

SCHEDULE 14C INFORMATION

Information Statement Pursuant to Section 14(c) of
the Securities Exchange Act of 1934 (Amendment No.)

Check the appropriate box:

- Preliminary Information Statement
- Definitive Information Statement

SOUTHERN CALIFORNIA GAS COMPANY
 (Name of Registrant As Specified In Charter)
 SOUTHERN CALIFORNIA GAS COMPANY
 (Name of Person(s) Filing the Information Statement)

Payment of Filing Fee (Check the appropriate box):

\$125 per Exchange Act Rules 0-11(c)(1)(ii), 14c-5(g).

Fee computed on table below per Exchange Act Rules 14c-5(g) and 0-11

(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed
pursuant to Exchange Act Rule 0-11:

(4) Proposed maximum aggregate value of transaction:

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(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

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NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

TO THE SHAREHOLDERS OF SOUTHERN CALIFORNIA GAS COMPANY

NOTICE IS HEREBY GIVEN that the Annual Meeting of Shareholders of Southern California Gas Company will be held on April 25, 1994 at 10:00 a.m., at The Gas Company Tower, 555 West Fifth Street, Los Angeles, California, for the following purposes:

(1) To elect directors for the ensuing year.

(2) To transact any other business which may properly come before the meeting or any adjournment.

Shareholders of record at the close of business on March 15, 1994 will be entitled to notice of and to vote at the Annual Meeting.

ONLY SHAREHOLDERS OF THE COMPANY ARE ENTITLED TO ATTEND THE ANNUAL MEETING. SHAREHOLDERS OF RECORD WILL BE ADMITTED UPON VERIFICATION OF RECORD SHARE OWNERSHIP AT THE ADMISSION DESK. SHAREHOLDERS WHO OWN SHARES THROUGH BANKS, BROKERAGE FIRMS, NOMINEES OR OTHER ACCOUNT CUSTODIANS, MUST PRESENT PROOF OF BENEFICIAL SHARE OWNERSHIP (SUCH AS A BROKERAGE ACCOUNT STATEMENT) AT THE ADMISSION DESK.

By Order of the Board of Directors,
Thomas C. Sanger, Secretary

Los Angeles, California
March 30, 1994

[LOGO]

INFORMATION STATEMENT
FOR
ANNUAL MEETING OF SHAREHOLDERS

WE ARE NOT ASKING YOU FOR A PROXY AND
YOU ARE REQUESTED NOT TO SEND US A PROXY.

Southern California Gas Company ("SoCalGas" or the "Gas Company") is providing this Information Statement to shareholders in connection with its Annual Meeting of Shareholders to be held on April 25, 1994. It is being mailed to shareholders commencing March 30, 1994.

SOUTHERN CALIFORNIA GAS COMPANY

SoCalGas is a public utility engaged in supplying natural gas throughout most of Southern and portions of Central California. It is the nation's largest natural gas utility, providing gas service through 4.7 million meters to 535 cities and communities in a 23,000-square-mile service territory with a population of 16 million.

The Gas Company is a subsidiary of Pacific Enterprises which owns approximately 96% of SoCalGas' voting shares. During 1993, Pacific Enterprises completed a strategic restructuring designed to refocus on utility operations. Common membership for the Boards of Directors of SoCalGas and Pacific Enterprises was established with substantially identical committees of the two boards and several officers in common between the two companies were elected.

SoCalGas' principal executive offices are located at The Gas Company Tower, 555 West Fifth Street, Los Angeles, California. Its telephone number is (213) 244-1200.

OUTSTANDING SHARES VOTING RIGHTS

Shareholders who are present at the Annual Meeting in person or by proxy will be entitled to one vote for each share of the Gas Company's voting shares which they held of record at the close of

business on March 15, 1994. At that date, SoCalGas' voting shares consisted of 91,300,000 shares of Common Stock (all of which were owned by Pacific Enterprises) and 3,863,043 shares of Preferred Stock (of which 49,369 shares were owned by Pacific Enterprises).

In electing directors, shareholders will be entitled to cumulate votes if any shareholder gives notice at the meeting, prior to the voting, of an intention to cumulate votes. If that notice is given, all shareholders will be entitled to a number of votes for each of their shares equal to the number of directors to be elected and may cast all of their votes for any one director candidate whose name has been placed in nomination prior to the voting or distribute their votes among two or more such candidates in such proportions as they may determine.

The Board of Directors does not know of any matter to be presented for consideration at the Annual Meeting other than the election of directors. In voting upon other matters properly presented to the Annual Meeting, each shareholder will be entitled to one vote for each share of SoCalGas Common or Preferred Stock.

