

2001 Total Return

Sempra Energy 9.9%

Dow Jones -7.1%

S&P 500 Index -13.0%

S&P Utilities Index -32.5%



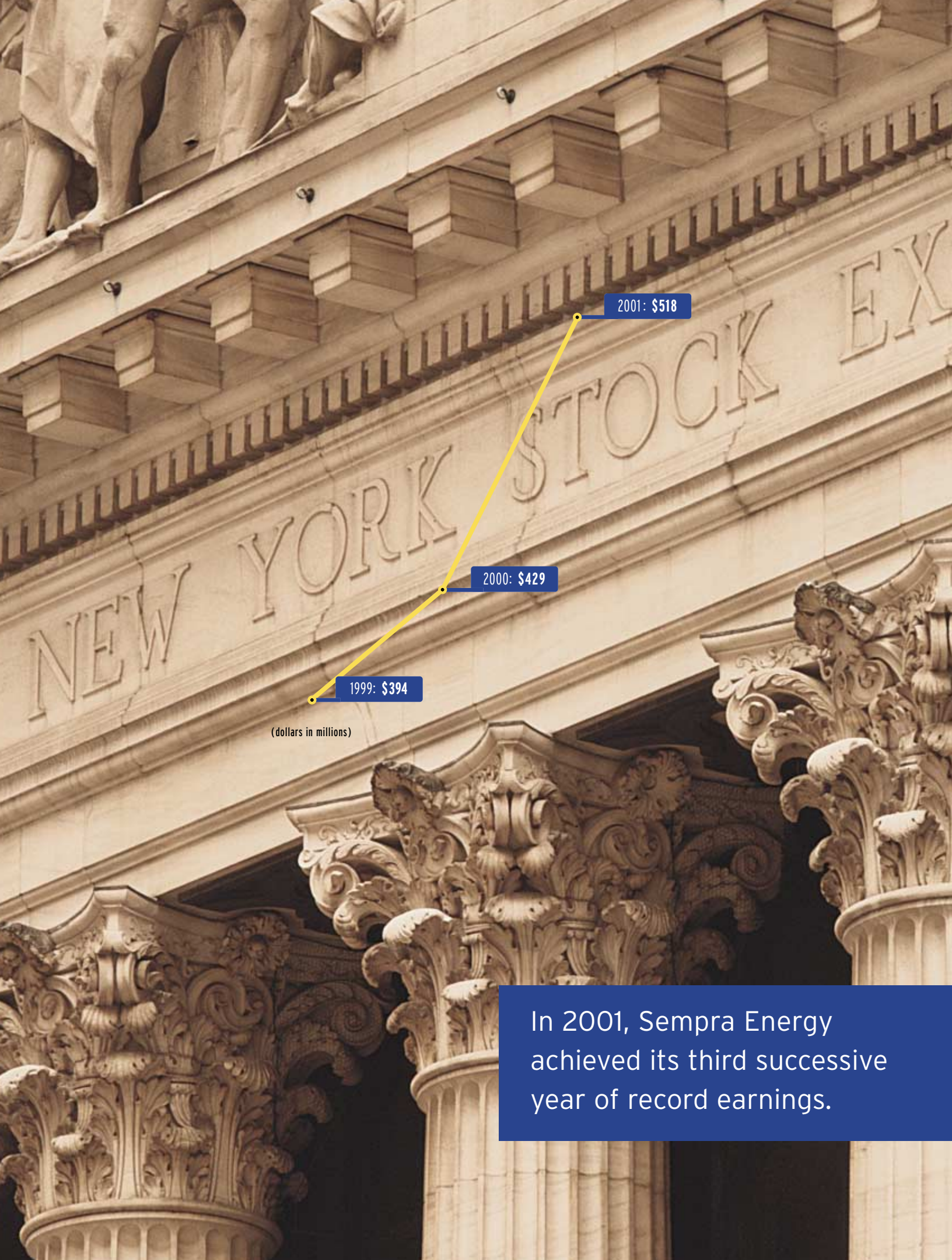
A year of performance.

During a time of high volatility in the energy industry, Sempra Energy once again demonstrated that the source of **real** power is straightforward accomplishment. From meeting and exceeding its financial goals, to outperforming the major financial and peer company indices, Sempra Energy generated impressive results in 2001.

ON THE COVER: **Total Return**

In 2001, Sempra Energy's total return to shareholders was 9.9 percent, outperforming the Dow Jones Industrial Average, the Standard & Poor's 500 Index and the Standard & Poor's Utilities Index.

Based in San Diego, Sempra Energy is a Fortune 500 energy services corporation whose companies serve the largest customer base of any utility company in the United States. The Sempra Energy group of companies and its more than 11,000 employees provide an integrated package of energy-related products and services. Sempra Energy common shares trade on the New York Stock Exchange under the symbol "SRE." The company's Web site address is www.sempra.com.



(dollars in millions)

1999: \$394

2000: \$429

2001: \$518

In 2001, Sempra Energy achieved its third successive year of record earnings.



Record

achievement.



2001 Earnings Contribution

Sempra Energy Global Enterprises

Sempra Energy Utilities

In 2001, Sempra Energy exceeded its goal of realizing one-third of earnings from its Global Enterprises group of growth businesses – two years ahead of schedule. Sempra Energy's new goal is to achieve half of its earnings from Global Enterprises by 2004.

FINANCIAL HIGHLIGHTS

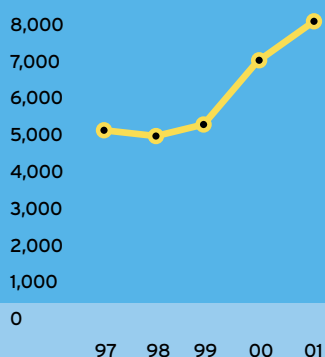
At December 31 or for the years then ended (Dollars in millions, except per-share amounts)

	2001	2000	CHANGE
CONSOLIDATED FINANCIAL DATA			
Operating Revenues	\$ 8,029	\$ 7,037	14.1%
Net Income	\$ 518	\$ 429	20.7%
Net Income Per Share of Common Stock:			
Basic	\$ 2.54	\$ 2.06	23.3%
Diluted	\$ 2.52	\$ 2.06	22.3%
Weighted Average Number of			
Common Shares Outstanding (diluted, in millions)	205.3	208.3	-1.4%
Total Assets	\$ 15,156	\$ 15,540	-2.5%
Common Dividends Declared Per Share	\$ 1.00	\$ 1.00	0%
Debt to Total Capitalization	59.5%	59.2%	0.5%
Book Value Per Share	\$ 13.16	\$ 12.35	6.6%
Capital Expenditures	\$ 1,068	\$ 759	40.7%

