



A  Sempra Energy[®] utility



Los Angeles County Sustainability Summit

Metro – May 28, 2008

David Stevens
Southern California Gas Company

This information is provided solely for informational purposes. Although Southern California Gas Co. (SoCalGas) has used reasonable efforts to assure its accuracy, no representation is made that the contents are free from error or suitable for use for any particular purpose. SoCalGas assumes no responsibility for use of, or reliance on, this information by any party, and specifically advise such parties to discuss any decisions or actions related hereto with their own advisors and experts. (PPT-IR1/092507)



Our Past

“To waste, to destroy our natural resources, to skin and exhaust the land instead of using it so as to increase its usefulness, will result in undermining in the days of our children the very prosperity which we ought by right to hand down to them amplified and developed.”
~*Theodore Roosevelt (1907)*

Our Present

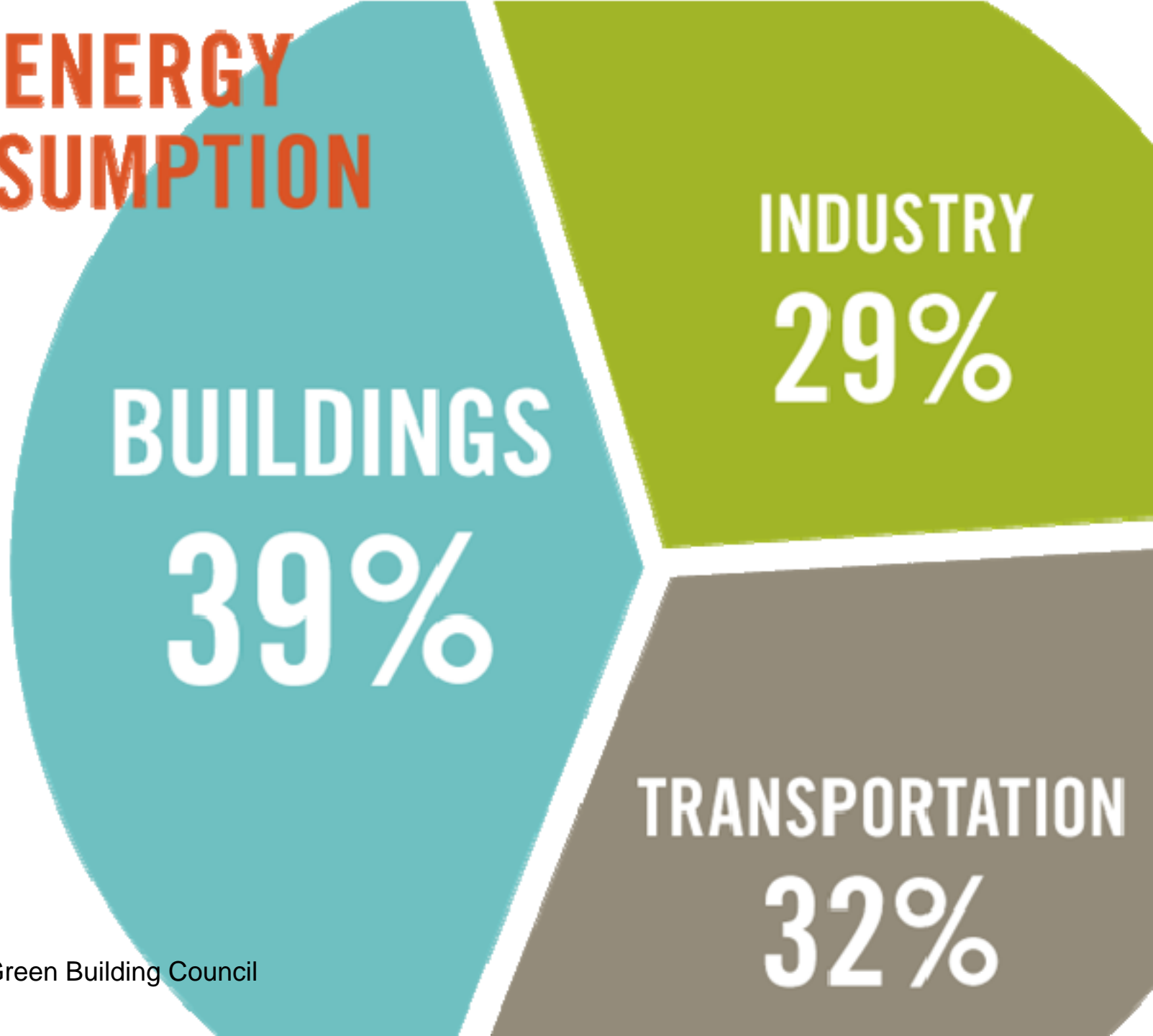
“There is a simple rule about the environment. If there is waste or pollution, someone along the line pays for it.”
~ *Lee Scott, Chief Executive, Wal-Mart (October 2005)*

