

Registration No. 333-70654

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

AMENDMENT NO. 1

TO
FORM S-3
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

Southern California Gas Company
(Exact name of registrant as specified in its charter)

California
(State or other jurisdiction of
incorporation or organization)

1240705
(I.R.S. Employer
Identification)

555 West Fifth Street
Los Angeles, California 90013-1011
(213) 244-1200

(Name, address, including zip code, and telephone number, including area code,
of each registrant's principal executive offices)

Copies to:
John R. Light, Esq.
Sempra Energy
Executive Vice President and General Counsel
101 Ash Street
San Diego, California 92101
(619) 696-2034

Approximate date of commencement of proposed sale to the public: From time
to time after the registration statement becomes effective, as determined by
market and other conditions.

If the only securities being registered on this Form are being offered
pursuant to dividend or interest reinvestment plans, please check the following
box.

If any of the securities being registered on this Form are to be offered on
a delayed or continuous basis pursuant to Rule 415 under the Securities Act of
1933, other than securities offered only in connection with dividend or
interest reinvestment plans, check the following box.

If this Form is filed to register additional securities for an offering
pursuant to Rule 462(b) under the Securities Act, please check the following
box and list the Securities Act registration statement number of the earlier
effective registration statement for the same offering.

If this Form is a post-effective amendment filed pursuant to Rule 462(c)
under the Securities Act, check the following box and list the Securities Act
registration statement number of the earlier effective registration statement
for the same offering.

If delivery of the prospectus is expected to be made pursuant to Rule 434,
please check the following box.

CALCULATION OF REGISTRATION FEE

Title of each class of securities Amount to be Proposed maximum aggregate Amount of

to be registered	registered(1)(2)	offering price(2)(3)	Registration Fee
First Mortgage Bonds....	\$350,000,000	\$350,000,000	\$87,500(4)

- (1) In United States dollars or the equivalent thereof in any other currency, composite currency or currency unit as shall result in an aggregate initial offering price for all bonds of \$350,000,000.
- (2) This amount represents the principal amount of any bonds issued at their stated principal amount and the issue price of any bonds issued at a discount from the stated principal amount.
- (3) Estimated solely for the purpose of calculating the registration fee, which is calculated in accordance with Rule 457(o) of the rules and regulations under the Securities Act of 1933.
- (4) The company has previously paid a registration fee of \$87,500 with the initial filing of this registration statement on October 1, 2001.

The registrant hereby amends this registration statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until this registration statement shall become effective on such date as the Securities and Exchange Commission, acting pursuant to said Section 8(a), may determine.

STATEMENT PURSUANT TO RULE 429(b)

The prospectus contained in this registration statement is a combined prospectus that covers the first mortgage bonds of the Registrant heretofore covered by Registration Statement on Form S-3, File No. 333-59404 as filed on March 12, 1993 in the aggregate principal amount of \$575,000,000. Registrant is carrying forward first mortgage bonds of \$175,000,000 in aggregate principal amount, and the applicable filing fee, that were previously registered under the Registrant's Registration Statement on Form S-3, File No. 33-59404 filed on March 12, 1993.

+++++
+The information in this preliminary prospectus is not complete and may be +
+changed. We may not sell these securities until the registration statement +
+filed with the Securities and Exchange Commission is effective. This +
+preliminary prospectus is not an offer to sell these securities and it is not +
+soliciting an offer to buy these securities in any state where the offer or +
+sale is not permitted. +
+++++

SUBJECT TO COMPLETION, DATED OCTOBER 18, 2001

PRELIMINARY PROSPECTUS

\$350,000,000

SOUTHERN CALIFORNIA GAS COMPANY

First Mortgage Bonds

We may offer and sell first mortgage bonds ("bonds") from time to time in one or more offerings. This prospectus provides you with a general description of the bonds we may offer.

Each time we sell bonds we will provide a supplement to this prospectus that contains specific information about the offering and the terms of the bonds. The supplement may also add, update or change information contained in this prospectus. You should carefully read this prospectus and the accompanying prospectus supplement before you invest in any of our bonds.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus. Any representation to the contrary is a criminal offense.

The date of this prospectus is , 2001

TABLE OF CONTENTS

	Page
ABOUT THIS PROSPECTUS.....	1
FORWARD-LOOKING STATEMENTS.....	2
WHERE YOU CAN FIND MORE INFORMATION.....	3
SOUTHERN CALIFORNIA GAS COMPANY.....	4
USE OF PROCEEDS.....	4
RATIO OF EARNINGS TO FIXED CHARGES.....	4
DESCRIPTION OF FIRST MORTGAGE BONDS.....	5
GLOBAL SECURITIES.....	17
PLAN OF DISTRIBUTION.....	20
EXPERTS.....	21
VALIDITY OF THE BONDS.....	21

ABOUT THIS PROSPECTUS

This prospectus is part of a "shelf" registration statement that we filed with the United States Securities and Exchange Commission, or the "SEC." By using a shelf registration statement, we may sell up to \$350,000,000 aggregate principal amount of bonds, determined based upon the issue price at stated principal or at a discount from stated principal, from time to time and in one or more offerings. This prospectus only provides you with a general description of the bonds that we may offer. Each time we sell bonds, we will provide a supplement to this prospectus that contains specific information about the terms of the bonds. The supplement may also add, update or change information contained in this prospectus. Before purchasing bonds, you should carefully read both this prospectus and the accompanying prospectus supplement, together with the additional information described under the heading "Where You Can Find More Information."

You should rely only on the information contained or incorporated by reference in this prospectus and in any prospectus supplement. We have not authorized any other person to provide you with different information. If anyone provides you with different or inconsistent information, you should not rely on it. We will not make an offer to sell the bonds in any jurisdiction where the offer or sale is not permitted. You should assume that the information appearing in this prospectus and the accompanying prospectus supplement is accurate as of the date on their respective covers. Our business, financial condition, results of operations and prospects may have changed since that date.

FORWARD-LOOKING STATEMENTS

This prospectus, any accompanying prospectus supplement and the documents they incorporate by reference may contain statements that are not historical fact and constitute forward-looking statements. When we use words like "believes," "expects," "anticipates," "intends," "plans," "estimates," "may," "should" or similar expressions, or when we discuss our strategy or plans, we are making forward-looking statements. Forward-looking statements are not guarantees of performance. They involve risks, uncertainties and assumptions. Our future results may differ materially from those expressed in these forward-looking statements. These statements are necessarily based upon various assumptions involving judgments with respect to the future and other risks, including, among others:

- . national, international, regional and local economic, competitive, technological, political, legislative and regulatory conditions and developments;
- . actions by the California Public Utilities Commission, the California State Legislature and the Federal Energy Regulatory Commission;
- . the financial condition of other natural gas distribution companies and investor-owned utilities;
- . capital market conditions, inflation rates, exchange rates and interest rates;
- . decisions by rating agencies regarding our debt ratings;
- . energy markets, including the timing and extent of changes in commodity prices;
- . weather conditions;
- . business, regulatory and legal decisions;
- . the actions by federal, state and regulatory officials affecting deregulation of retail natural gas delivery both in California and in other energy markets;
- . the timing and success of business development efforts; and
- . other uncertainties, all of which are difficult to predict and many of which are beyond our control.

You are cautioned not to rely unduly on any forward-looking statements. These risks and uncertainties are discussed in more detail under "Business" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" in our Annual Report on Form 10-K for the year ended December 31, 2000, our Quarterly Reports on Form 10-Q for the three-month periods ended March 31, 2001 and June 30, 2001, and other documents on file with the SEC. You may obtain copies of these documents as described under "Where You Can Find More Information" in this prospectus.

WHERE YOU CAN FIND MORE INFORMATION

Available Information

We file reports, proxy statements and other information with the SEC. You can inspect and copy information we file with the SEC at the Public Reference Room maintained by the SEC at 450 Fifth Street, N.W., Room 1024, Washington, D.C. 20549. You may also obtain copies of this information by mail from the Public Reference Section of the SEC, 450 Fifth Street, N.W., Room 1024, Washington, D.C. 20549, at prescribed rates. Further information on the operation of the SEC's Public Reference Room in Washington, D.C. can be obtained by calling the SEC at 1-800-SEC-0330. The SEC also maintains a web site that contains reports, proxy statements and other information about issuers, such as us, who file electronically with the SEC. The address of that site is <http://www.sec.gov>.

Certain of our securities are listed on the New York Stock Exchange (NYSE: SCGC5K03, SCGC6H02, SCGC6K25, SCGC7AC23, SCGC7F23 and SCGC8J21), and you may inspect reports, proxy statements and other information concerning us at the office of the New York Stock Exchange at 11 Wall Street, New York, New York 10005.

This prospectus is part of a registration statement that we filed with the SEC. The full registration statement may be obtained from the SEC or from us, as indicated below. Forms of the indentures and other documents establishing the terms of the offered securities are filed as exhibits to the registration statement. Statements in this prospectus about these documents are summaries. You should refer to the actual documents for a more complete description of the relevant matters.

Incorporation by Reference

The rules of the SEC allow us to "incorporate by reference" information into this prospectus, which means that we can disclose important information to you by referring you to another document filed separately with the SEC. The information incorporated by reference is deemed to be part of this prospectus, and later information that we file with the SEC will automatically update and supersede that information. This prospectus incorporates by reference the documents set forth below that have been previously filed with the SEC. These documents contain important information about us.

SEC Filings (File No. 001-01402) -----	Period -----
Annual Report on Form 10-K.....	Year ended December 31, 2000
Quarterly Reports on Form 10-Q.....	Three-month periods ended March 31, 2001 and June 30, 2001

We are also incorporating by reference all additional documents that we file with the SEC pursuant to Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934, as amended, between the date of this prospectus and the termination of the offering of securities described in this prospectus.

We will provide without charge to each person to whom a copy of this prospectus has been delivered a copy of any and all of these filings. You may request a copy of these filings by writing or telephoning us at:

Southern California Gas Company
555 West Fifth Street
Los Angeles, California 90013-1011
Attention: Corporate Secretary
Telephone: (213) 244-1200

SOUTHERN CALIFORNIA GAS COMPANY

We are the nation's largest natural gas distribution utility. We own and operate a natural gas distribution, transmission and storage system supplying natural gas throughout a 23,000-square mile service territory comprising most of southern California and part of central California. We provide natural gas service to residential, commercial, industrial, utility electric generation and wholesale customers through 5.0 million meters in a service area with a population of 18.4 million. We are the principal subsidiary of Pacific Enterprises, which is a subsidiary of Sempra Energy, a California-based Fortune 500 energy services company.

For additional information concerning us, you should refer to the information described under the caption "Available Information" in this prospectus.

Our offices are located at 555 West Fifth Street, Los Angeles, California 90013 and our telephone number is (213) 244-1200. The terms "we," "our" and "us" are used in the document for purposes of convenience and are intended to refer to Southern California Gas Company and/or its subsidiaries, either individually or collectively, as the context may require.

USE OF PROCEEDS

The net proceeds from the sale of the bonds will become part of our general treasury funds and will be applied to the expansion and betterment of our utility plant, to refund and retire indebtedness and to replenish funds previously expended for these purposes.

RATIO OF EARNINGS TO FIXED CHARGES

The following table sets forth the ratio of our earnings to fixed charges for each of the five years in the five-year period ended December 31, 2000 and for each of the six-month periods ended June 30, 2000 and June 30, 2001:

	Year Ended					Six Months	
	December 31,					Ended	
	1996	1997	1998	1999	2000	June 30,	2001
Ratio of Earnings to Fixed Charges.....	4.73	5.46	4.36	6.86	6.11	5.79	5.97

DESCRIPTION OF FIRST MORTGAGE BONDS

The following is a general description of the terms and provisions of the bonds we may offer and sell by this prospectus. The summary is not meant to be a complete description. This prospectus and any accompanying prospectus supplement will contain the material terms and conditions for each series of bonds. The accompanying prospectus supplement may add, update or change the terms and conditions of a particular series of bonds as described in this prospectus.

The indenture gives us authority to set the particular terms of each series of bonds as described in the indenture. Under the indenture, we may decide whether the bonds of a particular series will be redeemable, convertible into shares of stock, bonds, notes or other obligations, issuable as coupon bonds, fully registered bonds without coupons or, if provided in a supplemental indenture, as global securities, and whether the bonds are entitled to the benefits of any purchase, sinking, improvement, renewal or trust fund. For more information about the bonds offered by us, please refer to the indenture between us and U.S. Bank Trust National Association, as trustee, together with the applicable supplemental indentures, relating to the issuance of each series of bonds by us (as supplemented, the "indenture").

The indenture is filed as an exhibit to the registration statement. The indenture is subject to and governed by the Trust Indenture Act of 1939, as amended, and may be supplemented or amended from time to time following its execution. The indenture contains the full legal text of the matters described in this section. Because this section is a summary, it does not describe every aspect of the bonds or the indenture. This summary is subject to and qualified in its entirety by reference to all the provisions of the indenture, including definitions of terms used in the indenture. We also include references in parentheses to particular sections of the indenture. Whenever we refer to particular sections or defined terms of the indenture in this prospectus or in a prospectus supplement, these sections or defined terms are incorporated by reference into this prospectus or in a prospectus supplement. This summary also is subject to and qualified by reference to the description of the terms of a particular series of bonds described in the applicable prospectus supplement.

General

We may issue bonds under the indenture in one or more series, subject to the limitations described below under the caption "Issuance of Additional Bonds." Bonds may be issued in denominations of \$1,000, \$5,000, \$10,000, \$25,000 or multiples of \$25,000. Unless specified otherwise in the applicable prospectus supplement, the bonds will be issued in book-entry form as described under the caption "Global Securities" in this prospectus. Bonds will be payable, exchangeable for bonds of other authorized denominations and transferable at the principal office of the trustee, in San Francisco, California and each place designated for payment, including the Borough of Manhattan, City of New York, New York. (Section 2.01)

Prior to the issuance of each series of bonds, the terms of the particular series of bonds will be determined by the Board of Directors or a committee of directors and specified in a supplemental indenture. We refer you to the applicable prospectus supplement for a description of the following terms of each series of bonds:

- . the title or designation of the bonds;
- . the aggregate principal amount of the bonds in such series;
- . the date or dates on which principal will be payable or how to determine the dates;
- . the rate or rates or method of determining interest, the date from which interest will accrue, the dates on which interest will be payable, which we refer to as the "interest payment dates," and any record dates for the interest payable on the interest payment dates;
- . whether we will have any obligation or option to redeem, purchase or repay bonds of such series prior to their maturity and the terms and conditions upon which the bonds may be redeemed, purchased or repaid;
- . whether the bonds will be entitled to the benefits of any purchase, sinking, improvement, renewal or trust fund;

- . whether the bonds will be convertible into shares of stock, bonds, notes or other obligations and/or have warrants providing for the purchase of shares of stock, bonds, notes or other obligations;
- . whether the bonds will be issuable as coupon bonds, fully registered bonds without coupons or, if provided in a supplemental indenture, as global securities; and
- . any other terms of the bonds that may supplement those described below. (Section 2.01)

Issuance of Additional Bonds

Additional bonds secured by the indenture may be issued in a maximum aggregate principal amount equal to the sum of:

- . 66 2/3% of the Net Bondable Value of Property Additions that have not been applied to other indenture purposes; (Section 4.04)
- . 100% of the amount of cash deposited with the trustee for the purpose of issuing additional bonds; (Section 4.05) and
- . 100% of the aggregate principal amount of Refundable Bonds, which include bonds that have been retired by payment at maturity, redemption or purchase (other than through sinking fund payments or other funds deposited with the trustee as Mortgaged Property) and not applied to other indenture purposes. (Section 4.06)

However, the aggregate principal amount of bonds that we can issue under the indenture may not exceed 50% of our Net Investment in Mortgaged Property, after giving effect to the issuance of such additional bonds. (Section 4.01) In addition, no additional bonds may be issued under the indenture (except under certain circumstances relating to those issued on the basis of Refundable Bonds) unless the Net Earnings of the Corporation Available for Interest for any twelve consecutive months in the past fifteen months equals at least twice our interest charges on the sum of (i) all the bonds outstanding under the indenture, including such additional bonds, (ii) in the event of a consolidation, merger or transfer of assets, the indebtedness of any successor corporation maturing more than one year from the date of its issuance, but only if such successor corporation does not secure the bonds with a lien on all of its property, other than Excepted Property, and (iii) all of our indebtedness secured by any of the Mortgaged Property in priority to or pari passu with the lien securing the bonds. (Section 4.03) Other than as described above, the indenture does not limit the amount of indebtedness that we may incur. However, our issuance of long-term indebtedness is regulated by the California Public Utilities Commission.

Additional bonds which may be issued may vary from any existing bonds as to maturity, interest rate, redemption, sinking fund and in certain other respects as described above under the caption "General."

Security for the Bonds

The bonds will be secured by the indenture which constitutes a first lien upon all of our real and personal property, other than Excepted Property, subject to Permissible Encumbrances, purchase money liens and liens on property at the time of acquisition. All of the bonds issued under the indenture will be equally and ratably secured by the indenture, subject to the provisions relating to any sinking or similar fund for the benefit of any bonds of a particular series.

Subject to such limitations and exceptions, all property acquired by us after the date of the indenture will be further security as described in the indenture. (Section 5.09) In addition, the indenture creates a prior lien on the Mortgaged Property to secure the trustees' right to compensation, reimbursement and indemnity. (Section 14.10)

Ranking

The bonds of each series will be our secured and unsubordinated obligations and will rank equal in right of payment with all other bonds issued under the indenture. The bonds will rank first in right of payment with

respect to proceeds from Mortgaged Property, and otherwise will rank equal in right of payment with all of our other unsubordinated and unsecured indebtedness. The bonds are our obligations exclusively, and are not the obligations of any of our subsidiaries.

Payment of Bonds--Principal and Interest

We will pay principal of the bonds at stated maturity, upon redemption or otherwise, upon presentation of the bonds at the office of the trustee, as our paying agent. We will make payments on the bonds to the Depository Trust Company ("DTC") or its nominee, as the registered owner of the bonds, by wire transfer of immediately available funds. If the securities are issued in definitive certificate form under the limited circumstances described below under the caption "Global Securities," we will have the option of paying interest by check mailed to the addresses of the persons entitled to payment or by wire transfer to bank accounts in the United States designated in writing to the trustee at least 15 days before the applicable payment date by the persons entitled to payment.

Form; Transfers; Exchanges

Bonds may be issued in denominations of \$1,000, \$5,000, \$10,000, \$25,000 or multiples of \$25,000. The bonds will be issued in book-entry form represented by one or more global securities deposited with, or on behalf of, DTC, as depository, and registered in the name of Cede & Co., its nominee. You will not be entitled to receive a certificate for the bonds that you purchase except under the limited circumstances described below under the caption "Global Securities."

You will receive payments and may transfer bonds only through the facilities of DTC and its direct and indirect participants as described below under the caption Global Securities. We will maintain an office or agency where notices and demands in respect of the bonds and the indenture may be delivered to us and where certificated bonds may be surrendered for payment, registration of transfer or exchange, which will be at the principal office of the trustee, in San Francisco, California, and each other place specified by the trustee, including the Borough of Manhattan, City of New York, New York. (Sections 2.01 and 2.03)

Optional Redemption

Unless specified otherwise in an applicable prospectus supplement, we may redeem at our option at any time or from time to time all or any part of the bonds that we may offer and sell by this prospectus at the redemption price specified in the respective series of bonds. In the event that we elect to redeem only a portion of a series of bonds, the particular bonds of such series to be redeemed will be selected by the trustee by lot in such manner as the trustee deems fair. (Section 7.01)

We will mail notice of any redemption at least 30 days but not more than 60 days before the redemption date to each holder of the bonds to be redeemed. (Section 7.02) On or prior to the redemption date, we will deposit with the trustee a sum of money sufficient to redeem the bonds. (Section 7.03) Upon surrender of the bonds, we will pay the holders of the surrendered bonds the principal and accrued interest of the redeemed bonds or if only a portion of the principal of a particular bond is being redeemed, that portion of the principal and interest attributable to such redeemed portion. (Sections 7.04 and 7.05) All of the bonds redeemed and paid shall be cancelled. (Section 7.06)

Renewal Fund

We will pay to the trustee annually on April 1, as a renewal fund, an amount equal to our Appropriations of Earnings for Depreciation of Mortgaged Property during the preceding calendar year, minus credits, taken at our option, for:

- . payments in cash or bonds made by us to a sinking fund or a similar fund under which cash paid to the trustee is to be used only to retire bonds;
- . the lesser of the cost or fair value of specified property additions purchased, constructed or otherwise acquired by us; and

- . the principal amount of bonds delivered to the trustee for such purpose, which will not be available for any other indenture purpose, including the issuance of additional bonds.

(Section 8.02)

Renewal fund payments that we pay in cash may, at our option:

- . be withdrawn by us, subject to certain conditions, in an amount equal to the lesser of the cost or fair value of specified property additions purchased, constructed or otherwise acquired by us, or in an amount equal to the amount of Refundable Bonds made the basis for withdrawal; or
- . be applied to the purchase or redemption of any outstanding bonds.

At our election, the amount of any required renewal fund payment may be reduced by an amount equal to the amount of cash which, assuming that the renewal fund payments required to be made pursuant to the indenture had actually been made in cash, could at the time be withdrawn under the indenture. (Section 8.06) Any payments that we make to the renewal fund are in addition to the expenditures we are required to make for maintenance.

Consolidation, Merger and Transfer of Assets

Nothing in the indenture or in the bonds outstanding under the indenture prevents us from consolidating or merging with or into any corporation or selling all of our property as an entirety subject to the continuing lien of the indenture, provided that:

- . the terms of the consolidation, merger or sale preserve and do not impair the lien or the security under the indenture, and the rights and powers of the trustee and the holders of the bonds outstanding under the indenture;
- . in the case of a merger or consolidation, the successor corporation expressly assumes the payment of the principal and interest of all the bonds and the performance and observance all of the covenants and conditions of the indenture; and
- . in the case of a sale of all of our property as an entirety, the corporation to which we sell all our property assumes the due and punctual payment of principal and interest of all the bonds outstanding under the indenture, assumes the performance of all covenants and conditions of the indenture and executes and delivers an indenture to the trustee whereby the purchasing corporation agrees to assume such payment and performance and charge therewith the property so taken over. (Section 15.01)

Certain Covenants

Subject to the terms of the indenture and in addition to the covenants otherwise specified above, we will:

- . keep, or cause to be kept, proper records and accounts of corporate dealings, including proper and complete records reflecting our capital and property accounts, and we will furnish statements upon demand as reasonably required by the trustee; (Section 5.06)
- . not voluntarily create any lien or charge that would be prior to the lien of the indenture upon the Mortgaged Property, other than purchase money liens and any other liens existing on property at the time such property was acquired by us; (Section 5.09)
- . pay or cause to be discharged all taxes, assessments, lawful claims and mechanics liens, which, if unpaid, might be given priority over the lien of the indenture; however, no such lien shall be a breach of the indenture if we are disputing it in good faith; (Section 5.09, 5.10)
- . file the indenture and any supplemental indenture as may be necessary to preserve and protect the security of the bondholders; (Section 5.11)

- . maintain, preserve and keep the mortgaged properties in good repair, working order and conditions; (Section 5.15) and
- . maintain insurance, which may be self-insured, on the Mortgaged Property against losses or damages as are usually insured against by companies similarly situated and operating like properties. (Section 5.16)

Events of Default

The following events are defined for all purposes of the indenture (except where the term is otherwise defined for specific purposes) as "events of default":

- . failure to pay the principal of any bond secured by the indenture when the same shall become due and payable, whether at maturity, as therein expressed, or by declaration or otherwise;
- . failure to pay interest upon any bond secured by the indenture for a period of 30 days after such interest shall have become due and payable;
- . failure to pay any installment of the sinking fund or renewal fund required by the indenture or of any sinking fund or analogous fund required by any supplemental indenture, for a period of 30 days after the same shall have become due and payable;
- . the expiration of a period of 60 days following:
 - . the adjudication of us as bankrupt by any court of competent jurisdiction;
 - . the entry of an order approving a petition seeking the reorganization of us under the Federal Bankruptcy Laws or any other applicable law or statute of the United States of America, or any state thereof; or
 - . the appointment of a trustee or a receiver of all or substantially all of our property;

unless during such period such adjudication, order or appointment of a receiver or trustee shall be vacated;

- . the filing by us of a voluntary petition in bankruptcy or the making of an assignment for the benefit of creditors; the consenting by us to the appointment of a receiver or trustee of all or any part of its property; the filing by us of a petition or answer seeking reorganization under the Federal Bankruptcy Laws, or any other applicable law or statute of the United States of America, or of any state thereof; or the filing by us of a petition to take advantage of any insolvency act;
- . failure to perform any other covenant or agreement contained in the indenture or any supplemental indenture or in any bond secured by the indenture for a period of 60 days following the mailing by the trustee to us of a written demand that such failure be cured, such failure not having been cured in the meantime.

The trustee may, and, if required in writing to do so by the holders of a majority in principal amount of the bonds then outstanding, shall make such demand. (Section 9.02)

Remedies

Acceleration

Upon the occurrence of an event of default, the trustee may, and upon the written request of the holders of a majority in principal amount of all bonds outstanding under the indenture shall, declare the principal amount of all of the bonds outstanding under the indenture, together with accrued and unpaid interest thereon, to be immediately due and payable. (Section 9.05)

Rescission of Acceleration

At any time after the principal of the bonds shall have been declared due and payable and before any sale of the trust estate shall have been made pursuant to the indenture,

- . all interest in arrears upon such bonds with interest on overdue installments of interest, to the extent that payment of such interest on interest shall be legally enforceable, at the same rate as was borne by the respective bonds on which installments of interest may be overdue,
- . together with reasonable charges and expenses of the trustee, its agents and attorneys, and
- . all other sums which may be due under the indenture, except the principal of such bonds as shall not have become due and payable by their terms,

shall either be paid by us to those entitled thereto (or to the trustee for their account) or be collected out of the Mortgaged Property, and all other defaults existing under the indenture known to the trustee shall have been cured or provision deemed by the trustee to be adequate therefor shall have been made, or shall have been waived as provided in the indenture, then and in every such case:

- (a) the holders of the majority in principal amount of the bonds then outstanding, by written notice to us and the trustee may waive such default and rescind and annul such declaration and its consequences, or
- (b) if in declaring the principal due, the trustee shall have acted without any request of the bondholders, or upon the request of the holders of less than 25% in principal amount of the bonds outstanding at the time of such request, and if there shall not have been delivered to the trustee and to us written directions to the contrary by the holders of not less than a majority in principal amount of the bonds then outstanding, then such default and its consequences ipso facto shall be deemed to be waived, or
- (c) if all such principal and interest which shall have matured otherwise than by such declarations shall have been made good and all other defaults cured or provided for or waived within 30 days after such declaration, then, without regard to any directions by the bondholders, all such defaults and their consequences ipso facto shall be deemed to be waived;

and the parties shall be restored to their respective rights and obligations under the indenture as if no default had occurred; but no such waiver of any particular default shall extend to or affect or be deemed a waiver of any other default or impair any right consequent thereon. (Section 9.05)

Remedies with Respect to Mortgaged Property

To the extent permitted by law, upon the occurrence of an event of default the trustee may take actual possession of and enter, hold, use, operate and manage all of the Mortgaged Property and conduct the business, either personally or through the trustee's agents. If the trustee takes such action, the trustee will receive the rents, income, issues and profits from the Mortgaged Property and net of the costs and expenses of taking, holding, operating and managing the Mortgaged Property, including reasonable compensation to the trustee and its agents and counsel, taxes, assessments and expenses for any repairs, alterations and improvements. (Section 9.04)

If one or more events of default occurs and continues without remedy for the designated period, the trustee may sell the Mortgaged Property or in the alternative, take appropriate judicial proceedings for the enforcement and protection of its rights and the rights of the bondholders. (Section 9.06)

Control by Holders; Limitations

The holders of a majority in principal amount of the bonds outstanding under the indenture will have the right to direct the time, method, and place of conducting any proceeding for any remedy available to the trustee

or exercising any trust or power given to the trustee. The holders of a majority in principal amount of the bonds of any series will have the right, on behalf of all holders of the bonds of such series to consent to the waiving of any past default and its consequences, other than a payment default. (Sections 9.22 and 9.28)

In addition, the indenture provides that no holder of bonds will have any right to institute any suit, action or proceeding, at law or in equity, for the foreclosure of the indenture, the execution of any trust with respect to the indenture, the appointment of a receiver, or for any other remedy under the indenture unless:

- . the holder has previously given the trustee written notice of a continuing event of default;
- . the holders of at least a majority in principal amount of the outstanding bonds have made written request upon the trustee and afforded the trustee a reasonable opportunity to exercise its powers under the indenture or institute the action, suit or proceeding in its own name; and
- . the trustee has been offered reasonable security and indemnity against costs and liabilities incurred to comply with the request; and
- . the trustee has refused or failed to comply with the request within a reasonable time or to take other appropriate action for the enforcement of the indenture. (Section 9.20)

No holder will be entitled to institute any action to affect, disturb, or prejudice the lien of the indenture, or to enforce any right under the indenture, except in the manner specified in the indenture, and actions must be instituted and maintained only according to the procedures established by the indenture and for the equal benefit of all bondholders. Each registered holder, however, has an unimpaired and unaffected right to receive payment when due and to bring a suit to enforce that right, unless this action would impair the lien of the indenture. (Sections 9.20 and 9.21)

Notice of Default

The trustee is required to give the bondholders notice of any default under the indenture known to the trustee, unless the default has been cured within 90 days after the occurrence of the default, provided, however, that except in the case of default in the payment of principal or interest of any bonds, or in the payment of any Maintenance and Sinking Fund installment, the trustee may withhold notice of default if and so long as the board of directors, the executive committee of the board of directors or a trust committee of directors and/or responsible officers of the trustee in good faith determine that the withholding of notice is in the interest of the bondholders. (Section 9.03)

Modification of the Indenture

The indenture may be modified by the consent of the holders of at least 66 2/3% in principal amount of the bonds then outstanding, or in the event that less than all of the bonds of a particular series of bonds outstanding are affected by the modification, by the consent of the holders of 66 2/3% in principal amount of the bonds of such series affected. The right of any holder to receive payment of principal and interest when due or the right of any holder to enforce such payment may not be changed without the consent of such holder. (Section 16.05)

Defeasance, Cancellation and Discharge

The lien on our property securing the bonds will be cancelled and discharged when the principal of and interest on the bonds has been paid or when we deposit with the trustee sufficient funds to repay the principal of and interest on all then outstanding bonds, and we request that the Mortgaged Property revert to us and that the lien be cancelled and discharged. Unless we request cancellation and discharge, the lien created by the indenture will not be cancelled and discharged, but shall remain in place for the issuance of future bonds pursuant to the terms of the indenture. (Sections 11.01 and 11.02)

Release Provisions

Unless an event of default has occurred and is continuing, we may, free from the lien of the indenture and at any time, without any release by the trustee, sell, exchange or dispose of obsolete machinery or equipment, provided we replace the machinery and equipment with other machinery and equipment of equivalent or greater value. (Section 10.02) In the absence of the occurrence and continuance of an event of default, we may also at any time and from time to time, without any release by the trustee:

- . cancel or modify our rights-of-way, leases or contracts, other than rights-of-way for transmission lines which require a release from the trustee;
- . surrender or modify any franchise or governmental consent or permit, so long as we may still conduct our business in the same territory for the same time;
- . abandon the operation of any of our properties if the operation of such property is not necessary or important for the operation of our other systems and plants or where such abandonment is deemed to be advisable;
- . produce, mine, sell or dispose of gas, oil, coal or other minerals, if any, lying or being within or under any real property which is part of the Mortgaged Property; and/or
- . dispose of, in the ordinary course of business, fuel, repair parts, repair material, operating supplies and commodities that comprise stock or merchandise kept for sale, manufactured commodities, gas and other personal property manufactured or acquired for sale in the ordinary course of business. (Section 10.03)

The indenture also contains provisions for the release of property by the trustee (i) upon a sale or exchange of such property provided that we receive compensation equal to the fair value of the property and that the release is advantageous to the conduct of the business and will not impair the Mortgaged Property, and (ii) for property taken by eminent domain, and in each case provided that the proceeds of any sale, exchange or taking by eminent domain are deposited with the trustee. (Sections 10.04, 10.05)

Evidence of Compliance

The indenture provides that we will furnish to the trustee officer's certificates, engineer's certificates and, in certain cases, independent engineer's certificates and independent accountant's certificates in connection with the authentication of any bonds, the release or release and substitution of property and certain other matters, and opinions of counsel as to the lien of the indenture and certain other matters.

Concerning the Trustee

U.S. Bank Trust National Association, a national banking association, duly organized and existing under the laws of the United States of America, has been appointed as the trustee. The principal office of the trustee is located at 500 South Hope Street, Suite 500, Los Angeles, California, 90071.

The trustee may resign at any time by giving us written notice and by publishing notice in a required newspaper. The resignation will be effective either on the date specified in the notice or on the date of appointment of a successor trustee. The holders of a majority in principal amount of the outstanding bonds may remove the trustee by signing, acknowledging, and filing with the trustee a written instrument or concurrent written instruments. Under certain circumstances, we may appoint a successor trustee. (Sections 14.16 and 14.17)

No Liability for Stockholders, Directors and Officers

None of our present, past or future stockholders, directors or officers will be liable for any payments of principal or interest on the bonds, or for any claim based on any payment of principal or interest, or on the indenture or any supplemental indenture. (Article XII)

Defined Terms

Set forth below are certain defined terms used in the indenture. Reference is made to the indenture for complete definitions of all such terms, as well as any other capitalized terms used in this prospectus for which no definition is provided:

"Appropriations of Earnings for Depreciation of Mortgaged Property" means the amounts actually appropriated by the Company from earnings as provisions for depreciation, depletion and retirements of Mortgaged Property and, if such appropriations are calculated on a sinking fund or similar compound interest method, shall include the portion thereof representing interest accrual as well as the portion thereof representing the annuity charge.

"Board of Directors" means the board of directors of the Company.

"Excepted Property" means, notwithstanding anything contained in the granting clauses of the indenture, from the property thereby mortgaged, conveyed in trust, and/or pledged, all of the following property, whether now owned by the Company or hereafter acquired by it:

(a) All bills, notes and accounts receivable, cash on hand or in bank, contracts and operating agreements, other than those subjected to the lien of the indenture pursuant to the indenture, chooses in action, and the Company's interest in existing leases in which the Company is lessor and in leases hereafter made of portions of the mortgaged property in which the Company is lessor;

(b) Gas, manufactured commodities and other personal property manufactured or acquired for sale in the ordinary course of business; commodities and appliances constituting the whole or any part of stock or merchandise kept for sale; and fuel, repair parts, repair material and operating supplies;

(c) All motor vehicles and tools therefor;

(d) Gas, coal, oil or other minerals (when produced or severed);

(e) Bonds, notes, conditional sales contracts, and other evidences of indebtedness, and shares of stock, and other certificates of interest, other than those which may be actually delivered to the trustee pursuant to the indenture, or any subsequent provisions of the indenture;

(f) Any gas and/or oil acreage, gas and/or oil wells, gas and/or oil reserves, or gas and/or oil leaseholds hereafter acquired by the Company, or any property or equipment now or hereafter owned by the Company and used for the development of gas and/or oil acreage or for the drilling for or production of gas and/or oil from such acreage; and

(g) certain real property as described in the indenture.

"Mortgaged Property" and "Trust Estate" mean as of any particular time the property which at said time is covered or intended to be covered by the lien of the indenture; provided that moneys held by the trustee in trust for the payment, at maturity or on a date fixed for redemption, of specific bonds shall not be deemed to be a part of the mortgaged property or trust estate.

"Net Bondable Value of Property Additions" means, at any particular time, the aggregate of the cost to the Company or, as to such property additions which have not been retired, the fair value to the Company, if the fair value is less than cost, of all gross property additions purchased, constructed or otherwise acquired by the Company, after deducting therefrom the amounts specified in the following paragraphs (1), (2) and (3) and the greater of the amounts specified in the following paragraphs (A) or (B) after each of the amounts specified in said paragraphs (A) and (B) has been reduced by the amount of all credits taken on the basis of cash and bonds delivered to the trustee:

(1) The aggregate of:

(i) the amount of all cash theretofore deposited with the trustee which shall have been withdrawn on the basis of property additions;

(ii) the amount by which cash, provided to be deposited with the trustee pursuant to any provision of the indenture, has been reduced on the basis of property additions;

(iii) the amount of all credits taken pursuant to the indenture on the basis of property additions; and

(iv) the amount by which all credits taken pursuant to the indenture on the basis of property additions shall exceed whichever is the greater of the amounts specified in paragraphs (A) or (B) of this definition;

(2) 150% of the amount of all cash withdrawn pursuant to the indenture;

(3) 150% of the aggregate principal amount of additional bonds theretofore authenticated and delivered pursuant to the indenture upon the basis of property additions; and

(A) the sum of all appropriations of earnings for depreciation of bondable property made on or after January 1, 1955; or

(B) the aggregate of:

(i) the bonded cost of all bondable property theretofore (but on or after January 1, 1955) retired, excepting property to an amount not exceeding \$5,000,000 owned by the Company on October 1, 1940, and built for the manufacture of gas from oil, and excepting property mentioned in paragraph (ii) next following;

(ii) the excess, if any, of the bonded cost of all bondable property

(aa) theretofore (but on or after January 1, 1955) released from the lien of the indenture, over the fair value thereof to the Company at the time of its release, as stated in an engineers' certificate filed with the trustee or, if an independent engineer's certificate is filed, then as stated in such independent engineer's certificate,

(bb) theretofore (but on or after January 1, 1955) taken by exercise of a power of eminent domain, over the proceeds paid to the trustee, and

(cc) in respect of which insurance proceeds has theretofore (but on or after January 1, 1955) been paid to the trustee, over the cash so paid to the trustee in respect thereof.

"Net Earnings of the Corporation Available for Interest" means the net earnings of the Company ascertained as follows:

(a) The total operating revenues of the Company and the net non-operating revenues of the properties of the Company shall be ascertained by the Company.

(b) From the total, determined as provided in subdivision (a), there shall be deducted (1) all operating expenses, including cost of gas purchased, all salaries, rentals, insurance, license and franchise fees, expenditures for ordinary repairs and maintenance, provision for uncollectible accounts, taxes (other than income and excess or other profits taxes which are imposed on or measured by income after the deduction of interest charges), but excluding all depreciation, depletion, or property retirement appropriations, all interest charges, and amortization of debt discount and expense or premium, and (2) net non-operating losses of the properties of the Company, if any.

(c) The balance remaining after the deduction of the total amount computed pursuant to subdivision (b) from the total amount computed pursuant to subdivision (a) shall constitute the "Net Earnings of the Corporation Available for Interest", subject to subdivisions (d), (e), (f), (g) and (h) below.

(d) If the net non-operating revenues to be included in the foregoing calculation would exceed five per cent (5%) of the net operating revenues so to be included, there shall be included in the foregoing calculation with respect to net non-operating revenues only an amount equal to five per

cent (5%) of such net operating revenues.

(e) No income received or accrued by the Company from securities and no profits or losses from the sale, abandonment, reclassification or revaluation of capital assets shall be included in making such computations.

(f) In case the Company shall have acquired any property additions or shall have been consolidated or merged with any other corporation, or shall have acquired all or substantially all of the assets of another corporation, within or after the particular period for which the calculation of Net Earnings of the Corporation Available for Interest is made, then, in computing the Net Earnings of the Corporation Available for Interest there shall be included, to the extent they may not have been otherwise included, the net earnings or net losses of such property additions or of such other corporation, as the case may be, for the whole of such period. The net earnings of such property additions, or of such other corporation, for the period preceding such acquisition or such consolidation or merger, shall be ascertained and computed as provided in the foregoing subdivisions of this definition as if such property additions or the assets of such other corporation, as the case may be, had been owned by the Company during the whole of such period, or as if such other corporation had been consolidated or merged with the Company prior to the first day of such period.

(g) In case the Company shall have obtained the release of property of an aggregate fair value in excess of One Million Dollars (\$1,000,000), as shown by the engineer's certificate, or shall have obtained the release of property of which the aggregate proceeds of which shall have exceeded One Million Dollars (\$1,000,000), within or after the particular period for which the calculation of net earnings of the Corporation available for interest is made, then, in computing the Net Earnings of the Corporation Available for Interest, the net earnings or net losses of such property for the whole of such period shall be excluded to the extent possible on the basis of actual earnings and expenses of such property or on the basis of such estimates of the earnings and expenses of such property as the signers of an officers' certificate filed with the trustee shall deem proper.

(h) The Net Earnings of the Corporation Available for Interest, whether of the Company or of some other corporation or of property, shall be determined in accordance with principles of sound accounting practice.

"Net Investment in Mortgaged Property" means as of any particular time the total cost of the Mortgaged Property less the then related reserves for depreciation, depletion and amortization or other reserves for retirement of such property; all determined in compliance with the Uniform System of Accounts for Gas Corporations prescribed by the Public Utilities Commission of the State of California, effective January 1, 1949, or in compliance with such system of accounts as said Commission or other similar regulatory body may from time to time prescribe, or to the extent that any such system is not so prescribed or is not applicable, then in accordance with sound accounting practice.

"Permissible Encumbrances" means:

(a) the lien of taxes and assessments not at the time due;

(b) the lien of taxes for the then current year;

(c) the lien of specified taxes and assessments already due but the validity of which is being contested at the time by the Company in good faith, unless thereby in the opinion of counsel any of the Mortgaged Property may be lost or forfeited;

(d) undetermined liens and charges incidental to construction;

(e) the right reserved to, or vested in, any municipality or public authority by the terms of any right, power, franchise, grant, license, permit or by any provision of law, to purchase or recapture or to designate a purchaser of, any of the Mortgaged Property;

(f) liens upon rights-of-way for transmission or distribution line purposes, provided that the Company has, in the opinion of counsel, power under eminent domain or similar statutes to condemn or acquire

easements or rights-of-way sufficient for its purposes over the land covered by the easements or rights-of-way in question or other lands adjacent thereto;

(g) easements or similar encumbrances the existence of which in the opinion of the signers of an engineer's certificate filed at the particular time, does not impair the use of the property described in such certificate for the purposes for which it was acquired or is then used; and

(h) possible adverse rights or interests which, in the opinion of counsel, are unimportant and may properly be disregarded.

"Refundable Bonds" means, at any particular time, all bonds which shall theretofore have been authenticated and delivered under the provisions of the indenture and issued by the Company and bonds, not issued by the Company, which have been established as refundable pursuant to the indenture; provided that such bonds, whether authenticated under the indenture or established as refundable, shall have been theretofore paid at maturity or redeemed or purchased (otherwise than out of funds included in the Trust Estate) and surrendered to the trustee, either canceled or uncanceled, or surrendered to the trustee for conversion (if convertible), or otherwise surrendered to the trustee, subject to certain exceptions provided in the indenture, and which shall not theretofore have been made the basis for the authentication and delivery of additional bonds or the withdrawal of cash under the provisions of the indenture or the reduction of the amount of cash to be deposited under the provisions of the indenture or paid or redeemed or purchased pursuant to, or used to reduce the amount of cash to be deposited pursuant to, or otherwise retired through the operation of, or used in compliance with the requirements of, the provisions of the maintenance and sinking fund established by the indenture or of any sinking fund, amortization fund, or analogous fund established by any indenture supplemental to the indenture, which does not permit the authentication of additional bonds upon the basis of bonds so paid, redeemed, purchased, retired, or used.

Bonds and coupons for the payment or redemption of which moneys shall have been deposited (whether at or prior to maturity or the redemption date of such bonds) with the trustee if such bonds were issued under the indenture, or with the trustee of the other indenture under which such bonds were issued, shall be deemed to have been paid within the meaning of this definition; provided, however, that if such bonds are to be redeemed prior to the maturity thereof, notice of such redemption shall be given as described above under the caption "Optional Redemption" or as provided pursuant to the redemption provisions of such other indenture, as the case may be, or provisions satisfactory to the trustee shall have been made for such publication.

GLOBAL SECURITIES

Unless indicated otherwise in any prospectus supplement, the bonds initially will be issued in book-entry form and represented by one or more global notes or global securities (collectively, "global securities"). If issued in book-entry form, the global securities will be deposited with, or on behalf of, The Depository Trust Company, New York, New York, as depository ("DTC"), and registered in the name of Cede & Co., its nominee. Unless and until it is exchanged for individual certificates evidencing bonds under the limited circumstances described below, a global security may not be transferred except as a whole by the depository to its nominee or by the nominee to the depository, or by the depository or its nominee to a successor depository or to a nominee of the successor depository.

DTC has advised us that it is:

- . a limited-purpose trust company organized under the New York Banking Law;
- . a "banking organization" within the meaning of the New York Banking Law;
- . a member of the Federal Reserve System;
- . a "clearing corporation" within the meaning of the New York Uniform Commercial Code; and
- . a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934.

