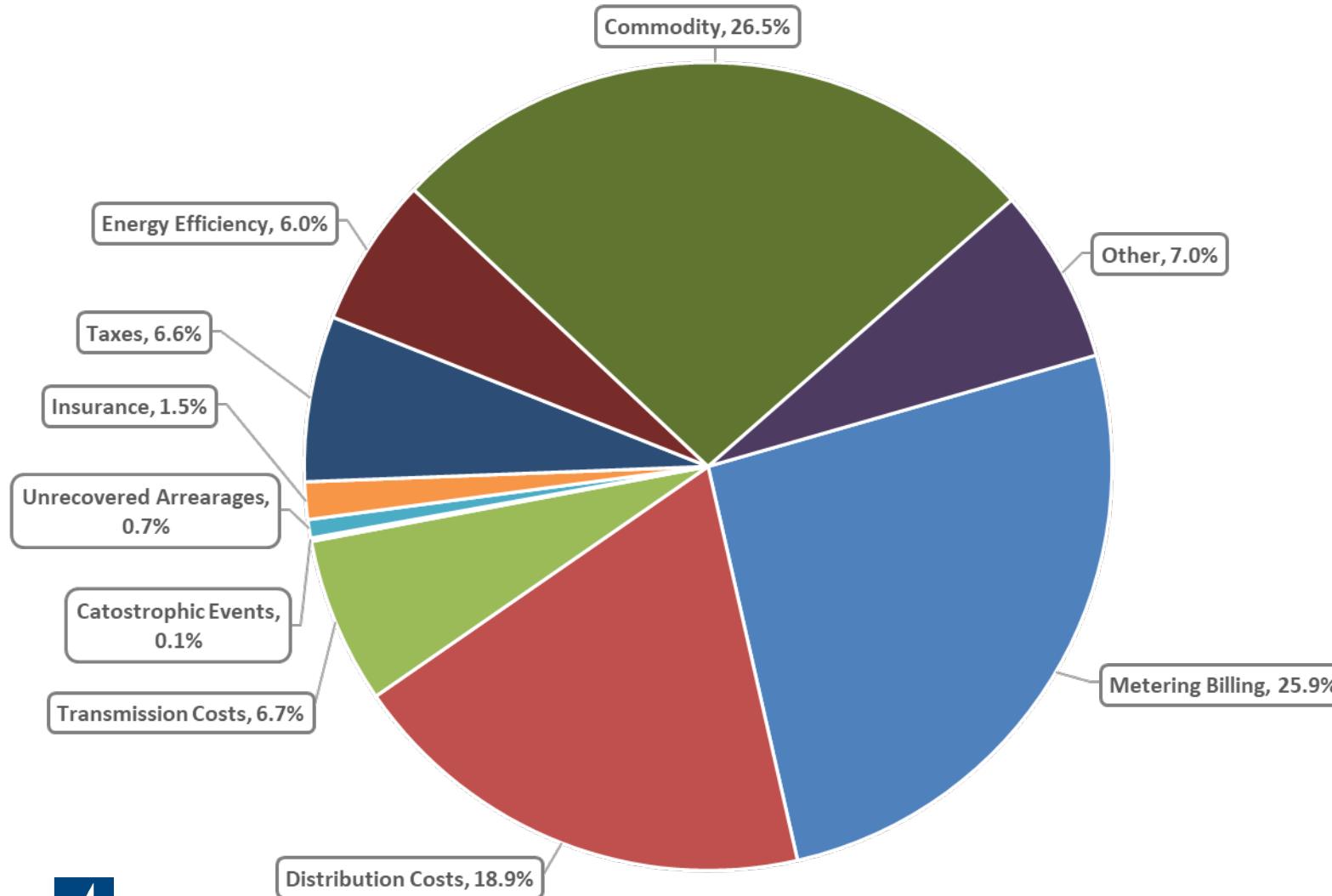


Natural Gas Residential Average Rate Breakout

As of January 1, 2026



Excludes the annual
California Climate Credit of
(\$36.06)

What goes into residential gas rates

Transmission: Costs associated with transmission infrastructure, which brings natural gas into the region.

Distribution: Costs related to the construction and maintenance of safe and reliable distribution infrastructure.

Metering & Billing: Costs related to metering and billing services.

Catastrophic Event Memorandum Account: Costs associated with catastrophic events and emergencies.

Commodity: The cost of natural gas as well as the costs associated with procuring natural gas on your behalf.

Energy Efficiency: Costs to provide energy efficiency programs to customers, and costs associated with the California Alternate Rates for Energy program.

Unrecovered Arrearages: Costs that are currently uncollected.

Insurance: Costs related to insurance coverage.

Taxes: Includes property and income taxes.

Other: Additional costs included in delivery rates that all customers pay.