BOARD OF DIRECTORS

SoCalGas' entire Board of Directors is elected at each Annual Meeting of Shareholders. During 1993, the Board of Directors held thirteen meetings.

BOARD COMMITTEES

The Board of Directors maintains Audit, Compensation, Corporate Social Responsibility, Environmental, Executive, Finance and Technology, and Nominating Committees. These Committees were established in November 1993 and are identical in membership and comparable in function to identically-named committees maintained by Pacific Enterprises' Board of Directors.

THE AUDIT COMMITTEE, which consists entirely of non-officer directors, recommends to the Board of Directors the selection of independent auditors; approves and reviews services and fees of independent auditors; and reviews accounting policies, internal accounting controls and the results of audit engagements. During 1993, the Committee did not meet.

THE COMPENSATION COMMITTEE reviews the performance and approves the compensation of senior management and recommends the adoption of and administers compensation plans in which senior management is eligible to participate. The Committee also considers management succession plans. During 1993, the Committee held one meeting.

THE CORPORATE SOCIAL RESPONSIBILITY COMMITTEE reviews and monitors the Gas Company's fulfillment of its responsibilities on matters of public policy. During 1993, the Committee did not meet.

THE ENVIRONMENTAL COMMITTEE reviews and monitors the Gas Company's fulfillment of its environmental responsibilities. During 1993, the Committee held one meeting.

THE EXECUTIVE COMMITTEE may act on all but certain major corporate matters reserved to the Board of Directors. It meets when emergency issues or scheduling make it difficult to assemble the Board of Directors. During 1993, the Committee did not meet.

THE FINANCE AND TECHNOLOGY COMMITTEE reviews and monitors financial and technological matters affecting the Gas Company. During 1993, the Committee held one meeting.

THE NOMINATING COMMITTEE considers and makes recommendations regarding the nominations of directors and the size and composition of the Board of Directors. During 1993, the Committee held one meeting. The Committee will consider shareholder suggestions for nominees for director. Suggestions may be submitted to the Secretary of Southern California Gas Company, P.O. Box 3249, Los Angeles, California 90051-1249. Biographical information concerning the proposed nominee should also be included to assist the Committee in its deliberations.

The Board of Directors also maintains a Debt Financing Committee which authorizes borrowings and other debt financings and related matters. During 1993, the Committee and a predecessor committee held six meetings.

DIRECTOR COMPENSATION

Each director of SoCalGas is also a director of Pacific Enterprises. The Boards of Directors of the two companies typically meet jointly as typically do the identically-named committees of the two boards.

Directors who are also officers of SoCalGas or Pacific Enterprises are not separately compensated for their services as directors or as members of Committees. For their services as directors of both the Gas Company and Pacific Enterprises, non-officer directors receive annual retainers of \$25,000 and an additional \$3,000 for each two identically-named committees of the two boards which they chair. Non-officer directors also receive \$900 for each separate or joint meeting of the boards or committees which they attend. Directors may defer the receipt of their compensation and earn interest on the amounts deferred.

Non-officer directors receive retirement benefits commencing upon the later of retirement or attaining age 65. The annual retirement benefit is the annual base retainer from time to time in effect plus the board meeting fee from time to time in effect multiplied by ten. The benefit continues for a maximum period equal to the director's years of service as a non-officer director.

COMPENSATION COMMITTEE INTERLOCKS AND INSIDER PARTICIPATION

The Compensation Committee is comprised of five members, all of whom are non-officer directors and current or former chief executive officers of corporations listed on the New York Stock Exchange. The members of the Committee are James F. Dickason, Wilford D. Godbold, Jr., Harold M. Messmer, Jr., Paul A. Miller and Rocco C. Siciliano. Mr. Miller is a former officer of Pacific Enterprises who retired as Chairman of the Board and Chief Executive Officer in 1989.

ELECTION OF DIRECTORS

The Board of Directors is currently comprised of fourteen directors, four of whom (James F. Dickason, Joseph N. Mitchell, Rocco C. Siciliano and Leonard H. Straus) will retire at the Annual Meeting of Shareholders. The authorized number of directors has been reduced to reflect these retirements.

At the Annual Meeting, ten directors (comprising the then entire authorized number of directors) will be elected to hold office until the next Annual Meeting and until their successors have been elected and qualified. The ten director candidates receiving the highest number of affirmative votes of the shares entitled to be voted will be elected as directors.

