Customers enrolled in the CARE program receive a 20% discount on their bill. The climate credit is \$54.21 per household to be given in April 2025.

The primary driver for this rate increase includes the following:

- 2024 Residential and Core Commercial sales volumes were lower than forecasted volumes. As a result, the shortfall in revenue from 2024 will be collected in 2025, which increases transportation rates.
- Cost increases for the energy-efficiency programs and the California Alternate Rates for Energy Program (CARE), a bill discount program for income-qualified customers and increased public-purpose surcharge rates.
- These increases were partially offset by decreased costs related to SDG&E's and SoCalGas' uncollected residential accounts and a decrease in the company's cost of capital.

Additional details regarding these rate increases can be found in Advice Letter 3383-G for transportation rate changes and Advice Letter 3358-G for public-purpose surcharge rate increases.

Resources to Help

If you are having difficulty with living expenses and would like to learn more about discount programs and payment arrangements, visit sdge.com/assistance. You can also avoid surprises on your bill by signing up for **My Energy Center** to receive Energy Alerts. Please visit sdge.com/MyEnergy for energy-saving tips, financial assistance and rebate information.

¹This 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 SDG&E presents a forecast of the average annual core procurement rate for the subsequent year. The SDGE October 2024 Regulatory Account Update Filing (AL3357-G-B) includes a 2025 core procurement rate forecast of \$0.47 per therm. This core procurement rate is illustrative only. Actual core procurement rates are established monthly and could be higher or lower. See your bill for actual procurement rates.

²Non-CARE bill estimate based on a typical non-CARE customer average monthly usage of 25 therms per month. CARE bill estimate based on a typical CARE customer average monthly usage of 22 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.