

**SOUTHERN CALIFORNIA GAS COMPANY  
NOTICE OF PROPOSED RATE INCREASES  
CLIMATE ACTION INITIATIVE  
APPLICATION NO. A.07-08-031**

On August 31, 2007, Southern California Gas Company ("SoCalGas®") and San Diego Gas & Electric Company ("SDG&E®") filed a "Climate Action Initiative" Application (A.07-08-031) with the California Public Utilities Commission (Commission) in support of the State's goals for greenhouse gas ("GHG") reduction set forth in the Global Warming Solutions Act of 2006 (AB 32). The SoCalGas and SDG&E Climate Action Initiative is designed to accelerate development and implementation of cost-effective, technologically feasible and verifiable GHG emission reduction measures. The Climate Action Initiative includes several proposed measures which are organized into four areas: (1) clean energy facilities; (2) clean transportation initiatives; (3) utility clean fleet, facilities and infrastructure programs; and, (4) customer programs and assistance.

**EFFECT ON GAS RATES AND BILLS**

SoCalGas proposes that 2009 be the first year that rates are increased to recover program costs proposed in this application. The rate changes below are for illustrative purposes only to show the average rate and typical bill impacts of this Climate Action Initiative filing and not for purposes of predicting 2009 rates. If the Commission approves this request, a residential customer's average monthly bill of 46 therms per month of gas usage would increase by 9 cents per month, from \$52.22 to \$52.31. The impact on each customer and customer class will vary depending on individual usage and the Commission's final decision.

**SOUTHERN CALIFORNIA GAS COMPANY  
Illustrative Change in Class Average Rates Due to  
Proposed Climate Action Initiative Effective January 1, 2009**

Customer Class	Existing Class Average Rates (¢/therm)	Class Average Rates Reflecting Climate Action Initiative Changes (¢/therm)	Total Rate Change (¢/therm)	Percentage Rate Change (%)
Residential	44.888	45.075	0.19	0.4%
Core C&I	28.352	28.473	0.12	0.4%
NGV	07.883	07.950	0.07	0.9%
Noncore C&I	06.209	06.231	0.02	0.3%
System Total	17.576	17.645	0.07	0.4%

*(Continued on reverse)*

## **THE CPUC MAY HOLD EVIDENTIARY HEARINGS**

The CPUC may hold evidentiary hearings where the parties of record present their proposals in testimony and are subject to cross-examination before an Administrative Law Judge. These hearings are open to the public, but only those who are parties of record can present evidence or cross-examine witnesses during evidentiary hearings. After considering all evidence presented, the Commission will issue a decision. The Commission may approve expenditures that differ from those we request. The actual rates may result in changes greater or less than those described in this notice.

If you would like to participate in the hearings and need assistance, or if you would like to send comments to the Commission, you may write to Commission's Public Advisor's Office, 320 West Fourth St., Suite 500, Los Angeles, CA 90013, or send an e-mail to [public.advisor.la@cpuc.ca.gov](mailto:public.advisor.la@cpuc.ca.gov). Any letters received from you will be circulated to each Commissioner and will become part of the formal correspondence file in this application. In your letter, state that your comments are regarding Application No. 07-08-031. Please indicate if you would like a response to your letter. Otherwise, none will be sent.

## **FOR FURTHER INFORMATION**

You may view a copy of the application at the address listed below or obtain a copy of the application and related exhibits by writing to: Rasha Prince, Southern California Gas Company, 555 W. Fifth St., 14th Floor, Los Angeles, CA 90013-1011. You may also view a copy of the application at the following address:

California Public Utilities Commission 505 Van Ness Ave. San Francisco, CA 94102.

The application is available electronically on the SoCalGas Web site: [www.socalgas.com/regulatory/cpuc.shtml](http://www.socalgas.com/regulatory/cpuc.shtml).

Copies of this insert will be available for viewing and printing on the SoCalGas Web site at [www.socalgas.com/regulatory](http://www.socalgas.com/regulatory).

