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.

**CPUC PROCESS**

If you wish to comment on this proposed application filing or informally protest this filing as a customer of SoCalGas, you can do so by contacting the CPUC's Public Advisor's Office (PAO). You may also send an email or written comments to the Public Advisors' address, 320 West 4th St., Ste. 500, Los Angeles, CA 90013, or phone 866-849-8390 or send an email to: public.advisor.la@cpuc.ca.gov. All correspondences received will become part of the formal file in this application. Please reference Application No. A.12-07-003 when e-mailing or writing. All comments received by the PAO will be provided to the Commissioners for review.

**SOUTHERN CALIFORNIA GAS COMPANY**

**NOTICE OF FILING REQUESTING APPROVAL OF ITS 2013-2014 ENERGY EFFICIENCY PROGRAMS AND BUDGETS**

**APPLICATION NO. A.12-07-003**

On July 2, 2012, Southern California Gas Company (SoCalGas®) filed a proposed application with the California Public Utilities Commission (CPUC) requesting approval of its 2013-2014 energy-efficiency programs and budgets. The proposed filing is designed to provide energy-efficiency programs and services to SoCalGas customers, help customers reduce their energy usage and achieve the utility's energy savings and demand reduction goals. SoCalGas request approval of funding in the amounts of $27.28 million and $27.19 million for 2013 and 2014, respectively.

If the CPUC approves SoCalGas’ request, SoCalGas will adjust rates to reflect authorization of the program budgets. Gas rates will decrease by $41.62 million in 2013 and decrease by $41.70 million in 2014, as compared to present rates to fully fund the 2013-2014 energy efficiency programs.

(Continued inside)
The present and proposed gas Public Purpose Program Surcharge impacts are shown in the tables below:

**Southern California Gas Company**
**Proposed Gas Public Purpose Program Surcharge Decrease**

2013

<table>
<thead>
<tr>
<th>Customer Class</th>
<th>2012 ¢/th (a)</th>
<th>2013 ¢/th (b)</th>
<th>Change ¢ (c)</th>
<th>%  (d)</th>
</tr>
</thead>
</table>
| Core Residential     | 8.231        | 7.568         | -0.663       | -8.1%
| Commercial/Industrial| 6.983        | 4.755         | -2.228       | -31.9%
| Natural Gas Vehicle  | 3.104        | 3.104         | 0.000        | 0.0%
| Noncore Commercial/Industrial | 3.520 | 3.296 | -0.224 | -6.4% |

2014

<table>
<thead>
<tr>
<th>Customer Class</th>
<th>2012 ¢/th (a)</th>
<th>2014 ¢/th (b)</th>
<th>Change ¢ (c)</th>
<th>%  (d)</th>
</tr>
</thead>
</table>
| Core Residential     | 8.231        | 7.566         | -0.665       | -8.1%
| Commercial/Industrial| 6.983        | 4.751         | -2.232       | -32.0%
| Natural Gas Vehicle  | 3.104        | 3.104         | 0.000        | 0.0%
| Noncore Commercial/Industrial | 3.520 | 3.295 | -0.225 | -6.4% |

The average monthly residential bill of 38 therms will change from $35.69 at present rates to $35.43 in 2013 and $35.43 in 2014. This represents a 0.7% decrease over the two-year program period.

FOR FURTHER INFORMATION

You may request additional information or obtain a copy of the application and related exhibits by writing to: J. Yamagata, Southern California Gas Company, 8330 Century Park Court, CP32D, San Diego, CA 92123. This application may be inspected at SoCalGas's business office, 555 West 5th St., Los Angeles, CA 90013.

Copies of this application and of this insert are available on the SoCalGas website at socalgas.com/regulatory/cpuc.shtml

Copies of this insert will be available for viewing and printing on the SoCalGas website at socalgas.com/my-account/regulatory.shtml

EVIDENTIARY HEARINGS

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 (Continued on back)