

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

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-____

**APPLICATION OF
SOUTHERN CALIFORNIA GAS COMPANY (U 904 G)**

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Pursuant to Articles 5 and 6 of Chapter 4, Part 1, Division 1 of the Public Utilities Code and Articles 2 and 3 of the Rules of Practice and Procedure of the California Public Utilities Commission (Commission), Southern California Gas Company (SoCalGas) requests authorization from the Commission:

(1) To issue first mortgage bonds, debentures, foreign debt, or other evidences of its indebtedness; to enter into long-term loans; and engage in accounts receivable financings (collectively, Debt Securities) in an aggregate principal amount not to exceed \$2,800,000,000, in addition to previously authorized amounts, of debt capital. SoCalGas' management or board of directors will determine the principal amount and the terms and conditions of each issue of Debt Securities according to market conditions at the time of sale.

(2) To include certain features in SoCalGas Debt Securities or to enter into certain derivative transactions related to underlying debt, as necessary, to improve the terms and conditions of SoCalGas' debt portfolio and lower SoCalGas' cost of money for the benefit of ratepayers.

(3) To hedge, when appropriate, existing or planned issuances of Debt Securities.

(4) To take all the other necessary and related actions as described in Section XII.

SoCalGas also requests that the additional features associated with the Debt Securities requested in this Application be similarly authorized for the unused authority previously granted in Commission Decisions (D.) 13-05-002, D.06-07-012, and D.96-09-036. The authorization

requested in this Application is in addition to the unused authority previously granted in those prior Commission decisions.

I. INTRODUCTION

SoCalGas is requesting additional long-term financing authority to fund its significant capital expenditure plans on, among other things, safety and reliability infrastructure-related projects, for which SoCalGas has or is in the process of requesting Commission authority, including the Pipeline Safety Enhancement Plan (PSEP),¹ Transmission Integrity Management Program (TIMP), Distribution Integrity Management Project (DIMP),² continued roll-out of Advanced Metering Initiative (AMI)³ meter sets, North-South Pipeline and anticipated gas infrastructure system projected capital spending pursuant to SoCalGas' 2016 General Rate Case (GRC), which was filed in November 2014, and is currently pending Commission review and approval.

Moreover, SoCalGas requires additional long-term debt authority for new issuances to replace \$7.5 million and \$500 million of long-term debt that matures in 2016 and 2018. Historical recorded costs for PSEP, TIMP, DIMP, and AMI, as well as SoCalGas' annual long-term debt maturities over the three-year forecast horizon, are provided in the Prepared Direct Testimony of Garry G. Yee, which accompanies this Application and is being concurrently served.

II. BACKGROUND

SoCalGas' existing financing authority was granted by the Commission: (1) on September 4, 1996, in D.96-09-036 (authorization to issue long-term debt capital of \$600 million and preferred or preference stock of \$100 million); (2) on July 10, 2003, in D.03-07-008 (authorization to obtain long-term debt capital of \$715 million); (3) on July 20, 2006, in D.06-07-012 (authorization to issue long-term debt capital of \$400 million and preferred stock of \$100

¹ PSEP Phase 1 application (A.11-11-002). See D.14-06-007. PSEP Phase 1 cost recovery application (A.14-12-016), status active. PSEP Phase 2 application (A.15-06-013, filed June 17, 2015), status active. To date, SoCalGas has incurred approximately \$600 million in costs for PSEP Phase 1, without any recovery of the corresponding O&M and capital revenue requirements of \$142 million recorded to its PSEP memorandum and balancing accounts, since D.14-06-007 is subject to an after the fact reasonableness review.

² TIMP and DIMP cost recovery was addressed in SoCalGas' 2012 GRC (A.10-12-006). See D.13-05-010 and D.13-10-027 (2012 GRC Decisions). TIMP and DIMP cost recovery is also being currently addressed in SoCalGas' 2016 GRC (A.14-11-004), status active.

³ See A.08-09-023, and D.10-04-027 (AMI Decision).

million); (4) on May 9, 2013, in D.13-05-002 (authorization to issue up to \$1.118 billion of additional long-term debt capital). As of the date of this Application, against the authority granted in D.96-09-036, SoCalGas has issued all \$600 million of long-term debt capital and no preferred or preference stock. Against the authority granted in D.03-07-008, SoCalGas has issued all \$715 million of long-term debt capital. Against the authority granted in D.06-07-012, SoCalGas has issued all \$400 million. Against the authority granted in D.09-09-046, SoCalGas has issued all \$800 million of long-term debt capital. Against the authority granted in D.13-05-002, SoCalGas has issued \$968 million of long-term debt capital. Stated in terms of remaining unused authority, SoCalGas has existing unused authority to issue \$200 million in preferred or preference stock from D.96-09-036 and D.06-07-012, and \$150 million in remaining long-term debt from D.13-05-002. The table below summarizes this previously Authorized, Used, and Unused authority:

Summary of Authorized, Used & Unused Long-Term Debt
& Preferred Stock Authority as of June 30, 2015

(\$ Millions)	\$ Amount Authorized in Decision	\$ Amount Used	\$ Amount Unused
Preferred Stock:			
96-09-036	\$100.0	\$0.0	\$100.0
06-07-012	<u>100.0</u>	<u>0.0</u>	<u>100.0</u>
Total Preferred Stock	<u>200.0</u>	<u>0.0</u>	<u>200.0</u>
Long-Term Debt:			
96-09-036	600.0	600.0	0.0
03-07-008	715.0	715.0	0.0
06-07-012	400.0	400.0	0.0
09-09-046	800.0	800.0	0.0
13-05-002	<u>1,118.0</u>	<u>968.0</u>	<u>150.0</u>
Total Long-Term Debt	<u>\$3,633.0</u>	<u>\$3,483.0</u>	<u>\$150.0</u>

III. USE OF PROCEEDS

SoCalGas intends to apply the net proceeds from the proposed debt financings to reimburse its treasury for monies expended or to be expended for: (i) the expansion and betterment of utility assets as described in Section I and (ii) the discharge of its indebtedness or debt to be retired at maturity. Further detail on these uses is included in Schedules I and III of the accompanying Prepared Direct Testimony of Garry G. Yee.

IV. DESCRIPTION OF DEBT SECURITIES

This section describes the types of Debt Securities that may be issued. Optional features designed to enhance the terms and conditions of the Debt Securities are described in Section V of this Application. SoCalGas is requesting many of the same types of Debt Securities requested in its last financing Application (A.12-12-003) and approved by the Commission in D.13-05-002.