“Sustainability is about profit...it is the opportunity of the century” ~ *Ben Clarke, Kraft Foods (2008)*

Our Future?

"We could have saved the Earth but we were too damned cheap." ~*Kurt Vonnegut, Jr.*

U.S. ENERGY CONSUMPTION



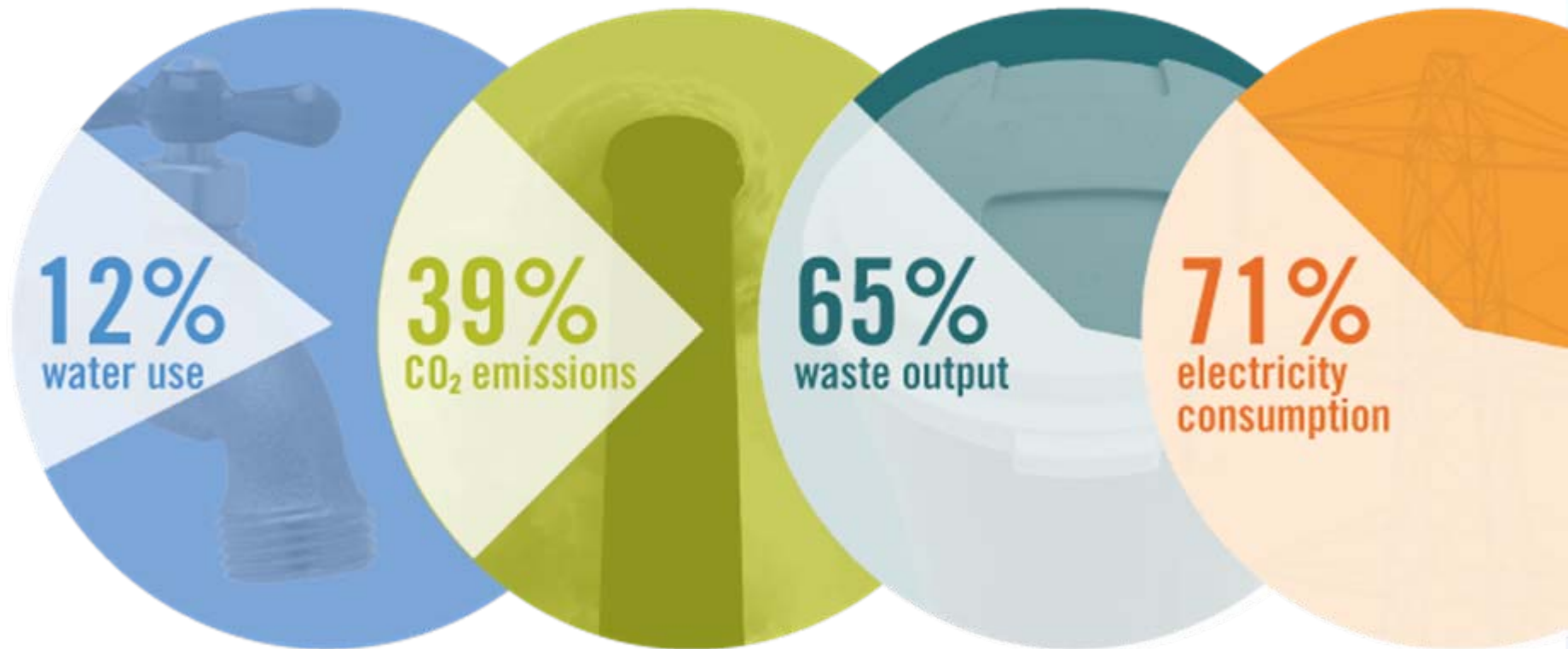
BUILDINGS
39%

INDUSTRY
29%

TRANSPORTATION
32%

Source: US Green Building Council

U.S. Building Impacts:



Source: US Green Building Council

Under Pressure to Improve Your Bottom Line?



We can help!

Energy efficiency makes economic sense based on forecasted energy cost and increasing operating expenses. Let us be your source for smart ideas to save money and energy.

Expanded Cash Rebates, Incentives & Services