The names of the Board of Directors' ten nominees for election as directors of the Gas Company and biographical information regarding each nominee are set forth below. Each nominee is currently a director and first became a director during 1993 except for Mr. Farman who has been a director since 1987. Each nominee is also a director of Pacific Enterprises. Unless otherwise noted, each nominee has held the position set forth beneath his or her name or various positions with the same organization for at least the last five years.

HYLA H. BERTEA,
COMMUNITY LEADER.

Mrs. Berteza, 53, is a Senior Marketing Consultant and a realtor with Grubb & Ellis, a real estate sales company, and from 1988 to 1990 was a Vice President of The Dalebout Association, a real estate sales company. For a number of years she has been involved in leadership positions with various cultural, educational and health organizations in the Orange County and Los Angeles areas. She was a co-commissioner of gymnastics and member of the executive staff for the 1984 Olympics.

Committees: Audit and Nominating
HERBERT L. CARTER,
PRESIDENT AND CHIEF EXECUTIVE OFFICER OF UNITED WAY OF LOS ANGELES, INC.

Dr. Carter, 60, was Executive Vice Chancellor of the California State University from 1974 until 1992. He is a director of Golden State Mutual Insurance Co.; a member of the Board of Councilors of the School of Public Administration, University of Southern California; and a member of the Board of Trustees of Loyola Marymount University.

Committees: Corporate Social
Responsibility
and Environmental

RICHARD D. FARMAN,
CHIEF EXECUTIVE OFFICER OF THE GAS COMPANY AND PRESIDENT OF PACIFIC ENTERPRISES.

Mr. Farman, 58, is a director of Union Bank, Associated Electric & Gas Insurance Services Ltd., KCET Public Television and the Los Angeles Area Chamber of Commerce. He is a former Chairman of the American Gas Association and is immediate past Chairman of the Natural Gas Council.

Committees: Environmental, Debt
Financing, Executive
and Finance and
Technology

WILFORD D. GODBOLD, JR.,
PRESIDENT, CHIEF EXECUTIVE OFFICER AND A DIRECTOR OF ZERO CORPORATION, AN INTERNATIONAL MANUFACTURER OF ENCLOSURES AND COOLING EQUIPMENT FOR THE ELECTRONICS MARKET, AND OF AIR CARGO AND AIR FREIGHT ENCLOSURES.

Mr. Godbold, 55, is a director of Santa Fe Pacific Pipelines, Inc.; immediate past Chairman of the Board of Directors of the California State Chamber of Commerce; Chairman of the Board of Directors of The Employer's Group; a member of the Board of Trustees of the 4 A's Foundation; and a member of the Council on California Competitiveness. He is past President of the Board of Trustees of Marlborough School.

Committees: Audit, Compensation
and Finance and
Technology

IGNACIO E. LOZANO, JR.,
EDITOR-IN-CHIEF OF LA OPINION, A SPANISH LANGUAGE DAILY NEWSPAPER. DURING 1976 AND 1977 MR. LOZANO SERVED AS UNITED STATES AMBASSADOR TO EL SALVADOR.

Mr. Lozano, 67, is a director of BankAmerica Corporation, Bank of America NT&SA, The Walt Disney Company, Pacific Mutual Life Insurance Company, the Santa Anita Foundation, the Youth Opportunities Foundation and South Coast Repertory Theatre. He is a trustee of the University of Notre Dame. He is a member of the California Press Association and the Los Angeles Press Club.

Committees: Corporate Social
Responsibility
and Nominating

HAROLD M. MESSMER, JR.,
CHAIRMAN AND CHIEF EXECUTIVE OFFICER OF ROBERT HALF INTERNATIONAL INC., A PERSONNEL SERVICE FIRM SPECIALIZING IN THE ACCOUNTING, FINANCIAL, BANKING AND INFORMATION SYSTEMS FIELDS.

Mr. Messmer, 48, is a director of Airborne Freight Corporation, Health Care Property Investors, Inc., NationsBank of North Carolina, N.A., and Spieker Properties, Inc. He is an active member of the Young Presidents Organization and serves on the board of several civic and educational groups, including the San Francisco Bay Area Council and the San Francisco Boys and Girls Club. He is a trustee of Sacred Heart Schools.

Committees: Audit, Compensation
and Finance and
Technology

PAUL A. MILLER,
RETIRED CHAIRMAN OF THE BOARD AND CHIEF EXECUTIVE OFFICER OF PACIFIC
ENTERPRISES; CHAIRMAN OF THE EXECUTIVE COMMITTEE OF PACIFIC ENTERPRISES.

Mr. Miller, 69, is a director of Newhall Management Corporation, Wells Fargo & Company, Wells Fargo Bank, N.A., and a trustee of Mutual Life Insurance Company of New York and the University of Southern California.

