

Application of SOUTHERN CALIFORNIA GAS )  
COMPANY (U 904 G) for Authorization to (1) )  
issue debt securities in an aggregate principal )  
amount of up to \$2,800,000,000; (2) include )  
certain features in debt securities or enter into )  
certain derivative transactions; (3) hedge )  
issuances of debt securities; and (4) take all other )  
necessary, related actions. )  
\_\_\_\_\_ )

Application No. 15-08-\_\_\_\_

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Exhibit No. SCG-02

**PREPARED DIRECT TESTIMONY OF  
GARY H. HAYES  
ON BEHALF OF SOUTHERN CALIFORNIA GAS COMPANY**

**BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF CALIFORNIA**

**August 25, 2015**

**PREPARED DIRECT TESTIMONY OF**

**GARY H. HAYES**

**ON BEHALF OF SOUTHERN CALIFORNIA GAS COMPANY**

1 **By whom are you employed and what is your current position?**

2 I am employed by Sempra Energy's Treasury Department as a Finance Manager.

3 **What are your principal responsibilities?**

4 My primary responsibility is the planning and execution of transactions involving securities,  
5 derivatives, and currencies. I also advise the Sempra Energy utilities, Southern California Gas  
6 Company ("SoCalGas") and San Diego Gas & Electric Company ("SDG&E"), on various  
7 financial matters.

8 **Please describe your educational background and professional experience.**

9 I hold degrees from Wake Forest University and Dartmouth College, and have worked in the  
10 defense, automotive, oil, and banking industries. I joined SDG&E's Financial Services  
11 Department in 1995, and since the 1998 formation of Sempra Energy, have served primarily in  
12 the Treasury Department.

13 **Have you previously testified before the Public Utilities Commission of the State of**  
14 **California?**

15 Yes, over the last twenty years I have testified before the CPUC in numerous financing authority,  
16 cost-of-capital, and general rate cases.

17 **What is the purpose of your testimony?**

18 The purpose of my testimony is to support the instant Application of SoCalGas for financing  
19 authority, and in particular to support the request for authorization to issue and enter into long-  
20 term financing securities described in the Application.

1 **In your opinion, is it is reasonable for the Commission to authorize long-term financing**  
2 **securities with the features described in the body of the instant Application?**

3 Yes. Judicious use of long-term securities with the features described in the Application will  
4 allow SoCalGas to raise, in a variety of capital-market settings, the funds necessary to serve its  
5 customers at the lowest cost.

6 **Does this complete your testimony?**

7 Yes.