The Gas Company is now offering a package of rebates and incentives that could amount to more than \$1.2 million per customer, per year.

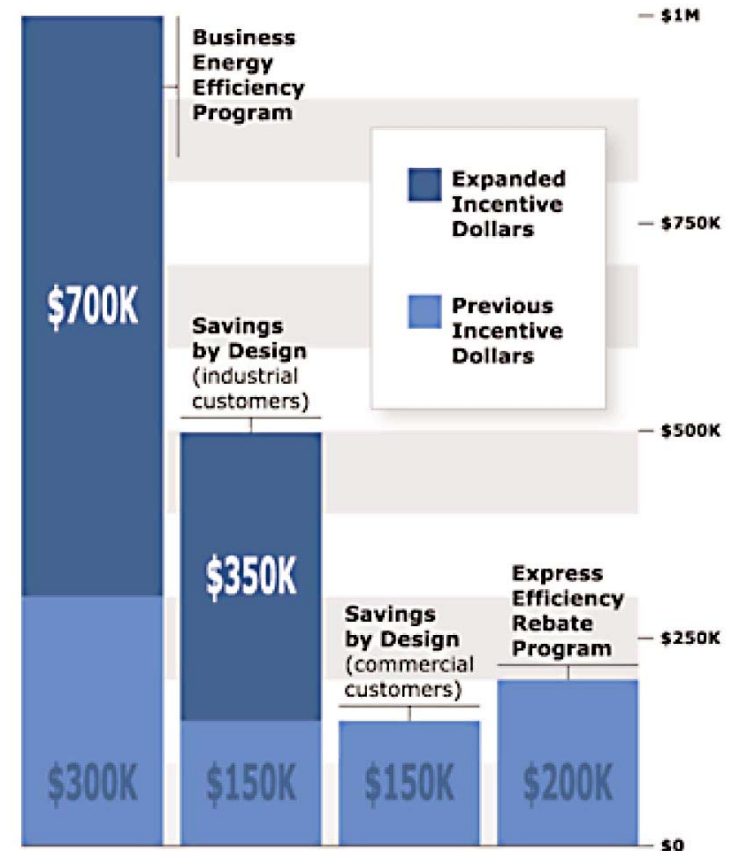
- Cash Rebates:
- Express Efficiency
 - Food Service

Energy Efficiency Incentives:

- Business Energy Efficiency Program
- Savings By Design
- Design Assistance

Free Services:

- On Site Energy Assessment
- Account Executives & Trained Technicians
- Training, Education & Equipment Seminars



Earlier this year, two programs were expanded by the amounts shaded in dark blue.

Express Efficiency (Cash Rebates)



It's easy, it's fast. Our most popular business rebate program offers cash rebates up to \$200,000 per business customer, per year.

