

**NOTICE OF PUBLIC MEETINGS
REGARDING PROPOSED RATE INCREASE
SOUTHERN CALIFORNIA GAS COMPANY
(APPLICATION NO. 02-12-027)**

The California Public Utilities Commission (Commission) is currently reviewing SoCalGas' costs for providing gas service. SoCalGas is requesting an increase to its currently authorized rates. To justify its request, SoCalGas has presented an estimate of its costs in a formal Commission proceeding, called a "Cost of Service" Application. In this application, various interested parties may participate and present their own testimony and legal arguments addressing SoCalGas' cost of service. The Commission will adopt reasonable rates for SoCalGas in 2004.

The Commission will hold a series of Public Participation Hearings on the SoCalGas application.

A major portion of SoCalGas' costs will be considered in this application, such as costs of providing natural gas transmission, distribution, and underground storage service, operating and maintenance expenses, depreciation expenses, taxes and return on invested capital (but not the cost of the natural gas itself).

SoCalGas also proposes a formula for adjusting its rates in 2005 through 2008 to reflect the impacts of inflation less improved productivity, and growth in number of customers. The Commission will consider this proposal in a later phase of the application.

SOCALGAS' REQUEST

SoCalGas requests a gas rate increase of \$130 million, or 8.5%. If the full request were to be approved by the Commission, the increase in an average residential monthly bill would be \$1.69. The Commission may adopt reasonable rates that differ from SoCalGas' request.

PUBLIC PARTICIPATION HEARINGS

The Public Participation Hearings are scheduled for the times and places listed below. Consumer Services representatives from SoCalGas will be present at each site to assist with individual customer billing and service concerns. These hearings will be facilitated by a Commission Administrative Law Judge or Commissioner, with oral comments accepted from the public on the record.

The following locations are all wheelchair-accessible. If you need interpreters for language or for the hard of hearing, please contact the Public Advisor's Office at the following numbers at least five working days in advance of the meeting date:

Telephone: (415) 703-2074. Toll-free: 1-866-849-8390.

TTY toll-free: 1-866-836-7825. Regular TTY: (415) 703-5282.

Van Nuys
2:00 p.m.
Wed., August 27, 2003
Marvin Braude Constituent
Service Ctr.
6262 Van Nuys Blvd., Room 1-B
Van Nuys, CA 91401

El Monte
7:00 p.m.
Wed., August 27, 2003
El Monte City Hall Council Chamber
11333 Valley Blvd.
El Monte, CA 91731

Carson
2:00 p.m.
Thurs., August 28, 2003
Carson City Hall Council Chamber
701 E. Carson St.
Carson, CA 90745

San Bernardino
2:00 p.m.
Tues., Sept. 9, 2003
San Bernardino Public Library
Kellogg Room A & B
555 West 6th Street
San Bernardino, CA 92410

A member of the Commission's Public Advisor's Office will be at all meetings to assist you. If you would like more advice on how to participate at these public meetings, or if you would like to submit written comments about the Application, please contact:

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

Or via e-mail to Public.advisor.la@cpuc.ca.gov

You can obtain more information about this application from SoCalGas by writing to Ron van der Leeden, Regulatory Affairs Department, Southern California Gas Company, 555 West Fifth Street, Los Angeles, CA 90013-1011. You may view a copy of SoCalGas' application at the same address, or at the CPUC's Los Angeles office at the address listed above. In addition, you may view the application electronically on SoCalGas' Web site at: www.socalgas.com/regulatory.

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

Se llevarán a cabo audiencias públicas respecto a una propuesta de aumento de tarifas. Si desea mayor información acerca de estas audiencias, por favor llame a SoCalGas al 1-800-342-4545.

