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SOUTHERN CALIFORNIA GAS CO

FORM 8-K
(Current report filing)

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): March 30, 2012

SOUTHERN CALIFORNIA GAS COMPANY
(Exact name of registrant as specified in its charter)

CALIFORNIA	1-1402	95-1240705
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)

555 WEST FIFTH STREET, LOS ANGELES, CALIFORNIA	90013
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code (213) 244-1200

(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

[ ] Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

[ ] Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

[ ] Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

[ ] Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

FORM 8-K

Item 2.03. Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.

Five-Year $877 Million Revolving Credit Facility

On March 30, 2012, Southern California Gas Company and San Diego Gas & Electric Company entered into a Five-Year Revolving Credit Agreement with a syndicate of 24 lenders for which JPMorgan Chase Bank serves as administrative agent. No single lender has a commitment exceeding 7% of the facility amount.

Southern California Gas Company and San Diego Gas & Electric Company are both indirect utility subsidiaries of Sempra Energy.

The credit facility has become effective and permits revolving credit borrowings by each utility of up to $658 million through March 30, 2017 subject to a combined borrowing limit for both utilities of $877 million. It also provides for the issuance of letters of credit on behalf of each utility subject to a combined letter of credit commitment of $200 million for both utilities with the amount of borrowings otherwise available under the facility reduced by the amount of outstanding letters of credit.

Subject to obtaining commitments from existing or new lenders and satisfaction of other specified conditions, the utilities have the right to increase, in one or more requests, the aggregate amount of the commitments by $700 million. Each utility's borrowing limit would increase by 75% of the amount of the increase of the aggregate commitments.

Borrowings bear interest at benchmark rates plus a margin that varies with the borrowing utility's credit rating. The facility also requires each utility to maintain at the end of each quarter a ratio of total indebtedness (as defined in the facility) to total capitalization (as defined in the facility) of no more than 65%.

Each utility's obligations under the credit facility are individual obligations and a default by one utility would not constitute a default or preclude borrowings by, or the issuance of letters of credit on behalf of, the other utility. The credit facility contains customary representations and warranties, covenants and events of default. In the case of an event of default by one of the utilities (the "Defaulting Utility"), including cross defaults relating to other indebtedness of the Defaulting Utility in excess of $100 million, the lenders may terminate the credit facility with respect to the Defaulting Utility and declare the amounts outstanding (including accrued interest and unpaid fees) payable immediately with respect to that Defaulting Utility. For events of default relating to insolvency or bankruptcy, the commitments are automatically terminated and the amounts outstanding become payable immediately, in each case with respect to the Defaulting Utility.

The credit facility amends, restates and supersedes the utilities' $800 Million Four-Year Credit Agreement that was scheduled to expire in 2014.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be

signed on its behalf by the undersigned thereunto duly authorized.

SOUTHERN CALIFORNIA GAS COMPANY
(Registrant)

Date: April 3, 2012

By: /s/ Robert Schlax

Robert Schlax
Vice President, Controller
and Chief Financial Officer