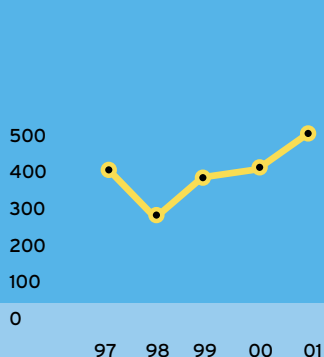
STATISTICS

Natural Gas Throughput ^(a) (in billions of cubic feet)	1,153	1,131	1.9%
Electric Energy On-System Sales ^(a) (in billions of kilowatt hours)	17.5	18.4	-4.9%
Number of Customers ^(a) (in millions of meters served)			
Natural Gas	5.9	5.8	1.7%
Electricity	1.3	1.2	8.3%
Return on Common Equity			
Semptra Energy	19.5%	15.7%	24.2%
SoCalGas	16.0%	16.0%	0%
SDG&E	16.5%	12.2%	35.2%
Number of Employees ^(b)	11,511	11,232	2.5%

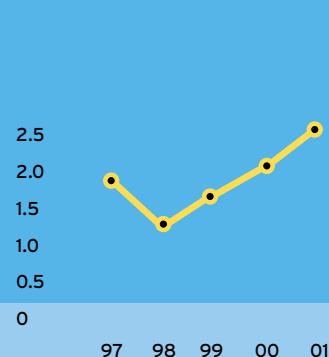
(a) California utilities. (b) Excludes contract and part-time employees.



OPERATING REVENUES
(dollars in millions)



NET INCOME
(dollars in millions)



EARNINGS PER SHARE
(dollars)



STEPHEN L. BAUM, CHAIRMAN, PRESIDENT AND CHIEF EXECUTIVE OFFICER

Fellow Shareholders

2001 was a turbulent year for the energy industry: Few energy companies were unscathed. Sempra Energy not only survived, it thrived.

Sempra Energy delivered record earnings of \$518 million for 2001, or \$2.52 per share, up 22 percent over 2000, as our newer businesses continued to expand. Our total return to shareholders was 9.9 percent, outperforming the Dow Jones Industrial Average, the Standard & Poor's 500 Index and the Standard & Poor's Utilities Index.

BUILDING VALUE

Three years ago, when we formed Sempra Energy, we focused on providing broad energy solutions in selected markets. We started or acquired new businesses, such as Sempra Energy Trading, to deliver those solutions. Since that time, we've built these businesses with care, operated them conservatively and set aggressive goals. We have met or exceeded these goals.

Overall, our integrated portfolio of businesses is growing ahead of plan. The companies that comprise Sempra Energy's Global Enterprises group surpassed – two years ahead of schedule – the goal of contributing one-third of Sempra Energy's total earnings. Now, we have set an even more aggressive goal of realizing one-half of our earnings from this group by the year 2004. We have set these targets while at the same time continuing to generate steady earnings from our California utilities.

By building a balanced portfolio of businesses, we have laid a strong foundation for continued earnings-per-share growth. Our goal is to achieve an annual average earnings-per-share growth rate of approximately 8 percent to 10 percent over the period 2001 to 2006. As of year-end, we had about \$2.2 billion in liquidity, giving us the financial flexibility to fund projects that create shareholder value.

We are committed to maintaining a transparent balance sheet and strong, investment-grade credit ratings.

THE STRENGTH OF LEADERSHIP

Our accomplishments in 2001 went beyond the numbers and reflected the dedication and skill of our more than 11,000 employees.

Sempra Energy navigated one of the most difficult years California has ever seen. This accomplishment is due, in large part, to our foresight several years ago, when we recovered our stranded costs as quickly as possible under California's deregulation law. We did this to ensure our viability and stability in the face of what seemed, at the time, to be a highly unlikely scenario – one in which energy prices would spike to record levels.

We emerged from 2001 with our balance sheet strong and our strategic plans for growth intact.

We crafted an innovative Memorandum of Understanding (MOU) with the state of California designed to lift the burden of a \$750 million balancing account for past energy costs from the shoulders of San Diego Gas & Electric customers, without any increase in base electric rates. The California Public Utilities Commission (CPUC) denied a key component of the MOU early in 2002. We are proceeding with litigation on this matter.

In 2001, we found other ways to become part of the solution to the California energy crisis. By contracting with the California Department of Water Resources to supply up to 1,900 megawatts of power to the state for the next 10 years, Sempra Energy – through Sempra Energy Resources – is building, either through sole or joint ventures, more than 2,300 megawatts of new generation for the region. Now that spot prices have fallen dramatically, state officials have called for renegotiation of the contracts and also attacked their validity in regulatory proceedings. We have agreed to meet with the state, but any changes to these contracts must be mutually agreeable and beneficial.

Equally important, our California utilities have continued to deliver safe and reliable service to their customers, along with a solid return to our corporation. I cannot overstate the significance of such performance, especially under the unusually demanding circumstances we encountered this past year.

A PLAN FOR GROWTH

Each year since Sempra Energy's founding in 1998, we have set tough but realistic goals for our business units. In 2001, we again met or exceeded these goals. We take the same disciplined approach to capital spending. Our efforts are focused in three



Sempra Energy is partnering with CMS Energy Corporation to develop a liquefied natural gas receiving terminal in Baja California, Mexico. When completed, this LNG terminal could supply up to 1 billion cubic feet per day of natural gas to the United States and Mexico.

areas: growing Sempra Energy Trading, building critical energy infrastructure in the Southwestern United States and Northern Mexico, and ensuring that our California utilities continue delivering safe, reliable and efficient service.

These investments are paying off.

In 2001, we saw dramatic growth in our wholesale energy trading business, Sempra Energy Trading, whose profits increased 26 percent. In the wake of the Enron collapse, Sempra Energy Trading continues to manage its business prudently and maintains among the lowest risk profiles in the industry.