Committees: Compensation and
Executive

JOSEPH R. RENSCH,
RETIRED OFFICER OF PACIFIC ENTERPRISES.

Mr. Rensch, 71, was the President of Pacific Enterprises from 1972 until 1986 and the Vice Chairman of the Board from 1986 until his retirement in 1988. He is a member of the American Bar Association and a registered California Professional Engineer.

Committee: Corporate Social
Responsibility

DIANA L. WALKER,
IS A PARTNER IN THE LOS ANGELES BASED LAW FIRM OF O'MELVENY & MYERS.

Mrs. Walker, 52, is a former trustee of Marlborough School. She has served on various professional organizations. O'Melveny & Myers, of whom Mrs. Walker is a partner, provides legal services to the Gas Company and Pacific Enterprises.

Committees: Audit and Finance and
Technology

WILLIS B. WOOD, JR.,
PRESIDING DIRECTOR OF THE GAS COMPANY AND CHAIRMAN OF THE BOARD AND CHIEF
EXECUTIVE OFFICER OF PACIFIC ENTERPRISES.

Mr. Wood, 59, is a director of Great Western Financial Corporation, Great Western Bank, the California Medical Center Foundation, the California State Chamber of Commerce and the Automobile Club of Southern California; a trustee of Harvey Mudd College and the Southwest Museum; and a member of the California Business Roundtable.

Committees: Debt Financing and
Executive

SHARE OWNERSHIP OF DIRECTORS AND EXECUTIVE OFFICERS

None of SoCalGas' directors or executive officers own any SoCalGas Common Stock (all of which is owned by Pacific Enterprises) or Preferred Stock. The following table sets forth the number of shares of Pacific Enterprises Common Stock beneficially owned as of March 15, 1994 by each director, the Presiding Director and the four other most highly compensated executive officers of the Gas Company and, as a group, of such persons and all other executive officers.

| NAME | NUMBER OF SHARES OF COMMON STOCK |
|--|----------------------------------|
| Hyla H. Bertea (#1) | 9,273 |
| Herbert L. Carter (#2) | 759 |
| James F. Dickason (#3) | 5,414 |
| Richard D. Farman (#4) | 60,357 |
| Wilford D. Godbold, Jr. | 2,000 |
| Lee K. Harrington (#4) | 30,537 |
| Frederick E. John (#4) | 33,601 |
| Ignacio E. Lozano, Jr. (#1) | 1,294 |
| Harold M. Messmer, Jr. | 6,000 |
| Paul A. Miller | 11,386 |
| Joseph N. Mitchell (#3)(#5) | 8,536 |
| Warren I. Mitchell (#4) | 35,166 |
| Joseph R. Rensch | 26,270 |
| Rocco C. Siciliano (#3) | -0- |
| Leonard H. Straus (#3)(#6) | 637,251 |
| Diana L. Walker | 500 |
| Willis B. Wood, Jr. (#4) | 124,001 |
| All Directors and Executive Officers as a group (31 persons)(#4) | 1,220,421 |

- #1 Includes shares held by spouse. Such shares total 4,100 shares for Mrs. Bertea and 500 shares for Mr. Lozano.
- #2 Includes 35 shares held as guardian.
- #3 Messrs. Dickason, Mitchell, Siciliano and Straus will retire as directors at the Annual Meeting. The authorized number of directors has been reduced to ten to reflect their retirements.
- #4 Includes shares issuable upon exercise of employee stock options that are exercisable prior to May 31, 1994. Such option shares total 28,360 shares for Mr. Harrington, 29,600 shares for Mr. John, 43,600 shares for Mr. Farman, 30,200 shares for Mr. Mitchell, 97,000 shares for Mr. Wood and 391,980 shares for all executive officers as a group.
- #5 Includes 6,800 shares held as co-general partner of a limited partnership, 1,217 shares held as trustee of a family trust and 519 shares held as trustee for adult children.
- #6 Includes 270,717 shares held by trusts of which spouse is a co-trustee.

No director or executive officer beneficially owns 1% or more of Pacific Enterprises Common Stock or any shares of Pacific Enterprises Preferred Stock. The shares of Pacific Enterprises Common Stock owned by all directors and executive officers as a group represent approximately 1% of Pacific Enterprises' voting shares.

THE INFORMATION CONTAINED UNDER THE CAPTION "REPORT OF THE COMPENSATION COMMITTEE" SHALL NOT BE DEEMED TO BE "SOLICITING MATERIAL" OR TO BE "FILED" WITH THE SECURITIES AND EXCHANGE COMMISSION AND SHALL NOT BE DEEMED TO BE INCORPORATED INTO ANY FILING BY SOCALGAS UNDER THE SECURITIES ACT OF 1933 OR THE SECURITIES EXCHANGE ACT OF 1934 IN THE ABSENCE OF SPECIFIC REFERENCE TO SUCH INFORMATION AND CAPTION.