DTC holds securities that its participants deposit with DTC. DTC also facilitates the settlement among its participants of securities transactions, including transfers and pledges, in deposited securities through electronic computerized book-entry changes in participants accounts, which eliminates the need for physical movement of securities certificates. "Direct participants" in DTC include securities brokers and dealers, including underwriters, banks, trust companies, clearing corporations and other organizations. DTC is owned by a number of its direct participants and by the New York Stock Exchange, Inc., the American Stock Exchange LLC and the National Association of Securities Dealers, Inc. Access to the DTC system is also available to others, which we sometimes refer to as "indirect participants," that clear transactions through or maintain a custodial relationship with a direct participant either directly or indirectly. The rules applicable to DTC and its participants are on file with the SEC.

Purchases of bonds within the DTC system must be made by or through direct participants, which will receive a credit for those bonds on DTC's records. The ownership interest of the actual purchaser of a debt security, which we sometimes refer to as a "beneficial owner," is in turn recorded on the direct and indirect participants' records. Beneficial owners of bonds will not receive written confirmation from DTC of their purchases. However, beneficial owners are expected to receive written confirmations providing details of their transactions, as well as periodic statements of their holdings, from the direct or indirect participants through whom they purchased bonds. Transfers of ownership interests in global securities are to be accomplished by entries made on the books of participants acting on behalf of beneficial owners. Beneficial owners will not receive certificates representing their ownership interests in the global securities except under the limited circumstances described below.

To facilitate subsequent transfers, all global securities deposited with DTC will be registered in the name of DTC's nominee, Cede & Co. The deposit of bonds with DTC and their registration in the name of Cede & Co. will not change the beneficial ownership of the bonds. DTC has no knowledge of the actual beneficial owners of the bonds. DTC's records reflect only the identity of the direct participants to whose accounts the securities are credited, which may or may not be the beneficial owners. The participants are responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to direct participants, by direct participants to indirect participants and by direct participants and indirect participants to beneficial owners will be governed by arrangements among them, subject to any legal requirements in effect from time to time.

Redemption notices will be sent to DTC or its nominee. If less than all of the bonds of a particular series are being redeemed, DTC will determine the amount of the interest of each direct participant in the bonds of such series to be redeemed in accordance with DTC's procedures.

In any case where a vote may be required with respect to bonds of a particular series, neither DTC nor Cede & Co. will give consents for or vote the global securities. Under its usual procedures, DTC will mail an omnibus proxy to us as soon as possible after the record date. The omnibus proxy assigns the consenting or voting rights of Cede & Co. to those direct participants to whose accounts the bonds of such series are credited on the record date identified in a listing attached to the omnibus proxy.

We will make payments on global securities to the depositary or its nominee, as the registered owner of such bonds, by wire transfer of immediately available funds. If bonds are issued in definitive certificated form under the limited circumstances described below we will have the option of paying interest by check mailed to the addresses of the persons entitled to payment or by wire transfer to bank accounts in the United States designated in writing to the trustee at least 15 days before the payment date by the persons entitled to payment.

Principal and interest payments on global securities will be made to Cede & Co., as nominee of DTC. DTC's practice is to credit direct participants accounts on the relevant payment date unless DTC has reason to believe that it will not receive payment on the payment date. Payments by direct and indirect participants to beneficial owners will be governed by standing instructions and customary practices, as is the case with bonds held for the account of customers in bearer form or registered in "street name." Those payments will be the responsibility of participants and not of DTC or us, subject to any legal requirements in effect from time to time. Payment of principal and interest to Cede & Co. is our responsibility, disbursement of payments to direct participants is the responsibility of DTC and disbursement of payments to the beneficial owners is the responsibility of direct and indirect participants.

Except under the limited circumstances described below, purchasers of bonds will not be entitled to have bonds registered in their names and will not receive physical delivery of bonds. Accordingly, each beneficial owner must rely on the procedures of DTC and its participants to exercise any rights under the bonds and the indenture.

The laws of some jurisdictions may require that some purchasers of bonds take physical delivery of bonds in definitive form. Those laws may impair the ability to transfer or pledge beneficial interests in bonds.

DTC is under no obligation to provide its services as depositary for the bonds and may discontinue providing its services at any time. Neither we nor the trustee will have any responsibility for the performance by DTC or its direct participants or indirect participants under the rules and procedures governing DTC.

As noted above, beneficial owners of a particular series of bonds generally will not receive certificates representing their ownership interests in those bonds. However, if:

- . DTC notifies us that it is unwilling or unable to continue as a depositary for the global security or securities representing such series of bonds or if DTC ceases to be a clearing agency registered under the Securities Exchange Act at a time when it is required to be registered and a successor depositary is not appointed within 90 days of the notification to us or of our becoming aware of DTC's ceasing to be so registered, as the case may be;
- . we determine, in our sole discretion, not to have the bonds of such series represented by one or more global securities of such series; or
- . an event of default under the indenture has occurred and is continuing with respect to the bonds of such series,

we will prepare and deliver certificates for the bonds of such series in exchange for beneficial interests in the global securities. Any beneficial interest in a global security that is exchangeable under the circumstances

described in the preceding sentence will be exchangeable for securities in definitive certificated form registered in the names that the depositary directs. It is expected that these directions will be based upon directions received by the depositary from its participants with respect to ownership of beneficial interests in the global securities.

We have obtained the information in this section and elsewhere in this prospectus concerning DTC and DTC's book-entry system from sources that are believed to be reliable, but we do not take responsibility for the accuracy of this information.

PLAN OF DISTRIBUTION

We may sell the bonds described in this prospectus from time to time in one or more transactions:

- . to purchasers directly;
- . to underwriters for public offering and sale by them;
- . through agents;
- . through dealers; or
- . through a combination of any of the foregoing methods of sale.

We may distribute the bonds from time to time in one or more transactions at:

- . a fixed price or prices, which may be changed;
- . market prices prevailing at the time of sale;
- . prices related to such prevailing market prices; or
- . negotiated prices.

Direct Sales

We may sell the bonds directly to institutional investors or others. A prospectus supplement will describe the terms of any sale of bonds we are offering hereunder.

To Underwriters

The prospectus supplement will name any underwriter involved in a sale of bonds. Underwriters may offer and sell securities at a fixed price or prices, which may be changed, or from time to time at market prices or at negotiated prices. Underwriters may be deemed to have received compensation from us from sales of bonds in the form of underwriting discounts or commissions and may also receive commissions from purchasers of bonds for whom they may act as agent.

Underwriters may sell the bonds to or through dealers, and such dealers may receive compensation in the form of discounts, concessions or commissions from the underwriters and/or commissions, which may be changed from time to time, from the purchasers for whom they may act as agent.

Unless otherwise provided in a prospectus supplement, the obligations of any underwriters to purchase bonds will be subject to certain conditions precedent, and the underwriters will be obligated to purchase all the bonds of such series if they purchase any.

Through Agents and Dealers

We will name any agent involved in a sale of the bonds, as well as any commissions payable by us to such agent, in a prospectus supplement. Unless we indicate differently in the prospectus supplement, any such agent will be acting on a reasonable efforts basis for the period of its appointment.

If we utilize a dealer in the sale of the bonds being offered pursuant to this prospectus, we will sell the bonds to the dealer, as principal. The dealer may then resell the bonds to the public at varying prices to be determined by the dealer at the time of resale.

Delayed Delivery Contracts

If we so specify in the applicable prospectus supplement, we will authorize underwriters, dealers and agents to solicit offers by certain institutions to purchase bonds pursuant to contracts providing for payment and delivery on future dates. Such contracts will be subject to only those conditions set forth in the applicable prospectus supplement.

The underwriters, dealers and agents will not be responsible for the validity or performance of the contracts. We will set forth in the prospectus supplement relating to the contracts the price to be paid for the bonds, the commissions payable for solicitation of the contracts and the date in the future for delivery of the securities.

General Information

Underwriters, dealers and agents participating in a sale of the bonds may be deemed to be underwriters as defined in the Securities Act of 1933 (the "Securities Act"), and any discounts and commissions received by them and any profit realized by them on resale of the securities may be deemed to be underwriting discounts and commissions, under the Securities Act. We may have agreements with underwriters, dealers and agents to indemnify them against certain civil liabilities, including liabilities under the Securities Act, and to reimburse them for certain expenses.

Underwriters or agents and their associates may be customers of, engage in transactions with or perform services for us or our affiliates in the ordinary course of business.

Unless we indicate differently in a prospectus supplement, we will not list the bonds on any securities exchange. The bonds will be a new issue of securities with no established trading market. Any underwriters that purchase bonds for public offering and sale may make a market in such bonds, but such underwriters will not be obligated to do so and may discontinue any market making at any time without notice. We make no assurance as to the liquidity of or the trading markets for any bonds.

EXPERTS

The consolidated financial statements as of December 31, 2000 and 1999 and for each of the three years in the period ended December 31, 2000 incorporated by reference in this prospectus have been audited by Deloitte & Touche LLP, independent auditors, as stated in their report, which is incorporated herein by reference, and has been so incorporated in reliance upon the report of such firm given upon their authority as experts in accounting and auditing.

VALIDITY OF THE BONDS

Latham & Watkins, Los Angeles, California, will pass upon certain legal matters relating to the issuance and sale of the bonds on behalf of us. Gary W. Kyle, Chief Corporate Counsel of Sempra Energy, our ultimate parent company, will pass upon the validity of the bonds and various other legal matters relating to the issuance and sale of the bonds. Sidley Austin Brown & Wood LLP, San Francisco, California will act as counsel for any underwriters or agents. Paul C. Pringle, a partner of Sidley Austin Brown & Wood LLP, owns 2,162 shares of common stock of Sempra Energy.

PART II.

INFORMATION NOT REQUIRED IN PROSPECTUS

Item 14. Other Expenses of Issuance and Distribution.

Securities and Exchange Commission registration fee.....	\$ 87,500
Printing expenses.....	150,000
Trustee fees and expenses.....	75,000
Legal fees and expenses.....	100,000
Accounting fees and expenses.....	100,000
Blue Sky fees and expenses	50,000
Rating Agency fees	250,000
Miscellaneous.....	12,500

Total.....	\$825,000
	=====

All of the above except the Securities and Exchange Commission registration fee are estimated.

Item 15. Indemnification of Officers and Directors.

Section 317 of the Corporations Code of the State of California permits a corporation to provide indemnification to its directors and officers under certain circumstances. The Southern California Gas Company Restated Articles of Incorporation and Bylaws eliminate the liability of directors for monetary damages to the fullest extent permissible under California law and provide that indemnification for liability for monetary damages incurred by directors, officers and other agents of Southern California Gas Company shall be allowed, subject to certain limitations, in excess of the indemnification otherwise permissible under California law. In addition, Southern California Gas Company has indemnification agreements with each of its officers and directors that provide for indemnification for monetary damages to the fullest extent permissible under California law. Southern California Gas Company maintains liability insurance and is also insured against loss for which it may be required or permitted by law to indemnify its directors and officers for their related acts.

The directors and officers of Southern California Gas Company are covered by insurance policies indemnifying them against certain liabilities, including certain liabilities arising under the Securities Act, which might be incurred by them in such capacities and against which they cannot be indemnified by Southern California Gas Company.

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers or persons controlling the registrant pursuant to the foregoing provisions, the registrant has been informed that in the opinion of the SEC such indemnification is against public policy as expressed in the Securities Act and is therefore unenforceable.

Item 16. Exhibits.

Exhibit No. -----	Description -----
1.1	Form of Underwriting Agreement**
3.1	Restated Articles of Incorporation of Southern California Gas Company (Incorporated by reference from the Form 10-K for the year ended December 31, 1996 (Exhibit 3.01)).
3.2	Bylaws of Southern California Gas Company dated September 1, 1998 (Incorporated by reference from the Form 10-K for the year ended December 31, 1998 (Exhibit 3.02)).
4.01	Form of definitive First Mortgage Bonds (Included in Exhibit 4.38)
4.02	First Mortgage Indenture of Southern California Gas Company to American Trust Company dated October 1, 1940 (Incorporated by reference from the Registration Statement on Form A-2 File No. 2-4504 filed on September 16, 1940 (Exhibit B-3)).
4.03	Supplemental Indenture of Southern California Gas Company to American Trust Company dated as of July 1, 1947 (Incorporated by reference from Registration Statement No. 2-7072 filed by Southern California Gas Company on March 15, 1947 (Exhibit B-5)).
4.04	Supplemental Indenture of Southern California Gas Company to American Trust Company dated as of May 1, 1948 (Incorporated by reference from Registration Statement No. 2-7459 filed by Southern California Gas Company on March 16, 1948 (Exhibit B-6)).
4.05	Supplemental Indenture of Southern California Gas Company to American Trust Company dated as of June 1, 1950 (Incorporated by reference from Registration Statement No. 2-8448 filed by Southern California Gas Company on May 2, 1950 (Exhibit 7.04)).
4.06	Supplemental Indenture of Southern California Gas Company to American Trust Company dated as of April 1, 1952 (Incorporated by reference from Registration Statement No. 2-9461 filed by Southern California Gas Company on February 21, 1952 (Exhibit 4.06)).
4.07	Supplemental Indenture of Southern California Gas Company to American Trust Company dated as of August 1, 1955 (Incorporated by reference from Registration Statement No. 2-11997 filed by Pacific Lighting Corporation on October 26, 1955 (Exhibit 4.07)).
4.08	Supplemental Indenture of Southern California Gas Company to American Trust Company dated as of June 1, 1956 (Incorporated by reference from Registration Statement No. 2-12456 filed by Southern California Gas Company on April 23, 1956 (Exhibit 2.08)).
4.09	Supplemental Indenture of Southern California Gas Company to American Trust Company dated as of December 1, 1956 (Incorporated by reference from Registration Statement No. 2-13382 filed by Southern California Gas Company on May 29, 1957 (Exhibit 2.09)).
4.10	Supplemental Indenture of Southern California Gas Company to American Trust Company dated as of July 1, 1957 (Incorporated by reference from Registration Statement No. 2-133882 filed by Southern California Gas Company on May 29, 1957 (Exhibit 2.10)).
4.11	Supplemental Indenture of Southern California Gas Company to American Trust Company dated as of October 1, 1959 (Incorporated by reference from Registration Statement No. 2-15501 filed by Southern California Gas Company on August 24, 1959 (Exhibit 2.11)).
4.12	Supplemental Indenture of Southern California Gas Company to Wells Fargo Bank dated as of July 1, 1963, (Incorporated by reference from Registration Statement No. 2-21452 filed by Southern California Gas Company on May 27, 1963 (Exhibit 2.12)).
4.13	Supplemental Indenture of Southern California Gas Company to Wells Fargo Bank dated as of September 1, 1964 (Incorporated by reference

from Registration Statement No. 2-25695 filed by Southern California Gas Company on November 8, 1966 (Exhibit 2.16)).

II-2

- 4.14 Supplemental Indenture of Southern California Gas Company to Wells Fargo Bank dated as of June 1, 1965 (Incorporated by reference from Registration Statement No. 2-59832 filed by Southern California Gas Company on September 6, 1977 (Exhibit 2.16)).
- 4.15 Supplemental Indenture of Southern California Gas Company to Wells Fargo Bank dated as of December 1, 1966 (Incorporated by reference from Registration Statement No. 2-25695 filed by Southern California Gas Company on November 8, 1966 (Exhibit 2.15)).
- 4.16 Supplemental Indenture of Southern California Gas Company to Wells Fargo Bank, National Association, dated as of October 1, 1970 (Incorporated by reference from Registration Statement No. 2-38362 filed by Southern California Gas Company on September 10, 1970 (Exhibit 2.20)).
- 4.17 Supplemental Indenture of Southern California Gas Company to Wells Fargo Bank, National Association dated as of August 1, 1972 (Incorporated by reference from Registration Statement No. 2-59832 filed by Southern California Gas Company on September 6, 1977 (Exhibit 2.19)).
- 4.18 Supplemental Indenture of Southern California Gas Company to Wells Fargo Bank, National Association, dated as of September 1, 1972 (Incorporated by reference from Registration Statement No. 2-45361 filed Southern California Gas Company on August 16, 1972 (Exhibit 2.13)).
- 4.19 Supplemental Indenture of Southern California Gas Company to Wells Fargo Bank, National Association, dated as of October 1, 1974 (Incorporated by reference from Registration Statement No. 2-51964 filed by Southern California Gas Company on September 17, 1974 (Exhibit 2.19)).
- 4.20 Supplemental Indenture of Southern California Gas Company to Wells Fargo Bank, National Association, dated as of May 1, 1976 (Incorporated by reference from Registration Statement No. 2-56034 filed by Southern California Gas Company on April 14, 1976 (Exhibit 2.20)).
- 4.21 Supplemental Indenture of Southern California Gas Company to Wells Fargo Bank, National Association, dated as of October 1, 1977 (Incorporated by reference from Registration Statement No. 2-59832 filed by Southern California Gas Company on September 6, 1977 (Exhibit 2.23)).
- 4.22 Supplemental Indenture of Southern California Gas Company to Wells Fargo Bank, National Association, dated as of November 1, 1979 (Incorporated by reference from Registration Statement No. 2-70597 filed by Southern California Gas Company on January 19, 1981 (Exhibit 4.22)).
- 4.23 Supplemental Indenture of Southern California Gas Company to Wells Fargo Bank, National Association, dated as of February 1, 1981.**
- 4.24 Supplemental Indenture of Southern California Gas Company to Wells Fargo Bank, National Association, dated as of September 15, 1981.**
- 4.25 Supplemental Indenture of Southern California Gas Company to Wells Fargo Bank, National Association, dated as of April 1, 1982.**
- 4.26 Supplemental Indenture of Southern California Gas Company to Wells Fargo Bank, National Association, dated as of August 15, 1983.**
- 4.27 Supplemental Indenture of Southern California Gas Company to Crocker National Bank, as successor trustee to Manufacturers Hanover Trust Company of California and Wells Fargo Bank, National Association, dated as of May 18, 1984 (Incorporated by reference from Registration Statement No. 2-93302 filed by Southern California Gas Company on September 18, 1984 (Exhibit 4.27)).
- 4.28 Supplemental Indenture of Southern California Gas Company to Crocker National Bank dated December 16, 1985 (Incorporated by reference from Registration Statement No. 33-3835 filed by Southern California Gas Company on March 14, 1986 (Exhibit 4.28)).
- 4.29 Supplemental Indenture of Southern California Gas Company to Crocker National Bank, dated as of March 1, 1986 (Incorporated by reference from Registration Statement No. 33-3835 filed by Southern California Gas Company on March 14, 1986 (Exhibit 4.29)).

- 4.30 Supplemental Indenture of Southern California Gas Company to Wells Fargo Bank, National Association, as successor trustee to Crocker National Bank dated November 15, 1986 (Incorporated by reference from Registration Statement No. 33-13287 filed by Southern California Gas Company on April 9, 1987 (Exhibit 4.30)).
- 4.31 Supplemental Indenture of Southern California Gas Company to Wells Fargo Bank, National Association, dated December 1, 1986 (Incorporated by reference from Registration Statement No. 33-13287 filed by Southern California Gas Company on April 9, 1987 (Exhibit 4.31)).
- 4.32 Supplemental Indenture of Southern California Gas Company to Bankers Trust Company of California, N.A., as successor trustee to Wells Fargo Bank, National Association, dated as of January 15, 1988.**
- 4.33 Supplemental Indenture of Southern California Gas Company to Bankers Trust Company of California, N.A., as successor trustee to Wells Fargo Bank, National Association, dated as of June 15, 1988 (Incorporated by reference from Registration Statement No. 33-24528 filed by Southern California Gas Company on September 22, 1988 (Exhibit 4.33)).
- 4.34 Supplemental Indenture of Southern California Gas Company to Bankers Trust Company of California, N.A., dated as of November 1, 1988 (Incorporated by reference from Registration Statement No. 33-38476 filed by Southern California Gas Company on December 28, 1990 (Exhibit 4.34)).
- 4.35 Supplemental Indenture of Southern California Gas Company to Bankers Trust Company of California, N.A., dated as of December 1, 1990 (Incorporated by reference from Registration Statement No. 33-38476 filed by Southern California Gas Company on December 28, 1990 (Exhibit 4.35)).
- 4.36 Supplemental Indenture of Southern California Gas Company to Bankers Trust Company of California, N.A., dated as of October 1, 1991 (Incorporated by reference from Registration Statement No. 33-50826 filed by Southern California Gas Company on August 13, 1992).
- 4.37 Supplemental Indenture of Southern California Gas Company to First Trust of California, National Association, as successor trustee to Bankers Trust Company of California, N.A., dated as of August 15, 1992 (Incorporated by reference from Registration Statement No. 33-50826 filed by Southern California Gas Company on August 13, 1992).
- 4.38 Supplemental Indenture of Southern California Gas Company to First Trust of California, National Association, dated as of December 15, 1992 (Incorporated by reference from Registration Statement No. 333-59404 filed by Southern California Gas Company on March 12, 1993 (Exhibit 4.38)).
- 4.39 Supplemental Indenture of Southern California Gas Company to First Trust of California, National Association, dated as of March 1, 1993 (Incorporated by reference from Registration Statement No. 333-59404 filed by Southern California Gas Company on March 12, 1993 (Exhibit 4.39)).
- 4.40 Supplemental Indenture of Southern California Gas Company to First Trust of California, National Association, dated as of June 15, 1993 (Incorporated by reference from Registration Statement No. 001-01402 filed by Southern California Gas Company on June 14, 1993 (Exhibit 2.39)).
- 4.41 Supplemental Indenture of Southern California Gas Company to First Trust of California, National Association, dated as of November 1, 1993 (Incorporated by reference from Registration Statement No. 001-01402 filed by Southern California Gas Company on November 9, 1993 (Exhibit 2.40)).
- 4.42 Supplemental Indenture of Southern California Gas Company to First Trust of California, National Association, dated as of November 15, 1993 (Incorporated by reference from Registration Statement No. 001-01402 filed by Southern California Gas Company on November 29, 1993 (Exhibit 2.41)).

- 5.1 Opinion of Gary W. Kyle, Esq.*
- 12.1 Statement regarding the computation of ratio of earnings to fixed charges for the years ended December 31, 2000, 1999, 1998, 1997 and 1996 and six-month periods ended June 30, 2000 and June 30, 2001.*
- 23.1 Consent of Gary W. Kyle, Esq. (included in Exhibit 5.1).*

23.2 Independent Auditors' Consent (Deloitte & Touche LLP).*

24.1 Power of Attorney (included on pages II-4 and 5).*

25.1 Statement of Eligibility of Form T-1 under the Trust Indenture Act of 1939, as amended, of U.S. Bank Trust National Association, as Trustee under the Indenture.*

* Previously filed.

** Filed herewith.

Item 17. Undertakings.

The undersigned registrant hereby undertakes:

(1) To file, during any period in which offers or sales are being made, a post-effective amendment to this Registration Statement:

(i) to include any prospectus required by Section 10(a)(3) of the Securities Act;

(ii) to reflect in the prospectus any facts or events arising after the effective date of the Registration Statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the Registration Statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the Securities and Exchange Commission pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than a 20% change in the maximum aggregate offering price set forth in the Calculation of Registration Fee table in the effective Registration Statement; and

(iii) to include any material information with respect to the plan of distribution not previously disclosed in the Registration Statement or any material change to such information in the Registration Statement;

provided, however, that (i) and (ii) do not apply if the information required to be included in a post-effective amendment by those paragraphs is contained in periodic reports filed with or furnished to the Securities and Exchange Commission by the registrant pursuant to Section 13 or Section 15(d) of the Exchange Act that are incorporated by reference in the Registration Statement.

(2) That, for the purpose of determining any liability under the Securities Act, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(3) To remove from registration by means of post-effective amendment any of the securities being registered that remain unsold at the termination of the offering.

(4) That, for purposes of determining any liability under the Securities Act, each filing of Southern California Gas Company's annual report pursuant to Section 13(a) or Section 15(d) of the Exchange Act that is incorporated by reference in this Registration Statement shall be deemed to be a new registration statement relating to the securities offered herein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(5) To file an application for the purpose of determining the eligibility of the trustee to act under subsection (a) of Section 310 of the Trust Indenture Act in accordance with the rules and regulations prescribed by the Securities and Exchange Commission under Section 305(b)(2) of the Securities Act.

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers and controlling persons of the registrant pursuant to the provisions described under item 15 above, or otherwise, the registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, as amended, Southern California Gas Company certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this Amendment No. 1 to the Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Los Angeles, and State of California, on the 18th day of October, 2001.

Southern California Gas Company

/s/ Edwin A. Guiles

By: _____
Edwin A. Guiles
Chairman

Pursuant to the requirements of the Securities Act of 1933, as amended, this Registration Statement has been signed below by the following persons in the capacities indicated on the 18th day of October, 2001.

Signature -----	Title -----
<p>/s/ Edwin A. Guiles _____ Edwin A. Guiles</p>	<p>Chairman; Principal Executive, Accounting and Financial Officer; President and Chief Financial Officer</p>
<p>* _____ Hyla H. Berteau</p>	<p>Director</p>
<p>* _____ Herbert L. Carter</p>	<p>Director</p>
<p>* _____ Richard A. Collato</p>	<p>Director</p>
<p>* _____ Daniel W. Derbes</p>	<p>Director</p>
<p>* _____ Wilford D. Godbold, Jr</p>	<p>Director</p>
<p>* _____ William D. Jones</p>	<p>Director</p>
<p>* _____ Ralph R. Ocampo</p>	<p>Director</p>

Signature

Title

*

Director

William G. Ouchi

*

Director

Thomas C. Stickel

*

Director

Diana L. Walker

/s/ Edwin A. Guiles

*By:

Edwin A. Guiles
Attorney-In-Fact

SOUTHERN CALIFORNIA GAS COMPANY
REGISTRATION STATEMENT ON FORM S-3

EXHIBIT INDEX

Exhibit No. -----	Description -----
1.1	Form of Underwriting Agreement**
3.1	Restated Articles of Incorporation of Southern California Gas Company (Incorporated by reference from the Form 10-K for the year ended December 31, 1996 (Exhibit 3.01)).
3.2	Bylaws of Southern California Gas Company dated September 1, 1998 (Incorporated by reference from the Form 10-K for the year ended December 31, 1998 (Exhibit 3.02)).
4.01	Form of definitive First Mortgage Bonds (Included in Exhibit 4.38)
4.02	First Mortgage Indenture of Southern California Gas Company to American Trust Company dated October 1, 1940 (Incorporated by reference from the Registration Statement on Form A-2 File No. 2-4504 filed on September 16, 1940 (Exhibit B-3)).
4.03	Supplemental Indenture of Southern California Gas Company to American Trust Company dated as of July 1, 1947 (Incorporated by reference from Registration Statement No. 2-7072 filed by Southern California Gas Company on March 15, 1947 (Exhibit B-5)).
4.04	Supplemental Indenture of Southern California Gas Company to American Trust Company dated as of May 1, 1948 (Incorporated by reference from Registration Statement No. 2-7459 filed by Southern California Gas Company on March 16, 1948 (Exhibit B-6)).
4.05	Supplemental Indenture of Southern California Gas Company to American Trust Company dated as of June 1, 1950 (Incorporated by reference from Registration Statement No. 2-8448 filed by Southern California Gas Company on May 2, 1950 (Exhibit 7.04)).
4.06	Supplemental Indenture of Southern California Gas Company to American Trust Company dated as of April 1, 1952 (Incorporated by reference from Registration Statement No. 2-9461 filed by Southern California Gas Company on February 21, 1952 (Exhibit 4.06)).
4.07	Supplemental Indenture of Southern California Gas Company to American Trust Company dated as of August 1, 1955 (Incorporated by reference from Registration Statement No. 2-11997 filed by Pacific Lighting Corporation on October 26, 1955 (Exhibit 4.07)).
4.08	Supplemental Indenture of Southern California Gas Company to American Trust Company dated as of June 1, 1956 (Incorporated by reference from Registration Statement No. 2-12456 filed by Southern California Gas Company on April 23, 1956 (Exhibit 2.08)).
4.09	Supplemental Indenture of Southern California Gas Company to American Trust Company dated as of December 1, 1956 (Incorporated by reference from Registration Statement No. 2-13382 filed by Southern California Gas Company on May 29, 1957 (Exhibit 2.09)).
4.10	Supplemental Indenture of Southern California Gas Company to American Trust Company dated as of July 1, 1957 (Incorporated by reference from Registration Statement No. 2-13382 filed by Southern California Gas Company on May 29, 1957 (Exhibit 2.10)).
4.11	Supplemental Indenture of Southern California Gas Company to American Trust Company dated as of October 1, 1959 (Incorporated by reference from Registration Statement No. 2-15501 filed by Southern California Gas Company on August 24, 1959 (Exhibit 2.11)).
4.12	Supplemental Indenture of Southern California Gas Company to Wells Fargo Bank dated as of July 1, 1963, (Incorporated by reference from Registration Statement No. 2-21452 filed by Southern California Gas

- 4.13 Supplemental Indenture of Southern California Gas Company to Wells Fargo Bank dated as of September 1, 1964 (Incorporated by reference from Registration Statement No. 2-25695 filed by Southern California Gas Company on November 8, 1966 (Exhibit 2.16)).
- 4.14 Supplemental Indenture of Southern California Gas Company to Wells Fargo Bank dated as of June 1, 1965 (Incorporated by reference from Registration Statement No. 2-59832 filed by Southern California Gas Company on September 6, 1977 (Exhibit 2.16)).
- 4.15 Supplemental Indenture of Southern California Gas Company to Wells Fargo Bank dated as of December 1, 1966 (Incorporated by reference from Registration Statement No. 2-25695 filed by Southern California Gas Company on November 8, 1966 (Exhibit 2.15)).
- 4.16 Supplemental Indenture of Southern California Gas Company to Wells Fargo Bank, National Association, dated as of October 1, 1970 (Incorporated by reference from Registration Statement No. 2-38362 filed by Southern California Gas Company on September 10, 1970 (Exhibit 2.20)).
- 4.17 Supplemental Indenture of Southern California Gas Company to Wells Fargo Bank, National Association dated as of August 1, 1972 (Incorporated by reference from Registration Statement No. 2-59832 filed by Southern California Gas Company on September 6, 1977 (Exhibit 2.19)).
- 4.18 Supplemental Indenture of Southern California Gas Company to Wells Fargo Bank, National Association, dated as of September 1, 1972 (Incorporated by reference from Registration Statement No. 2-45361 filed Southern California Gas Company on August 16, 1972 (Exhibit 2.13)).
- 4.19 Supplemental Indenture of Southern California Gas Company to Wells Fargo Bank, National Association, dated as of October 1, 1974 (Incorporated by reference from Registration Statement No. 2-51964 filed by Southern California Gas Company on September 17, 1974 (Exhibit 2.19)).
- 4.20 Supplemental Indenture of Southern California Gas Company to Wells Fargo Bank, National Association, dated as of May 1, 1976 (Incorporated by reference from Registration Statement No. 2-56034 filed by Southern California Gas Company on April 14, 1976 (Exhibit 2.20)).
- 4.21 Supplemental Indenture of Southern California Gas Company to Wells Fargo Bank, National Association, dated as of October 1, 1977 (Incorporated by reference from Registration Statement No. 2-59832 filed by Southern California Gas Company on September 6, 1977 (Exhibit 2.23)).
- 4.22 Supplemental Indenture of Southern California Gas Company to Wells Fargo Bank, National Association, dated as of November 1, 1979 (Incorporated by reference from Registration Statement No. 2-70597 filed by Southern California Gas Company on January 19, 1981 (Exhibit 4.22)).
- 4.23 Supplemental Indenture of Southern California Gas Company to Wells Fargo Bank, National Association, dated as of February 1, 1981.**
- 4.24 Supplemental Indenture of Southern California Gas Company to Wells Fargo Bank, National Association, dated as of September 15, 1981.**
- 4.25 Supplemental Indenture of Southern California Gas Company to Wells Fargo Bank, National Association, dated as of April 1, 1982.**
- 4.26 Supplemental Indenture of Southern California Gas Company to Wells Fargo Bank, National Association, dated as of August 15, 1983.**
- 4.27 Supplemental Indenture of Southern California Gas Company to Crocker National Bank, as successor trustee to Manufacturers Hanover Trust Company of California and Wells Fargo Bank, National Association, dated as of May 18, 1984 (Incorporated by reference from Registration Statement No. 2-93302 filed by Southern California Gas Company on September 18, 1984 (Exhibit 4.27)).

- 4.28 Supplemental Indenture of Southern California Gas Company to Crocker National Bank dated December 16, 1985 (Incorporated by reference from Registration Statement No. 33-3835 filed by Southern California Gas Company on March 14, 1986 (Exhibit 4.28)).
- 4.29 Supplemental Indenture of Southern California Gas Company to Crocker National Bank, dated as of March 1, 1986 (Incorporated by reference from Registration Statement No. 33-3835 filed by Southern California Gas Company on March 14, 1986 (Exhibit 4.29)).
- 4.30 Supplemental Indenture of Southern California Gas Company to Wells Fargo Bank, National Association, as successor trustee to Crocker National Bank dated November 15, 1986 (Incorporated by reference from Registration Statement No. 33-13287 filed by Southern California Gas Company on April 9, 1987 (Exhibit 4.30)).
- 4.31 Supplemental Indenture of Southern California Gas Company to Wells Fargo Bank, National Association, dated December 1, 1986 (Incorporated by reference from Registration Statement No. 33-13287 filed by Southern California Gas Company on April 9, 1987 (Exhibit 4.31)).
- 4.32 Supplemental Indenture of Southern California Gas Company to Bankers Trust Company of California, N.A., as successor trustee to Wells Fargo Bank, National Association, dated as of January 15, 1988.**
- 4.33 Supplemental Indenture of Southern California Gas Company to Bankers Trust Company of California, N.A., as successor trustee to Wells Fargo Bank, National Association, dated as of June 15, 1988 (Incorporated by reference from Registration Statement No. 33-24528 filed by Southern California Gas Company on September 22, 1988 (Exhibit 4.33)).
- 4.34 Supplemental Indenture of Southern California Gas Company to Bankers Trust Company of California, N.A., dated as of November 1, 1988 (Incorporated by reference from Registration Statement No. 33-38476 filed by Southern California Gas Company on December 28, 1990 (Exhibit 4.34)).
- 4.35 Supplemental Indenture of Southern California Gas Company to Bankers Trust Company of California, N.A., dated as of December 1, 1990 (Incorporated by reference from Registration Statement No. 33-38476 filed by Southern California Gas Company on December 28, 1990 (Exhibit 4.35)).
- 4.36 Supplemental Indenture of Southern California Gas Company to Bankers Trust Company of California, N.A., dated as of October 1, 1991 (Incorporated by reference from Registration Statement No. 33-50826 filed by Southern California Gas Company on August 13, 1992).
- 4.37 Supplemental Indenture of Southern California Gas Company to First Trust of California, National Association, as successor trustee to Bankers Trust Company of California, N.A., dated as of August 15, 1992 (Incorporated by reference from Registration Statement No. 33-50826 filed by Southern California Gas Company on August 13, 1992).
- 4.38 Supplemental Indenture of Southern California Gas Company to First Trust of California, National Association, dated as of December 15, 1992 (Incorporated by reference from Registration Statement No. 333-59404 filed by Southern California Gas Company on March 12, 1993 (Exhibit 4.38)).
- 4.39 Supplemental Indenture of Southern California Gas Company to First Trust of California, National Association, dated as of March 1, 1993 (Incorporated by reference from Registration Statement No. 333-59404 filed by Southern California Gas Company on March 12, 1993 (Exhibit 4.39)).
- 4.40 Supplemental Indenture of Southern California Gas Company to First Trust of California, National Association, dated as of June 15, 1993 (Incorporated by reference from Registration Statement No. 001-01402 filed by Southern California Gas Company on June 14, 1993 (Exhibit 2.39)).
- 4.41 Supplemental Indenture of Southern California Gas Company to First Trust of California, National Association, dated as of November 1, 1993 (Incorporated by reference from Registration Statement No. 001-01402 filed by Southern California Gas Company on November 9, 1993 (Exhibit 2.40)).

4.42 Supplemental Indenture of Southern California Gas Company to First Trust of California, National Association, dated as of November 15, 1993 (Incorporated by reference from Registration Statement No. 001-01402 filed by Southern California Gas Company on November 29, 1993 (Exhibit 2.41)).

5.1 Opinion of Gary W. Kyle, Esq.*

12.1 Statement regarding the computation of ratio of earnings to fixed charges for the years ended December 31, 2000, 1999, 1998, 1997 and 1996 and six-month periods ended June 30, 2000 and June 30, 2001.*

23.1 Consent of Gary W. Kyle, Esq. (included in Exhibit 5.1).*

23.2 Independent Auditors' Consent (Deloitte & Touche LLP).*

24.1 Power of Attorney (included on pages II-4 and 5).*

25.1 Statement of Eligibility of Form T-1 under the Trust Indenture Act of 1939, as amended, of U.S. Bank Trust National Association, as Trustee under the Indenture.*

*Previously filed.

**Filed herewith.

Southern California Gas Company

First Mortgage Bonds

Underwriting Agreement

_____, 200_

To the Representatives of the
several Underwriters named in
the respective Pricing Agreements
hereinafter described

Ladies and Gentlemen:

From time to time, Southern California Gas Company, a California corporation (the "Company"), proposes to enter into one or more Pricing Agreements (each a "Pricing Agreement") in the form of Annex I hereto, with such additions and deletions as the parties thereto may determine, and, subject to the terms and conditions stated herein and therein, to issue and sell to the firms named in Schedule I to the applicable Pricing Agreement (such firms constituting the "Underwriters" with respect to such Pricing Agreement and the securities specified therein) certain of its first mortgage bonds (the "First Mortgage Bonds") specified in Schedule II to such Pricing Agreement (with respect to such Pricing Agreement, the "Designated Bonds").

The terms and rights of any particular issuance of Designated Bonds shall be as specified in the Pricing Agreement relating thereto and in or pursuant to the indenture (the "Indenture") identified in such Pricing Agreement.

1. Particular sales of Designated Bonds may be made from time to time to the Underwriters of such First Mortgage Bonds, for whom the firms designated as representatives of the Underwriters of such First Mortgage Bonds in the Pricing Agreement relating thereto will act as representatives (the "Representatives"). The term "Representatives" also refers to a single firm acting as sole representative of the Underwriters and to an Underwriter or Underwriters who act without any firm being designated as its or their representatives. This Underwriting Agreement shall not be construed as an obligation of the Company to sell any of the First Mortgage Bonds or as an obligation of any of the Underwriters to purchase any of the First Mortgage Bonds. The obligation of the Company to issue and sell any of the First Mortgage Bonds and the obligation of any of the Underwriters to purchase any of the First Mortgage Bonds shall be evidenced by the Pricing Agreement with respect to the Designated Bonds specified therein. Each Pricing Agreement shall specify the aggregate principal amount of such Designated Bonds, the initial public offering price of such Designated Bonds, the purchase price to the Underwriters of such Designated Bonds, the names of the Underwriters of such Designated Bonds, the names of the Representatives of such Underwriters and the principal

amount of such Designated Bonds to be purchased by each Underwriter and shall set forth the date, time and manner of delivery of such Designated Bonds and payment therefor. The Pricing Agreement shall also specify (to the extent not set forth in the Indenture and the registration statement and prospectus with respect thereto) the terms of such Designated Bonds. A Pricing Agreement shall be in the form of an executed writing (which may be in counterparts), and may be evidenced by an exchange of telegraphic communications or any other rapid transmission device designed to produce a written record of communications transmitted. The obligations of the Underwriters under this Agreement and each Pricing Agreement shall be several and not joint.

