

SOUTHERN CALIFORNIA GAS COMPANY

NOTICE OF FILING OF LOW-INCOME PROGRAM APPLICATION NO. A.11-05-018

On May 16, 2011, Southern California Gas Company (SoCalGasSM) filed with the California Public Utilities Commission (CPUC or Commission) its request for approval of proposed funding of Program Years 2012-2014 for the Energy Savings Assistance Program and administrative costs associated with the California Alternate Rates for Energy Program (CARE). These programs are directed at assisting qualified low-income customers with their energy bills and helping customers use energy more efficiently. SoCalGas seeks approval of funding in the amounts of \$107.901 million, \$89.869 million and \$92.043 million for 2012, 2013 and 2014, respectively.

If the Commission approves the 2012-2014 Energy Savings Assistance and CARE proposed program budgets, SoCalGas will adjust rates to reflect authorization of increased costs. Gas rates will increase by \$23.299 million in 2012, by \$6.144 million in 2013 and by \$9.568 million in 2014, compared to present rates to fully fund the 2012-2014 programs authorized by the Commission. SoCalGas requests that the proposed gas rate and revenue requirement increase become effective on January 1, 2012, or as soon thereafter as possible.

The tables inside show the 2012-2014 gas rate impacts compared to present rates for only the proposed Public Purpose Program (PPP) surcharge portion of the total bill.

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**Southern California Gas
Low-Income Programs – Gas
PPP Surcharge Class Average Rate Changes
2012**

Customer Class	CARE CUSTOMERS			NON-CARE CUSTOMERS		
	2011 ¢/th	2012 ¢/th	% Change %	2011 ¢/th	2012 ¢/th	% Change %
(a)	(b)	(c)	(d)	(e)	(f)	(g)
Core						
Residential	4.611	5.484	18.9%	7.687	8.599	11.9%
Commercial/ Industrial	3.734	3.734	0.0%	6.809	6.849	0.6%
Natural Gas Vehicle	N/A	N/A	N/A	3.076	3.115	1.3%
Noncore						
Commercial/ Industrial	N/A	N/A	N/A	3.476	3.516	1.1%

**Southern California Gas
Low-Income Programs – Gas
PPP Surcharge Class Average Rate Changes
2013**

Customer Class	CARE CUSTOMERS			NON-CARE CUSTOMERS		
	2011 ¢/th	2013 ¢/th	% Change %	2011 ¢/th	2013 ¢/th	% Change %
(a)	(b)	(c)	(d)	(e)	(f)	(g)
Core						
Residential	4.611	4.767	3.4%	7.687	7.900	2.8%
Commercial/ Industrial	3.734	3.734	0.0%	6.809	6.867	0.9%
Natural Gas Vehicle	N/A	N/A	N/A	3.076	3.134	1.9%
Noncore						
Commercial/ Industrial	N/A	N/A	N/A	3.476	3.534	1.7%

**Southern California Gas
Low-Income Programs – Gas
PPP Surcharge Class Average Rate Changes
2014**

Customer Class	CARE CUSTOMERS			NON-CARE CUSTOMERS		
	2011 ¢/th	2014 ¢/th	% Change %	2011 ¢/th	2014 ¢/th	% Change %
(a)	(b)	(c)	(d)	(e)	(f)	(g)
<u>Core</u>						
Residential	4.611	4.850	5.2%	7.687	8.020	4.3%
Commercial/ Industrial	3.734	3.734	0.0%	6.809	6.904	1.4%
Natural Gas Vehicle	N/A	N/A	N/A	3.076	3.171	3.1%
<u>Noncore</u>						
Commercial/ Industrial	N/A	N/A	N/A	3.476	3.571	2.7%

The average monthly residential bill of 38 therms will change from \$39.01 at present rates to \$39.36 in 2012, \$39.09 in 2013 and \$39.14 in 2014, respectively. This represents a 0.3% increase over the three-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 the SoCalGas
business office, 555 West 5th St., Los Angeles, CA 90013.

SoCalGas' application and attachments may also be inspected at the CPUC office located at
320 West Fourth St., Suite 500, Los Angeles, CA 90013.

Copies of this application and of this insert are available on the SoCalGas Web site at 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.

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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 SDG&E's 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 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. Any correspondence received will become part of the formal file in this application. Please reference Application No. A.11-05-018 in any correspondence.

