



City of Palo Alto Monthly Gas Volumetric and Service Charges

Your gas bill consists of 2 types of charges: 1) a monthly service charge, and 2) “volumetric” or consumption-based charges which are based on your gas usage. The tables below show the monthly volumetric and service charges over the past two years for the **G-2 (Residential Master-Metered and Commercial)** and **G-3 (Large Commercial)** gas rate schedules.

The **monthly service charge** reflects the costs of customer service, account management, meter reading and meter equipment. The **volumetric charges** include the following 4 supply-related charges and 1 distribution charge:

1. **Commodity Charge:** This charge is based on the monthly natural gas Bidweek Price Index for delivery at PG&E Citygate, adjusted to account for delivery losses to the customer’s meter. The Commodity Charge also includes adjustments to account for Council-approved programs implemented to reduce the cost of Gas, including a municipal purchase discount¹, and \$0.055 per therm for mitigating the impact of short-term natural gas price spikes.²
2. **Cap and Trade Compliance Charge:** This charge reflects the City’s cost of regulatory compliance with the state’s Cap and Trade Program, including the cost of acquiring compliance instruments sufficient to cover the City’s Gas Utility’s compliance obligations. The Cap and Trade Compliance Charge changes in response to changing market conditions, retail sales volumes and the quantity of allowances required, and is calculated based on the Cap-and-Trade Program’s quarterly auction allowance closing prices.
3. **Transportation Charge:** This charge is based on the current PG&E G-WSL³ (Gas Transportation Service to Wholesale/Retail Customers) rate for Palo Alto, accounting for delivery losses to the Customer’s Meter.
4. **Carbon Offset Charge:** This charge reflects the City’s cost to purchase offsets for greenhouse gases produced when Gas is burned. The Carbon Offset Charge changes in response to changing market conditions, sales volumes and the quantity of offsets purchased within the Council-approved per therm cap.
5. **Distribution Charge:** This charge reflects the cost of all of the services required to move natural gas from the point of interconnection to the City’s distribution system to the customer, including the operations and maintenance of service lines and gas mains.

Your gas rate is calculated by applying the sum of the monthly service charge and volumetric charges to your consumption, which are prorated based on the number of days in the applicable billing cycle during each billing period.

For more information related to your rates, the appropriate rate schedule for your gas service can be found here: [G-2 Rate Schedule](#) and [G-3 Rate Schedule](#). If you have questions regarding your bill, please contact the City of Palo Alto Utilities Customer Service Center at 650-329-2161.

1. Adopted via Resolution 9451, on September 15, 2014

2. Adopted via Resolution 101187 on August 19, 2024

3. https://www.pge.com/tariffs/assets/pdf/tariffbook/GAS_SCHDS_G-WSL.pdf



City of Palo Alto
Utility Rate Schedule G-2 – Residential Master-Metered and Commercial Gas Service
Monthly Gas Volumetric and Service Charges

Effective Date	Commodity Charge	Cap and Trade Compliance Charge	Transportation Charge	Carbon Offset Charge	Total Supply Charge	Distribution Charge	Total Volumetric Charge	Monthly Service Charge
	(a)	(b)	(c)	(d)	(a)+(b)+(c)+(d)=(e)	(f)	(e)+(f)	
	\$ per Therm							\$ per Month
7/1/2025	0.3705	0.1081	0.2122	0.0700	0.7608	1.1749	1.9357	170.55
6/1/2025	0.3528	0.1226	0.2122	0.0700	0.7576	1.0809	1.8385	156.90
5/1/2025	0.2855	0.1226	0.2122	0.0700	0.6903	1.0809	1.7712	156.90
4/1/2025	0.3361	0.1226	0.2122	0.0700	0.7409	1.0809	1.8218	156.90
3/1/2025	0.4177	0.1339	0.2122	0.0700	0.8338	1.0809	1.9147	156.90
2/1/2025	0.4207	0.1339	0.2122	0.0700	0.8368	1.0809	1.9177	156.90
1/1/2025	0.4911	0.1339	0.2122	0.0700	0.9072	1.0809	1.9881	156.90
12/1/2024	0.5144	0.1182	0.2715	0.0700	0.9741	1.0809	2.0550	156.90
11/1/2024	0.4850	0.1182	0.2715	0.0700	0.9447	1.0809	2.0256	156.90
10/1/2024	0.4450	0.1182	0.2500	0.0700	0.8832	1.0809	1.9641	156.90
9/1/2024	0.3411	0.1451	0.2500	0.0700	0.8062	1.0809	1.8871	156.90
8/1/2024	0.5179	0.1451	0.2201	0.0700	0.9531	1.0809	2.0340	156.90
7/1/2024	0.4197	0.1451	0.2206	0.0700	0.8554	1.0809	1.9363	156.90
6/1/2024	0.1918	0.1638	0.2206	0.0700	0.6462	0.8941	1.5403	129.78
5/1/2024	0.2142	0.1638	0.2206	0.0700	0.6686	0.8941	1.5627	129.78
4/1/2024	0.2388	0.1638	0.2206	0.0700	0.6932	0.8941	1.5873	129.78
3/1/2024	0.2956	0.1534	0.2104	0.0700	0.7294	0.8941	1.6235	129.78
2/1/2024	0.5967	0.1534	0.2022	0.0700	1.0223	0.8941	1.9164	129.78
1/1/2024	0.4805	0.1534	0.2022	0.0700	0.9061	0.8941	1.8002	129.78
12/1/2023	0.6901	0.1309	0.1350	0.0700	1.0260	0.8941	1.9201	129.78
11/1/2023	0.7383	0.1309	0.1350	0.0700	1.0742	0.8941	1.9683	129.78
10/1/2023	0.4065	0.1309	0.1350	0.0700	0.7424	0.8941	1.6365	129.78
9/1/2023	0.4928	0.1132	0.1350	0.0700	0.8110	0.8941	1.7051	129.78
8/1/2023	0.5263	0.1132	0.1345	0.0700	0.8440	0.8941	1.7381	129.78