REPORT OF THE COMPENSATION COMMITTEE

The Compensation Committee of the SoCalGas Board of Directors is composed of five non-officer directors, all of whom are also members of the Compensation Committee of Pacific Enterprises Board of Directors and current or former chief executive officers of corporations listed on the New York Stock Exchange. The SoCalGas Compensation Committee was established in November 1993 and its Chairman is Harold M. Messmer, Jr. who joined the Committee in February 1994. Prior to the establishment of the SoCalGas Compensation Committee most of its functions were performed by the Pacific Enterprises Compensation Committee.

In August 1993, Willis B. Wood, Jr. was elected as Presiding Director of SoCalGas. He is also the Chairman of the Board and Chief Executive Officer of Pacific Enterprises and his compensation is determined by the Pacific Enterprises Compensation Committee based upon his individual performance and that of Pacific Enterprises and is paid entirely by Pacific Enterprises without any portion being borne by the Gas Company. Accordingly, this report discusses only the compensation of other executive officers of SoCalGas whose compensation (other than stock options) is paid by the Gas Company.

COMMITTEE RESPONSIBILITIES

The Compensation Committee reviews management compensation levels, evaluates management performance, and considers management succession and related matters. The Committee also administers the Gas Company's various executive incentive plans.

The Compensation Committee annually reviews and approves a compensation plan for executive officers. The plan is developed in conjunction with independent compensation consultants and includes a review of compensation practices of comparable utility and gas utility companies throughout the United States and major California general industry companies with which the Gas Company competes for executives, a review of the performance of these companies and SoCalGas and subjective judgments as to the past and expected future contributions of individual executives.

Base salaries are reviewed annually and adjustments are also considered upon changes in executive responsibilities. Annual target and maximum bonus opportunity levels are developed and historically have been set at general industry levels for other California companies with which SoCalGas competes for executives. The payment of these bonuses is tied to corporate success in achieving returns on equity established annually by the Compensation Committee and the degree to which, in the judgment of the Committee, an executive's performance and responsibilities contribute to that success.

COMPENSATION CONSULTANTS

To assist the Compensation Committee in performing its functions, the Committee has retained Hewitt Associates, a nationally known independent consulting firm specializing in executive compensation issues, which advises the Committee as to the appropriateness of executive compensation in achieving corporate objectives. In doing so, Hewitt Associates prepares and reviews with the Committee surveys and other materials reflecting compensation practices of other companies and other factors (including relative performance and general economic conditions) which they deem relevant.

COMPENSATION ACTIONS

SoCalGas has achieved or exceeded the rate of return on equity authorized by the California Public Utilities Commission for nine consecutive years. During 1993, the Gas Company was authorized to earn a rate of return on equity of 11.9% and achieved a rate of return (unadjusted to ratemaking basis) of 12.96%. During 1992 its authorized rate of return was 12.65% and its achieved unadjusted return was 13.76% and during 1991 its authorized rate of return was 13% and its achieved unadjusted return (excluding a nonrecurring gain) was 14.65%. This superior performance has been reflected in the bonuses paid to executive officers.

SALARIES AND BONUSES

Salary increases (including lump sum payments in lieu of increases in base salary) for the senior executive officers (other than Mr. Wood) named under the caption "Executive Compensation -- Summary Compensation Table" averaged 5.1% for 1993, including a 5% increase for Richard D. Farman, Chief Executive Officer. Mr. Farman also received a 9% promotional increase in September 1993 but did not receive a further salary increase for 1994. Salary increases for 1994 for the other senior executive officers averaged 5.9%. In addition, the continued superior performance of the Gas Company as set forth above resulted in paying maximum or near maximum bonuses to senior executive officers for those years.

STOCK OPTIONS

The Compensation Committees of SoCalGas and Pacific Enterprises have determined to rely primarily on options to purchase shares of Pacific Enterprises Common Stock, which closely equate compensation to shareholder returns, in place of long-term based cash bonuses to provide long-term incentive compensation for executive officers. Accordingly, during 1993, options to purchase an aggregate of 138,000 shares of Pacific Enterprises Common Stock were granted to senior executive officers of SoCalGas (other than Mr. Wood), including grants to Mr. Farman of 40,000 shares in March 1993 and an additional 50,000 shares upon becoming President of Pacific Enterprises in September 1993. All options were granted for ten years and at an option price equal to 100% of the then fair market value of the option shares. The options vest in cumulative installments of 20% of the original grant over a five-year period with vesting and exercisability subject only to continued employment.