Last year, we captured other new opportunities – and capitalized on existing investments – in the high-growth energy markets of the Southwestern United States and Northern Mexico. In October 2001, we announced a partnership to develop a liquefied natural gas (LNG) receiving terminal south of Tijuana. This proposed plant would provide a new source of natural gas for the Southwest with the ability to produce up to 1 billion cubic feet a day. Meanwhile, construction of our North Baja gas pipeline is well under way. We expect it to be fully operational by the summer of 2002.

CORPORATION AND COMMUNITY

At the end of 2001, we initiated an organizational change that we believe will result in a more effective company. By bringing together the best practices of our two California utilities – Southern California Gas Company and San Diego Gas & Electric – under a single management organization, we expect efficiencies that will improve performance. Similarly, we have created a new stand-alone organization at Sempra Energy Global Enterprises.

(RIGHT) **Base Metals:** Sempra Energy expanded its commodity trading operations in 2002 by acquiring London-based Enron Metals Limited, the leading metals trader on the London Metals Exchange. Now re-named Sempra Metals Limited, the company is active in brokering and market-making in base metals, including aluminum, copper, nickel, tin and zinc. (OPPOSITE PAGE) **Mosaic of Cultures:** The diversity of Sempra Energy's employees is key to the company's strength. Pictured here, from left, are utility employees Russell Jackson, Harry Ogilvie, Ruben Rodriguez and Julia Lyles.



We are pleased to announce several important honors the company earned. In December 2001, we received the "Energy Risk Manager of the Year" award from London-based *Energy Power and Risk Management* magazine. This award recognizes our culture of prudent risk management.

In July 2001, we achieved the No. 5 spot on *Fortune* magazine's annual list of "America's 50 Best Companies for Minorities." This recognition marked Sempra Energy's fourth consecutive year being honored as one of the top five companies in promoting diversity. We are extremely proud of our employees, who come from a mosaic of cultures and backgrounds. They are a major asset for our business. Their spirit and endeavor drive Sempra Energy's success.

Their spirit also includes great generosity. The majority of Sempra Energy employees contributed to the cause of helping the families affected by the attacks of September 11. As a company, Sempra Energy made contributions of \$1.25 million to The Power of America Fund and The September 11 Fund.

LOOKING AHEAD

We have renewed our goals for 2002 and beyond. They are to grow our earnings over the period 2001 through 2006 at an average rate of 8 percent to 10 percent a year; to increase the contribution to earnings of Sempra Energy's new growth businesses to 50 percent by 2004; and to maintain strong, investment-grade credit ratings.

We will do this as a company of high ethical standards – a company that is a good, safe place to work for our employees, and an attractive investment for shareholders.

On behalf of the employees of Sempra Energy,
I proudly thank you for your continued support.

Sincerely,



STEPHEN L. BAUM
Chairman, President and Chief Executive Officer



The Sempra Energy companies

SEMPRA ENERGY UTILITIES

Southern California Gas Company

Southern California Gas Company is the nation's largest natural gas distribution utility, serving 18 million consumers through 5 million meters. The company's service territory encompasses 23,000 square miles, from San Luis Obispo in the north, to the Mexican border in the south.

San Diego Gas & Electric

San Diego Gas & Electric is a distribution utility that provides service to 3 million consumers through 1.3 million electric meters and 775,000 natural gas meters in San Diego and southern Orange counties. The company's service area spans 4,100 square miles, covering two counties and 25 cities.

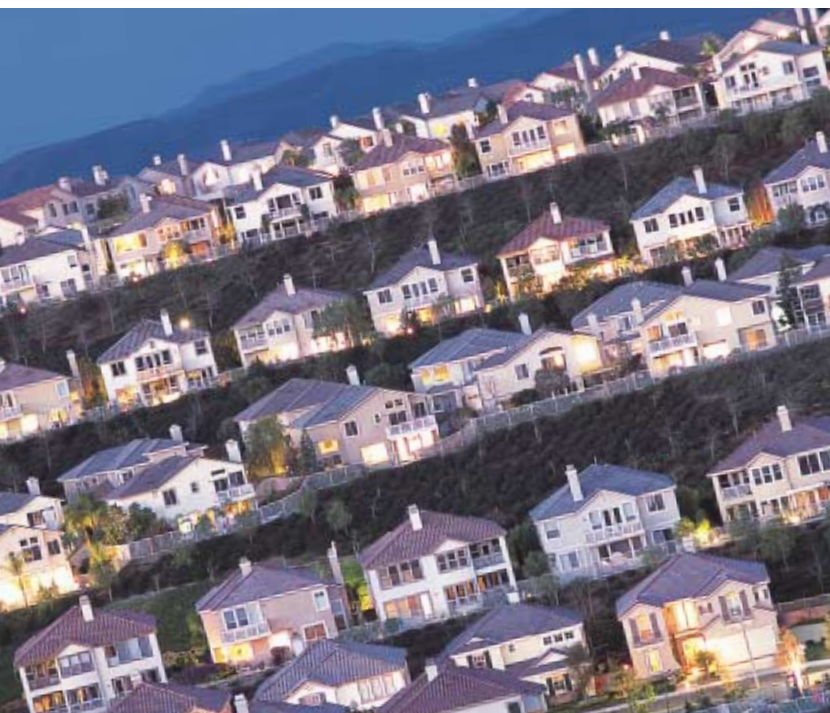
SEMPRA ENERGY GLOBAL ENTERPRISES

Sempra Energy Trading

Sempra Energy Trading is a leading marketer and trader of physical and financial commodities, including natural gas, power, petroleum products and base metals, worldwide. Sempra Energy Trading combines trading and risk-management experience with physical energy commodity expertise to provide innovative energy solutions for its wholesale and retail customers.

The companies of Sempra Energy are dedicated to providing safe, reliable energy and energy-related services, as well as innovative energy solutions, to their customers. The corporation is divided into two operating groups: the Sempra Energy Utilities and Sempra Energy Global Enterprises.

Sempra Energy Resources	Sempra Energy International	Sempra Energy Solutions
Sempra Energy Resources acquires, develops and operates power plants and energy infrastructure, as well as natural gas storage, production and transportation assets for the competitive market.	Sempra Energy International develops, operates and owns energy projects in international markets. The company currently is involved in joint or solo ventures that provide natural gas and electricity service to more than 2.6 million customers in Mexico, Chile, Peru, Argentina, Uruguay and the United States.	Sempra Energy Solutions provides commercial and industrial businesses throughout the United States and Europe with energy-outsourcing services, including supply and price-risk management, energy-information management, energy-asset management, energy efficiency, facility management, performance contracting, infrastructure ownership and management, and information and billing management.



