
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549**

**FORM S-3
REGISTRATION STATEMENT UNDER
THE SECURITIES ACT OF 1933**

San Diego Gas & Electric Company

(Exact Name of Registrant as Specified in Its Charter)

California
(State or Other Jurisdiction of
Incorporation or Organization)

95-1184800
(I.R.S. Employer
Identification Number)

**8326 Century Park Court
San Diego, California 92123
(619) 696-2000**

(Address, Including Zip Code, and Telephone Number, Including Area Code, of Registrant's Principal Executive Offices)

**Jennifer Jett
San Diego Gas & Electric Company
Corporate Secretary
8326 Century Park Court
San Diego, California 92123
(619) 696-2000**

(Name, Address, Including Zip Code, and Telephone Number, Including Area Code, of Agent for Service)

**Copies to:
Barry M. Clarkson, Esq.
Latham & Watkins LLP
600 West Broadway, Suite 1800
San Diego, California 92101-3375
(619) 236-1234**

Approximate Date of Commencement of Proposed Sale to the Public: From time to time after the registration statement becomes effective, as determined by market and other conditions.

If the only securities being registered on this form are being offered pursuant to dividend or interest reinvestment plans, please check the following box.

If any of the securities being registered on this form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, other than securities offered only in connection with dividend or interest reinvestment plans, check the following box.

If this form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

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If this form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this form is a registration statement pursuant to General Instruction I.D. or a post-effective amendment thereto that shall become effective upon filing with the Commission pursuant to Rule 462(c) under the Securities Act, check the following box.

If this form is a post-effective amendment to a registration statement filed pursuant to General Instruction I.D. filed to register additional securities or additional classes of securities pursuant to Rule 413(b) under the Securities Act, check the following box.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See definitions of "large accelerated filer," "accelerated filer," "non-accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer	<input type="checkbox"/>	Accelerated Filer	<input type="checkbox"/>
Non-Accelerated Filer	<input checked="" type="checkbox"/>	Smaller Reporting Company	<input type="checkbox"/>

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities To Be Registered ⁽¹⁾	Amount To Be Registered ⁽¹⁾⁽²⁾⁽³⁾	Proposed Maximum Aggregate Offering Price ⁽³⁾⁽⁴⁾	Amount Of Registration Fee ⁽⁵⁾
Senior Debt Securities			
First Mortgage Bonds			
Preferred Stock			
Total	\$2,500,000,000	\$2,500,000,000	\$139,500

- (1) An indeterminate principal amount or number of senior debt securities, first mortgage bonds and preferred stock with an aggregate offering price not to exceed \$2,500,000,000.
- (2) In United States dollars or the equivalent thereof in any other currency, composite currency or currency unit as shall result in an aggregate initial offering price for all offered securities of \$2,500,000,000.
- (3) This amount represents the principal amount or par or stated value, as applicable, of any offered securities issued at their stated principal amount or par or stated value, as applicable, and the issue price of any offered securities issued at a discount from the stated principal amount or par or stated value, as applicable.
- (4) Estimated solely for the purpose of calculating the registration fee, which is calculated in accordance with Rule 457(o) of the rules and regulations under the Securities Act of 1933. Rule 457(o) permits the registration fee to be calculated on the basis of the maximum offering price of all of the securities listed and, therefore, the table does not specify by each class information as to the amount to be registered, the proposed maximum offering price per unit or the proposed maximum aggregate offering price.
- (5) Pursuant to Rule 457(p) of the rules and regulations under the Securities Act of 1933, a portion of the Registration Fee of \$139,500 due for the registration of the securities to be registered hereunder is offset by \$133,750 of the registration fee previously paid by the Registrant under the Registrant's Registration Statement No. 333-133541, which was declared effective on May 9, 2006.

The registrant hereby amends this registration statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933, or until this registration statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

The information in this prospectus is not complete and may be changed. We may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.

SUBJECT TO COMPLETION, DATED MAY 7, 2009

PROSPECTUS

\$2,500,000,000

SAN DIEGO GAS & ELECTRIC COMPANY

Senior Unsecured Debt Securities
First Mortgage Bonds
Preferred Stock

We may offer and sell senior debt securities, first mortgage bonds and preferred stock from time to time in one or more offerings. The senior debt securities, the first mortgage bonds and the preferred stock are collectively referred to in this prospectus as the “offered securities.” This prospectus provides you with a general description of the offered securities.

Each time we sell offered securities we will provide a supplement to this prospectus that contains specific information about the offering and the terms of the particular offered securities being offered at that time. The supplement may also add, update or change information contained in this prospectus. You should carefully read this prospectus and the accompanying prospectus supplement before you invest in any of the offered securities.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus. Any representation to the contrary is a criminal offense.

The date of this prospectus is _____, 2009

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ABOUT THIS PROSPECTUS

This prospectus is part of a “shelf” registration statement that we filed with the United States Securities and Exchange Commission, or the “SEC.” By using a shelf registration statement, we may sell up to \$2,500,000,000 aggregate offering price of any combination of the offered securities described in this prospectus from time to time and in one or more offerings. This prospectus only provides you with a general description of the offered securities that we may offer. Each time we sell offered securities, we will provide a supplement to this prospectus that contains specific information about the particular terms of the offered securities being offered at that time. The supplement may also add, update or change information contained in this prospectus. Before purchasing any securities, you should carefully read both this prospectus and the accompanying prospectus supplement, together with the additional information described under the heading “Where You Can Find More Information.”

You should rely only on the information contained or incorporated by reference in this prospectus and in the accompanying prospectus supplement. We have not authorized any other person to provide you with different information. If anyone provides you with different or inconsistent information, you should not rely on it. We will not make an offer to sell the offered securities in any jurisdiction where the offer or sale is not permitted. You should assume that the information appearing in this prospectus and the accompanying prospectus supplement is accurate only as of the dates on their respective covers. Our business, financial condition, results of operations and prospects may have changed since those dates.

FORWARD-LOOKING STATEMENTS

This prospectus supplement, the accompanying prospectus and the documents they incorporate by reference contain statements that are not historical fact and constitute “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. When we use words like “estimates,” “believes,” “expects,” “anticipates,” “plans,” “projects,” “contemplates,” “intends,” “depends,” “may,” “could,” “would,” “should,” “potential,” “target,” “goals,” or similar expressions, or when we discuss our strategy, plans or intentions, we are making forward-looking statements. Forward-looking statements are not guarantees of performance. They involve risks, uncertainties and assumptions. Our future results may differ materially from those expressed in these forward-looking statements. These statements are necessarily based upon various assumptions involving judgments with respect to the future and other risks, including, among others:

- local, regional, national and international 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, the Federal Energy Regulatory Commission, the Federal Reserve Board, and other regulatory and governmental bodies in the United States, the United Kingdom and other countries;
- capital markets conditions and inflation, interest and exchange rates;
- energy and trading markets, including the timing and extent of changes and volatility in commodity prices;
- the availability of electric power, natural gas and liquefied natural gas;
- weather conditions and conservation efforts;
- war and terrorist attacks;
- business, regulatory, environmental and legal decisions and requirements;
- the status of deregulation of retail natural gas and electricity delivery;
- the timing and success of business development efforts;

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- the resolution of litigation; and
- 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 and we urge you to review and consider carefully the risks, uncertainties and other factors which are discussed in more detail under the captions “Our Business,” “Risk Factors” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and elsewhere in our annual report, and in other reports and documents on file with the SEC. You may obtain copies of these reports and documents as described under the caption “Where You Can Find More Information” in this prospectus.

SAN DIEGO GAS & ELECTRIC COMPANY

We are a public utility serving 3.4 million consumers in a 4,100 square mile service territory encompassing San Diego County, California and an adjacent portion of Orange County, California. We generate, purchase and distribute electricity through approximately 1.4 million electric meters and purchase and distribute natural gas through approximately 840,000 gas meters. We are an indirect subsidiary of Sempra Energy, a California-based Fortune 500 company. For additional information concerning us, you should refer to the information described under the caption “Where You Can Find More Information” in this prospectus.

Our offices are located at 8326 Century Park Court, San Diego, California 92123 and our telephone number is (619) 696-2000. Our web site is www.sdge.com. This reference to our web site is not an active hyperlink and the information found on our web site does not constitute a part of this prospectus.

The terms “we,” “our,” “us” and “SDG&E” are used in this document for purposes of convenience and are intended to refer to San Diego Gas & Electric Company and its subsidiaries, either individually or collectively, as the context may require.

USE OF PROCEEDS

Unless stated otherwise in the applicable prospectus supplement, we will use the net proceeds from the sale of the offered securities to expand and improve our utility plant, to refund and retire indebtedness, for working capital and other general corporate purposes and to replenish funds previously expended for these purposes.

RATIO OF EARNINGS TO FIXED CHARGES AND PREFERRED STOCK DIVIDENDS

The following table sets forth the ratio of our earnings to fixed charges and to combined fixed charges and preferred stock dividends for each of the years in the five-year period ended December 31, 2008 and for the three months ended March 31, 2009:

	<u>Years Ended December 31,</u>					<u>Three Months</u>
	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>Ended</u>
						<u>March 31,</u>
						<u>2009</u>
Ratio of earnings to fixed charges	5.06	4.73	4.74	5.44	5.93	7.19
Ratio of earnings to combined fixed charges and preferred stock dividends	4.75	4.44	4.41	5.06	5.35	6.69

DESCRIPTION OF OFFERED SECURITIES

The following is a general description of the terms and provisions of the offered securities. These summaries are not meant to be a complete description of each offered security. This prospectus and any prospectus supplement will contain the material terms and conditions for each offered security. A prospectus supplement may add, update or change the terms and conditions of the offered securities as described in this prospectus. For more information about the offered securities, please refer to:

- the indenture between us and U.S. Bank Trust National Association, as trustee, relating to the issuance of each series of senior debt securities by us (the “senior indenture”);
- the mortgage and deed of trust between us and U.S. Bank Trust National Association, as trustee, relating to the issuance of each series of first mortgage bonds by us, as amended by a Second Supplemental Indenture dated as of March 1, 1948, by a Ninth Supplemental Indenture dated as of August 1, 1968, by a Tenth Supplemental Indenture dated as of December 1, 1968, by a Sixteenth Supplemental Indenture dated as of August 28, 1975 and by a Thirtieth Supplemental Indenture dated as of September 28, 1983 (collectively, the “bond indenture”); and
- the description of our preferred stock contained in our articles of incorporation.

Forms of these documents are filed as exhibits to the registration statement. The indentures are subject to and governed by the Trust Indenture Act of 1939, as amended, and may be supplemented or amended from time to time following their execution.

DESCRIPTION OF SENIOR DEBT SECURITIES

Unless indicated differently in a prospectus supplement, the following is a general description of the terms and provisions of the senior debt securities we may offer and sell by this prospectus. In this section, references to “indenture” mean the senior indenture.

The senior debt securities will be governed by the indenture. The indenture gives us broad authority to set the particular terms of each series of senior debt securities, including the right to modify certain of the terms contained in the indenture. The particular terms of a series of senior debt securities and the extent, if any, to which the particular terms of the issue modify the terms of the indenture will be described in the prospectus supplement relating to such series of senior debt securities.

The indenture contains the full legal text of the matters described in this section. Because this section is a summary, it does not describe every aspect of the senior debt securities or the indenture. This summary is subject to and qualified in its entirety by reference to all the provisions of the indenture, including definitions of terms used in the indenture. We also include references in parentheses to particular sections of the indenture. Whenever we refer to particular sections or defined terms of the indenture in this prospectus or in a prospectus supplement, the sections or defined terms are incorporated by reference into this prospectus or in the prospectus supplement. This summary also is subject to and qualified by reference to the description of the terms of a particular series of senior debt securities described in the applicable prospectus supplement.

General

We may issue an unlimited amount of senior debt securities under the indenture in one or more series. We are not required to issue all senior debt securities of one series at the same time and, unless otherwise provided in a prospectus supplement, we may reopen a series, without the consent of the holders of the senior debt securities of that series, for issuances of additional senior debt securities of that series. The senior debt securities will be our unsecured obligations.

Prior to the issuance of each series of senior debt securities, the terms of the particular securities will be specified in either a supplemental indenture or a board resolution and one or more officers’ certificates. We refer you to the applicable prospectus supplement for a description of the following terms of each series of senior debt securities:

- the title of the senior debt securities;
- any limit upon the aggregate principal amount of the senior debt securities;
- the date or dates on which principal will be payable or the method of determining such date or dates;
- the rate or rates or method of determination of interest; the date or dates from which interest will accrue; the dates on which interest will be payable, which we refer to as the “interest payment dates”; the manner (if any) of determination of such interest payment dates; and any record dates for the interest payable on the interest payment dates;
- any obligation or option we have to redeem or purchase senior debt securities, or any option of the registered holder to require us to redeem or repurchase senior debt securities, and the terms and conditions upon which the senior debt securities will be redeemed or purchased;
- the denominations in which the senior debt securities will be issuable, if other than denominations of \$1,000 and any integral multiple thereof;
- whether the senior debt securities are to be issued in whole or in part in the form of one or more global debt securities and, if so, the identity of the depositary for the global debt securities; and
- any other terms of the senior debt securities that may be different from those described below.

(See Section 301.)

Ranking

The senior debt securities will be our unsecured and unsubordinated obligations. The indebtedness represented by the senior debt securities will rank equally with all our other unsecured and unsubordinated debt. The senior debt securities are our obligations exclusively, and are not the obligations of our subsidiaries or our parent. Although the senior debt securities will be our senior unsubordinated obligations, the outstanding first mortgage bonds will have a claim to the assets securing the first mortgage bonds prior to any claim by holders of the senior debt securities.

Payment of Senior Debt Securities—Interest

We will pay interest on the senior debt securities on each interest payment date by check mailed to the person in whose name the senior debt securities are registered as of the close of business on the regular record date relating to the interest payment date.

However, if we default in paying interest on a senior debt security, we will pay defaulted interest in either of the two following ways:

- We will first propose to the trustee a payment date for the defaulted interest. Next, the trustee will choose a special record date for determining which registered holders are entitled to the payment. The special record date will be from 10 to 15 days before the proposed payment date. Finally, we will pay the defaulted interest on the payment date to the registered holder of the senior debt securities as of the close of business on the special record date.
- Alternatively, we can propose to the trustee any other lawful manner of payment that is consistent with the requirements of any securities exchange on which the senior debt securities are listed for trading. If the trustee thinks the proposal is practicable, payment will be made as proposed.

(See Section 307.)

Payment of Senior Debt Securities—Principal

We will pay principal of and any premium on the senior debt securities at stated maturity, upon redemption or otherwise, upon presentation of the senior debt securities at the office of the trustee, as paying agent. Any other paying agent initially designated for the senior debt securities of a particular series will be named in the applicable prospectus supplement. In our discretion, we may appoint one or more additional paying agents and security registrars and designate one or more additional places for payment and for registration of transfer. Unless otherwise specified in the applicable prospectus supplement, a place for payment and registration of transfer of the senior debt securities will be provided in the Borough of Manhattan, the City of New York, New York. (See Section 1002.)

If any interest payment date, redemption date or the maturity date of the senior debt securities is not a business day at any place of payment, then payment of the principal, premium, if any, and interest may be made on the next business day at that place of payment. In that case, no interest will accrue on the amount payable for the period from and after the applicable interest payment date, redemption date or maturity date, as the case may be.

Form; Transfers; Exchanges

The senior debt securities initially will be issued in book-entry form and represented by one or more global securities deposited with, or on behalf of, The Depository Trust Company, as depositary, and registered in the name of Cede & Co., its nominee. This means that you will not be entitled to receive a certificate for the senior debt securities that you purchase except under the limited circumstances described below under the caption "Global Securities." If any of the senior debt securities are issued in certificated form they will be issued only in fully registered form without coupons, in denominations of \$1,000 and integral multiples of \$1,000.

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So long as the senior debt securities are in book-entry form, you will receive payments and may transfer senior debt securities only through the facilities of DTC and its direct and indirect participants as described below under the caption “Global Securities.” We will maintain an office or agency in the Borough of Manhattan, The City of New York where notices and demands in respect of the senior debt securities and the indenture may be delivered to us and where certificated senior debt securities including the senior debt securities may be surrendered for payment, registration of transfer or exchange. That office or agency will initially be an office of the trustee, which is currently located at 100 Wall Street, Suite 1600, New York, New York 10005.

You may have your senior debt securities divided into senior debt securities of smaller authorized denominations, or combined into senior debt securities of larger authorized denominations, as long as the total principal amount is not changed. This is called an “exchange.” (See Section 305.)

You may exchange or transfer senior debt securities at the office of the trustee. The trustee acts as our agent for registering senior debt securities in the names of holders and transferring senior debt securities. We may appoint another agent or act as our own agent for this purpose. The entity performing the role of maintaining the list of registered holders is called the “security registrar.” It will also perform transfers. (See Section 305.)

In our discretion, we may change the place for registration of transfer of the senior debt securities and may remove and/or appoint one or more additional security registrars. (See Sections 305 and 1002.)

Except as otherwise provided in a prospectus supplement, there will be no service charge for any transfer or exchange of the senior debt securities, but you may be required to pay a sum sufficient to cover any tax or other governmental charge payable by us in connection with the transfer or exchange. We may block the transfer or exchange of (a) senior debt securities during a period of 15 days prior to giving any notice of redemption or (b) any senior debt security selected for redemption in whole or in part, except the unredeemed portion of any senior debt security being redeemed in part. (See Section 305.)

Optional Redemption

The redemption provisions, if any, applicable to the senior debt securities will be set forth in the applicable prospectus supplement.

We will mail notice of any redemption at least 30 days, but not more than 60 days, before the redemption date to each registered holder of the senior debt securities to be redeemed. Once notice of redemption is mailed, the senior debt securities called for redemption will become due and payable on the redemption date and at the applicable redemption price, plus accrued and unpaid interest to the redemption date. If we elect to redeem all or a portion of the senior debt securities, that redemption will not be conditional upon receipt by the paying agent or the trustee of monies sufficient to pay the redemption price. (See Section 1104.)

Senior debt securities will cease to bear interest on the redemption date. We will pay the redemption price and any accrued interest once the senior debt securities are surrendered for redemption. (See Section 1105.) If only part of a senior debt security is redeemed, the trustee will deliver new senior debt securities of the same series for the remaining portion without charge. (See Section 1106.) Unless we default in payment of the redemption price, on and after the redemption date interest will cease to accrue on the senior debt securities or portions thereof called for redemption.

In the event that we elect to redeem only a portion of the senior debt securities, the senior debt securities to be redeemed will be selected in accordance with the procedures of The Depository Trust Company, in the case of senior debt securities represented by a global security, or by the trustee by a method the trustee deems to be fair and appropriate, in the case of senior debt securities that are not represented by a global security.

Events of Default

An “event of default” occurs with respect to the senior debt securities of any series if:

- we do not pay any interest on any senior debt securities of the applicable series within 30 days of the due date;
- we do not pay any principal of or premium on any senior debt securities of the applicable series on the due date;
- we remain in breach of a covenant or warranty (excluding covenants and warranties solely applicable to another series of debt securities issued under the indenture) in the indenture or the senior debt securities of the applicable series for 60 days after we receive a written notice of default stating we are in breach and requiring remedy of the breach; the notice must be sent by either the trustee or registered holders of at least 25% of the principal amount of the outstanding senior debt securities of the affected series;
- default occurs under any bond, note, debenture or other instrument evidencing any indebtedness for money borrowed by us, excluding our subsidiaries (including a default with respect to any other series of senior debt securities issued under the indenture), or under any mortgage, indenture or other instrument under which there may be issued or by which there may be secured or evidenced any indebtedness for money borrowed by us, or the payment of which is guaranteed by us, whether such indebtedness or guarantee exists on the date of the indenture or is issued or entered into following the date of the indenture, if:
 - (A) either:
 - (i) such default results from the failure to pay any such indebtedness when due; or
 - (ii) as a result of such default the maturity of such indebtedness has been accelerated prior to its expressed maturity; and
 - (B) the principal amount of such indebtedness, together with the principal amount of any other such indebtedness in default for failure to pay any such indebtedness when due or the maturity of which has been so accelerated, aggregates at least \$25 million;
- we file for bankruptcy or other specified events in bankruptcy, insolvency, receivership or reorganization occur; or
- any other event of default specified in the prospectus supplement for such series occurs.

(See Section 501.)

No event of default with respect to a series of senior debt securities necessarily constitutes an event of default with respect to the senior debt securities of any other series issued under the indenture.

Remedies

Acceleration

If an event of default occurs and is continuing with respect to any series of senior debt securities, then either the trustee or the registered holders of at least 25% in principal amount of the outstanding senior debt securities of that series may declare the principal amount of all of the senior debt securities of that series, together with accrued and unpaid interest thereon, to be due and payable immediately. (See Section 502.)