City of Palo Alto
Utility Rate Schedule G-3 – Large Commercial Gas Service
 Monthly Gas Volumetric and Service Charges

Effective Date	Commodity Charge	Cap and Trade Compliance Charge	Transportation Charge	Carbon Offset Charge	Total Supply Charge	Distribution Charge	Total Volumetric Charge	Monthly Service Charge
	(a)	(b)	(c)	(d)	(a)+(b)+(c)+(d)=(e)	(f)	(e)+(f)	
	\$ per Therm							\$ per Month
7/1/2025	0.3705	0.1081	0.2122	0.0700	0.7608	1.1633	1.9241	780.34
6/1/2025	0.3528	0.1226	0.2122	0.0700	0.7576	1.0702	1.8278	717.89
5/1/2025	0.2855	0.1226	0.2122	0.0700	0.6903	1.0702	1.7605	717.89
4/1/2025	0.3361	0.1226	0.2122	0.0700	0.7409	1.0702	1.8111	717.89
3/1/2025	0.4177	0.1339	0.2122	0.0700	0.8338	1.0702	1.9040	717.89
2/1/2025	0.4207	0.1339	0.2122	0.0700	0.8368	1.0702	1.9070	717.89
1/1/2025	0.4911	0.1339	0.2122	0.0700	0.9072	1.0702	1.9774	717.89
12/1/2024	0.5144	0.1182	0.2715	0.0700	0.9741	1.0702	2.0443	717.89
11/1/2024	0.4850	0.1182	0.2715	0.0700	0.9447	1.0702	2.0149	717.89
10/1/2024	0.4450	0.1182	0.2500	0.0700	0.8832	1.0702	1.9534	717.89
9/1/2024	0.3411	0.1451	0.2500	0.0700	0.8062	1.0702	1.8764	717.89
8/1/2024	0.5179	0.1451	0.2201	0.0700	0.9531	1.0702	2.0233	717.89
7/1/2024	0.4197	0.1451	0.2206	0.0700	0.8554	1.0702	1.9256	717.89
6/1/2024	0.1918	0.1638	0.2206	0.0700	0.6462	0.8852	1.5314	593.79
5/1/2024	0.2142	0.1638	0.2206	0.0700	0.6686	0.8852	1.5538	593.79
4/1/2024	0.2388	0.1638	0.2206	0.0700	0.6932	0.8852	1.5784	593.79
3/1/2024	0.2956	0.1534	0.2104	0.0700	0.7294	0.8852	1.6146	593.79
2/1/2024	0.5967	0.1534	0.2022	0.0700	1.0223	0.8852	1.9075	593.79
1/1/2024	0.4805	0.1534	0.2022	0.0700	0.9061	0.8852	1.7913	593.79
12/1/2023	0.6901	0.1309	0.1350	0.0700	1.0260	0.8852	1.9112	593.79
11/1/2023	0.7383	0.1309	0.1350	0.0700	1.0742	0.8852	1.9594	593.79
10/1/2023	0.4065	0.1309	0.1350	0.0700	0.7424	0.8852	1.6276	593.79
9/1/2023	0.4928	0.1132	0.1350	0.0700	0.8110	0.8852	1.6962	593.79
8/1/2023	0.5263	0.1132	0.1345	0.0700	0.8440	0.8852	1.7292	593.79