Sempra Energy Utilities In 2001, Southern California Gas Company and San Diego Gas & Electric achieved record results in safety, reliability and customer satisfaction while serving more than 21 million California consumers.

Sempra Energy Trading – an industry leader in trading physical and financial energy products – was a major driver of corporate earnings growth in 2001. The company managed a balanced portfolio, with almost half of its profits coming from trading operations in power, a third from natural gas, and 20 percent from petroleum and other products.

Sempra Energy Solutions Owners of large facilities, such as the Hollywood & Highland entertainment and shopping complex in Los Angeles (above), continue to turn to Sempra Energy Solutions for customized programs on how best to manage their energy costs and operations.



Sempra Energy Resources had one power plant in operation and three more under construction in 2001. These technologically advanced and environmentally friendly facilities produce 45 percent more electricity from the same amount of fuel compared to existing plants. Construction continues on the Elk Hills power plant (above) in Bakersfield, California, due to start operations in 2003.



Sempra Energy International's North Baja Pipeline will be a backbone for the future supply of natural gas for industrial and economic growth in Northern Mexico and Southern California. To date, more than 70 miles of pipeline are in place, with completion expected in the summer of 2002.



Sempra Energy Global Enterprises

Sempra Energy's strategic plan is focused on businesses that will deliver and grow shareholder value. These growth businesses now are grouped under the umbrella of Sempra Energy Global Enterprises.

The Sempra Energy Global Enterprises' businesses have expanded successfully over the years. When Sempra Energy was formed in 1998, most of these growth businesses were in their infancy, but, by 2001, they contributed one-third of Sempra Energy's total earnings.

To accomplish steady, balanced growth, a company not only must be able to identify and capitalize on new opportunities in the marketplace, but also be adept at managing risk. And while it may be tempting to think that risk management is applicable only to select disciplines, such as trading, in which financial or commodity assets can be easily quantified for analysis - managing risk is at the core of everything Sempra Energy does.

At Sempra Energy Trading, this kind of discipline and careful management contributed to another year of outstanding

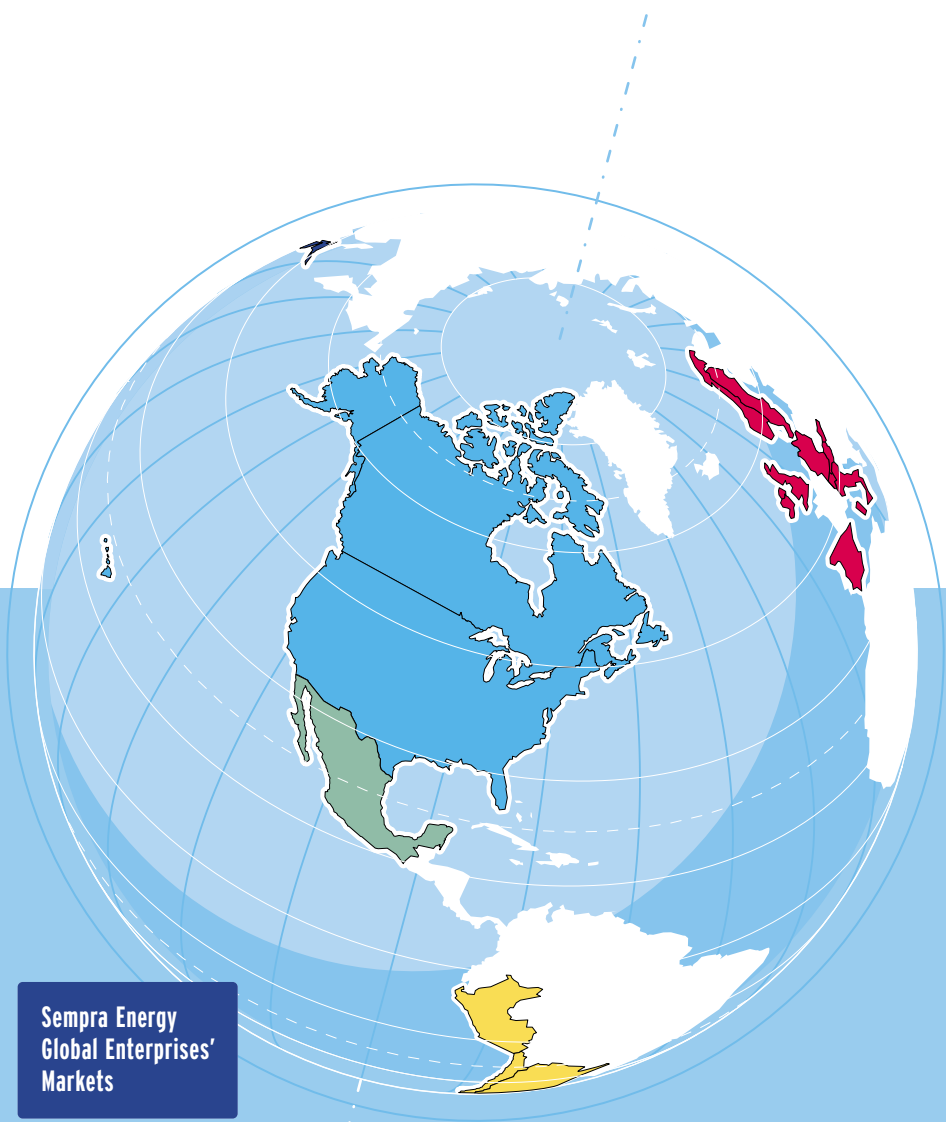
results in 2001. Sempra Energy Trading is a leader in marketing and trading energy and risk-management products. Its success has been enhanced by trading a broad range of energy products, which creates opportunities for the company to leverage volatility in different markets. In early 2002, Sempra Energy Trading further broadened its product portfolio through the acquisition of one of the top traders and brokers on the London Metals Exchange. This newly acquired firm, Sempra Metals Limited, caters to producers of base metals, many of whom also are among the largest energy users.

Sempra Energy Resources is skilled at understanding all components of a market for building generation and energy infrastructure. Is the plant to be built in an area that is about to have a surplus of electricity? Are there regulatory

changes on the horizon? Can the plant be built near multiple fuel supplies, and have access to transmission lines leading to different markets? This understanding leads to optimal terms – and minimum risk.