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Rescission of Acceleration

After the declaration of acceleration has been made with respect to any series of senior debt securities and before the trustee has obtained a judgment or decree for payment of the money due, the declaration and its consequences will be rescinded and annulled, if:

- (a) we pay or deposit with the trustee a sum sufficient to pay:
- all overdue interest on the senior debt securities of that series, other than interest which has become due by declaration of acceleration;
 - the principal of and any premium on the senior debt securities of that series which have become due, otherwise than by the declaration of acceleration, and overdue interest on these amounts;
 - interest on overdue interest, other than interest which has become due by declaration of acceleration, on the senior debt securities of that series to the extent lawful;
 - all amounts due to the trustee under the indenture; and
- (b) all events of default with respect to the senior debt securities of that series, other than the nonpayment of the principal and interest which has become due solely by the declaration of acceleration, have been cured or waived as provided in the indenture.

(See Section 502.)

For more information as to waiver of defaults, see “Waiver of Default and of Compliance” below.

Control by Registered Holders; Limitations

If an event of default with respect to the senior debt securities of any series occurs and is continuing, the registered holders of a majority in principal amount of the outstanding senior debt securities of that series, voting as a single class, without regard to the holders of outstanding senior debt securities of any other series that may also be in default, will have the right to direct the time, method and place of:

- conducting any proceeding for any remedy available to the trustee with respect to the senior debt securities of that series; and
- exercising any trust or power conferred on the trustee with respect to the senior debt securities of that series.

These rights of registered holders to give directions are subject to the following limitations:

- the registered holders’ directions do not conflict with any law or the indenture; and
- the direction is not unduly prejudicial to the rights of holders of the senior debt securities of that series who do not join in that action.

The trustee may also take any other action it deems proper which is consistent with the registered holders’ direction. (See Sections 512 and 603.)

In addition, the indenture provides that no registered holder of senior debt securities of any series will have any right to institute any proceeding, judicial or otherwise, with respect to the indenture or for the appointment of a receiver or for any other remedy under the indenture unless:

- that registered holder has previously given the trustee written notice of a continuing event of default;
- the registered holders of at least 25% in aggregate principal amount of the outstanding senior debt securities of that series have made written request to the trustee to institute proceedings in respect of that event of default and have offered the trustee reasonable indemnity against costs and liabilities incurred in complying with the request; and

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- for 60 days after receipt of the notice, the trustee has failed to institute a proceeding and no direction inconsistent with the request has been given to the trustee during the 60-day period by the registered holders of a majority in aggregate principal amount of outstanding senior debt securities of that series.

Furthermore, no registered holder will be entitled to institute any action if and to the extent that the action would disturb or prejudice the rights of other registered holders of senior debt securities. (See Section 507.)

However, each registered holder has an absolute and unconditional right to receive payment when due and to bring a suit to enforce that right. (See Section 508.)

Notice of Default

The trustee is required to give the registered holders of senior debt securities of the affected series notice of any default under the indenture to the extent required by the Trust Indenture Act; except that in the case of an event of default of the character specified above in the third bullet under the caption “Events of Default,” no notice will be given to such registered holders until at least 30 days after the occurrence of the default. The Trust Indenture Act currently permits the trustee to withhold notices of default (except for certain payment defaults) if the trustee in good faith determines the withholding of the notice to be in the interests of the registered holders. (See Section 602.)

We will furnish the trustee with an annual statement as to our compliance with the conditions and covenants in the indenture. (See Section 1005.)

Waiver of Default and of Compliance

The registered holders of a majority in aggregate principal amount of the outstanding senior debt securities of any series, voting as a single class, without regard to the holders of outstanding senior debt securities of any other series, may waive, on behalf of all registered holders of the senior debt securities of that series, any past default under the indenture, except a default in the payment of principal, premium or interest, or with respect to compliance with certain provisions of the indenture that cannot be amended without the consent of the registered holder of each outstanding senior debt security of that series. (See Section 513.)

Compliance with certain covenants in the indenture or otherwise provided with respect to senior debt securities of any series may be waived by the registered holders of a majority in aggregate principal amount of the senior debt securities of that series. (See Section 1006.)

Consolidation, Merger and Conveyance of Assets as an Entirety; No Financial Covenants

We have agreed not to consolidate or merge with or into any other entity, or to sell, transfer, lease or otherwise convey any of our property and assets as an entirety or substantially as an entirety to any entity, unless:

- we are the continuing entity (in the case of a merger) or the successor entity formed by such consolidation or into which we are merged or which acquires by sale, transfer, lease or other conveyance our property and assets, as an entirety or substantially as an entirety, is a corporation organized and existing under the laws of the United States of America or any state thereof or the District of Columbia, and expressly assumes, by supplemental indenture, the due and punctual payment of the principal, premium and interest on all the senior debt securities and the performance of all of the covenants under the indenture; and
- immediately after giving effect to the transaction, no event of default, and no event which after notice or lapse of time or both would become an event of default, has or will have occurred and be continuing.

The indenture does not contain any financial or other similar restrictive covenants.

(See Section 801.)

Modification of Indenture

Without Registered Holder Consent

Without the consent of any registered holders of senior debt securities, we and the trustee may enter into one or more supplemental indentures for any of the following purposes:

- to evidence the succession of another entity to us; or
- to add one or more covenants for the benefit of the holders of all or any series of senior debt securities or to surrender any right or power conferred upon us; or
- to add any additional events of default for all or any series of senior debt securities; or to change or eliminate any provision of the indenture so long as the change or elimination does not apply to any senior debt securities entitled to the benefit of such provision; or to add any new provision to the indenture, in addition to the provisions which may otherwise be added to the indenture pursuant to the other clauses of this paragraph, so long as the addition does not apply to any outstanding senior debt securities; or
- to provide security for the senior debt securities of any series; or
- to establish the form or terms of senior debt securities of any series, as permitted by the indenture; or
- to evidence and provide for the acceptance of appointment of a separate or successor trustee; or
- to cure any ambiguity, defect or inconsistency or to make any other changes with respect to any series of senior debt securities that do not adversely affect the interests of the holders of senior debt securities of that series in any material respect.

(See Section 901.)

With Registered Holder Consent

Subject to the following sentence, we and the trustee may, with some exceptions, amend or modify the indenture with the consent of the registered holders of at least a majority in aggregate principal amount of the senior debt securities of each series affected by the amendment or modification. However, no amendment or modification may, without the consent of the registered holder of each outstanding senior debt security affected thereby:

- change the stated maturity of the principal or interest on any senior debt security or reduce the principal amount, interest or premium payable or change any place of payment where or the currency in which any senior debt security is payable, or impair the right to bring suit to enforce any payment;
- reduce the percentages of registered holders whose consent is required for any supplemental indenture or waiver; or
- modify certain of the provisions in the indenture relating to supplemental indentures and waivers of certain covenants and past defaults.

A supplemental indenture which changes or eliminates any provision of the indenture expressly included solely for the benefit of holders of senior debt securities of one or more particular series will be deemed not to affect the interests under the indenture of the holders of senior debt securities of any other series.

(See Section 902.)

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Defeasance

The indenture provides, unless the terms of the particular series of senior debt securities provide otherwise, that we may, upon satisfying several conditions, be discharged from our obligations, with some exceptions, with respect to any series of senior debt securities, which we refer to as “defeasance.”

One condition we must satisfy is the irrevocable deposit with the trustee, in trust, of money and/or government obligations which, through the scheduled payment of principal and interest on those obligations, would provide sufficient funds to pay the principal of and any premium and interest on those senior debt securities on the maturity dates of the payments or upon redemption.

In addition, we will be required to deliver an opinion of counsel to the effect that a holder of senior debt securities will not recognize income, gain or loss for federal income tax purposes as a result of the defeasance and will be subject to federal income tax on the same amounts, at the same times and in the same manner as if that defeasance had not occurred. The opinion of counsel must be based upon a ruling of the Internal Revenue Service or a change in law after the date of the indenture.

(See Article XIII.)

Satisfaction and Discharge

The indenture will cease to be of further effect with respect to any series of senior debt securities, and we will be deemed to have satisfied and discharged all of our obligations under the indenture, except as noted below, when:

- all outstanding senior debt securities of such series have become due or will become due within one year at their stated maturity or on a redemption date; and
- we deposit with the trustee, in trust, funds that are sufficient to pay and discharge all remaining indebtedness on the outstanding senior debt securities of such series.

We will remain obligated to pay all other amounts due under the indenture and to perform certain ministerial tasks as described in the indenture.

(See Section 401.)

Resignation and Removal of the Trustee; Deemed Resignation

The trustee with respect to any series of senior debt securities may resign at any time by giving us written notice. The trustee may also be removed with respect to the senior debt securities of any series by act of the registered holders of a majority in principal amount of the then outstanding senior debt securities of such series. No resignation or removal of the trustee and no appointment of a successor trustee will become effective until the acceptance of appointment by a successor trustee in accordance with the requirements of the indenture. Under certain circumstances, we may appoint a successor trustee with respect to such series and if the successor trustee accepts, the trustee will be deemed to have resigned. (See Section 610.)

Miscellaneous Provisions

The indenture provides that certain senior debt securities, including those for which payment or redemption money has been deposited or set aside in trust as described under the caption “Satisfaction and Discharge” above, will not be deemed to be “outstanding” in determining whether the registered holders of the requisite principal amount of the outstanding senior debt securities have given or taken any demand, direction, consent or other action under the indenture as of any date, or are present at a meeting of registered holders for quorum purposes. (See Section 101.)

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We will be entitled to set any day as a record date for the purpose of determining the registered holders of outstanding senior debt securities of any series entitled to give or take any demand, direction, consent or other action under the indenture, in the manner and subject to the limitations provided in the indenture. In certain circumstances, the trustee also will be entitled to set a record date for action by registered holders of any series. If a record date is set for any action to be taken by registered holders of particular senior debt securities, the action may be taken only by persons who are registered holders of the respective senior debt securities on the record date. (See Section 104.)

Governing Law

The indenture and the related senior debt securities will be governed by and construed in accordance with the laws of the State of New York. (See Section 112.)

DESCRIPTION OF FIRST MORTGAGE BONDS

Unless indicated differently in a prospectus supplement, the following is a general description of the terms and provisions of the first mortgage bonds we may offer and sell by this prospectus. In this section, references to the “bonds” mean the first mortgage bonds, and references to the “indenture” mean the bond indenture.

The bonds will be governed by the indenture. The indenture gives us broad authority to set the particular terms of each series of bonds, including the right to modify certain of the terms contained in the indenture. The particular terms of a series of bonds and the extent, if any, to which the particular terms of the issue modify the terms of the indenture will be described in the prospectus supplement relating to such series of bonds.

The indenture contains the full legal text of the matters described in this section. Because this section is a summary, it does not describe every aspect of the bonds or the indenture. This summary is subject to and qualified in its entirety by reference to all the provisions of the indenture, including definitions of terms used in the indenture. We also include references in parentheses to particular sections of the indenture. Whenever we refer to particular sections or defined terms of the indenture in this prospectus or in a prospectus supplement, the sections or defined terms are incorporated by reference into this prospectus or in the prospectus supplement. This summary also is subject to and qualified by reference to the description of the terms of a particular series of bonds described in the applicable prospectus supplement.

General

We may issue an unlimited amount of bonds under the indenture in one or more series. The bonds will be issued in denominations of \$1,000 and integral multiples of \$1,000 and only in either definitive form as registered bonds or in book-entry form. Bonds issued in definitive form will be payable, exchangeable for bonds of other authorized denominations and transferable at the office of the trustee in the Borough of Manhattan, City of New York, New York.

Prior to the issuance of each series of bonds, the terms of the particular series of bonds will be specified in a supplemental indenture. We refer you to the applicable prospectus supplement for a description of the following terms of each series of bonds:

- the title of the bonds;
- any limit upon the principal amount of the bonds;
- the date or dates on which principal will be payable or how to determine the dates;
- the rate or rates or method of determination of interest; the date from which interest will accrue; the dates on which interest will be payable, which we refer to as the “interest payment dates” and any record dates for the interest payable on the interest payment dates;
- any obligation or option we have to redeem, purchase or repay bonds, or any option of the registered holder to require to redeem or repurchase bonds, and the terms and conditions upon which the bonds will be redeemed, purchased or repaid;
- the denominations in which the bonds will be issuable, if other than denominations of \$1,000 and any integral multiple thereof;
- whether the bonds are to be issued in whole or in part in the form of one or more global securities and, if so, the identity of the depository for the global securities; and
- any other terms of the bonds that may be different from those described below.

Security for the Bonds

The bonds will be secured by the indenture constituting a valid first lien upon all property and franchises owned by us, except as stated in the following paragraph. All of the bonds issued under the indenture will be secured on a pro rata basis, subject only to permitted liens, non-callable liens, if any, the lien of the trustee for its expenses and advances, and to the provisions relating to any sinking or similar fund for the benefit of any bonds of a particular series.

The following are not subject to the lien contained in the indenture:

- gas, electric energy and steam produced, purchased or otherwise acquired;
- contracts, choses-in-action and securities;
- merchandise and appliances acquired for sale or lease and contracts for the sale of merchandise and appliances;
- motor vehicles;
- timber on land owned by us;
- minerals and mineral rights in land owned by us;
- oil, coal or gas, or related rights, in land owned by us or gas wells or oil wells or related equipment or coal mines or related equipment;
- fuel held for consumption;
- receivables;
- cash; and
- the last day of the term of any leasehold estates.

Subject to such limitations and exceptions, all property acquired by us after the date of the indenture will be further security as described in the indenture. (See the granting clauses contained in the recitals to the indenture.)

Ranking

The bonds will be our senior secured and unsubordinated obligations and will rank pari passu in right of payment with all other bonds issued under the indenture. The bonds will be senior in right of payment to our other indebtedness from time to time outstanding to the extent of the property subject to the lien of the indenture and will otherwise rank pari passu in right of payment with all of our unsecured and unsubordinated indebtedness, including the senior debt securities. The bonds are our obligations exclusively, and are not the obligations of any of our subsidiaries.

Payment of Bonds—Principal and Interest

We will pay principal of the bonds at stated maturity, upon redemption or otherwise, upon presentation of the bonds at the office of the trustee, as our paying agent. So long as the bonds are in book-entry form, we will make payments on the bonds to DTC or its nominee, as the registered owner of the bonds, by wire transfer of immediately available funds. If bonds are issued in definitive certificated form under the limited circumstances described under the caption “Global Securities,” we will have the option of paying interest by check mailed to the addresses of the persons entitled to payment or by wire transfer to bank accounts in the United States designated in writing to the trustee at least 15 days before the applicable payment date by the persons entitled to payment.

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Form; Transfers; Exchanges

The bonds initially will be issued in book-entry form and represented by one or more global securities deposited with, or on behalf of, The Depository Trust Company, as depository, and registered in the name of Cede & Co., its nominee. This means that you will not be entitled to receive a certificate for the bonds that you purchase except under the limited circumstances described below under the caption "Global Securities." If any of the bonds are issued in certificated form they will be issued only in fully registered form without coupons, in denominations of \$1,000 and integral multiples of \$1,000.

So long as the bonds are in book-entry form, you will receive payments and may transfer bonds only through the facilities of DTC and its direct and indirect participants as described below under the caption "Global Securities." We will maintain an office or agency in the Borough of Manhattan, The City of New York where notices and demands in respect of the bonds and the indenture may be delivered to us and where certificated bonds including the bonds may be surrendered for payment, registration of transfer or exchange. That office or agency will initially be an office of the trustee, which is currently located at 100 Wall Street, Suite 1600, New York, New York 10005.

The bonds may be divided into bonds of smaller denominations, of at least \$1,000 multiples, or combined into bonds of larger denominations, so long as the total principal amount is not changed. The bonds may also contain provisions permitting the exchange or interchange of bonds from registered bonds to coupon bonds or coupon bonds to registered bonds. (See Section 10 of Article II.) You may exchange or transfer bonds at the office of the trustee. (See Section 11 of Article II.)

Optional Redemption

The bonds will be redeemable prior to maturity in the event of a sale, release, the taking by eminent domain, or the purchase by public authority of the property constituting or including all or substantially all of our electric distribution system in the City of San Diego. In that event, the entire proceeds of the disposition will be applicable only to the redemption of bonds (prorated, in amount, as between the bonds of all series then outstanding in proportion to the respective total principal amounts of the bonds of each series outstanding) and, upon our request, amounts applicable to any particular series of bonds would be applied to redeem all or a portion of the outstanding bonds of that series at the applicable redemption price for that series. (See Sections 12 and 13 of Article XI.)

Notice of any redemption will be mailed at least 30 days, but not more than 60 days, before the redemption date to each registered holder of the bonds to be redeemed. Once notice of redemption is mailed, the bonds called for redemption will become due and payable on the redemption date and at the applicable redemption price, plus accrued and unpaid interest to the redemption date. Redemption will not be conditional upon receipt by the trustee of monies sufficient to pay the redemption price. (See Section 2 of Article X.)

Unless we default in payment of the redemption price, on and after the redemption date interest will cease to accrue on the bonds or portions thereof called for redemption. (See Section 6 of Article X.) We will pay the redemption price and any accrued interest once the bonds are surrendered for redemption. If only a portion of the bonds are redeemed, the trustee will deliver new bonds of the same series for the remaining portion without charge.

In the event that we elect to redeem only a portion of the bonds, the bonds to be redeemed will be selected in accordance with the procedures of The Depository Trust Company, in the case of bonds represented by a global security, or by the trustee by a method the trustee deems to be fair and appropriate, in the case of bonds that are not represented by a global security.

Issuance of Additional Bonds

Additional bonds secured by the indenture may be issued on the basis of:

- (a) 60% of the lesser of the cost or fair value to us of specified additions to our properties, after deducting the net amount of the property retirements, that have not been previously applied as a credit against maintenance fund payments or applied to the issuance of additional bonds, the withdrawal of cash deposited with the trustee or other indenture purposes (See Article V.);
- (b) the principal amount of bonds retired under the indenture and not previously applied as a credit against maintenance fund payments or applied to the issuance of additional bonds, the withdrawal of cash deposited with the trustee or other indenture purposes (See Article VI.); and
- (c) the deposit of an equal amount of cash with the trustee. (See Article VII.)

However, no additional bonds (except certain types of refunding bonds) may be issued unless the earnings applicable to bond interest for a consecutive 12-month period within the preceding 15 months are at least equal to the greater of two and one-half times the annual interest requirements on, or 10% of the principal amount of, all outstanding bonds and the bonds to be issued. (See Articles V, VI and VII.)

Additional bonds which may be issued may vary from any existing bonds as to maturity, interest rate, redemption prices, sinking fund and in certain other respects. (See Article II.)

In addition, we may, from time to time, without notice to or consent of the holders of the bonds of the applicable series, increase the principal amount of any series of bonds under the indenture and issue such increased principal amount, or any portion thereof. Any additional bonds so issued will have the same form and terms (other than the date of issuance, under certain circumstances, the date from which interest thereon will begin to accrue and the first payment date) as the bonds of the series previously issued and will form a single series with the previously issued bonds.

Maintenance Fund

We will pay to the trustee annually on May 1, as a maintenance fund, an amount equal to 15% of our gross operating revenues, as defined in the indenture, for the preceding calendar year, less, at our option, credits for the following:

- (a) maintenance expenses,
- (b) the principal amount of bonds retired under the indenture and not previously applied as a credit against maintenance fund payments or applied to the issuance of additional bonds, the withdrawal of cash deposited with the trustee or other indenture purposes,
- (c) the lesser of the cost or fair value to us of specified additions to our properties that have not been previously applied as a credit against maintenance fund payments or applied to the issuance of additional bonds, the withdrawal of cash deposited with the trustee or other indenture purposes, and
- (d) 15% of that portion of our gross operating revenues attributable to rate increases granted to us since July 1, 1973 to offset increases in our cost of fuel for electric generation and natural gas.

Cash deposited in the maintenance fund may be withdrawn on the basis of retirements of bonds and property additions. (See Article IX.)

Events of Default

A “completed default” occurs with respect to the bonds of any series under the indenture if:

- we do not pay any principal on any bonds of the applicable series on the due date;
- we do not pay any interest on any bonds of the applicable series within 30 days of the due date;
- a court holds that we are bankrupt or enters an order approving a petition seeking our reorganization, unless such judgment or order is vacated within 30 days;
- a receiver of all or substantially all of our property is appointed, unless such appointment is vacated within 90 days;
- we file a voluntary petition in bankruptcy, make a general assignment for the benefit of creditors, consent to the appointment of a receiver or file a petition or answer seeking reorganization or a petition to take advantage of any insolvency act; or
- we fail to perform any other covenant or agreement contained in the indenture, any supplemental indenture or any bond secured by the indenture for 60 days following the mailing to us by the trustee or registered holders of at least 15% of the principal amount of the outstanding bonds of a written demand that such failure be cured.

