

SEMPRA ENERGY
Form 8-K
January 07, 2015

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): January 5, 2015

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|--------------------------------------|--|---|
| Commission File Number 1-14201 | Exact Name of Registrants as Specified in their Charters, State of Incorporation, Address and Telephone Number SEMPRA ENERGY (A California Corporation) 101 Ash Street San Diego, California 92101 (619) 696-2000 | I.R.S. Employer Identification Number 33-0732627 |
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|---------|---|------------|
| 1-03779 | SAN DIEGO GAS & ELECTRIC COMPANY (A California Corporation) 8326 Century Park Court San Diego, California 92123 (619) 696-2000 | 95-1184800 |
| 1-01402 | SOUTHERN CALIFORNIA GAS COMPANY (A California Corporation) 555 West Fifth Street Los Angeles, California 90013 (213) 244-1200 | 95-1240705 |

(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))

Item 8.01 Other Events

One Year Extension to File a Cost of Capital Application

On January 5, 2015, by letter dated December 24, 2014, the California Public Utilities Commission (CPUC) advised San Diego Gas & Electric Company (SDG&E) and Southern California Gas Company (SoCalGas) that it had granted both SDG&E and SoCalGas an extension of their deadlines for filing the cost of capital application by one year, from April 20, 2015 to April 20, 2016. In granting the extension, the CPUC also extended the current Cost of Capital Adjustment Mechanism (CCM) until the April 2016 filing date.

The one year extension was made in response to a request filed jointly by SDG&E, SoCalGas, Pacific Gas and Electric Company (PG&E) and Southern California Edison Company (Edison) (collectively, the Joint Investor-Owned Utilities (Joint IOUs)) with the CPUC on November 25, 2014.

We provide additional information regarding the CPUC's cost of capital proceeding and the CCM in Note 14 of the Notes to Consolidated Financial Statements in Sempra Energy's, SDG&E's and SoCalGas' combined Annual Report on Form 10-K for the year ended December 31, 2013.

INFORMATION REGARDING FORWARD-LOOKING STATEMENTS

We make statements in this report that are not historical fact and constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are necessarily based upon assumptions with respect to the future, involve risks and uncertainties, and are not guarantees of performance. These forward-looking statements represent our estimates and assumptions only as of the filing date of this report. We assume no obligation to update or revise any forward-looking statement as a result of new information, future events or other factors.

In this report, when we use words such as believes, expects, anticipates, plans, estimates, projects, forecasts, contemplates, intends, depends, should, could, would, will, confident, may, potential, target, maintain, or similar expressions, or when we discuss our guidance, strategy, plans, goals, opportunities, projections, initiatives, objectives or intentions, we are making forward-looking statements.

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Factors, among others, that could cause our actual results and future actions to differ materially from those described in forward-looking statements include:

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local, regional, national and international economic, competitive, political, legislative and regulatory conditions and developments;

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actions and the timing of actions, including issuances of permits to construct and licenses for operation, by the California Public Utilities Commission, California State Legislature, U.S. Department of Energy, Federal Energy Regulatory Commission, Nuclear Regulatory Commission, Atomic Safety and Licensing Board, California Energy Commission, U.S. Environmental Protection Agency, California Air Resources Board, and other regulatory, governmental and environmental bodies in the United States and other countries in which we operate;

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capital markets conditions, including the availability of credit and the liquidity of our investments;

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the timing and success of business development efforts and construction, maintenance and capital projects, including risks in obtaining permits, licenses, certificates and other authorizations on a timely basis and risks in obtaining adequate and competitive financing for such projects;

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delays in the timing of costs incurred and the timing of the regulatory agency authorization to recover such costs in rates from customers;

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inflation, interest and exchange rates;

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the impact of benchmark interest rates, generally Moody's A-rated utility bond yields, on our California Utilities cost of capital;

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energy markets, including the timing and extent of changes and volatility in commodity prices;

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the availability of electric power, natural gas and liquefied natural gas, including disruptions caused by failures in the North American transmission grid, pipeline explosions and equipment failures and the decommissioning of San Onofre Nuclear Generating Station (SONGS);

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weather conditions, natural disasters, catastrophic accidents, and conservation efforts;

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cybersecurity threats to the energy grid and the confidentiality of our proprietary information and the personal information of our customers, terrorist attacks that threaten system operations and critical infrastructure, and wars;

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risks inherent with nuclear power facilities and radioactive materials storage, including the catastrophic release of such materials, the disallowance of the recovery of the investment in, or operating costs of, the nuclear facility due to an extended outage and facility closure, and increased regulatory oversight;

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risks that our partners or counterparties will be unable or unwilling to fulfill their contractual commitments;

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risks posed by decisions and actions of third parties who control the operations of investments in which we do not have a controlling interest;

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business, regulatory, environmental and legal decisions and requirements;

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expropriation of assets by foreign governments and title and other property disputes;

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the impact on reliability of SDG&E's electric transmission and distribution system due to increased amount and variability of power supply from renewable energy sources;

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the impact on competitive customer rates of the growth in distributed and local power generation and the corresponding decrease in demand for power delivered through SDG&E's electric transmission and distribution system;

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the inability or determination not to enter into long-term supply and sales agreements or long-term firm capacity agreements due to insufficient market interest, unattractive pricing or other factors;

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the resolution of litigation; and

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other uncertainties, all of which are difficult to predict and many of which are beyond our control.

We caution you not to rely unduly on any forward-looking statements. You should review and consider carefully the risks, uncertainties and other factors that affect our business as described in this report and in our most recent Annual Report on Form 10-K and Quarterly Report on Form 10-Q filed with the Securities and Exchange Commission on a combined basis for Sempra Energy, SDG&E and SoCalGas.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrants have duly caused this report to be signed on their behalf by the undersigned hereunto duly authorized.

SEMPRA ENERGY
(Registrant)

Date: January 7, 2015

By: /s/ Trevor I. Mihalik
Trevor I. Mihalik
Senior Vice President, Controller and
Chief Accounting Officer

SAN DIEGO GAS & ELECTRIC COMPANY
(Registrant)

Date: January 7, 2015

By: /s/ Robert Schlax
Robert Schlax
Vice President, Controller and
Chief Financial Officer

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SOUTHERN CALIFORNIA GAS COMPANY
(Registrant)

Date: January 7, 2015

By: /s/ Robert Schlax
Robert Schlax
Vice President, Controller and
Chief Financial Officer