2. The Company represents and warrants to, and agrees with, each of the Underwriters that:

(a) Registration statements on Form S-3 (Files No. 33-59404 and 333-70654) (including any amendments thereto, the "Initial Registration Statements") in respect of the First Mortgage Bonds have been filed with the Securities and Exchange Commission (the "Commission"); the Initial Registration Statements and any post-effective amendment thereto subsequent to the date hereof, each in the form heretofore delivered or to be delivered to the Representatives and, excluding exhibits to the Initial Registration Statements, but including all documents incorporated by reference in the prospectus with respect to such Initial Registration Statements filed pursuant to Rule 429 under the Securities Act of 1933, as amended (the "Act"), to the Representatives for each of the other Underwriters, have been declared effective by the Commission in such form; other than a registration statement, if any, increasing the size of the offering (a "Rule 462(b) Registration Statement"), filed pursuant to Rule 462(b) under the Act, which, if so filed, became effective upon filing, no other document with respect to the Initial Registration Statements or any document incorporated by reference therein has heretofore been filed or transmitted for filing with the Commission (other than documents filed after the filing date of the Initial Registration Statements under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and prospectuses filed pursuant to Rules 424(b) and 429 of the rules and regulations of the Commission under the Act, each in the form heretofore delivered to the Representatives); and no stop order suspending the effectiveness of the Initial Registration Statements, any post-effective amendment thereto or the Rule 462(b) Registration Statement, if any, has been issued and no proceeding for that purpose has been initiated or threatened by the Commission (any preliminary prospectus with respect to the Initial Registration Statements pursuant to Rule 429 under the Act or filed with the Commission pursuant to Rule 424(a) under the Act, is hereinafter called a "Preliminary Prospectus"; the various parts of the Initial Registration Statements, any post-effective amendment thereto and the Rule 462(b) Registration Statement, if any, including all exhibits thereto and the documents incorporated by reference in the prospectus with respect to the Initial Registration Statements pursuant to Rule 429 under the Act at the time such part of the Initial Registration Statements became effective but excluding any Form T-1, each as amended at the time such part of the Initial Registration Statements became effective or such part of the Rule 462(b) Registration Statement, if any, became or hereafter becomes effective, are hereinafter collectively called the "Registration Statement"; the prospectus relating to the First Mortgage Bonds, in the form in which it has most recently been filed, or transmitted for filing, with the Commission pursuant to Rule 429 under the Act on or prior to the date of this Agreement, being hereinafter called the "Prospectus"; any reference herein to any Preliminary Prospectus or the Prospectus shall be deemed to refer to and include the documents incorporated by reference therein pursuant to the applicable form under the Act, as of the date of such Preliminary Prospectus or Prospectus, as the case may be; any reference to any

amendment or supplement to any Preliminary Prospectus or the Prospectus shall be deemed to refer to and include any documents filed after the date of such Preliminary Prospectus or Prospectus, as the case may be, under the Exchange Act, and incorporated by reference in such Preliminary Prospectus or Prospectus, as the case may be, as of the date of filing of such document; any reference to any amendment to the Initial Registration Statements shall be deemed to refer to and include any annual report of the Company filed pursuant to Sections 13(a) or 15(d) of the Exchange Act after the effective date of the Initial Registration Statements that is incorporated by reference in the Registration Statement; and any reference to the Prospectus shall be deemed to refer to the Prospectus as amended or supplemented in relation to the applicable Designated Bonds in the form in which it is filed with the Commission pursuant to Rule 424(b) under the Act in accordance with Section 5(a) hereof, including any documents incorporated by reference therein as of the date of such filing;

(b) The documents incorporated by reference in the Prospectus, when they became effective or were filed with the Commission, as the case may be, conformed in all material respects to the requirements of the Act or the Exchange Act, as applicable, and the rules and regulations of the Commission thereunder, and none of such documents contained an untrue statement of a material fact or omitted to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; and any further documents so filed and incorporated by reference in the Prospectus or any further amendment or supplement thereto, when such documents become effective or are filed with the Commission, as the case may be, will conform in all material respects to the requirements of the Act or the Exchange Act, as applicable, and the rules and regulations of the Commission thereunder and will not contain an untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, however, that this representation and warranty shall not apply to any statements or omissions made in reliance upon and in conformity with information furnished in writing to the Company by an Underwriter of Designated Bonds through the Representatives expressly for use in the Prospectus as amended or supplemented relating to such First Mortgage Bonds;

(c) The Registration Statement and the Prospectus conform, and any further amendments or supplements to the Registration Statement or the Prospectus will conform, in all material respects to the requirements of the Act and the rules and regulations of the Commission thereunder and the Registration Statement conforms, and any further amendments or supplements to the Registration Statement will conform, in all material respects to the requirements of the Trust Indenture Act of 1939, as amended (the "Trust Indenture Act"), and the rules and regulations of the Commission thereunder and do not and will not, as of the applicable effective date as to the Registration Statement and any amendment thereto and as of the applicable filing date and the applicable time of delivery as to the Prospectus and any amendment or supplement thereto, contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, however, that this representation and warranty shall not apply to any statements or omissions made in reliance upon and in conformity with information furnished in writing to the Company by an Underwriter of Designated Bonds through the Representatives expressly for use in the Prospectus as amended or supplemented relating to such First Mortgage Bonds;

(d) The Company has not sustained since the date of the latest audited financial statements included or incorporated by reference in the Prospectus any material loss or interference with its business from fire, explosion, flood or other calamity, whether or not covered by insurance, or from any labor dispute or court or governmental action, order or decree, otherwise than as set forth or contemplated in the Prospectus; and, since the date as of which information is given in the Registration Statement and the Prospectus, there has not been any material change in the capital stock or long-term debt of the Company or any material adverse change, or any development involving a prospective material adverse change, in or affecting the general affairs, management, financial position, shareholders' equity or results of operations of the Company, otherwise than as set forth or contemplated in the Prospectus;

(e) The Company has been duly incorporated and is validly existing as a corporation in good standing under the laws of the State of California, with power and authority (corporate and other) to own its properties and conduct its business as described in the Prospectus, and has been duly qualified as a foreign corporation for the transaction of business and is in good standing under the laws of each other jurisdiction in which it owns or leases properties or conducts any business so as to require such qualification, except where the failure to be so qualified would not subject it to material liability or disability;

(f) The Company has an authorized capitalization as set forth in the Prospectus, and all of the issued shares of capital stock of the Company have been duly and validly authorized and issued and are fully paid and non-assessable;

(g) The First Mortgage Bonds have been duly authorized, and, when Designated Bonds are issued and delivered pursuant to this Agreement and the Pricing Agreement with respect to such Designated Bonds, such Designated Bonds will have been duly executed, authenticated, issued and delivered and will constitute valid and legally binding obligations of the Company entitled to the benefits provided by the Indenture; the Indenture has been duly authorized and duly qualified under the Trust Indenture Act and, at the Time of Delivery for such Designated Bonds (as defined in Section 4 hereof), the Indenture will constitute a valid and legally binding instrument, enforceable in accordance with its terms, subject, as to enforcement, to bankruptcy, insolvency, receivership, liquidation, fraudulent conveyance, fraudulent transfer, reorganization, moratorium and similar laws of general applicability relating to or affecting creditors' rights and to general equity principles; and the Indenture conforms, and the Designated Bonds will conform, to the descriptions thereof contained in the Prospectus as amended or supplemented with respect to such Designated Bonds;

(h) The issue and sale of the First Mortgage Bonds and the compliance by the Company with all of the provisions of the First Mortgage Bonds, the Indenture, this Agreement and any Pricing Agreement, and the consummation of the transactions herein and therein contemplated will not conflict with or result in a breach or violation of any of the terms or provisions of, or constitute a default under, any material contract, indenture, mortgage, deed of trust, loan agreement, note, lease or other agreement or instrument to which the Company is a party or by which the Company is bound or to which any of the material properties or assets of the Company is subject, nor will such action result in any violation of the provisions of the Articles of Incorporation or By-laws of the Company or any statute or any order, rule or regulation of any court or governmental agency or body having jurisdiction over the Company or

any of its material properties; and no consent, approval, authorization, order, registration or qualification of or with any such court or governmental agency or body is required for the issue and sale of the First Mortgage Bonds or the consummation by the Company of the transactions contemplated by this Agreement or any Pricing Agreement or the Indenture, except such as have been obtained under the Act, the Trust Indenture Act and from the Public Utilities Commission of the State of California and such consents, approvals, authorizations, registrations or qualifications as may be required under state securities or Blue Sky laws in connection with the purchase and distribution of the First Mortgage Bonds by the Underwriters;

(i) The statements set forth in the Prospectus as amended or supplemented under the captions "Description of First Mortgage Bonds," insofar as they purport to constitute a summary of the terms of the First Mortgage Bonds or the Indenture, and under the caption "Plan of Distribution" insofar as they purport to describe the provisions of the laws and documents referred to therein, are accurate, complete and fair in all material respects;

(j) The Company is not (i) in violation of its Articles of Incorporation or By-laws or (ii) in default in the performance or observance of any material obligation, agreement, covenant or condition contained in any contract, indenture, mortgage, deed of trust, loan agreement, note, lease or other agreement or instrument to which it is a party or by which it or any of its properties may be bound, except in the case of clause (ii) for such defaults which, individually or in the aggregate, would not reasonably be expected to have a material adverse effect on the financial position, shareholders' equity or results of operations of the Company;

(k) Other than as set forth in the Prospectus, there are no legal or governmental proceedings pending to which the Company is a party or of which any property of the Company is the subject which, if determined adversely to the Company, would individually or in the aggregate have a material adverse effect on the current or future financial position, shareholders' equity or results of operations of the Company; and, to the best of the Company's knowledge, no such proceedings are threatened or contemplated by governmental authorities or threatened by others;

(l) The Company is not and after giving effect to the offering and sale of the First Mortgage Bonds, will not be, an "investment company," as such term is defined in the Investment Company Act of 1940, as amended (the "Investment Company Act");

(m) Deloitte & Touche LLP, who have certified certain financial statements of the Company, are independent public accountants as required by the Act and the rules and regulations of the Commission thereunder;

(n) The financial statements of the Company included or incorporated by reference in the Registration Statement and Prospectus present fairly in all material respects the financial position of the Company as of the dates indicated and the results of its operations for the periods specified; and, except as stated therein, such financial statements have been prepared in conformity with generally accepted accounting principles in the United States applied on a consistent basis;

(o) The Company has received an order from the Commission exempting the Company from all of the provisions of the Public Utility Holding Company Act of 1935, as amended (the "1935 Act"), except for Section 9(a)(2) thereof;

(p) The Company possesses such certificates, authorities or permits issued by the appropriate state, federal, local or foreign regulatory agencies or bodies necessary to conduct the business now operated by it, except where the failure to possess such certificates, authorities or permits, individually or in the aggregate, would not have a material adverse effect on the current or future financial position, shareholders' equity or results of operations of the Company; and the Company has not received any notice of proceedings relating to the revocation or modification of any such certificate, authority or permit which, individually or in the aggregate, if the subject of an unfavorable decision, ruling or finding, would have a material adverse effect on the current or future financial position, shareholders' equity or results of operations of the Company;

(q) The Company is in compliance with, and conducts its business in conformity with, all applicable state, federal, local and foreign laws and regulations relating to the operation and ownership of a public utility, including, without limitation, those relating to the distribution and transmission of natural gas, except to the extent that any failure so to comply or conform would not individually or in the aggregate have a material adverse effect on the current or future financial position, shareholders' equity or results of operations of the Company;

(r) The Public Utilities Commission of the State of California has duly authorized the issuance and sale of the Designated Bonds by the Company on the terms set forth in the Prospectus and in this Agreement, such authorizations are in full force and effect and no authorization of any other governmental agency having regulatory jurisdiction over the Company is required for such issuance and sale except such as may be required by the securities or blue sky laws of any jurisdiction;

(s) The Company holds all franchises, certificates of public convenience and necessity, permits, licenses and easements necessary to own, operate and maintain its properties as described in the Prospectus subject only to such defects, irregularities, restrictions, conditions and other matters as are described in the Prospectus or which do not materially affect the right of the Company to own, operate and maintain its properties and to conduct its business as described therein;

(t) The Company has good and valid title to all the principal plants and other important units of its property and to all other real estate and fixed property (including plants, machinery and equipment) specifically described in the Indenture as subject to the lien thereof (except property theretofore retired or released from such lien in accordance with the terms of the Indenture) subject only to Permissible Encumbrances (as defined in the Indenture) and other liens and charges permitted by the Indenture and such liens, charges, encumbrances, defects, qualifications, exceptions and other matters affecting title, possession or use as are set forth or referred to in the Prospectus or which do not materially affect the title of the Company to such property or the security for the Designated Bonds;

(u) The indenture originally dated as of October 1, 1940 (the "Base Indenture") between the Company and U.S. Bank Trust National Association, as successor trustee as supplemented and amended by indentures supplemental thereto and amendatory thereof (each a "Supplemental Indenture" and the Base Indenture together with all Supplemental Indentures is referred to herein and in the Pricing Agreement as the "Indenture") has been duly recorded in all offices of county recorders or clerks of all counties in the State of California in which any real property subject to the lien of the Indenture is located and appropriate financing statements in respect of personal property and fixtures have been filed in the Office of the Secretary of State of the State of California and no other filing or recordation is necessary for the perfection and preservation of the lien created thereby except for recordations required in respect of after-acquired real property; and

(v) The Indenture constitutes, as security for the Designated Bonds, a valid and subsisting lien to the extent that it purports to be such on all the present properties of the Company (including plants, machinery, equipment, real estate and fixed property described above), rights and franchises of the Company (other than those properties excepted or released from the lien of the Indenture by its terms) subject only to Permissible Encumbrances (as defined in the Indenture) and other liens and charges permitted by the Indenture and such liens, charges and encumbrances, defects, qualifications, exceptions and other matters as are set forth or referred to in the Prospectus, or which do not materially affect the security for the Designated Bonds, and upon acquisition

thereafter by the Company similar properties the Indenture will, subject to liens existing thereon at the time of acquisition, create such lien thereon.

3. Upon the execution of the Pricing Agreement applicable to any Designated Bonds and authorization by the Representatives of the release of such First Mortgage Bonds, the several Underwriters propose to offer such First Mortgage Bonds for sale upon the terms and conditions set forth in the Prospectus as amended or supplemented.

4. Designated Bonds to be purchased by each Underwriter pursuant to the Pricing Agreement relating thereto, in the form specified in such Pricing Agreement, and in such authorized denominations and registered in such names as the Representatives may request upon at least forty-eight hours prior notice to the Company, shall be delivered by or on behalf of the Company to the Representatives for the account of such Underwriter, against payment by such Underwriter or on its behalf of the purchase price therefor by wire transfer of Federal (same-day) funds to the account specified by the Company to the Representatives at least forty-eight hours in advance or at such other place and time and date as the Representatives and the Company may agree upon in writing, such time and date being herein called the "Time of Delivery" for such First Mortgage Bonds.

5. The Company agrees with each of the Underwriters of any Designated Bonds:

(a) To prepare the Prospectus as amended or supplemented in relation to the applicable Designated Bonds in a form approved by the Representatives and to file such Prospectus pursuant to Rule 424(b) under the Act not later than the Commission's close of business on the second business day following the execution and delivery of the Pricing Agreement relating to the applicable Designated Bonds or, if applicable, such earlier time as may be required by Rule 424(b); to make no further amendment or any supplement to the Registration Statement or Prospectus amended or supplemented after the date of the Pricing Agreement

relating to such First Mortgage Bonds and prior to the Time of Delivery for such First Mortgage Bonds which shall be disapproved by the Representatives for such First Mortgage Bonds promptly after reasonable notice thereof; to advise the Representatives promptly of any such amendment or supplement after such Time of Delivery and furnish the Representatives with copies thereof; to file promptly all reports and any definitive proxy or information statements required to be filed by the Company with the Commission pursuant to Section 13(a), 13(c), 14 or 15(d) of the Exchange Act for so long as the delivery of a prospectus is required in connection with the offering or sale of such First Mortgage Bonds, and during such same period to advise the Representatives, promptly after it receives notice thereof, of the time when any amendment to the Registration Statement has been filed or becomes effective or any supplement to the Prospectus or any amended Prospectus has been filed with the Commission, of the issuance by the Commission of any stop order or of any order preventing or suspending the use of any prospectus relating to the First Mortgage Bonds, of the suspension of the qualification of such First Mortgage Bonds for offering or sale in any jurisdiction, of the initiation or threatening of any proceeding for any such purpose, or of any request by the Commission for the amending or supplementing of the Registration Statement or Prospectus or for additional information; and, in the event of the issuance of any such stop order or of any such order preventing or suspending the use of any prospectus relating to the First Mortgage Bonds or suspending any such qualification, to promptly use commercially reasonable efforts to obtain the withdrawal of such order;

(b) Promptly from time to time to take such action as the Representatives may reasonably request to qualify such First Mortgage Bonds for offering and sale under the securities laws of such jurisdictions as the Representatives may request and to comply with such laws so as to permit the continuance of sales and dealings therein in such jurisdictions for as long as may be necessary to complete the distribution of such First Mortgage Bonds, provided that in connection therewith the Company shall not be required to qualify as a foreign corporation or to file a general consent to service of process in any jurisdiction;

(c) Prior to 10:00 a.m., New York City time, on the New York business day next succeeding the date of any Pricing Agreement for such Designated Bonds, or such later time or date as agreed to by the Company and the Representatives, and from time to time, to furnish the Underwriters with copies of the Prospectus in New York City as amended or supplemented in such quantities as the Representatives may reasonably request, and, if the delivery of a prospectus is required at any time in connection with the offering or sale of such Designated Bonds and if at such time any event shall have occurred as a result of which the Prospectus as then amended or supplemented would include an untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made when such Prospectus is delivered, not misleading, or, if for any other reason it shall be necessary during such same period to amend or supplement the Prospectus or to file under the Exchange Act any document incorporated by reference in the Prospectus in order to comply with the Act, the Exchange Act or the Trust Indenture Act, to notify the Representatives and upon their request to file such document and to prepare and furnish without charge to each Underwriter and to any dealer in securities as many copies as the Representatives may from time to time reasonably request of an amended Prospectus or a supplement to the Prospectus which will correct such statement or omission or effect such compliance;

(d) To make generally available to its securityholders as soon as practicable, but in any event not later than eighteen months after the effective date of the Registration Statement (as defined in Rule 158(c) under the Act), an earnings statement of the Company (which need not be audited) complying with Section 11(a) of the Act and the rules and regulations of the Commission thereunder (including, at the option of the Company, Rule 158);

(e) During the period beginning from the date of the Pricing Agreement for such Designated Bonds and continuing to and including the later of (i) the termination of trading restrictions for such First Mortgage Bonds, as notified to the Company by the Representatives and (ii) the Time of Delivery for such Designated Bonds, not to offer, sell, contract to sell or otherwise dispose of any debt securities of the Company which mature more than one year after such Time of Delivery and which are substantially similar to such Designated Bonds, without the prior written consent of the Representatives; and

(f) If the Company elects to rely upon Rule 462(b), the Company shall file a Rule 462(b) Registration Statement with the Commission in compliance with Rule 462(b) by 10:00 P.M., Washington, D.C. time, on the date of this Agreement, and the Company shall at the time of filing either pay to the Commission the filing fee for the Rule 462(b) Registration Statement or give irrevocable instructions for the payment of such fee pursuant to Rule 111(b) under the Act.

6. The Company covenants and agrees with the several Underwriters that the Company will pay or cause to be paid the following: (i) the fees, disbursements and expenses of the Company's counsel and accountants in connection with the registration of the First Mortgage Bonds under the Act and all other expenses in connection with the preparation, printing and filing of the Registration Statement, any Preliminary Prospectus and the Prospectus and amendments and supplements thereto and the mailing and delivering of copies thereof to the Underwriters and dealers; (ii) the cost of printing or producing any Agreement among Underwriters, this Agreement, any Pricing Agreement, any Indenture, any Blue Sky and Legal Investment Memoranda, closing documents (including any compilations thereof) and any other documents in connection with the offering, purchase, sale and delivery of the First Mortgage Bonds; (iii) all expenses in connection with the qualification of the First Mortgage Bonds for offering and sale under state securities laws as provided in Section 5(b) hereof, including the reasonable fees and disbursements of counsel for the Underwriters in connection with such qualification and in connection with the Blue Sky and Legal Investment Surveys; (iv) any fees charged by securities rating services for rating the First Mortgage Bonds; (v) any filing fees incident to, and the reasonable fees and disbursements of counsel for the Underwriters in connection with, any required review by the NASD Regulation, Inc. of the terms of the sale of the First Mortgage Bonds; (vi) the cost of preparing the First Mortgage Bonds; (vii) the fees and expenses of any Trustee and any agent of any Trustee and the reasonable fees and disbursements of counsel for any Trustee in connection with any Indenture and the First Mortgage Bonds; (viii) any fees and expenses in connection with listing the First Mortgage Bonds and the cost of registering the First Mortgage Bonds under Section 12 of the Exchange Act; and (ix) all other costs and expenses incident to the performance of its obligations hereunder which are not otherwise specifically provided for in this Section. It is understood, however, that except as provided in this Section, and Sections 8 and 11 hereof, the Underwriters will pay all of their own costs and expenses, including the fees of their counsel, transfer taxes on resale of any of the First

Mortgage Bonds by them and any advertising expenses connected with any offers they may make.

7. The obligations of the Underwriters of any Designated Bonds under the Pricing Agreement relating to such Designated Bonds shall be subject, in the discretion of the Representatives, to the condition that all representations and warranties and other statements of the Company in or incorporated by reference in the Pricing Agreement relating to such Designated Bonds are, at and as of the Time of Delivery for such Designated Bonds, true and correct, the condition that the Company shall have performed all of its obligations hereunder theretofore to be performed, and the following additional conditions:

(a) The Prospectus as amended or supplemented in relation to the applicable Designated Bonds shall have been filed with the Commission pursuant to Rule 424(b) within the applicable time period prescribed for such filing by the rules and regulations under the Act and in accordance with Section 5(a) hereof; if the Company has elected to rely upon Rule 462(b), the Rule 462(b) Registration Statement shall have become effective by 10:00 P.M., Washington, D.C. time, on the date of the applicable Pricing Agreement; no stop order suspending the effectiveness of the Registration Statement or any part thereof shall have been issued and no proceeding for that purpose shall have been initiated or threatened by the Commission; and all requests for additional information on the part of the Commission shall have been complied with to the Representatives' reasonable satisfaction;

(b) Counsel for the Underwriters shall have furnished to the Representatives such written opinion, dated the Time of Delivery for such Designated Bonds, with respect to the Registration Statement and the Prospectus as amended or supplemented, as well as such other related matters as the Representatives may reasonably request, and such counsel shall have received such papers and information as they may reasonably request to enable them to pass upon such matters;

(c) Gary W. Kyle, Chief Corporate Counsel of Sempra Energy, a California corporation and the ultimate parent of the Company, shall have furnished to the Representatives a written opinion, dated the Time of Delivery for such Designated Bonds, in form and substance satisfactory to the Representatives, to the effect that:

(i) The Company has been duly incorporated and is validly existing as a corporation in good standing under the laws of the State of California, with power and authority (corporate and other) to own its properties and conduct its business as described in the Prospectus, and has been duly qualified as a foreign corporation for the transaction of business and is in good standing under the laws of each other jurisdiction in which it owns or leases properties or conducts any business so as to require such qualification, except where the failure to be so qualified would not subject it to material liability or disability;

(ii) The Company has an authorized capitalization as set forth in the Prospectus and all of the issued shares of capital stock of the Company have been duly and validly authorized and issued and are fully paid and non-assessable;

(iii) To the best of such counsel's knowledge and other than as set forth in the Prospectus, there are no legal or governmental proceedings pending to which the Company is a party or of which any property of the Company is the subject which, if determined adversely to the Company, would reasonably be expected individually or in the aggregate to have a material adverse effect on the current or future financial position, shareholders' equity or results of operations of the Company; and, to the best of such counsel's knowledge, no such proceedings are threatened or contemplated by governmental authorities or threatened by others;

(iv) This Agreement and the Pricing Agreement with respect to the Designated Bonds have been duly authorized, executed and delivered by the Company;

(v) The Designated Bonds have been duly authorized, executed, authenticated, issued and delivered and the Designated Bonds and the Indenture conform to the descriptions thereof in the Prospectus;

(vi) The Indenture has been duly authorized, executed and delivered by the parties thereto; and the Indenture has been duly qualified under the Trust Indenture Act;

(vii) The Public Utilities Commission of the State of California has duly authorized the issuance and sale of the Designated Bonds by the Company on the terms set forth in the Prospectus and in this Agreement, such authorizations are in full force and effect and no authorization of any other governmental agency having regulatory jurisdiction over the Company is required for such issuance and sale except such as may be required by the securities or blue sky laws of any jurisdiction;

(viii) The Company holds all franchises, certificates of public convenience and necessity, permits, licenses and easements necessary to own, operate and maintain its properties as described in the Prospectus subject only to such defects, irregularities, restrictions, conditions and other matters as are described in the Prospectus or which do not, in such counsel's opinion, materially affect the right of the Company to own, operate and maintain its properties and to conduct its business as described therein;

(ix) The Base Indenture and each Supplemental Indenture has been duly recorded in all offices of county recorders or clerks of all counties in the State of California in which any real property subject to the lien of the Indenture is located and appropriate financing

statements in respect of personal property and fixtures have been filed in the Office of the Secretary of State of the State of California and no other filing or recordation is necessary for the perfection and preservation of the lien created thereby except for recordations required in respect of after-acquired real property;

(x) The Indenture constitutes, as security for the Designated Bonds, a valid and subsisting lien to the extent that it purports to be such on all the present properties of the Company (including plants, machinery, equipment, real estate and fixed property described above), rights and franchises of the Company (other than those properties excepted or released from the lien of the Indenture by its terms) subject only to Permissible Encumbrances (as defined in the Indenture) and other liens and charges permitted by the Indenture and such liens, charges and encumbrances, defects, qualifications, exceptions and other matters as are set forth or referred to in the Prospectus, or which do not, in such counsel's opinion, materially affect the security for the Designated Bonds, and upon acquisition thereafter by the Company similar properties the Indenture will, subject to liens existing thereon at the time of acquisition, create such lien thereon;

(xi) The issue and sale of the Designated Bonds and the compliance by the Company with all of the provisions of the Designated Bonds, the Indenture, this Agreement and the Pricing Agreement with respect to the Designated Bonds and the consummation of the transactions herein and therein contemplated will not conflict with or result in a breach or violation of any of the terms or provisions of, or constitute a default under, any material contract, indenture, mortgage, deed of trust, loan agreement, note, lease or other agreement or instrument to which the Company is a party or by which the Company is bound or to which any of its material properties or assets is subject, nor will such actions result in any violation of the provisions of the Articles of Incorporation or By-laws of the Company or any statute or any order, rule or regulation of any court or governmental agency or body having jurisdiction over the Company or any of its material properties;

(xii) No consent, approval, authorization, order, registration or qualification of or with any such court or governmental agency or body is required for the issue and sale of the Designated Bonds or the consummation by the Company of the transactions contemplated by this Agreement or such Pricing Agreement or the Indenture, except such as have been obtained under the Act, the Trust Indenture Act and from the Public Utilities Commission of the State of California and such consents, approvals, authorizations, orders, registrations or qualifications as may be required under state securities or Blue Sky laws in connection with the purchase and distribution of the Designated Bonds by the Underwriters;

(xiii) The Company is not (i) in violation of its By-laws or Articles of Incorporation or (ii) in default in the performance or observance of any material obligation, agreement, covenant or condition contained in any contract, indenture, mortgage, deed of trust, loan agreement, note, lease or other agreement or instrument to which it is a party or by which it or any of its properties may be bound, except in the case of clause (ii) for such defaults which, individually or in the aggregate, would not reasonably be expected to have a material adverse effect on the financial position, shareholders' equity or results of operations of the Company;

(xiv) The statements set forth in the Prospectus as amended or supplemented under the captions "Description of First Mortgage Bonds" insofar as they purport to constitute a summary of the terms of the First Mortgage Bonds or the Indenture, and under the caption "Plan of Distribution" insofar as they purport to describe the provisions of the laws and documents referred to therein, are accurate, complete and fair in all material respects;

(xv) The Company is not, and after giving effect to the offering and sale of the Designated Bonds, will not be, an "investment company," as such term is defined in the Investment Company Act;

(xvi) The documents incorporated by reference in the Prospectus as amended or supplemented (other than the financial statements and related schedules therein, as to which such counsel need express no opinion), when they became effective or were filed with the Commission, as the case may be, complied as to form in all material respects with the requirements of the Act or the Exchange Act, as applicable, and the rules and regulations of the Commission thereunder, and such counsel has no reason to believe that any of such documents, when they became effective or were so filed, as the case may be, contained, in the case of a registration statement which became effective under the Act, an untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein not misleading, or, in the case of other documents which were filed under the Act or the Exchange Act with the Commission, an untrue statement of a material fact or omitted to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made when such documents were so filed, not misleading; it being understood that such counsel expresses no belief with respect to the financial statements or other financial data included or incorporated by reference in, or omitted from, the Prospectus as amended or supplemented;

(xvii) The Registration Statement and the Prospectus as amended or supplemented and any further amendments and supplements thereto made by the Company prior to the Time of Delivery for the Designated Bonds (in each case, excluding the documents incorporated by reference therein) comply as to form in all material respects with the requirements for registration statements on Form S-3 under the Act, and the requirements under the Trust Indenture Act and the rules and regulations of the Commission thereunder, it being understood, however, that such counsel expresses no opinion with respect to the financial statements, schedules or other financial data included or incorporated by reference in, or omitted from the Registration Statement or the Prospectus as amended or supplemented or with respect to any Form T-1. In passing upon the compliance as to the form of the Registration Statement and the Prospectus as amended or supplemented (in each case, excluding the documents incorporated by reference therein), except for those statements referred to in the opinion in subsection (xiv) of this Section 7(c), such counsel has assumed that the statements made and incorporated by reference therein are correct and complete; and

(xviii) The Company has received an order from the Commission exempting the Company from all of the provisions of the 1935 Act, except for Section 9(a)(2) thereof;

(d) Counsel for the Company satisfactory to the Representatives shall have furnished to the Representatives their written opinion or opinions, dated each Time of Delivery for such Designated Bonds, in form and substance satisfactory to the Representatives, to the effect that:

(i) The Indenture constitutes a legally valid and binding obligation of the Company, enforceable against the Company in accordance with its terms;

(ii) The Designated Bonds, when executed and authenticated in accordance with the terms of the Indenture, and when delivered to and paid for by the Underwriters in accordance with the terms of this Agreement and the Pricing Agreement, will constitute legally valid and binding obligations of the Company, enforceable against the Company in accordance with their terms, and are entitled to the benefits of the Indenture; and

(iii) The Registration Statement and the Prospectus as amended or supplemented (in each case, excluding the documents incorporated by reference therein) comply as to form in all material respects with the requirements for registration statements on Form S-3 under the Act, and the requirements under the Trust Indenture Act and the rules and regulations of the Commission thereunder; it being understood, however, that such counsel expresses no opinion with respect to the financial statements, schedules or other financial data included or incorporated by reference in, or omitted from, the Registration Statement or the Prospectus as amended or supplemented or with respect to any Form T-1. In passing upon the compliance as to form of the Registration Statement and the Prospectus as amended or supplemented (in each case, excluding the documents incorporated by reference therein), such counsel has assumed that the statements made and incorporated by reference therein are correct and complete.

In addition, such counsel shall provide a statement to the effect that such counsel has participated in telephone conferences with officers and other representatives of the Company, and representatives of the Underwriters, at which the contents of the Registration Statement and the Prospectus as amended or supplemented and related matters were discussed and, although such counsel is not passing upon, and does not assume any responsibility for, the accuracy, completeness or fairness of the statements contained or incorporated by reference in the Registration Statement and the Prospectus as amended or supplemented and has not made any independent check or verification thereof, during the course of such participation, no facts came to such counsel's attention that caused them to believe that the Registration Statement, at the time it became effective, contained an untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein not misleading, or that the Prospectus as amended or supplemented (including the documents incorporated by reference), as of its date and as of the date of such opinion, contained or contains an untrue statement of a material fact or omitted or omits to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; it being understood that such counsel expresses no belief with respect to the financial statements or other financial data included or incorporated by reference in, or omitted from, the Registration Statement or Prospectus as amended or supplemented;

(e) On the date of the Pricing Agreement for such Designated Bonds at a time prior to the execution of the Pricing Agreement with respect to such Designated Bonds, and at the Time of Delivery for such Designated Bonds, the independent accountants of the Company who have certified the financial statements of the Company included or incorporated by reference in the Registration Statement shall have furnished to the Representatives a letter, dated the date of the Pricing Agreement to the effect set forth in Annex II hereto, and a letter dated such Time of Delivery reaffirming the statements made in their letter dated the date of the Pricing Agreement, except that the specified date referred to in such letter delivered on such Time of Delivery shall be a date not more than three days prior to the Time of Delivery, and with respect to such letter dated such Time of Delivery, as to such other matters as the Representatives may reasonably request and in form and substance satisfactory to the Representatives;

(f) (i) The Company shall have not sustained since the date of the latest audited financial statements included or incorporated by reference in the Prospectus as amended prior to the date of the Pricing Agreement relating to the Designated Bonds any loss or interference with its business from fire, explosion, flood or other calamity, whether or not covered by insurance, or from any labor dispute or court or governmental action, order or decree, otherwise than as set forth or contemplated in the Prospectus as amended prior to the date of the Pricing Agreement relating to the Designated Bonds, and (ii) since the respective dates as of which information is given in the Prospectus as amended prior to the date of the Pricing Agreement relating to the Designated Bonds there shall not have been any change in the capital stock or long-term debt of the Company or any change, or any development involving a prospective change, in or affecting the general affairs, management, financial position, shareholders' equity or results of operations of the Company, otherwise than as set forth or contemplated in the Prospectus as amended prior to the date of the Pricing Agreement relating to the Designated Bonds, the effect of which, in any such case described in clause (i) or (ii), is in the judgment of the Representatives so material and adverse to the Company as to make it impracticable or inadvisable to proceed with the public offering or the delivery of the Designated Bonds on the terms and in the manner contemplated in the Prospectus as first amended or supplemented relating to the Designated Bonds;

(g) On or after the date of the Pricing Agreement relating to the Designated Bonds (i) no downgrading shall have occurred in the rating accorded the Company's debt securities or preferred stock by any "nationally recognized statistical rating organization," as that term is defined by the Commission for purposes of Rule 436(g)(2) under the Act, and (ii) no such organization shall have publicly announced that it has under surveillance or review, with possible negative implications, its rating of any of the Company's debt securities or preferred stock;

(h) On or after the date of the Pricing Agreement relating to the Designated Bonds there shall not have occurred any of the following: (i) a suspension or material limitation in trading in securities generally on the New York Stock Exchange; (ii) a suspension or material limitation in trading in the Company's securities on the New York Stock Exchange; (iii) a general moratorium on commercial banking activities declared by either Federal or New York or California State authorities; or (iv) the outbreak or escalation of hostilities involving the United States or the declaration by the United States of a national emergency or war, if the effect of any such event specified in this clause (iv) in the judgment of the Representatives makes it impracticable or inadvisable to proceed with the public offering or the delivery of the Designated

Bonds on the terms and in the manner contemplated in the Prospectus as first amended or supplemented relating to the Designated Bonds;

(i) The Company shall have complied with the provisions of Section 5(c) hereof with respect to the furnishing of prospectuses on the New York business day next succeeding the date of any Pricing Agreement for such Designated Bonds; and

(j) The Company shall have furnished or caused to be furnished to the Representatives at the Time of Delivery for the Designated Bonds a certificate of officers of the Company satisfactory to the Representatives as to the accuracy of the representations and warranties of the Company herein at and as of such Time of Delivery, as to the performance by the Company of all of its obligations hereunder to be performed at or prior to such Time of Delivery, as to the matters set forth in subsections (a) and (f) of this Section and as to such other matters as the Representatives may reasonably request.

8. (a) The Company will indemnify and hold harmless each Underwriter against any losses, claims, damages or liabilities, joint or several, to which such Underwriter may become subject, under the Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon an untrue statement or alleged untrue statement of a material fact contained in any Preliminary Prospectus, any preliminary prospectus supplement, the Registration Statement, the Prospectus as amended or supplemented and any other prospectus relating to the First Mortgage Bonds, or any amendment or supplement thereto, or arise out of or are based upon the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, and will reimburse each Underwriter for any legal or other expenses reasonably incurred by such Underwriter in connection with investigating or defending any such action or claim as such expenses are incurred; provided, however, that the Company shall not be liable in any such case to the extent that any such loss, claim, damage or liability arises out of or is based upon an untrue statement or alleged untrue statement or omission or alleged omission made in any Preliminary Prospectus, any preliminary prospectus supplement, the Registration Statement, the Prospectus as amended or supplemented and any other prospectus relating to the First Mortgage Bonds, or any such amendment or supplement in reliance upon and in conformity with written information furnished to the Company by any Underwriter of Designated Bonds through the Representatives expressly for use in the Prospectus as amended or supplemented relating to such Designated Bonds.

(b) Each Underwriter will indemnify and hold harmless the Company against any losses, claims, damages or liabilities to which the Company may become subject, under the Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon an untrue statement or alleged untrue statement of a material fact contained in any Preliminary Prospectus, any preliminary prospectus supplement, the Registration Statement, the Prospectus as amended or supplemented and any other prospectus relating to the First Mortgage Bonds, or any amendment or supplement thereto, or arise out of or are based upon the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, in each case to the extent, but only to the extent, that such untrue statement or alleged untrue statement or omission or alleged omission was made in any Preliminary Prospectus, any preliminary prospectus

supplement, the Registration Statement, the Prospectus as amended or supplemented and any other prospectus relating to the First Mortgage Bonds, or any such amendment or supplement in reliance upon and in conformity with written information furnished to the Company by such Underwriter through the Representatives expressly for use therein; and will reimburse the Company for any legal or other expenses reasonably incurred by the Company in connection with investigating or defending any such action or claim as such expenses are incurred.

(c) Promptly after receipt by an indemnified party under subsection (a) or (b) above of notice of the commencement of any action, such indemnified party shall, if a claim in respect thereof is to be made against the indemnifying party under such subsection, notify the indemnifying party in writing of the commencement thereof; but the omission so to notify the indemnifying party shall not relieve it from any liability which it may have to any indemnified party otherwise than under such subsection. In case any such action shall be brought against any indemnified party and it shall notify the indemnifying party of the commencement thereof, the indemnifying party shall be entitled to participate therein and, to the extent that it shall wish, jointly with any other indemnifying party similarly notified, to assume the defense thereof, with counsel satisfactory to such indemnified party (who shall not, except with the consent of the indemnified party, be counsel to the indemnifying party), and, after notice from the indemnifying party to such indemnified party of its election so to assume the defense thereof, the indemnifying party shall not be liable to such indemnified party under such subsection for any legal expenses of other counsel or any other expenses, in each case subsequently incurred by such indemnified party, in connection with the defense thereof other than reasonable costs of investigation. No indemnifying party shall, without the written consent of the indemnified party, effect the settlement or compromise of, or consent to the entry of any judgment with respect to, any pending or threatened action or claim in respect of which indemnification or contribution may be sought hereunder (whether or not the indemnified party is an actual or potential party to such action or claim) unless such settlement, compromise or judgment (i) includes an unconditional release of the indemnified party from all liability arising out of such action or claim and (ii) does not include a statement as to or an admission of fault, culpability or a failure to act, by or on behalf of any indemnified party.

(d) If the indemnification provided for in this Section 8 is unavailable to or insufficient to hold harmless an indemnified party under subsection (a) or (b) above in respect of any losses, claims, damages or liabilities (or actions in respect thereof) referred to therein, then each indemnifying party shall contribute to the amount paid or payable by such indemnified party as a result of such losses, claims, damages or liabilities (or actions in respect thereof) in such proportion as is appropriate to reflect the relative benefits received by the Company on the one hand and the Underwriters of the Designated Bonds on the other from the offering of the First Mortgage Bonds to which such loss, claim, damage or liability (or action in respect thereof) relates. If, however, the allocation provided by the immediately preceding sentence is not permitted by applicable law or if the indemnified party failed to give the notice required under subsection (c) above, then each indemnifying party shall contribute to such amount paid or payable by such indemnified party in such proportion as is appropriate to reflect not only such relative benefits but also the relative fault of the Company on the one hand and the Underwriters of the Designated Bonds on the other in connection with the statements or omissions which resulted in such losses, claims, damages or liabilities (or actions in respect thereof), as well as any other relevant equitable considerations. The relative benefits received by the Company on

the one hand and such Underwriters on the other shall be deemed to be in the same proportion as the total net proceeds from such offering (before deducting expenses) received by the Company bear to the total underwriting discounts and commissions received by such Underwriters. The relative fault shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the Company on the one hand or such Underwriters on the other and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission. The Company and the Underwriters agree that it would not be just and equitable if contribution pursuant to this subsection (d) were determined by pro rata allocation (even if the Underwriters were treated as one entity for such purpose) or by any other method of allocation which does not take account of the equitable considerations referred to above in this subsection (d). The amount paid or payable by an indemnified party as a result of the losses, claims, damages or liabilities (or actions in respect thereof) referred to above in this subsection (d) shall be deemed to include any legal or other expenses reasonably incurred by such indemnified party in connection with investigating or defending any such action or claim. Notwithstanding the provisions of this subsection (d), no Underwriter shall be required to contribute any amount in excess of the amount by which the total price at which the applicable Designated Bonds underwritten by it and distributed to the public were offered to the public exceeds the amount of any damages which such Underwriter has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. The obligations of the Underwriters of Designated Bonds in this subsection (d) to contribute are several in proportion to their respective underwriting obligations with respect to such First Mortgage Bonds and not joint.

(e) The obligations of the Company under this Section 8 shall be in addition to any liability which the Company may otherwise have and shall extend, upon the same terms and conditions, to each person, if any, who controls any Underwriter within the meaning of the Act; and the obligations of the Underwriters under this Section 8 shall be in addition to any liability which the respective Underwriters may otherwise have and shall extend, upon the same terms and conditions, to each officer and director of the Company and to each person, if any, who controls the Company within the meaning of the Act.

9. (a) If any Underwriter shall default in its obligation to purchase the Designated Bonds which it has agreed to purchase under the Pricing Agreement relating to such Designated Bonds, the Representatives may in their discretion arrange for themselves or another party or other parties to purchase such Designated Bonds on the terms contained herein. If within thirty-six hours after such default by any Underwriter the Representatives do not arrange for the purchase of such Designated Bonds, then the Company shall be entitled to a further period of thirty-six hours within which to procure another party or other parties satisfactory to the Representatives to purchase such Designated Bonds on such terms. In the event that, within the respective prescribed period, the Representatives notify the Company that they have so arranged for the purchase of such Designated Bonds, or the Company notifies the Representatives that it has so arranged for the purchase of such Designated Bonds, the Representatives or the Company shall have the right to postpone the Time of Delivery for such Designated Bonds for a period of not more than seven days, in order to effect whatever changes

may thereby be made necessary in the Registration Statement or the Prospectus as amended or supplemented, or in any other documents or arrangements, and the Company agrees to file promptly any amendments or supplements to the Registration Statement or the Prospectus which in the opinion of the Representatives may thereby be made necessary. The term "Underwriter" as used in this Agreement shall include any person substituted under this Section with like effect as if such person had originally been a party to the Pricing Agreement with respect to such Designated Bonds.

(b) If, after giving effect to any arrangements for the purchase of the Designated Bonds of a defaulting Underwriter or Underwriters by the Representatives and the Company as provided in subsection (a) above, the aggregate principal amount of such Designated Bonds which remains unpurchased does not exceed one-eleventh of the aggregate principal amount of the Designated Bonds, then the Company shall have the right to require each non-defaulting Underwriter to purchase the principal amount of Designated Bonds which such Underwriter agreed to purchase under the Pricing Agreement relating to such Designated Bonds and, in addition, to require each non-defaulting Underwriter to purchase its pro rata share (based on the principal amount of Designated Bonds which such Underwriter agreed to purchase under such Pricing Agreement) of the Designated Bonds of such defaulting Underwriter or Underwriters for which such arrangements have not been made; but nothing herein shall relieve a defaulting Underwriter from liability for its default.

(c) If, after giving effect to any arrangements for the purchase of the Designated Bonds of a defaulting Underwriter or Underwriters by the Representatives and the Company as provided in subsection (a) above, the aggregate principal amount of Designated Bonds which remains unpurchased exceeds one-eleventh of the aggregate principal amount of the Designated Bonds, as referred to in subsection (b) above, or if the Company shall not exercise the right described in subsection (b) above to require non-defaulting Underwriters to purchase Designated Bonds of a defaulting Underwriter or Underwriters, then the Pricing Agreement relating to such Designated Bonds shall thereupon terminate, without liability on the part of any non-defaulting Underwriter or the Company, except for the expenses to be borne by the Company and the Underwriters as provided in Section 6 hereof and the indemnity and contribution agreements in Section 8 hereof; but nothing herein shall relieve a defaulting Underwriter from liability for its default.

10. The respective indemnities, agreements, representations, warranties and other statements of the Company and the several Underwriters, as set forth in this Agreement or made by or on behalf of them, respectively, pursuant to this Agreement, shall remain in full force and effect, regardless of any investigation (or any statement as to the results thereof) made by or on behalf of any Underwriter or any controlling person of any Underwriter, or the Company or any officer or director or controlling person of the Company, and shall survive delivery of and payment for the First Mortgage Bonds.

11. If any Pricing Agreement shall be terminated pursuant to Section 9 hereof, the Company shall not then be under any liability to any Underwriter with respect to the Designated Bonds covered by such Pricing Agreement except as provided in Sections 6 and 8 hereof; but, if for any other reason Designated Bonds are not delivered by or on behalf of the Company as provided herein, the Company will reimburse the Underwriters through the Representatives for

all out-of-pocket expenses approved in writing by the Representatives, including fees and disbursements of counsel, reasonably incurred by the Underwriters in making preparations for the purchase, sale and delivery of such Designated Bonds, but the Company shall then be under no further liability to any Underwriter with respect to such Designated Bonds except as provided in Sections 6 and 8 hereof.

12. In all dealings hereunder, the Representatives of the Underwriters of Designated Bonds shall act on behalf of each of such Underwriters, and the parties hereto shall be entitled to act and rely upon any statement, request, notice or agreement on behalf of any Underwriter made or given by such Representatives jointly or by such of the Representatives, if any, as may be designated for such purpose in the Pricing Agreement.

All statements, requests, notices and agreements hereunder shall be in writing, and if to the Underwriters shall be delivered or sent by mail, telex or facsimile transmission to the address of the Representatives as set forth in the Pricing Agreement; and if to the Company shall be delivered or sent by mail, telex or facsimile transmission to the address of the Company set forth in the Registration Statement, Attention: Secretary; provided, however, that any notice to an Underwriter pursuant to Section 8(c) hereof shall be delivered or sent by mail, telex or facsimile transmission to such Underwriter at its address set forth in its Underwriters' Questionnaire, or telex constituting such Questionnaire, which address will be supplied to the Company by the Representatives upon request. Any such statements, requests, notices or agreements shall take effect upon receipt thereof.

13. This Agreement and each Pricing Agreement shall be binding upon, and inure solely to the benefit of, the Underwriters, the Company and, to the extent provided in Sections 8 and 10 hereof, the officers and directors of the Company and each person who controls the Company or any Underwriter, and their respective heirs, executors, administrators, successors and assigns, and no other person shall acquire or have any right under or by virtue of this Agreement or any such Pricing Agreement. No purchaser of any of the First Mortgage Bonds from any Underwriter shall be deemed a successor or assign by reason merely of such purchase.

14. Time shall be of the essence of each Pricing Agreement. As used herein, "business day" shall mean any day when the Commission's office in Washington, D.C. is open for business.

15. This Agreement and each Pricing Agreement shall be governed by and construed in accordance with the laws of the State of New York.

16. This Agreement and each Pricing Agreement may be executed by any one or more of the parties hereto and thereto in any number of counterparts, each of which shall be deemed to be an original, but all such respective counterparts shall together constitute one and the same instrument.

(Signature Page Follows)

If the foregoing is in accordance with your understanding, please sign and return to us one for the Company and for each of the Representatives plus one for each counsel counterparts hereof.

Very truly yours,

Southern California Gas Company

By: _____

Name:

Title:

Accepted as of the date hereof:

[Underwriter]

By: _____

Name:

Title:

[Underwriter]

By: _____

Name:

Title:

ANNEX I

Pricing Agreement

As Representatives of the several
Underwriters named in Schedule I hereto,

_____, 200_

Ladies and Gentlemen:

Southern California Gas Company, a California corporation (the "Company"), proposes, subject to the terms and conditions stated herein and in the Underwriting Agreement, dated _____, 200_ (the "Underwriting Agreement") between the Company on the one hand and _____, _____ and _____ on the other hand, to issue and sell to the Underwriters named in Schedule I hereto (the "Underwriters") the First Mortgage Bonds specified in Schedule II hereto (the "Designated Bonds"). Each of the provisions of the Underwriting Agreement is incorporated herein by reference in its entirety, and shall be deemed to be a part of this Agreement to the same extent as if such provisions had been set forth in full herein; and each of the representations and warranties set forth therein shall be deemed to have been made at and as of the date of this Pricing Agreement, except that each representation and warranty which refers to the Prospectus in Section 2 of the Underwriting Agreement shall be deemed to be a representation and warranty as of the date of the Underwriting Agreement in relation to the Prospectus (as therein defined), and also a representation and warranty as of the date of this Pricing Agreement in relation to the Prospectus as amended or supplemented relating to the Designated Bonds which are the subject of this Pricing Agreement. Each reference to the Representatives herein and in the provisions of the Underwriting Agreement so incorporated by reference shall be deemed to refer to you. Unless otherwise defined herein, terms defined in the Underwriting Agreement are used herein as therein defined. The Representatives designated to act on behalf of the Representatives and on behalf of each of the Underwriters of the Designated Bonds pursuant to Section 12 of the Underwriting Agreement and the address of the Representatives referred to in such Section 12 are set forth at the end of Schedule II hereto.

An amendment to the Registration Statement, or a supplement to the Prospectus, as the case may be, relating to the Designated Bonds, in the form heretofore delivered to you is now proposed to be filed with the Commission.

Subject to the terms and conditions set forth herein and in the Underwriting Agreement incorporated herein by reference, the Company agrees to issue and sell to each of the Underwriters, and each of the Underwriters agrees, severally and not jointly, to purchase from

the Company, at the time and place and at the purchase price to the Underwriters set forth in Schedule II hereto, the principal amount of Designated Bonds set forth opposite the name of such Underwriter in Schedule I hereto.

