

SOUTHERN CALIFORNIA GAS COMPANY NOTICE OF AN APPLICATION TO EXPAND INJECTION CAPACITY OF THE ALISO CANYON NATURAL GAS STORAGE FACILITY AND ANTICIPATED INCREASE IN GAS RATES APPLICATION NO. A.09-09-020

Proposed Project: On September 30, 2009, Southern California Gas Company (SoCalGas®) filed an application (A.09-09-020) with the California Public Utilities Commission (CPUC) for the expansion of the injection capacity of the Aliso Canyon Natural Gas Storage Facility.

Purpose of Project: The Aliso Canyon Natural Gas Storage Injection Capacity Expansion Project is needed to ensure a stable and reliable supply of natural gas within SoCalGas' service area and to develop additional in-state storage resources.

Project Description and Location: SoCalGas will upgrade the existing natural gas injection system by constructing and operating a new compressor station at the Aliso Canyon Storage Facility located in Northridge, California. SoCalGas' activities will take place within the Aliso Canyon facility's existing property boundaries. Additional electrical service upgrades performed by Southern California Edison to support SoCalGas' Injection Capacity Project will also be undertaken. The project will take approximately 30 months to complete at a cost of \$205 million.

If this request is approved, upon full completion of the project, the impact on a residential customer's monthly summer bill for 32 therms of gas will increase by 12 cents/month, from \$29.12 to \$29.24/month. Based on a 12-month period, a residential customer's average monthly bill will increase by 17 cents. The impact on each customer and customer class will vary depending on individual usage and the final decision.

If approved, the proposed costs allocated to each core customer class, and the increase over current costs, is as follows:

Customer Class	Annual \$ (million)	% increase
Residential	\$9.7	0.8%
Commercial/Industrial	\$1.6	0.8%
Other Core	\$0.01	0.05%
Total*	\$11.3	0.08%

*The actual number approved will include fees paid to cities and local governments.

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FOR FURTHER INFORMATION

You may request additional information by writing to: Jeffery Salazar, Southern California Gas Company, 555 W. Fifth St., GT14D6, Los Angeles, CA 90013-1011. SoCalGas' application and attachments may also be inspected at the CPUC office located at 505 Van Ness Ave., San Francisco, CA 94102.

Copies of this application will be available for viewing and printing on the SoCalGas Web site at: www.socalgas.com/regulatory/cpuc.shtml.

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CPUC PROCESS

The CPUC may hold Evidentiary Hearings (EHs) whereby parties of record provide testimony and are subject to cross-examination before a CPUC Administrative Law Judge (ALJ). These hearings are open to the public, but only those who are formal parties of record can participate. The CPUC has its own court reporters who will record the comments of those formal parties of record participating in the EHs. The Division of Ratepayer Advocates (DRA) is an independent arm of the CPUC, created by the Legislature to represent the interests of all utility customers throughout the state to obtain the lowest possible rates for service consistent with reliable and safe service levels. DRA has a multi-disciplinary staff with expertise in economics, finance, accounting and engineering. After considering all proposals and evidence presented during the formal hearing process, the assigned ALJ will issue a proposed draft decision. When the CPUC issues a final decision on the application, it may adopt, amend or modify all or part of the ALJ's proposed decision as written. The CPUC's decision may be different than SoCalGas' formal request.

If you would like additional information or would like to attend these hearings, you can contact the Public Advisor's Office. You may also send your comments to the Public Advisors' address, 320 West 4th St., Ste. 500, Los Angeles, CA 90013 or send an e-mail to: public.advisor.la@cpuc.ca.gov. Any correspondence received will become part of the formal file in this application. Please reference Application No. A.09-09-020 in any correspondence.

**SOUTHERN CALIFORNIA GAS COMPANY
555 WEST FIFTH STREET
LOS ANGELES, CA 90013**