APPLICATION OF SOUTHERN CALIFORNIA GAS COMPANY

FOR A GAS FRANCHISE PURSUANT TO THE PROVISIONS OF DIVISION 3, CHAPTER 2 OF THE PUBLIC UTILITIES CODE OF THE STATE OF CALIFORNIA, KNOWN AS THE FRANCHISE ACT OF 1937.

To the City Council of Pasadena, California

The undersigned applicant hereby makes an application, under and pursuant to the provisions of Division 3, Chapter 2 of the Public Utilities Code of the State of California, for a franchise, and, in compliance with the provisions of Section 6231 thereof, states:

- (a) The name of the applicant is Southern California Gas Company. The applicant is a corporation organized and existing under and by virtue of the laws of the State of California and engaged as a public utility corporation in transmitting and distributing gas for all purposes to consumers in various municipalities and communities in the State of California, including the City of Pasadena.
- (b) The purpose for which the franchise herein applied for is desired to construct, maintain, and use facilities or equipment for transmitting and distributing gas for all purposes under, along, across or upon the public streets, ways, alleys, and places in the City, as the same now or may hereafter exist with the City of Pasadena.
- (c) The term for which the franchise herein applied for is twenty (20) years.
- (d) The applicant, if granted the franchise herein applied for, will pay to the City of Pasadena during the life of such franchise, a sum equal to two per cent (2%) of the total gross revenues received by the Grantee in the operation of its business of conducting, conveying, transporting, supplying, distributing and selling gas to the City and its inhabitants within the City per calendar year, or fractional year, during the term of this franchise; provided, however, that such payment shall in no event be less than two percent (2%) of the gross annual receipts of the Grantee derived from the use, operation or possession of this franchise. Said total gross revenue shall include all gross sales of gas and operating revenue received by the Grantee each calendar year or fractional calendar year, attributable to the area within the City.

SOUTHERN, CALIFORNIA GAS COMPANY

Rodger R. Schwecke Senior Vice President

Gas Transmission, Storage & Engineering