If the foregoing is in accordance with your understanding, please sign and return to us one for the Company and for each of the Representatives plus one for each counsel counterparts hereof, and upon acceptance hereof by you, on behalf of each of the Underwriters, this letter and such acceptance hereof, including the provisions of the Underwriting Agreement incorporated herein by reference, shall constitute a binding agreement between each of the Underwriters, on the one hand, and the Company, on the other hand. It is understood that your acceptance of this letter on behalf of each of the Underwriters is or will be pursuant to the authority set forth in a form of Agreement among Underwriters, the form of which shall be submitted to the Company for examination upon request, but without warranty on the part of the Representatives as to the authority of the signers thereof.

Very truly yours,

Southern California Gas Company

By: _____
Name:
Title:

Accepted as of the date hereof:

By: _____
(_____)

On behalf of each of the Underwriters

SCHEDULE I

Underwriter	Principal Amount of Designated Bonds to be Purchased
-----	-----
[Names of Co-Representatives].....	\$
[Names of other Underwriters].....	-----
Total.....	-----

Schedule I-1

SCHEDULE II

Title of Designated Bonds:

[____%] [Floating Rate] [Zero Coupon] [First Mortgage Bonds]

due 20__

Aggregate principal amount:

\$_____

Price to Public:

_____ % of the principal amount of the Designated Bonds, plus accrued interest[, if any,] from __ to __ [and accrued amortization[, if any,] from __ to __]

Purchase Price by Underwriters:

_____ % of the principal amount of the Designated Bonds[, plus accrued interest from __ to __] [and accrued amortization[, if any,] from __ to __]

Form of Designated Bonds:

[Definitive form to be made available for checking and packaging at least twenty-four hours prior to the Time of Delivery at the office of [The Depository Trust Company or its designated custodian] [the Representatives]]

[Book-entry only form represented by one or more global securities deposited with The Depository Trust Company ("DTC") or its designated custodian, to be made available for checking by the Representatives at least twenty-four hours prior to the Time of Delivery at the office of DTC.]

Specified funds for payment of purchase price:

Federal (same day) funds

Time of Delivery:

_____ a.m. (New York City time), _____, 200__

Indenture:

Indenture dated October 1, 1940, as amended and supplemented to date, between the Company and U.S. Bank Trust National Association, as successor trustee

Maturity:

Interest Rate:

[_____] [Zero Coupon] [See Floating Rate Provisions] [See Adjustable Rate Provisions]

Interest Payment Dates:

[_____ and _____, commencing _____, 200__]

Redemption Provisions:

[No provisions for redemption]

[The Designated Bonds may be redeemed, otherwise than through the sinking fund, in whole or in part at the option of the Company, in the amount of the greater of the following amounts: (a) 100% of the principal amount of the Designated Bonds being redeemed on the date fixed for such redemption (the "Redemption Date"); or (b) the sum of the present values of the remaining scheduled payments of principal and interest (as adjusted for any announced rating change as of the date of the notice of redemption, whether or not effective) on the bonds being redeemed on that Redemption Date (not including any portion of any payments of interest accrued to the Redemption Date) discounted to the Redemption Date on a semiannual basis,]

[on or after _____ at the following redemption prices (expressed in percentages of principal amount). If [redeemed on or before __, __%, and if] redeemed during the 12-month period beginning _____,

Year Redemption Price

—.—

and thereafter at 100% of their principal amount, together in each case with accrued interest to the redemption date.]

[on any interest payment date falling on or after _____, at the election of the Company, at a redemption price equal to the principal amount thereof, plus accrued interest to the date of redemption.]]

[Other possible redemption provisions, such as mandatory redemption upon occurrence of certain events or redemption for changes in tax law]

[Restriction on refunding]

Sinking Fund Provisions:

[No sinking fund provisions]

[The Designated Bonds are entitled to the benefit of a sinking fund to retire [\$_____] principal amount of Designated Bonds on _____ in each of the years __ through __ at

100% of their principal amount plus accrued interest[, together with [cumulative] [noncumulative] redemptions at the option of the Company to retire an additional [\$___] principal amount of Designated Bonds in the years ___ through ___ at 100% of their principal amount plus accrued interest.]

[If Designated Bonds are floating rate debt securities, insert--

Floating rate provisions:

Initial annual interest rate will be ___% through ___ [and thereafter will be adjusted [monthly] [on each __, __, and] [to an annual rate of ___% above the average rate for ___-year [month][securities][certificates of deposit] issued by ___ and ___ [insert names of banks]___] [and the annual interest rate [thereafter] [from ___ through ___] will be the interest yield equivalent of the weekly average per annum market discount rate for ___-month Treasury bills plus ___% of Interest Differential (the excess, if any, of (i) the then current weekly average per annum secondary market yield for ___-month certificates of deposit over (ii) the then current interest yield equivalent of the weekly average per annum market discount rate for ___-month Treasury bills); [from ___ and thereafter the rate will be the then current interest yield equivalent plus ___% of Interest Differential].]

Adjustable rate provisions:

Initial annual interest rate will be ___% [and in the event of a downgrade in the senior unsecured long-term debt rating of the Company by Moody's Investors Service, Inc. ("Moody's") or Standard & Poor's Rating Service ("S&P") below the specified ratings, and in the event of subsequent upgrades or downgrades, the interest rate on the Designated Bonds will be adjusted. Following an adjustment, the annual interest rate will be equal to the initial interest rate of ___% plus the sum of the applicable Moody's adjustment amount and the applicable S&P adjustment amount.

Beginning with the first Interest Payment Date for the Designated Bonds after a rating change, the Designated Bonds will bear interest at an adjusted interest rate. Subsequent interest rate adjustments, whether the adjustment is up or down, will also become effective on the first Interest Payment Date after such rating change. In no event will the annual interest rate on the Designated Bonds be less than the initial rate of ___% or greater than an annual interest rate of ___%.]

Defeasance provisions:

Closing location for delivery of Designated Bonds:

Additional Closing Conditions:

Names and addresses of Representatives:

Designated Representatives:

Address for Notices, etc.:

[Other Terms]:

Schedule II-4

ANNEX II

Pursuant to Section 7(e) of the Underwriting Agreement, the accountants shall furnish letters to the Underwriters to the effect that:

(i) They are independent certified public accountants with respect to the Company within the meaning of the Act and the applicable rules and regulations adopted by the Commission;

(ii) In their opinion, the financial statements and any supplementary financial information and schedules audited (and, if applicable, financial forecasts and/or pro forma financial information) by them and included or incorporated by reference in the Registration Statement or the Prospectus comply as to form in all material respects with the applicable accounting requirements of the Act or the Exchange Act, as applicable, and the related rules and regulations; and, if applicable, they have made a review in accordance with standards established by the American Institute of Certified Public Accountants of the interim financial statements, selected financial data, pro forma financial information, financial forecasts and/or condensed financial statements derived from audited financial statements of the Company for the periods specified in such letter, as indicated in their reports thereon, copies of which have been furnished to the representative or representatives of the Underwriters (the "Representatives") such term to include an Underwriter or Underwriters who act without any firm being designated as its or their representatives and are attached to such letters;

(iii) They have made a review in accordance with standards established by the American Institute of Certified Public Accountants of the unaudited statements of income, balance sheets and condensed statements of cash flows included in the Company's Quarterly Reports on Form 10-Q incorporated by reference into the Prospectus as indicated in their reports thereon copies of which are attached to such letters; and on the basis of specified procedures including inquiries of officials of the Company who have responsibility for financial and accounting matters regarding whether the unaudited condensed financial statements referred to in paragraph (vi)(A)(i) below comply as to form in all material respects with the applicable accounting requirements of the Act and the Exchange Act and the related rules and regulations, nothing came to their attention that caused them to believe that the unaudited condensed financial statements do not comply as to form in all material respects with the applicable accounting requirements of the Act and the Exchange Act and the related rules and regulations adopted by the Commission;

(iv) The unaudited selected financial information with respect to the results of operations and financial position of the Company for the five most recent fiscal years included in the Prospectus and included or incorporated by reference in Item 6 of the Company's Annual Report on Form 10-K for the most recent fiscal year agrees with the corresponding amounts (after restatement where applicable) in the audited financial statements for five such fiscal years included or incorporated by reference in the Company's Annual Reports on Form 10-K for such fiscal years;

(v) They have compared the information in the Prospectus under selected captions with the disclosure requirements of Regulation S-K and on the basis of limited procedures specified in such letter nothing came to their attention as a result of the foregoing procedures that caused them to believe that this information does not conform in all material respects with the disclosure requirements of Items 301, 302, 402 and 503(d), respectively, of Regulation S-K;

(vi) On the basis of limited procedures, not constituting an examination in accordance with generally accepted auditing standards, consisting of a reading of the unaudited financial statements and other information referred to below, a reading of the latest available interim financial statements of the Company, inspection of the minute books of the Company since the date of the latest audited financial statements included or incorporated by reference in the Prospectus, inquiries of officials of the Company responsible for financial and accounting matters and such other inquiries and procedures as may be specified in such letter, nothing came to their attention that caused them to believe that:

(A) (i) the unaudited statements of income, balance sheets and condensed statements of cash flows included in the Company's Quarterly Reports on Form 10-Q incorporated by reference in the Prospectus do not comply as to form in all material respects with the applicable accounting requirements of the Exchange Act and the published rules and regulations adopted by the Commission, or (ii) any material modifications should be made to the unaudited statements of income, balance sheets and condensed statements of cash flows included in the Company's Quarterly Reports on Form 10-Q incorporated by reference in the Prospectus for them to be in conformity with generally accepted accounting principles;

(B) any other unaudited income statement data and balance sheet items included in the Prospectus do not agree with the corresponding items in the unaudited financial statements from which such data and items were derived, and any such unaudited data and items were not determined on a basis substantially consistent with the basis for the corresponding amounts in the audited financial statements included or incorporated by reference in the Company's Annual Report on Form 10-K for the most recent fiscal year;

(C) the unaudited financial statements which were not included in the Prospectus but from which were derived the unaudited condensed financial statements referred to in clause (A) and any unaudited income statement data and balance sheet items included in the Prospectus and referred to in clause (B) were not determined on a basis substantially consistent with the basis for the audited financial statements included or incorporated by reference in the Company's Annual Report on Form 10-K for the most recent fiscal year;

(D) any unaudited pro forma condensed financial statements included or incorporated by reference in the Prospectus do not comply as to form in all material respects with the applicable accounting requirements of the Act and the

rules and regulations adopted by the Commission thereunder or the pro forma adjustments have not been properly applied to the historical amounts in the compilation of those statements;

(E) as of a specified date not more than five days prior to the date of such letter, there have been any changes in the capital stock (other than issuances of capital stock upon exercise of options and stock appreciation rights, upon earn-outs of performance shares and upon conversions of convertible securities, in each case which were outstanding on the date of the latest balance sheet included or incorporated by reference in the Prospectus) or any increase in the long-term debt of the Company, or any decreases in current assets or shareholders' equity or other items specified by the Representatives, or any increases in any items specified by the Representatives, in each case as compared with amounts shown in the latest balance sheet included or incorporated by reference in the Prospectus, except in each case for changes, increases or decreases which the Prospectus discloses have occurred or may occur or which are described in such letter; and

(F) for the period from the date of the latest financial statements included or incorporated by reference in the Prospectus to the specified date referred to in clause (E) there were any decreases in revenues or income before interest and income taxes or the total or per share amounts of net income or other items specified by the Representatives, or any increases in any items specified by the Representatives, in each case as compared with the comparable period of the preceding year and with any other period of corresponding length specified by the Representatives, except in each case for increases or decreases which the Prospectus discloses have occurred or may occur or which are described in such letter; and

(vii) In addition to the audit referred to in their report(s) incorporated by reference in the Prospectus and the limited procedures, inspection of minute books, inquiries and other procedures referred to in paragraphs (iii) and (vi) above, they have carried out certain specified procedures, not constituting an audit in accordance with generally accepted auditing standards, with respect to certain amounts, percentages and financial information specified by the Representatives which are derived from the general accounting records of the Company, which appear in the Prospectus (excluding documents incorporated by reference), or in Part II of, or in exhibits and schedules to, the Registration Statement specified by the Representatives or in documents incorporated by reference in the Prospectus specified by the Representatives, and have compared certain of such amounts, percentages and financial information with the accounting records of the Company and have found them to be in agreement.

All references in this Annex II to the Prospectus shall be deemed to refer to the Prospectus (including the documents incorporated by reference therein) as defined in the Underwriting Agreement as of the date of the letter delivered on the date of the Pricing Agreement for purposes of such letter and to the Prospectus as amended or supplemented (including the documents incorporated by reference therein) in relation to the applicable

Designated Bonds for purposes of the letter delivered at the Time of Delivery for such Designated Bonds.

Annex II-4

=====
This Supplemental Indenture is, among, other things,
A MORTGAGE OF CHATTELS

Southern California Gas Company

TO

Wells Fargo Bank, National Association
(formerly American Trust Company)
TRUSTEE

SUPPLEMENTAL INDENTURE
To original Indenture dated October 1, 1940

DATED AS OF FEBRUARY 1, 1981
=====

TABLE OF CONTENTS

	PAGE ----
PARTIES	1
RECITALS:	
Execution of Original Indenture and Supplements thereto	1
Recording of Original Indenture and Supplements thereto	1
Bonds heretofore issued	3
Creation of Series N, due 2001	3
Lien on After Acquired Property	3
Purpose of Supplemental Indenture	4
Fulfillment of conditions precedent	4
Consideration and Authorization	5
GRANTING CLAUSES:	
Real property in California counties specified in Schedule A	6
Plant, system and utilities in specified counties and elsewhere	6
Other properties now or hereafter owned	7
Excepted properties	7
HABENDUM AND DECLARATION OF TRUST	8

ARTICLE I.

AMOUNT, FORM, NUMBERING, DENOMINATION, TRANSFER AND
EXCHANGE OF BONDS OF SERIES N, DUE 2001.

SECTION 1.01. Authorized amount of bonds of Series N, due 2001	8
SECTION 1.02. Bonds of Series N, due 2001; issuable as fully registered bonds; form of registered bonds and certificate	9
SECTION 1.03. Exchangeability of bonds	14
SECTION 1.04. Offices or agencies for payment, registration, transfer and exchange of bonds of Series N, due 2001	15
SECTION 1.05. Certain conditions as to transfer, etc., of bonds of Series N, due 2001	15

ARTICLE II
INTEREST, MATURITY DATE, REDEMPTION, SINKING FUND
AND CERTAIN OTHER PROVISIONS.

SECTION 2.01. Interest rate, maturity date and places and medium of
payment 15

SECTION 2.02. Redemption of bonds of Series N, due 2001 15

SECTION 2.03. Sinking Fund for bonds of Series N, due 2001 17

SECTION 2.04. Other provisions of bonds of Series N, due 2001 17

ARTICLE III.
SUNDRY PROVISIONS.

SECTION 3.01. Trustee not responsible for recitals, recordation of
Supplemental Indenture as required by law 17

SECTION 3.02. Date of Supplemental Indenture and bonds of Series N,
due 2001, are dates of identification 18

SECTION 3.03. Supplemental Indenture deemed to be part of Original
Indenture 18

SECTION 3.04. Trustee accepts trusts on same terms expressed in Original
Indenture 18

SECTION 3.05. Execution of Supplemental Indenture in counterpart 18

TESTIMONIUM 19

SIGNATURES AND SEALS 19

ACKNOWLEDGMENTS 20

SCHEDULE A 22

This Supplemental Indenture is, among other things,

A MORTGAGE OF CHATTELS

THIS SUPPLEMENTAL INDENTURE, dated as of February 1, 1981, made and entered into in the City of Los Angeles, State of California by and between SOUTHERN CALIFORNIA GAS COMPANY, a corporation duly organized and existing under the laws of the State of California, and having its principal place of business in the City of Los Angeles, State of California (hereinafter sometimes called the "Corporation"), party of the first part, and WELLS FARGO BANK, NATIONAL ASSOCIATION (formerly AMERICAN TRUST COMPANY), a national banking association duly organized and existing under and by virtue of the laws of the United States of America, and having its principal place of business in the City and County of San Francisco, California (hereinafter sometimes called the "Trustee"), party of the second part,

W I T N E S S E T H :

WHEREAS, the Corporation has executed and delivered to the Trustee a certain Indenture (hereinafter sometimes called the "Original Indenture") dated October 1, 1940, to secure bonds of the Corporation designated generally as its "First Mortgage Bonds" to be issued from time to time in one or more series, any of which series may vary from any other as to certain particulars specified in Section 2.01 of the Original Indenture, and the Corporation has executed and delivered to the Trustee Supplemental Indentures dated, respectively, as of July 1, 1947, May 1, 1948, June 1, 1950, April 1, 1952, August 1, 1955, June 1, 1956, December 1, 1956, July 1, 1957, October 1, 1959, July 1, 1963, September 1, 1964, June 1, 1965, December 1, 1966, October 1, 1970, August 1, 1972, September 1, 1972, October 1, 1974, May 1, 1976, October 1, 1977 and November 1, 1979, supplementing and amending the Original Indenture (the Original Indenture together with this Supplemental Indenture and all other supplemental indentures being herein collectively sometimes referred to as the "Indenture"); and

WHEREAS, the Original Indenture and said Supplemental Indentures dated, respectively, as of July 1 1947, May 1, 1948, June 1, 1950, April 1, 1952 and August 1, 1955, are recorded in the office of the

County Recorder of each of the Counties listed below in the Official Records thereof, as stated in said Supplemental Indenture dated as of June 1, 1956; said Supplemental Indentures dated, respectively, as of June 1, 1956 and December 1, 1956, are so recorded as stated in said Supplemental Indenture dated as of July 1, 1957; said Supplemental Indenture dated as of July 1, 1957 is so recorded as stated in said Supplemental Indenture dated as of October 1, 1959; said Supplemental Indenture dated as of October 1, 1959 is so recorded as stated in said Supplemental Indenture dated as of July 1, 1963; said Supplemental Indenture dated as of July 1, 1963 is so recorded as stated in said Supplemental Indenture dated as of September 1, 1964; said Supplemental Indenture dated as of September 1, 1964 is so recorded as stated in said Supplemental Indenture dated as of June 1, 1965; said Supplemental Indenture dated as of June 1, 1965 is so recorded as stated in said Supplemental Indenture dated as of December 1, 1966; said Supplemental Indenture dated as of December 1, 1966 is so recorded as stated in said Supplemental Indenture dated as of October 1, 1970; said Supplemental Indenture dated as of October 1, 1970 is so recorded as stated in said Supplemental Indenture dated as of August 1, 1972; said Supplemental Indenture dated as of August 1, 1972 is so recorded as stated in said Supplemental Indenture dated as of September 1, 1972; said Supplemental Indenture dated as of September 1, 1972 is so recorded as stated in said Supplemental Indenture dated as of October 1, 1974; said Supplemental Indenture dated as of October 1, 1974 is so recorded as stated in said Supplemental Indenture dated as of May 1, 1976; said Supplemental Indenture dated as of May 1, 1976 is so recorded as stated in said Supplemental Indenture dated as of October 1, 1977; said Supplemental Indenture dated as of October 1, 1977 so recorded as stated in said Supplemental Indenture dated as of November 1, 1979; and said Supplemental Indenture dated as of November 1, 1979 is recorded in the offices of the County Recorders in the Counties of the State of California, as follows:

County -----	Reference -----	Date -----
Fresno	Book 7403, Pages 838-867	Official Records November 1, 1979
Imperial	Book 1443, Pages 92-123	Official Records November 1, 1979
Kern	Book 5241, Pages 448-479	Official Records November 1, 1979
Kings	Book 1161, Pages 263-294	Official Records November 1, 1979
Los Angeles	Book 1979, 79-1236112	Official Records November 2, 1979

County -----	Reference -----	Date -----
Orange	Book 13379, Pages 825-856	Official Records November 1, 1979
Riverside	Book 1979, Page 234542	Official Records November 2, 1979
San Bernardino	Book 9806, Pages 1046-1077	Official Records November 2, 1979
San Diego	Book 1979, Pages 1963-1994	Official Records November 1, 1979
San Luis Obispo	Vol, 2198, Pages 893-924	Official Records November 1, 1979
Santa Barbara	Book 1979, 79-51419	Official Records November 1, 1979
Tulare	Vol. 3711, Pages 1-32	Official Records November 1, 1979
Ventura	Book 5530, Pages 1-40	Official Records November 2, 1979

WHEREAS, bonds of the Corporation of eleven (11) series designated, respectively, as its "First Mortgage Bonds, Series A, due 1982", "First Mortgage Bonds, Series B, due 1981", "First Mortgage Bonds, Series E, due 1988" "First Mortgage Bonds, Series F, due 1989", "First Mortgage Bonds, Series G, due 1991", "First Mortgage Bonds, Series H, due 1995", "First Mortgage Bonds, Series I, due 1997", "First Mortgage Bonds, Series J, due 1981", "First Mortgage Bonds, Series K, due 1996", "First Mortgage Bonds, Series L, due 1997" and "First Mortgage Bonds, Series M, due 1999", are outstanding as a part of the First Mortgage Bonds referred to in the Original Indenture, each series of bonds, unless and until the taking of further appropriate action by the Board of Directors of the Corporation, being without limitation as to aggregate authorized principal amount; and

WHEREAS, pursuant to the provisions of Sections 2.01 and 2.02 of the Original Indenture, the Board of Directors of the Corporation has, by resolution duly adopted and delivered to the Trustee, created, as a part of the First Mortgage Bonds referred to in the Original Indenture, a new series of bonds designated "First Mortgage Bonds, Series N, due 2001" (herein sometimes called "bonds of Series N"), to be of the form, terms. and provisions, provided in that resolution and herein, which new series of bonds, unless and until the taking of further appropriate action by the Board of Directors of the Corporation, is to be without limitation as to aggregate authorized principal amount and of which series bonds in the aggregate principal amount of \$70,000 000 are to be presently issued; and

WHEREAS, it is provided in the Original Indenture that all the business, franchises and properties, real, personal, and mixed, of every

kind and nature whatsoever and wheresoever situate, which might thereafter be acquired by the Corporation, shall be as fully embraced within the lien thereof as if said properties were owned by the Corporation at the date of the Original Indenture and were particularly described therein and specifically conveyed thereby, excepting certain properties expressly excepted by the provisions thereof; and

WHEREAS, subsequent to the execution of the Original Indenture the Corporation has acquired properties hereinafter mentioned or referred to, all of which properties, upon the acquisition thereof by the Corporation, became and now are subject to the lien, operation and effect of the Original Indenture by virtue of the after-acquired property clause or other clauses thereof; but the Corporation, nevertheless, desires to execute, acknowledge, deliver and cause to be recorded this Supplemental Indenture for the purposes, among others, of expressly and specifically subjecting such after-acquired properties to the lien of the Original Indenture as supplemented and of further assuring and confirming the lien of the Original Indenture as supplemented on all of the properties of every kind and character, whether real or personal and regardless of the date of acquisition thereof by the Corporation, intended to be subjected to the lien thereof; and

WHEREAS, under the provisions of Sections 2.02 and 16.01 of the Original Indenture the Corporation and the Trustee are authorized to execute and deliver an indenture supplemental to the Original Indenture (i) to set forth the particulars, permitted by Section 2.01 of the Original Indenture, as to which the bonds of Series N are to vary from the bonds of the other series of said First Mortgage Bonds, and (ii) for any purpose not inconsistent with the terms of the Indenture; and

WHEREAS, for and in consideration of the premises the Corporation desires to execute this Supplemental Indenture; and

WHEREAS, the making, executing, delivering and recording of this Supplemental Indenture have been duly authorized by proper corporate action of the Corporation; and

WHEREAS, the execution and delivery of this Supplemental Indenture have been authorized and approved by the Public Utilities Commission of the State of California;

NOW, THEREFORE, in consideration of the premises and of the sum of one dollar (\$1), lawful money of the United States of America, duly paid by the Trustee to the Corporation, and of other good and valuable considerations, receipt of which is hereby acknowledged, and of the fully registered in order (a) to set forth or specify (i) the form of the fully registered bonds of Series N and the form of the certificate to be endorsed on all bonds of said series, and (ii) the terms and provisions of the bonds of Series N, including the particulars thereof which vary from the bonds of the other series of said First Mortgage Bonds, and (b) further to secure the payment of both the principal of and interest on the bonds of the Corporation now or at any time hereafter outstanding under the Original Indenture and/or any indenture supplemental thereto, including specifically, but without limitation, all of said First Mortgage Bonds now outstanding and said \$70,000,000 aggregate principal amount of bonds of Series N, according to their tenor and effect, and further to secure the observance and performance of all of the covenants and conditions contained in the Original Indenture agreements or in any indenture supplemental thereto, and without in any way limiting the generality or effect of the Indenture insofar as by any provision thereof any of the property therein or hereafter described or referred to is now subject or intended to be subject to the lien and operation thereof, but to such extent confirming such lien and operation, the Corporation has executed and delivered this Supplemental Indenture and has granted, bargained, sold, released, conveyed, mortgaged, assigned, transferred, pledged, set over and confirmed, and does hereby grant, bargain, sell, release, convey, mortgage, assign, transfer, pledge, set over and confirm unto Wells Fargo Bank, National Association, the Trustee, and to its successor or successors in the trust created by the Original Indenture and/or any indenture supplemental thereto, and to its and their assigns, forever, with power of sale, subject, to the extent applicable by the terms of the Indenture to any of the properties hereinafter referred to or described, to the exceptions other than with respect to exception (f) set forth on page 67 of the Original Indenture and reading as follows: "(f) Any gas and/or oil acreage, gas and/or oil wells, gas and/or oil reserves, or gas and/or oil leaseholds hereafter acquired by the Corporation, or any property or equipment now or hereafter owned by the Corporation and used for the development of gas and/or oil acreage or for the drilling for or production of gas and/or oil from

such acreage"; which, exception (f) is by this granting clause hereby expressly made inapplicable to certain parcels of property specified herein [and other than as expressly provided in the granting clauses of said Supplemental Indentures dated respectively as of June 1, 1956, July 1, 1957, October 1, 1959, July 1, 1963, September 1, 1964, December 1, 1966, October 1, 1970, September 1, 1972, October 1, 1974, May 1, 1976, October 1, 1977 and November 1, 1979 with respect to said exception (f) which is by said granting clauses expressly made inapplicable to certain therein specified parcels of property], reservations, conditions, terms and provisions provided in the Indenture with respect to properties subject or intended to be subject thereto, all of the properties and assets of the Corporation, real, personal and mixed, of every kind and character, whether now or hereafter owned by the Corporation and wheresoever situated, including, without in any way limiting or modifying the generality or effect of the foregoing, all and singular, the following properties:

FIRST: All of the lots, pieces and parcels of land and rights or interests in real property situate in the Counties in the State of California, specifically described and mentioned or enumerated in Schedule A attached hereto, to which reference is hereby made and the same is made a part hereof with the same force and effect as if the same were here set forth at length.

SECOND: All and singular the plants, properties, equipment, real and personal property, estates, interests, goodwill, generating, transmission, feeding, storing, and distribution systems, and utilities of the Corporation situate in the Counties of Fresno, Imperial, Kern, Kings, Los Angeles, Orange, Riverside, San Bernardino, San Diego, San Luis Obispo, Santa Barbara, Tulare and Ventura, and elsewhere, in the State of California, with all and singular the franchises, ordinances, grants, easements, licenses, powers, immunities, permits, privileges, appurtenances, tenements and other rights and property thereunto appertaining or belonging, as the same now exist and as the same and any and all parts thereof may hereafter exist or be improved, added to, enlarged, extended or acquired in said counties or elsewhere in said state or any other state or states.

THIRD: All other property, real, personal and mixed, of every kind, nature and description (including, without in any way limiting the effect of the generality hereof; all facilities; all stocks, bonds and other securities from time to time conveyed, assigned, transferred, mortgaged or pledged on behalf of the Corporation, or with its consent, to the Trustee in the manner and for the purposes as provided in the Indenture; all gas manufacturing plants, boilers, engines, compressors, motors, pumps, generators, gasholders, tanks, appliances, oil storage facilities, gas storage facilities, wells, buildings, structures, plants, works and other improvements; all gas transmission and distributing lines and systems; all meters and regulators and all other apparatus, machinery, appliances, tools, furniture, fixtures, supplies, facilities and utilities and other personal property; or any right or interest in any thereof; all business and goodwill, rights, consents, franchises, ordinances, licenses, agreements, contracts, permits, easements, rights of way, leases and leasehold interests; powers, grants, privileges and immunities to construct, operate and maintain lines and other facilities or properties for conveying gas or other commodities or utilities for any purpose or purposes through, under and over public streets or highways, or public or private places or property; all reversions, remainders, tolls, incomes, revenues, earnings, rents, issues and profits of any property, real, personal and mixed; and all other classes and types of property described or refer red to in the Original Indenture, or any indenture supplemental thereto), now or hereafter owned, held, possessed, acquired or enjoyed by or in any manner conferred upon or appertaining to the Corporation, including the interest of the Corporation in all leases now or hereafter owned by it, together with all and singular the tenements, hereditaments, and appurtenances belonging or in any way appertaining To each and every part of any and all property subject or intended to be subject to the lien and operation of the Original Indenture as supplemented, and the reversion and reversions, remainder and remainders, tolls, incomes, revenues, earnings, rents, issues and profits thereof.

SAVING AND EXCEPTING, however, from the property hereby mortgaged, conveyed in trust and/or pledged, all property, whether now owned by the Corporation or hereafter acquired by it, expressly saved and excepted from the lien of the Indenture and therein referred to as the "excepted property" (except otherwise expressly provided in this Supplemental Indenture and any Supplemental Indenture herein-

above mentioned, with respect to exception (f) of said "excepted property"), unless and until, upon the occurrence of an event of default under the Indenture, the Trustee, or any receiver appointed thereunder, shall take possession of any or all of such excepted property.

TO HAVE AND TO HOLD in trust with power of sale for the equal and proportionate benefit and security of all holders of bonds of the Corporation, now or hereafter outstanding under the Indenture as from time to time in effect, and for the enforcement and payment of said bonds and interest thereon when payable, and the performance of and compliance with the covenants and conditions of the Indenture as from time to time in effect, without any preference, distinction or priority as to lien or otherwise of any of said bonds over any others thereof by reason of the difference in the time of the actual issue, sole or negotiation thereof, or for any other reason whatsoever, except as otherwise expressly provided in the Indenture as from time to time, in effect, so that each and every such bond shall have the same lien and so that the principal and interest of every such bond shall, subject to the terms thereof, be equally and proportionately secured by said lien, as if such bond had been made, executed, delivered, sold and negotiated simultaneously with the execution and delivery of the Original Indenture.

IT IS HEREBY COVENANTED, DECLARED, AND AGREED by and between the parties hereto that all such bonds are issued, authenticated and delivered, or are to be issued, authenticated and delivered, and that all property subject, or to become subject, to the Original Indenture, including any indenture supplemental thereto, is to be held, subject to the covenants, conditions, uses and trusts therein set forth.

It is hereby further stipulated and provided:

ARTICLE I

AMOUNT, FORM, NUMBERING, DENOMINATION, TRANSFER AND EXCHANGE OF BONDS OF SERIES N, DUE 2001

SECTION 1.01. The bonds of Series N may be issued at any time or from time to time upon and subject to the terms and provisions of the Indenture. Unless and until the taking of further appropriate action

by the Board of Directors of the Corporation the bonds of said Series shall be without limitation as to aggregate authorized principal amount.

SECTION 1.02. The bonds of Series N shall be issued only as fully registered bonds without coupons. The fully registered bonds without coupons and the certificate of authentication to be endorsed on all bonds of said Series, shall be substantially in the following form:

(FORM OF REGISTERED BOND WITHOUT COUPONS, SERIES N, DUE 2001)

SOUTHERN CALIFORNIA GAS COMPANY
(Incorporated under the laws of the State of California)

FIRST MORTGAGE BOND, SERIES N, DUE 2001
(15%)

NO. _____ \$ _____

SOUTHERN CALIFORNIA GAS COMPANY, a corporation organized and existing under the laws of the State of California (hereinafter called the "Corporation", which term shall include any successor corporation, as defined in the Indenture hereinafter referred to), for value received, hereby promises to pay to _____, or registered assigns, the sum of _____ DOLLARS in lawful money of the United States of America, on the first day of February, 2001, and to pay interest thereon to the registered owner hereof from the date of this bond, at the rate of 15% per annum in like lawful money, payable semi-annually, on the first days of February and August in each year, commencing August 1, 1981, until the Corporation's obligation with respect to the payment of such principal shall be discharged as provided Both in the Indenture hereinafter mentioned. the principal of and interest on this bond will be paid at the principal office of Wells Fargo Bank, National Association, or its successor trustee under said Indenture, in the City and County of San Francisco, State of California or at the main office of the Trustee in the City of Los Angeles, or, at the option of the registered owner hereof, principal will be paid at the office or agency of the Corporation in the City of New York, State of New York.

The provisions of this bond are continued on the reverse hereof and such continued provisions shall for all purposes have the same effect as though fully set forth at this place.

IN WITNESS WHEREOF, SOUTHERN CALIFORNIA GAS COMPANY has caused this bond to be signed in its corporate name by its President or a Vice-President and its corporate seal to be hereto affixed and attested by its Secretary or in Assistant Secretary.

Dated as of _____, 19____

SOUTHERN CALIFORNIA GAS COMPANY

By

Vice President

(CORPORATE SEAL)

ATTEST:

Secretary

(REVERSE SIDE-FORM OF REGISTERED BOND WITHOUT COUPONS, SERIES N, DUE 2001)

This bond is one of a duly authorized issue of bonds of the Corporation (herein called the "bonds"), of the series hereinafter specified, all issued and to be issued under and all equally and ratably secured by a mortgage and deed of trust dated October 1, 1940, executed by the Corporation to Wells Fargo Bank, National Association (formerly American Trust Company), as Trustee, to which mortgage and deed of trust and all indentures supplemental thereto, including Supplemental Indentures dated, respectively, as of July 1, 1947, August 1, 1955, June 1, 1956, December 1, 1956, June 1, 1965, August 1, 1972 and May 1, 1976 (herein collectively referred to as the "Indenture"), refer-

ence is hereby made for a description of the property conveyed in trust, mortgaged and pledged, the nature and extent of the security, the rights of the registered owners of the bonds and of the Trustee or trustees in respect thereof, the terms and conditions upon which the bonds are, and are to be, secured and the circumstances under which additional bonds may be issued. The bonds may be issued for various principal sums, and may be issued in series, which may mature at different times, may bear interest at different rates and may otherwise vary as in the Indenture provided. This bond is one of a series designated as the "First Mortgage Bonds, Series N, due 2001" (herein called "bonds of Series N") of the Corporation, issued under and secured by the Indenture.

As provided in the Indenture, by any indenture or indentures supplemental thereto executed by the Corporation and the Trustee and consented to by the holders of not less than two-thirds (2/3) in principal amount of the bonds at the time outstanding, and, in case one or more, but less than all, of the series of bonds then outstanding are affected by such supplemental indenture, consented to by the holders of at least two-thirds (2/3) in principal amount of the bonds of such series so affected, the Indenture or any indenture supplemental thereto, and the rights and obligations of the Corporation and the holders of bonds, may be modified or altered from time to time, as provided in the Indenture; provided, however, (a) that the right of any holder of any bond to receive payment of the principal of and interest on such bond, on or after the respective due dates expressed in such bond, or to institute suit for the enforcement of any such payment on or after such respective dates, shall not be impaired or affected by any such supplemental indenture without the consent of such holder, and (b) that no such modification, or alteration shall reduce the proportions of bondholders' consents required as aforesaid; such proportions to be determined in each case as provided in the Indenture.

The bonds of Series N are subject to redemption (a) at any time prior to maturity at the option of the Corporation either as a whole or in part, or through operation of the Renewal Fund, upon payment of the percentages of the principal thereof as set forth in the table below under the heading "Regular Redemption Price" during the respective 12 months' period beginning February 1, in each of the years mentioned, or (b) by operation of the Sinking Fund upon payment of the per-

centages of the principal thereof set forth below under the heading "Special Redemption Price" during said periods. Notwithstanding the foregoing, none of the bonds of Series N may be redeemed prior to February 1, 1986 directly or indirectly from the proceeds of or in anticipation of any refunding operation involving the incurring of debt which has an interest cost to the Corporation of less than 15.094% per annum.

Redemption Price			Redemption Price			Redemption Price		
Year	Regular	Special	Year	Regular	Special	Year	Regular	Special
1981	115.00%	--	1988	109.49%	100.00%	1995	103.95%	100.00%
1982	114.22	--	1989	108.69	100.00	1996	103.16	100.00
1983	113.43	--	1990	107.90	100.00	1997	102.37	100.00
1984	112.64	--	1991	107.11	100.00	1998	101.58	100.00
1985	111.85	--	1992	106.32	100.00	1999	100.79	100.00
1986	111.06	--	1993	105.53	100.00	2000	100.00	100.00
1987	110.27	100.00%	1994	104.74	100.00			

together in each case with accrued interest to the date fixed for redemption, and upon notice given by publication once in each of three separate calendar weeks in one daily newspaper printed in the English language of general circulation in the Borough of Manhattan, City and State of New York, and in one similarly printed daily newspaper of general circulation in the City and County of San Francisco, California (the first of such publications to be not less than thirty and not more than sixty days before the redemption date), or, notice of, any such redemption may be mailed to the registered owners of the bonds to be redeemed not less than thirty nor more than sixty days before the redemption date, in lieu of such notice being given by publication, all subject to the conditions and as more fully set forth in the Indenture, including (1) the condition that failure to give notice of any such redemption by mail, if required, or any defect therein or in the mailing thereof shall not affect the validity of the proceedings for the redemption of any bonds so to be redeemed if notice by publication, if required, is duly given and (2) the condition that, if any notice of redemption of bonds shall state that it is subject to receipt by or for the account of the Trustee on or before the date fixed for redemption of moneys applicable to and sufficient for such redemption, such bonds shall not become due and payable by virtue of such notice unless such moneys shall be held by or for the account of the Trustee on or before the date fixed for redemp-

tion. If this bond or any portion hereof is called for redemption and payment duly provided as specified in the Indenture, interest shall cease to accrue on this bond or such portion hereof from and after the date fixed for such redemption.

The bonds are entitled to the benefits of the Sinking Fund and the Renewal Fund as provided in the Indenture.

In case an event of default, as defined in the Indenture, shall occur, the principal of all bonds then outstanding under the Indenture may be declared or become due and payable upon the conditions and in the manner and with the effect provided in the Indenture.

This bond is transferable by the registered owner hereof at the office or agency of the Corporation in said City and County of San Francisco, in said City of Los Angeles, in the Borough of Manhattan, City of New York and in such other place or places as the Corporation may designate at any time or from time to time, and thereupon a new fully registered bond or bonds of said series, without coupons, of authorized denomination or denominations, of a like aggregate principal amount, will be issued to the transferee or transferees in exchange for this bond; and at any of said offices or agencies fully registered bonds of Series N without coupons, are exchangeable for a like aggregate principal amount of other such fully registered bonds of authorized denominations; all in the manner and subject to the conditions as provided in the Indenture.

No recourse shall be had for the payment of the principal of or the interest on this bond or for any claim based hereon or on the Indenture or any indenture supplemental thereto, against any incorporator, stockholder, director or officer, past, present or future, of the Corporation, or of any predecessor or successor corporation, either directly or through the Corporation, or any such predecessor or successor corporation, whether by virtue of any constitution, statute or rule of law, or by the enforcement of any assessment or penalty, or otherwise, all such liability being waived and released by every registered owner hereof by the acceptance of this bond and as part of the consideration for the issue hereof, and being likewise waived and released by the terms of the Indenture.

This bond shall not become valid or obligatory for any purpose or be entitled to any benefit under the Indenture until Wells Fargo

Bank, National Association, or its successor as Trustee under the Indenture, or an authenticating agent, shall have signed the form of certificate endorsed hereon.

[FORM OF CERTIFICATE OF AUTHENTICATION]

CERTIFICATE

This bond is one of the bonds, of the series designated therein, described in the within-mentioned Indenture.

WELLS FARGO BANK,
NATIONAL ASSOCIATION,
Trustee

or

BANKERS TRUST COMPANY,
Authenticating Agent

By _____
Authorized Officer

By _____
Authorized Officer

The bonds of Series N may contain or have imprinted thereon such provisions or specifications not inconsistent with the Indenture as may be required to comply with the rules of any stock exchange or any federal or state authority or commission, or to comply with usage with respect thereto, and may bear such other appropriate endorsements or notations as are authorized or permitted by the Indenture.

The fully registered bonds of Series N shall be issuable in denominations of \$1,000 and any integral multiple of \$1,000 and shall be dated as provided in paragraph 1 of Section 2.01 of the Original Indenture, The definitive bonds of Series N shall be numbered in such manner as the Corporation shall at any time or from time to time determine.

SECTION 1.03. In the manner and subject to certain conditions and limitations specified herein and in the Indenture, bonds of Series N may be exchanged without a service charge for a like aggregate principal amount of such bonds of Series N of other authorized denomination or denominations.

SECTION 1.04. The Corporation shall maintain in the City and County of San Francisco, and in the City of Los Angeles, State of California, and also in the Borough of Manhattan, City of New York, State of New York, and in such other place or places as the Corporation may designate at any time or from time to time, an office or agency where bonds of Series N may be presented for payment, registration, transfer and exchange as provided therein or in the Indenture. Such office or agency in the City and County of San Francisco shall be the principal office of the Trustee and such office or agency in the City of Los Angeles shall be the main office of the Trustee in said City and such office or agency in the Borough of Manhattan, City of New York shall be the principal office of Bankers Trust Company unless and until the Corporation shall designate another office or agency by notice in writing delivered to the Trustee.

SECTION 1.05. No transfer or exchange of any bonds of Series N pursuant to any of the provisions of this Article I shall be made except upon and in accordance with all of the applicable terms, provisions and conditions of said bonds and of the Indenture.

ARTICLE II

INTEREST, MATURITY DATE, REDEMPTION, SINKING FUND AND CERTAIN OTHER PROVISIONS.

SECTION 2.01. The bonds of Series N shall bear interest at the rate, shall be expressed to mature as to principal, and shall be payable as to principal and interest at such place or places and in such money, all as provided in the form of such bonds set forth in Section 1.02 hereof and by the applicable provisions of the Indenture.

SECTION 2.02. The bonds of Series N shall be subject to redemption, either in whole or in part, at the applicable redemption prices specified in said form of bonds, upon notice, in the manner and otherwise upon the terms and conditions and with the effect, as provided herein and by the applicable provisions of the Indenture, which provisions of the Indenture are hereby modified and supplemented, but only with respect to the bonds of Series N, as follows:

(a) If at the time of publication or mailing of, or of otherwise giving, any notice of redemption of any of the bonds of Series N the Corporation shall not have deposited with the Trustee and/or irrevocably directed the Trustee to apply, from moneys held by it available to be used for the redemption of bonds of Series N, an amount in cash sufficient to redeem all of the bonds of Series N called for such redemption, including accrued interest to the date fixed for redemption, such notice shall state that it is subject to the receipt by the Trustee on or before the date fixed for redemption of moneys applicable to and sufficient for such redemption and that such notices shall be of no effect unless such moneys are so received on or before such date.

(b) The Trustee, upon request of the Corporation evidenced by a resolution of its Board of Directors, shall, for and in behalf of and in the name of the Corporation call for redemption of bonds of Series N provided that, if cash sufficient for such redemption is not held by the Trustee at the time of such call, the notice shall state that it is subject to the receipt by the Trustee on or before the date fixed for redemption of moneys applicable to and sufficient for such redemption and that such notice shall, be of no effect unless such moneys are so received on or before such date.

(c) If bonds of Series N shall be called for redemption pursuant to a notice containing the statement set forth in subparagraph (a) or subparagraph (b) of this Section 2.02, the principal amount and premium, if, any, of such bonds shall not become due and payable by virtue of such call or notice unless on or before the date fixed for redemption the Corporation shall have irrevocably deposited with the Trustee for the purpose of redeeming all of the bonds of Series N called for redemption, including funds for the payment, of accrued interest to the date fixed for redemption, and/or irrevocably directed the Trustee to apply, from moneys held by it available. to be used for the redemption of bonds of Series N an amount in cash sufficient to redeem all of the bonds of Series N called for redemption, including funds for the payment of accrued interest to the date fixed for redemption.

Notwithstanding the foregoing, none of the bonds of Series N may be redeemed prior to February 1, 1986 directly or indirectly from the proceeds of or in anticipation of any refunding operation involving the incurring of debt which has an interest cost to the Corporation of less than 15.094% per annum.