(See Section 1 of Article XII.)

Remedies

Acceleration

If a completed default occurs and is continuing, then the trustee may, and upon the written request of the registered holders of at least a majority in principal amount of the outstanding bonds shall, by notice in writing to us, declare the principal amount of all of the outstanding bonds, together with accrued and unpaid interest thereon, to be immediately due and payable. (See Section 1 of Article XII.)

Rescission of Acceleration

After the declaration of acceleration has been made with respect to all outstanding bonds, but before the sale of any mortgaged and pledged property, the declaration of acceleration can be rescinded by written notice to us and the trustee from the registered holders of a majority in principal amount of the outstanding bonds, if:

- (1) we pay or deposit with the trustee a sum sufficient to pay all overdue installments of interest upon all the outstanding bonds, with interest on overdue installments of interest at the rate of six percent (6%) per annum, together with all sums paid or advanced by the trustee under any provision of the indenture and the reasonable and proper charges, expenses and liabilities of the trustee, its agents, attorneys and counsel, and all other sums payable by us under the indenture, except the principal of, and interest accrued since the next preceding interest date on, the bonds due and payable solely by virtue of such declaration; and
- (2) all completed defaults with respect to the bonds have been remedied. (See Section 1 of Article XII.)

Remedies with Respect to Mortgaged Property

To the extent permitted by law, upon the occurrence of one or more completed defaults, the trustee, upon demand to us, may take actual possession of and enter, hold, operate and manage all of the mortgaged property. The trustee will receive the rents, income, issues and profits from the mortgaged property and will pay the costs and expenses of taking, holding, operating and managing the mortgaged property, including reasonable

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compensation to the trustee and its agents and counsel, taxes, assessments and expenses for any repairs, alterations and improvements. The remainder of the amount received by the trustee will be applied as follows:

- if none of the principal of the bonds has become due, to the payment of the interest in default, with interest on the overdue installments at the rate of 6% per annum; or
- if the principal on any of the bonds shall have become due, to the payment of the interest in default, with interest on the overdue installments at the rate of 6% per annum and then to the payment of the principal of all bonds then due.

(See Section 2 of Article XII.)

Upon the occurrence of one or more completed defaults, the trustee may sell the mortgaged property in its entirety or in such parcels as the holders of a majority in principal amount of the bonds outstanding request in writing, or absent such request, as the trustee may determine, at public auction in San Diego, California, or such other place as may be required by law or by court order. (See Section 3 of Article XII.)

Upon the occurrence of a default by us in the performance of any of the covenants or conditions of the indenture, the trustee will have the right and power to take appropriate judicial proceedings for the enforcement of its rights and the rights of the bondholders. The trustee may, and upon being requested to do so by the registered holders of a majority in principal amount of the outstanding bonds that are affected by the default must, proceed to enforce payment of the outstanding bonds and to sell the property subject to the lien of the indenture. (See Section 4 of Article XII.)

Notice Regarding Remedies with Respect to Mortgaged Property

Any foreclosure on the mortgaged property by the trustee may be limited by applicable California law. Section 726 of the California Code of Civil Procedure provides that any action to recover on a debt or other right secured by a mortgage or a deed of trust on real property or an estate for years therein must comply with the provisions of that section, which provisions relate to and specify the procedures for the sale of encumbered property or an estate for years therein, the application of proceeds, the rendition in certain cases of a deficiency judgment, and other related matters. We advise you that in such an action or proceeding, the debtor may require the creditor to exhaust all of its security before a personal judgment may be obtained against the debtor for a deficiency. We also advise you that failure to comply with the provisions of Section 726 may result in the extinguishment of the liens on the mortgaged property and the loss of your right to a deficiency judgment. Section 580d of the California Code of Civil Procedure provides that no deficiency judgment will be rendered on a note secured by a deed of trust or mortgage on real property after sale of the real property under the power of sale contained in such deed of trust or mortgage.

Control by Registered Holders; Limitations

The registered holders of a majority in principal amount of the outstanding bonds, by written notice to the trustee, will have the right to reasonably direct the method and place of conducting any proceeding for any remedy available to the trustee with respect to all outstanding bonds. (See Section 5 of Article XII.)

In addition, the indenture provides that no holder of bonds will have any right to institute any suit, action or proceeding, at law or in equity, with respect to the indenture or for the appointment of a receiver or for any other remedy under the indenture unless:

- the holder has previously given the trustee written notice of a continuing default;
- the registered holders of at least 25% in aggregate principal amount of the (i) outstanding bonds, or (ii) the bonds then outstanding primarily affected by such default, have so requested the trustee in writing and afforded it reasonable opportunity to exercise its powers under the indenture; and

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- the holders have offered the trustee reasonable security satisfactory to the trustee and indemnity against costs and liabilities incurred in complying with the request.

However, the forgoing restrictions will not affect or impair the right of any registered holder, to the extent permitted by law, to enforce the payment of the principal of and interest on such holder's bond at and after the maturity thereof or as accelerated by call for redemption thereof, or our obligation, which is absolute and unconditional, to pay the principal of and interest and premium, if any, on each of the bonds to the respective holders thereof at the time and place expressed in the bonds and in the notice of redemption, if any; provided, however, that no bondholder shall be entitled to take any action or institute any such suit to enforce the payment of such holder's bond, whether for principal, interest or premium, if and to the extent that the taking of such action or the institution or prosecution of any such suit or the entry of judgment therein would under applicable law result in a surrender, impairment, waiver or loss of the lien of the indenture upon the mortgaged and pledged property, or any part thereof, as security for bonds held by any other bondholder. (See Section 15 of Article XII.)

Notice of Default

The trustee is required to give the bondholders notice of any default under the indenture to the extent required by the Trust Indenture Act, unless the default has been cured or waived, within 90 days after the occurrence of a default known to the trustee within such period, within 40 days after the trustee learns of a default; provided however that, except in the case of default in the payment of principal or interest of any bonds, or in the payment of any maintenance fund installment, the trustee may withhold notice of default if and so long as the board of directors, the executive committee of the board of directors, or a trust committee of directors or responsible officers of the trustee in good faith determine that the withholding of notice is in the interest of the bondholders. (See Section 8 of Article XV.)

Consolidation, Merger and Conveyance of Assets as an Entirety, No Financial Covenants

Nothing in the indenture prevents us from consolidating or merging with or into any corporation or any conveyance, transfer or lease of all of our mortgaged and pledged property as an entirety to any corporation, provided that:

- the terms of the transaction fully preserve and do not impair the lien on the mortgaged and pledged property securing the bonds, or the efficiency or security of the indenture, or any of the rights or powers of the trustee or the holders of the outstanding bonds under the indenture;
- upon any such consolidation, merger, conveyance or transfer, or upon any such lease where the term of such lease extends beyond the maturity date of any series of bonds, the due and punctual payment of the principal and interest of all the bonds and the performance of all of our covenants and conditions of the indenture shall be assumed by the corporation formed by such consolidation or into which such merger is made or which acquired the mortgaged property as an entirety, or by the lessee under any such lease; and
- any lease or transfer shall be subject to immediate termination at any time during the continuance of a completed default.

(See Section 1 Article XIV.)

The indenture does not contain any financial covenants.

Modification of the Indenture

With our consent, the provisions of the indenture may be changed by the affirmative vote or consent of the registered holders of 66 2/3% in principal amount of the bonds then outstanding. However, the maturity of any bonds may not be extended, the interest rate may not be reduced and the terms of payment of principal or interest may not be changed without the consent of the registered holder of the applicable bond. (See Section 6 of Article XVII.)

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Satisfaction and Discharge

The lien on our property securing the bonds will be cancelled and discharged when the bonds have been paid or when we deposit with the trustee sufficient amounts to repay the outstanding principal and interest and irrevocably instruct the trustee to repay the bonds. (See Article XVI.)

Release Provisions

In the absence of a completed default, we may, free from the lien of the indenture and at any time without any release by the trustee, sell obsolete equipment, materials and supplies for not less than the fair value thereof, provided they are replaced by other equipment, materials and supplies of equivalent or greater value, and real property worth less than \$2,000 if the proceeds are deposited with the trustee. In the absence of a completed default, we may also surrender, modify or change any franchise or governmental consent or permit, so long as we may still conduct our business in the same territory for the same time or until we determine that the conduct of such business is no longer desirable. (See Section 2 of Article XI.)

The indenture also contains provisions for the release of property by the trustee (i) in the absence of a completed default upon a sale or exchange, and (ii) for property taken by eminent domain, provided that the proceeds of any sale, exchange or taking by eminent domain are deposited with the trustee. (See Sections 3 and 6 of Article XI.)

Evidence of Compliance

The indenture provides that we will furnish to the trustee treasurer's certificates, engineers' certificates and, in certain cases, independent engineers' certificates and independent accountants' certificates in connection with the authentication of any bonds, the release or release and substitution of property and certain other matters, and opinions of counsel as to the lien of the indenture and certain other matters. (See Articles IV, V, VI, VII, IX and XI.)

Resignation and Removal of the Trustee

The trustee may resign at any time by giving at least 30 days written notice to us and by publishing the notice in a daily newspaper of general circulation in San Diego, California and in the Borough of Manhattan, City of New York, New York. The trustee may also be removed by act of the registered holders of a majority in principal amount of the then outstanding bonds. Under certain circumstances, we may appoint a successor trustee, and if the successor trustee accepts, the trustee will be deemed to have resigned. (See Sections 19 and 20 of Article XV.)

DESCRIPTION OF PREFERRED STOCK

Unless indicated differently in a prospectus supplement, this section describes the terms of the preferred stock we may offer and sell by this prospectus. The following description of our preferred stock is only a summary and is qualified in its entirety by reference to our articles of incorporation. Therefore, you should read carefully the more detailed provisions of our articles of incorporation, as amended and restated, a copy of which is incorporated by reference as an exhibit to the registration statement of which this prospectus is a part.

General

We are currently authorized to issue (1) 255,000,000 shares of common stock, without par value, (2) 1,375,000 shares of cumulative preferred stock, par value \$20, (3) 10,000,000 shares of preference stock (cumulative), without par value, and (4) 25,000,000 shares of series preference stock, without par value.

As of the date of this prospectus, we have 1,373,770 shares of cumulative preferred stock outstanding, consisting of (1) 375,000 shares of "Cumulative Preferred Stock, 5% Series," (2) 300,000 shares of "Cumulative Preferred Stock, 4.5% Series," (3) 325,000 shares of "Cumulative Preferred Stock, 4.4% Series," and (4) 373,770 shares of "Cumulative Preferred Stock, 4.6% Series." We also have 2,040,000 shares of preference stock (cumulative) outstanding, consisting of (1) 1,400,000 shares of "Preference Stock (Cumulative), \$1.70 Series" and (2) 640,000 shares of "Preference Stock (Cumulative), \$1.82 Series."

We may in the future amend our articles of incorporation to increase the authorized number of shares of our currently authorized cumulative preferred stock, preference stock (cumulative) or series preference stock or to authorize shares of one or more additional classes of preferred stock or preference stock. Any such amendment would require approval by our board of directors and approval by our shareholders. Any amendment that would increase the authorized number of shares of our currently authorized cumulative preferred stock or preference stock (cumulative) or would authorize additional classes of preferred or preference stock that would be entitled to any preference over, or be on parity with, our currently outstanding cumulative preferred stock or preference stock (cumulative) would also require approval by the registered holders of at least two-thirds of the then outstanding shares of each of our cumulative preferred stock and preference stock (cumulative).

In this section we refer to our cumulative preferred stock and our preference stock (cumulative) as the "senior preferred stock." We refer to our senior preferred stock and our currently authorized series preference stock as the "currently authorized preferred stock." We refer to our currently authorized preferred stock and all additional classes of preferred stock and preference stock that we may authorize as the "preferred stock."

Preferred Stock

The preferred stock is issuable in series. Before the issuance of shares of any series of preferred stock, our board of directors is required to adopt resolutions and file a certificate of determination with the Secretary of State of the State of California. The certificate of determination fixes the designation and number of shares of the series and their rights, preferences, privileges, and restrictions, including, but not limited to, the following:

- (a) the title and stated value;
- (b) voting rights, if any;
- (c) any rights and terms of redemption, including sinking fund provisions;
- (d) the dividend rate(s), period(s) and/or payment date(s) or method(s) of calculation, as applicable;
- (e) whether dividends are cumulative or non-cumulative and, if cumulative, the date from which dividends will accumulate;
- (f) the relative ranking and preferences as to dividend rights and rights upon the liquidation, dissolution or winding up of our affairs;

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- (g) the terms and conditions, if applicable, upon which the preferred stock will be convertible into common stock, including the conversion price (or manner of calculation) and conversion period;
- (h) the provision for redemption, if applicable;
- (i) liquidation preferences;
- (j) any limitations on issuance of any class or series ranking senior or on a parity as to dividend rights and rights upon liquidation, dissolution or winding up of our affairs; and
- (k) any other specific terms, preferences, rights, limitations or restrictions.

Our currently authorized preferred stock, including any shares that we may issue in the future, is subject to the terms and conditions set forth below under the caption “Preferred Stock—Additional Terms Applicable to Currently Authorized Preferred Stock.”

In addition to the terms listed above, we will set forth in a prospectus supplement the following terms relating to the series of preferred stock being offered:

- (a) the number of shares being offered and the offering price per share;
- (b) the procedures for any auction and remarketing, if any;
- (c) any listing of the preferred stock on any securities exchange; and
- (d) a discussion of any applicable material and/or special United States federal income tax considerations.

Additional Terms Applicable to Currently Authorized Preferred Stock

Except as otherwise set forth below, the following provisions are applicable to our currently authorized preferred stock, including currently outstanding shares and any additional shares that we may issue.

Ranking

All shares of senior preferred stock rank equally with one another and senior to our series preference stock and common stock with respect to dividends and rights upon our liquidation, dissolution or winding up.

Each series of series preference stock will rank as provided in the applicable certificate of determination, but no shares of series preference stock may be subject to any preference over, or rank in parity with, senior preferred stock.

Dividend Rights

Registered holders of senior preferred stock of each series are entitled to receive, when and as declared by our board of directors, out of our surplus or net profits, cumulative dividends at the full annual rate indicated in the title of each series, payable quarterly at dates fixed by the board of directors. Accumulations of dividends do not bear interest. Dividends on the shares of each series accrue from the date on which we initially issue the shares.

Subject to the preferential dividend rights of holders of senior preferred stock, registered holders of each series of series preferred stock would have such dividend rights as may be provided in the applicable certificate of determination.

Liquidation Rights

In the event of our liquidation, dissolution or winding up, whether voluntary or involuntary, the registered holders of each series of the senior preferred stock are entitled to receive out of our assets available for

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distribution to shareholders, the liquidation preference established for the shares of the series before any distribution of assets is made to the holders of the series preference stock or the common stock or any other security ranking junior to the senior preferred stock.

The involuntary liquidation preference is \$20 per share for all currently outstanding series of the cumulative preferred stock and \$25 per share for all currently outstanding series of the preference stock (cumulative). The voluntary liquidation preferences are the same as the redemption prices for all senior preferred stock. In addition to such liquidation preferences, in the event of our liquidation, dissolution or winding up, the holders of the senior preferred stock are also entitled to receive any accrued and unpaid dividends thereon, whether or not declared, through the date of such liquidation, dissolution or winding up before any distribution of assets is made to the holders of the series preference stock or the common stock or any other security ranking junior to the senior preferred stock.

Subject to the preferential liquidation rights of holders of the senior preferred stock, registered holders of each series of series preference stock would have such rights upon our liquidation, dissolution or winding up as may be provided in the applicable certificate of determination.

General Voting Rights

The holders of the cumulative preferred stock are entitled to two votes per share on all questions upon which the holders of common stock are entitled to vote. The holders of preference stock (cumulative) have no general voting rights, except as required by applicable state law.

The holders of each series of series preference stock would have such voting rights as may be provided in the applicable certificate of determination.

Special Voting Rights

The affirmative consent of the registered holders of at least two-thirds of the aggregate number of shares of senior preferred stock at the time outstanding, voting separately as a class with one vote for each share, are required to:

- (a) increase the authorized number of shares of senior preferred stock or authorize any class of stock with any preference over, or on a parity with, the currently authorized preferred stock, unless the new class has parity or priority as to dividends or assets only and the proceeds from the sale thereof are to be used to redeem the outstanding series with respect to which there will be a priority or parity;
- (b) change any of the provisions relating to the senior preferred stock, or any series thereof, which would change the express terms or provisions thereof in any manner prejudicial to the holders thereof, except that if such change is prejudicial only to the holders of less than all series, only the consent of the holders of at least two-thirds of the shares of the series so affected is required; or
- (c) merge with or consolidate into any other corporation or corporations, except a wholly-owned subsidiary.

If unpaid dividends on the outstanding shares of senior preferred stock, or any series thereof, were to equal eight full quarterly dividends, then, until all dividends in default have been paid or declared and set aside, the holders of such shares, voting separately as a class with one vote for each share, would be entitled to elect the smallest number of directors necessary to constitute a majority of the full board of directors, and the holders of the common stock and any other shares of preferred stock entitled to vote with respect to the election of directors would be entitled to elect the remaining directors.

Registered holders of each series of series preference stock would have such special voting rights as may be provided in the applicable certificate of determination.

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Pre-Emptive, Subscription and Conversion Rights, and Non-Assessability

The currently authorized preferred stock does not have any pre-emptive, subscription or conversion rights, nor are the shares thereof assessable.

Redemption

The senior preferred stock may be redeemed, in whole or from time to time in part, at our option, upon terms, at the times and at the redemption prices established for each series, as applicable, together with the amount of any dividends accrued or unpaid thereon to the date of redemption.

Each series of the series preference stock will be subject to such redemption provisions as may be provided in the applicable certificate of determination.

GLOBAL SECURITIES

The offered securities initially will be issued in book-entry form and represented by one or more global notes or global securities (collectively, “global securities”). The global securities will be deposited with, or on behalf of, The Depository Trust Company (“DTC”), New York, New York, as depository, and registered in the name of Cede & Co., the nominee of DTC. Unless and until it is exchanged for individual certificates evidencing offered securities under the limited circumstances described below, a global security may not be transferred except as a whole by the depository to its nominee or by the nominee to the depository, or by the depository or its nominee to a successor depository or to a nominee of the successor depository.

DTC has advised us that it is:

- a limited-purpose trust company organized under the New York Banking Law;
- a “banking organization” within the meaning of the New York Banking Law;
- a member of the Federal Reserve System;
- a “clearing corporation” within the meaning of the New York Uniform Commercial Code; and
- a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934.

DTC holds securities that its participants deposit with DTC. DTC also facilitates the settlement among its participants of securities transactions, including transfers and pledges, in deposited securities through electronic computerized book-entry changes in participants’ accounts, which eliminates the need for physical movement of securities certificates. “Direct participants” in DTC include securities brokers and dealers, including underwriters, banks, trust companies, clearing corporations and other organizations. DTC is owned by a number of its direct participants and by the New York Stock Exchange, Inc., the American Stock Exchange, Inc. and the National Association of Securities Dealers, Inc. Access to the DTC system is also available to others, which we sometimes refer to as “indirect participants,” that clear transactions through or maintain a custodial relationship with a direct participant either directly or indirectly. The rules applicable to DTC and its participants are on file with the SEC.

Purchases of offered securities within the DTC system must be made by or through direct participants, which will receive a credit for those offered securities on DTC’s records. The ownership interest of the actual purchaser of an offered security, which we sometimes refer to as a “beneficial owner,” is in turn recorded on the direct and indirect participants’ records. Beneficial owners of offered securities will not receive written confirmation from DTC of their purchases. However, beneficial owners are expected to receive written confirmations providing details of their transactions, as well as periodic statements of their holdings, from the direct or indirect participants through which they purchased offered securities. Transfers of ownership interests in global securities are to be accomplished by entries made on the books of participants acting on behalf of beneficial owners. Beneficial owners will not receive certificates representing their ownership interests in the global securities except in the event that use of the book-entry system for the securities is discontinued.

To facilitate subsequent transfers, all global securities deposited with DTC will be registered in the name of DTC’s nominee, Cede & Co. The deposit of offered securities with DTC and their registration in the name of Cede & Co. will not change the beneficial ownership of the offered securities. DTC has no knowledge of the actual beneficial owners of the offered securities. DTC’s records reflect only the identity of the direct participants to whose accounts the securities are credited, which may or may not be the beneficial owners. The participants are responsible for keeping account of their holdings on behalf of their customers.