Sempra Energy International operates natural gas and electric distribution utilities, as well as gas transmission systems, in Northern Mexico and the Southern Cone countries of Argentina, Chile, Peru and Uruguay.

Sempra Energy Solutions is helping large commercial, industrial and institutional customers minimize the risk of volatile energy prices, reduce energy costs and increase the efficiency of their energy operations. The challenges of energy management at large facilities have never been greater and have led many firms to outsource these



**Sempra Energy
Global Enterprises'
Markets**

services to companies like Sempra Energy Solutions.

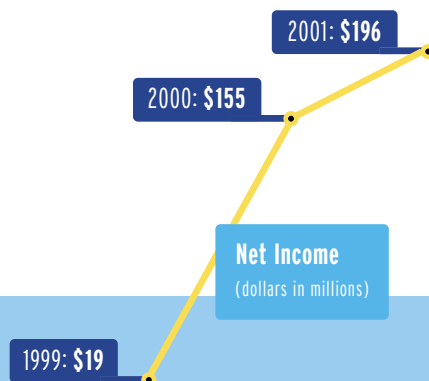
Sempra Energy Global Enterprises also operates selected telecommunications businesses. In 2001, Sempra Fiber Links was launched, a new company marketing and licensing advanced technology that places fiber-optic cable in natural gas

distribution pipelines. This helps solve the “last mile” problem in telecommunications, bringing high-speed broadband communications into urban areas, without disruptive and expensive street trenching.

Together, the companies that form Sempra Energy Global Enterprises serve as the core for Sempra Energy's growth initiatives, catering to a broad range of customers' energy needs.

DELIVERING RESULTS WHILE MANAGING RISK

Sempra Energy Trading



Net Income
(dollars in millions)

Sempra Energy Trading's net income has risen 10-fold since 1999, while the company continues to successfully manage risk.

If there is one business in which risk management is paramount, it is energy trading. In 2001, Sempra Energy Trading – an industry leader in trading physical and financial energy products – delivered exceptional performance in the face of constantly changing market conditions.

Sempra Energy Trading achieved a record \$196 million in 2001 net income, representing a 26-percent increase over the previous year. While some of this success can be attributed to the volatility of the markets in which it traded, Sempra Energy Trading continued – as it always has – to focus on organic growth, prudently pursuing profitable business instead of merely volume transactions.

The distribution of Sempra Energy Trading's net income reflects its balanced and diversified portfolio: In 2001, almost half of its profits came from trading operations in power, a third from natural gas, and 20 percent from petroleum and other products.

Customer-driven, solutions-oriented trading that builds niche strengths – instead of broad, across-the-board transactions – is the key to Sempra Energy Trading's success.

In 2001, Sempra Energy Trading also grew its business in oil and refined petroleum products and expanded what already was a very robust European operation centered on crude oil trading.

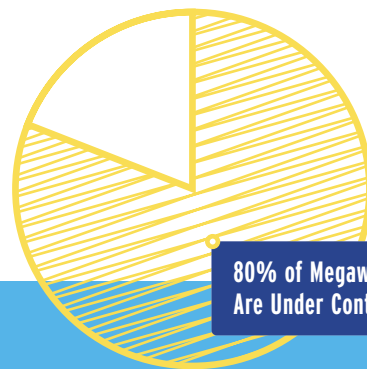
These exemplary results were accomplished in the context of a difficult business climate and industry turmoil in the latter half of 2001. Throughout it all, the management and staff of Sempra Energy Trading have demonstrated an expert ability not just to weather the storm, but to emerge, at year-end, in a position of unique strength.

FUELING A NATION'S ENERGY NEEDS

Sempra Energy Resources



2,355 Total Megawatts in
Operation and Under Construction



80% of Megawatts
Are Under Contract

Sempra Energy Resources has signed contracts to sell 80 percent of the output from the power plants it has in operation and under construction.

Sempra Energy Resources acquires and develops power plants and energy infrastructure in competitive markets. While the business is assembling a diversified portfolio of assets in selected regions across the United States and Northern Mexico, in no other area was this strength more important last year than in California.

In 2001, as a response to the energy crisis, Sempra Energy Resources signed a landmark agreement with the state of California to supply up to 1,900 megawatts (MW) of power for a period of 10 years. Of all the agreements entered into by the state, this contract offered some of the lowest-cost power, providing California consumers with the assurance that their

electricity needs will be met – efficiently and cost-effectively – over the next decade.

Compared with existing facilities, the technologically advanced plants being built by Sempra Energy Resources will produce 45 percent more electricity from the same amount of fuel. And, all these new plants will be built to the most stringent environmental regulations.

In addition to the company's fully operational El Dorado Energy plant in Nevada, at year-end 2001, Sempra Energy Resources had three plants under construction: the 570 MW Elk Hills facility in Bakersfield, California; the 600 MW Mexicali plant in Mexico; and the 1,250 MW Mesquite plant in Arizona. All of these plants, which are

being developed as joint or sole ventures, are expected to be operational in 2003. Sempra Energy Resources currently has three more projects fully licensed – Cedar Power and MC Energy in Texas, and Copper Mountain in Nevada. The company continues to evaluate the economic return possible for these plants, and will build them only if they are attractive investments.

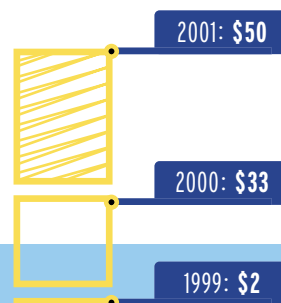
All of these projects conform to Sempra Energy Resources' mission of identifying attractive markets, getting key sites under control, developing when the market allows profitable investment, matching turbine orders with construction, and ultimately building the most efficient generation in the region.

WIDENING THE FRONTIER

Sempra Energy International



Earnings from Continuing Operations (dollars in millions)



Sempra Energy International's earnings from continuing operations have grown steadily since 1999, capitalizing on higher-growth markets in Latin America.

Sempra Energy International principally is focused on two areas of geographical investment: Northern Mexico and the Southern Cone of South America.

The North Baja Pipeline continues to be a major success story. The pipeline was fully subscribed by gas shippers shortly after the project was announced in June 2000. Completion is expected in summer 2002. The pipeline forms the gas supply backbone to fuel future industrial and economic growth in Northern Mexico and Southern California.

