Dear Friends,

There's no easy way to put this: January natural gas bills may be shockingly high for some customers.

Natural gas prices in the Western United States have more than doubled over the last month, in part because of a cold snap across the nation in recent weeks.

As a result, our customers can expect to see higher gas bills in the coming weeks. While we don't set these prices (they're set by regional and national markets), nor does SoCalGas profit from rising prices, we want our customers to know that we understand that this may be a hardship for some.

"We understand that our customers are starting to feel the pain caused by large changes in the natural gas market," said Senior Vice President and Chief Customer Officer Gillian Wright. "And we also recognize that we owe it to our customers to provide them with as many tools and tips as possible to help them find ways to prepare for colder weather and higher winter bills, including financial assistance in some cases."

We offer many accessible <u>tools to help you cut down on energy</u> usage and help lower your bills amidst the rising costs. We encourage customers to sign up for weekly <u>Bill</u> <u>Tracker Alerts</u> to monitor gas consumption, take steps to reduce usage, and avoid bill surprises. Alerts can be sent through email or text and include a bill-to-date and projected next bill amount to help you manage your energy bills as easily as possible.

Eligible customers may also sign up for a <u>Level Pay Plan</u> (LPP), which averages their annual natural gas use and costs over 12 months.

Several unprecedented events occurring simultaneously over the last few weeks have contributed to the rising price of natural gas:

- Widespread, below-normal temperatures
- High natural gas consumption
- Reduced natural gas flows
- Pipeline constraints, including maintenance in West Texas

For more information on natural gas prices and predictions, visit <u>https://www.eia.gov/naturalgas/weekly/</u>

Customers can expect to see changes in their natural gas bills this winter due to the rise in natural gas prices. If your residential peak winter bill was around \$65 last winter, you can expect to see bills closer to \$160 this year. Similarly, if it was around \$130 last winter, customers can expect to see bills around \$315 this year. These increases are primarily due to increases in the price of gas and to a much lesser extent increased transportation rates. Our rates for the transportation of natural gas are set by the California Public Utilities Commission, which reviews these rates yearly. We have been and will continue to be diligent in informing our customers about winter gas prices to keep them informed and help empower them with important information to assist them through this tough time. Here are some useful tips to help customers reduce natural gas usage, keeping in mind that not every one of these tips will work for everyone:

- Lowering your thermostat three to five degrees if health permits can save up to 10 percent on heating costs.
- Installing proper caulking and weather-stripping can save roughly 10 to 15 percent on heating and cooling bills.
- Washing clothes in cold water saves up to 10 percent on water heating costs.
- Consider turning down the temperature on your water heater.
- Limit the use of non-essential natural gas appliances such as spas, pool heaters, and fireplaces.

Our <u>Ways to Save Energy-Saving Tool</u> can provide you with a customized analysis of your energy usage that can help you track your energy efficiency progress and help lower bills. It's a helpful tool that <u>won the "Global Power and Energy Elites 2022</u> <u>Award"</u> for its innovative use of data and analysis.

And we have <u>a number of assistance programs</u> that range from past due bill forgiveness, CARE program (bill discount), and free energy efficiency home improvements through the Energy Savings Assistance Program.

For more information on bills and how to lower your costs, please visit <u>socalgas.com/ManageHigherBills</u>

Thank you.