

## **New rates effective this year - for small to medium business customers on the G-10 rate schedule**

As part of our commitment to provide clear and accurate billing information, we want to let you know about some billing rate changes that went into effect this year. Rates are changing for all customers in January and February for a variety of reasons - but the key changes are due to the following:

- In January, there was an annual update of regulatory account balances and previously approved escalation, as well as lesser adjustments from miscellaneous regulatory proceedings (Advice No. 4053). This increased most business rates. Separately, the Public Purpose Programs Surcharge, collected for funding State-mandated energy-related social programs, decreased for all business customers.
- In February, new rates are in effect due to the implementation of the 2009 Biennial Cost Allocation Proceeding (BCAP), which includes updated demand forecasts and cost allocations across all customer segments (BCAP D.09-11-006). This results in bill increases for most business customers.

### **Additional BCAP Changes:**

- Rate Schedule No. G-10 applies to most core commercial and industrial customers. The California Public Utilities Commission (CPUC) recently approved the following changes to the design of this rate, effective February 1, 2010:
  - a. The Customer Charge will be \$15/month for all G-10 customers. Previously the charge was \$10/month to customers using less than 1,000 therms/year and \$15/month to larger customers.
  - b. Usage billed at the Tier I rate will consist of the first 250 therms/month of every month, instead of just

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the winter months. The definition of Tiers II and III remain the same (Tier II rates are applicable for usage above Tier I quantities and up through 4,167 therms per month. Tier III rates are applicable for all usage above 4,167 therms per month). The Tier I rate is higher than Tiers II and III rates.

- c. Small electric generators now can be served on the G-10 rate schedule as long as system rated generating capacity is less than or equal to 1 megawatt (1,000 kilowatts). Customers must elect such service and verify generating capacity.

#### **Cumulative Bill Impacts:**

Including all adjustments addressed above, G-10 customers on the bundled commodity rate (GN-10) whose average monthly bills were \$200 in 2009 will see monthly bills closer to \$215-220 in 2010, or about 7-10% higher, assuming similar gas commodity prices. Small businesses will notice more of a bill impact in summer months than winter months, unless usage tends to be lower in summer months.

To learn more about these and other regulatory filings, visit: [www.socalgas.com/regulatory/](http://www.socalgas.com/regulatory/)



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