So long as the securities are in book-entry form, you will receive payments and may transfer offered securities only through the facilities of the Depository and its direct and indirect participants. We will maintain an office or agency in the Borough of Manhattan, the City of New York, New York where notices and demands in

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respect of the securities and the indenture may be delivered to us and where certificated securities may be surrendered for payment, registration of transfer or exchange. That office or agency will initially be the office of the trustee, which is currently located at 100 Wall Street, Suite 1600, New York, New York 10005.

Conveyance of notices and other communications by DTC to direct participants, by direct participants to indirect participants and by direct participants and indirect participants to beneficial owners will be governed by arrangements among them, subject to any legal requirements in effect from time to time.

Redemption notices will be sent to DTC. If less than all of the offered securities of a particular series are being redeemed, DTC will determine the amount of the interest of each direct participant in the offered securities of such series to be redeemed in accordance with DTC's procedures.

In any case where a vote may be required with respect to offered securities of a particular series, neither DTC nor Cede & Co. will give consents for or vote the global securities unless authorized by a direct participant in accordance with DTC's procedures. Under its usual procedures, DTC will mail an omnibus proxy to us as soon as possible after the record date. The omnibus proxy assigns the consenting or voting rights of Cede & Co. to those direct participants to whose accounts the offered securities of such series are credited on the record date identified in a listing attached to the omnibus proxy.

So long as offered securities are in book-entry form, we will make payments on those offered securities to the depositary or its nominee, as the registered owner of such offered securities, by wire transfer of immediately available funds. If offered securities are issued in definitive certificated form under the limited circumstances described below we will have the option of paying interest by check mailed to the addresses of the persons entitled to payment or by wire transfer to bank accounts in the United States designated in writing to the trustee at least 15 days before the payment date by the persons entitled to payment.

Principal and interest payments on the offered securities will be made to Cede & Co., as nominee of DTC. DTC's practice is to credit direct participants' accounts on the relevant payment date. Payments by direct and indirect participants to beneficial owners will be governed by standing instructions and customary practices, as is the case with offered securities held for the account of customers in bearer form or registered in "street name." Those payments will be the responsibility of participants and not of DTC or us, subject to any legal requirements in effect from time to time. Payment of principal and interest to Cede & Co. is our responsibility, disbursement of payments to direct participants is the responsibility of DTC and disbursement of payments to the beneficial owners is the responsibility of direct and indirect participants.

Except under the limited circumstances described below, purchasers of offered securities will not be entitled to have offered securities registered in their names and will not receive physical delivery of offered securities. Accordingly, each beneficial owner must rely on the procedures of DTC and its participants to exercise any rights under the offered securities and the indenture.

The laws of some jurisdictions may require that some purchasers of offered securities take physical delivery of offered securities in definitive form. Those laws may impair the ability to transfer or pledge beneficial interests in offered securities.

DTC is under no obligation to provide its services as depositary for the offered securities and may discontinue providing its services at any time. Neither we nor the trustee will have any responsibility for the performance by DTC or its direct participants or indirect participants under the rules and procedures governing DTC.

As noted above, beneficial owners of a particular series of offered securities generally will not receive certificates representing their ownership interests in those offered securities. However, if:

- DTC notifies us that it is unwilling or unable to continue as a depositary for the global security or securities representing such series of offered securities or if DTC ceases to be a clearing agency

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registered under the Securities Exchange Act at a time when it is required to be registered and a successor depositary is not appointed within 90 days of the notification to us or of our becoming aware of DTC's ceasing to be so registered, as the case may be;

- we determine, in our sole discretion, not to have the offered securities of such series represented by one or more global securities of such series; or
- an event of default under the indenture has occurred and is continuing with respect to the offered securities,

we will prepare and deliver certificates for the offered securities of such series in exchange for beneficial interests in the global securities. Any beneficial interest in a global security that is exchangeable under the circumstances described in the preceding sentence will be exchangeable for securities in definitive certificated form registered in the names that the depositary directs. It is expected that these directions will be based upon directions received by the depositary from its participants with respect to ownership of beneficial interests in the global securities.

We have obtained the information in this section and elsewhere in this prospectus concerning DTC and DTC's book-entry system from sources that are believed to be reliable, but we do not take responsibility for the accuracy of this information.

PLAN OF DISTRIBUTION

We may sell the offered securities described in this prospectus from time to time in one or more transactions:

- to purchasers directly;
- to underwriters for public offering and sale by them;
- through agents;
- through dealers; or
- through a combination of any of the foregoing methods of sale.

We may distribute the offered securities from time to time in one or more transactions at:

- a fixed price or prices, which may be changed;
- market prices prevailing at the time of sale;
- prices related to such prevailing market prices; or
- negotiated prices.

Direct Sales

We may sell the offered securities directly to institutional investors or others who may be deemed to be underwriters within the meaning of the Securities Act with respect to any resale of the offered securities. A prospectus supplement will describe the terms of any sale of offered securities we are offering hereunder.

To Underwriters

The prospectus supplement will name any underwriter involved in a sale of offered securities. Underwriters may offer and sell securities at a fixed price or prices, which may be changed, or from time to time at market prices or at negotiated prices. Underwriters may be deemed to have received compensation from us from sales of offered securities in the form of underwriting discounts or commissions and may also receive commissions from purchasers of offered securities for whom they may act as agent.

Underwriters may sell the offered securities to or through dealers, and such dealers may receive compensation in the form of discounts, concessions or commissions from the underwriters and/or commissions, which may be changed from time to time, from the purchasers for whom they may act as agent.

Unless otherwise provided in a prospectus supplement, the obligations of any underwriters to purchase offered securities will be subject to certain conditions precedent, and the underwriters will be obligated to purchase all the offered securities of such series if they purchase any.

Through Agents and Dealers

We will name any agent involved in a sale of the offered securities, as well as any commissions payable by us to such agent, in a prospectus supplement. Unless we indicate differently in the prospectus supplement, any such agent will be acting on a reasonable efforts basis for the period of its appointment.

If we utilize a dealer in the sale of the offered securities being offered pursuant to this prospectus, we will sell the offered securities to the dealer, as principal. The dealer may then resell the offered securities to the public at varying prices to be determined by the dealer at the time of resale.

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Delayed Delivery Contracts

If we so specify in the applicable prospectus supplement, we will authorize underwriters, dealers and agents to solicit offers by certain institutions to purchase offered securities pursuant to contracts providing for payment and delivery on future dates. Such contracts will be subject to only those conditions set forth in the applicable prospectus supplement.

The underwriters, dealers and agents will not be responsible for the validity or performance of the contracts. We will set forth in the prospectus supplement relating to the contracts the price to be paid for the offered securities, the commissions payable for solicitation of the contracts and the date in the future for delivery of the securities.

General Information

Underwriters, dealers and agents participating in a sale of the offered securities may be deemed to be underwriters as defined in the Securities Act, and any discounts and commissions received by them and any profit realized by them on resale of the securities may be deemed to be underwriting discounts and commissions, under the Securities Act. We may have agreements with underwriters, dealers and agents to indemnify them against certain civil liabilities, including liabilities under the Securities Act, and to reimburse them for certain expenses.

Underwriters or agents and their associates may be customers of, engage in transactions with or perform services for us or our affiliates in the ordinary course of business.

Unless we indicate differently in a prospectus supplement, we will not list the offered securities on any securities exchange. The offered securities will be a new issue of securities with no established trading market. Any underwriters that purchase offered securities for public offering and sale may make a market in such offered securities, but such underwriters will not be obligated to do so and may discontinue any market making at any time without notice. We make no assurance as to the liquidity of or the trading markets for any offered securities.

LEGAL MATTERS

Gary W. Kyle, Chief Corporate Counsel of Sempra Energy, our ultimate parent company, will pass upon the validity of the first mortgage bonds and the preferred stock and various other legal matters relating to the issuance and sale of the offered securities. Latham & Watkins LLP will pass upon certain legal matters relating to the issuance and sale of the senior debt securities on our behalf. Sidley Austin LLP will act as counsel for the underwriters. Paul C. Pringle, a partner of Sidley Austin LLP, owns 3,653 shares of common stock of Sempra Energy.

EXPERTS

The consolidated financial statements incorporated by reference from San Diego Gas & Electric Company's annual report on Form 10-K for the year ended December 31, 2008 and the effectiveness of San Diego Gas & Electric Company's internal control over financial reporting have been audited by Deloitte & Touche LLP, an independent registered public accounting firm, as stated in their reports, which are incorporated herein by reference, and have been so incorporated in reliance upon the reports of such firm given upon their authority as experts in accounting and auditing.

WHERE YOU CAN FIND MORE INFORMATION

Available Information

We file annual, quarterly and current reports, proxy statements and other information with the SEC. Our SEC filings are available to the public over the Internet at the SEC's website at www.sec.gov. You may also read and copy any document we file with the SEC at the SEC's Public Reference Room at 100 F Street, N.E., Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information on the public reference rooms.

Certain of our securities are listed on the NYSE Amex stock exchange, and you may inspect reports, proxy statements and other information concerning us at the offices of the exchange at 20 Broad Street, New York, New York 10004.

This prospectus is part of a registration statement that we filed with the SEC. The full registration statement may be obtained from the SEC or from us, as indicated below. Forms of the indentures and other documents establishing the terms of the offered securities are filed as exhibits to the registration statement. Statements in this prospectus about these documents are summaries. You should refer to the actual documents for a more complete description of the relevant matters.

This prospectus and any accompanying prospectus supplement incorporate important business and financial information about us that is not included in or delivered with this prospectus and any accompanying prospectus supplement. The information incorporated by reference is considered to be part of this prospectus and any accompanying prospectus supplement, except for any information superseded by information in this prospectus and any accompanying prospectus supplement.

INCORPORATION BY REFERENCE

The rules of the SEC allow us to “incorporate by reference” information into this prospectus, which means that we can disclose important information to you by referring you to another document filed separately with the SEC. The information incorporated by reference is deemed to be part of this prospectus, and later information that we file with the SEC will automatically update and supersede that information. This prospectus incorporates by reference the documents set forth below that have been previously filed with the SEC. These documents contain important information about us.

SEC Filings (File No. 1-3779)

Annual Report on Form 10-K
Current Report on Form 8-K
Quarterly Report on Form 10-Q

Period

Year ended December 31, 2008
Filed on April 3, 2009
Quarter ended March 31, 2009

We are also incorporating by reference additional documents that we file with the SEC pursuant to Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934, as amended, after the date of this prospectus and any accompanying prospectus supplement through the completion of the offering. We are not, however, incorporating by reference any documents or portions thereof, whether specifically listed above or filed in the future, that are not deemed “filed” with the SEC or any information furnished pursuant to Items 2.02 or 7.01 of Form 8-K or certain exhibits furnished pursuant to Item 9.01 of Form 8-K.

We will provide without charge to each person to whom a copy of this prospectus has been delivered a copy of any and all of these filings. You may request a copy of these filings by writing or telephoning us at San Diego Gas & Electric Company, 8326 Century Park Court, San Diego, California 92123, Attention: Corporate Secretary, Telephone: (619) 696-2034.

PART II. INFORMATION NOT REQUIRED IN PROSPECTUS**Item 14. Other Expenses of Issuance and Distribution.**

Securities and Exchange Commission registration fee	\$ 139,500
Printing expenses	\$ 150,000
Trustee fees and expenses	\$ 50,000
Legal fees and expenses	\$ 100,000
Accounting fees and expenses	\$ 100,000
Blue Sky fees and expenses	\$ 50,000
Rating Agency fees	\$ 250,000
Miscellaneous	\$ 5,500
Total	\$ 845,000

All of the above except the Securities and Exchange Commission registration fee are estimated.

Item 15. Indemnification of Officers and Directors.

Section 317 of the Corporations Code of the State of California permits a corporation to provide indemnification to its directors and officers under certain circumstances. The San Diego Gas & Electric Company Amended and Restated Articles of Incorporation and Restated Bylaws eliminate the liability of directors for monetary damages to the fullest extent permissible under California law and provide that indemnification for liability for monetary damages incurred by directors, officers and other agents of San Diego Gas & Electric Company will be allowed, subject to certain limitations, in excess of the indemnification otherwise permissible under California law. In addition, San Diego Gas & Electric Company has indemnification agreements with each of its officers and directors that provide for indemnification for monetary damages to the fullest extent permissible under California law. San Diego Gas & Electric Company maintains liability insurance and is also insured against loss for which it may be required or permitted by law to indemnify its directors and officers for their related acts.

The directors and officers of San Diego Gas & Electric Company are covered by insurance policies indemnifying them against certain liabilities, including certain liabilities arising under the Securities Act, which might be incurred by them in such capacities and against which they cannot be indemnified by San Diego Gas & Electric Company.

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers or persons controlling the registrant pursuant to the foregoing provisions, the registrant has been informed that in the opinion of the SEC such indemnification is against public policy as expressed in the Securities Act and is therefore unenforceable.

Item 16. Exhibits.

<u>Exhibit No.</u>	<u>Description</u>
*1.1	Form of Underwriting Agreement (Senior Debt Securities).
**1.2	Form of Underwriting Agreement (First Mortgage Bonds).
*1.3	Form of Underwriting Agreement (Preferred Stock).
3.1	Amended and Restated Articles of Incorporation (incorporated by reference from the Form 10-K for the year ended December 31, 2006 (Exhibit 3.02)).
3.2	Amended Bylaws effective August 4, 2003 (incorporated by reference from the Form 10-K for the year ended December 31, 2007 (Exhibit 3.01)).

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<u>Exhibit No.</u>	<u>Description</u>
4.1	Form of Indenture (Senior Debt Securities) (incorporated by reference from the Registration Statement on Form S-3 File No. 333-52150 filed December 19, 2000 (Exhibit 4.1)).
4.2	Form of Senior Debt Security (included in Exhibit 4.1).
4.3	Mortgage and Deed of Trust dated as of July 1, 1940 (incorporated by reference from the Registration Statement on Form A-2 File No. 2-4769 filed May 27, 1941 (Exhibit B-3)).
4.4	Second Supplemental Indenture dated as of March 1, 1948 (incorporated by reference from the Registration Statement on Form S-1 File No. 2-7418 filed March 9, 1948 (Exhibit B-5B)).
4.5	Ninth Supplemental Indenture dated as of August 1, 1968 (incorporated by reference from the Registration Statement on Form S-3/A File No. 333-52150 filed February 27, 2001 (Exhibit 4.5)).
4.6	Tenth Supplemental Indenture dated as of December 1, 1968 (incorporated by reference from the Registration Statement on Form S-1 File No. 2-36042 filed January 21, 1970 (Exhibit 2-K)).
4.7	Sixteenth Supplemental Indenture dated as of August 28, 1975 (incorporated by reference from the Registration Statement on Form S-3 File No. 33-34017 filed on March 28, 1990 (Exhibit 4.2)).
4.8	Thirtieth Supplemental Indenture dated as of September 28, 1983 (incorporated by reference from the Registration Statement on Form S-3 File No. 33-34017 filed on March 28, 1990 (Exhibit 4.3)).
4.9	Form of First Mortgage Bond (included in Exhibit 4.3).
*4.10	Form of Preferred Stock Certificate.
**5.1	Opinion of Gary Kyle, Esq.
**5.2	Opinion of Latham & Watkins LLP.
**12.1	Statements regarding the computation of ratio of earnings to fixed charges and the computation of ratio of earnings to combined fixed charges and preferred stock dividends for the years ended December 31, 2008, 2007, 2006, 2005 and 2004 and for the three-months ended March 31, 2009.
**23.1	Consent of Gary Kyle, Esq. (included in Exhibit 5.1).
**23.2	Independent Registered Public Accounting Firm's Consent (Deloitte & Touche LLP).
**23.3	Consent of Latham & Watkins LLP (included in Exhibit 5.2).
24.1	Power of Attorney (incorporated by reference to the signature page hereto).
25.1	Statement of Eligibility on Form T-1 under the Trust Indenture Act of 1939, as amended, of U.S. Bank Trust National Association, as Trustee under the Indenture (incorporated by reference from the Registration Statement on Form S-3 File No. 333-52150 filed December 19, 2000 (Exhibit 25.1)).
25.2	Statement of Eligibility on Form T-1 under the Trust Indenture Act of 1939 as amended, of U.S. Bank Trust National Association, as Trustee under the Mortgage and Deed of Trust (incorporated by reference from the Registration Statement on Form S-3/A File No. 333-52150 filed February 27, 2001 (Exhibit 25.2)).

* To be filed by amendment or incorporated by reference in connection with the offering of the offered securities.

** Filed herewith.

Item 17. Undertakings.

(a) The undersigned Registrant hereby undertakes:

(1) To file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement:

(i) To include any prospectus required by Section 10(a)(3) of the Securities Act of 1933;

(ii) To reflect in the prospectus any facts or events arising after the effective date of the registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the registration statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the Commission pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than a 20 percent change in the maximum aggregate offering price set forth in the "Calculation of Registration Fee" table in the effective registration statement; and

(iii) To include any material information with respect to the plan of distribution not previously disclosed in the registration statement or any material change to such information in the registration statement;

provided, however, that paragraphs (a)(1)(i), (a)(1)(ii) and (a)(1)(iii) of this section do not apply if the information required to be included in a post-effective amendment by those paragraphs is contained in reports filed with or furnished to the Commission by the Registrant pursuant to section 13 or section 15(d) of the Securities Exchange Act of 1934 that are incorporated by reference in the registration statement, or is contained in a form of prospectus filed pursuant to Rule 424(b) that is part of the registration statement.

(2) That, for the purpose of determining any liability under the Securities Act of 1933, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial *bona fide* offering thereof.

(3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

(4) That, for the purpose of determining liability under the Securities Act of 1933 to any purchaser:

(i) each prospectus filed by the Registrant pursuant to Rule 424(b)(3) shall be deemed to be part of the registration statement as of the date the filed prospectus was deemed part of and included in the registration statement; and

(ii) each prospectus required to be filed pursuant to Rule 424(b)(2), (b)(5) or (b)(7) as part of a registration statement in reliance on Rule 430B relating to an offering made pursuant to Rule 415(a)(1)(i), (vii), or (x) for the purpose of providing the information required by section 10(a) of the Securities Act of 1933 shall be deemed to be part of and included in the registration statement as of the earlier of the date such form of prospectus is first used after effectiveness or the date of the first contract of sale of securities in the offering described in the prospectus. As provided in Rule 430B, for liability purposes of the issuer and any person that is at that date an underwriter, such date shall be deemed to be a new effective date of the registration statement relating to the securities in the registration statement to which that prospectus relates, and the offering of such securities at that time shall be deemed to be the initial *bona fide* offering thereof. *Provided, however*, that no statement made in a registration statement or prospectus that is part of the registration statement or made in a document incorporated or deemed incorporated by reference into the registration statement or prospectus that is part of the registration statement will, as to a purchaser with a time of contract of sale prior to such effective date, supersede or modify any statement that was made in the registration statement or

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prospectus that was part of the registration statement or made in any such document immediately prior to such effective date.

(5) That, for the purpose of determining liability of the Registrant under the Securities Act of 1933 to any purchaser in the initial distribution of the securities, the undersigned Registrant undertakes that in a primary offering of securities of the undersigned Registrant pursuant to this registration statement, regardless of the underwriting method used to sell the securities to the purchaser, if the securities are offered or sold to such purchaser by means of any of the following communications, the undersigned Registrant will be a seller to the purchaser and will be considered to offer or sell such securities to such purchaser:

- (i) Any preliminary prospectus or prospectus of the undersigned Registrant relating to the offering required to be filed pursuant to Rule 424;
- (ii) Any free writing prospectus relating to the offering prepared by or on behalf of the undersigned Registrant or used or referred to by the undersigned Registrant;
- (iii) The portion of any other free writing prospectus relating to the offering containing material information about the undersigned Registrant or its securities provided by or on behalf of the undersigned Registrant; and
- (iv) Any other communication that is an offer in the offering made by the undersigned Registrant to the purchaser.

(b) The undersigned Registrant hereby undertakes that, for purposes of determining any liability under the Securities Act of 1933, each filing of the Registrant's annual report pursuant to Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934 (and, where applicable, each filing of an employee benefit plan's annual report pursuant to Section 15(d) of the Securities Exchange Act of 1934) that is incorporated by reference in the registration statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial *bona fide* offering thereof.

(c) The undersigned Registrant hereby undertakes to file an application for the purpose of determining the eligibility of the trustee to act under subsection (a) of Section 310 of the Trust Indenture Act in accordance with the rules and regulations prescribed by the Commission under Section 305(b)(2) of the Trust Indenture Act.

