



Sempra Energy Names Donald E. Felsing President And Chief Operating Officer, Announces Management Succession Plan

SAN DIEGO, June 9, 2004 -- Sempra Energy (NYSE: SRE) today announced that its board of directors has elected Donald E. Felsing to the position of president and chief operating officer and to its board of directors. The company also announced that Neal E. Schmale, executive vice president and chief financial officer of Sempra Energy, has been elected to the board of directors.

Felsing, 56, who previously served as group president of Sempra Energy Global Enterprises overseeing Sempra Energy's businesses outside the company's two California utilities, will continue to report to Stephen L. Baum. Baum will remain chairman and chief executive officer of the company until his scheduled retirement from the board of directors and company at the end of January 2006, when Felsing is slated to become chief executive officer of the company.

In addition to his election to the board of directors, Sempra Energy also announced that Schmale, 57, is slated to become chief operating officer of the company when Felsing becomes chief executive officer in 2006.

Sempra Energy also announced the formation of a Management Committee consisting of Baum, Felsing, Schmale and Edwin A. Guiles, group president of Sempra Energy Utilities and chairman and chief executive officer of San Diego Gas and Electric (SDG&E) and Southern California Gas Company (SoCalGas).

"I and the board of directors are pleased to have put in place a solid succession plan for our executive leadership team," said Baum. "I have worked with Don Felsing for almost 20 years and, in that time, his outstanding leadership skills and sharp business acumen have contributed significantly to the success of our company. Don will help lead our talented management team to continue to grow Sempra Energy for many years to come."

In his previous capacity, Felsing led Sempra Energy's expansion into competitive energy markets, helping to build successful businesses in power generation, energy-infrastructure development, energy trading and marketing, and liquefied natural gas development.

Prior to the merger that formed Sempra Energy in 1998, Felsing served as president and chief operating officer of Enova Corporation, the former parent company of SDG&E. Previously, Felsing held various executive positions within SDG&E, including serving as president and chief executive officer of SDG&E from 1996 to 1998.

"I am honored to assume these new responsibilities and to have the opportunity to continue implementing the successful strategy and business model we have developed over the past six years," said Felsing. "We have a very seasoned management team. I look forward to helping to lead the way to continued growth."

Felsing is a graduate of the Stanford University executive program and also has a bachelor's degree in mechanical engineering from the University of Arizona. He currently serves on the boards of the U.S.-Mexico Chamber of Commerce, the Green Foundation and as co-chair of the Forum Fronterizo Council of the San Diego Dialogue.

From 1997 to 1998, Schmale served as executive vice president and chief financial officer at Pacific Enterprises, the parent company of SoCalGas. Previously, he was chief financial officer of Unocal Corporation. He also served as senior vice president and president of Unocal's petroleum products and chemicals divisions.

"Neal Schmale's leadership and broad experience have been vital to Sempra Energy's success," said Baum. "Neal will continue to play an important strategic role in ensuring that our company maintains the financial strength to execute our strategic plan and capitalize on new opportunities in the marketplace."

Schmale holds a law degree from Loyola University of Los Angeles and a bachelor's degree in petroleum engineering from the Colorado School of Mines. Schmale also serves on the board of directors of WD-40 Company, where he is non-executive chairman of the board.

Sempra Energy, based in San Diego, is a Fortune 500 energy services holding company with 2003 revenues of \$7.9 billion. The Sempra Energy companies' nearly 13,000 employees serve more than 10 million customers in the United States, Europe, Canada, Mexico, South America and Asia.

This press release contains statements that are not historical fact and constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. When the company uses words like "believes," "expects," "anticipates,"

"intends," "plans," "estimates," "may," "would," "should" or similar expressions, or when the company discusses its strategy or plans, the company is making forward-looking statements. Forward-looking statements are not guarantees of performance. They involve risks, uncertainties and assumptions. Future results may differ materially from those expressed in the forward-looking statements. Forward-looking 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, political, legislative and regulatory conditions and developments; actions by the California Public Utilities Commission, the California State Legislature, the California Department of Water Resources and the Federal Energy Regulatory Commission; capital market conditions, inflation rates and interest rates; energy and trading markets, including the timing and extent of changes in commodity prices; weather conditions; business, regulatory and legal decisions; the pace of deregulation of retail natural gas and electricity delivery; the timing and success of business development efforts; and other uncertainties, all of which are difficult to predict and many of which are beyond the company's control. These risks and uncertainties are further discussed in the company's reports filed with the Securities and Exchange Commission that are available through the EDGAR system without charge at its Web site, www.sec.gov and on the company's Web site, www.sempra.com.