SECTION 2.03. The bonds of Series N shall be entitled to the benefits of the Renewal Fund as provided in the Indenture and shall also be entitled to benefit, as hereinafter provided, under the Sinking Fund referred to in Section 8.01 of the Indenture. To provide for such benefit under said Sinking Fund, said Section 8.01, as heretofore amended and now in effect, is hereby further amended by adding thereto, immediately preceding the last paragraph thereof, a new paragraph reading as follows:

"The Corporation further covenants and agrees that, on or before April first in the year 1987 and in each year thereafter so long as any of the bonds of Series N are outstanding, it will pay to the Trustee, as a payment for that year to the Sinking Fund referred to in the first paragraph of this Section 8.01, the amount of \$4,660,000, together with a payment at maturity of \$4,760,000, on February 1, 2001, in respect of such series."

SECTION 2.04. The bonds of Series N shall, except as in this Supplemental Indenture otherwise expressly provided, be on the terms and provisions, and shall represent such rights and be entitled to such benefits, as are applicable thereto by the terms of the Indenture.

ARTICLE III

SUNDRY PROVISIONS.

SECTION 3.01. The recitals of fact contained herein shall be taken as the statements of the Corporation, and the Trustee assumes no responsibility for the correctness of the same. The Corporation hereby covenants and agrees that it will cause this Supplemental Indenture to be kept recorded and/or filed as may be required by law, in such manner and in such places as may be necessary fully to preserve and protect the security of the bondholders and all of the rights of the Trustee hereunder,

and that it will with all reasonable dispatch deposit with the Trustee counterparts of this Supplemental Indenture bearing official notation or endorsements showing such recordation and/or filing, or in case such counterparts are not returned to the Corporation, furnish to the Trustee the best official evidence of such recordation and/or filing reasonably obtainable by the Corporation, or evidence of the taking of such other action, if any, but the Trustee, subject to the provisions of Sections 14.02 and 14.03 of said Original Indenture, shall in no wise be liable for any failure or omission in this regard.

SECTION 3.02. The date of this Supplemental Indenture and the date of the bonds of Series N are intended as and for a date for the convenient identification of this Supplemental Indenture and of the bonds of said series, and are not intended to indicate that this Supplemental Indenture was executed and delivered or that said bonds were executed, delivered or issued on said date; it being hereby provided that this Supplemental Indenture may be executed and delivered, and that said bonds may be executed, delivered or issued, either on said date or before or after said date, and that this Supplemental Indenture is in fact executed and delivered by each party hereto on the date of its certificate of acknowledgment hereto attached.

SECTION 3.03. This Supplemental Indenture shall be deemed to be part of the Original Indenture, and the Corporation agrees to conform to and comply with all and singular the terms, provisions, conditions and covenants set forth therein and herein. This Supplemental Indenture shall be construed in connection with and as a part of the Original Indenture, as heretofore amended and supplemented.

SECTION 3.04. It is further agreed that the Trustee accepts the trust imposed upon it by this Supplemental Indenture, upon and subject to the same terms and conditions as are expressed in Article XIV of the Original Indenture.

SECTION 3.05. In order to facilitate the recording of this Supplemental Indenture, the same may be executed in several counterparts, each of which so executed shall be deemed to be an original, and such counterparts shall collectively constitute one and the same instrument.

IN WITNESS WHEREOF, Southern California Gas Company has caused this Supplemental Indenture to be signed in its corporate name by its President or one of its Vice Presidents, and its Secretary or one of its Assistant Secretaries, and its corporate seal to be hereunto duly affixed, and Wells Fargo Bank, National Association, in token of its acceptance of the trust hereby established, has caused this Supplemental Indenture to be signed in its corporate name by one of its Authorized Officers and its Secretary or one of its Assistant Secretaries, and its corporate seal to be hereunto duly affixed, all as of February 1, 1981.

SOUTHERN CALIFORNIA GAS COMPANY

Attest:

/s/ H.E. GOODENOW

Secretary

By /s/ G. DAVID WOOSLEY

Vice President

(SEAL)

WELLS FARGO BANK, NATIONAL ASSOCIATION

Attest:

/s/ R.T. MARAVILLA

Assistant Secretary

By /s/ M.C. WELCH

Authorized Officer

(SEAL)

STATE OF CALIFORNIA,)
) ss.
COUNTY OF LOS ANGELES,)

On this 28th day of January, 1981, before me, FLORENCE B. FROST, a Notary Public of the State of California, duly commissioned and sworn, personally appeared G. DAVID WOOSLEY, known to me to be Vice President, and H. E. GOODENOW known to me to be the Secretary, of SOUTHERN CALIFORNIA GAS COMPANY, one of the corporations named in and which executed the foregoing instrument, known to me to be the persons who executed the within instrument on behalf of said Corporation, and acknowledged to me that said Corporation executed the same, and acknowledged to me that said Corporation executed the within instrument pursuant to its by-laws or a resolution of its board of directors.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

/s/ FLORENCE B. FROST

FLORENCE B. FROST
Notary Public of the State of California.

(SEAL)

My Commission Expires August 14, 1983.

STATE OF CALIFORNIA)
) ss.
COUNTY OF LOS ANGELES,)

On this 28th day of January, 1981, before me, FLORENCE B. commissioned FROST, a Notary Public of the State of California, duly commissioned and sworn, personally appeared M. C. WELCH, known to me to be an Assistant Authorized Officer, and R. T. MARAVILLA, known to me to be an Assistant Secretary, of WELLS FARGO BANK, NATIONAL ASSOCIATION, a national banking association, one of the corporations named in and which executed the foregoing instrument, known to, me to be the persons who executed the within instrument on behalf of said Corporation, and acknowledged to me that said Corporation executed the same, and acknowledged to me that said Corporation executed the within instrument pursuant to its by-laws or a resolution of its board of directors.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

 /s/ FLORENCE B. FROST

 FLORENCE B. FROST

Notary Public of the State of California.

(SEAL)

My commission Expires August 14, 1983.

SCHEDULE A

Incorporated in and made a part of the Supplemental Indenture dated as of February 1, 1981, by and between Southern California Gas Company and Wells Fargo Bank, National Association, Trustee.

The descriptive names or captions do not constitute a part of the property descriptions, being used only for convenience of reference and identification.

The term "Grantor" as used hereinafter refers to the grantor of each parcel of property hereinafter described to Southern California Gas Company.

COUNTY OF LOS ANGELES

Those certain lots, pieces and parcels of land and other property, rights, and estates situate in the County of Los Angeles, State of California, described as follows:

General Offices and Garages

Parcel 1:

Lot "A" of Tract 6004, in the City of Los Angeles, in the County of Los Angeles, State of California, as per map recorded in Book 79, Page 12 of Maps, in the Office of the County Recorder of said County.

Parcel 2:

Lot 5 of H. F. SPENCER'S Subdivision of the North half of Block 57 of ORD'S Survey, as per map recorded in Book 5, Page 35, of Miscellaneous records of Los Angeles County, and that portion of Lot 4 of said H. F. SPENCER'S Subdivision included within the following described lines:

Beginning at the intersection of the Southeasterly line of said H. F. SPENCER'S Subdivision with the Southeasterly prolongation of the Southwesterly face of the Southwesterly wall of a four story brick building known as the Hotel Stephens, said point of intersection being distant South 37 51' West along said Southeasterly line of said H. F. SPENCER'S subdivision 195.81 foot from the Southwesterly line of Eighth Street, 70 feet wide, as at present Established; Thence South

37"51' West along said Southeasterly line of said H. F. SPENCER'S Subdivision 50.18 feet to the Northeasterly line of Tract No. 6004. as per map recorded in Book 79 Page 12 of Maps, in the office of the County recorder of said county; Thence North 52 08' West along said Northeasterly line 156.98 feet to the Southeasterly line of a 20 foot alley running Northeasterly through said H. F. SPENCER'S Subdivision; Thence North 37 49' East along said alley 50.25 feet to the Southwesterly face of the Southwesterly wall of said four story brick building; thence South 52 06'10" East along said Southwesterly face of said Southwesterly wall of said four story brick building and along the Southeasterly prolongation thereof, 157.00 feet to the point of beginning.

EXCEPT that portion of Lot 5 of said H. F. SPENCER'S Subdivision included within the following described lines:

BEGINNING at the intersection of the Southeasterly line of said H. F. SPENCER'S SUBDIVISION with the Southeasterly prolongation of the Southwesterly face of the Southwesterly wall of a twelve story brick building known as the HOTEL RITZ, said point of intersection being distant South 37 51' West along said Southeasterly line of H. F. SPENCER'S Subdivision 145.72 feet from the Southwesterly line of Eighth Street, 70 feet Wide, as at present established; thence South 37 51' West along said Southeasterly line of H. F. SPENCER'S Subdivision 50.09 feet to the Southeasterly prolongation of the Southwesterly face of the Southwesterly wall of a four story brick building known as Hotel Stephens; thence North 52 06'10" west along said last mentioned Southeasterly prolongation and along said Southwesterly face of the Southwesterly wall of said four story brick building 157.00 feet to the Southeasterly line of a 20 foot alley running Northeasterly through said H. F. SPENCER'S Subdivision; thence North 37 49' East along said alley, 50.03 feet to the Northwesterly prolongation of said Southwesterly face of the Southwesterly wall of said twelve story brick building; thence South 52 07'40" East along said Northwesterly prolongation and along said Southwesterly face of the Southwesterly wall of said twelve story brick building and along the Southeasterly prolongation thereof, 157.03 feet to the point of beginning.

Industry Base

Parcel A:

Parcel 1 in the City of Industry, in the County of Los Angeles, State of California, as shown on Parcel Map No. 167, filed in Book 138 Page 78 of Parcel Maps, in the office of the County Recorder of said County.

Parcel B:

An easement for ingress and egress over the easterly 20 feet of Parcel 2 in the City of Industry, in the County of Los Angeles, State of California, as shown on Parcel Map No. 167, filed in Book 138 Page 78 of Parcel Maps, in the office of the County Recorder of said County.

COUNTY OF RIVERSIDE

Those certain lots, pieces and parcels of land and other property, rights, and estates situate in the County of Riverside, State of California, described as follows:

Hemet District Base

Lot 515 of Romola Farms No. 6A, as shown by Map on file in Book 14 pages 63, 64 and 65 of Maps, Riverside County Records; EXCEPTING that portion as described in that Deed to the State of California by Deed recorded February 14, 1962 in Book 3077 page 364 of official records and as Instrument No. 13971.

COUNTY OF SAN BERNARDINO

Those certain lots, pieces and parcels of land and other property, rights, and estates situate in the County of San Bernardino, State of California, described as follows:

Needles Crossover R/W

All that portion of the south one-half of the south one-half of the north one-half and the north one-half of the north one-half of the south one-half both of the above being of the northwest quarter of

the northwest quarter of Section 13, Township 9 North, Range 22 East, San Bernardino Base and Meridian; lying west of River Road, being 100 feet wide per official Records, Book 2909, Page 320, and recorded in the County Recorder's Office of said County.

Fontana Base

The West 6 acres of the East 16 Acres of Farm Lot 732, according to map showing subdivision of lands belonging to the Semi-Tropic Land and Water Company, in the County of San Bernardino, State of California, as per Map recorded in Book 11 Page 12 of Maps, in the office of the County Recorder of said County.

The area and distances of the above described property are computed to the centers of the adjoining streets shown on said Map.

=====
This Supplemental Indenture is, among other things

A MORTGAGE OF CHATTELS

Southern California Gas Company

TO

Wells Fargo Bank, National Association
(formerly American Trust Company)

TRUSTEE

SUPPLEMENTAL INDENTURE
To Original Indenture dated October 1, 1940

DATED AS OF SEPTEMBER 15, 1981

=====

TABLE OF CONTENTS

Page

PARTIES	1
RECITALS:	
Execution of Original Indenture and Supplements thereto	1
Recording of Original Indenture and Supplements thereto	1
Bonds heretofore issued	2
Creation of Series 0, due 2001	2
Lien on After Acquired Property	3
Purpose of Supplemental Indenture	3
Fulfillment of conditions precedent	4
Consideration and Authorization	4
GRANTING CLAUSES:	
Plant, system and utilities in specified counties and elsewhere	5
Other properties now or hereafter owned	5
Excepted properties	6
HABENDUM AND DECLARATION OF TRUST	7

ARTICLE I.

AMOUNT, FORM, NUMBERING, DENOMINATION, TRANSFER AND
EXCHANGE OF BONDS OF SERIES 0, DUE 2001

SECTION 1.01.	Authorized amount of bonds of Series 0, due 2001	8
SECTION 1.02.	Bonds of Series 0, due 2001; issuable as fully registered bonds; form of registered bonds and certificate	8
SECTION 1.03.	Exchangeability of bonds	14
SECTION 1.04.	Offices or agencies for payment, registration, transfer and exchange of bonds of Series 0, due 2001	14
SECTION 1.05.	Certain conditions as to transfer, etc. of bonds of Series 0, due 2001	14

ARTICLE II.
INTEREST, MATURITY DATE, REDEMPTION, SINKING FUND
AND CERTAIN OTHER PROVISIONS

SECTION 2.01.	Interest rate, maturity date and places and medium of payment	14
SECTION 2.02.	Redemption of bonds of Series 0, due 2001	15
SECTION 2.03.	Sinking Fund for bonds of Series 0, due 2001	16
SECTION 2.04.	Other provisions of bonds of Series 0, due 2001	17

ARTICLE III.
AMENDMENTS TO INDENTURE

SECTION 3.01.	Amendments To Original Indenture as Supplemented	17
SECTION 3.02.	Amendments To Section 1.02	17
SECTION 3.03.	Amendments To Section 2.06	17
SECTION 3.04.	Amendments To Section 14.12	18
SECTION 3.05.	Amendments To Section 14.17	18
SECTION 3.06.	Amendments To Section 14.18	18
SECTION 3.07.	Amendments To Section 17.10	19

ARTICLE IV
SUNDRY PROVISIONS

SECTION 4.01.	Trustee not responsible for recitals: recordation of Supplemental Indenture as required by law	20
SECTION 4.02.	Date of Supplemental Indenture and bonds of Series 0, due 2001, are dates of Identification	20
SECTION 4.03.	Supplemental Indenture deemed to be part of Original Indenture	20
SECTION 4.04.	Trustee accepts trusts on same terms expressed in Original Indenture	21
SECTION 4.05.	Execution of Supplemental Indenture in counterpart ..	21
TESTIMONIUM		22
SIGNATURE AND SEALS		22
ACKNOWLEDGMENTS		23

This Supplemental Indenture is, among other things
A MORTGAGE OF CHATTELS

THIS SUPPLEMENTAL INDENTURE, dated as of September 15, 1981, made and entered into in the City of Los Angeles, State of California by and between SOUTHERN CALIFORNIA GAS COMPANY, a corporation duly organized and existing under the laws of the State of California, and having its principal place of business in the city of Los Angeles, State of California, and having its principal place of business in the City of Los Angeles, State of California (hereinafter sometimes called the "Corporation"), and Wells Fargo Bank, NATIONAL Association (Formerly AMERICAN TRUST COMPANY), a national banking association duly organized and existing under and by virtue of the laws of the United States of America, and having it is principal place of business in the City and County of San Francisco, California (hereinafter sometimes called the "Trustee").

WITNESSETH:

WHEREAS, the Corporation has executed and delivered to the Trustee a certain Indenture (hereinafter sometimes called the "Original Indenture") dated October 1, 1940, to secure bonds of the Corporation designated generally as its "First Mortgage Bonds" to be issued from time to time in one or more series, any of which series may vary from any other as to certain particulars specified in Section 2.01 of the Original Indenture, and the Corporation has executed and delivered to the Trustee Supplemental Indentures dated, respectively, as of July 1, 1947, May 1, 1948, June 1, 1950, April 1, 1952, August 1, 1955, June 1, 1956, December 1, 1956, July 1, 1957, October 1, 1959, July 1, 1963, September 1, 1964, June 1, 1965, December 1, 1966, October 1, 1970, August 1, 1972, September 1, 1972, November 1, 1979 and February 1, 1981, supplementing and amending the Original Indenture (the Original Indenture together with this Supplemental Indenture and all other supplemental indentures being herein collectively sometimes referred to as the "Indenture"); and

WHEREAS, the Original Indenture and said Supplemental Indentures dated, respectively, as of July 1, 1947, May 1, 1948, June 1, 1950, April 1, 1952 and August 1, 1955, are recorded in the office of the County Recorder of each of the Counties listed below in the Official Records thereof, as stated in said Supplemental Indenture

dated as of June 1, 1956; said Supplemental Indentures dated, respectively, as of June 1, 1956 and December 1, 1956, are so recorded as stated in said Supplemental Indenture dated as of July 1, 1957 and each subsequently dated said Supplemental Indenture (other than said Supplemental indenture dated February 1, 1981) is so recorded as stated in said Supplemental Indenture dated as of the next succeeding date; and said Supplemental Indenture dated as of February 1, 1981 is recorded in the offices of the County Recorders in the Counties of the State of California, as follows:

County -----	References -----	Date ----
Fresno	Official Records, Book 7665, Pages 947-974	January 30, 1981
Imperial	Official Records, Book 1464, Pages 580-607	January 29, 1981
Kern	Official Records, Book 5348, Pages 2188-2215	January 30, 1981
Kings	Official Records, Book 1192, Pages 421-448	January 30, 1981
Los Angeles	Official Records, Document 83-114452	January 30, 1981
Orange	Official Records, Book 13932, Pages 1315-1342	January 30, 1981
Riverside	Official Records, Book 1981, Page 17831	January 30, 1981
San Bernardino	Official Records, Document 81-012186	January 30, 1981
San Diego	Official Records, Book 1981, Pages 705-732	January 29, 1981
San Luis Obispo	Official Records, Vol. 2302, Pages 353-380	January 29, 1981
Santa Barbara	Official Records, Document 81-4096	January 29, 1981
Tulare	Official Records, Vol. 3835, Pages 830-857	January 29, 1981
Venture	Official Records, Document 009236	January 29, 1981

WHEREAS, bonds of the Corporation of eleven (11) series designated, respectively, as its "First Mortgage Bonds, Series A, Due 1982", "First Mortgage Bonds, Series E, due 1988", "First Mortgage Bonds, Series F, due 1989", "First Mortgage Bonds, Series G, due 1991", "First Mortgage Bonds, Series H, due 1995", "First Mortgage Bonds, Series I due 1997", "First Mortgage Bonds, Series J, due 1981", "First Mortgage Bonds, Series K, due 1996", "First Mortgage Bonds, Series L, due 1997", "First Mortgage Bonds, Series M, due 1999" and "First Mortgage Bonds, Series N, due 2001" are outstanding as a part of the First Mortgage Bonds referred to in the Original Indenture, each series of bonds, unless and until the taking of further appropriate action by the Board of Directors of the Corporation, being without limitation as to aggregate authorized principal amount; and

WHEREAS, pursuant to the provisions of Sections 2.01 and 2.02 of the Original Indenture, the Board of Directors of the Corporation has, by resolution duly adopted and delivered to the Trustee, created, as a part of the First Mortgage Bonds referred to in the Original Indenture,

a new series of bonds designated "First Mortgage Bonds, Series 0, due 2001" (herein sometimes called "bonds of Series 0"), to be of the form, terms and provisions provided in that resolution and herein, which new series of bonds, unless and until the taking of further appropriate action by the Board of Directors of the Corporation, is to be without limitation as to aggregate authorized principal amount and of which series bonds in the aggregate principal amount of \$60,000,000 are to be presently issued; and

WHEREAS, it is provided in the Original Indenture that all the business, franchises and properties, real, personal and mixed, of every kind and nature whatsoever and wheresoever situate, which might thereafter be acquired by the Corporation, shall be as fully embraced within the lien thereof as if said properties were owned by the Corporation at the date of the Original Indenture and were particularly described therein and specifically conveyed thereby, excepting certain properties expressly excepted by the provisions thereof; and

WHEREAS, subsequent to the execution of the Original Indenture the Corporation has acquired properties hereinafter mentioned or referred to, all of which properties, upon the acquisition thereof by the Corporation, became and now are subject to the lien, operation and effect of the Original Indenture by virtue of the after-acquired property clause of other clauses thereof; but the Corporation, nevertheless, desires to execute, acknowledge, deliver and cause to be recorded this Supplemental Indenture for the purposes, among others, of expressly and specifically subjecting such after-acquired properties to the lien of the Original Indenture as supplemented and of further assuring and confirming the lien of the Original Indenture as supplemented on all of the properties of every kind and character, whether real or personal and regardless of the date of the acquisition thereof by the Corporation, intended to be subjected to the lien thereof; and

WHEREAS, under the provisions of Sections 2.02 and 16.01 of the Original Indenture the Corporation and the Trustee are authorized to execute and deliver an indenture supplemental to the Original Indenture (i) to set forth the particulars, permitted by Section 2.01 of the Original Indenture, as to which the bonds of Series 0 are to vary from the bonds of the other series of said First Mortgage Bonds, and (ii) for any purpose not inconsistent with the terms of the Indenture; and

WHEREAS, the Corporation desires to amend the Original Indenture, as heretofore amended, supplemented and now in effect, as hereinafter set forth in Article III, pursuant to the provisions of subdivision (e) of Section 16.01 of the Indenture; and

WHEREAS, for and in consideration of the premises the Corporation desires to execute this Supplemental Indenture; and

WHEREAS, the making, executing, delivering, and recording of this Supplemental Indenture have been duly authorized by proper Corporate action of the Corporation; and

WHEREAS, the execution and delivery of this Supplemental Indenture have been authorized by the Public Utilities Commission of the State of California;

NOW, THEREFORE, in consideration of the premises and of the sum of one dollar (\$1), lawful money of the United States of America, duly paid by the Trustee to the Corporation, and of other good and valuable considerations, receipt of which is hereby acknowledged, and in order (a) to set for the or specify (i) the form of the fully registered bonds of Series 0 and the form of the certificate to be endorsed on all bonds of said series, and (ii) the terms and provisions of the bonds of Series 0, including the particulars thereof which vary from the bonds of the other series of said First Mortgage Bonds, and (b) further to secure the payment of both the principal of and interest on the bonds of the Corporation now or at any time hereafter outstanding under the Original Indenture and/or any indenture supplemental thereto, including specifically, but without limitation, all of said First Mortgage Bonds now outstanding and said \$60,000,000 aggregate principal amount of bonds of Series 0, according to their tenor and effect, and further to secure the observance and performance of all of the covenants, agreements and conditions contained in the Original Indenture or in any indenture supplemental thereto, and without in any way limiting the generality or effect of the indenture insofar as by any provision thereof any of the property therein or hereafter described or referred to is now subject or intended to be subject to the lien and operation thereof, but to such extent confirming such lien and operation, the Corporation has executed and delivered this Supplemental Indenture and has granted, bargained, sold, released, conveyed, mortgaged, assigned, transferred, pledged, set over and confirmed, and does

hereby grant, bargain; sell, release, convey, mortgage, assign, transfer, pledge, set over and confirm unto Wells Fargo Bank, National Association, the Trustee, and to its successor or successors in, the trust created by the Original Indenture and/or any Indenture supplemental thereto, and to its and their assigns, forever, with power of sale, subject, to the extent applicable by the terms of the indenture to any of the properties hereinafter referred to or described, to the exceptions (other than exception (f) set forth on page 67 of the Original Indenture and reading as follows: "(f) Any gas and/or oil acreage, gas and/or oil wells, gas and /or oil reserves, or gas and/or oil leaseholds hereafter acquired by the Corporation, or any property or equipment now or hereafter owned by the Corporation and used for the development of gas and/or oil acreage or for the drilling for or production of gas and/or oil from such acreage"; which exception (f) is expressly made inapplicable to certain parcels of property specified in the granting clauses of said Supplemental Indentures dated respectively as of June 1, 1956, July 1, 1957, October 1, 1959, July 1, 1963, September 1, 1964, December 1, 1966, October 1, 1970, September 1, 1972, October 1, 1974, May 1, 1976, October 1, 1977, November 1, 1979 and February 1, 1981), reservations, conditions, terms and provisions provided in the Indenture with respect to properties subject or intended to be subject thereto, all of the properties and assets of the corporation, real, personal and mixed, of every kind and character, whether now or hereafter owned by the Corporation and wheresover situated, including, without in any way limiting or modifying the generality or effect of the foregoing, all and singular, the following properties:

FIRST, All and singular the plants, properties, equipment, real and personal property, estates, interests, goodwill, generating, transmission, feeding, storing, and distribution systems, and utilities of the Corporation situate in the counties of Fresno, Imperial, Kern, Kings, Los Angeles, Orange, Riverside, San Bernadino, San Diego, San Luis Obispo, Santa Barbara, Tulare and Ventura, and elsewhere, in the State of California, with all and singular the franchises, ordinances, grants, easements, licenses, powers, immunities, permits, privileges, appurtenances, tenements and other rights and property thereunto appertaining or belonging, as the same now exist and as the same and any and all parts thereof may hereafter exist or be improved, added to,

enlarged, extended or acquired in said counties or elsewhere in said state or any other state or states.

SECOND, All other property, real, personal and mixed, of every kind, nature and description (including, without in any way limiting the effect of the generality hereof, all facilities; all stocks, bonds and other securities from time to time conveyed, assigned, transferred, mortgaged or pledged on behalf of the Corporation, or with its consent, to the Trustee in the manner and for the purposes as provided in the Indenture; all gas manufacturing plants, boilers, engines, compressors, motors, pumps, generators, gasholders, tanks, appliances, oil storage facilities, gas storage facilities, wells, buildings, structures, plants, works and other improvements; all gas transmission and distributing lines and systems; all meters and regulators and all other apparatus, machinery, appliances, tools, furniture, fixtures, supplies, facilities and utilities and other personal property; or any right or interest in any thereof; all business and goodwill, rights, consents, franchises, ordinances, licenses, agreements, contracts, permits, easements, rights of way, leases and leasehold interests: powers, grants, privileges and immunities to construct, operate and maintain lines and other facilities or properties for conveying gas or other commodities or utilities for any purpose or purposes through, under and over public streets or highways, or public or private places or property; all reversions, remainders, tolls, incomes, revenues, earnings, rents, issues and profits of any property, real, personal and mixed; and all other leases and types of property described or referred to in the Original Indenture, or any indenture supplemental thereto), now or hereafter owned, held, possessed, acquired or enjoyed by or in any manner conferred upon or appertaining to the Corporation, including the interest of the Corporation in all leases now or hereafter owned by it, together with all and singular the tenements, hereditaments, and appurtenances belonging or in any way appertaining to each and every part of any and all property subject or intended to be subject to the lien and operation of the Original Indenture as supplemented, and the reversion and reversions, remainder and remainders, tolls, incomes, revenues, earnings, rents, issues and profits thereof.

SAVING AND EXCEPTING, however, from the property hereby mortgaged, conveyed in trust and/or pledged, all property, whether now owned by the corporation or hereafter acquired by it, expressly

saved and excepted from the lien of the Indenture and therein referred to as the "excepted property" (except as otherwise expressly provided with respect to exception (f) of said "excepted property"), unless and until, upon the occurrence of an event of default under the Indenture, the Trustee, or any receiver appointed thereunder, shall take possession of any or all of such excepted property.

TO HAVE AND TO HOLD in trust with power of sale for the equal and proportionate benefit and security of all holders of bonds of Corporation, now or hereafter outstanding under the Indenture as from time to time in effect, and for the enforcement and payment of said bonds and interest thereon when payable, and the performance of and compliance with the covenants and conditions of the Indenture as from time to time in effect, without any preference, distinction or priority as to lien or otherwise of any of said bonds over any others thereof by reason of the difference in the time of the actual issue, sale or negotiation thereof, or for any other reason whatsoever, except as otherwise expressly provided in the Indenture as from time to time in effect, so that each and every such bond shall have the same lien and so that the principal and interest of every such bond shall, subject to the terms thereof, be equally and proportionately secured by said lien, as if such bond had been made, executed, delivered, sold and negotiated simultaneously with the execution and delivery of the Original Indenture.

IT IS HEREBY COVENANTED, DECLARED, AND AGREED by and between the parties hereto that all such bonds are issued, authenticated and delivered, or are to be issued, authenticated and delivered, and that all property subject, or to become subject, to the Original Indenture, including any indenture supplemental thereto, is to be held, subject to the covenants, conditions, uses and trusts therein set forth.

It is hereby further stipulated and provided:

ARTICLE I

AMOUNT, FORM, NUMBERING, DENOMINATION,
TRANSFER AND EXCHANGE OF BONDS
OF SERIES 0, DUE 2001

SECTION 1.01. The bonds of Series 0 may be issued at any time or from time to time and subject to the terms and provisions of the Indenture. Unless and until the taking of further appropriate action by the Board of Directors of the Corporation the bonds of said Series shall be without limitation as to aggregate authorized principle amount.

SECTION 1.02. The bonds of Series 0 shall be issued only as fully registered bonds without coupons. The fully registered bonds without coupons and the certificate of authentication to be endorsed on all bonds of said Series, shall be substantially in the following form:

(FORM OR REGISTERED BOND WITHOUT COUPONS, SERIES 0, DUE 2001)
SOUTHERN CALIFORNIA GAS COMPANY
(Incorporated under the laws of the State of California)

First Mortgage Bond, Series 0, Due 2001
(17 3/8%)

No..... \$.....

SOUTHERN CALIFORNIA GAS COMPANY, a corporation organized and existing under the laws of the State of California (hereinafter called the "Corporation", which term shall include any successor corporation, as defined in the Indenture hereinafter referred to), for value received, hereby promise to pay to or registered assigns, the sum ofDOLLARS in lawful money of the United States of America, on the fifteenth day of September, 2001, and to pay interest thereon to the registered owner hereof from the date of this bond, at the rate of 17 3/8% per annum in like lawful money, payable semi-annually, on the fifteenth days of March and September in each year, commencing March 15, 1982, until the Corporation's obligation with respect to the payment of such principal shall be discharged as provided in the Indenture hereinafter mentioned.

Both the principal of and interest on this bond will be paid at the principal office of Wells Fargo Bank, National Association, or its successor trustee under said Indenture, in the City and County of San Francisco, State of California or at the main office of the Trustee in the City of Los Angeles, or, at the option of the registered owner hereof, principal will be paid at the office or agency of the Corporation in the City of New York, State of New York.

The provisions of this bond are continued on the reverse hereof and such continued provision shall for all purposes have the same effect as though fully set forth at this place.

IN WITNESSES WHEREOF, SOUTHERN CALIFORNIA GAS COMPANY has caused this bond to be signed in its corporate name by its authorized officer and its corporate seal to be hereto affixed and attested by its secretary or an Assistant Secretary.

Dated as of , 19.....

Southern California Gas Company

By _____
Controller

(CORPORATE SEAL)

ATTEST:

Secretary

(REVERSE SIDE--FORM OF REGISTERED BOND WITHOUT
COUPONS, SERIES O, DUE 2001)

This bond is one of a duly authorized issue of bonds of the Corporation (herein called the "bonds"), of the series hereinafter

specified, all issued and to be issued under and all equally and ratably secured by a mortgage and a deed of trust dated October 1, 1940, executed by the Corporation to Wells Fargo Bank, National Association (formerly American Trust Company), as Trustee, to which mortgage and deed of trust and all indentures supplemental thereto, including Supplemental Indentures dated, respectively, as of July 1, 1947, August 1, 1955, June 1, 1956, December 1, 1956, June 1, 1965, August 1, 1972 and May 1, 1976 (herein collectively referred to as the "Indenture"), reference is hereby made for a description of the property conveyed in trust, mortgaged and pledged, the nature and extent of the security, the rights of the registered owners of the bonds and of the Trustee or trustees in respect thereof, the terms and conditions upon which the bonds are, and are to be, secured and the circumstances under which additional bonds may be issued. The bonds may be issued for various principal sums, and may be issued in series, which may mature at different times, may bear interest at different rates and may otherwise vary as in the Indenture provided. This bond is one of a series designated as the "First Mortgage Bonds, Series 0, due 2001" (herein called "bonds of Series 0") of the Corporation, issued under and secured by the Indenture.

As provided in the Indenture, by any indenture or indentures supplemental thereto executed by the Corporation and the Trustee and consented to by the holders of not less than two-thirds (2/3) in principal amount of the bonds at the time outstanding, and, in case one or more, but less than all, of the series of bonds then outstanding are affected by such supplemental indenture, consented to by the holders of at least two-thirds (2/3) in principal amount of the bonds of each series so affected, the Indenture or any indenture supplemental thereto, and the rights and obligations of the Corporation and the holders of bonds, may be modified or altered from time to time, as provided in the Indenture; provided, however, (a) that the right of any holder of any bond to receive payment of the principal of and interest on such bond, on or after the respective due dates expressed in such bond, or to institute suit for the enforcement of any such payment on or after such respective dates, shall not be impaired or affected by any such supplemental indenture without the consent of such holder, and (b) that no such modification or alteration shall reduce the proportions of

bondholders' consents required as aforesaid, such proportions to be determined in each case as provided in the Indenture.

The bonds of Series 0 are entitled to the benefits of the Sinking Fund and the Renewal Fund as provided in the Indenture.

The bonds of Series 0 are subject to redemption (a) at any time prior to maturity at the option of the Corporation either as a whole or in part, or through operation of the Renewal fund provided in the Indenture, or (b) by operation of the Sinking Fund provided in the Indenture, upon payment of the applicable redemption prices referred to hereunder. Notwithstanding the foregoing, none of the bonds of Series 0 may be redeemed prior to September 15, 1986 directly or indirectly from the proceeds of or in anticipation of any refunding operation involving the incurring of debt which has an interest cost to the Corporation of less than 17.557% per annum.

The redemption prices of the bonds of Series 0 if redeemed at the option of the Corporation or through operation of the Renewal Fund during the respective twelve-month periods beginning September 15 in each of the years mentioned below, are set forth in the following table in each case stated as a percentage of principal amount plus in each case accrued interest to the date fixed for redemption.

Year	Redemption Price	Year	Redemption Price	Year	Redemption Price
----	-----	----	-----	----	-----
1981	117.25%	1988	109.71%	1995	102.16%
1982	116.18	1989	108.63	1996	101.08
1983	115.10	1990	107.55	1997	100.00
1984	114.02	1991	106.47	1998	100.00
1985	112.94	1992	105.40	1999	100.00
1986	111.86	1993	104.32	2000	100.00
1987	110.79	1994	105.24		

The redemption price of the bonds of Series 0, if redeemed through operation of the Sinking Fund, is 100% of principal amount plus accrued interest to the date fixed for redemption.

Notice of redemption shall be given by publication once in each of three separate calendar weeks in one daily newspaper printed in the English language of general circulation in the Borough of Manhattan, City and State of New York, and in one similarly printed daily newspaper of general circulation in the City and County of San

Francisco, California (the first of such publications to be not less than thirty and not more than sixty days before the redemption date), or, notice of any such redemption may be mailed to the registered owners of the bonds to be redeemed not less than thirty nor more than sixty days before the redemption date, in lieu of such notice being given by publication, all subject to the conditions and as more fully set forth in the Indenture, including (1) the condition that failure to give notice of any such redemption by mail, if required, or any defect therein or in the mailing thereof shall not affect the validity of the proceedings for the redemption of any bonds so to be redeemed if notice by publication, if required, is duly given and (2) the condition that, if any notice of redemption of bonds shall state that it is subject to receipt by or for the account of the Trustee on or before the date fixed for redemption of moneys applicable to and sufficient for such redemption, such bonds shall not become due and payable by virtue of such notice unless such moneys shall be held by or for the account of the Trustee on or before the date fixed for redemption. If this bond or any portion hereof is called for redemption and payment duly provided as specified in the Indenture, interest shall cease to accrue on this bond or such portion hereof from and after the date fixed for such redemption.

In case an event of default, as defined in the indenture, shall occur, the principal of all bonds then outstanding under the Indenture may be declared or become due and payable upon the conditions and in the manner and with the effect provided in the Indenture.

This bond is transferable by the registered owner hereof at the office or agency of the Corporation in said City and County of San Francisco, in said City of Los Angeles, in the Borough of Manhattan, City of New York and in such other place or places as the Corporation may designate at any time or from time to time, and thereupon a new fully registered bond or bonds of said series, without coupons, of authorized denomination or denominations, of a like aggregate principal amount, will be issued to the transferee or transferees in exchange for this bond; and at any of said offices or agencies fully registered bonds of Series 0, without coupons, are exchangeable for a like aggregate principal amount of other such fully registered bonds of authorized denominations; all in the manner and subject to the conditions as provided in the Indenture.

No recourse shall be had for the payment of the principal of or the interest on this bond or for any claim based hereon or on the Indenture or any indenture supplemental thereto, against any incorporator, stockholder, director or officer, past, present or future, of the corporation, or of any predecessor or successor corporation, either directly or through the Corporation, or any such predecessor or successor corporation, whether by virtue or any constitution, statute or rule of law, or by the enforcement of any assessment or penalty, or otherwise, all such liability being waived and released by every registered owner hereof by the acceptance of this bond and as part of the consideration for the issue hereof, and being likewise waived and released by the terms of the Indenture.

This bond shall not become valid or obligatory for any purpose or be entitled to any benefit under the Indenture until Wells Fargo Bank, National Association, or its successor as Trustee under the indenture, or an authenticating agent, shall have signed the form of certificate endorsed hereon.

(FORM OF CERTIFICATE OF AUTHENTICATION)

CERTIFICATE

This bond is one of the bonds, of the series designated therein, described in the within-mentioned Indenture.

WELLS FARGO BANK
NATIONAL ASSOCIATION,
Trustee

or

BANKERS TRUST
COMPANY,
Authenticating Agent

By
Authorized Officer

By
Authorized Officer

The bonds of Series 0 may contain or have imprinted thereon such provisions or specifications not inconsistent with the Indenture as may be required to comply with the rules of any stock exchange or any federal or state authority or commission, or to comply with usage with

respect thereto, and may bear such other appropriate endorsements or notations as are authorized or permitted by the Indenture.

The fully registered bonds of Series 0 shall be issuable in denominations of \$1,000 and any multiple of \$1,000 and shall be dated as provided in paragraph 1 of Section 2.01 of the Original Indenture. The definitive bonds of Series 0 shall be numbered in such manner as the Corporation shall at any time or from time to time determine.

SECTION 1.03. In the manner and subject to certain conditions and limitations specified herein and in the Indenture, bonds of Series 0 may be exchanged without a service charge for a like aggregate principal amount of such bonds of Series 0 of other authorized denomination or denominations.

SECTION 1.04. The Corporation shall maintain in the City and County of San Francisco, and in the City of Los Angeles, State of California and also in the Borough of Manhattan, City of New York, State of New York, and in such other place or places as the Corporation may designate at any time or from time to time, an office or agency where bonds of Series 0 may be presented for payment, registration, transfer and exchange as provided therein or in the Indenture. Such office or agency in the City and County of San Francisco shall be the principal office of the Trustee and such office or agency in the City of Los Angeles shall be the main office of the trustee in said City and such office or agency in the Borough of Manhattan, City of New York shall be the principal office of Bankers Trust Company unless and until the Corporation shall designate another office or agency by notice in writing delivered to the Trustee.

SECTION 1.05. No transfer or exchange of any bonds of Series 0 pursuant to any of the provisions of this Article I shall be made except upon and in accordance with all of the applicable terms, provisions and conditions of said bonds and of the Indenture.

ARTICLE II

INTEREST, MATURITY DATE, REDEMPTION, SINKING FUND AND CERTAIN OTHER PROVISIONS.

SECTION 2.01. The bonds of Series 0 shall bear interest at the rate, shall be expressed to mature as to principal, and shall be payable as to principal and interest at such place or places and in such money,

all as provided in the form of such bonds set forth in Section 1.02 hereof and by the applicable provisions of the Indenture.

SECTION 2.02. The bonds of Series 0 shall be subject to redemption, either in whole or in part, at the applicable redemption prices specified in said form of bonds, upon notice, in the manner and otherwise upon the terms and conditions and with the effect, as provided herein and by the applicable provisions of the Indenture, which provisions of the Indenture are hereby modified and supplemented, but only with respect to the bonds of Series 0, as follows:

(a) If at the time of publication or mailing of, or of otherwise giving, any notice of redemption of any of the bonds of Series 0 the Corporation shall not have deposited with the Trustee and/or irrevocably directed the Trustee to apply, from moneys held by it available to be used for the redemption of bonds of Series 0, an amount in cash sufficient to redeem all of the bonds of Series 0 called for such redemption, including accrued interest to the date fixed for redemption, such notice shall state that it is subject to the receipt by the Trustee on or before the date fixed for redemption of moneys applicable to and sufficient for such redemption and that such notice shall be of no effect unless such moneys are so received on or before such date.

(b) The Trustee, upon request of the Corporation evidenced by a resolution of its Board of Directors, shall, for and in behalf of and in the name of the Corporation, call for redemption bonds of Series 0 provided that, if cash sufficient for such redemption is not held by the Trustee at the time of such call, the notice shall state that it is subject to the receipt by the Trustee on or before the date fixed for redemption of moneys applicable to and sufficient for such redemption and that such notice shall be of no effect unless such moneys are so received on or before such date.

(c) If bonds of Series 0 shall be called for redemption pursuant to a notice containing the statement set forth in subparagraph (a) or subparagraph (b) of this Section 2.02, the principal amount and premium, if any, of such bonds shall not become due and payable by virtue of such call or notice unless on or before the date fixed for redemption the Corporation shall have

irrevocably deposited with the Trustee for the purpose for redeeming all of the bonds of Series 0 called for redemption, including funds for the payment of accrued interest to the date fixed for redemption, and/or irrevocably directed the Trustee to apply, from moneys held by it available to be used for the redemption of bonds of Series 0 an amount in cash sufficient to redeem all of the bonds of Series 0 called for redemption, including funds for the payment of accrued interest to the date fixed for redemption.

Notwithstanding the foregoing, none of the bonds of Series 0 may be redeemed prior to September 15, 1986 directly or indirectly from the proceeds of or in anticipation of any refunding operation involving the incurring debt which has an interest cost to the Corporation of less than 17.557% per annum.

SECTION 2.03. The bonds of Series 0 shall be entitled to the benefits of the Renewal Fund as provided in the Indenture and shall also be entitled to benefit, as hereinafter provided, under the Sinking Fund referred to in Section 8.01 of the Indenture. To provide for such benefit under said Sinking Fund, said Section 8.01, as heretofore amended and now in effect, is hereby further amended by adding thereto, immediately preceding the last paragraph thereof, a new paragraph reading as follows:

"The Corporation further covenants and agrees that, on or before April first in the year 1988 and in each year thereafter so long as any of the bonds of Series 0 are outstanding, it will pay to the Trustee, as a payment for that year to the Sinking Fund referred to in the first paragraph of this Section 8.01, the amount of \$4,000,000, together with a payment at maturity of \$4,000,000, on September 15, 2001, in respect of such series, less, however, in each case, to the extent that the Corporation desires to include the same, credit for the amount of all additional payments to such Sinking Fund paid pursuant to the next succeeding sentence and not theretofore so credited. On or within twelve months next prior to the last date on which any payment pursuant to the next preceding sentence may be made in each year, the Corporation may, at its option, so pay to such Sinking Fund an additional payment for such year in an amount not to exceed \$6,000,000. To the extent such option to pay any additional payment to such

Sinking Fund for any year is not exercised, it shall not be carried forward for any subsequent year".

SECTION 2.04. The bonds of Series 0 shall, except as in this Supplemental Indenture otherwise expressly provided, be on the terms and provisions, and shall present such rights and be entitled to such benefits, as are applicable thereto by the terms of the Indenture.

ARTICLE III

AMENDMENTS TO INDENTURE.

SECTION 3.01. The Original Indenture, as heretofore amended, supplemented and now in effect, is hereby further amended and supplemented as hereinafter set forth.

SECTION 3.02. The definition of "Engineer's Certificate" in Section 1.02 is amended to read in its entirety as follows:

"Engineer's Certificate:

The term 'engineer's certificate' shall mean a certificate signed and verified by the Chairman of the Board or the President or a Vice-President or the Controller of the Corporation and by an engineer appointed by the Corporation and approved by the Trustee."

The definition of "Officer's Certificate" in Section 1.02 is amended to read in its entirety as follows:

"Officer's Certificate:

The term 'officers' certificate' shall mean a certificate signed and verified by the Chairman of the Board or the President or a Vice-President or the Controller and by the Treasurer or an Assistant Treasurer of the Corporation and in the case of conditions precedent compliance with which is subject to verification by accountants under the provisions of Trust Indenture Act of 1939, one of such persons signing and verifying such certificate shall be an accountant."

SECTION 3.03. The first sentence of Section 2.06 is amended to read in its entirety as follows:

"Section 2.06. All of the bonds to be issued hereunder shall, from time to time, be executed on behalf of the Corporation by its

Chairman of the Board or its President or one of its Vice-Presidents or its Controller, and its corporate seal or a facsimile thereof shall be thereunto affixed and attested by its Secretary or one of its Assistant Secretaries."

SECTION 3.04. The first sentence of Section 14.12 is amended to read in its entirety as follows:

"Section 14.12. Whenever in the administration of the trusts of this Indenture, prior to a default hereunder, the Trustee shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action hereunder, such matter (unless other evidence in respect thereof be herein specifically prescribed) may be deemed to be conclusively proved and established by a certificate signed by the Chairman of the Board or the President or a Vice-President or the Controller and the Treasurer or an Assistant Treasurer of the Corporation and delivered to the Trustee, and such certificate shall be full warrant to the Trustee for any action taken or suffered by it under the provisions of this Indenture upon the faith thereof."