(d) Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the Registrant pursuant to the foregoing provisions, or otherwise, the Registrant has been advised that, in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than for the payment by the Registrant of expenses incurred or paid by a director, officer or controlling person of the Registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the Registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, as amended, San Diego Gas & Electric Company certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of San Diego, State of California, on the 7th day of May 2009.

San Diego Gas & Electric Company

By: /s/ **DEBRA L. REED**
Debra L. Reed
Chair of the Board, President and Chief Executive
Officer

POWER OF ATTORNEY

Each director and/or officer of the registrant whose signature appears below hereby appoints Debra L. Reed, Michael R. Niggli and Robert M. Schlax, and each of them severally, as his or her true and lawful attorney-in-fact and agent to sign in his or her name and behalf, in any and all capacities stated below, and to file with the Securities and Exchange Commission, any and all amendments, including post-effective amendments and any registration statement for the same offering that is to be effective under Rule 462(b) of the Securities Act, to this registration statement, and the registrant hereby also appoints each such person as its attorney-in-fact and agent with like authority to sign and file any such amendments in its name and behalf.

Pursuant to the requirements of the Securities Act of 1933, as amended, this registration statement has been signed below by the following persons in the capacities indicated on the 7th day of May 2009.

<u>Signature</u>	<u>Title</u>
<u> </u> /s/ DEBRA L. REED Debra L. Reed	Chair of the Board, President and Chief Executive Officer (Principal Executive Officer) and Director
<u> </u> /s/ MICHAEL R. NIGGLI Michael R. Niggli	Chief Operating Officer and Director
<u> </u> /s/ JEFFREY W. MARTIN Jeffrey W. Martin	Director
<u> </u> /s/ ROBERT M. SCHLAX Robert M. Schlax	Vice President, Chief Financial Officer and Controller (Principal Financial and Accounting Officer)

EXHIBIT INDEX

<u>Exhibit No.</u>	<u>Description</u>
*1.1	Form of Underwriting Agreement (Senior Debt Securities).
**1.2	Form of Underwriting Agreement (First Mortgage Bonds).
*1.3	Form of Underwriting Agreement (Preferred Stock).
3.1	Amended and Restated Articles of Incorporation (incorporated by reference from the Form 10-K for the year ended December 31, 2006 (Exhibit 3.02)).
3.2	Amended Bylaws effective August 4, 2003 (incorporated by reference from the Form 10-K for the year ended December 31, 2007 (Exhibit 3.01)).
4.1	Form of Indenture (Senior Debt Securities) (incorporated by reference from the Registration Statement on Form S-3 File No. 333-52150 filed December 19, 2000 (Exhibit 4.1)).
4.2	Form of Senior Debt Security (included in Exhibit 4.1).
4.3	Mortgage and Deed of Trust dated as of July 1, 1940 (incorporated by reference from the Registration Statement on Form A-2 File No. 2-4769 filed May 27, 1941 (Exhibit B-3)).
4.4	Second Supplemental Indenture dated as of March 1, 1948 (incorporated by reference from the Registration Statement on Form S-1 File No. 2-7418 filed March 9, 1948 (Exhibit B-5B)).
4.5	Ninth Supplemental Indenture dated as of August 1, 1968 (incorporated by reference from the Registration Statement on Form S-3/A File No. 333-52150 filed February 27, 2001 (Exhibit 4.5)).
4.6	Tenth Supplemental Indenture dated as of December 1, 1968 (incorporated by reference from the Registration Statement on Form S-1 File No. 2-36042 filed January 21, 1970 (Exhibit 2-K)).
4.7	Sixteenth Supplemental Indenture dated as of August 28, 1975 (incorporated by reference from the Registration Statement on Form S-3 File No. 33-34017 filed on March 28, 1990 (Exhibit 4.2)).
4.8	Thirtieth Supplemental Indenture dated as of September 28, 1983 (incorporated by reference from the Registration Statement on Form S-3 File No. 33-34017 filed on March 28, 1990 (Exhibit 4.3)).
4.9	Form of First Mortgage Bond (included in Exhibit 4.3).
*4.10	Form of Preferred Stock Certificate.
**5.1	Opinion of Gary Kyle, Esq.
**5.2	Opinion of Latham & Watkins LLP.
**12.1	Statements regarding the computation of ratio of earnings to fixed charges and the computation of ratio of earnings to combined fixed charges and preferred stock dividends for the years ended December 31, 2008, 2007, 2006, 2005 and 2004 and for the three-months ended March 31, 2009.
**23.1	Consent of Gary Kyle, Esq. (included in Exhibit 5.1).
**23.2	Independent Registered Public Accounting Firm's Consent (Deloitte & Touche LLP).
**23.3	Consent of Latham & Watkins LLP (included in Exhibit 5.2).
24.1	Power of Attorney (incorporated by reference to the signature page hereto).
25.1	Statement of Eligibility on Form T-1 under the Trust Indenture Act of 1939, as amended, of U.S. Bank Trust National Association, as Trustee under the Indenture (incorporated by reference from the Registration Statement on Form S-3 File No. 333-52150 filed December 19, 2000 (Exhibit 25.1)).
25.2	Statement of Eligibility on Form T-1 under the Trust Indenture Act of 1939 as amended, of U.S. Bank Trust National Association, as Trustee under the Mortgage and Deed of Trust (incorporated by reference from the Registration Statement on Form S-3/A File No. 333-52150 filed February 27, 2001 (Exhibit 25.2)).

* To be filed by amendment or incorporated by reference in connection with the offering of the offered securities.

** Filed herewith.

San Diego Gas & Electric Company

First Mortgage Bonds

 Underwriting Agreement

— —, —

—
—
—

As Representatives of the several Underwriters

Ladies and Gentlemen:

San Diego Gas & Electric Company, a California corporation (the “**Company**”), confirms its agreement with each of the Underwriters named in Schedule I hereto (collectively, the “**Underwriters**,” which term shall also include any underwriter substituted as hereinafter provided in Section 9 hereof), for whom —, — and — are acting as representatives (the “**Representatives**”), with respect to the issue and sale by the Company and the purchase by the Underwriters, acting severally and not jointly, of \$— aggregate principal amount of the Company’s —% First Mortgage Bonds, Series —, due — (the “**Bonds**”). The Bonds are to be issued pursuant to an indenture dated July 1, 1940, as amended and supplemented to date, including the Supplemental Indenture dated as of — —, — (the “**Indenture**”), between the Company and U.S. Bank National Association, as successor trustee to U.S. Bank Trust National Association (the “**Trustee**”).

The Company has filed with the Securities and Exchange Commission (the “**Commission**”) a shelf registration statement on Form S-3 (File No. 333—) under the Securities Act of 1933, as amended (the “**Act**”) for the registration of the Company’s first mortgage bonds (the “**First Mortgage Bonds**”) (such registration statement, as amended, including the information deemed pursuant to Rule 430B under the rules and regulations of the Commission under the Act (the “**Rules and Regulations**”) to be part of the registration statement at the time of its effectiveness (“**Rule 430B Information**”) the “**Initial Registration Statement**”); the Initial Registration Statement and any post-effective amendments thereto subsequent to the date hereof, each in the form heretofore delivered or to be delivered to the Representatives and, excluding exhibits to the Initial Registration Statement but including all documents incorporated by reference in the prospectus contained in such Initial Registration Statement, to the Representatives for each of the other Underwriters, has been declared effective by the Commission in such form; a registration statement, if any, increasing the size of the offering, filed pursuant to Rule 462(b) of the Rules and Regulations is herein referred to as the “**Rule 462(b) Registration Statement**.”

The term “**Registration Statement**” means, collectively, the various parts of the Initial Registration Statement, any post-effective amendment thereto and the Rule 462(b) Registration

Statement, if any, including all exhibits thereto and the documents incorporated by reference in the prospectus contained in the Initial Registration Statement at the time such part of the Initial Registration Statement became effective but excluding any Form T-1, each as amended at the time such part of the Initial Registration Statement became effective or such part of the Rule 462(b) Registration Statement, if any, became or hereafter becomes effective. The Company proposes to file with the Commission pursuant to Rule 424(b) of the Rules and Regulations the Prospectus Supplement (as defined in Section 5(h)) hereof relating to the Bonds and the prospectus dated —, —, — (the “**Base Prospectus**”), and has previously advised you of all further information (financial and other) with respect to the Company set forth therein. The Base Prospectus together with the Prospectus Supplement, in their respective forms on the date hereof (being the forms in which they are to be filed with the Commission pursuant to Rule 424(b) of the Rules and Regulations), including all documents incorporated or deemed to be incorporated by reference therein through the date hereof, are hereinafter referred to as, collectively, the “**Prospectus**,” except that if any revised prospectus or prospectus supplement shall be provided to the Underwriters by the Company for use in connection with the offering and sale of the Bonds which differs from the Prospectus (whether or not such revised prospectus or prospectus supplement is required to be filed by the Company pursuant to Rule 424(b) of the Rules and Regulations), the term “Prospectus” shall refer to such revised prospectus or prospectus supplement, as the case may be, from and after the time it is first provided to the Underwriters for such use. The term “**Preliminary Prospectus**,” as used in this Agreement, means the preliminary prospectus supplement dated —, —, — and filed with the Commission on —, —, — pursuant to Rule 424(b) of the Rules and Regulations, together with the Base Prospectus used with such preliminary prospectus supplement in connection with the marketing of the Bonds, in each case as amended or supplemented by the Company. Unless the context otherwise requires, all references in this Agreement to documents, financial statements and schedules and other information which is “contained,” “included,” “stated,” “described in” or “referred to” in the Registration Statement, the Preliminary Prospectus or the Prospectus (and all other references of like import) shall be deemed to mean and include all such documents, financial statements and schedules and other information which is or is deemed to be incorporated by reference in the Registration Statement, the Preliminary Prospectus or the Prospectus, as the case may be; and all references in this Agreement to amendments or supplements to the Registration Statement, the Preliminary Prospectus or the Prospectus shall be deemed to mean and include the filing of any document under the Securities Exchange Act of 1934, as amended (the “**Exchange Act**”), after the date of this Agreement which is or is deemed to be incorporated by reference in the Registration Statement, the Preliminary Prospectus or the Prospectus, as the case may be.

At or prior to — [p.m.] (New York City time) on the date hereof, which was the time when sales of the Bonds were first made (such time, the “**Applicable Time**”), the Company had prepared the following information (collectively the “**Pricing Disclosure Package**”): the Preliminary Prospectus and each “free-writing prospectus” (as defined pursuant to Rule 405 of the Rules and Regulations) listed on Schedule II hereto.

1. The Company represents and warrants to each Underwriter as of the date hereof (such date being hereinafter referred to as the “**Representation Date**”), as of the Applicable Time, and as of the Time of Delivery referred to in Section 4 as follows:

(a) No order preventing or suspending the use of the Preliminary Prospectus has been issued by the Commission, and the Preliminary Prospectus, at the time of filing thereof, complied in all material respects with the Act and did not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, however, that the representations and warranties in this subsection (a) shall not apply to statements in or omissions from the Preliminary Prospectus made in reliance upon and in conformity with information furnished to the Company in writing by any Underwriter through the Representatives expressly for use in the Preliminary Prospectus.

(b) The Pricing Disclosure Package, at the Applicable Time did not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, however, that the representations and warranties in this subsection (b) shall not apply to statements in or omissions from the Pricing Disclosure Package made in reliance upon and in conformity with information furnished to the Company in writing by any Underwriter through the Representatives expressly for use in such Pricing Disclosure Package.

(c) The Company (including its agents and representatives, other than the Underwriters in their capacity as such) has not prepared, made, used, authorized, approved or referred to and will not prepare, make, use, authorize, approve or refer to any “written communication” (as defined in Rule 405 of the Rules and Regulations) that constitutes an offer to sell or solicitation of an offer to buy the Bonds (each such communication by the Company or its agents and representatives other than the Underwriters in their capacity as such (other than a communication referred to in clauses (i), (ii) and (iii) below) an “**Issuer Free Writing Prospectus**”) other than (i) any document not constituting a prospectus pursuant to Section 2(a)(10)(a) of the Rules and or Rule 134 of the Rules and Regulations, (ii) the Preliminary Prospectus, (iii) the Prospectus, (iv) the documents listed on Schedule II hereto and (v) any electronic road show or other written communications, in each case approved in writing in advance by the Representatives. Each such Issuer Free Writing Prospectus complied in all material respects with the Act, has been or will be (within the time period specified in Rule 433 of the Rules and Regulations) filed (to the extent required thereby) in accordance with the Act and when taken together with the Preliminary Prospectus accompanying, or delivered prior to delivery of, such Issuer Free Writing Prospectus, did not, and at the Time of Delivery will not, contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, however, that the representations and warranties in this subsection (c) shall not apply to statements in or omissions from any Issuer Free Writing Prospectus made in reliance upon and in conformity with information furnished to the Company in writing by any Underwriter through the Representatives expressly for use in any Issuer Free Writing Prospectus. Each Issuer Free Writing Prospectus, as of its issue date and at all subsequent times through the completion of the public offer and sale of the Bonds or until any earlier date that the Company notified or notifies the Representatives as described in Section 5(c), did

not, does not and will not include any information that conflicted, conflicts or will conflict with the information contained in the Registration Statement, the Prospectus or the Preliminary Prospectus that has not been superseded or modified.

(d) Each of the Registration Statement and the Base Prospectus, at the respective times the Registration Statement and any post-effective amendments thereto became effective and as of the Representation Date, complied and comply in all material respects with the requirements of the Act and the Rules and Regulations (including Rule 415(a) of the Rules and Regulations), and the Trust Indenture Act of 1939, as amended (the “**Trust Indenture Act**”), and the rules and regulations of the Commission under the Trust Indenture Act, and did not and as of the Representation Date and at the Time of Delivery do not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading. No order suspending the effectiveness of the Registration Statement has been issued under the Act and no proceedings for that purpose or pursuant to Section 8A of the Act against the Company or related to the offering of the Bonds have been instituted or are pending or, to the knowledge of the Company, are contemplated by the Commission, and any request on the part of the Commission for additional information has been complied with. The Prospectus, at the Representation Date (unless the term “Prospectus” refers to a prospectus which has been provided to the Underwriters by the Company for use in connection with the offering of the Securities which differs from the Prospectus filed with the Commission pursuant to Rule 424(b) of the Rules and Regulations, in which case at the time it is first provided to the Underwriters for such use) and at the Time of Delivery, does not and will not include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, however, that the representations and warranties in this subsection (d) shall not apply to statements in or omissions from the Registration Statement or Prospectus made in reliance upon and in conformity with information furnished to the Company in writing by any Underwriter through the Representatives expressly for use in the Registration Statement or the Prospectus or the information contained in any Statement of Eligibility and Qualification of a trustee under the Trust Indenture Act filed as an exhibit to the Registration Statement (a “**Form T-1**”).

(e) The documents filed by the Company and incorporated or deemed to be incorporated by reference into the Registration Statement, the Prospectus and the Pricing Disclosure Package pursuant to Item 12 of Form S-3 under the Act, at the time they were or hereafter are filed with the Commission, complied and will comply in all material respects with the requirements of the Exchange Act and the rules and regulations of the Commission thereunder (the “**Exchange Act Regulations**”), and, when read together and with the other information in the Registration Statement, the Prospectus and the Pricing Disclosure Package, at the respective times the Registration Statement and any amendments thereto became effective, at the Representation Date, the Applicable Time and at the Time of Delivery, did not, do not and will not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(f) The Company and its subsidiaries taken as a whole have not sustained since the date of the latest audited financial statements included or incorporated by reference in the Prospectus any material loss or interference with its business from fire, explosion, flood or other calamity, whether or not covered by insurance, or from any labor dispute or court or governmental action, order or decree, otherwise than as set forth or contemplated in the Pricing Disclosure Package and the Prospectus; and, since the date as of which information is given in the Pricing Disclosure Package and the Prospectus, there has not been any material change in the capital stock or long-term debt of the Company or any of its subsidiaries or any material adverse change, or any development involving a prospective material adverse change, in or affecting the general affairs, management, financial position, shareholders' equity or results of operations of the Company and its subsidiaries, taken as a whole, otherwise than as set forth or contemplated in the Pricing Disclosure Package or the Prospectus;

(g) The Company has been duly incorporated and is validly existing as a corporation in good standing under the laws of the State of California, with power and authority (corporate and other) to own its properties and conduct its business as described in the Pricing Disclosure Package and the Prospectus, and has been duly qualified as a foreign corporation for the transaction of business and is in good standing under the laws of each other jurisdiction in which it owns or leases properties or conducts any business so as to require such qualification, except where the failure to be so qualified would not subject it to material liability or disability; the subsidiaries of the Company, considered in the aggregate as a single subsidiary, do not constitute a "significant subsidiary" as defined in Rule 1-02 of Regulation S-X;

(h) The Company has an authorized capitalization as set forth in the Pricing Disclosure Package and the Prospectus, and all of the issued shares of capital stock of the Company have been duly and validly authorized and issued and are fully paid and non-assessable and conform to the description thereof contained in the Prospectus;

(i) The Bonds have been duly authorized for issuance and sale by the Company and, when the Bonds are issued and delivered pursuant to this Agreement, the Bonds will have been duly executed, authenticated, issued and delivered and will constitute valid and legally binding obligations of the Company entitled to the benefits provided by the Indenture; the Indenture has been duly authorized and duly qualified under the Trust Indenture Act and, at the Time of Delivery, the Indenture will constitute a valid and legally binding instrument, enforceable in accordance with its terms, subject, as to enforcement, to bankruptcy, insolvency, receivership, liquidation, fraudulent conveyance, fraudulent transfer, reorganization, moratorium and similar laws of general applicability relating to or affecting creditors' rights and to general equity principles; and the Indenture conforms, and the Bonds will conform, to the descriptions thereof contained in the Pricing Disclosure Package and the Prospectus as amended or supplemented;

(j) This Agreement has been duly authorized, executed and delivered by the Company;

(k) The issue and sale of the Bonds and the compliance by the Company with all of the provisions of the Bonds, the Indenture and this Agreement, and the consummation of the transactions herein and therein contemplated will not conflict with or result in a breach or violation of any of the terms or provisions of, or constitute a default under, any material contract, indenture, mortgage, deed of trust, loan agreement, note, lease or other agreement or instrument to which the Company is a party or by which the Company is bound or to which any of the material properties or assets of the Company is subject, nor will such action result in any violation of the provisions of the Articles of Incorporation or Bylaws of the Company or any statute or any order, rule or regulation of any court or governmental agency or body having jurisdiction over the Company or any of its material properties; and no consent, approval, authorization, order, registration or qualification of or with any such court or governmental agency or body is required for the issue and sale of the Bonds or the consummation by the Company of the transactions contemplated by this Agreement or the Indenture, except such as have been obtained under the Act, the Trust Indenture Act and from the Public Utilities Commission of the State of California and such consents, approvals, authorizations, registrations or qualifications as may be required under state securities or Blue Sky laws in connection with the purchase and distribution of the Bonds by the Underwriters;

(l) The statements set forth in the Pricing Disclosure Package and the Prospectus as amended or supplemented under the captions "Description of First Mortgage Bonds" and "Supplemental Description of First Mortgage Bonds," insofar as they purport to constitute a summary of the terms of the First Mortgage Bonds or the Indenture, and under the captions "Plan of Distribution" and "Underwriting," insofar as they purport to describe the provisions of the laws and documents referred to therein, are accurate, complete and fair in all material respects;

(m) The Company is not (i) in violation of its Articles of Incorporation or Bylaws or (ii) in default in the performance or observance of any material obligation, agreement, covenant or condition contained in any contract, indenture, mortgage, deed of trust, loan agreement, note, lease or other agreement or instrument to which it is a party or by which it or any of its properties may be bound, except in the case of clause (ii) for such defaults which, individually or in the aggregate, would not reasonably be expected to have a material adverse effect on the consolidated financial position, shareholders' equity or results of operations of the Company and its subsidiaries, taken as a whole;

(n) Other than as set forth in the Pricing Disclosure Package and the Prospectus, (i) there are no legal or governmental proceedings pending to which the Company or any of its subsidiaries is a party or of which any property of the Company or any of its subsidiaries is the subject except for such proceedings which, if determined adversely to the Company, would not reasonably be expected individually or in the aggregate to have a material adverse effect on the financial position, shareholders' equity or results of operations of the Company and its subsidiaries, taken as a whole and (ii) to the best of the Company's knowledge, no such proceedings are threatened or contemplated by governmental authorities or threatened by others;

(o) The Company is not and after giving effect to the offering and sale of the Bonds, will not be, an “investment company,” as such term is defined in the Investment Company Act of 1940, as amended (the “**Investment Company Act**”);

(p) Deloitte & Touche LLP, who have certified certain financial statements of the Company and its subsidiaries taken as a whole, is an independent registered public accounting firm as required by the Act and the Rules and Regulations and the rules and regulations of the Public Company Accounting Oversight Board;

(q) The financial statements of the Company and its consolidated subsidiaries included or incorporated by reference in the Registration Statement, the Pricing Disclosure Package and Prospectus present fairly in all material respects the consolidated financial position of the Company and its consolidated subsidiaries as of the dates indicated and the consolidated results of their operations for the periods specified; and, except as stated therein, such financial statements have been prepared in conformity with generally accepted accounting principles in the United States applied on a consistent basis;

(r) The Company and each of its consolidated subsidiaries maintains a system of internal accounting controls sufficient to provide reasonable assurance that (i) transactions are executed in accordance with management’s general or specific authorizations; (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with U.S. generally accepted accounting principles and to maintain asset accountability; (iii) access to assets is permitted only in accordance with management’s general or specific authorization; and (iv) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any material differences.