In general, each series of Debt Securities is expected to have a maturity of between one year and 100 years. With the exception of first mortgage bonds and long-term loans (both defined below), each issue of Debt Securities may be issued under an indenture or a supplement to an existing indenture to be delivered to the trustee for such issue. The indenture or supplemental indenture would set forth the terms and conditions of each issue of Debt Securities.

A. Secured debt. Secured debt may be secured by a lien on property or through other credit-enhancement arrangements described in Section V, below.

First mortgage bonds (FMBs) will be issued in accordance with SoCalGas' trust indenture dated October 1, 1940, as amended and supplemented and which heretofore has been filed with the Commission. The supplemental indenture delivered in connection with each new series of first mortgage bonds will be in a form consistent with supplemental indentures previously filed with the Commission.

Secured debt may be sold to either domestic or foreign investors. It may be sold to underwriters who in turn will offer the secured debt to investors, or it may be sold directly to investors either with or without the assistance of a private placement agent. Secured debt may be registered with the Securities and Exchange Commission (SEC), depending on the method of offering and sale, and may be listed on a stock exchange.

In certain instances, SoCalGas may enter into contractual agreements whereby a third party will provide appropriate credit facilities as security for a secured debt issue. The cost of the credit facilities will be included in determining the issue's overall cost.

B. Unsecured debt (debentures). Debentures may be sold to either domestic or foreign investors. They may be sold to underwriters who in turn will offer the debentures to investors, or they may be sold directly to investors either with or without the assistance of a placement agent. Debentures may be registered with the SEC and may be listed on a stock exchange. Unsecured debt may be senior or subordinated.

C. Foreign debt. Debt Securities issued by SoCalGas in foreign capital markets may be denominated in, or proceeds from their sale received in, United States (U.S.) dollars or in other currencies. International bond issuance is commonly separated into two categories, U.S.-pay and foreign-pay. The U.S.-pay international bond market consists primarily of Eurodollar bonds, which are issued and traded outside of the U.S. and denominated in U.S. dollars. The foreign-pay, or simply foreign, bond market describes issues sold in a country outside of the U.S. in the local currency.

Certain circumstances may make international borrowing attractive to a U.S. utility. Competition among global investment banks may create low-cost offshore funding opportunities. Foreign bond markets may have a better appetite for a particular debt security than domestic markets. Finally, a domestic utility may find international markets more accessible during a time when domestic bond markets are not.

To reduce or eliminate the risk of currency fluctuations, SoCalGas may engage in currency swaps (defined below) or other arrangements.

D. Direct long-term loans. SoCalGas may enter into long-term loans, Debt Securities with a maturity of greater than one year, pursuant to a line of credit with banks, insurance companies, or other financial institutions. SoCalGas may enter into loans when it finds that interest rates or other circumstances make it attractive to do so.

E. Accounts-receivable financing. SoCalGas may issue Debt Securities secured by a pledge, sale or assignment of its accounts receivable. SoCalGas anticipates that the transactions would be structured to be a true sale for bankruptcy purposes, a sale for financial reporting, and debt for tax purposes although other structures may be developed using accounts receivable as security or collateral. Because an accounts receivable financing would be an encumbrance on utility properties to the extent that accounts receivable are considered to be utility property, SoCalGas requests authorization under Public Utilities Code §851 to mortgage and encumber utility property.

F. Variable-rate debt. SoCalGas anticipates that from time to time the cost of SoCalGas debt may be reduced by issuing variable-rate Debt Securities. A variable-rate Debt Security includes, but is not limited to, Debt Securities bearing interest based on the prime rate of banks, LIBOR (the London Inter-Bank Offer Rate), or some other referenced interest rate. A variable-rate Debt Security may also be a Debt Security for which investors possess a series of periodic, mandatory put options which require SoCalGas to repurchase all or a portion of the Debt Securities, and which may be coupled with a remarketing obligation by SoCalGas of the repurchased Debt Security. Certain variable-rate Debt Securities require credit support, such as bank lines. These bank lines may be in the form of a short-term or long-term bank line agreement. Since these credit facilities are an integral part of the variable-rate debt issuance, such facilities (and any borrowing thereunder) should not be considered by the Commission to count against existing short-term debt authorizations.

G. “Fall-away” mortgage bonds. SoCalGas may wish to issue debt that is initially secured and subsequently convertible into unsecured debt, known as “fall-away bonds.” These senior notes are initially secured under their indenture by collateral FMBs issued in equal principal amount under the existing 1940 first mortgage indenture and delivered to the fall-away indenture trustee. Subsequent to the redemption or maturity of all outstanding FMBs (other than the collateral FMBs held by the fall-away indenture trustee) the fall-away bonds will become unsecured general obligations of SoCalGas. The fall-away bonds’ indenture will contain a negative pledge clause, which provides that the newly-unsecured obligations will be secured equally with any secured bonds that may be issued in the future.

V. DEBT SECURITY ENHANCEMENTS

SoCalGas hereby requests authorization to include certain features in its Debt Securities or enter into certain derivative transactions related to underlying debt. Such measures would be taken when appropriate to improve the terms and conditions of SoCalGas’ Debt Securities and to lower the overall cost of money for the benefit of the ratepayers. SoCalGas is requesting many of the same type of security enhancements requested in SoCalGas’ last financing Application and approved by the Commission in D.13-05-002.

A. Put options. SoCalGas anticipates that from time to time the cost of its Debt Securities may be reduced by the inclusion of a put option. This feature grants to a Debt Security owner the right to require SoCalGas to repurchase all or a portion of that holder’s

securities, commonly referred to as “putting” the security back to the company. Debt holders are willing to accept a lower interest rate in exchange for the protection against rising interest rates offered by the put option.

B. Call options. SoCalGas anticipates that from time to time it may retain the right to retire, fully or partially, a Debt Security before the scheduled maturity date. This is commonly referred to as “calling” the Security. The chief benefit of such a feature is that it permits SoCalGas, should market rates fall, to replace the bond issue with a lower-cost issue, thus producing a positive net benefit to ratepayers.

C. Sinking funds. SoCalGas anticipates that from time to time the cost of SoCalGas Debt Securities may be reduced by the use of a sinking fund. A sinking fund typically operates in one of two ways: (1) SoCalGas may set aside a sum of money periodically so that, at the maturity date of the bond issue, there is a pool of cash available to redeem the issue, or (2) SoCalGas may periodically redeem a specified portion of the bond issue. Typically, SoCalGas would have the right to meet its sinking fund obligations in the latter fashion by either calling a certain number of bonds or purchasing the bonds in the open market.

