

# SOUTHERN CALIFORNIA GAS COMPANY

## NOTICE OF PROPOSED GAS RATE INCREASE

### APPLICATION NO. A. 03-05-003

On May 1, 2003, Southern California Gas Company (SoCalGas) filed an application with the California Public Utilities Commission (CPUC) requesting an increase in gas rates to pay for shareholder incentives related to performance of SoCalGas' Demand-Side Management (DSM) programs in 1998, and Low-Income Energy Efficiency (LIEE) programs in 2001 and 2002. These programs are CPUC-authorized activities directed at helping customers to use energy more efficiently.

The shareholder incentive award is based upon CPUC-approved formulas that determine shareholder awards and penalties that reflect SoCalGas' performance of these programs in promoting energy savings. If approved, the total incentive award SoCalGas is now requesting will result in an overall increase in gas rates of \$977,000, beginning January 1, 2004.

### WHAT THESE CHANGES WILL MEAN TO CUSTOMERS

If the gas rate increase requested is approved by the CPUC, as of January 1, 2004, the average monthly summer bill of a residential customer consuming 32 therms of gas per month will increase by approximately \$0.01 (one cent) and the average monthly winter bill of a residential customer consuming 70 therms of gas per month will increase by approximately \$0.02 (two cents). The change in gas rates will be spread across customer classes as follows:

### PROPOSED GAS RATE INCREASE

Customer Class	Proposed	Percentage	Proposed	Percentage
	Rate Increase (cents/therm)	Rate Increase	Revenue Increase (\$000)	Revenue Increase
<b>CORE<sup>1</sup></b>				
Residential	\$0.03	0.07%	\$736	0.07%
Commerical/Industrial	\$0.03	0.10%	\$241	0.10%
<b>NONCORE<sup>2</sup></b>				
Commerical/Industrial	0.00	0.00	0.00	0.00
Electric Generation	0.00	0.00	0.00	0.00
Wholesale	0.00	0.00	0.00	0.00
International	0.00	0.00	0.00	0.00
PPP Surcharge	0.00	0.00	0.00	0.00

SoCalGas requests that the proposed gas rate and revenue requirement increase become effective on January 1, 2004, or as soon thereafter as possible.

<sup>1</sup> Core Customers are customers that generally use less than 20,800 therms of gas per month.

<sup>2</sup> Noncore Customers are customers that generally use more than 20,800 therms of gas per month.

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### THE CPUC MAY HOLD EVIDENTIARY HEARINGS

The CPUC may hold evidentiary hearings on this application. At the hearings, SoCalGas, the CPUC's independent Office of Ratepayer Advocates (ORA) and other interested parties give testimony. Parties may offer proposals to the CPUC that differ from those SoCalGas presents.

After considering all evidence presented, the CPUC will issue a decision on this application. The actual rates approved by the CPUC may be different from those originally requested by SoCalGas.

### EVIDENTIARY HEARINGS ARE OPEN TO THE PUBLIC

If you wish to participate in the evidentiary hearings and need advice on how to do so, if you would like to receive information on the location and schedule of the evidentiary hearings or if you would like to submit written comments, please write to the CPUC's Public Advisor at the following address:

Public Advisor, California Public Utilities Commission  
320 West 4th Street, Suite 500, Los Angeles, CA 90013

E-mail: [public.advisor.la@cpuc.ca.gov](mailto:public.advisor.la@cpuc.ca.gov)

Mention that you are writing about Application No. A. 03-05-003. The Public Advisor will give your letter to the Commissioners, ORA staff and the Administrative Law Judge assigned to the case. Your letter will become part of the formal correspondence file. If you have a question or need further information, please state in your letter that you would like a response. Otherwise, no reply will be sent.

### FOR FURTHER INFORMATION

For further information about this application, or to request a copy of the application and attachments, you may write to: Joy Yamagata, Regulatory Manager for Southern California Gas Company, 8330 Century Park Court, San Diego, CA 92123-1550.

You may also view a copy of the application at SoCalGas' headquarters, located at: 555 West Fifth Street, Los Angeles, CA 90013-1011. The application may also be inspected at the CPUC offices located as follows:

In San Diego at:	In Los Angeles at:	In San Francisco at:
1350 Front Street Room 4006 San Diego, CA 92101	320 West 4th Street Suite 500 Los Angeles, CA 90013	505 Van Ness Avenue San Francisco, CA 94102

Copies of this insert will be available for viewing and printing on the SoCalGas Web site at [www.socalgas.com/regulatory](http://www.socalgas.com/regulatory).



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