



Second Update - December, 2022

## **CPUC DECISION REGARDING ELIMINATING GAS LINE EXTENSION ALLOWANCES, REFUNDS AND DISCOUNTS FOR RESIDENTIAL NEW CONSTRUCTION BUILDERS**

On September 15, 2022, the California Public Utilities Commission (CPUC) issued [Decision 22-09-026](#) as part of Rulemaking 19-01-011, Order Instituting Rulemaking Regarding Building Decarbonization. Here's what you need to know:

- Installing natural gas service line extensions to residential and non-residential new construction project will continue to be allowed as they are currently
- The allowances (credits) that SoCalGas is currently authorized to provide to new business customers/new construction builders will be eliminated effective July 1, 2023
- The 10-Year Refundable Payment Option for allowances will be eliminated effective July 1, 2023
- The 50 Percent Discount Option for allowances will be eliminated effective July 1, 2023
- Site preparation reimbursements (credits) for applicant-provided trenches will also continue to be allowed as they are currently.

**IMPACT:** Residential New Construction Builders who would like to take advantage of the currently-authorized allowances (credits) and the 10-Year Refundable Payment Option or the 50 Percent Discount option must submit **their application** for new natural gas line service to SoCalGas by **June 30, 2023**.

Starting July 1, 2023, Residential New Construction Builders who submit an application to install new natural gas line service to their projects may do so but will have to pay for the full cost of installing a main and/or a service line to the Project.

The current per-dwelling-unit allowances amount to \$682 for water heating, \$818 for space heating, \$152 for cooktop and oven, and \$160 for a dryer stub so their elimination could add up to \$1,812 to the cost of a typical single-family dwelling unit.

**NEXT STEPS:** SoCalGas has revised our [Tariff Rules No. 20 and No. 21](#) that will be effective July 1, 2023, so they reflect the requirements of the Decision.

The [New Business Process Team](#) is here to help you through the application process and answer your questions about the allowances deadline.

To submit an application for new residential or non-residential natural gas line service, access: [www.socalgas.com/builders](http://www.socalgas.com/builders)

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It's important to remember that SoCalGas continues to offer energy efficiency rebates for both residential and non-residential new business customers.

#### **FOR RESIDENTIAL NEW CONSTRUCTION BUILDERS**

The SoCalGas Energy Efficient New Homes Program provides energy efficiency rebates to builders of eligible new residential construction projects that exceed State of California's Title 24 Energy Efficiency Standards and are equipped with qualifying energy-efficient natural gas appliances and controller devices.

Only production and custom single-family homes and low-rise and high-rise multi-family projects built in the SoCalGas service territory and served by SoCalGas may be eligible. Cash rebates are offered for qualifying energy-efficient natural gas appliances. For some appliances higher rebates are available for more efficient models.

For example, an energy-efficient water heater can qualify for up to a \$1,000 rebate; an energy-efficient space heater can qualify for up to a \$1,000 rebate; an Energy Star clothes dryer can qualify for a \$50 rebate; and an energy-efficient wall oven can qualify for a \$100 rebate.

Rebates are also available for energy-efficient natural gas pool heaters, fireplace inserts, and combination tankless water heater/hydronic space heating systems.

These rebates are available now and are not part of the allowance, discount, and refund proceeding.

Program details including complete rebate amounts, project requirements, terms and conditions, project worksheets and the application form are available online at: [www.socalgas.com/eenh](http://www.socalgas.com/eenh)

SoCalGas representatives are ready to assist builders with enrolling projects to help construct green homes and improve their bottom lines. Call 866-563-2637 or email to: [NewHomes@socalgas.com](mailto:NewHomes@socalgas.com)

Another resource for builders of mixed-fuel new homes is the statewide California Energy-smart Homes Mixed-fuel Residential New Construction Program. Administered by Pacific Gas & Electric Company (PG&E), the statewide program offers incentives for single-family and multi-family low-rise (three stories or fewer) Residential New Construction mixed-fuel projects that meet program requirements.

For more information, visit: [www.caenergysmarthomes.com](http://www.caenergysmarthomes.com).