D. Interest-rate swaps. An interest-rate swap is a contractual agreement between two parties to exchange a series of payments for a stated period. In a typical interest-rate swap, one party pays the other fixed-rate interest while, in turn, the other pays floating-rate interest, both payment obligations being based on a notional principal amount (i.e., no principal is exchanged). Swaps are generally used to reduce either fixed-rate or floating-rate costs, or to convert fixed-rate borrowing to floating.

E. Swaptions. Swaption contracts give the right to enter into a swap agreement (or to exit a swap) under specified terms and conditions. The swaption’s strike price, maturity, size and structure can be tailored to suit a party’s particular needs. Corporate treasurers use swaptions to hedge an existing or anticipated exposure while retaining the ability to benefit from an advantageous change in interest rates, which is a benefit ultimately realized by SoCalGas ratepayers in a lower cost of debt.

F. Caps and collars. In order to reduce ratepayers’ exposure to interest rate risk on variable-rate securities, SoCalGas may negotiate some type of maximum rate, usually called a cap. In that case, even if variable rates increase above the cap (or ceiling) rate, SoCalGas would only pay the ceiling rate. In addition to the ceiling rate, sometimes a counterparty will desire a

“floor” rate. In the event that the variable rate falls below the floor rate, SoCalGas would pay the floor rate. The combination of a floor and a ceiling rate is called an interest-rate collar because SoCalGas’ interest expense is restricted to a band negotiated by SoCalGas and the counterparty.

G. Currency swaps. A currency swap is an arrangement in which one party agrees to make periodic payments in its domestic currency, based on either fixed or floating interest rates, to a counterparty which in turn makes periodic payments to the first party in a different currency. The payments are based on principal amounts that are exchanged at the initiation of the swap and re-exchanged at maturity. Currency swaps are useful in the management of exchange risk and will be used when necessary to hedge exposures created by Debt Securities denominated in foreign currencies.

H. Credit enhancements. SoCalGas may desire to obtain credit enhancements for Debt Securities, such as letters of credit, standby bond purchase agreements, surety bonds or insurance policies, or other credit support arrangements. Such credit enhancements may be included to reduce interest costs or improve other credit terms; the cost of such credit enhancements would be included in the cost of the Debt Securities.

VI. HEDGING THE PLANNED ISSUANCE OF SECURITIES

Under certain circumstances, SoCalGas may wish to hedge the issuance of Debt Securities. For instance, compliance with legal, regulatory, and administrative matters may preclude SoCalGas from acting on a low-cost funding opportunity during a time of market volatility. Conversely, SoCalGas may have an immediate need for funds, but be reluctant to fix its cost at prevailing interest rates. Issuance-hedging strategies grant the ability to enter financial markets at times when interest rates or other circumstances appear most favorable. In this Application, SoCalGas is requesting authority for certain types of issuance hedges previously granted by the Commission in D.13-05-002.

A. Treasury lock. This approach, commonly referred to as a “T-lock” is used to fix the Treasury component of SoCalGas’ borrowing cost in advance of an offering. Here, SoCalGas and the counterparty define a threshold Treasury yield that determines the T-lock’s value at expiration. (The T-lock’s expiration date is set to correspond with the planned Debt Security’s offering date.) If interest rates rise, SoCalGas will receive a cash payment that offsets the higher interest cost of the newly issued debt; if interest rates decline, SoCalGas will make a cash payment to the counterparty that will be offset by the new debt’s lower interest cost. A

Treasury lock reproduces the results of a forward sale of Treasury bonds while sparing the issuer a forward sale's administrative complications.

B. Interest-rate swaps. A forward-starting interest rate swap allows SoCalGas to either (1) delay a securities issuance and capture current yields, or (2) issue securities immediately and price them later to benefit from a fall in interest rates. As the *fixed-rate* payer in an interest-rate swap, SoCalGas hedges its future borrowing cost: if interest rates rise, unwinding the swap at a profit offsets higher borrowing costs. (If rates decline, lower borrowing costs offset the loss caused by unwinding the swap.) As the *floating-rate* payer in an interest-rate swap, SoCalGas hedges its current borrowing costs: if interest rates decline, SoCalGas will unwind the swap at a profit, thus compensating for the lost opportunity to finance at lower rates. (If rates rise, the interest expense savings realized by issuing immediately will be offset by the loss caused by unwinding the swap.)

VII. COMPLIANCE WITH D.12-06-015

In D.12-06-015 (rendered in Rulemaking (R.) 11-03-007), the Commission adopted the Utility Long-Term Debt Financing Rule (Financing Rule), replacing the Competitive Bidding Rule that had previously governed the issuance of Debt Securities.

In accordance with the Financing Rule, SoCalGas intends to (a) prudently issue debt consistent with market standards with the goal of achieving the lowest long-term cost of capital for ratepayers, (b) determine the financing term of its debt issues with due regard for its financial condition and requirements, (c) use its best efforts to encourage, assist, and include Women, Minority, Disabled Veteran-Owned Business Enterprises (WMDVBEs) in various types of underwriting roles on Debt Securities offerings, (d) utilize Debt Security Enhancements only in connection with Debt Securities financings, and (e) adhere to the Financing Rule's restrictions on the use of swap and hedging transactions.

Additionally, SoCalGas will comply with the debt-issuance reporting requirements defined in General Order 24-C, also established in D.12-06-015.

VIII. FEES

A fee of \$1,077,262 will be payable under Public Utilities Code Sections 1904 and 1904.1 upon the Commission's approval of the authorization requested in this Application. The calculation of the fee is shown in Schedule XII to the served Prepared Direct Testimony of Garry G. Yee.

IX. STATUTORY AND PROCEDURAL REQUIREMENTS

A. Compliance with Rule 2.1

In accordance with Rule 2.1 of the Commission’s Rules of Practice and Procedure, SoCalGas provides the following information concerning the proposed category for the proceeding, need for hearing, the issues to be considered, and a proposed schedule.

1. Proposed Category of Proceeding – Rules 2.1(c) and 7.1(a)

SoCalGas proposes to categorize this Application as a “ratesetting” proceeding within the meaning of Rules 1.3(e).