SECTION 3.05. The second paragraph of Section 14.17 is amended to read in its entirety as follows:

"In case at any time the Trustee shall cease to be eligible in accordance with the provisions of Section 14.01, then the Trustee shall resign immediately in the manner and with the effect specified in Section 14.16; and, in the event that the Trustee does not resign immediately in such case, then it may be removed forthwith by an instrument or concurrent instruments in writing filed with the Trustee and either (a) signed by the Chairman of the Board or the President or a Vice-President or the Controller of the Corporation with its corporate seal attested by a Secretary or an Assistant Secretary of the Corporation or (b) signed and acknowledged by the holders of fifty per centum in principal amount of the bonds then outstanding or by their attorneys in fact duly authorized."

SECTION 3.06. The first sentence of Section 14.18 is amended to read in its entirety as follows:

"Section 14.18. In case at any time the Trustee shall resign or shall be removed (unless the Trustee shall be removed as

provided in subsection (c) of Section 14.14 in which event the vacancy shall be filled as provided in said subsection) or shall become incapable of acting, or shall be adjudged a bankrupt or insolvent, or if a receiver of the Trustee or of its property shall be appointed, or if any public officer shall take charge or control of the Trustee or of its property or affairs for the purpose of rehabilitation, conservation or liquidation, a vacancy shall be deemed to exist in the office of Trustee, and a successor or successors may be appointed by the holders of a majority in principal amount of the bonds then outstanding hereunder (determined as provided in Section 9.22), by an instrument or concurrent instruments in writing signed and acknowledged by such bondholders or by their attorneys in fact duly authorized, and delivered to such new Trustee, notification thereof being given to the Corporation and the retiring trustee; provided, nevertheless, that until a new trustee shall be appointed by the bondholders as aforesaid, the Corporation, by instrument executed by order of its board of directors or executive committee and duly acknowledged by its Chairman of the Board or the President or a Vice-President or the Controller, may appoint a trustee to fill such vacancy until a new trustee shall be appointed by the bondholders as herein authorized."

SECTION 3.07. The first sentence of Section 17.10 is amended to read in its entirety follows:

"Section 17.10. Any written demand, request, notice, certificate, appointment, approval, waiver, designation, direction, nomination or other similar act to be given, made or executed by the Corporation under any of the provisions hereof, shall, unless otherwise expressly provided herein, be deemed sufficiently given, made or executed if given, made or executed by a writing signed by the Chairman of the Board or the President or a Vice-President or the Controller of the Corporation under the corporate seal of the Corporation, duly attested by its Secretary or one of its Assistant Secretaries."

ARTICLE IV

SUNDRY PROVISIONS.

Section 4.01. The recitals of the fact contained herein shall be taken as the statements of the Corporation, and the Trustee assumes no responsibility for the correctness of the same. The Corporation hereby covenants and agrees that it will cause this Supplemental Indenture to be kept recorded and/or filed as may be required by law, in such manner and in such places as may be necessary fully to preserve and protect the security of the bondholders and all of the rights of the Trustee hereunder, and that it will with all reasonable dispatch deposit with the Trustee counterparts of this Supplemental Indenture bearing official notation or endorsements showing such recordation and/or filing, or in case such counterparts are not returned to the Corporation, furnish to the Trustee the best official evidence of such recordation and/or filing reasonably obtainable by the Corporation, or evidence of the taking of such other action, if any, but the Trustee, subject to the provisions of Sections 14.02 and 14.03 of said Original Indenture, shall in no wise be liable for any failure or omission in this regard.

SECTION 4.02. The date of this Supplemental Indenture and the date of the bonds of Series 0 are intended as and for a date for the convenient identification of this Supplemental Indenture and of the bonds of said series, and are not intended to indicate that this Supplemental Indenture was executed and delivered or that said bonds were executed, delivered or issued on said date; it being hereby provided that this Supplemental Indenture may be executed and delivered, and that said bonds may be executed, delivered or issued, either on said date or before or after said date, and that this Supplemental Indenture is in fact executed and delivered by each party hereto on the date of its certificate of acknowledgment hereto attached.

SECTION 4.03. This Supplemental Indenture shall be deemed to be part of the Original Indenture, and the Corporation agrees to conform to and comply with all and singular the terms, provisions, conditions and covenants set forth therein and herein. This Supplemental Indenture shall be construed in connection with and as a part of the Original Indenture, as heretofore amended and supplemented.

SECTION 4.04. It is further agreed that the Trustee accepts the trust imposed upon it by this Supplemental Indenture, upon and subject to the same terms and conditions as are expressed in Article XIV of the Original Indenture.

SECTION 4.05. In order to facilitate the recording of the Supplemental Indenture, the same may be executed in several counterparts, each of which so executed shall be deemed to be an original, and such counterparts shall collectively constitute one and the same instrument.

IN WITNESS WHEREOF, Southern California Gas Company has caused this Supplemental Indenture to be signed in its corporate name by its President or one of its Vice-Presidents, and its Secretary or one of its Assistant Secretaries, and its corporate seal to be hereunto duly affixed, and Wells Fargo Bank, National Association, in token of its acceptance of the trust hereby established, has caused this Supplemental Indenture to be signed in its corporate name by one of its Authorized Officers and its Secretary or one of its Assistant Secretaries, and its corporate seal to be hereunto duly affixed, all as of September 23, 1981.

SOUTHERN CALIFORNIA GAS COMPANY

Attest:

H. E. GOODENOW
Secretary

By JONEL C. HILL
Senior Vice-President

(SEAL)

WELLS FARGO BANK,
NATIONAL ASSOCIATION

Attest:

ROBERT T. DREILING
Assistant Secretary

By CRAIG S. ELLIS
Authorized Officer

(SEAL)

STATE OF CALIFORNIA)
)
COUNTY OF LOS ANGELES) SS.

On this 23rd day of September, 1981, before me, FLORENCE B. FROST, a Notary Public of the State of California, duly commissioned and sworn, personally appeared JONEL C. HILL, known to me to be a Senior Vice-President, and H. E. GOODENOW, known to me to be the Secretary, of SOUTHERN CALIFORNIA GAS COMPANY, one of the corporations named in and which executed the foregoing instrument, known to me to be the persons who executed the within instrument on behalf of said Corporation, and acknowledged to me that said Corporation executed the same, and acknowledged to me that said Corporation executed the within instrument pursuant to its by-laws or a resolution of its board of directors.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

FLORENCE B. FROST

FLORENCE B. FROST
Notary Public of the State of
California.

(SEAL)

My Commission Expires August 14, 1983.

STATE OF CALIFORNIA)
)
) SS.
)
COUNTY OF LOS ANGELES)

On this 23rd day of September, 1981, before me, FLORENCE B. FROST, a Notary Public of the State of California, duly commissioned and sworn, personally appeared CRAIG S. ELLIS, known to me to be an Authorized Officer, and ROBERT T. DREILING, known to me to be an Assistant Secretary, of WELLS FARGO BANK, NATIONAL ASSOCIATION, a national banking association, one of the corporations named in and which executed the foregoing instrument, known to me to be the persons who executed the within instrument on behalf of said Corporation, and acknowledged to me that said Corporation executed the same, and acknowledged to me that said Corporation executed the within instrument pursuant to its by-laws or a resolution of its board of directors.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

FLORENCE B. FROST

FLORENCE B. FROST

Notary Public of the State of
California.

(SEAL)

My Commission Expires August 14, 1983.

RECORDATION DATA

The foregoing Supplemental Indenture from Southern California Gas Company to Wells Fargo Bank, National Association (formerly American Trust Company) Trustee, dated as of September 1, 1981, was recorded in the following counties of California (and indexed in each of said counties as a Deed, Mortgage, Trust Deed, Assignment and Power of Attorney) on the respective dates and at the respective places indicated in the following schedules:

COUNTY -----	REFERENCE -----	DATE ----
Fresno	Book 7792, Pages 95-121	Official Records September 25, 1981
Imperial	Book 1475, Pages 390-416	Official Records September 25, 1981
Kern	Book 5406, Pages 1280-1306	Official Records September 24, 1981
Kings	Book 1212, Pages 265-291	Official Records September 25, 1981
Los Angeles	Document 81-957152	Official Records September 25, 1981
Orange	Book 14233, Pages 750-776	Official Records September 25, 1981
Riverside	Document 180822	Official Records September 25, 1981
San Bernardino	Document 81-213198	Official Records September 25, 1981
San Diego	Book 1981, Pages 1532-1558	Official Records September 25, 1981
San Luis Obispo	Vol. 2358, Pages 314-340	Official Records September 25, 1981
Santa Barbara	Document 81-39609	Official Records September 25, 1981
Tulare	Vol. 3902, Pages 384-410	Official Records September 24, 1981
Ventura	Document 091131	Official Records September 25, 1981

=====
This Supplemental Indenture is, among other things,
A MORTGAGE OF CHATTELS

Southern California Gas Company

TO

Wells Fargo Bank, National Association
(formerly American Trust Company)

TRUSTEE

SUPPLEMENTAL INDENTURE
To Original Indenture dated October 1, 1940

DATED AS OF APRIL 1, 1982

=====

TABLE OF CONTENTS

	Page
PARTIES	1
RECITALS:	
Execution of Original Indenture and Supplements thereto	1
Recording of Original Indenture and Supplements thereto	1
Bonds heretofore issued	2
Creation of Series P, due 1992	2
Lien on After Acquired Property	3
Purpose of Supplemental Indenture	3
Fulfillment of conditions precedent	4
Consideration and Authorization	4
GRANTING CLAUSES:	
Real Property in California counties specified in Schedule A	5
Plant, system and utilities in specified counties and elsewhere	5
Other properties now or hereafter owned	6
Excepted properties	7
HABENDUM AND DECLARATION OF TRUST	7
ARTICLE I.	
AMOUNT, FORM, NUMBERING DENOMINATION, TRANSFER AND EXCHANGE OF BONDS OF SERIES P, DUE 1992.	
SECTION 1.01. Authorized amount of bonds of Series P, due 1992	8
SECTION 1.02. Bonds of Series P, due 1992; issuable as fully registered bonds; form of registered bonds and certificate	8
SECTION 1.03. Exchangeability of bonds	13
SECTION 1.04. Offices or agencies for payment, registration, transfer and exchange of bonds of Series P, due 1992	14
SECTION 1.05. Certain conditions as to transfer, etc. of bonds of Series P, due 1992	14

ARTICLE II.

INTEREST, MATURITY DATE, REDEMPTION
AND CERTAIN OTHER PROVISIONS.

SECTION 2.01. Interest rate, maturity date and places, and medium of
payment 14

SECTION 2.02. Redemption of bonds of Series P, due 1992 14

SECTION 2.03. Renewal fund for bonds of Series P, due 1992 16

SECTION 2.04. Other provisions of bonds of Series P, due 1992 16

ARTICLE III.

SUNDRY PROVISIONS.

SECTION 3.01. Trustee not responsible for recitals; recordation of
Supplemental Indenture as required by law 16

SECTION 3.02. Date of Supplemental Indenture and bonds of Series P, due
1992, are dates of identification 16

SECTION 3.03. Supplemental Indenture deemed to be part of Original
Indenture 17

SECTION 3.04. Trustee accepts trusts on same terms expressed in Original
Indenture 17

SECTION 3.05. Execution of Supplemental Indenture in counterpart 16

TESTIMONIUM 18

SIGNATURES AND SEALS 18

ACKNOWLEDGMENTS 19

Schedule A 21

This Supplemental Indenture is, among other things,
A MORTGAGE OF CHATTELS

THIS SUPPLEMENTAL INDENTURE, dated as of April 1, 1982, made and entered into in the City of Los Angeles, State of California by and between SOUTHERN CALIFORNIA GAS COMPANY, a corporation duly organized and existing under the laws of the State of California, and having its principal place of business in the City of Los Angeles, State of California (hereinafter sometimes called the "Corporation"), and WELLS FARGO BANK, NATIONAL ASSOCIATION (formerly AMERICAN TRUST COMPANY), a national banking association duly organized and existing under and by virtue of the laws of the United States of America, and having its principal place of business in the City and County of San Francisco, California (hereinafter sometimes called the "Trustee").

WITNESSETH:

WHEREAS, the Corporation has executed and delivered to the Trustee a certain Indenture (hereinafter sometimes called the "Original Indenture") dated October 1, 1940, to secure bonds of the Corporation designated generally as its "First Mortgage Bonds" to be issued from time to time in one or more series, any of which series may vary from any other as to certain particulars specified in Section 2.01 of the Original Indenture, and the Corporation has executed and delivered to the Trustee Supplemental Indentures dated, respectively, as of July 1, 1947, May 1, 1948, June 1, 1950, April 1, 1952, August 1, 1955, June 1, 1956, December 1, 1956, July 1, 1957, October 1, 1959, July 1, 1963, September 1, 1964, June 1, 1965, December 1, 1966, October 1, 1970, August 1, 1972, September 1, 1972, October 1, 1974, May 1, 1976, October 1, 1977, November 1, 1979, February 1, 1981, and September 15, 1981 supplementing and amending the Original Indenture (the Original Indenture together with this Supplemental Indenture and all other supplemental indentures being herein collectively sometimes referred to as the "Indenture"); and

WHEREAS, the Original Indenture and said Supplemental Indentures dated, respectively, as of July 1, 1947, May 1, 1948, June 1, 1950, April 1, 1952 and August 1, 1955, are recorded in the office of the County Recorder of each of the Counties listed below in the Official Records thereof, as stated in said Supplemental Indenture

dated as of June 1, 1956; said Supplemental Indentures dated, respectively, as of June 1, 1956 and December 1, 1956, are so recorded as stated in said Supplemental Indenture dated as of July 1, 1957; said Supplemental Indenture dated as of July 1, 1957 and each subsequently dated said Supplemental Indenture (other than said Supplemental Indenture dated September 15, 1981) is so recorded as stated in said Supplemental Indenture dated as of the next succeeding date; and said Supplemental Indenture dated as of September 15, 1981 is recorded in the offices of the County Recorders in the Counties of the State of California, as follows:

County -----	Reference -----	Date -----
Fresno	Official Records, Book 7792, Pages 95-121	September 25, 1981
Imperial	Official Records, Book 1475, pages 390-416	September 25, 1981
Kern	Official Records, Book 5406, Pages 1230-1306	September 24, 1981
Kings	Official Records, Book 1212, Pages 265-291	September 25, 1981
Los Angeles	Official Records, Document 81-957152	September 25, 1981
Orange	Official Records, Book 14231, Pages 750-776	September 25, 1981
Riverside	Official Records, Document 180822	September 25, 1981
San Bernardino	Official Records, Document 81-213198	September 25, 1981
San Diego	Official Records, Book 1981, Pages 1532-1558	September 25, 1981
San Luis Obispo	Official Records, Vol. 2358, Pages 314-340	September 25, 1981
Santa Barbara	Official Records, Document 81-39609	September 24, 1981
Tulare	Official Records, Vol. 1902, Pages 384-410	September 25, 1981
Ventura	Official Records, Document 091131	September 25, 1981

WHEREAS, bonds of the Corporation of eleven (11) series designated, respectively, as its "First Mortgage Bonds, Series A, due 1982", "First Mortgage Bonds, Series E, due 1988", "First Mortgage Bonds, Series F, due 1989", "First Mortgage Bonds, Series G, due 1991", "First Mortgage Bonds, Series H, due 1995", "First Mortgage Bonds, Series I, due 1997", "First Mortgage Bonds, Series K, due 1996", "First Mortgage Bonds, Series L, due 1997", "First Mortgage Bonds, Series M, due 1999", "First Mortgage Bonds, Series N, due 2001", "First Mortgage Bonds, Series O, due 2001", are outstanding as a part of the First Mortgage Bonds referred to in the Original Indenture, each series of bonds, unless and until the taking of further appropriate action by the Board of Directors of the Corporation, being without limitation as to aggregate authorized principal amount; and

WHEREAS, pursuant to the provisions of Section 2.01 and 2.02 of the Original Indenture, the Board of Directors of the Corporation has, by resolution duly adopted and delivered to the Trustee, created, as a part of the First Mortgage Bonds referred to in the Original Indenture,

a new series of bonds designated "First Mortgage Bonds, Series P, due 1992" (herein sometimes called "bonds of Series P"), to be of the form, terms and provisions provided in that resolution and herein, which new series of bonds, unless and until the taking of further appropriate action by the Board of Directors of the Corporation, is to be without limitation as to aggregate authorized principal amount and of which series bonds in the aggregate principal amount of \$60,000,000 are to be presently issued; and

WHEREAS, it is provided in the Original Indenture that all the business, franchises and properties, real, personal and mixed, of every kind and nature whatsoever and wheresoever situate, which might thereafter be acquired by the Corporation, shall be as fully embraced within the lien thereof as if said properties were owned by the Corporation at the date of the Original Indenture and were particularly described therein and specifically conveyed thereby, excepting certain properties expressly excepted by the provisions thereof; and

WHEREAS, subsequent to the execution of the Original Indenture the Corporation has acquired properties hereinafter mentioned or referred to, all of which properties upon the acquisition thereof by the Corporation, became and now are subject to the lien, operation and effect of the Original Indenture by virtue of the after-acquired property clause or other clauses thereof; but the Corporation, nevertheless, desires to execute, acknowledge, deliver and cause to be recorded this Supplemental Indenture for the purposes, among others, of expressly and specifically subjecting such after-acquired properties to the lien of the Original Indenture as supplemented and of further assuring and confirming the lien of the Original Indenture as supplemented on all of the properties of every kind and character, whether real or personal and regardless of the date of acquisition thereof by the Corporation, intended to be subjected to the lien thereof; and

WHEREAS, under the provisions of Section 2.02 and 16.01 of the Original Indenture the Corporation and the Trustee are authorized to execute and deliver an indenture supplemental to the Original Indenture (i) to set forth the particulars permitted by Section 2.01 of the Original Indenture, as to which the bonds of Series P are to vary from the bonds of the other series of said First Mortgage Bonds, and (ii) for any purpose not inconsistent with the terms of the Indenture; and

WHEREAS, for and in consideration of the premises the Corporation desires to execute this Supplemental Indenture; and

WHEREAS, the making, executing, delivering and recording of this Supplemental Indenture have been duly authorized by proper corporate action of the Corporation; and

WHEREAS, the execution and delivery of this Supplemental Indenture have been authorized by the Public Utilities Commission of the State of California;

NOW, THEREFORE, in consideration of the premises and of the sum of one dollar (\$1), lawful money of the United States of America, duly paid by the Trustee to the Corporation, and of other good and valuable considerations, receipt of which is hereby acknowledged, and in order (a) to set forth or specify (i) the form of the fully registered bonds of Series P and the form of the certificate to be endorsed on all bonds of said series, and (ii) the terms and provisions of the bonds of Series P, including the particulars thereof which vary from the bonds of the other series of said First Mortgage Bonds, and (b) further to secure the payment of both the principal of and interest on the bonds of the Corporation now or at any time hereafter outstanding under the Original Indenture and/or any indenture supplemental thereto, including specifically, but without limitation, all of said First Mortgage Bonds now outstanding and said \$60,000,000 aggregate principal amount of bonds of Series P, according to their tenor and effect, and further to secure the observance and performance of all of the covenants, agreements and conditions contained in the Original Indenture or in any indenture supplemental thereto, and without in any way limiting the generality or effect of the Indenture insofar as by any provision thereof of any of the property therein or hereafter described or referred to is now subject or intended to be subject to the lien and operation thereof, but to such extent confirming such lien and operation, the Corporation has executed and delivered this Supplemental Indenture and has granted, bargained, sold, released, conveyed, mortgaged, assigned, transferred, pledged, set over and confirmed, and does hereby grant, bargain, sell, release, convey, mortgage, assign, transfer, pledge, set over and confirm unto Wells Fargo Bank, National Association, the Trustee, and to its successor or successors in the trust created by the Original Indenture and/or any indenture supplemental thereto,

and to its and their assigns, forever, with power of sale, subject, to the extent applicable by the terms of the Indenture to any of the properties hereinafter referred to or described, to the exceptions (other than exception (f) set forth on page 67 of the Original Indenture and reading as follows: "(f) Any gas and/or oil acreage, gas and/or oil wells, gas and/or oil reserves, or gas and/or oil leaseholds hereafter acquired by the Corporation, or any property or equipment now or hereafter owned by the Corporation and used for the development of gas and/or oil acreage or for the drilling for or production of gas and/or oil from such acreage"; which exception (f) is expressly made inapplicable to certain parcels of property specified in the granting clauses of said Supplemental Indentures dated respectively as of June 1, 1956, July 1, 1957, October 1, 1959, July 1, 1963, September 1, 1964, December 1, 1966, October 1, 1970, September 1, 1972, October 1, 1974, May 1, 1976, October 1, 1977, November 1, 1979, February 1, 1981, and September 15, 1981), reservations, conditions, terms and provisions provided in the Indenture with respect to properties subject or intended to be subject thereto, all of the properties and assets of the Corporation, real, personal and mixed, of every kind and character, whether now or hereafter owned by the Corporation and wheresoever situated, including, without in any way limiting or modifying the generality or effect of the foregoing, all and singular, the following properties:

FIRST: All of the lots, pieces and parcels of land and rights or interests in real property situate in the Counties in the State of California, specifically described and mentioned or enumerated in Schedule A attached hereto, to which reference is hereby made and the same is made a part hereof with the same force and effect as if the same were here set forth at length.

SECOND: All and singular the plants, properties, equipment, real and personal property, estates, interests, goodwill, generating, transmission, feeding, storing and distribution systems, and utilities of the Corporation situate in the Counties of Fresno, Imperial, Kern, Kings, Los Angeles, Orange, Riverside, San Bernardino, San Diego, San Luis Obispo, Santa Barbara, Tulare and Ventura, and elsewhere, in the State of California, with all and singular the franchises, ordinances, grants, easements, licenses, powers, immunities, permits, privileges, appurtenances, tenements and other rights and property thereunto

appertaining or belonging, as the same now exist and as the same and any and all parts thereof may hereafter exist or be improved, added to, enlarged, extended or acquired in said counties or elsewhere in said state or any other state or states.

THIRD: All other property, real, personal and mixed, of every kind, nature and description (including, without in any way limiting the effect of the generality hereof, all facilities; all stocks, bonds and other securities from time to time conveyed, assigned, transferred, mortgaged or pledged on behalf of the Corporation, or with its consent, to the Trustee in the manner and for the purposes as provided in the Indenture; all gas manufacturing plants, boilers, engines, compressors, motors, pumps, generators, gasholders, tanks, appliances, oil storage facilities, gas storage facilities, wells, buildings, structures, plants, works and other improvements; all gas transmission and distributing lines and systems; all meters and regulators and all other apparatus, machinery, appliances, tools, furniture, fixtures, supplies, facilities and utilities and other personal property; or any right or interest in any thereof; all business and goodwill, rights, consents, franchises, ordinances, licenses, agreements, contracts, permits, easements, rights of way, leases and leasehold interests; powers, grants, privileges and immunities to construct, operate and maintain lines and other facilities or properties for conveying gas or other commodities or utilities for any purpose or purposes through, under and over public streets or highways, or public or private places or property; all reversions, remainders, tolls, incomes, revenues, earnings, rents, issues and profits of any property, real, personal and mixed; and all other classes and types of property described or referred to in the Original Indenture, or any indenture supplemental thereto), now or hereafter owned, held, possessed, acquired or enjoyed by or in any manner conferred upon or appertaining to the Corporation, including the interest of the Corporation in all leases now or hereafter owned by it, together with all and singular the tenements, hereditaments, and appurtenances belonging or in any way appertaining to each and every part of any and all property subject or intended to be subject to the lien and operation of the Original Indenture as supplemented, and the reversion and reversions, remainder and remainders, tolls, incomes, revenues, earnings, rents, issues and profits thereof.

SAVING AND EXCEPTING, however, from the property hereby mortgaged, conveyed in trust and/or pledged, all property, whether now owned by the Corporation or hereafter acquired by it, expressly saved and excepted from the lien of the Indenture and therein referred to as the "excepted property" (except as otherwise expressly provided with respect to exception (f) of said "excepted property"), unless and until, upon the occurrence of an event of default under the Indenture, the Trustee, or any receiver appointed thereunder, shall take possession of any or all of such excepted property.

TO HAVE AND TO HOLD in trust with power of sale for the equal and proportionate benefit and security of all holders of bonds of the Corporation, now or hereafter outstanding under the Indenture as from time to time in effect, and for the enforcement and payment of said bonds and interest thereon when payable, and the performance of and compliance with the covenants and conditions of the Indenture as from time to time in effect, without any preference, distinction or priority as to lien or otherwise of any of said bonds over any others thereof by reason of the difference in the time of the actual issue, sale or negotiation thereof, or for any other reason whatsoever, except as otherwise expressly provided in the Indenture as from time to time in effect, so that each and every such bond shall have the same lien and so that the principal and interest of every such bond shall, subject to the terms thereof, be equally and proportionately secured by said lien, as if such bond had been made, executed, delivered, sold and negotiated simultaneously with the execution and delivery of the Original Indenture.

IT IS HEREBY COVENANTED, DECLARED, AND AGREED by and between the parties hereto that all such bonds are issued, authenticated and delivered, or are to be issued, authenticated and delivered, and that all property subject, or to become subject, to the Original Indenture, including any indenture supplemental thereto, is to be held, subject to the covenants, conditions, uses and trusts therein set forth.

It is hereby further stipulated and provided:

ARTICLE I

AMOUNT, FORM, NUMBERING, DENOMINATION,
TRANSFER AND EXCHANGE OF BONDS
OF SERIES P, DUE 1992.

SECTION 1.01. The bonds of Series P may be issued at any time or from time to time upon and subject to the terms and provisions of the Indenture. Unless and until the taking of further appropriate action by the Board of Directors of the Corporation the bonds of said Series shall be without limitation as to aggregate authorized principal amount.

SECTION 1.02. The bonds of Series P shall be issued only as fully registered bonds without coupons. The fully registered bonds without coupons and the certificate of authentication to be endorsed on all bonds of said Series, shall be substantially in the following form:

(FORM OF REGISTERED BOND WITHOUT COUPONS, SERIES P, DUE 1992)

SOUTHERN CALIFORNIA GAS COMPANY
(Incorporated under the laws of the State of California)

FIRST MORTGAGE BOND, SERIES P, DUE 1992
(15 3/4%)

No. _____ \$ _____

SOUTHERN CALIFORNIA GAS COMPANY, a corporation organized and existing under the laws of the State of California (hereinafter called the "Corporation", which term shall include any successor corporation, as defined in the Indenture hereinafter referred to), for value received, hereby promises to pay to _____, or registered assigns, the sum of _____ DOLLARS in lawful money of the United States of America, on the first day of April, 1992, and to pay interest thereon to the registered owner hereof from the date of this bond, at the rate of 15 3/4% per annum in like lawful money, payable semi-annually, on the first days of April and October in each year, commencing October 1, 1982, until the Corporation's obligation with respect to the payment of such principal shall be discharged as provided in the Indenture hereinafter mentioned. Both the principal of and interest on this bond will be paid at the principal office of Wells Fargo Bank, National Association, or its successor trustee under said

Indenture, in the City and County of San Francisco, State of California or at the main office of the Trustee in the City of Los Angeles, or, at the option of the registered owner hereof, principal will be paid at the office of the registered owner hereof, principal will be paid at the office or agency of the Corporation in the City of New York, State of New York.

The provisions of this bond are continued on the reverse hereof and such continued provisions shall for all purposes have the same effect as though fully set forth in this place.

IN WITNESS WHEREOF, SOUTHERN CALIFORNIA GAS COMPANY has caused this bond to be signed in its corporate name by its authorized officer and its corporate seal to be hereto affixed and attested by its Secretary or an Assistant Secretary.

Dated as of _____, 19____

SOUTHERN CALIFORNIA GAS COMPANY

By

Controller

(CORPORATE SEAL)

ATTEST:

Secretary

(REVERSE SIDE FORM OF REGISTERED BOND WITHOUT COUPONS, SERIES P, DUE 1992)

This bond is one of a duly authorized issue of bonds of the Corporation (herein called the "bonds"), of the series hereinafter specified, all issued and to be issued under and all equally and ratably secured by a mortgage and deed of trust dated October 1, 1940,

executed by the Corporation to Wells Fargo Bank, National Association (formerly American Trust Company), as Trustee, to which mortgage and deed of trust and all indentures supplemental thereto, including Supplemental Indentures dated, respectively, as of July 1, 1947, August 1, 1955, June 1, 1956, December 1, 1956, June 1, 1965, August 1, 1972, May 1, 1976 and September 15, 1981 (herein collectively referred to as the "Indenture"), reference is hereby made for a description of the property conveyed in trust, mortgaged and pledged, the nature and extent of the security, the rights of the registered owners of the bonds and of the Trustee or trustees in respect thereof, the terms and conditions upon which the bonds are, and are to be, secured and the circumstances under which additional bonds may be issued. The bonds may be issued for various principal sums, and may be issued in series, which may mature at different times, may bear interest at different rates and may otherwise vary as in the Indenture provided. This bond is one of a series designated as the "First Mortgage Bonds, Series P due 1992" (herein called "bonds of Series P") of the Corporation, issued under and secured by the Indenture.

As provided in the Indenture, by any indenture or indentures supplemental thereto executed by the Corporation and the Trustee and consented to by the holders of not less than two-thirds (2/3) in principal amount of the bonds at the time outstanding, and, in case one or more, but less than all, of the series of bonds then outstanding are affected by such supplemental indenture, consented to by the holders of at least two-thirds (2/3) in principal amount of bonds of each series so affected, the Indenture or any indenture supplemental thereto, and the rights and obligations of the Corporation and the holders of bonds, may be modified or altered from time to time, as provided in the Indenture; provided, however, (a) that the right of any holder of any bond to receive payment of the principal of and interest on such bond, on or after the respective due dates expressed in such bond, or to institute suit for the enforcement of any such payment on or after such respective dates, shall not be impaired or affected by any such supplemental indenture without the consent of such holder, and (b) that no such modification or alteration shall reduce the proportions of bondholders' consents required as aforesaid; such proportions to be determined in each case as provided in the Indenture.

The bonds of Series P are entitled to the benefits of the Renewal Fund as provided in the Indenture.

The bonds of Series P are subject to redemption at any time prior to maturity at the option of the Corporation, either as a whole or in part, or through operation of the Renewal Fund provided in the Indenture, upon payment of the applicable redemption prices referred to hereunder. The redemption prices of the bonds of Series P if redeemed at the option of the Corporation or through operation of the Renewal Fund during the respective twelve-month periods beginning April 1 in each of the years mentioned below, are set forth in the following table in each case stated as a percentage of principal amount plus in each case accrued interest to the date fixed for redemption.

Year	Redemption Price	Year	Redemption Price
----	-----	----	-----
1982	115.00%	1987	104.29%
1983	112.86	1988	102.15
1984	110.72	1989	100.00
1985	108.58	1990	100.00
1986	106.43	1991	100.00

Notwithstanding the foregoing, none of the bonds of Series P may be redeemed prior to April 1, 1987 directly or indirectly from the proceeds of or in anticipation of any refunding operation involving the incurring of debt which has an interest cost to the Corporation of less than 16.056% per annum.

Notice of redemption shall be given by publication once in each of three separate calendar weeks in one daily newspaper printed in the English language of general circulation in the Borough of Manhattan, City and State of New York, and in one similarly printed daily newspaper of general circulation in the City and County of San Francisco, California (the first of such publications to be not less than thirty and not more than sixty days before the redemption date), or, notice of any such redemption may be mailed to the registered owners of the bonds to be redeemed not less than thirty nor more than sixty days before the redemption date, in lieu of such notice being given by publication, all subject to the conditions and as more fully set forth in the Indenture, including (1) the condition that failure to give notice of any such redemption by mail, if required, or any defect therein or in the mailing thereof shall not affect the validity of the proceedings for

the redemption of any bonds so to be redeemed if notice by publication, if required, is duly given and (2) the condition that, if any notice of redemption of bonds shall state that it is subject to receipt by or for the account of the Trustee on or before the date fixed for redemption of moneys applicable to and sufficient for such redemption, such bonds shall not become due and payable by virtue of such notice unless such moneys shall be held by or for the account of the Trustee on or before the date fixed for redemption. If this bond or any portion hereof is called for redemption and payment duly provided as specified in the Indenture, interest shall cease to accrue on this bond or such portion hereof from and after the date fixed for such redemption.

In case an event of default, as defined in the Indenture, shall occur, the principal of all bonds then outstanding under the Indenture may be declared or become due and payable upon the conditions and in the manner and with the effect provided in the Indenture.

This bond is transferable by the registered owner hereof at the office or agency of the Corporation in said City and County of San Francisco, in said City of Los Angeles, in the Borough of Manhattan, City of New York and in such other place or places as the Corporation may designate at any time or from time to time, and thereupon a new fully registered bond or bonds of said series, without coupons, of authorized denomination or denominations, of a like aggregate principal amount, will be issued to the transferee or transferees in exchange for this bond; and at any said offices or agencies fully registered bonds of Series P, without coupons, are exchangeable for a like aggregate principal amount of other such fully registered bonds of authorized denominations; all in the manner and subject to the conditions as provided in the Indenture.

No recourse shall be had for the payment of the principal of or the interest on this bond or for any claim based hereon or on the Indenture or any indenture supplemental thereto, against any incorporator, stockholder, director or officer, past, present or future, of the Corporation, or of any predecessor or successor corporation, either directly or through the Corporation, or any such predecessor or successor corporation, whether by virtue of any constitution, statute or rule of law, or by the enforcement of any assessment or penalty, or otherwise, all such liability being waived and released by every registered owner hereof by

the acceptance of this bond and as part of the consideration for the issue hereof, and being likewise waived and released by the terms of the Indenture.

This bond shall not become valid or obligatory for any purpose or be entitled to any benefit under the Indenture until Wells Fargo Bank, National Association, or its successor as Trustee under the Indenture, or an authenticating agent, shall have signed the form of certificate endorsed hereon.

[FORM OF CERTIFICATE OF AUTHENTICATION]

CERTIFICATE

This bond is one of the bonds, of the series designated therein, described in the within-mentioned Indenture.

WELLS FARGO BANK,
NATIONAL ASSOCIATION,
Trustee

or

BANKERS TRUST
COMPANY,
Authenticating Agent

By -----
Authorized Officer

By -----
Authorized Officer

The bonds of Series P may contain or have imprinted thereon such provisions or specifications not inconsistent with the Indenture as may be required to comply with the rules of any stock exchange or any federal or state authority or commission, or to comply with usage with respect thereto, and may bear such other appropriate endorsements or notations as are authorized or permitted by the Indenture.

The fully registered bonds of Series P shall be issuable in denominations of \$1,000 and any multiple of \$1,000 and shall be dated as provided in paragraph 1 of Section 2.01 of the Original Indenture . The definitive bonds of Series P shall be numbered in such manner as the Corporation shall at any time or from time to time determine.

SECTION 1.03. In the manner and subject to certain conditions and limitations specified herein and in the Indenture, bonds of Series P may be exchanged without a service charge for a like aggregate

principal amount of such bonds of Series P of other authorized denomination or denominations.

SECTION 1.04. The Corporation shall maintain in the City and County of San Francisco, and in the City of Los Angeles, State of California, and also in the Borough of Manhattan, City of New York, State of New York, and in such other place or places as the Corporation may designate at any time or from time to time, an office or agency where bonds of Series P may be presented for payment, registration, transfer and exchange as provided therein or in the Indenture. Such office or agency in the City and County of San Francisco shall be the principal office of the Trustee and such office or agency in the City of Los Angeles shall be the main office of the Trustee in said City and such office of agency in the Borough of Manhattan, City of New York shall be the principal office of Banker Trust Company unless and until the Corporation shall designate another office or agency by notice in writing delivered to the Trustee.

SECTION 1.05. No transfer or exchange of any bonds of Series P pursuant to any of the provisions of this Article I shall be made except upon and in accordance with all of the applicable terms, provisions and conditions of said bonds and of the Indenture.

ARTICLE II

INTEREST, MATURITY DATE, REDEMPTION AND CERTAIN OTHER PROVISIONS.

SECTION 2.01. The bonds of Series P shall bear interest at the rate, shall be expressed to mature as to principal and shall be payable as to principal and interest at such place or places and in such money, all as provided in the form of such bonds set forth in Section 1.02 hereof and by the applicable provisions of the Indenture.

SECTION 2.02. The bonds of Series P shall be subject to redemption, either in whole or in part, at the applicable redemption prices specified in said form of bonds, upon notice, in the manner and otherwise upon the terms and conditions and with the effect, as provided herein and by the applicable provisions of the Indenture, which provisions of the Indenture are hereby modified and supplemented, but only with respect to the bond of Series P, as follows:

(a) If at the time of publication or mailing of, or of otherwise giving, any notice of redemption of any of the bonds of Series P the Corporation shall not have deposited with the Trustee and/or irrevocably directed the Trustee to apply, from moneys held by it available to be used for the redemption of bonds of Series P, an amount in cash sufficient to redeem all of the bonds of Series P called for such redemption, including accrued interest to the date fixed for redemption, such notice shall state that it is subject to the receipt by the Trustee on or before the date fixed for redemption of moneys applicable to and sufficient for such redemption and that such notice shall be of no effect unless such moneys are so received on or before such date.

(b) The Trustee, upon request of the Corporation evidenced by a resolution of its Board of Directors, shall, for and in behalf of and in the name of the Corporation, call for redemption bonds of Series P provided that, if cash sufficient for such redemption is not held by the Trustee at the time of such call, the notice shall state that it is subject to the receipt by the Trustee on or before the date fixed for redemption of moneys applicable to and sufficient for such redemption and that such notice shall be of no effect unless such moneys are so received on or before such date.

(c) If bonds of Series P shall be called for redemption pursuant to a notice containing the statement set forth in subparagraph (a) or subparagraph (b) of this Section 2.02, the principal amount and premium, if any, of such bonds shall not become due and payable by virtue of such call or notice unless on or before the date fixed for redemption the Corporation shall have irrevocably deposited with the Trustee for the purpose for redeeming all of the bonds of Series P called for redemption, including funds for the payment of accrued interest to the date fixed for redemption, and/or irrevocably directed the Trustee to apply, from moneys held by it available to be used for the redemption of bonds of Series P an amount in cash sufficient to redeem all of the bonds of Series P called for redemption, including funds for the payment of accrued interest to the date fixed for redemption.

Notwithstanding the foregoing, none of the bonds of Series P may be redeemed prior to April 1, 1987 directly or indirectly from the proceeds of or in anticipation of any refunding operation involving the

incurring debt which has an interest cost to the Corporation of less than 16.056% per annum.

SECTION 2.03. The bonds of Series P shall be entitled to the benefits of the Renewal Fund as provided in the Indenture.

SECTION 2.04. The bonds of Series P shall, except as in this Supplemental Indenture otherwise expressly provided, be on the terms and provisions, and shall represent such rights and be entitled to such benefits, as are applicable thereto by the terms of the Indenture.

ARTICLE III

SUNDRY PROVISIONS

SECTION 3.01. The recitals of fact contained herein shall be taken as the statements of the Corporation, and the Trustee assumes no responsibility for the correctness of the same. The Corporation hereby covenants and agrees that it will cause this Supplemental Indenture to be kept recorded and/or filed as may be required by law, in such manner and in such places as may be necessary fully to preserve and protect the security of the bondholders and all of the rights of the Trustee hereunder, and that it will with all reasonable dispatch deposit with the Trustee counterparts of this Supplemental Indenture bearing official notation or endorsements showing such recordation and/or filing, or in case such counterparts are not returned to the Corporation, furnish to the Trustee the best official evidence of such recordation and/or filing reasonably obtainable by the Corporation, or evidence of the taking of such other action, if any, but the Trustee, subject to the provisions of Section 14.02 and 14.03 of said Original Indenture, shall in no wise be liable for any failure or omission in this regard.

SECTION 3.02. The date of this Supplemental Indenture and the date of the bonds of Series P are intended as and for a date for the convenient identification of this Supplemental Indenture and of the bonds of said series, and are not intended to indicate that this Supplemental Indenture was executed and delivered or that said bonds were executed, delivered or issued on said date; it being hereby provided that this Supplemental Indenture may be executed and delivered, and that said bonds may be executed, delivered or issued, either on said date or before or after said date, and that this Supplemental Indenture is in

fact executed and delivered by each party hereto on the date of its certificate of acknowledgement hereto attached.

SECTION 3.03. This Supplemental Indenture shall be deemed to be part of the Original Indenture, and the Corporation agrees to conform to and comply with all and singular the terms, provisions, conditions and covenants set forth therein and herein. This Supplemental Indenture shall be construed in connection with and as a part of the Original Indenture, as heretofore amended and supplemented.

SECTION 3.04. It is further agreed that the Trustee accepts the trust imposed upon it by this Supplemental Indenture, upon and subject to the same terms and conditions as are expressed in Article XIV of the Original Indenture.

SECTION 3.05. In order to facilitate the recording of the Supplemental Indenture, the same may be executed in several counterparts, each of which so executed shall be deemed to be an original, and such counterparts shall collectively constitute one and the same instrument

IN WITNESS WHEREOF, Southern California Gas Company has caused this Supplemental Indenture to be signed in its corporate name by its Chairman of the Board or President or one of its Vice Presidents or the Controller and its Secretary or one of its Assistant Secretaries, and its corporate seal to be hereunto duly affixed, and Wells Fargo Bank, National Association, in token of its acceptance of the trust hereby established, has caused this Supplemental Indenture to be signed in its corporate name by one of its Authorized Officers and its Secretary or one of its Assistant Secretaries, and its corporate seal to be hereunto duly affixed, all as of April 1, 1982.

SOUTHERN CALIFORNIA GAS COMPANY

Attest:

/s/ VIRGINIA A. ROBINSON

Secretary

By /s/ RICHARD W. DALBECK

Controller

(SEAL)

WELLS FARGO BANK,
NATIONAL ASSOCIATION

Attest:

/s/ ROBERT T. DREILING

Assistant Secretary

By /s/ CRAIG S. ELLIS

Authorized Officer

(SEAL)

STATE OF CALIFORNIA)
)
COUNTY OF LOS ANGELES) ss.

On this 1st day of April, 1982, before me, BEVERLY D. BATES, a Notary Public of the State of California, duly commissioned and sworn, personally appeared RICHARD W. DALBECK, known to me to be the Controller, and VIRGINIA A. ROBINSON, known to me to be the Secretary, of SOUTHERN CALIFORNIA GAS COMPANY, one of the corporations named in and which executed the foregoing instrument, known to me to be the persons who executed the within instrument on behalf of said Corporation, and acknowledged to me that said Corporation executed the same, and acknowledged to me that said Corporation executed the within instrument pursuant to its by-laws or a resolution of its Board of Directors.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

 /s/ BEVERLY D. BATES

 BEVERLY D. BATES

Notary Public of the State of
California

(SEAL)

My Commission Expires March 30, 1985.

STATE OF CALIFORNIA)
)
COUNTY OF SAN FRANCISCO) ss.

On this 1st day of April, 1982, before me, DENIS J. MCCARTHY, a Notary Public of the State of California, duly commissioned and sworn, personally appeared CRAIG S. ELLIS, known to me to be an Authorized Officer, and ROBERT T. DREILING, known to me to be an Assistant Secretary, of WELLS FARGO BANK, NATIONAL ASSOCIATION, a national banking association, one of the corporations named in and which executed the foregoing instrument, known to me to be the persons who executed the within instrument on behalf of said Corporation, and acknowledged to me that said Corporation executed the same, and acknowledged to me that said Corporation executed the within instrument pursuant to its by-laws or a resolution of its Board of Directors.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

 /s/ DENIS J. MCCARTHY

 DENIS J. MCCARTHY

 Notary Public of the State of
 California

(SEAL)

My Commission Expires April 11, 1983.

SCHEDULE A

Incorporated in and made a part of the Supplemental Indenture dated as of April 1, 1982, by and between Southern California Gas Company and Wells Fargo Bank, National Association, Trustee.

The descriptive names or captions do not constitute a part of the property descriptions, being used only for convenience of reference and identification.

The term "Grantor" as used hereinafter refers to the grantor of each parcel of property hereinafter described to Southern California Gas Company.

