

Re: Southern California Gas Company (SoCalGas®), Policy Change Effective 4/15/11

Dear Building Community:

The California Advanced Homes Program (CAHP) is funded by California investor-owned utility customers and is administered by the utilities in each of their service territories. The four investor-owned utilities in California are: Pacific Gas & Electric; Southern California Edison; Southern California Gas Company (SoCalGas) and San Diego Gas & Electric[®] (SDG&E). This program promotes energy efficiency in newly constructed homes based on their performance beyond Title 24 standards.

Due to this funding arrangement, CAHP projects that receive natural gas service from SoCalGas and electric service from a local municipality are ineligible to receive energy-efficiency incentives for electric savings through CAHP. In order to receive incentives for natural gas savings <u>and</u> electric savings, the project must be serviced by SoCalGas and Southern California Edison. Projects served by both of these utilities are eligible due to an energy savings agreement between these two investor owned utilities.

For projects where the natural gas is provided by SoCalGas and electricity is provided by Pacific Gas & Electric or San Diego Gas & Electric, a separate agreement with the electric utility provider is required for electric incentives. Your assigned Account Executive can assist you in contacting SDG&E or PG&E.

For projects where the natural gas is provided by SoCalGas and the electricity is provided by a municipal utility (examples include but are not limited to: Los Angeles Department of Water and Power (LADWP, Anaheim Public Utilities, Riverside Public Utilities and Imperial Irrigation District), <u>only</u> natural gas saving incentives will be available from CAHP.

Electric Utility	Natural Gas Utility	Electric Incentives Available	Natural Gas Incentives Available
Southern California Edison	Southern California Gas Company	Yes	Yes
Municipal Utility	Southern California Gas Company	No	Yes
Pacific Gas & Electric	Southern California Gas Company	Yes*	Yes
San Diego Gas & Electric	Southern California Gas Company	Yes*	Yes

* Requires separate agreement with SDG&E or PG&E

Please contact your assigned Account Executive if you have questions or need additional information. We appreciate your continued participation in CAHP and look forward to working with you in making California a leader in energy-efficient new construction practices.

Sincerely,

hip Fro

Chip Fox Manager, New Construction Southern California Gas Company

To reach a customer service representative call: 1-866-563-2637. Or email us at: NewHomes@socalgas.com