(s) The Company and each of its consolidated subsidiaries maintain “disclosure controls and procedures” (as such term is defined in Rule 13a-15(e) under the Exchange Act); such disclosure controls and procedures are effective.

(t) The Company and its subsidiaries possess such certificates, authorities or permits issued by the appropriate state, federal, local or foreign regulatory agencies or bodies necessary to conduct the businesses now operated by them, except where the failure to possess such certificates, authorities or permits, individually or in the aggregate, would not have a material adverse effect on the consolidated financial position, shareholders’ equity or results of operations of the Company and its subsidiaries, taken as a whole; and neither the Company nor any of its subsidiaries has received any notice of proceedings relating to the revocation or modification of any such certificate, authority or permit which, individually or in the aggregate, if the subject of an unfavorable decision, ruling or finding would have a material adverse effect on the consolidated financial position, shareholders’ equity or results of operations of the Company and its subsidiaries, taken as a whole;

(u) The Company and its subsidiaries are in compliance with, and conduct their respective businesses in conformity with, all applicable state, federal, local and

foreign laws and regulations relating to the operation and ownership of a public utility, including, without limitation, those relating to the distribution and transmission of natural gas, except to the extent that any failure so to comply or conform would not individually or in the aggregate have a material adverse effect on the consolidated financial position, shareholders' equity or results of operations of the Company and its subsidiaries, taken as a whole;

(v) The Public Utilities Commission of the State of California has duly authorized the issuance and sale of the Bonds by the Company on the terms set forth in the Prospectus and in this Agreement, such authorizations are in full force and effect and no authorization of any other governmental agency having regulatory jurisdiction over the Company is required for such issuance and sale except such as may be required by the securities or blue sky laws of any jurisdiction;

(w) The Company and its subsidiaries hold all franchises, certificates of public convenience and necessity, permits, licenses and easements necessary to own, operate and maintain their properties as described in the Prospectus except to the extent that such failure, individually or in the aggregate, would not reasonably be expected to have a material adverse effect on the consolidated financial position, shareholders' equity or results of operations of the Company and its subsidiaries, taken as a whole;

(x) The Company and its subsidiaries have good and valid title to all the principal plants and other important units of their property and to all other real estate and fixed property (including plants, machinery and equipment) specifically described in the Indenture as subject to the lien thereof (except property theretofore retired or released from such lien in accordance with the terms of the Indenture) subject only to Permitted Liens (as defined in the Indenture) and permitted Non-Callable Liens (as defined in the Indenture) (collectively, "**Permissible Encumbrances**") and other liens and charges permitted by the Indenture and such liens, charges, encumbrances, defects, qualifications, exceptions and other matters affecting title, possession or use as are set forth or referred to in the Prospectus or which, individually or in the aggregate, would not reasonably be expected to have a material adverse effect on the consolidated financial position, shareholders' equity or results of operations of the Company and its subsidiaries, taken as a whole;

(y) The indenture originally dated as of July 1, 1940 (the "**Base Indenture**") between the Company and U.S. Bank Trust National Association, as successor trustee, as supplemented and amended by indentures supplemental thereto and amendatory thereof (each a "**Supplemental Indenture**" and the Base Indenture together with all Supplemental Indentures is referred to herein as the "**Indenture**") has been duly recorded in all offices of county recorders or clerks of all counties in the State of California and the State of Arizona in which any real property subject to the lien of the Indenture is located and appropriate financing statements in respect of personal property and fixtures have been filed in the Office of the Secretary of State of the State of California and no other filing or recordation is necessary for the perfection and preservation of the lien created thereby except for recordations required in respect of after-acquired real property; and

(z) The Indenture constitutes, as security for the Bonds, a valid and subsisting lien to the extent that it purports to be such on all the present properties of the Company (including plants, machinery, equipment, real estate and fixed property), rights and franchises of the Company and its subsidiaries (other than those properties excepted or released from the lien of the Indenture by its terms) subject only to Permissible Encumbrances and other liens and charges permitted by the Indenture and such liens, charges and encumbrances, defects, qualifications, exceptions and other matters as are set forth or referred to in the Prospectus, or which would not reasonably be expected materially to affect the security for the Bonds, and upon acquisition thereafter by the Company of similar properties the Indenture will, subject to liens existing thereon at the time of acquisition, create such lien thereon.

2. The Company understands that upon authorization by the Representatives of the release of the Bonds, the several Underwriters propose to offer the Bonds for sale upon the terms and conditions set forth in the Prospectus as amended or supplemented.

3. On the basis of the representations and warranties herein contained and subject to the terms and conditions herein set forth, the Company agrees to sell to each Underwriter, severally and not jointly, and each Underwriter, severally and not jointly, agrees to purchase from the Company, at —% of the principal amount thereof, the aggregate principal amount of Bonds set forth in Schedule I opposite the name of such Underwriter, plus any additional principal amount of Bonds which such Underwriter may become obligated to purchase pursuant to the provisions of Section 9 hereof.

4. Payment of the purchase price for, and delivery of certificates for, the Bonds shall be made at the office of Latham & Watkins LLP, 633 West Fifth Street, Los Angeles, California 90071 or at such other place as shall be agreed upon by the Representatives and the Company, at 10:00 a.m., (New York City time), on —, —, or such other time not later than ten business days after such date as shall be agreed upon by the Representatives and the Company (such time and date of payment and delivery being herein called the “**Time of Delivery**”). Payment shall be made to the Company by wire transfer of Federal (same day) funds to the account specified by the Company to the Representatives at least forty-eight hours in advance against delivery to the Representatives for the respective accounts of the Underwriters of certificates for the Bonds to be purchased by them. Certificates for the Bonds shall be in such authorized denominations and registered in such names as the Representatives may request upon at least forty-eight hours prior notice to the Company. It is understood that each Underwriter has authorized the Representatives, for its account, to accept delivery of, receipt for, and make payment of the purchase price for, the Bonds which it has agreed to purchase. —, individually and not as representative of the Underwriters, may (but shall not be obligated to) make payment of the purchase price for the Bonds to be purchased by any Underwriter whose check has not been received by the Time of Delivery, but such payment shall not release such Underwriter from its obligations hereunder. The certificates for the Bonds will be made available for examination and packaging by the Representatives not later than 10:00 a.m. (New York City time), on the last business day prior to the Time of Delivery in New York, New York.

5. The Company agrees with each of the Underwriters:

(a) To prepare the Prospectus as amended or supplemented in a form approved by the Representatives and to file such Prospectus pursuant to Rule 424(b) under the Act not later than the Commission's close of business on the second business day following the date hereof or, if applicable, such earlier time as may be required by Rule 424(b); to make no further amendment or any supplement to the Registration Statement or Prospectus as amended or supplemented after the date hereof and prior to the Time of Delivery which shall be disapproved by the Representatives promptly after reasonable notice thereof; to advise the Representatives promptly of any such amendment or supplement after the Time of Delivery and furnish the Representatives with copies thereof; to file promptly all reports and any definitive proxy or information statements required to be filed by the Company with the Commission pursuant to Section 13(a), 13(c), 14 or 15(d) of the Exchange Act for so long as the delivery of a prospectus is required in connection with the offering or sale of the Bonds, and during such same period to advise the Representatives, promptly after it receives notice thereof, of the time when any amendment to the Registration Statement has been filed or becomes effective or any supplement to the Prospectus or any amended Prospectus has been filed with the Commission, of the issuance by the Commission of any stop order or of any order preventing or suspending the use of any prospectus relating to the Bonds, of the suspension of the qualification of the Bonds for offering or sale in any jurisdiction, of the initiation or threatening of any proceeding for any such purpose, or of any examination pursuant to Section 8(e) of the Act concerning the Registration Statement, or of the Company becoming the subject of a proceeding under Section 8A of the Act in connection with the offering of the Bonds or of any request by the Commission for the amending or supplementing of the Registration Statement or Prospectus or for additional information; and, in the event of the issuance of any such stop order or of any such order preventing or suspending the use of any prospectus relating to the Bonds or suspending any such qualification, to promptly use commercially reasonable efforts to obtain the withdrawal of such order;

(b) To prepare a final term sheet (the "**Final Term Sheet**") reflecting the final terms of the Bonds, in the form of Schedule III hereto, and file such Final Term Sheet as an "issuer free writing prospectus" pursuant to Rule 433 prior to the close of business two business days after the date hereof; provided that the Company shall furnish the Representatives with copies of any such Final Term Sheet a reasonable amount of time prior to such proposed filing and will not use or file any such document to which the Representatives or counsel to the Underwriters shall reasonably object;

(c) If at any time after the date hereof any events shall have occurred as a result of which any Issuer Free Writing Prospectus, as then amended or supplemented, would conflict with the information in the Registration Statement, the Preliminary Prospectus or the Prospectus or would include an untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading, or, if for any other reason it shall be necessary to amend or supplement any Issuer Free Writing Prospectus, to notify the Representatives and, upon their request, to file such document

and to prepare and furnish without charge to each Underwriter as many copies as the Representatives may from time to time reasonably request of an amended or supplemented Issuer Free Writing Prospectus that will correct such conflict, statement or omission or effect such compliance;

(d) Promptly from time to time to take such action as the Representatives may reasonably request to qualify the Bonds for offering and sale under the securities laws of such jurisdictions as the Representatives may request and to comply with such laws so as to permit the continuance of sales and dealings therein in such jurisdictions for as long as may be necessary to complete the distribution of the Bonds, provided that in connection therewith the Company shall not be required to qualify as a foreign corporation or to file a general consent to service of process in any jurisdiction;

(e) Prior to 10:00 a.m., New York City time, on the New York business day next succeeding the date hereof, or such later time or date as agreed to by the Company and the Representatives, and from time to time, to furnish the Underwriters with copies of the Prospectus in New York City as amended or supplemented in such quantities as the Representatives may reasonably request, and, if the delivery of a prospectus is required at any time in connection with the offering or sale of the Bonds and if at such time any event shall have occurred as a result of which the Prospectus as then amended or supplemented would include an untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made when such Prospectus is delivered, not misleading, or, if for any other reason it shall be necessary during such same period to amend or supplement the Prospectus or to file under the Exchange Act any document incorporated by reference in the Prospectus in order to comply with the Act, the Exchange Act or the Trust Indenture Act, to notify the Representatives and upon their request to file such document and to prepare and furnish without charge to each Underwriter and to any dealer in securities as many copies as the Representatives may from time to time reasonably request of an amended Prospectus or a supplement to the Prospectus which will correct such statement or omission or effect such compliance;

(f) To make generally available to its securityholders as soon as practicable, but in any event not later than eighteen months after the effective date of the Registration Statement (as defined in Rule 158(c) under the Act), an earnings statement of the Company and its consolidated subsidiaries (which need not be audited) complying with Section 11(a) of the Act and the Rules and Regulations (including, at the option of the Company, Rule 158);

(g) During the period beginning from the date hereof and continuing to and including the later of (i) the termination of trading restrictions for the Bonds, as notified to the Company by the Representatives and (ii) the Time of Delivery, not to offer, sell, contract to sell or otherwise dispose of any First Mortgage Bonds, without the prior written consent of the Representatives;

(h) Immediately following the execution of this Agreement, the Company will prepare a prospectus supplement, dated the date hereof (the **“Prospectus Supplement”**),

containing the terms of the Bonds, the plan of distribution thereof and such other information as may be required by the Act or the Rules and Regulations or as the Representatives and the Company deem appropriate, and will file or transmit for filing with the Commission in accordance with Rule 424(b) of the Rules and Regulations copies of the Prospectus (including such Prospectus Supplement);

(i) To apply the net proceeds from the sale of the Bonds as set forth in the Prospectus;

(j) If the Company elects to rely upon Rule 462(b), the Company shall file a Rule 462(b) Registration Statement with the Commission in compliance with Rule 462(b) by 10:00 P.M., Washington, D.C. time, on the date of this Agreement, and the Company shall at the time of filing either pay to the Commission the filing fee for the Rule 462(b) Registration Statement or give irrevocable instructions for the payment of such fee pursuant to — under the Act; and

(k) The Company represents and agrees that, unless it obtains the prior consent of the Representatives, and each Underwriter represents and agrees that, unless it obtains the prior consent of the Company and the Representatives, it has not made and will not make any offer relating to the Bonds that would constitute an Issuer Free Writing Prospectus, or that would otherwise constitute a “free writing prospectus,” as defined in Rule 405, required to be filed with the Commission; provided, however, that the prior written consent of the Representatives and the Company shall be deemed to have been given in respect of the Issuer Free Writing Prospectuses included in Schedule II hereto; and provided further, however, that prior to the preparation of the Final Term Sheet in accordance with Section 5(b), the Underwriters are authorized to use the information with respect to the final terms of the Bonds in communications conveying information relating to the offering to investors. Any such free writing prospectus consented to by the Company and the Representatives is hereinafter referred to as a “**Permitted Free Writing Prospectus**.”

6. The Company covenants and agrees with the several Underwriters that the Company will pay or cause to be paid the following: (i) the fees, disbursements and expenses of the Company’s counsel and accountants in connection with the registration of the Bonds under the Act and all other expenses in connection with the preparation, printing and filing of the Registration Statement, the Preliminary Prospectus, any Permitted Free Writing Prospectus and the Prospectus and amendments and supplements thereto and the mailing and delivering of copies thereof to the Underwriters and dealers; (ii) the cost of printing or producing any Agreement among Underwriters, this Agreement, the Indenture, any Blue Sky and Legal Investment Memoranda, closing documents (including any compilations thereof) and any other documents in connection with the offering, purchase, sale and delivery of the Bonds; (iii) all expenses in connection with the qualification of the Bonds for offering and sale under state securities laws as provided in Section 5(d) hereof, including the reasonable fees and disbursements of counsel for the Underwriters in connection with such qualification and in connection with the Blue Sky and Legal Investment Surveys; (iv) any fees charged by securities rating services for rating the Bonds; (v) any filing fees incident to, and the reasonable fees and disbursements of counsel for the Underwriters in connection with, any required review by The

Financial Industry Regulatory Authority (“FINRA”) of the terms of the sale of the Bonds; (vi) the cost of preparing the Bonds; (vii) the fees and expenses of the Trustee and any agent of the Trustee and the reasonable fees and disbursements of counsel for the Trustee in connection with the Indenture and the Bonds; (viii) any fees and expenses in connection with listing the Bonds and the cost of registering the Bonds under Section 12 of the Exchange Act; and (ix) all other costs and expenses incident to the performance of its obligations hereunder which are not otherwise specifically provided for in this Section. It is understood, however, that except as provided in this Section, and Sections 8 and 11 hereof, the Underwriters will pay all of their own costs and expenses, including the fees of their counsel, transfer taxes on resale of any of the Bonds by them and any advertising expenses connected with any offers they may make.

7. The obligations of the Underwriters shall be subject, in the discretion of the Representatives, to the condition that all representations and warranties and other statements of the Company in or incorporated by reference in this Agreement are, at and as of the Time of Delivery, true and correct, the condition that the Company shall have performed all of its obligations hereunder theretofore to be performed, and the following additional conditions:

(a) The Prospectus as amended or supplemented shall have been filed with the Commission pursuant to Rule 424(b) within the applicable time period prescribed for such filing (without reliance on Rule 424(b)(8) of the Rules and Regulations and in accordance with Section 5(a) hereof); if the Company has elected to rely upon Rule 462(b), the Rule 462(b) Registration Statement shall have become effective by 10:00 P.M., Washington, D.C. time, on the date hereof; no stop order suspending the effectiveness of the Registration Statement or any part thereof shall have been issued and no proceeding for that purpose shall have been initiated or threatened by the Commission; and all requests for additional information on the part of the Commission shall have been complied with to the Representatives’ reasonable satisfaction.

(b) Counsel for the Underwriters shall have furnished to the Representatives such written opinion or opinions, dated the Time of Delivery, with respect to the Registration Statement and the Prospectus as amended or supplemented, as well as such other related matters as the Representatives may reasonably request, and such counsel shall have received such papers and information as they may reasonably request to enable them to pass upon such matters.

(c) Gary W. Kyle, Chief Corporate Counsel of Sempra Energy, a California corporation and the ultimate parent of the Company, shall have furnished to the Representatives a written opinion, dated the Time of Delivery, in form and substance satisfactory to the Representatives, to the effect that:

(i) The Company has been duly incorporated and is validly existing as a corporation in good standing under the laws of the State of California, with power and authority (corporate and other) to own its properties and conduct its business as described in the Pricing Disclosure Package and the Prospectus, and has been duly qualified as a foreign corporation for the transaction of business and is in good standing under the laws of each other jurisdiction in which it owns or leases properties or conducts any business so as to require such qualification,

except where the failure to be so qualified would not subject it to material liability or disability;

(ii) The Company has an authorized capitalization as set forth in the Pricing Disclosure Package and the Prospectus and all of the issued shares of capital stock of the Company have been duly and validly authorized and issued and are fully paid and non-assessable;

(iii) To the best of such counsel's knowledge and other than as set forth or incorporated by reference in the Pricing Disclosure Package and the Prospectus, there are no legal or governmental proceedings pending to which the Company or any of its subsidiaries is a party or of which any property of the Company or any of its subsidiaries is the subject which, if determined adversely to the Company or any of its subsidiaries, would reasonably be expected, individually or in the aggregate, to have a material adverse effect on the consolidated financial position, shareholders' equity or results of operations of the Company and its subsidiaries, taken as a whole; and, to the best of such counsel's knowledge, no such proceedings are threatened or contemplated by governmental authorities or threatened by others;

(iv) This Agreement has been duly authorized, executed and delivered by the Company;

(v) The Bonds have been duly authorized, executed, authenticated, issued and delivered by the Company and the Bonds and the Indenture conform to the descriptions thereof in the Pricing Disclosure Package and the Prospectus;

(vi) The Indenture has been duly authorized, executed and delivered by the Company; and the Indenture has been duly qualified under the Trust Indenture Act;

(vii) The Company and its subsidiaries hold all franchises, certificates of public convenience and necessity, permits, licenses and easements necessary to own, operate and maintain their properties as described in the Prospectus except to the extent that such failure, individually or in the aggregate, would not reasonably be expected to have a material adverse effect on the consolidated financial position, shareholders' equity or results of operations of the Company and its subsidiaries, taken as a whole;

(viii) The Base Indenture and each Supplemental Indenture has been duly recorded (or arrangements have been made for the prompt recording) in all offices of county recorders or clerks of all counties in the State of California and the State of Arizona in which any real property subject to the lien of the Indenture is located and appropriate financing statements in respect of personal property and fixtures have been filed in the Office of the Secretary of State of the State of California and the Office of the Secretary of State of the State of Arizona and no other filing or recordation is necessary for the perfection and preservation of the

lien created thereby except for recordations required in respect of after-acquired real property;

(ix) The Indenture constitutes, as security for the Bonds, a valid and subsisting first lien to the extent that it purports to be such on all the present properties of the Company (including plants, machinery, equipment, real estate and fixed property described above), rights and franchises of the Company (other than those properties excepted or released from the lien of the Indenture by its terms) subject only to Permissible Encumbrances and other liens and charges permitted by the Indenture and such liens, charges and encumbrances, defects, qualifications, exceptions and other matters as are set forth or referred to in the Prospectus, or which do not, in such counsel's opinion, materially affect the security for the Bonds, and upon acquisition thereafter by the Company of similar properties the Indenture will, subject to liens existing thereon at the time of acquisition, create such lien thereon;

(x) The issue and sale of the Bonds and the compliance by the Company with all of the provisions of the Bonds, the Indenture and this Agreement and the consummation of the transactions herein and therein contemplated will not conflict with or result in a breach or violation of any of the terms or provisions of, or constitute a default under, any material contract, indenture, mortgage, deed of trust, loan agreement, note, lease or other agreement or instrument to which the Company is a party or by which the Company is bound or to which any of its material properties or assets is subject, nor will such actions result in any violation of the provisions of the Articles of Incorporation or Bylaws of the Company or any statute or any order, rule or regulation of any court or governmental agency or body having jurisdiction over the Company or any of its material properties;