The Energy Efficient New Homes Program is funded by Southern California Gas Company (SoCalGas) customers and administered by SoCalGas, under the auspices of the California Public Utilities Commission. Program funds, including any funds utilized for rebates or incentives, will be allocated on a first-come, first-served basis until such funds are no longer available. This program may be modified or terminated without prior notice. The selection, purchase, and ownership of goods and/or services are the sole responsibility of customer. SoCalGas makes no warranty, whether express or implied, including the warranty of merchantability or fitness for a particular purpose, of goods or services selected by customer. SoCalGas does not endorse, qualify, or guarantee the work of any third party. Eligibility requirements apply; see the program conditions for details.

The California Energy-smart Homes Program is funded by California utility customers and administered by Pacific Gas and Electric Company (PG&E) and supported by the state's other investor-owned utilities (IOUs) under the auspices of the California Public Utility Commission. Customers who choose to participate in this program are not obligated to purchase any additional goods or services offered by TRC or any other third party.



# CPUC DECISION REGARDING ELIMINATING GAS LINE EXTENSION ALLOWANCES, REFUNDS AND DISCOUNTS FOR NON-RESIDENTIAL CUSTOMERS



## BACKGROUND:

On September 15, 2022, the California Public Utilities Commission (CPUC) issued [Decision 22-09-026](#) as part of Rulemaking 19-01-011, Order Instituting Rulemaking Regarding Building Decarbonization. Here's what you need to know:

- Installing natural gas service line extensions to residential and non-residential new construction projects will continue to be allowed as they are currently.
- The Allowances (credits) that SoCalGas is currently authorized to provide to new business customers/new construction builders will be eliminated effective **July 1, 2023**.
- The 10-Year Refundable Payment Option for allowances will be eliminated effective **July 1, 2023**.
- The 50 Percent Discount Option for allowances will be eliminated effective **July 1, 2023**.
- Non-residential customers who would like to take advantage of the currently authorized allowances (credits) and the 10-Year Refundable Payment Option or the 50 Percent Discount option must submit their New Business Line Extension Application for new natural gas line service to SoCalGas by **June 30, 2023**.
- **Starting July 1, 2023**, some Non-Residential Customers may apply for an allowance exception. To be eligible for exception, projects must meet certain criteria and receive approval from the CPUC.

## SOCALGAS SERVICES:

It's important to remember that SoCalGas continues to offer energy efficiency rebates for both residential and non-residential new business customers.

For more information access:

[www.socalgas.com/new-construction](http://www.socalgas.com/new-construction)

## BIOGAS CONDITIONING/UPGRADING SERVICES

The Biogas Conditioning/Upgrading Services Tariff is an optional tariff service for customers that allows SoCalGas to plan, design, procure, construct, own, operate and maintain biogas conditioning and upgrading equipment on customer premises.

[Biogas Conditioning/Upgrading Services Tariff | SoCalGas](#)

[bcsinfo@socalgas.com](mailto:bcsinfo@socalgas.com)

## COMPRESSION SERVICES TARIFF

The SoCalGas Compression Services Tariff is a non-residential, optional tariff service for customers that allows SoCalGas to plan, design, procure, construct, own, operate and maintain compression equipment on customer premises to meet pressure requirements as requested by the customer and agreed to by SoCalGas. Examples of customer end-use applications that can be served by the Compression Services Tariff include compressed natural gas (CNG) vehicle refueling stations, combined heat and power (CHP) facilities and peaking power plants.

[Compression Services Tariff | SoCalGas](#)

[cstinfo@semprautilities.com](mailto:cstinfo@semprautilities.com)

## DISTRIBUTED ENERGY RESOURCES SERVICES TARIFF

The Distributed Energy Resources Services (DERS) Tariff, is an optional tariff service for customers which allows SoCalGas to plan, design, procure, construct, own, operate and maintain Combined Heat and Power (CHP) as well as Waste Heat to Power (WHP) facilities on customer premises.