In granting these options, the Compensation Committees reviewed the stock option practices of other companies, and the number and price of options and other stock based incentives previously awarded to executive officers and the substantial changes in Pacific Enterprises resulting from the completion of its strategic restructuring. The size of option grants is designed, together with salaries and bonuses, to provide competitive overall compensation for various levels of executive responsibility.

COMPENSATION POLICY

In early 1994, the Compensation Committee approved policies intended over time to provide future levels of senior executive compensation more comparable to those of utility and gas utility companies. These policies are expected to result in lower total senior executive compensation for similar levels of performance, primarily through reductions in bonus opportunities, than would have resulted from the continuation of the Committee's previous policies.

As one of the factors in its consideration of compensation matters, the Compensation Committee will continue to consider, to the extent determinable, the anticipated tax consequences to SoCalGas and its executives of the level and forms of executive compensation. The tax consequences of various levels and forms of compensation, including tax deductibility to the Gas Company, may depend upon the timing of payment or vesting or exercise of previously granted rights. In addition, interpretations of and changes in the tax laws and other factors beyond the Committee's control also affect the tax consequences of executive compensation. For these and other reasons, the Committee will not necessarily and in all circumstances limit executive compensation to that level or those forms which would be deductible to the Gas Company for tax purposes. However, the Committee will consider various alternatives for preserving the deductibility of executive compensation to the extent reasonably practicable and consistent with its other compensation objectives.

COMPENSATION COMMITTEE
Harold M. Messmer, Jr., Chairman
James F. Dickason
Wilford D. Godbold, Jr.
Paul A. Miller
Rocco C. Siciliano

EXECUTIVE COMPENSATION

The following table summarizes the compensation paid to those persons who were, at December 31, 1993, SoCalGas' Presiding Director and its other four most highly compensated executive officers.

SUMMARY COMPENSATION TABLE

| NAME AND PRINCIPAL POSITION | LONG-TERM COMPENSATION | | | | | | | ALL OTHER COMPENSATION(4) |
|---|------------------------|------------|------------|----------------------------------|--------------------------------------|------------------------------|-----------|------------------------------|
| | ANNUAL COMPENSATION | | | AWARDS | | PAYOUTS | | |
| | YEAR | SALARY | BONUS | RESTRICTED STOCK AWARDS(2) | SHARES UNDERLYING OPTIONS/SARS(3) | LONG-TERM INCENTIVE BONUS | | |
| Willis B. Wood, Jr. Presiding Director (1) | 1993 | \$ 641,000 | \$ 511,438 | \$ -0- | 80,000 | \$ -0- | \$ 57,808 | |
| | 1992 | \$ 601,000 | \$ 164,000 | \$ -0- | 100,000 | \$ -0- | \$ 66,100 | |
| | 1991 | \$ 479,510 | \$ -0- | \$ -0- | 35,000 | \$ -0- | \$ 50,023 | |
| Richard D. Farman Chief Executive Officer | 1993 | \$ 412,000 | \$ 267,525 | \$ -0- | 90,000 | \$ -0- | \$ 50,153 | |
| | 1992 | \$ 381,000 | \$ 254,000 | \$ -0- | 35,000 | \$ -0- | \$ 56,694 | |
| | 1991 | \$ 356,000 | \$ 236,300 | \$ -0- | 20,000 | \$ -0- | \$ 42,880 | |
| Warren I. Mitchell President | 1993 | \$ 271,000 | \$ 154,200 | \$ -0- | 32,000 | \$ -0- | \$ 8,243 | |
| | 1992 | \$ 251,000 | \$ 147,000 | \$ -0- | 25,000 | \$ -0- | \$ 7,649 | |
| | 1991 | \$ 226,000 | \$ 132,000 | \$ -0- | 10,000 | \$ -0- | \$ 6,522 | |
| Lee K. Harrington Senior Vice President | 1993 | \$ 194,500 | \$ 82,313 | \$ -0- | 8,000 | \$ -0- | \$ 5,790 | |
| | 1992 | \$ 189,500 | \$ 83,000 | \$ -0- | 10,000 | \$ -0- | \$ 6,642 | |
| | 1991 | \$ 181,000 | \$ 78,800 | \$ -0- | 8,000 | \$ -0- | \$ 5,610 | |
| Frederick E. John Senior Vice President | 1993 | \$ 209,600 | \$ 85,835 | \$ -0- | 8,000 | \$ -0- | \$ 6,724 | |
| | 1992 | \$ 202,600 | \$ 89,000 | \$ -0- | 10,000 | \$ -0- | \$ 6,366 | |
| | 1991 | \$ 193,100 | \$ 84,200 | \$ -0- | 8,000 | \$ -0- | \$ 5,865 | |