The North Baja Pipeline represents Sempra Energy International's latest investment in the rapidly growing Northern Mexico region. Sempra Energy International was

awarded the first private gas distribution franchise in Mexico in 1996 for the city of Mexicali, and since has developed Mexican gas distribution systems in Chihuahua and La Laguna-Durango, as well as a gas transmission pipeline from San Diego to Rosarito, Mexico.

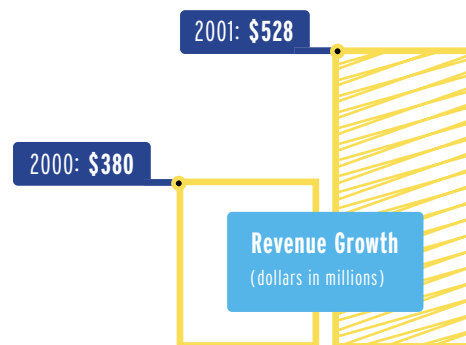
As United States' reserves of environmentally clean natural gas remain limited, the nation will need to look elsewhere for supplies. These supplies, in turn, will have to be transported to North America, much as some oil is today. To this end, Sempra Energy International has joined with CMS Energy Corporation to develop a liquefied natural gas (LNG) receiving terminal near Ensenada, Mexico, on the northern Baja California coast. When

completed, this LNG terminal would be the largest import terminal on the West Coast for the supply of natural gas to the United States and Mexico. Additional negotiations are proceeding on a 20-year supply agreement with the Pacific LNG Group, which has vast natural gas reserves in South America.

In its South American operations, Sempra Energy International has advantageous joint-venture investments in both Chile and Peru, where the utilities serve expanding regional economies. The company also is carefully managing its investment in two Argentine gas distribution utilities, in the midst of Argentina's ongoing economic problems.

DRIVING A NEW MARKET

Sempra Energy Solutions



Sempra Energy Solutions' revenues rose 39 percent in 2001 as an increasing number of commercial, industrial and institutional customers took advantage of the company's energy-management expertise.

With energy prices volatile and the risk and complexity of energy management increasing, large commercial, industrial and institutional customers want both stable prices and advice about managing their overall energy costs and operations. This trend toward energy services outsourcing has accelerated over the past year, and Sempra Energy Solutions has been a market leader.

In fact, in a tough marketplace that sees more losers than winners, Sempra Energy Solutions turned the corner of profitability in 2001, one year ahead of schedule. Offering the widest range of integrated demand-side and supply-side energy solutions to large commercial and industrial customers, this business

capitalized on its expertise in analyzing customers' energy needs. The unit's creative, customized solutions not only lowered costs but also mitigated risks related to energy prices and reliability of supply.

In 2001, Sempra Energy Solutions continued the expansion begun the previous year in four targeted regions of the United States: the western states of California, Arizona and Nevada; the Gulf Coast; the upper Midwest; and the Northeast.

PROVIDING SAFE, RELIABLE ELECTRICITY AND
NATURAL GAS SERVICE TO CALIFORNIANS

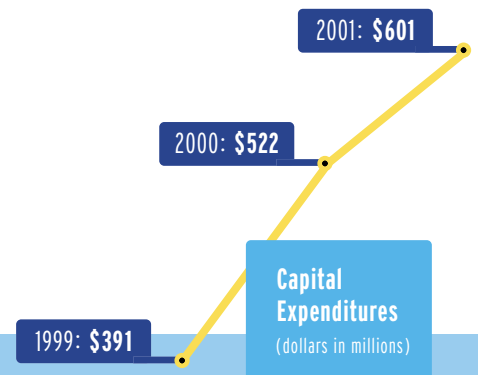
Sempra Energy Utilities

2001 was another year of solid performance by the Sempra Energy Utilities, Southern California Gas Company (SoCalGas) and San Diego Gas & Electric (SDG&E).

In 2001, SoCalGas, the largest natural gas utility in the United States, delivered a record 1.15 trillion cubic feet of gas through more than 5 million customer meters in an expansive 23,000-square-mile service territory.

During the past year's energy crisis in California, SoCalGas provided uninterrupted transportation of 574 billion cubic feet of gas to the electric generation market, surpassing the prior year's deliveries by 8 percent. To meet the region's growing energy demand, SoCalGas began working on an 11-percent capacity expansion of its intrastate transmission infrastructure.

Throughout this period of unprecedented demand and price volatility, SoCalGas exceeded its state-authorized rate of return, and its employees generated record performance in safety, reliability