2. Need for Hearing and Proposed Schedule – Rules 2.1(c) and 7.1(a)

SoCalGas does not anticipate the need for public or evidentiary hearings in this proceeding, considering that such hearings have not been required or necessary in previous financing Applications. *Ex parte* grant of the authorizations sought herein at the earliest possible date will permit SoCalGas to proceed with its proposed financings in an expeditious manner. Such expeditious treatment will, in turn, allow SoCalGas to pursue its utility objectives in a timely and cost-effective manner to the benefit of ratepayers. In order to expedite the processing of this Application, SoCalGas will serve Prepared Direct Testimony of Garry G. Yee that provides additional schedules containing information pertaining to the authorizations requested in this application beyond that information normally required by Articles 2 and 3 of the Rules of Practice and Procedure of the California Public Utilities Commission and Public Utilities Code §§816-830. If, however, the Commission finds that a public hearing is necessary, SoCalGas requests that such hearing be conducted as soon as practicable. SoCalGas is prepared to proceed with any necessary hearing. SoCalGas proposes the following procedural schedule:

<u>ACTION</u>	<u>DATE</u>
Application filed	August 25, 2015
Protests filed, if any	30 days after notice of filing in on Daily Calendar (approx. September 23, 2015)
Proposed Decision	November 2015
Comments on Draft Decision	November/December 2015
Final Commission Decision	December 2015

The issues in this proceeding are whether SoCalGas should be authorized, pursuant to and consistent with Public Utilities Code §§816-830, to issue the securities described herein with the features described herein. SoCalGas is currently not aware of any specific objections any party might raise to any of these issues.

B. Statutory Authority – Rule 2.1

This Application is filed pursuant to Sections 816-830 and 851 of the California Public Utilities Code, and complies with the applicable orders of the Commission and the Commission’s Rules of Practice and Procedure.

C. Legal Name and Correspondence – Rule 2.1(a) & (b)

The exact legal name of Applicant is “Southern California Gas Company.” SoCalGas’ principal place of business is located at 555 West 5th Street, Los Angeles, California 90013-1011, where its telephone number is (213) 244-1200. SoCalGas is a public utility engaged primarily in the purchase, distribution, transportation and sale of natural gas throughout most of southern California and portions of central California. SoCalGas supplies natural gas to approximately 20 million end-use consumers throughout a 20,000 square-mile service territory including the City of Los Angeles. SoCalGas also transports gas to about 1,300 noncore customers (utility electric generation, wholesale, large commercial, industrial and off-system customers). SoCalGas owns underground storage reservoirs, natural gas transmission pipelines, compressor plants, distribution pipelines, services and appurtenant meters, metering and regulating stations, booster stations, office buildings, warehouses for materials and supplies, and other property necessary in the conduct of its business.

All correspondence and communications in regard to this Application should be addressed as follows:

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D. Articles of Incorporation – Rule 2.2

SoCalGas is a corporation duly organized and validly existing under the laws of the State of California. SoCalGas previously filed a certified copy of its Restated Articles of Incorporation with A.98-10-012 and is incorporated herein by reference.

E. Proxy Statement – Rule 3.5

A copy of SoCalGas' most recent proxy statement, dated April 24, 2015, was mailed to the Commission on April 28, 2015 and is incorporated herein by reference.

F. Description of Property and Equipment – Rule 3.5

SoCalGas owns natural gas transmission pipelines, compressor plants, distribution pipelines, services and appurtenant meters, regulators, metering and regulating stations, general office buildings, regional and district office buildings, general shops, laboratory buildings, warehouses and other storage facilities, supplies and equipment necessary for the operation of its business. In addition, SoCalGas owns underground gas storage at Playa del Rey, Honor Rancho, Aliso Canyon, and Goleta. SoCalGas' gas distribution system includes, as of December 31, 2014, 2,960 miles of transmission pipelines, 50,001 miles of distribution mains, and 47,517 miles of service lines.

SoCalGas' original cost of utility plant, together with the related reserves for depreciation and amortization for three-month period ending March 31, 2015, is shown on the balance sheet included in Attachment A.

G. Balance Sheet and Income Statement – Rule 2.3

SoCalGas' balance sheet and its related statements of income and retained earnings as of March 31, 2015 are attached hereto as Attachment B.

H. Capitalization

SoCalGas' regulatory capitalization at March 31, 2015 is provided in Attachment C.

I. Service – Rule 1.9

This Application is being served on the parties identified on the attached Certificate of Service.

X. ATTACHMENTS

Attachments A through C, described below, are a part of, and incorporated into, this Application:

Attachment A: A statement of account of the original cost and depreciation reserve attributable to SoCalGas' property and equipment.

Attachment B: SoCalGas' most recent balance sheet, income statement, and other miscellaneous financial statements.

Attachment C: SoCalGas' adjusted capitalization at March 31, 2015.

XI. TESTIMONIES TO BE SERVED

The following testimonies will be served to support this Application:

- Prepared Direct Testimony of Garry G. Yee providing information concerning SoCalGas' request for financing authority, especially as to capital spending needs.
- Prepared Direct Testimony of Gary H. Hayes to support SoCalGas' request for financing authority, especially as to the particular Debt Securities for which authorization is sought.

XII. REQUESTED AUTHORIZATIONS

WHEREFORE, SoCalGas respectfully requests that the Commission issue its Order herein, *ex parte*, providing specifically for the following authorizations:⁴

1. To issue first mortgage bonds, debentures and foreign debt; to enter into long-term loans; or to issue other evidences of its indebtedness; and engage in accounts-receivable financings (collectively, Debt Securities), in an aggregate principal amount not to exceed \$2,800,000,000 of debt capital. The principal amount and the terms and conditions of each issue

⁴ Assuming the Commission approves the authorizations requested in this Application, it is of critical importance that the language in the Commission's Order mirror the language set forth in this section. It will be the Ordering Paragraphs that financial institutions and their representatives will scrutinize for confirmation that SoCalGas has sufficient regulatory authority for issuance of the Debt Securities addressed herein.

of Debt Securities will be determined by SoCalGas' management and/or board of directors according to market conditions at the time of sale.

2. To include certain features in SoCalGas Debt Securities or to enter into certain derivative transactions related to underlying debt, as necessary, to improve the terms and conditions of SoCalGas' debt portfolio and lower SoCalGas' cost of money for the benefit of ratepayers.

3. To hedge, when appropriate, planned issuances of Debt Securities within reasonable limits established in the Commission's Financing Rule.