(xi) No consent, approval, authorization, order, registration or qualification of or with any court or governmental agency or body having jurisdiction over the Company or any of its material properties is required for the issuance and sale of the Bonds or the consummation by the Company of the transactions contemplated by this Agreement or the Indenture, except such as have been obtained under the Act, the Trust Indenture Act and from the Public Utilities Commission of the State of California and such consents, approvals, authorizations, orders, registrations or qualifications as may be required under state securities or Blue Sky laws in connection with the purchase and distribution of the Bonds by the Underwriters; the Public Utilities Commission of the State of California has duly authorized the issuance and sale of the Bonds by the Company on the terms set forth in the Pricing Disclosure Package and Prospectus and in this Agreement and such authorizations are in full force and effect;

(xii) The Company is not (i) in violation of its Articles of Incorporation or Bylaws or (ii) in default in the performance or observance of any material obligation, agreement, covenant or condition contained in any contract, indenture, mortgage, deed of trust, loan agreement, note, lease or other agreement or

instrument to which it is a party or by which it or any of its properties may be bound, except in the case of clause (ii) for such defaults which, individually or in the aggregate, would not reasonably be expected to have a material adverse effect on the consolidated financial position, shareholders' equity or results of operations of the Company and its subsidiaries, taken as a whole;

(xiii) The statements set forth in the Pricing Disclosure Package and the Prospectus as amended or supplemented under the captions "Description of First Mortgage Bonds" and "Supplemental Description of First Mortgage Bonds," insofar as they purport to constitute a summary of the terms of the Bonds or the Indenture, and under the captions "Plan of Distribution" and "Underwriting," insofar as they purport to describe the provisions of the laws and documents referred to therein, are accurate and fair in all material respects;

(xiv) The Company is not, and after giving effect to the offering and sale of the Bonds, will not be, an "investment company," as such term is defined in the Investment Company Act;

(xv) The documents incorporated by reference in the Pricing Disclosure Package and the Prospectus as amended or supplemented (other than the financial statements and related schedules therein, as to which such counsel need express no opinion), when they became effective or were filed with the Commission, as the case may be, complied as to form in all material respects with the requirements of the Act or the Exchange Act, as applicable, and the rules and regulations of the Commission thereunder, and such counsel has no reason to believe that any of such documents, when they became effective or were so filed, as the case may be, contained, in the case of a registration statement which became effective under the Act, an untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein not misleading, or, in the case of other documents which were filed under the Act or the Exchange Act with the Commission, an untrue statement of a material fact or omitted to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made when such documents were so filed, not misleading; it being understood that such counsel expresses no belief with respect to the financial statements or schedules or other financial data included or incorporated by reference in, or omitted from, the Prospectus as amended or supplemented; and

(xvi) The Registration Statement and the Prospectus as amended or supplemented and any further amendments and supplements thereto made by the Company prior to the Time of Delivery (in each case, excluding the documents incorporated by reference therein) comply as to form in all material respects with the requirements for registration statements on Form S-3 under the Act, and the requirements under the Trust Indenture Act and the rules and regulations of the Commission thereunder, it being understood, however, that such counsel expresses no opinion with respect to Regulation S-T or the financial statements, schedules or other financial data included or incorporated by reference in, or

omitted from, the Registration Statement or the Prospectus as amended or supplemented or with respect to any Form T-1. In passing upon the compliance as to the form of the Registration Statement and the Prospectus as amended or supplemented (in each case, excluding the documents incorporated by reference therein), except for those statements referred to in the opinion in subsection (xiii) of this Section 7(c), such counsel has assumed that the statements made and incorporated by reference therein are correct and complete.

(d) Counsel for the Company satisfactory to the Representatives shall have furnished to the Representatives their written opinion or opinions, dated the Time of Delivery, in form and substance satisfactory to the Representatives, to the effect that:

(i) The Indenture, as supplemented by the applicable Supplemental Indenture, has been qualified under the Trust Indenture Act;

(ii) Each of the Indenture, assuming the due authorization, execution and delivery thereof, is, and the Supplemental Indenture dated as of —, —, upon due execution and delivery thereof, will be, the legally valid and binding agreement of the Company, enforceable against the Company in accordance with its terms;

(iii) The Bonds, when executed, issued and authenticated in accordance with the terms of the Indenture, and delivered to and paid for by the Underwriters in accordance with the terms of this Agreement, will be the legally valid and binding obligations of the Company, enforceable against the Company in accordance with their terms. A registered holder of the Bonds will be a beneficiary under the Indenture, as supplemented by the Supplemental Indenture dated as of —, —;

(iv) The Registration Statement, as of the date it was declared effective, and the Prospectus, as of its date (in each case, excluding the documents incorporated by reference therein), each appeared on its face to be appropriately responsive in all material respects to the applicable form requirements for registration statements on Form S-3 under the Act, and the requirements under the Trust Indenture Act and the rules and regulations of the Commission thereunder; it being understood, however, that such counsel expresses no opinion with respect to Regulation S-T or the financial statements, schedules, or other financial data included in, incorporated by reference in, or omitted from, the Registration Statement or the Prospectus or with respect to any Form T-1. For purposes of this paragraph, such counsel has assumed that the statements made in the Registration Statement and the Prospectus are correct and complete; and

(v) The Registration Statement has become effective under the Act, and, based solely on telephone conversations with representatives of the Commission, no stop order suspending the effectiveness of the Registration Statement has been issued under the Act and no proceedings therefor have been initiated or threatened by the Commission. Any required filing of the Prospectus

pursuant to Rule 424(b) under the Act has been made in accordance with Rules 424(b) and 430B under the Act and the Final Term Sheet has been filed pursuant to Rule 433 under the Act in accordance with Rule 433(d).

In addition, such counsel shall provide a statement to the effect that such counsel has participated in conferences and telephone conversations with officers and other representatives of the Company, the independent public accountants for the Company and representatives of the Underwriters, during which the contents of the Registration Statement, the Preliminary Prospectus, any Issuer Free Writing Prospectus and the Prospectus as amended or supplemented and related matters were discussed and, although such counsel is not passing upon, and does not assume any responsibility for, the accuracy, completeness or fairness of the statements contained or incorporated by reference in the Registration Statement and the Prospectus as amended or supplemented and has not made any independent check or verification thereof, during the course of such participation, no facts came to such counsel's attention that caused them to believe that:

(i) the Registration Statement, as of the date of the Prospectus, including the information deemed to be a part of the Registration Statement pursuant to Rule 430B under the Act (together with the documents incorporated therein), contained an untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein, not misleading;

(ii) the Pricing Disclosure Package, at the Applicable Time (together with the documents incorporated therein), contained an untrue statement of a material fact or omitted to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; or

(iii) the Prospectus, as of its date or as of the Time of Delivery (together with the documents incorporated therein), contained or contains an untrue statement of a material fact or omitted or omits to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading;

it being understood that such counsel expresses no belief with respect to the financial statements, schedules or other financial data included or incorporated by reference in, or omitted from, the Registration Statement or the Preliminary Prospectus, any Issuer Free Writing Prospectus, the Prospectus, any documents incorporated by reference therein or any Form T-1.

(e) On the date hereof at a time prior to the execution of this Agreement, and at the Time of Delivery, Deloitte & Touche LLP shall have furnished to the Representatives a letter, dated the date hereof, in form and substance satisfactory to the Representatives, containing statements and information of the type ordinarily included in accountants' "comfort letters" to underwriters, and a letter dated the Time of Delivery

reaffirming the statements made in their letter dated the date hereof, except that the specified date referred to in such letter delivered on the Time of Delivery shall be a date not more than three days prior to the Time of Delivery, and with respect to such letter dated the Time of Delivery, as to such other matters as the Representatives may reasonably request and in form and substance satisfactory to the Representatives.

(f) (i) The Company and its subsidiaries, taken as a whole shall have not sustained since the date of the latest audited financial statements included or incorporated by reference in the Prospectus as amended prior to the date hereof any loss or interference with its business from fire, explosion, flood or other calamity, whether or not covered by insurance, or from any labor dispute or court or governmental action, order or decree, otherwise than as set forth or contemplated in the Pricing Disclosure Package and the Prospectus as amended prior to the date hereof, and (ii) since the respective dates as of which information is given in the Pricing Disclosure Package and the Prospectus as amended prior to the date hereof there shall not have been any change in the capital stock or long-term debt of the Company or any of its subsidiaries or any change, or any development involving a prospective change, in or affecting the general affairs, management, financial position, shareholders' equity or results of operations of the Company or any of its subsidiaries, otherwise than as set forth or contemplated in the Pricing Disclosure Package and the Prospectus as amended prior to the date hereof, the effect of which, in any such case described in clause (i) or (ii), is in the judgment of the Representatives so material and adverse to the Company and its subsidiaries, taken as a whole, as to make it impracticable or inadvisable to proceed with the public offering or the delivery of the Bonds on the terms and in the manner contemplated in the Pricing Disclosure Package and the Prospectus as first amended or supplemented.

(g) At or after the Applicable Time (i) no downgrading shall have occurred in the rating accorded any of the Company's secured debt by any "nationally recognized statistical rating organization," as that term is defined by the Commission for purposes of Rule 436(g)(2) under the Act, other than a downgrade by Fitch Ratings to not lower than A+, and (ii) no such organization, other than Fitch Ratings, shall have publicly announced that it has under surveillance or review, with possible negative implications, its rating of any of the Company's secured debt.

(h) On or after the date hereof there shall not have occurred any of the following: (i) a suspension or material limitation in trading in securities generally on the New York Stock Exchange; (ii) a suspension or material limitation in trading in the Company's securities on the New York Stock Exchange; (iii) a general moratorium on commercial banking activities declared by either Federal or New York or California State authorities or a material disruption in commercial banking or securities settlement or clearance services in the United States; or (iv) the outbreak or escalation of hostilities involving the United States or the declaration by the United States of a national emergency or war, or other calamity or crisis or any change or development involving a prospective change in national or international political, financial or economic conditions, if the effect of any such event specified in this clause (iv) in the judgment of the Representatives makes it impracticable or inadvisable to proceed with the public offering

or the delivery of the Bonds on the terms and in the manner contemplated in the Pricing Disclosure Package and the Prospectus as first amended or supplemented.

(i) The Company shall have complied with the provisions of Section 5(e) hereof with respect to the furnishing of prospectuses on the New York business day next succeeding the date hereof.

(j) The Company shall have furnished or caused to be furnished to the Representatives at the Time of Delivery a certificate of officers of the Company satisfactory to the Representatives as to the accuracy of the representations and warranties of the Company herein at and as of the Time of Delivery, as to the performance by the Company of all of its obligations hereunder to be performed at or prior to the Time of Delivery, as to the matters set forth in subsections (a) and (f) of this Section and as to such other matters as the Representatives may reasonably request.

8. (a) The Company will indemnify and hold harmless each Underwriter against any losses, claims, damages or liabilities, joint or several, to which such Underwriter may become subject, under the Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon an untrue statement or alleged untrue statement of a material fact contained in the Preliminary Prospectus, the Registration Statement, any Issuer Free Writing Prospectus, the Prospectus as amended or supplemented or any other prospectus relating to the Bonds, or any amendment or supplement thereto, or arise out of or are based upon the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, and will reimburse each Underwriter for any legal or other expenses reasonably incurred by such Underwriter in connection with investigating or defending any such action or claim as such expenses are incurred; provided, however, that the Company shall not be liable in any such case to the extent that any such loss, claim, damage or liability arises out of or is based upon an untrue statement or alleged untrue statement or omission or alleged omission made in the Preliminary Prospectus, the Registration Statement, any Issuer Free Writing Prospectus, the Prospectus as amended or supplemented or any other prospectus relating to the Bonds or any such amendment or supplement in reliance upon and in conformity with written information furnished to the Company by any Underwriter through the Representatives expressly for use in the Prospectus as amended or supplemented.

(b) Each Underwriter severally and not jointly, will indemnify and hold harmless the Company against any losses, claims, damages or liabilities to which the Company may become subject, under the Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon an untrue statement or alleged untrue statement of a material fact contained in the Preliminary Prospectus, the Registration Statement, any Issuer Free Writing Prospectus, the Prospectus as amended or supplemented or any other prospectus relating to the Bonds, or any amendment or supplement thereto, or arise out of or are based upon the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, in each case to the extent, but only to the extent, that such untrue statement or alleged untrue statement or omission or

alleged omission was made in the Preliminary Prospectus, the Registration Statement, any Issuer Free Writing Prospectus, the Prospectus as amended or supplemented or any other prospectus relating to the Bonds or any such amendment or supplement in reliance upon and in conformity with written information furnished to the Company by such Underwriter through the Representatives expressly for use therein; and will reimburse the Company for any legal or other expenses reasonably incurred by the Company in connection with investigating or defending any such action or claim as such expenses are incurred.

(c) Promptly after receipt by an indemnified party under subsection (a) or (b) above of notice of the commencement of any action, such indemnified party shall, if a claim in respect thereof is to be made against the indemnifying party under such subsection, notify the indemnifying party in writing of the commencement thereof; but the omission so to notify the indemnifying party shall not relieve it from any liability which it may have to any indemnified party under such subsection to the extent it is not materially prejudiced as a result thereof and in any event shall not relieve it from any liability otherwise than under such subsection. In case any such action shall be brought against any indemnified party and it shall notify the indemnifying party of the commencement thereof, the indemnifying party shall be entitled to participate therein and, to the extent that it shall wish, jointly with any other indemnifying party similarly notified, to assume the defense thereof, with counsel satisfactory to such indemnified party (who shall not, except with the consent of the indemnified party, be counsel to the indemnified party), and, after notice from the indemnifying party to such indemnified party of its election so to assume the defense thereof, the indemnifying party shall not be liable to such indemnified party under such subsection for any legal expenses of other counsel or any other expenses, in each case subsequently incurred by such indemnified party, in connection with the defense thereof other than reasonable costs of investigation; provided, however, that the Representatives shall have the right to employ counsel to represent jointly the Underwriters and their respective officers, employees and controlling persons who may be subject to liability arising out of any claim in respect of which indemnity may be sought by the Underwriters against the Company under this Section 8, if the Representatives shall have reasonably concluded that there may be one or more legal defenses available to the Underwriters and their respective officers, employees and controlling persons that are different from or additional to those available to the Company and its officers, employees and controlling persons, and the fees and expenses of a single separate counsel (in addition to local counsel) shall be paid by the Company. No indemnifying party shall, without the written consent of the indemnified party, effect the settlement or compromise of, or consent to the entry of any judgment with respect to, any pending or threatened action or claim in respect of which indemnification or contribution may be sought hereunder (whether or not the indemnified party is an actual or potential party to such action or claim) unless such settlement, compromise or judgment (i) includes an unconditional release of the indemnified party from all liability arising out of such action or claim and (ii) does not include a statement as to or an admission of fault, culpability or a failure to act by or on behalf of any indemnified party.

(d) If the indemnification provided for in this Section 8 is unavailable to or insufficient to hold harmless an indemnified party under subsection (a) or (b) above in respect of any losses, claims, damages or liabilities (or actions in respect thereof) referred to therein, then each indemnifying party shall contribute to the amount paid or payable by such indemnified party as a result of such losses, claims, damages or liabilities (or actions in respect thereof) in such proportion as is appropriate to reflect the relative benefits received by the Company on the one hand and the Underwriters on the other from the offering of the Bonds contemplated by this Agreement. If, however, the allocation provided by the immediately preceding sentence is not permitted by applicable law or if the indemnified party failed to give the notice required under subsection (c) above, then each indemnifying party shall contribute to such amount paid or payable by such indemnified party in such proportion as is appropriate to reflect not only such relative benefits but also the relative fault of the Company on the one hand and the Underwriters on the other in connection with the statements or omissions which resulted in such losses, claims, damages or liabilities (or actions in respect thereof), as well as any other relevant equitable considerations. The relative benefits received by the Company on the one hand and the Underwriters on the other shall be deemed to be in the same proportion as the total net proceeds from the offering of the Bonds contemplated by this Agreement (before deducting expenses) received by the Company bear to the total underwriting discounts and commissions received by the Underwriters. The relative fault shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the Company on the one hand or the Underwriters on the other and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission. The Company and the Underwriters agree that it would not be just and equitable if contribution pursuant to this subsection (d) were determined by pro rata allocation (even if the Underwriters were treated as one entity for such purpose) or by any other method of allocation which does not take account of the equitable considerations referred to above in this subsection (d). The amount paid or payable by an indemnified party as a result of the losses, claims, damages or liabilities (or actions in respect thereof) referred to above in this subsection (d) shall be deemed to include any legal or other expenses reasonably incurred by such indemnified party in connection with investigating or defending any such action or claim. Notwithstanding the provisions of this subsection (d), no Underwriter shall be required to contribute any amount in excess of the amount by which the total price at which the applicable Bonds underwritten by it and distributed to the public were offered to the public exceeds the amount of any damages which such Underwriter has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. The obligations of the Underwriters in this subsection (d) to contribute are several in proportion to their respective underwriting obligations with respect to the Bonds and not joint.

(e) The obligations of the Company under this Section 8 shall be in addition to any liability which the Company may otherwise have and shall extend, upon the same terms and conditions, to each person, if any, who controls any Underwriter within the

meaning of the Act; and the obligations of the Underwriters under this Section 8 shall be in addition to any liability which the respective Underwriters may otherwise have and shall extend, upon the same terms and conditions, to each officer and director of the Company and to each person, if any, who controls the Company within the meaning of the Act.

9. (a) If any Underwriter shall default in its obligation to purchase the Bonds which it has agreed to purchase under this Agreement, the Representatives may in their discretion arrange for themselves or another party or other parties to purchase such Bonds on the terms contained herein. If within thirty-six hours after such default by any Underwriter the Representatives do not arrange for the purchase of such Bonds, then the Company shall be entitled to a further period of thirty-six hours within which to procure another party or other parties satisfactory to the Representatives to purchase such Bonds on such terms. In the event that, within the respective prescribed period, the Representatives notify the Company that they have so arranged for the purchase of such Bonds, or the Company notifies the Representatives that it has so arranged for the purchase of such Bonds, the Representatives or the Company shall have the right to postpone the Time of Delivery for a period of not more than seven days, in order to effect whatever changes may thereby be made necessary in the Registration Statement or the Prospectus as amended or supplemented, or in any other documents or arrangements, and the Company agrees to file promptly any amendments or supplements to the Registration Statement or the Prospectus which in the opinion of the Representatives may thereby be made necessary. The term “**Underwriter**” as used in this Agreement shall include any person substituted under this Section with like effect as if such person had originally been a party to this Agreement.

(b) If, after giving effect to any arrangements for the purchase of the Bonds of a defaulting Underwriter or Underwriters by the Representatives and the Company as provided in subsection (a) above, the aggregate principal amount of the Bonds which remains unpurchased does not exceed one-eleventh of the aggregate principal amount of the Bonds, then the Company shall have the right to require each non-defaulting Underwriter to purchase the principal amount of Bonds which such Underwriter agreed to purchase under this Agreement and, in addition, to require each non-defaulting Underwriter to purchase its pro rata share (based on the principal amount of Bonds which such Underwriter agreed to purchase under this Agreement) of the Bonds of such defaulting Underwriter or Underwriters for which such arrangements have not been made; but nothing herein shall relieve a defaulting Underwriter from liability for its default.

(c) If, after giving effect to any arrangements for the purchase of the Bonds of a defaulting Underwriter or Underwriters by the Representatives and the Company as provided in subsection (a) above, the aggregate principal amount of Bonds which remains unpurchased exceeds one-eleventh of the aggregate principal amount of the Bonds, as referred to in subsection (b) above, or if the Company shall not exercise the right described in subsection (b) above to require non-defaulting Underwriters to purchase Bonds of a defaulting Underwriter or Underwriters, then this Agreement shall thereupon terminate, without liability on the part of any non-defaulting Underwriter or the

Company, except for the expenses to be borne by the Company and the Underwriters as provided in Section 6 hereof and the indemnity and contribution agreements in Section 8 hereof; but nothing herein shall relieve a defaulting Underwriter from liability for its default.

10. The respective indemnities, agreements, representations, warranties and other statements of the Company and the several Underwriters, as set forth in this Agreement or made by or on behalf of them, respectively, pursuant to this Agreement, shall remain in full force and effect, regardless of any investigation (or any statement as to the results thereof) made by or on behalf of any Underwriter or any controlling person of any Underwriter, or the Company or any officer or director or controlling person of the Company, and shall survive delivery of and payment for the Bonds.