COUNTY OF LOS ANGELES

Those certain lots, pieces and parcels of land and other property, rights, and estates situate in the County of Los Angeles, State of California, described as follows:

Northern Division Headquarters

The Southeast 70 feet of the Northwest 200 feet of that portion of Lot 46 of Subdivision of Rancho La Canada, in the City of Los Angeles, County of Los Angeles, State of California, as per Map recorded in Book 4, Page 351 of Miscellaneous Records, in the office of the County Recorder of said County, described as follows:

Beginning at a point in the Northwesterly line of Tujunga Canyon Place (formerly Honolulu Avenue) as described in Deed to County of Los Angeles, recorded in Book 6242, Page 315 of Deeds, distant South 43(0) 07' 30" West 315.82 feet, measured along said Northwesterly line and the Northeasterly prolongation thereof from the center line of Foothill Boulevard (formerly Michigan Avenue) as shown on Map of Tract 4774, as per Map recorded in Book 113, Pages 64 and 65 of Maps, Records of said County: thence North 48(0) 30' 30" West along the Northeasterly line of the land described in Deed to Perley M. Finch and wife, and Cressey R. Finch, recorded in Book 12495, Page 297, Official Records, and recorded in Book 14295, Page 317, Official Records, 353.82 feet to the Southerly corner of the land described in the Deed to Leon Bashein recorded in Book 12865, Page 292, Official Records, and the true point of beginning; thence North 43(0) 07' 30" East along the Southeasterly line thereof 232.10 feet to the Southeasterly line of Foothill Boulevard as described in Deed recorded in Book 11441, Page 205 of Official Records; thence South

53(0) 52' 30" East along said Southwesterly line, 261.64 feet to the Northwesterly line of the 40 feet strip of land described in Parcel 64 of action filed in Case No. 401203 of the Superior Court in and for said County; thence South 38(0) 49' 20" West along said Northwesterly line 56.43 feet to the beginning of a tangent curve therein concave to the Southeast, having a radius of 1020 feet; thence Southwesterly along said curve, 202.60 feet to the hereinbefore mentioned line, having a bearing of North 48(0) 30' 30" West; thence along said last mentioned line 299.12 feet to the true point of beginning.

General Offices and Garages

PARCEL 1:

Lots 11 and 12 of Block 55 of the Huber Tract, in the City of Los Angeles, County of Los Angeles, State of California, as per Map recorded in Book 2, Page 280 of Miscellaneous Records, in the Office of the County Recorder of said County.

PARCEL 2:

Lots 13 and 14 in Block 55 of the Huber Tract, City of Los Angeles, County of Los Angeles, State of California, as per Map recorded in Book 2, Page 280 of Miscellaneous Records of said County.

Excepting therefrom the North 4 feet of Lot 14, conveyed to Charles W. Baker by Deed recorded in Book 927, Page 91 of Deeds in the Office of the Los Angeles County Recorder.

COUNTY OF RIVERSIDE

Those certain lots, pieces and parcels of land and other property, rights, and estates situate in the County of Riverside, State of California, described as follows:

Desert District Base

Parcel 3 of Parcel May 18142, as per Map recorded in Book 100, Page 9 of Parcel Maps, in the Office of the County Recorder in said County.

Except therefrom, all mineral rights below a depth of 500 feet, with no right of surface entry.

RECORDATION DATA

The foregoing Supplemental Indenture from Southern California Gas Company to Wells Fargo Bank, National Association (formerly American Trust Company) Trustee, dated as of April 1, 1982, was recorded in the following counties of California (and indexed in each of said counties as a Deed, Mortgage, Trust Deed, Assignment and Power of Attorney) on the respective dates and at the respective places indicated in the following schedules:

COUNTY -----	REFERENCE -----	DATE ----
Fresno	Book 7885, Pages 610-634	Official Records April 2, 1982
Imperial	Book 1482, Pages 1531-1555	Official Records April 2, 1982
Kern	Book 5449, Pages 772-796	Official Records April 2, 1982
Kings	Book 1227, Pages 883-907	Official Records April 2, 1982
Los Angeles	Document 82-355255	Official Records April 5, 1982
Orange	Document 82-117327	Official Records April 5, 1982
Riverside	Document 56992	Official Records April 5, 1982
San Bernardino	Document 82-065606	Official Records April 5, 1982
San Diego	Book 1982, Pages 813-837	Official Records April 2, 1982
San Luis Obispo	Vol. 2398, Pages 388-412	Official Records April 2, 1982
Santa Barbara	Document 82-13400	Official Records April 2, 1982
Tulare	Vol. 3952, Pages 481-505	Official Records April 2, 1982
Ventura	Document 031824	Official Records April 2, 1982

=====
This Supplemental Indenture is, among other things,
A MORTGAGE OF CHATTELS

Southern California Gas Company

TO

Wells Fargo Bank, National Association
(formerly American Trust Company)

TRUSTEE

SUPPLEMENTAL INDENTURE
To Original Indenture dated October 1, 1940

DATED AS OF AUGUST 15, 1983
=====

TABLE OF CONTENTS

	Page ----
PARTIES	1
RECITALS:	
Execution of Original Indenture and Supplements thereto	1
Recording of Original Indenture and Supplements thereto	1
Bonds heretofore issued	2
Creation of Series Q due 1993	2
Lien on After Acquired Property	3
Purpose of Supplemental Indenture	3
Fulfillment of conditions precedent	4
Consideration and Authorization	4
GRANTING CLAUSES:	
Real Property in California counties specified in Schedule A	5
Plant, system and utilities in specified counties and elsewhere	5
Other properties now or hereafter owned	6
Excepted properties	7
HABENDUM AND DECLARATION OF TRUST	7
ARTICLE I	
AMOUNT, FORM, NUMBERING, DENOMINATION, TRANSFER AND EXCHANGE OF BONDS OF SERIES Q DUE 1993.	
SECTION 1.01. Authorization amount of bonds of Series Q, due 1993	8
SECTION 1.02. Bonds of Series Q due 1993; issuable as fully registered bonds; form of registered bonds and certificate	8
SECTION 1.03. Exchangeability of bonds	13
SECTION 1.04. Offices or agencies for payment, registration, transfer and exchange of bonds of Series Q, due 1993	14
SECTION 1.05. Certain conditions as to transfer, etc. of bonds of Series Q, due 1993	14

ARTICLE II
INTEREST, MATURITY DATE, REDEMPTION
AND CERTAIN OTHER PROVISIONS

SECTION 2.01. Interest rate, maturity date and places and medium of
payment 14

SECTION 2.02. Redemption of bonds of Series Q, due 1993 14

SECTION 2.03. Renewal Fund for bonds of Series Q, due 1993 16

SECTION 2.04. Other provisions of bonds of Series Q, due 1993 16

ARTICLE III
SUNDRY PROVISIONS

SECTION 3.01. Trustee not responsible for recitals; recordation of
Supplemental Indenture as required by law 16

SECTION 3.02. Date of Supplemental Indenture and bonds of Series Q,
due 1993, are dates of identification 16

SECTION 3.03. Supplemental Indenture deemed to be part of Original
Indenture 17

SECTION 3.04. Trustee accepts trusts on same terms expressed in
Original Indenture 17

SECTION 3.05. Execution of Supplemental Indenture in counterpart 17

TESTIMONIUM 18

SIGNATURE AND SEALS 18

ACKNOWLEDGEMENTS 19

Schedule A 21

This Supplemental Indenture is, among other things,
A MORTGAGE OF CHATTELS

THIS SUPPLEMENTAL INDENTURE, dated as of August 15, 1983, made and entered into in the City of Los Angeles, State of California by and between SOUTHERN CALIFORNIA GAS COMPANY, a corporation duly organized and existing under the laws of the State of California, and having its principal place of business in the City of Los Angeles, State of California (hereinafter sometimes called the "Corporation"), and WELLS FARGO BANK, NATIONAL ASSOCIATION (formerly AMERICAN TRUST COMPANY), a national banking association duly organized and existing under and by virtue of the laws of the United States of America, and having its principal place of business in the City and County of San Francisco, California (hereinafter sometimes called the "Trustee").

WITNESSETH:

WHEREAS, the Corporation has executed and delivered to the Trustee a certain Indenture (hereinafter sometimes called the "Original Indenture") dated October 1, 1940, to secure bonds of the Corporation designated generally as its "First Mortgage Bonds" to be issued from time to time in one or more series, any of which series may vary from any other as to certain particulars specified in Section 2.01 of the Original Indenture, and the Corporation has executed and delivered to the Trustee Supplemental Indentures dated, respectively, as of July 1, 1947, May 1, 1948, June 1, 1950, April 1, 1952, August 1, 1955, June 1, 1956, December 1, 1956, July 1, 1957, October 1, 1959, July 1, 1963, September 1, 1964, June 1, 1965, December 1, 1966, October 1, 1970, August 1, 1972, September 1, 1972, October 1, 1974, May 1, 1976, October 1, 1977, November 1, 1979, February 1, 1981, September 15, 1981, and April 1, 1982 supplementing and amending the Original Indenture (the Original Indenture together with this Supplemental Indenture and all other supplemental indentures being herein collectively sometimes referred to as the "Indenture"); and

WHEREAS, the Original Indenture and said Supplemental Indentures dated, respectfully, as of July 1, 1947, May 1, 1948, June 1, 1950, April 1, 1952 and August 1, 1955, are recorded in the office of the County Recorder of each of the Counties listed below in the Official Records thereof, as stated in said Supplemental Indenture

dated as of June 1, 1956; said Supplemental Indentures dated, respectively, as of June 1, 1956 and December 1, 1956, are so recorded as stated in said Supplemental Indenture dated as of July 1, 1957; said Supplemental Indenture dated as of July 1, 1957 and each subsequently dated said Supplemental Indenture (other than said Supplemental Indenture dated April 1, 1982) is so recorded as stated in said Supplemental Indenture dated as of the next succeeding date; and said Supplemental Indenture dated as of April 1, 1982 is recorded in the offices of the County Recorders in the Counties of the State of California, as follows:

COUNTY -----	REFERENCE -----	DATE ----
Fresno	Official Records, Book 7885, Pages 610-634	April 2, 1982
Imperial	Official Records, Book 1482, Pages 1531-1555	April 2, 1982
Kern	Official Records, Book 5449, Pages 772-796	April 2, 1982
Kings	Official Records, Book 1227, Pages 883-907	April 2, 1982
Los Angeles	Official Records, Document 82-355255	April 5, 1982
Orange	Official Records, Document 82-117327	April 5, 1982
Riverside	Official Records, Document 56992	April 5, 1982
San Bernardino	Official Records, Document 82-065506	April 5, 1982
San Diego	Official Records, Book 1982, Pages 813-837	April 2, 1982
San Luis Obispo	Official Records, Vol 2398, Pages 388-412	April 2, 1982
Santa Barbara	Official Records, Document 82-13400	April 2, 1982
Tulare	Official Records, Vol. 3952, Pages 481-505	April 2, 1982
Ventura	Official Records, Document 031824	April 2, 1982

WHEREAS, bonds of the Corporation of eleven (11) series designated, respectively, as its "First Mortgage Bonds, Series E. due 1988", "First Mortgage Bonds, Series F, due 1989", "First Mortgage Bonds, Series G, due 1991", "First Mortgage Bonds, Series H, due 1995", "First Mortgage Bonds, Series I, due 1997", "First Mortgage Bonds, Series K, due 1996", "First Mortgage Bonds, Series L, due 1997", "First Mortgage Bonds, Series M, due 1999", "First Mortgage Bonds, Series N, due 2001", "First Mortgage Bonds, Series O, due 2001" and "First Mortgage Bonds, Series P, due 1992" are outstanding as a part of the First Mortgage Bonds referred to in the Original Indenture, each series of bonds, unless and until the taking of further appropriate action by the Board of Directors of the Corporation, being without limitation as to aggregate authorized principal amount; and

WHEREAS, pursuant to the provisions of Sections 2.01 and 2.02 of the Original Indenture, the Board of Directors of the Corporation has, by resolution duly adopted and delivered to the Trustee, created, as a

part of the First Mortgage Bonds referred to in the Original Indenture, a new series of bonds designated "First Mortgage Bonds Series Q, due 1993" (herein sometimes called "bonds of Series Q"), to be of the form, terms and provisions provided in that resolution and herein, which new series of bonds, unless and until the taking of further appropriate action by Board of Directors of the Corporation, is to be without limitation as to aggregate authorized principal amount and of which series bonds in the aggregate principal amount of \$90,000,000 are to be presently issued; and

WHEREAS, it is provided in the Original Indenture that all the business, franchises and properties, real, personal, and mixed, of every kind and nature whatsoever and wheresoever situate, which might thereafter be acquired by the Corporation, shall be as fully embraced within the lien thereof as if said properties were owned by the Corporation at the date of the Original Indenture and were particularly described therein and specifically conveyed thereby, excepting certain properties expressly excepted by the provisions thereof; and

WHEREAS, subsequent to the execution of the Original Indenture the Corporation has acquired properties hereinafter mentioned or referred to, all of which properties, upon the acquisition thereof by the Corporation, became and now are subject to the lien, operation and effect of the Original Indenture by virtue of the after-acquired property clause or other clauses thereof; but the Corporation, nevertheless, desires to execute, acknowledge, deliver and cause to be recorded this Supplemental Indenture for the purposes, among others, of expressly and specifically subjecting such after-acquired properties to the lien of the Original Indenture as supplemented and of further assuring and confirming the lien of the Original Indenture as supplemented on all of the properties of every kind and character, whether real or personal and regardless of the date of acquisition thereof by the Corporation, intended to be subjected to the lien thereof; and

WHEREAS, under the provisions of Section 2.02 and 16.01 of the Original Indenture the Corporation and the Trustee are authorized to execute and deliver an indenture supplemental to the Original Indenture (i) to set forth the particulars, permitted by Section 2.01 of the Original Indenture, as to which the bonds of Series Q are to vary from

the bonds of the other series of said First Mortgage Bonds, and (ii) for any purpose not inconsistent with the terms of the Indenture; and

WHEREAS, for and in consideration of the premises the Corporation desires to execute this Supplemental Indenture; and

WHEREAS, the making, executing, delivering and recording of this Supplemental Indenture have been duly authorized by proper corporate action of the Corporation; and

WHEREAS, the execution and delivery of this Supplemental Indenture have been authorized by the Public Utilities Commission of the State of California;

NOW, THEREFORE, in consideration of the premises and of the sum of one dollar (\$1), lawful money of the United States of America, duly paid by the Trustee to the Corporation, and of other good and valuable consideration, receipt of which is hereby acknowledged, and in order (a) to set forth or specify (i) the form of the fully registered bonds of Series Q and the form of the certificate to be endorsed on all bonds of said series, and (ii) the terms and provisions of the bonds of Series Q, including the particulars thereof which vary from the bonds of the other series of said First Mortgage Bonds, and (b) further to secure the payment of both the principal of and interest on the bonds of the Corporation now or at any time hereafter outstanding under the Original Indenture and/or any indenture supplemental thereto, including specifically, but without limitation, all of said First Mortgage Bonds now outstanding and said \$90,000,000 aggregate principal amount of bonds of Series Q, according to their tenor and effect, and further to secure the observance and performance of all of the covenants, agreements and conditions contained in the Original Indenture or in any indenture supplemental thereto, and without in any way limiting the generality or effect of the Indenture insofar as by any provision thereof any of the property therein or hereafter described or referred to is now subject or intended to be subject to the lien and operation thereof, but to such extent confirming such lien and operation, the Corporation has executed and delivered this Supplemental Indenture and has granted, bargained, sold, released, conveyed, mortgaged, assigned, transferred, pledged, set over and confirmed, and does hereby grant, bargain, sell, release, convey, mortgage, assign, transfer,

pledge, set over and confirm unto Wells Fargo Bank, National Association, the Trustee, and to its successor or successors in the trust created by the Original Indenture and/or any indenture supplemental thereto, and to its and their assigns, forever, with power of sale, subject, to the extent applicable by the terms of the Indenture to any of the properties hereinafter referred to or described, to the exceptions (other than exception (f) set forth on page 67 of the Original Indenture and reading as follows: "(f) Any gas and/or oil acreage, gas and/or oil wells, gas and/or oil reserves, or gas and/or oil leaseholds hereafter acquired by the Corporation, or any property or equipment now or hereafter owned by the Corporation and used for the development of gas and/or oil acreage or for the drilling for or reduction of gas and/or oil from such acreage"; which exception (f) is expressly made inapplicable to certain parcels of property specified in the granting clauses of said Supplemental Indentures dated respectively as of June 1, 1956, July 1, 1957, October 1, 1959, July 1, 1963, September 1, 1964, December 1, 1966, October 1, 1970, September 1, 1972, October 1, 1974, May 1, 1976, October 1, 1977, November 1, 1979, February 1, 1981, September 15, 1981 and April 1, 1982), reservations, conditions, terms and provisions provided in the Indenture with respect to properties subject or intended to be subject thereto, all of the properties and assets of the Corporation, real, personal and mixed, of every kind and character, whether now or hereafter owned by the Corporation and wheresoever situated, including, without in any way limiting or modifying the generality or effect of the foregoing, all and singular, the following properties:

FIRST: All of the lots, pieces and parcels of land and rights or interests in real property situate in the Counties in the State of California, specifically described and mentioned or enumerated in Schedule A attached hereto, to which reference is hereby made and the same is made a part hereof with the same force and effect as if the same were here set forth at length.

SECOND: All and singular the plants, properties, equipment, real and personal property, estates, interests, goodwill, generating, transmission, feeding, storing, and distribution systems, and utilities of the Corporation situate in the Counties of Fresno, Imperial, Kern, Kings, Los Angeles, Orange, Riverside, San Bernardino, San Diego, San Luis Obispo, Santa Barbara, Tulare and Ventura, and elsewhere, in the

State of California, with all and singular the franchises, ordinances, grants, easements, licenses, powers, immunities, permits, privileges, appurtenances, tenements and other rights and property thereunto appertaining or belonging, as the same now exist and as the same and any and all parts thereof may hereafter exist or be improved, added to, enlarged, extended or acquired in said counties or elsewhere in said state or any other state or states.

THIRD: All other property, real, personal and mixed, of every kind, nature and description (including, without in any way limiting the effect or the generality hereof, all facilities; all stocks, bonds and other securities from time to time conveyed, assigned, transferred, mortgaged or pledged on behalf of the Corporation, or with its consent, to the Trustee in the manner and for the purposes as provided in the Indenture; all gas manufacturing plants, boilers, engines, compressors, motors, pumps, generators, gasholders, tanks, appliances, oil storage facilities, gas storage facilities, wells, buildings, structures, plants, works and other improvements; all gas transmission and distributing lines and systems; all meters and regulators and all other apparatus, machinery, appliances, tools, furniture, fixtures, supplies, facilities and utilities and other personal property; or any right or interest in any thereof; all business and goodwill, rights, consents, franchises, ordinances, licenses, agreements, contracts, permits, easements, rights of way, leases and leasehold interests; powers, grants, privileges and immunities to construct, operate and maintain lines and other facilities or properties for conveying gas or other commodities or utilities for any purpose or purposes through, under and or public streets or highways, or public or private places or property; all reversions, remainders, tolls, incomes, revenues, earnings, rents, issues and profits of any property, real, personal and mixed; and all other classes and types of property described or referred to in the Original Indenture, or any indenture supplemental thereto), now or hereafter owned, held, possessed, acquired or enjoyed by or in any manner conferred upon or appertaining to the Corporation, including the interest of the Corporation now or hereafter owned by it, together with all and singular the tenements, hereditaments, and appurtenances belonging or in any way appertaining to each and every part of any and all property subject or intended to be subject to the lien and operation of the Original Indenture as supplemented, and the reversion and reversions,

remainder and remainders, tolls, incomes, revenues, earnings, rents, issues and profits thereof.

SAVING AND EXCEPTING, however, from the property hereby mortgaged, conveyed in trust and/or pledged, all property, whether now owned by the Corporation or hereafter acquired by it, expressly saved and excepted from the lien of the Indenture and therein referred to as the "excepted property" (except as otherwise expressly provided with respect to exception (f) of said "excepted property"), unless and until, upon the occurrence of an event of default under the Indenture, the Trustee, or any receiver appointed thereunder, shall take possession of any or all of such excepted property.

TO HAVE AND TO HOLD in trust with power of sale for the equal and proportionate benefit and security of all holders of bonds of the Corporation, now or hereafter outstanding under the Indenture as from time to time in effect, and for the enforcement and payment of said bonds and interest thereon when payable, and the performance of and compliance with the covenants and conditions of the Indenture as from time to time in effect, without any preference, distinction or priority as to lien or otherwise of any of said bonds over any others thereof by reason of the difference in the time of the actual issue, sale or negotiation thereof, or for any other reason whatsoever, except as otherwise expressly provided in the Indenture as from time to time in effect, so that each and every such bond shall, subject to the terms thereof, be equally and proportionately secured by said lien, as if such bond had been made, executed, delivered, sold and negotiated simultaneously with the execution and delivery of the Original Indenture.

IT IS HEREBY COVENANTED, DECLARED AND AGREED by and between the parties hereto that all such bonds are issued, authenticated and delivered, or are to be issued, authenticated and delivered, and that all property subject, or to become subject, to the Original Indenture, including any indenture supplemental thereto, is to be held, subject to the covenants, conditions, uses and trusts therein set forth.

It is hereby further stipulated and provided:

ARTICLE I

AMOUNT, FORM, NUMBERING, DENOMINATION,
TRANSFER AND EXCHANGE OF BONDS
OF SERIES Q DUE 1993.

SECTION 1.01. The bonds of Series Q may be issued at any time or from time to time upon and subject to the terms and provisions of the Indenture. Unless and until the taking of further appropriate action by the Board of Directors of the Corporation the bonds of said Series shall be without limitation as to aggregate authorized principal amount.

SECTION 1.02. The bonds of Series Q shall be issued only as fully registered bonds without coupons. The fully registered bonds without coupons and the certificate of authentication to be endorsed on all bonds of said Series, shall be substantially in the following form:

(FORM OF REGISTERED BOND WITHOUT COUPONS, SERIES Q, DUE 1993)

SOUTHERN CALIFORNIA GAS COMPANY
(Incorporated under the laws of the State of California)

FIRST MORTGAGE BOND, SERIES Q, DUE 1993
(12 1/4%)

No. _____ \$ _____

SOUTHERN CALIFORNIA GAS COMPANY, a corporation organized and existing under the laws of the State of California (hereinafter called the "Corporation", which term shall include any successor corporation, as defined in the Indenture hereinafter referred to), for value received, hereby promises to pay to _____, or registered assigns, the sum of _____ DOLLARS in lawful money of the United States of America, on the fifteenth day of August, 1993, and to pay interest thereon to the registered owner hereof from the date of this bond, at the rate of 12 1/4% per annum in like lawful money, payable semi-annually, on the fifteenth days of February and August in each year, commencing February 15, 1984, until the Corporation's obligation with respect to the payment of such principal shall be discharged as provided in the Indenture hereinafter mentioned. Both

the principal of and interest on this bond will be paid at the principal office of Wells Fargo Bank, National Association, or its successor trustee under said Indenture, in the City and County of San Francisco, State of California, or, at the option of the registered owner hereof, principal will be paid at the office or agency of the Corporation in the City of New York, State of New York.

The provisions of this bond are continued on the reverse hereof and such continued provisions shall for all purposes have the same effect as though fully set forth at this place.

IN WITNESS WHEREOF, SOUTHERN CALIFORNIA GAS COMPANY has caused this bond to be signed in its corporate name by its authorized officer and its corporate seal to be hereto affixed and attached by its Secretary or an Assistant Secretary.

Dated as of _____, 19____

SOUTHERN CALIFORNIA GAS COMPANY

By

Vice-President and Controller

(CORPORATE SEAL)

ATTEST:

Secretary

(REVERSE SIDE - FORM OF REGISTERED BOND WITHOUT
COUPONS, SERIES Q, DUE 1993)

This bond is one of a duly authorized issue of bonds of the Corporation (herein called the "bonds"), of the series hereinafter

specified, all issued and to be issued under and all equally and ratably secured by a mortgage and deed of trust dated October 1, 1940, executed by the Corporation to Wells Fargo Bank, National Association (formerly American Trust Company), as Trustee, to which mortgage and deed of trust and all indentures supplemental thereto, including Supplemental Indentures dated, respectively, as of July 1, 1947, August 1, 1955, June 1, 1956, December 1, 1956, June 1, 1965, August 1, 1972, May 1, 1976 and September 15, 1981 (hereinafter collectively referred to as the "Indenture"), reference is hereby made for a description of the property conveyed in trust, mortgaged and pledged, the nature and extent of the security, the rights of the registered owners of the bonds and of the Trustee or trustees in respect thereof, the terms and conditions upon which the bonds are, and are to be, secured and the circumstances under which additional bonds may be issued. The bonds may be issued for various principal sums, and may be issued in series, which may mature at different times, may bear interest at different rates and may otherwise vary as in the Indenture provided. This bond is one of a series designated as the "First Mortgage Bonds, Series Q, due 1993" (herein called "bonds of Series Q") of the Corporation, issued under and secured by the Indenture.

As provided in the Indenture, by any indenture or indentures supplemental thereto executed by the Corporation and the Trustee and consented to by the holders of not less than two-thirds (2/3) in principal amount of the bonds at the time outstanding, and, in case one or more, but less than all, of the series of bonds then outstanding are affected by such supplemental indenture, consented to by the holders of at least two-thirds (2/3) in principal amount of the bonds of each series so affected, the Indenture or any indenture supplemental thereto, and the rights and obligations of the Corporation and the holders of bonds, may be modified or altered from time to time, as provided in the Indenture; provided, however, (a) that the right of any holder of any bond to receive payment of the principal of and interest on such bond, on or after the respective due dates expressed in such bond, or to institute suit for the enforcement of any such payment on or after such respective dates, shall not be impaired or affected by any such supplemental indenture without the consent of such holder, and (b) that no such modification or alteration shall reduce the proportions of

bondholders' consents required as aforesaid: such proportions to be determined in each case as provided in each case as provided in the Indenture.

The bonds of Series Q are entitled to the benefits of the Renewal Fund as provided in the Indenture.

The bonds of Series Q are subject to redemption at any time prior to maturity at the option of the Corporation, either as a whole or in part, or through operation of the Renewal Fund, upon payment of the applicable redemption prices referred to hereunder. The redemption prices of the bonds of Series Q during the respective twelve-month periods beginning August 15 in each of the years mentioned below, are set forth in the following table in each case stated as a percentage of principal amount plus in each case accrued interest to the date fixed for redemption.

Year	Redemption Price	Year	Redemption Price
----	-----	----	-----
1983	112.25%	1988	103.50%
1984	110.50	1989	101.75
1985	108.75	1990	100.00
1986	107.00	1991	100.00
1987	105.25	1992	100.00

Notwithstanding the foregoing, none of the bonds of Series Q may be redeemed prior to August 15, 1988 directly or indirectly from the proceeds of or in anticipation of any refunding operation involving the incurring of debt which has an interest cost to the Corporation of less than 12.333% per annum.

Notice of redemption shall be given by publication once in each of three separate calendar weeks in one daily newspaper printed in the English language of general circulation in the Borough of Manhattan, City and State of New York, and in one similarly printed daily newspaper of general circulation in the City and County of San Francisco, California (the first of such publications to be not less than thirty and not more than sixty days before the redemption date), or, notice of any such redemption may be mailed to the registered owners of the bonds to be redeemed not less than thirty nor more than sixty days before the redemption date), or, notice of any such redemption may be mailed to the registered owners of the bonds to be redeemed not less than thirty nor more than sixty days before the redemption date, in lieu of such notice being given by publication, all subject to the conditions and as more fully set forth in the Indenture, including (1) the condition that failure to give notice of any such redemption by mail, if required, or any defect therein or in

the mailing thereof shall not affect the validity of the proceedings for the redemption of any bonds so to be redeemed if notice by publication, if required, is duly given and (2) the condition that, if any notice of redemption of bonds shall state that it is subject to receipt by or for the account of the Trustee on or before the date fixed for redemption of moneys applicable to and sufficient for such redemption, such bonds shall not become due and payable by virtue of such notice unless such moneys shall be held by or for the account of the Trustee on or before the date fixed for redemption. If this bond or any portion hereof is called for redemption and payment duly provided as specified in the Indenture, interest shall cease to accrue on this bond or such portion hereof from and after the date fixed for such redemption.

In case an event of default, as defined in the Indenture, shall occur, the principal of all bonds then outstanding under the Indenture may be declared or become due and payable upon the conditions and in the manner and with the effect provided in the Indenture.

This bond is transferable by the registered owner hereof at the office or agency of the Corporation in said City and County of San Francisco, in said City of Los Angeles, in the Borough of Manhattan, City of New York and in such other place or places as the Corporation may designate at any time or from time to time, and thereupon a new fully registered bond or bonds of said series, without coupons, of authorized denomination or denominations, of a like aggregate principal amount, will be issue to the transferee or transferees in exchange for this bond and at any of said offices or agencies for a like aggregate principal amount of other such fully registered bonds of authorized denominations; all in the manner and subject to the conditions as provided in the Indenture.

No recourse shall be had for the payment of the principal of or the interest on this bond or for any claim based hereon or on the Indenture or any indenture supplemental thereto, against any incorporator, stockholder, director or officer, past, present or future, of the Corporation, or of any predecessor or successor corporation, either directly or through the Corporation, or any such predecessor or successor corporation, whether by virtue of any constitution, statute or rule of law, or by the enforcement of any assessment or penalty, or otherwise, all such

liability being waived and released by every registered owner hereof by the acceptance of this bond and as part of the consideration for the issue hereof, and being likewise waived and released by the terms of the Indenture.

This bond shall not become valid or obligatory for any purpose or be entitled to any benefit under the Indenture until Wells Fargo Bank, National Association, or its successor as Trustee under the Indenture, or an authenticating agent, shall have signed the form of certificate endorsed hereon.

[FORM OF CERTIFICATE OF AUTHENTICATION]

CERTIFICATE

This bond is one of the bonds of the series designated therein, described in the within-mentioned Indenture.

WELLS FARGO BANK,
NATIONAL ASSOCIATION,
Trustee

or

BANKERS TRUST
COMPANY,
Authenticating Agent

By _____
Authorized Officer

By _____
Authorized Officer

The bonds of Series Q may contain or have imprinted thereon such provisions or specifications not inconsistent with the Indenture as may be required to comply with the rules of any stock exchange or any federal or state authority or commission, or to comply with usage with respect thereto, and may bear such other appropriate endorsements or notations as are authorized or permitted by the Indenture.

The fully registered bonds of Series Q shall be issuable in denominations of \$1,000 and any multiple of \$1,000 and shall be dated as provided in paragraph 1 of Section 2.01 of the Original Indenture. The definitive bonds of Series Q shall be numbered in such manner as the Corporation shall at any time or from time to time determine.

SECTION 1.03. In the manner and subject to certain conditions and limitations specified herein and in the Indenture, bonds of Series Q

may be exchanged without a service charge for a like aggregate principal amount of such bonds of Series Q of other authorized denomination or denominations.

SECTION 1.04. The Corporation shall maintain in the City and County of San Francisco, and in the City of Los Angeles, State of California, and also in the Borough of Manhattan, City of New York, State of New York, and in such other place or places as the Corporation may designate at any time or from time to time, an office or agency where bonds of Series Q may be presented for payment, registration, transfer and exchange as provided therein or in the Indenture. Such office or agency in the City and County of San Francisco shall be the principal office of the Trustee and such office or agency in the City of Los Angeles shall be the main office of the Trustee in said City and such office or agency in the Borough of Manhattan, City of New York shall be the principal office of Bankers Trust Company unless and until the Corporation shall designate another office or agency by notice in writing delivered to the Trustee.

SECTION 1.05. No transfer or exchange of any bonds of Series Q pursuant to any of the provisions of this Article I shall be made except upon and in accordance with all of the applicable terms, provisions and conditions of said bonds and of the Indenture.

ARTICLE II

INTEREST, MATURITY DATE, REDEMPTION AND CERTAIN OTHER PROVISIONS.

SECTION 2.01. The bonds of Series Q shall bear interest at the rate, shall be expressed to mature as to principal, and shall be payable as to principal and interest at such place or places and in such money, all as provided in the form of such bonds set forth in Section 1.02 hereof and by the applicable provisions of the Indenture.

SECTION 2.02. The bonds of Series Q shall be subject to redemption, either in whole or in part, at the applicable redemption prices specified in said form of bonds, upon notice, in the manner and otherwise upon the terms and conditions and with the effect, as provided herein and by the applicable provisions of the Indenture, which provisions of the Indenture are hereby modified and supplemented, but only with respect to the bonds of Series Q, as follows:

(a) If at the time of publication or mailing of, or of otherwise giving, any notice of redemption of any of the bonds of Series Q the Corporation shall not have deposited with the Trustee and/or irrevocably directed the Trustee to apply, from moneys held by it available to be used for the redemption of bonds of Series Q, an amount in cash sufficient to redeem all of the bonds of Series Q called for such redemption, including accrued interest to the date fixed for redemption, such notice shall state that it is subject to the receipt by the Trustee on or before the date fixed for redemption of moneys applicable to and sufficient for such redemption and that such notice shall be of no effect unless such moneys are so received on or before such date.

(b) The Trustee, upon request of the Corporation evidenced by a resolution of its Board of Directors, shall, for and in behalf of and in the name of the Corporation, call for redemption bonds of Series Q provided that, if cash sufficient for such redemption is not held by the Trustee at the time of such call, the notice shall state that it is subject to the receipt by the Trustee on or before the date fixed for redemption of moneys applicable to and sufficient for such redemption and that such notice shall be of no effect unless such moneys are so received on or before such date.

(c) If bonds of Series Q shall be called for redemption pursuant to a notice containing the statement set forth in subparagraph (a) or subparagraph (b) of this Section 2.02, the principal amount and premium, if any, of such bonds shall not become due and payable by virtue of such call or notice unless on or before the date fixed for redemption the Corporation shall have irrevocably deposited with the Trustee for the purpose of redeeming all of the bonds of Series Q called for redemption, including funds for the payment of accrued interest to the date fixed for redemption, and/or irrevocably directed the Trustee to apply, from moneys held by it available to be used for the redemption of bonds of Series Q an amount in cash sufficient to redeem all of the bonds of Series Q called for redemption, including funds for the payment of accrued interest to the date fixed for redemption.

Notwithstanding the foregoing, none of the bonds of Series Q may be redeemed prior to August 15, 1988 directly or indirectly from the

proceeds of or in anticipation of any refunding operation involving the incurring of debt which has an interest cost to the Corporation of less than 12.333% per annum.

SECTION 2.03. The bonds of Series Q shall be entitled to the benefits of the Renewal Fund as provided in the Indenture.

SECTION 2.04. The bonds of Series Q shall, except as in this Supplemental Indenture otherwise expressly provided, be on the terms and provisions, and shall represent such rights and be entitled to such benefits, as applicable thereto by the terms of the Indenture.

ARTICLE III

SUNDRY PROVISIONS

SECTION 3.01. The recitals of fact contained herein shall be taken as the statements of the Corporation, and the Trustee assumes no responsibility for the correctness of the same. The Corporation hereby covenants and agrees that it will cause this Supplemental Indenture to be kept recorded and/or filed as may be required by law, in such manner and in such places as may be necessary fully to preserve and protect the security of the bondholders and all of the rights of the Trustee hereunder, and that it will with all reasonable dispatch deposit with the Trustee counterparts of this Supplemental Indenture bearing official notation or endorsements showing such recordation and/or filing, or in case such counterparts are not returned to the Corporation, furnish to the Trustee the best official evidence of such recordation and/or filing reasonably obtainable by the Corporation, or evidence of the taking of such other action, if any, but the Trustee, subject to the provisions of Section 14.02 and 14.03 of said Original Indenture, shall in no wise be liable for any failure or omission in this regard.

SECTION 3.02. The date of this Supplemental Indenture and the date of the bonds of Series Q are intended as and for a date for the convenient identification of this Supplemental Indenture and of the bonds of said series, and are not intended to indicate that this Supplemental Indenture was executed and delivered or that said bonds were executed, delivered or issued on said date; it being hereby provided that this Supplemental Indenture may be executed and delivered, and that said bonds may be executed, delivered or issued, either on said date or before or after said date, and that this Supplemental Indenture is in

fact executed and delivered by each party hereto on the date of its certificate of acknowledgment hereto attached.

Section 3.03. This Supplemental Indenture shall be deemed to be part of the Original Indenture, and the Corporation agrees to conform to and comply with all and singular the terms, provisions, conditions and covenants set forth therein and herein. This Supplemental Indenture shall be construed in connection with and as a part of the Original Indenture, as heretofore amended and supplemented.

Section 3.04. It is further agreed that the Trustee accepts the trust imposed upon it by this Supplemental Indenture, upon and subject to the same terms and conditions as are expressed in Article XIV of the Original Indenture.

Section 3.05. In order to facilitate the recording of this Supplemental Indenture, the same may be executed in several counterparts, each of which so executed shall be deemed to be an original, and such counterparts shall collectively constitute one and the same instrument.

In Witness Whereof, Southern California Gas Company has caused this Supplemental Indenture to be signed in its corporate name by its Chairman of the Board or President or one of its Vice Presidents or the Controller and its Secretary or one of its Assistant Secretaries, and its corporate seal to be hereunto duly affixed, and Wells Fargo Bank, National Association, in token of its acceptance of the trust hereby established, has caused this Supplemental Indenture to be signed in its corporate name by one of its Authorized Officers and its Secretary or one of its Assistant Secretaries, and its corporate seal to be hereunto duly affixed, all as of August 15, 1983.

Southern California Gas Company

Attest:

VIRGINIA A. ROBINSON
Secretary

By JAMES P. BAILEY
Vice-President and Controller

(Seal)

Wells Fargo Bank,
National Association

Attest:

KAREN SPIELMAN
Assistant Secretary

By W. VAN ZILE
Authorized Officer

(Seal)

State of California }
 } ss.
County of Los Angeles }

On this 18th day of August, 1983, before me, M. Colleen Dalgleish, a Notary Public of the State of California, duly commissioned and sworn, personally appeared James P. Bailey, personally known to me (or proved to me on the basis of satisfactory evidence) to be the Vice-President and Controller, and Virginia A. Robinson, personally known to me (or proved to me on the basis of satisfactory evidence) to be the Secretary, of Southern California Gas Company, one of the corporations named in and which executed the foregoing instrument, personally known to me (or proved to me on the basis of satisfactory evidence) to be the persons who executed the within instrument on behalf of said Corporation, and acknowledged to me that said Corporation executed the same, and acknowledged to me that said Corporation executed the within instrument pursuant to its by-laws or a resolution of its Board of Directors.

In Witness Whereof, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

M. COLLEEN DALGLEISH

Notary Public of the State of
California.

(SEAL)

My Commission Expires April 15, 1986.

State of California }
County of San }
Francisco } ss.

On this 18th day of August, 1983, before me, Joyce M. Evans, a Notary Public of the State of California, duly commissioned and sworn, personally appeared W. Van Zile, personally known to me (or proved to me on the basis of satisfactory evidence) to be an Authorized Officer, and Karen Spielman, personally known to me (or proved to me on the basis of satisfactory evidence) to be an Assistant Secretary, of Wells Fargo Bank, National Association, a national banking association, one of the corporations named in and which executed the foregoing instrument, personally known to me (or proved to me on the basis of satisfactory evidence) to be the persons who executed the within instrument on behalf of said Corporation, and acknowledged to me that said Corporation executed the same, and acknowledged to me that said Corporation executed the within instrument pursuant to its by-laws or a resolution of its Board of Directors.

In Witness Whereof, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

JOYCE M. EVANS

Notary Public of the State of
California.

(SEAL)

My Commission Expires August 22, 1986.

SCHEDULE A

Incorporated in and made a part of the Supplemental Indenture dated as of August 15, 1983, by and between Southern California Gas Company and Wells Fargo Bank, National Association, Trustee.

The descriptive names or captions do not constitute a part of the property descriptions, being used only for convenience of reference and identification.

The term "Grantor" as used hereinafter refers to the grantor of each parcel of property hereinafter described to Southern California Gas Company.

COUNTY OF LOS ANGELES

Those certain lots, pieces and parcels of land and other property, rights, and estates situate in the County of Los Angeles, State of California, described as follows:

Northern Division Headquarters

Parcel 1:

That portion of Lot 46 of the Ranch La Canada, in the City of Los Angeles, as per map recorded in Book 4 Page 351 of Miscellaneous Records, in the office of the County Recorder of said County, described as follows:

Beginning at a point in the Southwesterly line of Foothill Boulevard as described in deed to the State of California, recorded in Book 11441 Page 205 of Official Records, distant North 53(degrees) 52' 30" West thereon 553.17 feet from the Northwesterly line of Tujunga Canyon Place (formerly Honolulu Avenue) as described in deed to the County of Los Angeles, recorded in Book 6242 Page 316 of Deeds, records of said County; thence along said South-westerly line of Foothill Boulevard North 53(degrees) 52' 30" West 18.83 feet to the beginning of a curve in said Southwesterly line concave to the Southwest having a radius of 1,950.00 feet; thence Westerly along the arc of said curve 86.79 feet to the Northwesterly line of the land described in deed to Willie Fay Johnson, a widow, recorded on January 26, 1940 as Instrument No. 237 in Book 17225 Page 162 of Official Records; thence along said last mentioned Northwesterly line, parallel with the Northwesterly line of

said Tujunga Canyon Place, South 43 (degrees) 07' 30" West 200.00 feet; thence Southeasterly 105.62 feet, more or less, to a point in a line parallel with said Northwesterly line of Tujunga Canyon Place and which passes through the point of beginning, said point being distant South 43 (degrees) 07' 30" West 200.00 feet along said parallel line from the point of beginning; thence North 43 (degrees) 07' 30" East 200.00 feet to the point of beginning.

Parcel 2:

The Northwest 80 feet of that portion of Lot 46 of the subdivision of Rancho La Canada, in the City of Los Angeles as per map recorded in Book 4 Page 361 of Miscellaneous Records, in the office of the County Recorder of said County, described as follows:

Beginning at a point in the Southwesterly line of Foothill Boulevard, as described in deed to State of California, recorded March 8, 1932 in Book 11441 Page 205 of Official Records, distant North 53 (degrees) 52' 30" West thereon 356.34 feet from the Northwesterly line of Tujunga Canyon Place (formerly Honolulu Avenue) as described in the deed to the County of Los Angeles, recorded April 27, 1916 in Book 6242 Page 316 of Deeds, records of said county; thence South 43 (degrees) 07' 30" West parallel with said Northwesterly line of Tujunga Canyon Place, 232.10 feet; thence North 48 (degrees) 30' 30" West, 195.44 feet to a point in the Southeasterly line of the parcel of land conveyed to John D. Pullio and wife, by deed recorded March 2, 1934 in Book 12662 Page 102 of Official Records of said County; thence North 43 (degrees) 07' 30" East along said Southeasterly line of the land so conveyed, 213.68 feet to the Southwesterly line of Foothill Boulevard; thence South 53 (degrees) 52' 30" East along said Southwesterly line of Foothill Boulevard 196.83 feet to the point of beginning.

Parcel 3:

That portion of Lot 46 of the Subdivision of the Rancho La Canada, in the City of Los Angeles, as per map recorded in Book 4 Page 351 of Miscellaneous Records, in the Office of the County Recorder of said County, described as follows:

Beginning at a point in the Southwesterly line of Foothill Boulevard as described in deed to State of California, recorded March 8, 1932 in Book 11441 Page 205 of Official Records,

distant North 53(degrees) 52' 30" West thereon 356.34 feet from the Northwesterly line of Tujunga Canyon Place (formerly Honolulu Avenue) as described in the deed to the County of Los Angeles recorded April 27, 1916 in Book 6242 Page 316 of Deeds; thence South 43(degrees) 07' 30" West parallel with said Northwesterly line of Tujunga Canyon Place, 232.10 feet; thence North 48(degrees) 30' 30" West, 195.44 feet to a point in the Southeasterly line of the parcel of land conveyed to John D. Pullio and wife, by deed recorded March 2, 1934 in Book 12662 Page 102, Official Records; thence North 43(degrees) 07' 30" East along said Southeasterly line of the land so conveyed 213.68 feet to the Southwesterly line of Foothill Boulevard; thence South 53(degrees) 52' 30" East along said Southwesterly line of Foothill Boulevard, 196.83 feet to the point of beginning. Except therefrom the Northwesterly 80 feet.

Parcel 4:

The Northwesterly 130.00 feet of that certain parcel of land in the City of Los Angeles, described as follows:

Commencing at a point in the Northwesterly line of Tujunga Canyon Place (formerly Honolulu Avenue) as described in deed to County of Los Angeles, recorded in Book 6242 Page 316 of Deeds, Records of said County, distant South 43(degrees) 07' 30" West, 315.82 feet, measured along said Northwesterly line and the Northeasterly prolongation thereof from the center line of Foothill Boulevard (formerly Michigan Avenue) as shown on map of Tract No. 4774, recorded in Book 113 Pages 64 and 65 of Maps, in the office of the County Recorder of said County; thence North 48(degrees) 30' 30" West along the Northeasterly line of the land described in deeds to Perley M. Finch and wife, and Cressey E. Finch recorded in Book 12495 Page 297 and in Book 14295 Page 317, respectively, of Official Records, 353.82 feet to the Southerly corner of land described in deed to Leon Bashein, recorded in Book 12865 Page 292, Official Records of said County, and the true point of beginning; thence North 43(degrees) 07' 30" East along the Southeasterly line thereof, 232.10 feet to the Southwesterly line of Foothill Boulevard, as described in deed recorded in Book 11441 Page 205, Official Records of said County; thence South 53(degrees) 42' 30" East along said Southwesterly line, 261.64 feet to the Northwesterly

line of the 40 foot strip of land described in Parcel 64 of Action filed in Case No. 401203 of the Superior Court in and for said County; thence South 38(degrees) 49' 20(degrees) West along said Northwesterly line, 56.43 feet to the beginning of a tangent curve therein, concave to the Southwest having a radius of 1020 feet; thence Southwesterly along said curve, 202.60 feet to the hereinabove mentioned line, having a bearing of North 48(degrees) 30' 30" West; thence along said last mentioned line, 299.12 feet to the true point of beginning.