4. Specifically finding, as required by Section 818 of the Public Utilities Code, that in the opinion of the Commission, the money, property or labor to be procured or paid for by such issues is reasonably required for the purposes so specified, and that, except as otherwise permitted in the order in the case of bonds, notes, or other evidences of indebtedness, such purposes are not, in whole or in part, reasonably chargeable to operating expenses or to income.

5. Providing that the authority granted in such Order shall be effective upon payment of the fee prescribed in Sections 1904(b) and 1904.1 of the Public Utilities Code of \$1,077,262.

6. Providing that the authority granted in such Order shall be in addition to the authority granted in D.96-09-036, D.06-07-012, and D.13-05-002.

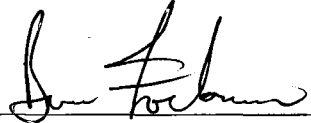
7. Providing that the additional features associated with the Debt Securities granted in such Order be similarly authorized for the unused authority previously granted in D.96-09-036, D.06-07-012, and D.13-05-002.

8. Granting such additional authorizations as this Commission may deem appropriate.

DATED at San Diego, California, this 24st day of August, 2015.

Respectfully submitted,

SOUTHERN CALIFORNIA GAS COMPANY

By: 
Bruce Folkmann
Vice President, Controller, and
Chief Financial Officer
SOUTHERN CALIFORNIA GAS COMPANY

DATED at San Diego, California, this 24th day of August, 2015.

By: /s/ Keith W. Melville
Keith W. Melville

KEITH W. MELVILLE
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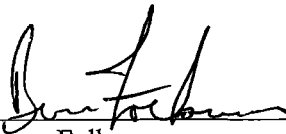
VERIFICATION

I am Vice President, Controller, and Chief Financial Officer of SOUTHERN CALIFORNIA GAS COMPANY, the Applicant herein, and am authorized to make this verification on its behalf, and am informed and believe and thereupon allege that the statements contained in the foregoing Application are true to the best of my knowledge.

I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge.

Executed on August 24, 2015 in San Diego, California.

By:



Bruce Folkmann

Vice President, Controller, and
Chief Financial Officer

SOUTHERN CALIFORNIA GAS COMPANY

Attachment A

COST OF PROPERTY AND DEPRECIATION RESERVE

March 31, 2015

SOUTHERN CALIFORNIA GAS COMPANY

Plant Investment and Accumulated Depreciation

As of March, 2015

ACCOUNT NUMBER	DESCRIPTION	ORIGINAL COSTS	ACCUMULATED RESERVE	NET BOOK VALUE
INTANGIBLE ASSETS				
301	Organization	\$ 76,457	\$ -	\$ 76,457
302	Franchise and Consents	\$ 574,560	\$ -	\$ 574,560
	Total Intangible Assets	\$ 651,017	\$ 0	\$ 651,017
PRODUCTION:				
325	Other Land Rights	\$ 15,321	\$ -	\$ 15,321
330	Prd Gas Wells Const	\$ 5,557,139	\$ (1,415)	\$ 5,555,724
331	Prd Gas Wells Eqp	\$ 454,718	\$ (55)	\$ 454,663
332	Field Lines	\$ 1,731,111	\$ -	\$ 1,731,111
334	FldMeas&RegStnEquip	\$ 536,249	\$ -	\$ 536,249
336	Prf Eqpt	\$ 485,415	\$ -	\$ 485,415
	Total Production	\$ 8,779,952	\$ (1,470)	\$ 8,778,482
UNDERGROUND STORAGE:				
350	Land	\$ 4,539,484	\$ -	\$ 4,539,484
350SR	Storage Rights	\$ 17,935,798	\$ (17,500,414)	\$ 435,383
350RW	Rights-of-Way	\$ 25,354	\$ (15,765)	\$ 9,589
351	Structures and Improvements	\$ 45,102,729	\$ (20,271,483)	\$ 24,831,246
352	Wells	\$ 318,018,293	\$ (173,209,686)	\$ 144,808,607
353	Lines	\$ 109,755,055	\$ (94,851,749)	\$ 14,903,306
354	Compressor Station and Equipment	\$ 144,136,867	\$ (64,723,818)	\$ 79,413,049
355	Measuring And Regulator Equipment	\$ 7,111,548	\$ (2,034,180)	\$ 5,077,368
356	Purification Equipment	\$ 133,922,023	\$ (68,904,378)	\$ 65,017,644
357	Other Equipment	\$ 44,799,163	\$ (9,262,725)	\$ 35,536,438
	Total Underground Storage	\$ 825,346,313	\$ (450,774,199)	\$ 374,572,114
TRANSMISSION PLANT- OTHER:				
365	Land	\$ 2,209,232	\$ -	\$ 2,209,232
365LRTS	Land Rights	\$ 22,134,243	\$ (15,625,782)	\$ 6,508,461
366	Structures and Improvements	\$ 36,149,059	\$ (21,469,134)	\$ 14,679,924
367	Mains	\$ 1,463,216,752	\$ (605,397,929)	\$ 857,818,823
368	Compressor Station and Equipment	\$ 215,594,666	\$ (108,122,460)	\$ 107,472,206
369	Measuring And Regulator Equipment	\$ 72,644,818	\$ (26,726,069)	\$ 45,918,749
371	Other Equipment	\$ 4,627,115	\$ (2,898,507)	\$ 1,728,608
	Total Transmission Plant	\$ 1,816,575,884	\$ (780,239,882)	\$ 1,036,336,002
DISTRIBUTION PLANT:				
374	Land	\$ 28,985,409	\$ -	\$ 28,985,409
374LRTS	Land Rights	\$ 2,948,180	\$ (12,264)	\$ 2,935,916
375	Structures and Improvements	\$ 250,823,326	\$ (73,400,605)	\$ 177,422,721
376	Mains	\$ 3,608,518,392	\$ (2,080,607,502)	\$ 1,527,910,891
378	Measuring And Regulator Equipment	\$ 96,331,955	\$ (64,823,310)	\$ 31,508,645
380	Services	\$ 2,289,451,034	\$ (1,904,240,327)	\$ 385,210,707
381	Meters	\$ 757,914,985	\$ (148,499,572)	\$ 609,415,412
382	Meter Installation	\$ 434,018,618	\$ (152,495,787)	\$ 281,522,831
383	House Regulators	\$ 149,391,779	\$ (60,637,226)	\$ 88,754,553
387	Other Equipment	\$ 34,231,101	\$ (22,144,566)	\$ 12,086,535
	Total Distribution Plant	\$ 7,652,614,777	\$ (4,506,861,159)	\$ 3,145,753,618
GENERAL PLANT:				
389	Land	\$ 1,342,839	\$ -	\$ 1,342,839
389LRTS	Land Rights	\$ 74,300	\$ -	\$ 74,300
390	Structures and Improvements	\$ 188,695,532	\$ (173,879,365)	\$ 14,816,167
391	Office Furniture and Equipment	\$ 889,016,288	\$ (430,874,226)	\$ 458,142,062
392	Transportation Equipment	\$ 392,412	\$ (172,864)	\$ 219,548
393	Stores Equipment	\$ 99,134	\$ (63,995)	\$ 35,139
394	Shop and Garage Equipment	\$ 55,827,376	\$ (24,546,534)	\$ 31,280,842
395	Laboratory Equipment	\$ 5,186,979	\$ (3,236,905)	\$ 1,950,074
396	Construction Equipment	\$ 11,957	\$ 8,124	\$ 20,081
397	Communication Equipments	\$ 156,040,222	\$ (63,981,919)	\$ 92,058,303
398	Miscellaneous Equipment	\$ 2,901,703	\$ (289,734)	\$ 2,611,969
	Total General Plant	\$ 1,299,588,743	\$ (697,037,420)	\$ 602,551,323
	Grand Total	\$ 11,603,556,687	\$ (6,434,914,130)	\$ 5,168,642,557

