NATURAL GAS UTILITY – Approved Rate Changes for January 1, 2021

Rates for natural gas service are comprised of three components: System Service Charge with a flat monthly rate, Usage Charge based on units of consumption, and the Purchased Natural Gas Cost Adjustment Factor (PNGCAF) which passes the cost of the purchase of the natural gas commodity to the customer. Those customers that reside in the Magma service area also have a Magma adjustment factor rate component. The adjustment factor benchmarks the City’s rates to the rates of Southwest Gas to ensure market equity.

Residential Rates

System Service Charge – Summer & Winter: increase $0.25
Usage Charge – Summer & Winter Tier 2 only: increase 10%

Non-Residential Rates

System Service Charge – Summer & Winter: increase $2.00
Usage Charge – Summer & Winter Tier 2 only: increase 3%

Adjust Tier 1 threshold from 1,200 therms to 1,500 therms

Create new Natural Gas Economic Development Rate that customers can qualify for under specific enrollment criteria.