



CPUC Fact Sheet

Southern California Gas Company Rates

The California Public Utilities Commission (CPUC) regulates natural gas rates and services of the state's investor-owned utilities. This fact sheet provides information on the rates of Southern California Gas Company (SoCalGas).

A typical residential SoCalGas bill is comprised of three components:

1. **Procurement Costs** (cost of gas purchased by SoCalGas for customers): 37% of costs
2. **Transportation Costs**: 57% of costs
3. **Public Purpose Surcharge**: 6% of costs

Procurement costs depends on wholesale gas markets and fluctuates month to month based on national gas market prices. Utilities only recover the cost of the purchased gas.

The **transportation** rate is typically decided in a General Rate Case or cost allocation proceeding and authorized by the CPUC after a complete evaluation and review. The most recent General Rate Case Decision ([D.13-05-010](#)) for SoCalGas was approved by the CPUC on May 9, 2013, which determined the rates that SoCalGas could charge each year until the next General Rate Case. During 2015, SoCalGas changed rates on January 1, 2015. An additional rate increase occurred on August 1, 2015, which allowed SoCalGas to recover safety related costs from its transmission safety integrity program. A January 1 rate change often includes adjustments to the transportation rate to reflect the difference between forecast and actual sales. Due to the last two record warm winters, SoCalGas's actual sales were lower than the forecast that had been used to set rates. SoCalGas changed the transportation rate on January 1, 2016, to recover the difference between forecasted and actual sales.

The **public purpose surcharge** funds certain natural gas-related programs such as energy efficiency, low income assistance, and energy savings assistance and is also adjusted annually on January 1 to reflect changes in volume of gas used. The public purpose charge was \$0.107/therm for 2015 and was decreased to \$0.996 on January 1, 2016.

Per statutory requirements, residential gas rates for a basic level of consumption called "baseline" are set at a lower rate. In the winter from November through April, baseline rates apply to all usage below 70 percent of average household usage. Usage above the baseline amount is charged at a higher rate. Because the rate for above baseline consumption is higher, if a customer used double the amount of gas for heating due to cold weather, the bill more than doubles because of the higher rate that applies to the excess consumption. SoCalGas is separated into 3 Zones based upon geographic areas and annual heating degree days. The baseline allowance for Zone 1, 2, and 3 is in therms per day and is 1.69, 1.823, and 2.950 for these zones, respectively. The non-baseline residential rate is an additional \$0.26/therm.



Baseline Residential Rate Since November 2014

	A	B	C	D		
	Procurement (\$/therm)	Public Purpose Surcharge (\$/therm)	Baseline Transmission (\$/therm)	Non-Baseline Transmission (\$/therm)	Total Baseline Rate (\$/therm) (A+B+C)	Total Non-Baseline Rate (\$/therm) (A+B+D)
Nov-14	0.419	0.085	0.447	0.707	0.867	1.127
Dec-14	0.487	0.085	0.447	0.707	0.934	1.194
Jan-15	0.341	0.107	0.500	0.760	0.843	1.103 *
Feb-15	0.337	0.107	0.500	0.760	0.838	1.098
Mar-15	0.332	0.107	0.500	0.760	0.834	1.094
Apr-15	0.297	0.107	0.500	0.760	0.799	1.059
May-15	0.286	0.107	0.500	0.760	0.787	1.047
Jun-15	0.330	0.107	0.500	0.760	0.832	1.092
Jul-15	0.328	0.107	0.500	0.760	0.830	1.090
Aug-15	0.343	0.107	0.502	0.762	0.845	1.105 *
Sep-15	0.329	0.107	0.502	0.762	0.832	1.092
Oct-15	0.321	0.107	0.502	0.762	0.824	1.084
Nov-15	0.277	0.107	0.502	0.762	0.780	1.040
Dec-15	0.323	0.107	0.502	0.762	0.826	1.086
Jan-16	0.272	0.100	0.563	0.823	0.836	1.096 *

*CPUC authorized rate change to transportation or public purpose charge.

Map of Baseline Zones