Parcel 5:

Those portions of Lot 46 of the Subdivision of the Rancho La Canada, as per map recorded in Book 4 Page 351 of Miscellaneous Records, in the office of the County Recorder of said County and the Rancho Tujunga, all in the City of Los Angeles, described as a whole as follows:

Beginning at a point on that certain curve in the Southwesterly line of Foothill Boulevard, as described in the deed recorded in Book 11441 Page 205 of Official Records of said County, concave Southwesterly and having a radius of 1950 feet; said point being distant Northwesterly along said curve 122.42 feet from the most Northerly corner of the land described in the deed to John D. Pullio and wife, recorded in Book 12662 Page 102 of Official Records, of said County; thence along a radial line of said curve, South 29(degrees) 38' 39" West 96.00 feet; thence South 88(degrees) 12' 07" West 101.60 feet; thence North 58(degrees) 25' 00(degrees) West 56.03 feet to the Easterly line of Tujunga Canyon Boulevard, as described in the deed to the City of Los Angeles recorded in Book 11583 Page 393 of Official Records of said County; thence along said Easterly line, North 20(degrees) 24' 10(degrees) East 110.00 feet to the beginning of a tangent curve therein, concave Southerly and having a radius of 30 feet; thence Easterly along said curve 50.09 feet to said Southeasterly line of Foothill Boulevard; thence Southeasterly along said South-westerly line to the point of beginning.

Parcel 6:

That portion of Lot 46 of the Subdivision of Rancho La Canada, in the County of Los Angeles, State of California, as per map recorded

in Book 4 Page 351 of Miscellaneous Records, in the office of the County Recorder of said County, and the Ranch Tujunga, all in the City of Los Angeles, County of Los Angeles, State of California, described as follows:

Commencing at the intersection of the Southwesterly line of Foothill Boulevard as described in deed recorded in Book 11441 Page 205, of Official Records, of said County, with the Northwesterly line of Tujunga Canyon Place (formerly Honolulu Avenue), as described in deed to the County of Los Angeles, recorded in Book 6242 Page 316 of Deeds, Records of said County; thence North 53(degrees) 52' 30" West along said Southwesterly line 572.00 feet to the beginning of a curve concave to the Southwest having a radius of 1950.00 feet; thence along said curve 86.79 feet to the most Northerly corner of the land described to John D. Pullio and wife, recorded in Book 12662 Page 102 of Official Records of said County, said point also being the true point of beginning; thence continuing along said curve to the beginning of a compound curve concave to the Southeast having a radius of 30.00 feet; thence Southwesterly along said curve 50.09 feet to the Easterly line of Tujunga Canyon Boulevard, as described in a deed to the City of Los Angeles, recorded in Book 11583 Page 393 of Official Records of said County; thence Southerly along said Easterly line to the beginning of a tangent curve, concave to the East, having a radius of 298.10 feet; thence in a general Southeasterly direction following Tujunga Canyon Boulevard, to the Northwesterly line of said land of Pullio; thence North 43(degrees) 07' 30" West along said North-westerly line, 403.49 feet to the true point of beginning.

EXCEPT THEREFROM: that portion of said land as described in that certain deed to the Harker Development Corp., recorded March 23, 1964, as Instrument No. 3264, in Book D 2404 Page 473, of Official Records, in said office.

ALSO EXCEPT from said land that portion of said land as described in that certain deed to the City of Los Angeles, recorded April 2, 1964 as Instrument No. 5597, in Book D 2419, Page 280, of Official Records, in said office.

Parcel 7:

That portion of Lot 46 of Subdivision of Rancho La Canada, as per map recorded in Book 4, Page 351 of Miscellaneous Records, in the office of the County recorder of said County, described as follows:

Commencing at a point in the Northwesterly line of Tujunga Canyon Place (formerly Honolulu Avenue) as described in deed to the County of Los Angeles recorded in Book 6242, Page 316 of Deeds, distant South 43(degrees) 07' 30" West 315.82 feet, measured along said Northwesterly line and the Northeasterly prolongation thereof, from the center line of Foothill Boulevard (formerly Michigan Avenue) as shown on Map of Tract No. 4774, recorded in Book 113 Page 64 of Maps, in the office of the County Recorder of said County; thence North 48(degrees) 30' 30" West along the North-easterly line of the land described in deeds to Berley M. Finch and wife, and Cressey E. Finch, recorded in Book 12495 Page 297 and in Book 14295, Page 315 of Official Records, 353.82 feet to the Southerly corner of the land described in the deed to Leon Bashein, recorded in Book 12856 Page 292 of Official Records, and the true point of beginning; thence North 43(degrees) 07' 30" East along the Southeasterly line thereof, 232.10 feet to the Southwesterly line of Foothill Boulevard, as described in deed recorded in Book 11441, Page 205, Official Records; thence South 53(degrees) 52' 30" East along said Southwesterly line, 261.64 feet to the Northwesterly line of the 40 foot strip of land described in Parcel 64 of Action filed in Case No. 401203 of the Superior Court in and for said County; thence South 38(degrees) 49' 20" West along said Northwesterly line, 56.43 feet to the beginning of a tangent curve therein, concave to the Southeast, having a radius of 1020 feet; thence Southwesterly along said curve, 202.60 feet to the hereinbefore mentioned line having a bearing of North 48(degrees) 30' 30" West; thence, along said last mentioned line, 299.12 feet to the true point of beginning.

EXCEPTING therefrom the West 200 feet.

Access Strip to Santa Fe Springs Measuring & Regulating Station.

That portion of Parcel 4, Parcel Map No.14008 in the City of Santa Fe Springs, County of Los Angeles, State of California as shown on a map filed in Book 141, Pages 77 through 80 inclusive of Parcel

=====
This Supplemental Indenture is, among other things,
A MORTGAGE OF CHATTELS

SOUTHERN CALIFORNIA GAS
COMPANY

TO

BANKERS TRUST COMPANY OF
CALIFORNIA, N.A.
TRUSTEE
Successor to

WELLS FARGO BANK,
NATIONAL ASSOCIATION
Predecessor Trustee

SUPPLEMENTAL INDENTURE
To Original Indenture dated October 1, 1940

Dated as of January 15, 1988
=====

TABLE OF CONTENTS

	Page
PARTIES	1
RECITALS:	
Execution of Original Indenture and Supplements thereto	1
Recording of Original Indenture and Supplements thereto	2
Bonds heretofore issued	2
Succession of Trustee to Predecessor Trustee	3
Creation of First Mortgage Bonds, Series U, due 1993	3
Lien on After Acquired Property	3
Purpose of Supplemental Indenture	4
Fulfillment of Conditions Precedent	4
Consideration and Authorization	4
SUCCESSION OF TRUSTEE AND GRANTING CLAUSES:	
Succession of Trustee	4
Real Property in California counties specified in Schedule A	5
Plant, system and utilities in specified counties and elsewhere	5
Other properties now or hereafter owned	6
Excepted properties	7
HABENDUM AND DECLARATION OF TRUST	7

ARTICLE I.

AMOUNT, FORM, NUMBERING DENOMINATION, TRANSFER
AND EXCHANGE OF BONDS OF
SERIES U, DUE 1993.

SECTION 1.01.	Authorized amount of bonds of Series U, due 1993	8
SECTION 1.02.	Bonds of Series U, due 1993; issuable as fully registered bonds; form of registered bonds and certificate	8
SECTION 1.03.	Exchangeability of bonds	12
SECTION 1.04.	Offices or agencies for payment, registration, transfer and exchange of bonds of Series U, due 1993	12
SECTION 1.05.	Certain conditions as to transfer, etc. of bonds of Series U, due 1993	13

ARTICLE II.

INTEREST, MATURITY DATE, REDEMPTION,
RENEWAL FUND AND CERTAIN
OTHER PROVISIONS OF BONDS OF
SERIES U, DUE 1993.

SECTION 2.01.	Interest rate, maturity date and places and medium of payment	13
SECTION 2.02.	Redemption of bonds of Series U, due 1993	13
SECTION 2.03.	Renewal Fund for bonds of Series U, due 1993	13
SECTION 2.04	Cancellation of bonds of Series U, due 1993	13
SECTION 2.05.	Other provisions of bonds of Series U, due 1993	13

ARTICLE III.

SUNDRY PROVISIONS.

SECTION 3.01.	Trustee not responsible for recitals; recordation of Supplemental Indenture as required by law	14
SECTION 3.02.	Date of Supplemental Indenture and bonds of Series U, due 1993, are dates of identification	14
SECTION 3.03.	Supplemental Indenture deemed to be part of Original Indenture	14
SECTION 3.04.	Trustee accepts trusts on same terms expressed in Original Indenture	14
SECTION 3.05.	Execution of Supplemental Indenture in counterparts	15
TESTIMONIUM		15
SIGNATURES AND SEALS		16
ACKNOWLEDGMENTS		17-19
Schedule A		20

This Supplemental Indenture is, among other things,

A MORTGAGE OF CHATTELS

THIS SUPPLEMENTAL INDENTURE, dated as of January 15, 1988, is made and entered into in the city of Los Angeles, State of California by and between SOUTHERN CALIFORNIA GAS COMPANY, a corporation duly organized and existing under the laws of the State of California, and having its principal place of business in the City of Los Angeles, State of California (hereinafter sometimes called the "Corporation"), BANKERS TRUST COMPANY OF CALIFORNIA, N.A., a national banking association duly organized and existing under the laws of the United States of America and having its principal place of business in the City and County of San Francisco, State of California (hereinafter, together with its predecessors as trustees under the Indenture referred to below, sometimes called the "Trustee"), and WELLS FARGO BANK, NATIONAL ASSOCIATION (formerly Crocker National Bank), a national banking association duly organized and existing under the laws of the United States of America and having its principal place of business in the City and County of San Francisco, State of California (hereinafter, together with its predecessors as trustees under the Indenture referred to below, called the "Predecessor Trustee").

WITNESSETH:

WHEREAS, the Corporation has executed and delivered to the Predecessor Trustee a certain Indenture (hereinafter sometimes called the "Original Indenture") dated October 1, 1940, to secure bonds of the Corporation designated generally as its "First Mortgage Bonds" to be issued from time to time in one or more series, any of which series may vary from any other as to certain particulars specified in Section 2.01 of the Original Indenture, and the Corporation has executed and delivered to the Predecessor Trustee Supplemental Indentures dated, respectively, as of July 1, 1947, May 1, 1948, June 1, 1950, April 1, 1952, August 1, 1955, June 1, 1956, December 1, 1956, July 1, 1957, October 1, 1959, July 1, 1963, September 1, 1964, and June 1, 1965, December 1, 1966, October 1, 1970, August 1, 1972, September 1, 1972, October 1, 1974, May 1, 1976, October 1, 1977, November 1, 1979, February 1, 1981, September 15, 1981, April 1, 1982, August 15, 1983, May 18, 1984, December 16, 1985, March 1, 1986, November 15, 1986 and December 1, 1986 supplementing and amending the Original Indenture (the Original

Indenture together with this Supplemental Indenture and all other supplemental indentures being herein collectively sometimes referred to as the "Indenture"); and

WHEREAS, the Original Indenture and said Supplemental Indentures dated, respectively, as of July 1, 1947, May 1, 1948, June 1, 1950, April 1, 1952 and August 1, 1955, are recorded in the office of the County Recorder of each of the Counties listed below in the Official Records thereof, as stated in said Supplemental Indenture dated as of June 1, 1956; said Supplemental Indentures dated, respectively, as of June 1, 1956 and December 1, 1956, are so recorded as stated in said Supplemental Indenture dated as of July 1, 1957; said Supplemental Indenture dated as of July 1, 1957 and each subsequently dated said Supplemental Indenture (other than said Supplemental Indenture dated December 1, 1986) is so recorded as stated in said Supplemental Indenture dated as of the next succeeding date; and said Supplemental Indenture dated as of December 1, 1986 is recorded in the offices of the County Recorders in the Counties of the State of California, as follows:

County -----	Reference -----	Date ----
Fresno	Official Records, Document 86-138991	December 1, 1986
Imperial	Official Records, Document 86-18022 Book 1570, Pages 1226-1248	December 2, 1986
Kern	Official Records, Document 69454 Book 5943, Pages 540-562	December 1, 1986
Kings	Official Records, Document 17879 Book 1391, Pages 363-385	December 1, 1986
Los Angeles	Official Records, Document 86-1662637	December 2, 1986
Orange	Official Records, Document 86-587999	December 1, 1986
Riverside	Official Records, Document 304286	December 1, 1986
San Bernardino	Official Records, Document 86-361727	December 1, 1986
San Diego	Official Records, Document 86-554954	December 2, 1986
San Luis Obispo	Official Records, Document 79290 Vol. 2919, Pages 194-216	December 1, 1986
Santa Barbara	Official Records, Document 1986-077832	December 1, 1986
Tulare	Official Records, Document 68543 Vol. 4502, Pages 370-392	December 1, 1986
Ventura	Official Records, Document 86-173706	December 1, 1986

WHEREAS, bonds of the Corporation of thirteen (13) series designated, respectively, as its "First Mortgage Bonds, Series E, due 1988", "First Mortgage Bonds, Series F, due 1989", "First Mortgage Bonds, Series G, due

1991", "First Mortgage Bonds, Series H, due 1995", "First Mortgage Bonds, Series I, Due 1997", "First Mortgage Bonds, Series K, due 1996", "First Mortgage Bonds, Series L, due 1997", "First Mortgage Bonds, Series M, due 1999", "First Mortgage Bonds, Series N, due 2001", "First Mortgage Bonds, Series Q, due 1993", "First Mortgage Bonds, Series R, due 2016", "First Mortgage Bonds, Series S, due 1996" and "First Mortgage Bonds, Series T, due 2016" are outstanding as a part of the First Mortgage Bonds referred to in the Original Indenture, each series of bonds, unless and until the taking of further appropriate action by the Board of Directors of the Corporation, being without limitation as to aggregate authorized principal amount; and

WHEREAS, the Trustee has succeeded to the estates, properties, rights, powers, trusts, duties and obligations of the Predecessor Trustee under the Original Indenture, as heretofore supplemented and amended, but the Corporation, the Trustee and the Predecessor Trustee, nevertheless, desire to execute, acknowledge, deliver and cause to be recorded this Supplemental Indenture for the purposes, among others, of evidencing such succession; and

WHEREAS, pursuant to the provisions of Sections 2.01 and 2.02 of the Original Indenture, the Board of Directors of the Corporation has, by resolution duly adopted and delivered to the Trustee, created, as a part of the first Mortgage Bonds referred to in the Original Indenture, a new series of bonds designated "First Mortgage Bonds, Series U, due 1993" (herein sometimes called "bonds of Series U"), to be of the form, terms and provisions provided in that resolution and herein, which new series of bonds, unless and until the taking of further appropriate action by the Board of Directors of the Corporation, is to be without limitation as to aggregate authorized principal amount and of which series bonds in the aggregate principal amount of \$100, 000,000 are to be presently issued; and

WHEREAS, it is provided in the Original Indenture that all the business, franchises and properties, real, personal, and mixed, of every kind and nature whatsoever and wheresoever situate, which might thereafter be acquired by the Corporation, shall be as fully embraced within the lien thereof as if said properties were owned by the Corporation at the date of the Original Indenture and were particularly described therein and specifically conveyed thereby, excepting certain properties expressly excepted by the provisions thereof; and

WHEREAS, subsequent to the execution of the Original Indenture the Corporation has acquired properties hereinafter mentioned or referred to, all

of which properties, upon the acquisition thereof by the Corporation, became and now are subject to the lien, operation and effect of the Original Indenture by virtue of the after-acquired property clause or other clauses thereof; but the Corporation, nevertheless, desires to execute, acknowledge, deliver and cause to be recorded this Supplemental Indenture for the purposes, among others, of expressly and specifically subjecting such after-acquired properties to the lien of the Original Indenture as supplemented and of further assuring and confirming the lien of the Original Indenture as supplemented on all of the properties of every kind and character, whether real or personal and regardless of the date of acquisition thereof by the Corporation, intended to be subjected to the lien thereof; and

WHEREAS, under the provisions of Sections 2.02 and 16.01 of the Original Indenture the Corporation and the Trustee are authorized to execute and deliver an indenture supplemental to the Original Indenture (i) to set forth the particulars, permitted by Section 2.01 of the Original Indenture, as to which the bonds of Series U are to vary from the bonds of the other series of said First Mortgage Bonds, and (ii) for any purpose not inconsistent with the terms of the Indenture; and

WHEREAS, for and in consideration of the premises the Corporation desires to execute this Supplemental Indenture; and

WHEREAS, the making, executing, delivering and recording of this Supplemental Indenture have been duly authorized by proper corporate action of the Corporation; and

WHEREAS, the execution and delivery of this Supplemental Indenture have been authorized by the Public Utilities Commission of the State of California:

NOW THEREFORE, in consideration of the premises and of the sum of one dollar (\$1), lawful money of the United States of America, duly paid by the Trustee to the Corporation and to the Predecessor Trustee, and of other good and valuable consideration, receipt of which is hereby acknowledged, and (a) in order to evidence the succession of the Trustee to the Predecessor Trustee as trustee under the Original Indenture, as heretofore supplemented and amended, the Trustee and the Predecessor Trustee hereby confirm that the Trustee has succeeded to the estates, properties, rights, powers, trusts, duties and obligations of the Trustee under the Original Indenture, as heretofore supplemented and amended, by virtue of operation of law pursuant to the provisions of Section 2050 et. seq. of the California

Financial Code and Article XIV of the Original Indenture and the Trustee confirms that it is eligible under the provisions of Sections 5.13 and 14.01 and qualified under Section 14.14 of the Original Indenture; and, (b) in order (i) to set forth or specify (A) the form of the fully registered bonds of Series U, and the form of the certificate to be endorsed on all bonds of said series, and (B) the terms and provisions of the bonds of Series U, including the particulars thereof which vary from the bonds of the other series of said First Mortgage Bonds, and (ii) to further secure the payment of both the principal of and interest on the bonds of the Corporation now or at any time hereafter outstanding under the Original Indenture and/or any indenture supplemental thereto, including specifically, but without limitation, all of said First Mortgage Bonds now outstanding and said \$100,000,000 aggregate principal amount of bonds of Series U, according to their tenor and effect, and further to secure the observance and performance of all of the covenants, agreements and conditions contained in the Original Indenture or in any indenture supplemental thereto, and without in any way limiting the generality or effect of the Indenture insofar as by any provision thereof any of the property therein or hereafter described or referred to is now subject or intended to be subject to the lien and operation thereof, but to such extent confirming such lien and operation, the Corporation has executed and delivered this Supplemental Indenture and has granted, bargained, sold, released, conveyed, mortgaged, assigned, transferred, pledged, set over and confirmed, and does hereby grant, bargain, sell, release, convey, mortgage, assign, transfer, pledge, set over and confirm unto Bankers Trust Company of California, N.A., the Trustee, and to its successor or successors in the trust created by the Original Indenture and/or any indenture supplemental thereto, and to its and their assigns, forever, with power of sale, subject, to the extent applicable by the terms of the Indenture to any of the properties hereinafter referred to or described, to the exceptions (other than as expressly provided in the granting clauses of said Supplemental Indentures dated respectively as of June 1, 1956, July 1, 1957, October 1, 1959, July 1, 1963, September 1, 1964 and December 1, 1966 with respect to exception (f) set forth on page 67 of the Original Indenture and reading as follows: "(f) Any gas and/ or oil acreage, gas and/or oil wells, gas and/or oil reserves, or gas and/or oil leaseholds hereafter acquired by the Corporation, or any property or equipment now or hereafter owned by the Corporation and used for the development of gas and/or oil acreage or for the drilling for or production of gas and/or oil from such acreage"; which exception (f) is by said granting clauses

expressly made inapplicable to certain therein specified parcels of property), reservations, conditions, terms and provisions provided in the Indenture with respect to properties subject or intended to be subject thereto, all of the properties and assets of the corporation, real, personal and mixed, of every kind and character, whether now or hereafter owned by the Corporation and wheresoever situated, including, without in any way limiting or modifying the generality or effect of the foregoing, all and singular, the following properties:

FIRST: All of the lots, pieces and parcels of land and rights or interests in real property situate in the Counties in the State of California, specifically described and mentioned or enumerated in Schedule A attached hereto, to which reference is hereby made and the same is made a part hereof with the same force and effect as if the same were here set forth at length.

SECOND: All and singular the plants, properties, equipment, real and personal property, estates, interests, goodwill, generating, transmission, feeding, storing, and distribution systems, and utilities of the Corporation situate in the Counties of Fresno, Imperial, Kern, Kings, Los Angeles, Orange, Riverside, San Bernardino, San Diego, San Luis Obispo, Santa Barbara, Tulare and Ventura, and elsewhere, in the State of California, with all and singular the franchises, ordinances, grants, easements, licenses, powers, immunities, permits, privileges, appurtenances, tenements and other rights and property thereunto appertaining or belonging, as the same now exist and as the same and any and all parts thereof may hereafter exist or be improved, added to, enlarged, extended or acquired in said counties or elsewhere in said state or any other state or states.

THIRD: All other property, real, personal and mixed, of every kind, nature and description (including, without in any way limiting the effect or the generality hereof, all facilities: all stocks, bonds and other securities from time to time conveyed, assigned, transferred, mortgaged or pledged on behalf of the Corporation, or with its consent, to the Trustee in the manner and for the purposes as provided in the Indenture; all gas manufacturing plants, boilers, engines, compressors, motors, pumps, generators, gasholders, tanks, appliances, oil storage facilities, gas storage facilities, wells, buildings, structures, plants, works and other improvements; all gas transmission and distributing lines and systems: all meters and regulators and all other apparatus, machinery, appliances, tools, furniture, fixtures, supplies, facilities and utilities and other personal property; or any right or interest in any thereof; all business and goodwill, rights, consents, franchises, ordinances, licenses,

agreements, contracts, permits, easements, rights of way, leases and leasehold interests; powers, grants, privileges and immunities to construct, operate and maintain lines and other facilities or properties for conveying gas or other commodity or utility for any purpose or purposes through, under and over public streets or highways, or public or private places or property; all reversions, remainders, tolls, incomes, revenues, earnings, rents, issues and profits of any property, real, personal and mixed; and all other classes and types of property described or referred to in the Original Indenture, or any indenture supplemental thereto), now or hereafter owned, held, possessed, acquired or enjoyed by or in any manner conferred upon or appertaining to the Corporation, including the interest of the Corporation in all leases now or hereafter owned by it, together with all and singular the tenements, hereditaments, and appurtenances belonging or in any way appertaining to each and every part of any and all property subject or intended to be subject to the lien and operation of the Original Indenture as supplemented, and the reversion and reversions, remainder and remainders, tolls, incomes, revenues, earnings, rents, issues and profits thereof.

SAVING AND EXCEPTING, however, from the property hereby mortgaged, conveyed in trust and/or pledged, all property, whether now owned by the Corporation or hereafter acquired by it, expressly saved and excepted from the lien of the Indenture and therein referred to as the "excepted property" (except as otherwise expressly provided in any Supplemental Indenture hereinabove mentioned, with respect to exception (f) of said "excepted property"), unless and until, upon the occurrence of an event of default under the Indenture, the Trustee, or any receiver appointed thereunder, shall take possession of any or all of such excepted property.

TO HAVE AND TO HOLD in trust with power of sale for the equal and proportionate benefit and security of all holders of bonds of the Corporation, now or hereafter outstanding under the Indenture as from time to time in effect, and for the enforcement and payment of said bonds and interest thereon when payable, and the performance of and compliance with the covenants and conditions of the Indenture as from time to time in effect, without any preference, distinction or priority as to lien or otherwise of any of said bonds over any others thereof by reason of the difference in the time of the actual issue, sale or negotiation thereof, or for any other reason whatsoever, except as otherwise expressly provided in the Indenture as from time to time in effect, so that each and every such bond shall have the same lien and so that the principal and interest of every such bond shall, subject to the

terms thereof, be equally and proportionately secured by said lien, as if such bond had been made, executed, delivered, sold and negotiated simultaneously with the execution and delivery of the Original Indenture.

IT IS HEREBY COVENANTED, DECLARED, AND AGREED by and between the parties hereto that all such bonds are issued, authenticated and delivered, or are to be issued, authenticated and delivered, and that all property subject, or to become subject, to the Original Indenture, including any indenture supplemental thereto, is to be held, subject to the covenants, conditions, uses and trusts therein set forth.

It is hereby further stipulated and provided:

ARTICLE I

AMOUNT, FORM, NUMBERING, DENOMINATION,
TRANSFER AND EXCHANGE OF BONDS
OF SERIES U, DUE 1993

Section 1.01. The bonds of Series U may be issued at any time or from time to time upon and subject to the terms and provisions of the Indenture. Unless and until the taking of further appropriate action by the Board of Directors of the Corporation the bonds of said Series shall be without limitation as to aggregate authorized principal amount.

Section 1.02. The bonds of Series U shall be issued only as fully registered bonds without coupons. The fully registered bonds without coupons and the certificate of authentication to be endorsed on all bonds of said Series shall be substantially in the following form:

[FORM OF REGISTERED BOND WITHOUT COUPONS, SERIES U, DUE 1993]

SOUTHERN CALIFORNIA GAS COMPANY
[Incorporated under the laws of the State of California]
FIRST MORTGAGE BOND, SERIES U, DUE 1993
(8 7/8%)

No. _____ \$ _____

SOUTHERN CALIFORNIA GAS COMPANY, a corporation organized and existing under the laws of the State of California (hereinafter

called the "Corporation", which term shall include any successor corporation, as defined the Indenture hereinafter referred to), for value received, hereby promises to pay to _____ or registered assigns, the principal sum of _____ DOLLARS in lawful money of the United States of America, on the fifteenth day of January, 1993, and to pay interest thereon to the registered owner hereof from the date of this bond, at the rate of 8 7/8% per annum in like lawful money, payable semi-annually, on the fifteenth days of January and July in each year, commencing July 15, 1988 until the Corporation's obligation with respect to the payment of such principal shall be discharged as provided in the Indenture hereinafter mentioned. Both the principal of and interest on this bond will be paid at the corporate trust office of Bankers Trust Company of California, N.A., or its successor trustee under said Indenture, in the City and County of San Francisco, State of California or at the corporate trust office of the Trustee in the City of Los Angeles, State of California, or, at the option of the registered owner hereof, principal will be paid at the office or agency of the Corporation in the City of New York, State of New York.

The provisions of this bond are continued on the reverse hereof and such continued provisions shall for all purposes have the same effect as though set forth at this place.

IN WITNESS WHEREOF, SOUTHERN CALIFORNIA GAS COMPANY has caused this bond to be signed in its corporate name by the facsimile signature of its authorized officer and a facsimile of its corporate seal to be hereto affixed and attested by its Secretary or an Assistant Secretary.

Dated:

SOUTHERN CALIFORNIA GAS COMPANY

By _____
Vice President and Controller

(CORPORATE SEAL)

Attest:

Secretary

[REVERSE SIDE -- FORM OF REGISTERED BOND
WITHOUT COUPONS, SERIES U, DUE 1993]

This bond is one of a duly authorized issue of bonds of the Corporation (herein called the "bonds"), of the series hereinafter specified, all issued and to be issued under and all equally and ratably secured by a mortgage and deed of trust dated October 1, 1940, between the Corporation and Bankers Trust Company of California, N.A., as successor trustee, to which mortgage and deed of trust and all indentures supplemental thereto, including Supplemental Indentures dated, respectively, as of July 1, 1947, August 1, 1955, June 1, 1956, December 1, 1956, June 1, 1965, August 1, 1972, May 1, 1976, September 15, 1981, and May 18, 1984 (herein collectively referred to as the "Indenture"), reference is hereby made for a description of the property conveyed in trust, mortgaged and pledged, the nature and extent of the security, the rights of the registered owners of the bonds and of the Trustee or trustees in respect thereof, the terms and conditions upon which the bonds are, and are to be, secured and the circumstances under which additional bonds may be issued. The bonds may be issued for various principal sums and may be issued in series, which may mature at different times, may bear interest at different times, may bear interest at different rates and may otherwise vary as in the Indenture provided. This bond is one of a series designated as the "First Mortgage Bonds, Series U, due 1993" (herein called "bonds of Series U") of the Corporation, issued under and secured by the Indenture.

As provided in the Indenture, by any indenture or indentures supplemental thereto executed by the Corporation and the Trustee and consented to by the holders of not less than two-thirds (2/3) in principal amount of the bonds at the time outstanding, and, in case one or more, but less than all, of the series of bonds then outstanding are affected by such supplemental indenture, consented to by the holders of at least two-thirds (2/3) in principal amount of the bonds of each series so affected, the Indenture or any indenture supplemental thereto and the rights and obligations of the Corporation and the holders of bonds, may be modified or altered from time to time, as provided in the Indenture; provided, however, (a) that the right of any holder of any bond to receive payment of the principal of the interest on such bond, on or after the respective due dates expressed in such bond, or to institute suit for the enforcement of any such payment on or after such respective dates, shall not be impaired or affected by any such supplemental indenture without the consent of such holder, and (b) that no such modification or alteration shall

reduce the proportions of bondholders' consents required as aforesaid; such proportions to be determined in each case as provided in the Indenture.

The bonds of Series U are entitled to the benefits of the Renewal Fund as provided in the Indenture.

The bonds of Series U are not subject to redemption prior to maturity.

In case an event of default, as defined in the Indenture, shall occur, the principal of all bonds then outstanding under the Indenture may be declared or become due and payable upon the conditions and in the manner and with the effect provided in the Indenture.

This bond is transferable by the registered owner hereof at the office or agency of the Corporation in said City and County of San Francisco, in said City of Los Angeles, in the borough of Manhattan, City of New York and in such other place or places as the Corporation may designate at any time or from time to time, and thereupon a new fully registered bond or bonds of said series, without coupons, of authorized denomination or denominations, of a like aggregate principal amount, will be issued to the transferee or transferees in exchange for this bond; and at any of said offices or agencies fully registered bonds of Series U, without coupons, are exchangeable for a like aggregate principal amount of other such fully registered bonds of authorized denominations; all in the manner and subject to the conditions as provided in the Indenture.

No recourse shall be had for the payment of the principal of or the interest on this bond or for any claim based hereon or on the Indenture or any indenture supplemental thereto, against any incorporator, stockholder, director or officer, past, present or future, of the Corporation, or of any predecessor or successor corporation, either directly or through the Corporation, or any such predecessor or successor corporation, whether by virtue of any constitution, statute or rule of law, or by the enforcement of any assessment or penalty, or otherwise, all such liability being waived and released by every registered owner hereof by the acceptance of this bond and as part of the consideration for the issue hereof, and being likewise waived and released by the terms of the Indenture.

This bond shall not become valid or obligatory for any purpose or be entitled to any benefit under the Indenture until Bankers Trust Company of California, N.A., or its successor as Trustee under the Indenture, or an

authenticating agent, shall have signed the form of certificate endorsed hereon.

[FORM OF CERTIFICATE OF AUTHENTICATION]

CERTIFICATE

This bond is one of the bonds, of the series designated therein, described in the within-mentioned Indenture.

BANKERS TRUST COMPANY,
OF CALIFORNIA, N.A.,
Trustee

or

BANKERS TRUST COMPANY,
Authenticating Agent

By _____
Authorized Officer

By _____
Authorized Officer

The bonds of Series U may contain or have imprinted thereon such provisions or specifications not inconsistent with the Indenture as may be required to comply with the rules of any stock exchange or any federal or state authority or commission, or to comply with usage with respect thereto, and may bear such other appropriate endorsements or notations as are authorized or permitted by the Indenture.

The fully registered bonds of Series U shall be assumable in denominations of \$1,000 and any multiple of \$1,000 and shall be dated as provided in paragraph 1 of Section 2.01 of the Original Indenture. The definitive bonds of Series U shall be numbered in such manner as the Corporation shall at any time or from time to time determine.

SECTION 1.03. In the manner and subject to certain conditions and limitations specified herein and in the Indenture, bonds of Series U may be exchanged without a service charge for a like aggregate principal amount of such bonds of Series U of other authorized denomination or denominations.

SECTION 1.04. The Corporation shall maintain in the City and County of San Francisco and in the City of Los Angeles, State of California, and also in the Borough of Manhattan, City of New York, State of New York, and in such other place or places as the Corporation may designate at any time or from time to time, an office or agency where bonds of Series U may be presented for payment, registration, transfer and exchange as provided therein or in the Indenture. Such office or agency in the City and County of San

Francisco shall be the corporate trust office of the Trustee, such office or agency in the city of Los Angeles shall be the corporate trust office of the Trustee in said City, and such office or agency in the Borough of Manhattan, City of New York shall be the principal office of Bankers Trust Company unless and until the Corporation shall designate another office or agency by notice in writing delivered to the Trustee.

SECTION 1.05. No transfer or exchange of any bonds of Series U pursuant to any of the provisions of this Article I shall be made except upon and in accordance with all of the applicable terms, provisions and conditions of said bond and of the Indenture.

ARTICLE II

INTEREST, MATURITY DATE, REDEMPTION, RENEWAL FUND AND CERTAIN OTHER PROVISIONS OF BONDS OF SERIES U, DUE 1993.

SECTION 2.01. The bonds of Series U shall bear interest at the rate, shall be expressed to mature as to principal, and shall be payable as to principal and interest at such place or places and in such money, all as provided in the form of such bonds set forth in Section 1.02 hereof and by the applicable provisions of the Indenture.

SECTION 2.02. The bonds of Series U shall not be subject to redemption prior to maturity.

SECTION 2.03 The bonds of Series U shall be entitled to the benefits of the Renewal Fund as provided in the Indenture.

SECTION 2.04. The Corporation may at any time deliver to the Trustee for cancellation any bonds of Series U previously authenticated and delivered under the Indenture which the Corporation may have acquired in any manner whatsoever and all bonds of Series U so delivered shall be promptly cancelled by the Trustee upon the request of the Corporation.

SECTION 2.05 The bonds of Series U shall, except as in this Supplemental Indenture otherwise expressly provided, be on the terms and provisions, and shall represent such rights and be entitled to such benefits, as are applicable thereto by the terms of the Indenture.

ARTICLE III

SUNDRY PROVISIONS.

SECTION 3.01. The recitals of fact contained herein shall be taken as the statements of the Corporation, and the Trustee assumes no responsibility for the correctness of the same. The Corporation hereby covenants and agrees that it will cause this Supplemental Indenture to be kept recorded and/or filed as may be required by law, in such manner and in such places as may be necessary fully to preserve and protect the security of the bondholders and all of the rights of the Trustee hereunder, and that it will with all reasonable dispatch deposit with the Trustee counterparts of this Supplemental Indenture bearing official notation or endorsements showing such recordation and/or filing, or in case such counterparts are not returned to the Corporation, furnish to the Trustee the best official evidence of such recordation and/or filing reasonably obtainable by the Corporation, or evidence of the taking of such other action, if any, but the Trustee, subject to the provisions of Sections 14.02 and 14.03 of said Original Indenture, shall in no wise be liable for any failure or omission in this regard.

SECTION 3.02. The date of this Supplemental Indenture and the date of the bonds of Series U are intended as and for a date for the convenient identification of this Supplemental Indenture and of the bonds of said series, and are not intended to indicate that this Supplemental Indenture was executed and delivered or that said bonds were executed, delivered or issued on said date; it being hereby provided that this Supplemental Indenture may be executed and delivered, and that said bonds may be executed, delivered or issued, either on said date or before or after said date, and that this Supplemental Indenture is in fact executed and delivered by each party hereto on the date of its certificate of acknowledgement hereto attached.

SECTION 3.03. This Supplemental Indenture shall be deemed to be part of the Original Indenture, and the Corporation agrees to conform to and comply with all and singular the terms, provisions, conditions and covenants set forth therein and herein. This Supplemental Indenture shall be construed in connection with and as a part of the Original Indenture, as heretofore amended and supplemented.

SECTION 3.04. It is further agreed that the Trustee accepts the trust imposed upon it by this Supplemental Indenture, upon and subject to the

same terms and conditions as are expressed in Article XIV of the Original Indenture.

SECTION 3.05. In order to facilitate the recording of this Supplemental Indenture, the same may be executed in several counterparts, each of which so executed shall be deemed to be an original, and such counterparts shall collectively constitute one and the same instrument.

IN WITNESS WHEREOF, Southern California Gas Company has caused this Supplemental Indenture to be signed in its corporate name by one of its Vice Presidents or its Treasurer and its Secretary or an Assistant Secretary and its corporate seal to be hereunto duly affixed, Bankers Trust Company of California, N.A., in token of its succession to the trust established by the Original Indenture and acceptance of the trust hereby established, has caused this Supplemental Indenture to be signed in its corporate name by one of its Vice Presidents and its Secretary or an Assistant Secretary, and its corporate seal to be hereunto duly affixed, and Wells Fargo Bank, National Association, in token of the succession to it by Bankers Trust Company of California, N.A., of the trust established by the Original Indenture, has caused this Supplemental Indenture to be signed in its corporate

name by one of its Vice Presidents and one of its Assistant Secretaries, and its corporate seal to be hereunto duly affixed, all as of January 15, 1988.

Attest: SOUTHERN CALIFORNIA GAS COMPANY

VIRGINIA A. ROBINSON

By H.T. JOHNSON

Secretary

Treasurer

(SEAL)

ATTEST: BANKERS TRUST COMPANY OF CALIFORNIA, N.A.

L. LOPES

By J.M. KELDSEN

Assistant Secretary

Vice President

(SEAL)

ATTEST: WELLS FARGO BANK, NATIONAL ASSOCIATION

JACK W. WETZEL

By DOROTHY HAIR

Assistant Secretary

Vice President

(SEAL)

STATE OF CALIFORNIA) ss.:
COUNTY OF LOS ANGELES)

On this 15th day of January, 1988, before me, Christina E. Tracy, a Notary Public of the State of California, duly commissioned and sworn, personally appeared H. T. Johnson, personally known to me (or proved to me on the basis of satisfactory evidence) to be the Treasurer, and Virginia A. Robinson, personally known to me (or proved to me on the basis of satisfactory evidence) to be the Secretary, of SOUTHERN CALIFORNIA GAS COMPANY, one of the corporations named in and which executed the foregoing instrument, personally known to me (or proved to me on the basis of satisfactory evidence) to be the persons who executed the within instrument on behalf of said Corporation, and acknowledged to me that said Corporation executed the same, and acknowledged to me that said Corporation executed the within instrument pursuant to its by-laws or a resolution of its Board of Directors.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

CHRISTINA E. TRACY

Notary Public of the
State of California

(SEAL)

My Commission Expires August 29, 1989.

STATE OF CALIFORNIA) ss.:
COUNTY OF SAN FRANCISCO)

On this 15th day of January, 1988, before me, Daniel J. Nerney, a Notary Public of the State of California, duly commissioned and sworn, personally appeared M. Keldsen, personally known to me (or proved to me on the basis of satisfactory evidence) to be a Vice President, and L. Lopes, personally known to me (or proved to me on the basis of satisfactory evidence) to be an Assistant Secretary, of BANKERS TRUST COMPANY OF CALIFORNIA, N.A., one of the corporations named in and which executed the foregoing instrument, personally known to me (or proved to me on the basis of satisfactory evidence) to be the persons who executed the within instrument on behalf of said Corporation, and acknowledged to me that said Corporation executed the within instrument pursuant to its by-laws or a resolution of its Board of Directors.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

DANIEL J. NERNEY

Notary Public of the
State of California

(SEAL)

My Commission expires May 20, 1991.

STATE OF CALIFORNIA) ss.:
COUNTY OF SAN FRANCISCO)

On this 15th day of January, 1988, before me, Daniel J. Nerney, a Notary Public of the State of California, duly commissioned and sworn, personally appeared Dorothy Hair, personally known to me (or proved to me on the basis of satisfactory evidence) to be a Vice President, and Jack W. Wetzel, personally known to me (or proved to me on the basis of satisfactory evidence) to be an Assistant Secretary, of WELLS FARGO BANK, NATIONAL ASSOCIATION, one of the corporations named in and which executed the foregoing instrument, personally known to me (or proved to me on the basis of satisfactory evidence) to be the persons who executed the within instrument on behalf of said Corporation, and acknowledged to me that said Corporation executed the within instrument pursuant to its by-laws or a resolution of its Board of Directors.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

DANIEL J. NERNEY

Notary Public of the
State of California

(SEAL)

My Commission expires May 20, 1991.

SCHEDULE A

Incorporated in and made a part of the Supplemental Indenture dated as of January 15, 1988, among Southern California Gas Company, Bankers Trust Company of California, N.A., Trustee, and Wells Fargo Bank, National Association, Predecessor Trustee.

The descriptive names or captions do not constitute a part of the property descriptions, being used only for convenience of reference and identification.

COUNTY OF LOS ANGELES

Those certain lots, pieces and parcels of land and other property, rights, and estates situate in the County of Los Angeles, State of California, described as follows:

Saticoy Distribution Base

Those portions of Lot 603 of Tract No. 1000, in the City of Los Angeles, County of Los Angeles, State of California, as per map recorded in Book 19, pages 1 through 34, inclusive, of Maps, in the office of the County Recorder of said County, described as follows:

Beginning at the intersection of the easterly line of said Lot 603 with the northerly line of the southerly 17.00 feet of said Lot; thence along said easterly line North 0(0)01'27" West 856.43 feet to the southerly line of the northerly 422.50 feet of said Lot; thence along said southerly line North 89(0)59'44" West 138.91 feet to the easterly line the 80.00 foot strip of land for flood control, described as Parcel 51, as condemned by Final Decree of Condemnation entered in Case No. 560084 of the Superior Court, in the State of California, in and for the County of Los Angeles, a certified copy thereof being recorded in Book 38503, page 115 of Official Records, in the office of said County Recorder; thence along said last mentioned easterly line and along the easterly line of the land described as Parcel 50 in certified copy of said Final Decree recorded in Book 42894, page 361 of said Official Records, South 0(0)02'50" West 537.10 feet to the northerly line of Parcel 65 as described in Certified Copy of said Final Decree recorded in Book 42894, page 361 of said Official Records; thence along said northerly line South 89(0)57'10" East 1.00 feet to the easterly line of said Parcel 65; thence along said easterly line and along the easterly line of Parcel 49 as described in certified copy of said Final Decree recorded in Book 37633, page 338 of said

Official Records, South 0(0)02'50" West 319.37 feet to said northerly line of the southerly 17.00 feet of said Lot 603; thence along said last mentioned northerly line North 89(0)59'20" East 138.98 feet to the point of beginning.

West Valley Division Headquarters

Lot 19 of Tract No. 26561 in the City of Los Angeles, in the County of Los Angeles, State of California, as per map recorded in Book 931, pages 86 to 91 inclusive of Maps, in the office of the County Recorder of said County.

Excepting therefrom all oil, gas and other hydrocarbon and mineral substances lying not less than five hundred (500) feet below the surface of said real property, provided that grantor, its successors and assigns, shall not have the right to go upon the surface of said real property for the purpose of extracting said oil, gas, or other hydrocarbon and mineral substances, nor for any purpose in connection therewith, but shall have the right to extract and remove said oil, gas and other hydrocarbon and mineral substances by means of slant-drilled wells located on adjacent or nearby land, or by any other means which shall not require entry upon the surface of said real property, as reserved in that deed recorded December 30, 1986 as Instrument No. 86-1821128 of Official Records.

South Coastal Division Headquarters

Parcel 2, in the City of Torrance, County of Los Angeles, State of California, as shown on Parcel Map No. 19013 filed in Book 202, Pages 51 to 55, inclusive, of Parcel Maps in the office of the County Recorder of said County.

EXCEPTING THEREFROM, all minerals, petroleum, oil, asphaltum, gas and/or hydrocarbon substances, including helium, within or underlying said parcel at a depth of more than 500 feet below the surface as reserved by Santa Fe Energy Company in that certain deed dated August 21, 1980, recorded September 16, 1980 as Document No. 80-895903, in the Office of the County Recorder of Los Angeles County.

COUNTY OF SAN BERNARDINO

Those certain lots, pieces and parcels of land and other property, rights, and estates situate in the County of San Bernardino, State of California, described as follows:

Chino Distribution Base

The Northwest 1/4 of the Southeast 1/4 of the Southeast 1/4 of Section 11, Township 2 South, Range 8 West, San Bernardino Base and Meridian, in the City of Chino, according to Government Survey.

Except the Westerly 25 feet as conveyed to the City of Chino, by Deed recorded September 03, 1948 in Book 2268 Page 144, Official Records.

Also except the South 1/2 thereof.

COUNTY OF RIVERSIDE

Those certain lots, pieces and parcels of land and other property, rights, and estates situate in the County of Riverside, State of California, described as follows:

Temecula Distribution Base

Parcel 2 of Parcel Map 15420, as per map recorded in Book 95, Pages 81 and 82 of Parcel Maps, in the office of the County Recorder of said County.