SOUTHERN CALIFORNIA GAS COMPANY NOTICE OF PROPOSED RATE INCREASE ADVANCED METER OPT-OUT PROGRAM APPLICATION NO. A.12-05-016

On May 11, 2012, Southern California Gas Company (SoCalGas®) filed its Advanced Meter Opt Out Program Application No. A.12-05-016 ("Application") with the California Public Utilities Commission (CPUC) to revise its rates to offer <u>residential</u> customers the voluntary opportunity to opt-out of SoCalGas' Advanced Meter program. Those residential customers who elect to opt-out of the Advanced Meter program will be charged the following interim charges. There is no cost impact to customers who choose not to participate in the Advanced Meter opt-out program.

For Non-CARE Customers:
Initial Fee \$75.00
Monthly Charge
\$10.00/month

For CARE Customers: Initial Fee \$10.00 Monthly Charge \$5.00/month

IMPACT ON RESIDENTIAL BILLS

If the CPUC approves the proposed request by SoCalGas, and the customer elects to opt-out of SoCalGas' Advanced Meter program, a typical monthly bill for a residential non-CARE customer using 38 therms per month will increase 27.3 percent from \$36.66 at present rates to \$46.66.⁽¹⁾ ⁽²⁾



The impact for the same customer participating in the CARE Program will be an increase of 17.4 percent from \$28.78 at present rates to \$33.78. $^{(1)}$ (2)

 These monthly bill estimates include charges for transportation, Public Purpose Program Surcharges and natural gas commodity and BTS which is included in the commodity charge.

(2) In addition to the monthly charge, there is a one-time Initial Fee of \$75.00 for Non-CARE and \$10.00 for CARE customers, which is not included in these monthly bill estimates.

The impact on each customer could vary depending on individual usage and the Commission's final decision.

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: Gregory Healy, Southern California Gas Company, 555 W. Fifth St., GT14D6, Los Angeles, CA 90013-1011.

The application is available electronically on the SoCalGas Web site: socalgas.com/regulatory/cpuc.shtml.

Copies of this insert will be available for viewing and printing on the SoCalGas Web site at socalgas.com/regulatory.

You may also view a copy of the application at the CPUC's Central Files Office, 505 Van Ness Ave., San Francisco, CA between 8:00 a.m. and noon daily.

EVIDENTIARY HEARINGS

The CPUC may hold evidentiary hearings whereby the parties of record present their proposals in 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 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 this 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. If you wish to provide public comments regarding this application filing you can write to the CPUC's Public Advisor's Office (PAO), 505 Van Ness Ave., San Francisco, CA 94102, or by email at public.advisor.la@cpuc.ca.gov. Any correspondence received will become part of the formal file in this application. Please reference Application No. A.12-05-016 in any correspondence. You may also call the Public Advisor's Office toll free at 1-866-849-8390. Please indicate if you would like a response to your letter. Otherwise, none will be sent.