[Distributed Energy Resources Services Tariff | SoCalGas](#)

[marketdevelopment@socalgas.com](mailto:marketdevelopment@socalgas.com)

## CLEAN TRANSPORTATION

The SoCalGas Clean Transportation Team is committed to the development of collaborations and relationship-building within organizations such as federal, state, and local governments that focus on a wide range of alternative fuel initiatives. These initiatives include vehicles and advanced technologies that focus on promoting the use of cleaner fuels within the transportation sector by educating, advocating, and supporting fleets within the SoCalGas service territory. These efforts are aimed at aiding in the adoption of cleaner energies. Clean Transportation Department oversees a wide range of CNG services such as: CNG Truck Loan Program, New Business Project Planning, Needs Analysis, Grant, and Incentive Assistance and much more.

[Clean Transportation | SoCalGas](#)

[Cleantransportation@socalgas.com](mailto:Cleantransportation@socalgas.com)

## SERVICES:

Grants and Incentives-Pre and Post Support  
Customer Outreach Support  
Direct Customer Support

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## RNG PROJECT INTERCONNECTIONS

For jurisdictions looking to create a plant and injecting into the SoCalGas system please contact SCG Market Development.

### SERVICES:

New renewable natural gas projects development and process.

[New or Expanded Interconnection Receipt Points | SoCalGas marketdevelopment@socalgas.com](#)

## AGRICULTURE ENERGY EFFICIENCY (AGEE) PROGRAM

The Agriculture Energy Efficiency Program (AgEE) drives installation of cost-effective solutions primarily through a combination of focusing on strategic measures and providing relevant technical assistance to drive customer awareness of both energy efficiency (EE) and non-EE measure benefits.

[CAEnergyPrograms.com/AgEE](https://CAEnergyPrograms.com/AgEE)

[AgEE@CAEnergyPrograms.com](mailto:AgEE@CAEnergyPrograms.com)

## INDUSTRIAL STRATEGIC ENERGY MANAGEMENT PROGRAM

The Industrial SEM Program is a multi-year approach (2-year commitment period with the potential for two additional 2-year cycles) whole-facility program that addresses energy reduction opportunities in a comprehensive manner within large energy usage industrial facilities. The program is designed to help facilities identify, prioritize and implement energy savings opportunities, which include low cost behavioral, O&M and retro-commissioning (BRO) measures.

<https://www.socalgas.com/for-your-business/energy-savings/energy-saving-programs/strategic-energy-management-program>

[siva.sethuraman@cascadeenergy.com](mailto:siva.sethuraman@cascadeenergy.com)

## NON-RESIDENTIAL NEW CONSTRUCTION MIXED FUEL

California Energy Design Assistance is the new construction energy efficiency resource for Commercial, Multifamily (4+ stories), Public, Agricultural, and Industrial customers across the state. Through Energy Design Assistance, a comprehensive analysis of energy efficiency options will be explored. This analysis includes multiple mechanical, lighting, and envelope systems. The energy simulation models will be configured to your parameters and give you a clear picture of which measures will provide the most return on investment.

California Energy Design Assistance (CEDA) provides a complimentary analysis of different energy efficiency options and provides potential energy savings, then provides incentives based on energy savings in new construction or major alteration projects. CEDA serves commercial, public, high-rise multifamily, industrial, and agricultural projects in PG&E, SCE, SoCalGas, and SDG&E service territories.

CEDA provides a path for customers who want to have the option to use both gas and electricity to optimize gas and process heating systems to reduce carbon emissions and optimize electric systems to maximize energy efficiency and reduce lifecycle operating costs.

<https://energyassistance.willdan.com/CEDA>

## NON-RESIDENTIAL DEEMED INCENTIVES (ENERGY EFFICIENCY REBATES FOR BUSINESSES - EERB)

SoCalGas offers an array of energy efficiency programs as part of our commitment to exceptional customer service. The Energy Efficiency Rebates for Business (EERB) program offers rebates on qualifying energy-efficient natural gas equipment and improvements for your business needs. Any commercial, public, industrial, or agricultural customer with an active, valid and non-delinquent SoCalGas account can apply for a rebate under the EERB program.

Contact Information:

SoCalGas Account Executive

[Energy Efficiency Rebates for Businesses - EERB](#)