Attachment B

BALANCE SHEET,
INCOME STATEMENT, &
FINANCIAL STATEMENTS

March 31, 2015

**SOUTHERN CALIFORNIA GAS COMPANY
BALANCE SHEET
ASSETS AND OTHER DEBITS
MARCH 31, 2015**

1. UTILITY PLANT		<u>2015</u>
101	UTILITY PLANT IN SERVICE	\$12,300,498,284
102	UTILITY PLANT PURCHASED OR SOLD	-
105	PLANT HELD FOR FUTURE USE	-
106	COMPLETED CONSTRUCTION NOT CLASSIFIED	-
107	CONSTRUCTION WORK IN PROGRESS	716,916,183
108	ACCUMULATED PROVISION FOR DEPRECIATION OF UTILITY PLANT	(4,806,172,380)
111	ACCUMULATED PROVISION FOR AMORTIZATION OF UTILITY PLANT	(43,359,073)
117	GAS STORED-UNDERGROUND	<u>60,663,878</u>
	TOTAL NET UTILITY PLANT	<u>8,228,546,892</u>

2. OTHER PROPERTY AND INVESTMENTS		
121	NONUTILITY PROPERTY	120,477,525
122	ACCUMULATED PROVISION FOR DEPRECIATION AND AMORTIZATION OF NONUTILITY PROPERTY	(87,133,116)
123	INVESTMENTS IN SUBSIDIARY COMPANIES	-
124	OTHER INVESTMENTS	122
125	SINKING FUNDS	-
128	OTHER SPECIAL FUNDS	<u>3,000,000</u>
	TOTAL OTHER PROPERTY AND INVESTMENTS	<u>36,344,531</u>

**SOUTHERN CALIFORNIA GAS COMPANY
BALANCE SHEET
ASSETS AND OTHER DEBITS
MARCH 31, 2015**

3. CURRENT AND ACCRUED ASSETS		2015
131	CASH	16,678,354
132	INTEREST SPECIAL DEPOSITS	-
134	OTHER SPECIAL DEPOSITS	-
135	WORKING FUNDS	92,695
136	TEMPORARY CASH INVESTMENTS	4,500,000
141	NOTES RECEIVABLE	-
142	CUSTOMER ACCOUNTS RECEIVABLE	480,483,933
143	OTHER ACCOUNTS RECEIVABLE	33,766,153
144	ACCUMULATED PROVISION FOR UNCOLLECTIBLE ACCOUNTS	(6,395,989)
145	NOTES RECEIVABLE FROM ASSOCIATED COMPANIES	73,918,759
146	ACCOUNTS RECEIVABLE FROM ASSOCIATED COMPANIES	(8,166,300)
151	FUEL STOCK	-
152	FUEL STOCK EXPENSE UNDISTRIBUTED	-
154	PLANT MATERIALS AND OPERATING SUPPLIES	26,921,392
155	MERCHANDISE	30,602
156	OTHER MATERIALS AND SUPPLIES	-
158	GHG ALLOWANCE	22,581,108
163	STORES EXPENSE UNDISTRIBUTED	923,743
164	GAS STORED	82,510,919
165	PREPAYMENTS	14,221,461
171	INTEREST AND DIVIDENDS RECEIVABLE	3,643,104
173	ACCRUED UTILITY REVENUES	-
174	MISCELLANEOUS CURRENT AND ACCRUED ASSETS	35,086,896
175	DERIVATIVE INSTRUMENT ASSETS	3,824,926
176	LONG TERM PORTION OF DERIVATIVE ASSETS - HEDGES	-
	TOTAL CURRENT AND ACCRUED ASSETS	784,621,756
4. DEFERRED DEBITS		
181	UNAMORTIZED DEBT EXPENSE	14,569,311
182	UNRECOVERED PLANT AND OTHER REGULATORY ASSETS	1,808,598,266
183	PRELIMINARY SURVEY & INVESTIGATION CHARGES	62,550
184	CLEARING ACCOUNTS	631,020
	TEMPORARY FACILITIES	-
	MISCELLANEOUS DEFERRED DEBITS	131,758,182
188	RESEARCH AND DEVELOPMENT	-
189	UNAMORTIZED LOSS ON REACQUIRED DEBT	10,543,770
190	ACCUMULATED DEFERRED INCOME TAXES	72,957,674
191	UNRECOVERED PURCHASED GAS COSTS	-
	TOTAL DEFERRED DEBITS	2,039,120,773
	TOTAL ASSETS AND OTHER DEBITS	\$ 11,088,633,952

**SOUTHERN CALIFORNIA GAS COMPANY
BALANCE SHEET
LIABILITIES AND OTHER CREDITS
MARCH 31, 2015**

5. PROPRIETARY CAPITAL

		2015
201	COMMON STOCK ISSUED	(834,888,907)
204	PREFERRED STOCK ISSUED	(21,551,075)
207	PREMIUM ON CAPITAL STOCK	-
208	OTHER PAID-IN CAPITAL	-
210	GAIN ON RETIRED CAPITAL STOCK	(9,722)
211	MISCELLANEOUS PAID-IN CAPITAL	(31,306,680)
214	CAPITAL STOCK EXPENSE	143,261
216	UNAPPROPRIATED RETAINED EARNINGS	(2,126,090,797)
219	ACCUMULATED OTHER COMPREHENSIVE INCOME	18,022,812
	TOTAL PROPRIETARY CAPITAL	(2,995,681,108)