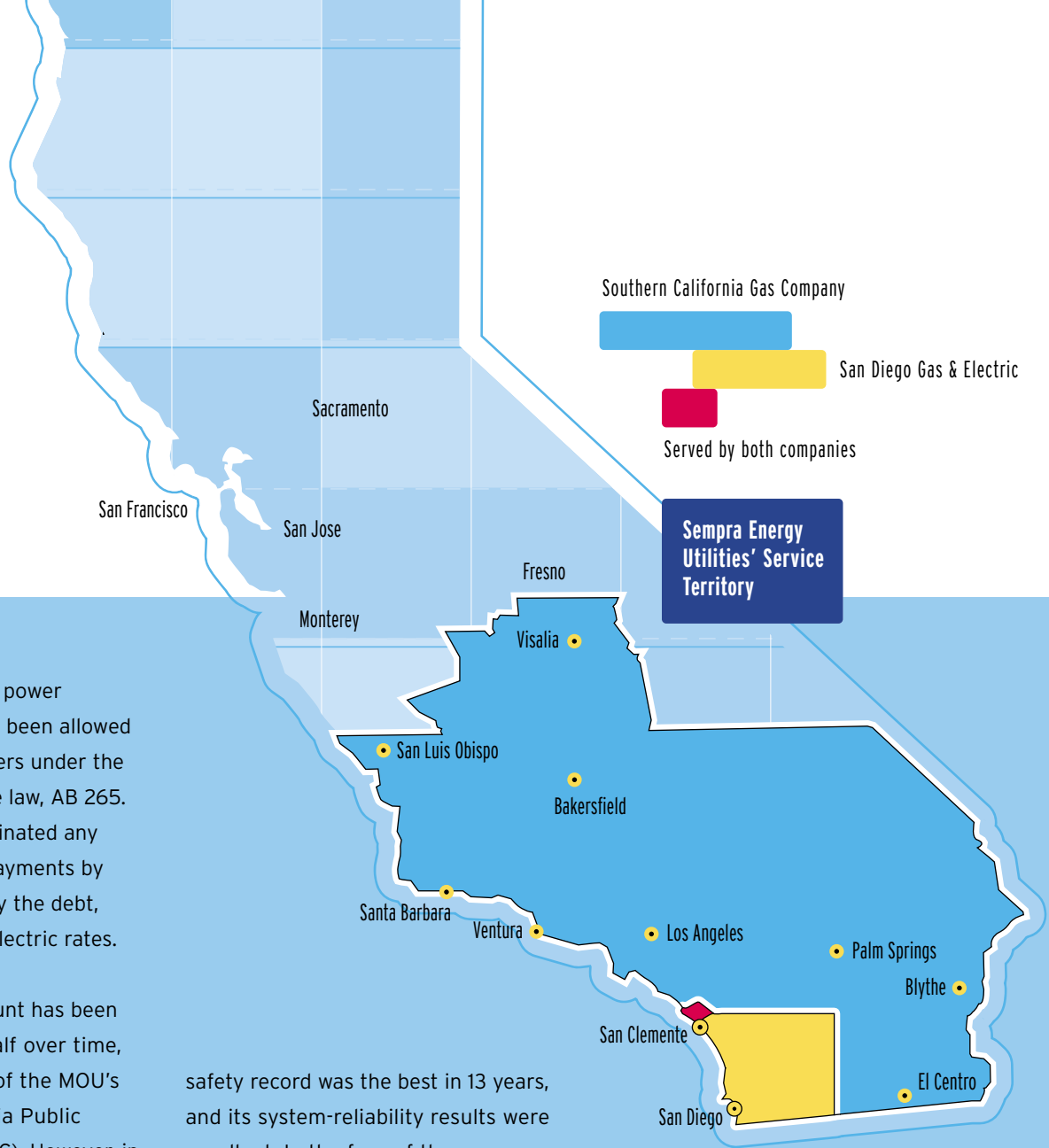
Sempra Energy Utilities

Sempra Energy continues to invest in its California utility franchises, SoCalGas and SDG&E, to ensure they provide safe, reliable and responsive service to their customers.

and customer service.

SDG&E also exceeded its 2001 financial and operational goals in all areas of measurement, and, in fact, recorded new highs in safety and customer service, as well.

In June 2001, SDG&E signed a Memorandum of Understanding (MOU) with the state of California to resolve a multi-million-dollar undercollection for wholesale power costs incurred by its customers during the energy crisis. This undercollection represents the difference between what



SDG&E paid for wholesale power purchases and what it has been allowed to collect from its customers under the provisions of a 2000 state law, AB 265. The MOU would have eliminated any potential future balloon payments by SDG&E customers to repay the debt, with no increase in base electric rates.

This undercollection account has been reduced by almost one-half over time, due to approval of some of the MOU's elements by the California Public Utilities Commission (CPUC). However, in the early part of 2002, a key component of the agreement was denied by the CPUC. SDG&E is proceeding with litigation on this matter.

While SDG&E faced some rough waters amidst turbulent energy markets, its employees remained focused. SDG&E's

safety record was the best in 13 years, and its system-reliability results were excellent. In the face of the energy crisis, the utility's exceptional customer service scores stayed high despite months of negative publicity about runaway wholesale electricity prices and the potential for widespread summer blackouts. While the predicted blackouts did not happen – in part, thanks to strong energy-conservation efforts across

California – SDG&E reached out to the community to ensure it was prepared for the impact of blackouts, as well as higher bills. SDG&E educated customers regarding blackout preparation, and implemented an assistance program to help customers in need pay their bills.

Sempra Energy Corporate

EXECUTIVE TEAM



Pictured from left – FRONT ROW: Joyce Rowland, Dennis Arriola, Stephen Baum, Mark Randle *TOP ROW:* Randall Peterson, Michael Allman, John Light, Charles McMonagle, Neal Schmale, Thomas Sayles, Frederick John, Joseph Householder, Thomas Sanger, Frank Ault

▲ CORPORATE

Stephen L. Baum

Chairman, President and
Chief Executive Officer

Michael Allman

Vice President,
Audit Services

Dennis V. Arriola

Vice President,
Investor Relations

Frank H. Ault

Senior Vice President and Controller

Joseph A. Householder

Vice President,
Corporate Tax

Frederick E. John

Senior Vice President,
External Affairs and Communications

John R. Light

Executive Vice President
and General Counsel

Charles A. McMonagle

Vice President and Treasurer

Randall B. Peterson

Vice President,
Human Resources

Mark D. Randle

Vice President,
Energy Risk Management

G. Joyce Rowland

Senior Vice President,
Human Resources

Thomas C. Sanger

Corporate Secretary

Thomas S. Sayles

Vice President,
Governmental and Community Affairs

Neal E. Schmale

Executive Vice President
and Chief Financial Officer

UTILITIES ►

Edwin A. Guiles

Group President,
Sempra Energy Utilities

Debra L. Reed

President and Chief Financial Officer,
Sempra Energy Utilities

James P. Avery

Senior Vice President,
Electric Transmission

J. Chris Baker

Vice President,
Chief Information
Technology Officer

Steven D. Davis

Senior Vice President,
Customer Service and
External Relations

Pamela J. Fair

Vice President,
Customer Operations

Terry M. Fleskes

Vice President, Controller

Margot A. Kyd

Senior Vice President,
Business Solutions

Richard M. Morrow

Vice President,
Customer Services, Major Markets

Roy M. Rawlings

Senior Vice President,
Distribution Operations

William L. Reed

Senior Vice President,
Regulatory Affairs

Lee Schavrien

Vice President,
Regulatory Affairs

Anne S. Smith

Vice President,
Customer Services, Mass Markets

Lee M. Stewart

Senior Vice President,
Gas Transmission

Sempra Energy Global Enterprises

EXECUTIVE TEAM



◀ GLOBAL ENTERPRISES

Donald E. Felsing

Group President,
Sempra Energy Global Enterprises

Diana L. Day

Associate General Counsel and
Vice President,
Sempra Energy Global Enterprises

Robert N. Dickerman

President,
Sempra Energy Solutions

Darcel L. Hulse

President,
Sempra Energy International

Michael R. Niggli

President,
Sempra Energy Resources

Steven J. Prince

Chairman and Chief Executive Officer,
Sempra Energy Trading

Mark A. Snell

Chief Financial Officer,
Sempra Energy Global Enterprises

Pictured from left – FRONT ROW: Steven Prince, Donald Felsing, Robert Dickerman

TOP ROW: Diana Day, Darcel Hulse, Mark Snell, Michael Niggli

Sempra Energy Utilities

EXECUTIVE TEAM



Pictured from left – FRONT ROW: Terry Fleskes, Debra Reed, Edwin Guiles *MIDDLE ROW:* Anne Smith, Chris Baker, Steven Davis, Lee Schavrien,

