

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): December 16, 2004

Commission File Number	Name of Registrant, State of Incorporation, Address and Telephone Number	IRS Employer Identification Number
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1-40	Pacific Enterprises (A California Corporation) 101 Ash Street San Diego, California 92101 (619) 696-2000	94-0743670
1-1402	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.)

FORM 8-K

Item 8.01 Other Events

CPUC Border Price Investigation

As previously reported, Southern California Gas Company (SoCalGas) is a party to the first phase of an investigation instituted by the California Public Utilities Commission (CPUC) into the Southern California natural gas market and the price of natural gas delivered to the California - Arizona border between March 2000 and May 2001. Hearings in the first phase of the investigation have been completed and the CPUC's Office of Ratepayer Advocates has provided testimony and filed a brief supportive of SoCalGas' activities during the investigation period.

Also as previously reported, on November 16, 2004 the CPUC Administrative Law Judge (ALJ) assigned to the investigation issued a proposed decision for consideration by the full CPUC that was highly critical of SoCalGas' natural gas purchase, sales, hedging and storage activities, and concluded that SoCalGas had acted inappropriately during the energy crisis.

On December 16, 2004, the CPUC rejected by a vote of 3 to 2 the ALJ's modified proposed decision. The three Commissioners who voted against the modified proposed decision stated that the evidence, viewed in its entirety, indicated that SoCalGas had acted in the best interests of its customers. In their comments rejecting the modified proposed decision Commissioner Brown stated that the investigation should continue while Commissioner Kennedy stated that it should be concluded.

The terms of the two CPUC Commissioners who voted to approve the ALJ's modified proposed decision, including the Commissioner assigned to the investigation, will expire at year-end. Consequently, the investigation will be reassigned either to one of the three Commissioners who voted to reject the ALJ's modified proposed decision or to a new Commissioner appointed by the Governor.

As previously reported, the ALJ's originally proposed decision, had it been adopted by the CPUC, would have found that SoCalGas exercised market power and manipulated the natural gas market, significantly contributing to natural gas price spikes that also increased electricity prices; would have required SoCalGas to refund to its ratepayers approximately \$29 million (previously recorded as after-tax income of \$17 million) of natural gas purchase incentive awards, plus interest; would have modified SoCalGas' natural gas cost incentive mechanism in a manner that would have reduced SoCalGas' potential to earn incentive awards, with the possibility of further modifications in a subsequent phase of the investigation; and would have referred the decision's findings to the California Attorney General or other law enforcement agencies and provided for the CPUC to cooperate with these agencies in any proceedings that they might institute. The ALJ had significantly modified her proposed decision to exclude any finding that SoCalGas knowingly exercised market power during the subject period, but still would have required SoCalGas to refund the \$29 million. As noted above, the CPUC rejected the modified ALJ proposal.

SoCalGas expects that the CPUC will issue a final decision in the first phase of the investigation in 2005. The CPUC may or may not hold additional hearings to consider whether other companies, including other California utilities, contributed to natural gas price spikes.

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.

Pacific Enterprises

Date: December 16, 2004

By: /s/ F. H. Ault

F. H. Ault
Sr. Vice President and Controller

Southern California Gas Company

Date: December 16, 2004

By: /s/ S.D. Davis

S.D. Davis
Sr. Vice President-External Relations
and Chief Financial Officer