6. LONG-TERM DEBT

221	BONDS	(1,900,000,000)
224	OTHER LONG-TERM DEBT	(12,475,533)
225	UNAMORTIZED PREMIUM ON LONG-TERM DEBT	-
226	UNAMORTIZED DISCOUNT ON LONG-TERM DEBT	6,565,719
	TOTAL LONG-TERM DEBT	(1,905,909,814)

7. OTHER NONCURRENT LIABILITIES

227	OBLIGATIONS UNDER CAPITAL LEASES - NONCURRENT	(146,773)
228.2	ACCUMULATED PROVISION FOR INJURIES AND DAMAGES	(197,542,394)
228.3	ACCUMULATED PROVISION FOR PENSIONS AND BENEFITS	(698,370,756)
228.4	ACCUMULATED MISCELLANEOUS OPERATING PROVISIONS	-
230	ASSET RETIREMENT OBLIGATIONS	(1,300,796,818)
	TOTAL OTHER NONCURRENT LIABILITIES	(2,196,856,741)

**SOUTHERN CALIFORNIA GAS COMPANY
BALANCE SHEET
LIABILITIES AND OTHER CREDITS
MARCH 31, 2015**

8. CURRENT AND ACCRUED LIABILITES

	2015
231 NOTES PAYABLE	-
232 ACCOUNTS PAYABLE	(407,688,174)
233 NOTES PAYABLE TO ASSOCIATED COMPANIES	-
234 ACCOUNTS PAYABLE TO ASSOCIATED COMPANIES	(13,441,982)
235 CUSTOMER DEPOSITS	(74,552,378)
236 TAXES ACCRUED	(113,073,646)
237 INTEREST ACCRUED	(18,815,871)
238 DIVIDENDS DECLARED	(323,266)
241 TAX COLLECTIONS PAYABLE	(20,935,307)
242 MISCELLANEOUS CURRENT AND ACCRUED LIABILITIES	(149,165,473)
243 OBLIGATIONS UNDER CAPITAL LEASES - CURRENT	(432,169)
244 DERIVATIVE INSTRUMENT LIABILITIES	(352,594)
245 DERIVATIVE INSTRUMENT LIABILITIES - HEDGES	-
TOTAL CURRENT AND ACCRUED LIABILITIES	(798,780,860)

9. DEFERRED CREDITS

252 CUSTOMER ADVANCES FOR CONSTRUCTION	(78,981,096)
253 OTHER DEFERRED CREDITS	(140,077,094)
254 OTHER REGULATORY LIABILITIES	(1,585,101,154)
255 ACCUMULATED DEFERRED INVESTMENT TAX CREDITS	(14,579,875)
257 UNAMORTIZED GAIN ON REACQUIRED DEBT	-
281 ACCUMULATED DEFERRED INCOME TAXES - ACCELERATED	-
282 ACCUMULATED DEFERRED INCOME TAXES - PROPERTY	(1,137,795,730)
283 ACCUMULATED DEFERRED INCOME TAXES - OTHER	(234,870,480)
TOTAL DEFERRED CREDITS	(3,191,405,429)

TOTAL LIABILITIES AND OTHER CREDITS	\$ (11,088,633,952)
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SOUTHERN CALIFORNIA GAS COMPANY
FINANCIAL STATEMENT
MARCH 31, 2015

(a) Amounts and Kinds of Stock Authorized:

Preferred Stock	160,000	shares	Par Value \$4,000,000
Preferred Stock	840,000	shares	Par Value \$21,000,000
Preferred Stock	5,000,000	shares	Without Par Value
Preference Stock	5,000,000	shares	Without Par Value
Common Stock	100,000,000	shares	Without Par Value

Amounts and Kinds of Stock Outstanding:

PREFERRED STOCK

6.0%	79,011	shares	\$1,975,275
6.0%	783,032	shares	19,575,800

COMMON STOCK

91,300,000	shares	834,888,907
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(b) Terms of Preferred Stock:

Full information as to this item is given in connection with Application No. 96-09-046, to which references are hereby made.

(c) Brief Description of Mortgage:

Full information as to this item is given in Application No. 09-09-046 to which reference is hereby made.

(d) Number and Amount of Bonds Authorized and Issued:

	Nominal Date of Issue	Par Value		Interest Paid in 2015
		Authorized and Issued	Outstanding	
<u>First Mortgage Bonds:</u>				
5.45% Series HH, due 2018	10-14-03	250,000,000	250,000,000	13,625,000
5.75% Series KK, due 2035	11-18-05	250,000,000	250,000,000	14,375,000
5.125% Series MM, due 2040	11-18-10	300,000,000	300,000,000	15,375,000
3.750% Series NN, due 2042	09-21-12	350,000,000	350,000,000	13,125,000
4.450% Series OO, due 2044	03-13-14	250,000,000	250,000,000	11,125,000
3.150% Series PP, due 2024	09-11-14	500,000,000	500,000,000	15,750,000
<u>Other Long-Term Debt</u>				
4.750% SFr. Foreign Interest Payment Securities	05-14-06	7,475,533	7,475,533	355,088
5.67% Medium-Term Note, due 2028	01-15-03	5,000,000	5,000,000	283,500

SOUTHERN CALIFORNIA GAS COMPANY
FINANCIAL STATEMENT
MARCH 31, 2015

<u>Other Indebtedness:</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Interest Rate</u>	<u>Outstanding</u>	<u>Interest Paid 2015</u>
Commercial Paper & ST Bank Loans	12/14	01/15	Various	50,000,000	\$40,748

Amounts and Rates of Dividends Declared:

The amounts and rates of dividends during the past five fiscal years are as follows:

<u>Preferred Stock</u>	Shares	<u>Dividends Declared</u>				
	<u>Outstanding @ 12-31-13</u>	2011	2012	2013	2014	2015
6.0%	79,011	\$118,517	\$118,517	\$118,517	\$118,517	\$29,629
6.0%	783,032	1,174,548	1,174,548	1,174,548	1,174,548	293,637
	<u>862,043</u>	<u>\$1,293,065</u>	<u>\$1,293,065</u>	<u>\$1,293,065</u>	<u>\$1,293,065</u>	<u>\$323,266</u>

Common Stock

Amount	\$50,000,000	\$250,000,000	\$50,000,000	\$100,000,000	\$0 [1]
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A balance sheet and a statement of income and retained earnings of Applicant for the three months ended March 31, 2015 are attached hereto.