- (1) Mr. Wood became Presiding Director of the Gas Company on August 24, 1993. He is also Chairman of the Board and Chief Executive Officer of Pacific Enterprises and his entire compensation is paid by Pacific Enterprises with no portion borne by the Gas Company.
- (2) At December 31, 1993, the only shares of restricted stock were 1,000 shares of Pacific Enterprises Common Stock held by Mr. Wood. At that date, these shares had a market value (without giving effect to the diminution of value attributable to transfer restrictions and forfeiture provisions) of \$23,750. Dividends are paid on shares of restricted stock to the same extent and at the same time as dividends are paid on other shares of Pacific Enterprises Common Stock.
- (3) Options to purchase shares of Pacific Enterprises Common Stock.
- (4) Consists of interest accruals on deferred compensation above 120% of the applicable federal rate, the dollar value of insurance premiums paid with respect to the term portion of life insurance and employer contributions to defined contribution plans. Such interest accruals, insurance premiums and contributions for 1993 were, respectively, \$48,541, \$2,192 and \$7,075 for Mr. Wood, \$41,270, \$1,517 and \$7,366 for Mr. Farman, \$312, \$943, and \$6,988 for Mr. Mitchell, and \$362, \$679, and \$4,749 for Mr. Harrington and \$563, \$706 and \$5,455 for Mr. John.

STOCK OPTIONS

Pacific Enterprises maintains a Stock Incentive Plan pursuant to which stock options may be granted to employees of SoCalGas to purchase Pacific Enterprises Common Stock. The following table sets forth information regarding stock options granted during 1993 to each of the Gas Company's executive officers named in the Summary Compensation Table.

OPTION/SAR GRANTS (1)

| | NUMBER OF SHARES UNDERLYING OPTIONS/SARS | PERCENT OF TOTAL OPTIONS GRANTED TO EMPLOYEES IN 1993 | EXERCISE PRICE | EXPIRATION DATE | GRANT DATE ESTIMATED PRESENT VALUE(2) |
|-------------------------|--|---|-------------------|--------------------|---|
| Willis B. Wood, Jr..... | 80,000 | 12% | \$ 21 5/8 | 3/2/03 | \$ 542,000 |
| Richard D. Farman..... | 40,000 | 6% | \$ 21 5/8 | 3/2/03 | \$ 271,200 |
| | 50,000 | 7% | \$ 26 3/4 | 9/7/03 | \$ 148,500 |
| Warren I. Mitchell..... | 32,000 | 5% | \$ 21 5/8 | 3/2/03 | \$ 216,960 |
| Lee K. Harrington..... | 8,000 | 1% | \$ 21 5/8 | 3/2/03 | \$ 54,240 |
| Frederick E. John..... | 8,000 | 1% | \$ 21 5/8 | 3/2/03 | \$ 54,240 |

(1) All options are to purchase shares of Pacific Enterprises' Common Stock; were granted at an exercise price of 100% of the fair market value of the option shares on the date of grant; are for a ten-year term, subject to earlier expiration upon termination of employment; and are exercisable in cumulative annual installments of 20% of the shares initially subject to the option on each of the first five anniversaries of the date of grant. The Compensation Committee of the Board of Directors of Pacific Enterprises may, in its discretion, permit alternative settlement of stock options by payment to the optionee of an amount (in cash or shares of Pacific Enterprises Common Stock of equivalent market value) not exceeding the difference between the exercise price and the then fair market value of the option shares. Upon a change in control of Pacific Enterprises, the time periods relating to the exercise of stock options will be accelerated and, upon the request of the optionee, Pacific Enterprises will purchase the option for an amount in cash equal to the amount which could be realized upon the exercise thereof.

(2) Estimated present value at date of grant based on the Black-Scholes option pricing model as modified by Pacific Enterprises' independent compensation consultants to reflect actuarial assumptions regarding termination of employment both prior to option vesting and prior to the expiration of the ten-year option term. These modifications reduce estimated values by approximately 28% and 13%, respectively, from those of immediately exercisable and fully transferable options for which the model was otherwise designed. Estimated values under the model are also based on assumptions as to several variables including a ten-year option term and with respect to the options expiring on March 2, 2003 and September 9, 2003 a Pacific Enterprises stock price volatility of .374 and .20, respectively; a risk-free rate of return of 5.98% and 5.68%, respectively; and a Pacific Enterprises annual dividend yield of 0% and 4.6%, respectively. The actual value, if any, an executive may realize will depend on the excess of the stock price over the exercise price on the date the option is exercised.