- Steam Traps – up to \$200 per unit
- Pipe Insulation – up to \$3 per linear ft.
- Tank Insulation – up to \$4 per sq. ft.
- Process Boiler - \$.50 per MBtuh
- Direct Contact Water Heater - \$2.00 per MBtuh
- Commercial (Hot Water) Boiler - \$.50 per MBtuh
- Space Heating Boiler - \$.25 per MBtuh
- Instantaneous Water Heater – up to \$2 per MBtuh
- Storage Water Heater - \$2 per MBtuh
- Commercial Pool Heaters - \$2 per MBtuh
- Greenhouse Heat Curtains - \$.20 per sq. ft.
- Greenhouse Infrared Film - \$.03 per sq. ft.



Washer used in a
per unit

Commercial Food Service Cash Rebate Program



Cash rebates on over 130 pieces of qualifying commercial food service equipment.

- Rebates up to \$25k per account, per year
- Rebates— Up to \$2,000 per unit

Commercial Food Service Equipment Rebate Measures for 2007	
Double Rack Ovens - \$2,000	Commercial Fryers - \$500
Single Rack Ovens - \$1,000	Large Vat Fryers - \$500
Combination Ovens - \$750	Convection Ovens - \$500
Pressureless Steamers - \$750	Griddles - \$125



Visit:
socalgas.com/foodservice

Business Energy Efficiency Program For All Business Customers



This program is designed to help businesses save money and energy. This incentive program requires involvement of The Gas Company from the beginning of the process, up to \$1 million per premise, per year for the following types of projects:

- Equipment replacement
- Process improvements
- Large industrial projects
- Custom engineering algorithms calculate energy efficiency and



A Sempra Energy utility®

Customer Success Story

Company: All American Asphalt
Location: Irvine
Project: Equipment modernization & replacement
Incentives: \$27,688
Gross therm savings: 440,000/yr
Annual energy savings: More than \$220,000

Location: Irvine

Project: Equipment modernization & replacement

Incentives: \$27,688

Gross therm savings: 440,000/yr

Annual energy savings: More than

\$220,000

Equipment Replacement or Process Improvements



Replace equipment or improve your existing process
Incentives up to \$1 million per customer, per year

- Custom engineering algorithms calculate energy efficiency which determine incentive paid

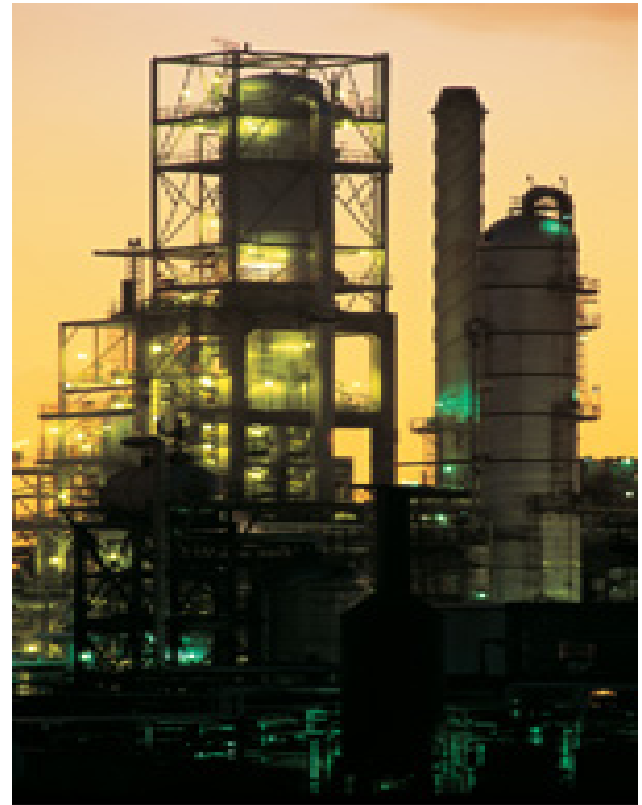




Targets largest non-core customers

Refineries & Industrial Giants

- Maximum \$1 million per premise, per year
- Requirements begin for projects saving at least 200,000 therms
- Certified engineering studies required to participate
- Measurement & validation of savings required