Lee Stewart *TOP ROW:* William Reed, Margot Kyd, James Avery, Richard Morrow, Roy Rawlings, Pamela Fair

BOARD OF DIRECTORS



Pictured from left – FRONT ROW: Hyla Berteau, Stephen Baum *MIDDLE ROW:* William Rusnack, Herbert Carter, Ralph Ocampo, William Jones, William Ouchi *TOP ROW:* James Brocksmith, Jr., Diana Walker, William Rutledge, Thomas Stickel, Daniel Derbes, Richard Collato, Wilford Godbold, Jr.

Stephen L. Baum

Chairman of the Board,
President and Chief Executive Officer,
Sempra Energy
San Diego, California

Hyla H. Berteau

Community Leader
Corona del Mar, California

James G. Brocksmith, Jr.

Former Deputy Chairman and
Chief Operating Officer, US Operations,
KPMG Peat Marwick LLP
Naples, Florida

Herbert L. Carter, DPA

Executive Vice Chancellor Emeritus
and Trustee Professor
of Public Administration,
California State University System
Long Beach, California

Richard A. Collato

President and Chief Executive Officer,
YMCA of San Diego County
San Diego, California

Daniel W. Derbes

President,
Signal Ventures
Solana Beach, California

Wilford D. Godbold, Jr.

Former President and
Chief Executive Officer,
Zero Corporation
Los Angeles, California

William D. Jones

President,
Chief Executive Officer and Director,
CityLink Investment Corporation
San Diego, California

Ralph R. Ocampo, M.D.

Physician and Surgeon
San Diego, California

William G. Ouchi, Ph.D.

Sanford and Betty Sigoloff
Professor in Corporate Renewal,
Anderson Graduate School
of Management
University of California, Los Angeles
Los Angeles, California

William C. Rusnack

Former President and
Chief Executive Officer,
Premcor Inc.
St. Louis, Missouri

William P. Rutledge

Chairman,
Communications and Power Industries
Palo Alto, California

Thomas C. Stickel

Chairman,
Chief Executive Officer and Founder,
University Ventures Network and
Virtual Capital of California LLC
San Diego, California

Diana L. Walker

Partner and General Counsel,
O'Melveny & Myers LLP
Los Angeles, California

CORPORATE INFORMATION

Transfer Agent

EquiServe Trust Company, N.A.
P.O. Box 2500
Jersey City, NJ 07303-2500
Telephone: 877-773-6772
Hearing Impaired (TDD): 201-222-4955
Internet: <http://www.equiserve.com>

Shareholder Services

Investors with general questions regarding Sempra Energy, San Diego Gas & Electric, Southern California Gas Co. or Pacific Enterprises stock should contact the company at:

Sempra Energy
Shareholder Services
101 Ash Street
San Diego, CA 92101
Telephone: 877-736-7727
Fax: 619-233-6875
E-mail: investor@sempra.com
Internet: <http://www.sempra.com>

News and Information

To hear corporate news reports and stock updates or to request materials, call 877-773-6397. Sempra Energy's annual report to the Securities and Exchange Commission (Form 10-K) is available to shareholders at no charge by writing to Shareholder Services.

Investor Relations

Security analysts, portfolio managers and other members of the financial community should contact:

Dennis Arriola
Vice President, Investor Relations
Telephone: 619-696-2901
Fax: 619-696-2374

Stock Exchange Listing

SEMPRA ENERGY COMMON STOCK:

Ticker Symbol: SRE
New York Stock Exchange
Pacific Stock Exchange

SEMPRA ENERGY TRUST PREFERRED

SECURITIES: New York Stock Exchange

PACIFIC ENTERPRISES PREFERRED

STOCK: American Stock Exchange
Pacific Stock Exchange

SOUTHERN CALIFORNIA GAS PREFERRED

STOCK: Pacific Stock Exchange

SAN DIEGO GAS & ELECTRIC PREFERRED

STOCK: American Stock Exchange

Direct Common Stock Investment Plan

The company offers a Direct Common Stock Investment Plan as a simple, convenient and affordable way to invest in Sempra Energy. Cash dividends from a

participant's account can be reinvested automatically in full or in part to purchase additional shares, or participants may choose to receive all or a portion of their cash dividends electronically or by check. Participation in the Plan requires an initial investment of as little as \$500. The Plan allows optional cash investments of as little as \$25 up to a maximum of \$150,000 per calendar year. Nonshareholders pay a \$15 fee for the initial cash investment in Sempra Energy. Brokerage commissions incurred in the purchase of shares will be paid by Sempra Energy.

The Plan is offered only by the means of a prospectus, which can be obtained by calling the Plan Administrator, EquiServe Trust Company, N.A., at 877-773-6772, or through the Internet at <http://www.netstockdirect.com>.

CREDIT RATINGS

(as of March 11, 2002)

	S & P	MOODY'S	FITCH
SEMPRA ENERGY			
Unsecured Debt	A	A 2	A
Commercial Paper	A-1	P-1	F1
Trust Preferred Securities	BBB+	A 3	A-
SOCAL GAS			
Secured Debt	A A-	A 1	A A
Unsecured Debt	A +	A 2	A A-
Preferred Stock	A	Baa1	A +
Commercial Paper	A-1+	P-1	F1+
SDG&E			
Secured Debt	A A-	Aa 3	A A
Unsecured Debt	A +	A 1	A A-
Preferred Stock	A	A 3	A +
Commercial Paper	A-1+	P-1	F1+
SEMPRA ENERGY GLOBAL ENTERPRISES			
Unsecured Debt	-	A 2	-
Commercial Paper	A-1	P-1	F1
PACIFIC ENTERPRISES			
Preferred Stock	A-	-	A +



101 Ash Street, San Diego, CA 92101-3017

www.sempra.com