The following table sets forth for each executive officer named in the Summary Compensation Table information regarding stock options to purchase shares of Pacific Enterprises Common Stock exercised in 1993 and stock options outstanding at December 31, 1993.

OPTION/SARS EXERCISES AND OUTSTANDING OPTION/SAR VALUES

| | OPTIONS/SARS EXERCISED IN 1993 | | NUMBER OF PACIFIC ENTERPRISES UNEXERCISED OPTIONS AT DECEMBER 31, 1993(1) | | VALUE OF UNEXERCISED IN-THE-MONEY OPTIONS/SARS AT DECEMBER 31, 1993 | |
|-------------------------|-----------------------------------|-------------------|--|---------------|---|---------------|
| | SHARES ACQUIRED | VALUE REALIZED | EXERCISABLE | UNEXERCISABLE | EXERCISABLE | UNEXERCISABLE |
| | | | (OPTION SHARES) | | | |
| Willis B. Wood, Jr..... | -0- | \$ -0- | 49,000 | 191,000 | \$ 90,000 | \$ 530,000 |
| Richard D. Farman..... | -0- | \$ -0- | 22,200 | 134,800 | \$ 31,500 | \$ 211,000 |
| Warren I. Mitchell..... | 5,000 | \$ 30,625 | 15,300 | 61,000 | \$ -0- | \$ 158,000 |
| Lee K. Harrington..... | -0- | \$ -0- | 23,160 | 21,600 | \$ 9,000 | \$ 53,000 |
| Frederick E. John..... | -0- | \$ -0- | 23,600 | 22,400 | \$ 9,000 | \$ 53,000 |

(1) The exercise price of outstanding options ranges from \$19 1/4 to \$50 7/8.

PENSION BENEFITS

The following table sets forth estimated annual pension benefits, including supplemental pension benefits, payable upon retirement at age 65 to SoCalGas' executive officers (based upon payment of benefits as a straight life annuity and after maximum offset for social security benefits but without offset for any other benefits) in various compensation and years-of-service classifications.

PENSION PLAN TABLE

| REMUNERATION (1) | YEARS OF SERVICE (2) | | | | |
|------------------|----------------------|------------|------------|------------|------------|
| | 15 YEARS | 20 YEARS | 25 YEARS | 30 YEARS | 35 YEARS |
| \$200,000..... | \$ 93,346 | \$ 113,346 | \$ 115,846 | \$ 118,346 | \$ 120,846 |
| 400,000..... | 193,346 | 233,346 | 238,346 | 243,346 | 248,346 |
| 600,000..... | 293,346 | 353,346 | 360,846 | 368,346 | 375,846 |
| 800,000..... | 393,346 | 473,346 | 483,346 | 493,346 | 503,346 |

- (1) Average salary for highest three consecutive years of service and average of three highest annual bonuses during the last ten years of service.
- (2) Years of continuous service for each executive officer named in the Summary Compensation Table number 33 for Mr. Wood, 15 for Mr. Farman, 35 for Mr. Mitchell, 19 for Mr. Harrington and 12 for Mr. John.

SHAREHOLDER PROPOSALS

Shareholders intending to bring any business before an Annual Meeting of Shareholders of SoCalGas, including nominations of persons for election as directors, must give written notice to the Secretary of the Gas Company of the business to be presented. The notice must be received at the Gas Company's offices within the periods and must be accompanied by the information and documents specified in SoCalGas' bylaws, a copy of which may be obtained by writing to the Secretary of the Gas Company.

The period for notice of business to be brought by shareholders before the 1994 Annual Meeting of Shareholders has expired. The period for the receipt by SoCalGas of notice of business to be brought by shareholders before the 1995 Annual Meeting of Shareholders is expected to commence on December 27, 1994 and to end on February 24, 1995.

INDEPENDENT AUDITORS

The Board of Directors, upon the recommendation of its Audit Committee, has selected Deloitte & Touche to serve as SoCalGas' independent auditors for 1994. Representatives of Deloitte & Touche are expected to attend the Annual Meeting. They will have the opportunity to make a statement if they desire to do so and to respond to appropriate questions from shareholders.

ANNUAL REPORTS

The Gas Company's 1993 Annual Report to Shareholders (which includes its Annual Report to the Securities and Exchange Commission on Form 10-K) is being mailed to shareholders together with this Information Statement.