New Construction & Facility Expansion Incentives



Energy Analysis + Financial Incentives + Energy Savings = Savings By Design

Savings By Design is an energy efficiency program for C&I customers considering:

- Facility Expansion – example: a new process line (non-replacement)
- A new facility
- New equipment (non-replacement)

- Incentives up to \$150k per commercial customer and up to \$500,000 per industrial customer, per year. Customers may qualify for multiple projects in a year.

- Design assistance and incentives for new construction projects exceeding minimum standards.

Benefits:

- Custom energy analysis for your project
- Incentive of \$0.60 per therm saved annually
- Up to \$500,000 or 50% of the incremental cost (whichever is less)



Example: New production line – food processing facility

Industrial End User Program On Site Inspection & Analysis

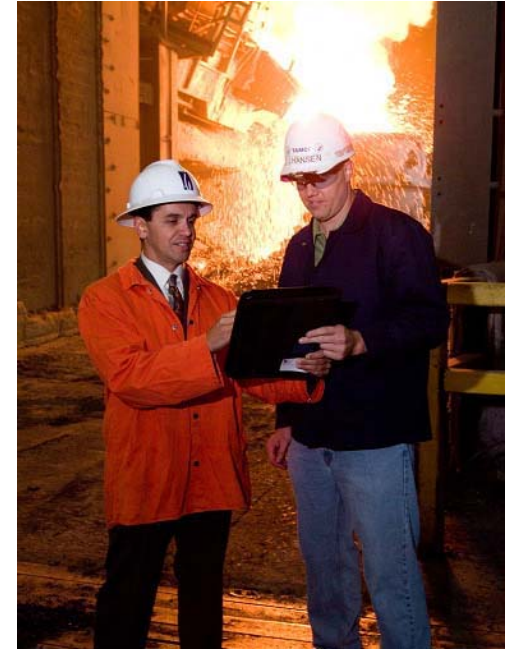


Provides large customers with on-site energy efficiency analysis. Resulting efficiency maximization report provides recommended facility upgrades/improvements in order to achieve therm savings and maximize production efficiency.

Details: Site analysis report provided to customer within

60 days

- Directs customer to appropriate incentive/rebate opportunities
- Resulting analysis can shorten management decision making and speed M&V process
- No charge to customer



On-Bill Financing Program



Interest-free, On-Bill Financing for purchase/installation of energy efficiency measures covered by SoCalGas' rebate/incentive programs.

Loan amount: \$5,000 to \$50,000 per meter

Key Program Features

- 0% interest, unsecured
- Reduced rebate/incentive
- Maximum loan term is 5 years
- Monthly loan payment billed on customer's utility

Target Markets

- Non-residential customers (including government)
- Owners of Multifamily units who do not reside on premises

Customer Eligibility

- Active accounts for past two years
- No disconnect notices in past 12 months
- No deposit pending or on hand



On-Bill Financing Program:
Up to \$5MM of loan funds
available in 2007.

Energy Resource Center Downey, California



The Energy Resource Center is your energy efficiency partner. The building is an award-winning model of energy-efficient, environmentally friendly technologies. And an array of practical seminars, demonstrations and consulting services can help businesses find the most cost-effective and energy-efficient solutions to their energy needs.



Would You Like More Information?



Please utilize the following resources:

Account Executives

Gas Service Techs

Public Affairs Manager

www.socalgas.com/energyefficiency

1-800-GAS-2000

Save Energy. Save money.



Please let us help you improve your bottom line.

Thank you.

David Stevens

562-803-7435

dstevens@semprautilities.com

www.socalgas.com