11. If this Agreement shall be terminated pursuant to Section 9 hereof, the Company shall not then be under any liability to any Underwriter with respect to the Bonds except as provided in Sections 6 and 8 hereof; but, if for any other reason Bonds are not delivered by or on behalf of the Company as provided herein, the Company will reimburse the Underwriters through the Representatives for all out-of-pocket expenses approved in writing by the Representatives, including fees and disbursements of counsel, reasonably incurred by the Underwriters in making preparations for the purchase, sale and delivery of the Bonds, but the Company shall then be under no further liability to any Underwriter with respect to the Bonds except as provided in Sections 6 and 8 hereof.

12. In all dealings hereunder, the Representatives of the Underwriters shall act on behalf of each of such Underwriters, and the parties hereto shall be entitled to act and rely upon any statement, request, notice or agreement on behalf of any Underwriter made or given by such Representatives jointly or by such of the Representatives, if any, as may be designated for such purpose in this Agreement.

All statements, requests, notices and agreements hereunder shall be in writing, and if to the Underwriters shall be delivered or sent by mail, telex or facsimile transmission to the address of the Representatives at —; and if to the Company shall be delivered or sent by mail, telex or facsimile transmission to the address of the Company set forth in the Registration Statement, Attention: Secretary; provided, however, that any notice to an Underwriter pursuant to Section 8(c) hereof shall be delivered or sent by mail, telex or facsimile transmission to such Underwriter at its address set forth in its Underwriters' Questionnaire, or telex constituting such Questionnaire, which address will be supplied to the Company by the Representatives upon request. Any such statements, requests, notices or agreements shall take effect upon receipt thereof.

13. This Agreement shall be binding upon, and inure solely to the benefit of, the Underwriters, the Company and, to the extent provided in Sections 8 and 10 hereof, the officers and directors of the Company and each person who controls the Company or any Underwriter, and their respective heirs, executors, administrators, successors and assigns, and no other person shall acquire or have any right under or by virtue of this Agreement. No purchaser of any of the Bonds from any Underwriter shall be deemed a successor or assign by reason merely of such purchase.

14. The Company acknowledges and agrees that the Underwriters are acting solely in the capacity of an arm's length contractual counterparty to the Company with respect to the offering of the Bonds contemplated hereby (including in connection with determining the terms of the offering) and not as a financial advisor or a fiduciary to, or an agent of, the Company or any other person. The Company agrees that it will not claim that the Underwriters have rendered advisory services of any nature or respect, or owe an agency, fiduciary or similar duty to the Company, in connection with the transactions contemplated hereby or the process leading thereto. Additionally, neither the Representatives nor any other Underwriter is advising the Company or any other person as to any legal, tax, investment, accounting or regulatory matters in any jurisdiction. The Company shall consult with its own advisors concerning such matters and shall be responsible for making its own independent investigation and appraisal of the transactions contemplated hereby, and the Underwriters shall have no responsibility or liability to the Company with respect thereto. Any review by the Underwriters of the Company, the transactions contemplated hereby or other matters relating to such transactions will be performed solely for the benefit of the Underwriters and shall not be on behalf of the Company.

15. Time shall be of the essence of this Agreement. As used herein, "**business day**" shall mean, unless otherwise expressly stated, any day when the Commission's office in Washington, D.C. is open for business.

16. This Agreement shall be governed by and construed in accordance with the laws of the State of New York.

17. This Agreement may be executed by any one or more of the parties hereto in any number of counterparts, each of which shall be deemed to be an original, but all such respective counterparts shall together constitute one and the same instrument.

(Signature Page Follows)

If the foregoing is in accordance with your understanding, please sign and return to us one for the Company and for each of the Representatives plus one for each counsel counterparts hereof.

Very truly yours,

San Diego Gas & Electric Company

By: _____
Name:
Title:

Accepted as of the date hereof:

—
By: _____
Name:
Title:

By: _____
Name:
Title:

—
By: _____
Name:
Title:

—
By: _____
Name:
Title:

On behalf of each of the Underwriters

SCHEDULE I

<u>Underwriter</u>	<u>Principal Amount of Bonds to be Purchased</u>
	\$
Total	\$

Schedule I-1

SCHEDULE II

The Final Term Sheet attached as Schedule III

Schedule II-1

SCHEDULE III

Final Term Sheet

—, —

Issuer: San Diego Gas & Electric Company

Aggregate Principal Amount Offered: \$—

Interest Payment Dates: — and —, commencing —

Coupon: —%

Maturity: — —, —

Yield to Maturity: —%

Spread to Benchmark Treasury: — basis points

Benchmark Treasury: —% due — —, —

Benchmark Treasury Yield: —%

Optional Redemption Provision: Make Whole Call UST + — basis points

Price to Public: —%

Settlement Date: — —, —

CUSIP: —

Anticipated Ratings:

Joint Book-Running Managers:

Co-Managers:

Note: A securities rating is not a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal at any time.

The issuer has filed a registration statement (including a prospectus) with the SEC for the offering to which this communication relates. Before you invest, you should read the prospectus in that registration statement and other documents the issuer has filed with the SEC for more complete information about the issuer and this offering. You may get these documents for free by visiting EDGAR on the SEC website at www.sec.gov. Alternatively, the issuer, any underwriter or any dealer participating in the offering will arrange to send you the prospectus if you request it by calling or e-mailing — at 1— or —.

[Sempra Energy Letterhead]

May 7, 2009

San Diego Gas & Electric Company
8326 Century Park Court
San Diego, CA 92123

Re: Registration Statement on Form S-3 of San Diego Gas & Electric Company.

Ladies and Gentlemen:

In my capacity as the Chief Corporate Counsel of Sempra Energy, the ultimate parent corporation of San Diego Gas & Electric Company, a California corporation (the "**Registrant**"), I have advised the Registrant in connection with its registration statement on Form S-3 (the "**Registration Statement**"), filed with the Securities and Exchange Commission under the Securities Act of 1933, as amended, on May 7, 2009. In that connection, you have requested my opinion with respect to the matters set forth below.

I have reviewed the prospectus (the "**Prospectus**") which is a part of the Registration Statement. The Prospectus provides that it will be supplemented in the future by one or more supplements to the Prospectus (each, a "**Prospectus Supplement**"). The Prospectus as supplemented by various Prospectus Supplements will provide for the offering of up to \$2,500,000,000 aggregate offering price of (i) one or more series of senior unsecured debt securities (the "**Senior Debt Securities**"), (ii) one or more series of first mortgage bonds (the "**First Mortgage Bonds**") and (iii) shares of preferred stock (the "**Preferred Stock**"). The Senior Debt Securities, the First Mortgage Bonds and the Preferred Stock are collectively referred to herein as the "**Securities**."

Any First Mortgage Bonds will be issued pursuant to the mortgage and deed of trust between the Registrant and U.S. Bank Trust National Association, as trustee (together with its successors, the "**Bond Trustee**"), dated as of July 1, 1940, as amended to date and one or more supplements thereto (collectively, the "**Bond Indenture**"). Any Preferred Stock will be issued pursuant to the Registrant's Articles of Incorporation, as amended to date, and Bylaws, as amended to date, and one or more certificates of determination filed by the Registrant with the Secretary of State of the State of California (collectively, the "**Certificates of Determination**") and, collectively with the Senior Debt Securities, the shares of Preferred Stock and the Bond Indenture, the "**Documents**").

I am generally familiar with the proceedings taken and proposed to be taken by the Registrant in connection with the authorization and issuance of the Securities, and, for purposes of this opinion, have assumed such proceedings will be timely and properly completed in the manner presently proposed and that the terms of each issuance will otherwise be in compliance with the law. As to facts material to the opinions, statements and assumptions expressed herein, I have, with your consent, relied upon oral or written statements and representations of officers and other representatives of the Registrant and others. I have not independently verified such factual matters.

I am opining herein as to the effect on the subject transaction only of the securities laws and general corporation law of the State of California and I express no opinion with respect to the applicability thereto, or the effect thereon, of the laws of any other jurisdiction or, in the case of California, any other laws, or as to any matters of municipal law or the laws of any local agencies within any state.

Subject to the foregoing and the other qualifications set forth herein, it is my opinion that, as of the date hereof:

1. When the supplemental indenture pertaining to the applicable series of First Mortgage Bonds has been duly authorized, executed and delivered by the Registrant and the Trustee, and when such First Mortgage Bonds have been duly authorized and duly established in accordance with the Bond Indenture and applicable law

(including, without limitation, by the adoption by the Board of Directors of the Registrant of resolutions duly authorizing the issuance and delivery of such First Mortgage Bonds (the “**First Mortgage Bonds Authorization**”), duly authenticated by the Trustee and duly executed and delivered on behalf of the Registrant against payment therefor in accordance with the Bond Indenture and as contemplated by the Registration Statement, the Prospectus and the related Prospectus Supplement(s) and the First Mortgage Bonds Authorization and the First Mortgage Bonds will constitute legally valid and binding obligations of the Registrant, enforceable against the Registrant in accordance with the respective terms of such First Mortgage Bonds.

2. The Registrant has the authority pursuant to its Articles of Incorporation to issue up to 36,375,000 shares of Preferred Stock. Upon adoption by the Board of Directors of the Registrant of any necessary further resolutions in form and content as required by applicable law and upon issuance and delivery of and payment for such shares, such shares of Preferred Stock will be validly issued, fully paid and nonassessable.

The opinion rendered in paragraph 1 above is subject to the following exceptions, limitations and qualifications: (a) the effect of bankruptcy, insolvency, reorganization, preference, fraudulent transfer, moratorium or other similar laws relating to or affecting the rights or remedies of creditors; (b) the effects of general principles of equity, whether considered in a proceeding in equity or at law (including the possible unavailability of specific performance or injunctive relief), concepts of materiality, reasonableness, good faith and fair dealing, and the discretion of the court before which a proceeding is brought; (c) the unenforceability under certain circumstances under law or court decisions of provisions for the indemnification of or contribution to a party with respect to a liability where such indemnification or contribution is contrary to public policy; (d) certain rights, remedies and waivers contained in the Documents may be limited or rendered ineffective by applicable California laws or judicial decisions governing such provisions, but such laws or judicial decisions do not render the Documents invalid or unenforceable as a whole; and (e) I express no opinion as to the validity or enforceability of any provisions for liquidated damages, default interest, late charges, monetary penalties, prepayment or make-whole premiums or other economic remedies and call to your attention the provisions of Sections 1717 and 1717.5 of the California Civil Code, which limit and create obligations for the payment of attorney’s fees.

To the extent that the obligations of the Registrant under the First Mortgage Bonds may be dependent upon such matters, we assume for purposes of this opinion that the Registrant and the Bond Trustee is duly organized, validly existing and in good standing under the laws of its jurisdiction of organization; that the Registrant and the Bond Trustee is duly qualified to engage in the activities contemplated by the Bond Indenture; that the Bond Indenture has been duly authorized, executed and delivered by the Bond Trustee and the Registrant, and constitutes the legally valid and binding obligation of the Registrant and the Bond Trustee, as applicable, enforceable against the Registrant and the Bond Trustee in accordance with its terms; that the Bond Trustee is in compliance, generally and with respect to acting as a trustee under the Bond Indenture, with all applicable laws and regulations; and that the Registrant and the Bond Trustee has the requisite organizational and legal power and authority to execute and deliver and to perform its obligations under the Bond Indenture.

To the extent that the obligations of the Registrant under the Preferred Stock may be dependent upon such matters, I assume for purposes of this opinion that the Registrant is duly organized, validly existing and in good standing under the laws of the State of California.

I consent to your filing this opinion as an exhibit to the Registration Statement and to the reference to me under the caption “Legal Matters” in the Prospectus included therein.

Very truly yours,

/s/ Gary W. Kyle, Esq.
Chief Corporate Counsel

355 South Grand Avenue
 Los Angeles, California 90071-1560
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 www.lw.com

LATHAM & WATKINS LLP

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London	Shanghai
Los Angeles	Silicon Valley
Madrid	Singapore
Milan	Tokyo
Moscow	Washington, D.C.

May 7, 2009

San Diego Gas & Electric Company
 8326 Century Park Court
 San Diego, CA 92123

Re: Registration Statement on Form S-3 of San Diego Gas & Electric Company

Ladies and Gentlemen:

We have acted as special counsel to San Diego Gas & Electric Company, a California corporation (the “**Company**”), in connection with the issuance of up to \$2,500,000,000 aggregate principal amount of one or more series of senior unsecured debt securities (the “**Notes**”) under an indenture between the Company and U.S. Bank Trust National Association, as trustee (in such capacity, together with its successors, the “**Trustee**”), and one or more supplements thereto (collectively, the “**Indenture**”), and pursuant to a registration statement on Form S-3 under the Securities Act of 1933, as amended (the “**Act**”), filed with the Securities and Exchange Commission (the “**Commission**”) on May 7, 2009 (the “**Registration Statement**”). This opinion is being furnished in connection with the requirements of Item 601(b)(5) of Regulation S-K under the Act, and no opinion is expressed herein as to any matter pertaining to the contents of the Registration Statement or related prospectus, other than as expressly stated herein with respect to the issue of the Notes.

As such counsel, we have examined such matters of fact and questions of law as we have considered appropriate for purposes of this letter. We have reviewed the prospectus (the “**Prospectus**”) that is a part of the Registration Statement and which provides that it will be supplemented in the future by one or more supplements to the Prospectus (each, a “**Prospectus Supplement**”). With your consent, we have relied upon certificates and other assurances of officers of the Company and others as to factual matters without having independently verified such factual matters. We are opining herein as to the internal laws of the State of New York, and we express no opinion with respect to the applicability thereto, or the effect thereon, of the laws of any other jurisdiction or as to any matters of municipal law or the laws of any local agencies within any state.

Subject to the foregoing and the other matters set forth herein, it is our opinion that, as of the date hereof, when the Indenture has been duly authorized, executed and delivered by the Company and the Trustee, and when the Notes have been duly executed, issued, and authenticated in accordance with the terms of the Indenture and applicable law (including, without limitation, by the adoption by the Board of Directors of the Company of resolutions duly authorizing the issuance and delivery of the Notes (the “**Note Authorization**”), duly authenticated by the Trustee and duly executed and delivered on behalf of the Company against payment therefor in accordance with the Indenture, the Prospectus and the related Prospectus Supplements and the Notes Authorization, the Indenture and the Notes will have been duly authorized by all necessary corporate action of the Company and will be legally valid and binding obligations of the Company enforceable against the Company in accordance with their respective terms.

Our opinion is subject to:

(i) the effect of bankruptcy, insolvency, reorganization, preference, fraudulent transfer, moratorium or other similar laws relating to or affecting the rights and remedies of creditors;

(ii) the effect of general principles of equity, whether considered in a proceeding in equity or at law (including the possible unavailability of specific performance or injunctive relief), concepts of materiality, reasonableness, good faith and fair dealing, and the discretion of the court before which a proceeding is brought;

(iii) the invalidity under certain circumstances under law or court decisions of provisions providing for the indemnification of or contribution to a party with respect to a liability where such indemnification or contribution is contrary to public policy;

(iv) we express no opinion as to (a) any provision for liquidated damages, default interest, late charges, monetary penalties, make-whole premiums or other economic remedies to the extent such provisions are deemed to constitute a penalty, (b) consents to, or restrictions upon, governing law, jurisdiction, venue, arbitration, remedies, or judicial relief, (c) any provision for the waiver of rights or defenses relating to the waiver of stay, extension and usury laws; (d) any provision requiring the payment of attorneys’ fees, where such payment is contrary to law or public policy; (e) any provision to the extent it requires that a claim with respect to the Notes (or a judgment in respect of such a claim) be converted into U.S. dollars at a rate of exchange at a particular date, to the extent applicable law otherwise provides; (f) provisions purporting to make a guarantor primarily liable rather than as a surety and provisions purporting to waive modifications of any guaranteed obligation to the extent such modification constitutes a novation; (h) advance waivers of claims, defenses, rights granted by law, or notice, opportunity for hearing, evidentiary requirements, statutes of limitation, trial by jury or at law, or other procedural rights; (i) waivers of broadly or vaguely stated rights; (j) covenants not to compete; (k) provisions for exclusivity, election or cumulation of rights or remedies; (l) provisions authorizing or validating conclusive or discretionary determinations; (m) grants of setoff rights; (n) proxies, powers and trusts; (o) provisions prohibiting,

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restricting, or requiring consent to assignment or transfer of any right or property; (p) whether acceleration of the Notes may affect the collectibility of that portion of the stated principal amount thereof that might be determined to constitute unearned interest thereon; (q) compliance with laws relating to permissible rates of interest; and (r) the severability, if invalid, of provisions to the foregoing effect; and

(v) we have not been requested to express and, with your consent, do not render any opinion herein with respect to the creation, validity, perfection or priority of any security interest.

With your consent, we have assumed (a) that the Indenture and the Notes (collectively, the “**Documents**”) have been duly authorized, executed and delivered by the parties thereto, (b) that the Documents constitute legally valid and binding obligations of the parties thereto other than the Company, enforceable against each of them in accordance with their respective terms, and (c) that the status of the Documents as legally valid and binding obligations of the parties is not affected by any (i) breaches of, or defaults under, agreements or instruments, (ii) violations of statutes, rules, regulations or court or governmental orders, or (iii) failures to obtain required consents, approvals or authorizations from, or make required registrations, declarations or filings with, governmental authorities.

This opinion is for your benefit in connection with the Registration Statement and may be relied upon by you and by persons entitled to rely upon it pursuant to the applicable provisions of the Act. We consent to your filing this opinion as an exhibit to the Registration Statement and to the reference to our firm contained in the Prospectus under the heading “Legal Matters.” We further consent to the incorporation by reference of this letter and consent into any post-effective amendment to the Registration Statement filed pursuant to Rule 462(b) with respect to the Notes. In giving such consent, we do not thereby admit that we are in the category of persons whose consent is required under Section 7 of the Act or the rules and regulations of the Commission thereunder.

Very truly yours,

/s/ Lathan & Watkins LLP

SAN DIEGO GAS & ELECTRIC COMPANY
COMPUTATION OF RATIO OF EARNINGS TO FIXED CHARGES AND
COMPUTATION OF RATIO OF EARNINGS TO COMBINED FIXED CHARGES
AND PREFERRED STOCK DIVIDENDS
(Dollars in millions)

	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>Three Months Ended March 31, 2009</u>
Fixed charges and preferred stock dividends:						
Interest	\$ 107	\$ 105	\$ 102	\$ 77	\$ 71	\$ 27
Interest portion of annual rentals	<u>1</u>	<u>3</u>	<u>3</u>	<u>3</u>	<u>2</u>	<u>—</u>
Total fixed charges	108	108	105	80	73	27
Preferred stock dividends ⁽¹⁾	<u>7</u>	<u>7</u>	<u>8</u>	<u>6</u>	<u>8</u>	<u>2</u>
Combined fixed charges and preferred stock dividends for purpose of ratio	<u>\$ 115</u>	<u>\$ 115</u>	<u>\$ 113</u>	<u>\$ 86</u>	<u>\$ 81</u>	<u>\$ 29</u>
Earnings:						
Pretax income from continuing operations	\$ 451	\$ 406	\$ 394	\$ 356	\$ 361	\$ 167
Total fixed charges (from above)	<u>108</u>	<u>108</u>	<u>105</u>	<u>80</u>	<u>73</u>	<u>27</u>
Less: interest capitalized	<u>13</u>	<u>3</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>—</u>
Total earnings for purpose of ratio	<u>\$ 546</u>	<u>\$ 511</u>	<u>\$ 498</u>	<u>\$ 435</u>	<u>\$ 433</u>	<u>\$ 194</u>
Ratio of earnings to combined fixed charges and preferred stock dividends	<u>4.75</u>	<u>4.44</u>	<u>4.41</u>	<u>5.06</u>	<u>5.35</u>	<u>6.69</u>
Ratio of earnings to fixed charges	<u>5.06</u>	<u>4.73</u>	<u>4.74</u>	<u>5.44</u>	<u>5.93</u>	<u>7.19</u>

⁽¹⁾ In computing this ratio, "preferred stock dividends" represents the before-tax earnings necessary to pay such dividends, computed at the effective tax rates for the applicable periods.

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in this Registration Statement on Form S-3 of our reports dated February 23, 2009, relating to the consolidated financial statements of San Diego Gas and Electric Company and subsidiary, and the effectiveness of San Diego Gas and Electric Company and subsidiary's internal control over financial reporting, incorporated by reference in the Annual Report on Form 10-K of San Diego Gas and Electric Company and subsidiary for the year ended December 31, 2008, and to the reference to us under the heading "Experts" in the Prospectus, which is part of this Registration Statement.

Deloitte & Touche LLP

San Diego, California
May 5, 2009