[1] Southern California Gas Company dividend to parent company, Sempra Energy.

SOUTHERN CALIFORNIA GAS COMPANY
STATEMENT OF INCOME AND RETAINED EARNINGS
THREE MONTHS ENDED MARCH 31, 2015

1. UTILITY OPERATING INCOME

400	OPERATING REVENUES		1,046,099,777
401	OPERATING EXPENSES	534,174,828	
402	MAINTENANCE EXPENSES	56,622,950	
403-7	DEPRECIATION AND AMORTIZATION EXPENSES	112,523,321	
408.1	TAXES OTHER THAN INCOME TAXES	22,452,294	
409.1	INCOME TAXES	104,275,574	
410.1	PROVISION FOR DEFERRED INCOME TAXES	142,513,204	
411.1	PROVISION FOR DEFERRED INCOME TAXES - CREDIT	(152,582,630)	
411.4	INVESTMENT TAX CREDIT ADJUSTMENTS	(1,239,637)	
411.6	GAIN FROM DISPOSITION OF UTILITY PLANT	-	
411.7	LOSS FROM DISPOSITION OF UTILITY PLANT	-	
	TOTAL OPERATING REVENUE DEDUCTIONS		818,739,904
	NET OPERATING INCOME		227,359,873

2. OTHER INCOME AND DEDUCTIONS

415	REVENUE FROM MERCHANDISING, JOBBING AND CONTRACT WORK		-
417	REVENUES FROM NONUTILITY OPERATIONS	-	
417.1	EXPENSES OF NONUTILITY OPERATIONS	(43,076)	
418	NONOPERATING RENTAL INCOME	106,218	
418.1	EQUITY IN EARNINGS OF SUBSIDIARIES	-	
419	INTEREST AND DIVIDEND INCOME	93,198	
419.1	ALLOWANCE FOR OTHER FUNDS USED DURING CONSTRUCTION	8,814,641	
421	MISCELLANEOUS NONOPERATING INCOME	(235,379)	
421.1	GAIN ON DISPOSITION OF PROPERTY	-	
	TOTAL OTHER INCOME	8,735,602	
425	MISCELLANEOUS AMORTIZATION	7,400	
426	MISCELLANEOUS OTHER INCOME DEDUCTIONS	(1,118,754)	
		(1,111,354)	
408.2	TAXES OTHER THAN INCOME TAXES	(29,850)	
409.2	INCOME TAXES	243,453	
410.2	PROVISION FOR DEFERRED INCOME TAXES	(3,938,271)	
411.2	PROVISION FOR DEFERRED INCOME TAXES - CREDIT	1,564,485	
420	INVESTMENT TAX CREDITS	-	
	TOTAL TAXES ON OTHER INCOME AND DEDUCTIONS	(2,160,183)	
	TOTAL OTHER INCOME AND DEDUCTIONS		5,464,065
	INCOME BEFORE INTEREST CHARGES		232,823,938
	NET INTEREST CHARGES*		18,906,175
	NET INCOME		\$213,917,763

*NET OF ALLOWANCE FOR BORROWED FUNDS USED DURING CONSTRUCTION. (\$2,826,517)

**STATEMENT OF INCOME AND RETAINED EARNINGS
THREE MONTHS ENDED MARCH 31, 2015**

3. RETAINED EARNINGS

RETAINED EARNINGS AT BEGINNING OF PERIOD, AS PREVIOUSLY REPORTED	\$1,912,496,300
NET INCOME (FROM PRECEDING PAGE)	213,917,763
DIVIDEND TO PARENT COMPANY	-
DIVIDENDS DECLARED - PREFERRED STOCK	(323,266)
OTHER RETAINED EARNINGS ADJUSTMENT	<u>-</u>
RETAINED EARNINGS AT END OF PERIOD	<u><u>\$2,126,090,797</u></u>

**SOUTHERN CALIFORNIA GAS COMPANY
SUMMARY OF EARNINGS
THREE MONTHS ENDED MARCH 31, 2015
(DOLLARS IN MILLIONS)**

<u>Line No.</u>	<u>Item</u>	<u>Amount</u>
1	Operating Revenue	\$1,046
2	Operating Expenses	<u>819</u>
3	Net Operating Income	<u><u>\$227</u></u>
4	Weighted Average Rate Base	\$4,092
5	Rate of Return*	8.02%

*Authorized Cost of Capital

Attachment C

REGULATORY CAPITALIZATION

March 31, 2015

ATTACHMENT C
Southern California Gas Company Total Regulatory Capitalization
March 31, 2015
(\$ Millions)

<u>No.</u>	<u>Interest %</u> <u>31-Mar</u>	<u>Bond</u>	<u>Maturity</u>	<u>Principal</u> <u>(\$ millions)</u>
1	5.450%	Series HH	04/15/18	250.0
2	5.750%	Series KK	11/15/35	250.0
3	5.125%	Series MM	11/15/40	300.0
4	3.750%	Series NN	09/15/42	350.0
5	4.450%	Series OO	03/15/44	250.0
6	3.150%	Series PP	09/15/24	<u>500.0</u>
Total First Mortgage Bonds				1,900.0
Other Long-Term Debt				
7	4.750%	Swiss Francs	05/14/16	7.5
8	5.670%	Medium Term Note	01/18/28	<u>5.0</u>
Total Other Long-Term Debt				12.5
Long-Term Debt before Unamortized premiums, issue expenses & loss on reacquired debt net of tax				1,912.5
				Unamortized discount less premium (6.6)
				Unamortized issued expense (14.6)
				<u>Unamortized loss on reacquired debt net of tax (7.1)</u>
Total Unamortized Debt				(28.3)
Long-Term Debt net of Unamortized premiums, issue expenses & loss on reacquired debt net of tax				1,884.2
<u>Equity Capital</u>				
Common Stock Equity				2,974.2
Preferred Stock Equity				<u>21.6</u>
Total Equity				<u>2,995.8</u>
Total Regulatory Capitalization				<u><u>4,880.0</u></u>