

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 10-Q

(Mark One)

[..X..] Quarterly report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

March 31, 2001

For the quarterly period ended.....

Or

[.....] Transition report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For the transition period from _____ to _____

Commission File Number	Name of Registrant as specified in its charter	State of Incorporation	IRS Employer Identification Number
1-40	Pacific Enterprises	California	94-0743670
1-1402	Southern California Gas Company	California	95-1240705

555 West Fifth Street, Los Angeles, California	90013
(Address of principal executive offices)	(Zip Code)

Registrants' telephone number, including area code (213) 244-1200

No Change

Former name, former address and former fiscal year, if changed since last report

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Sections 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes...X... No.....

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Common Stock outstanding:

Pacific Enterprises	Wholly owned by Sempra Energy
Southern California Gas Company	Wholly owned by Pacific Enterprises

ITEM 1. FINANCIAL STATEMENTS.

PACIFIC ENTERPRISES AND SUBSIDIARIES
STATEMENTS OF CONSOLIDATED INCOME
Dollars in millions

	Three months ended	
	March 31,	
	2001	2000
Operating Revenues	\$ 1,548	\$ 698
Operating Expenses		
Cost of natural gas distributed	1,151	346
Operation and maintenance	188	150
Depreciation and amortization	65	64
Income taxes	42	44
Other taxes and franchise payments	34	28
Total operating expenses	1,480	632
Operating Income	68	66
Other Income and (Deductions)		
Interest income	17	8
Regulatory interest - net	(5)	-
Allowance for equity funds used during construction	1	-
Taxes on non-operating income	(2)	(2)
Other - net	(4)	-
Total	7	6
Income Before Interest Charges	75	72
Interest Charges		
Long-term debt	17	19
Other interest	9	2
Allowance for borrowed funds used during construction	(1)	(1)
Total	25	20
Net Income	50	52
Preferred Dividend Requirements	1	1
Earnings Applicable to Common Shares	\$ 49	\$ 51

See notes to Consolidated Financial Statements.

PACIFIC ENTERPRISES AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
Dollars in millions

	Balance at	
	March 31, 2001	December 31, 2000
ASSETS		
Property, plant and equipment	\$6,379	\$6,337
Accumulated depreciation	(3,632)	(3,571)
Property, plant and equipment - net	2,747	2,766
Current assets		
Cash and cash equivalents	474	205
Accounts receivable - trade	604	589
Accounts receivable - other	27	83
Income taxes receivable	4	--
Due from affiliate	37	214
Deferred income taxes	74	43
Fixed price contracts and other derivatives	2,475	--
Inventories	19	67
Other	40	84
Total current assets	3,754	1,285
Other assets		
Regulatory assets	94	108
Notes receivable - affiliates	403	617
Fixed price contracts and other derivatives	1,226	--
Other	59	52
Total other assets	1,782	777
Total assets	\$8,283	\$4,828

See notes to Consolidated Financial Statements.

PACIFIC ENTERPRISES AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
Dollars in millions

	Balance at	
	March 31, 2001	December 31, 2000
CAPITALIZATION AND LIABILITIES		
Capitalization		
Common Stock	\$1,282	\$1,282
Retained earnings	74	165
Accumulated other comprehensive income (loss)	(1)	(1)
Total common equity	1,355	1,446
Preferred stock	80	80
Long-term debt	821	821
Total capitalization	2,256	2,347
Current liabilities		
Accounts payable - trade	390	368
Accounts payable - other	134	43
Regulatory balancing accounts - net	395	463
Income taxes payable	--	50
Deferred income taxes	31	--
Dividends and interest payable	31	28
Current portion of long-term debt	120	120
Due to affiliates	157	365
Regulatory liabilities arising from fixed price contracts and other derivatives	2,444	--
Other	345	300
Total current liabilities	4,047	1,737
Deferred credits and other liabilities		
Customer advances for construction	15	16
Post-retirement benefits other than pensions	95	97
Deferred income taxes	233	224
Deferred investment tax credits	52	53
Regulatory liabilities	9	--
Regulatory liabilities arising from fixed price contracts and other derivatives	1,226	--
Deferred credits and other liabilities	330	334
Preferred stock of subsidiary	20	20
Total deferred credits and other liabilities	1,980	744
Contingencies and commitments (Note 2)		
Total liabilities and shareholders' equity	\$8,283	\$4,828

See notes to Consolidated Financial Statements.

PACIFIC ENTERPRISES AND SUBSIDIARIES
CONDENSED STATEMENTS OF CONSOLIDATED CASH FLOWS
Dollars in millions

Three Months Ended
March 31,
2001 2000

Cash Flows from Operating Activities:		
Net income	\$ 50	\$ 52
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	65	64
Deferred income taxes and investment tax credits	9	13
Other - net	10	(6)
Net changes in other working capital components	132	282
	-----	-----
Net cash provided by operating activities	266	405
	-----	-----
Cash Flows From Investing Activities		
Capital expenditures	(46)	(40)
Loans repaid by (paid to) affiliates	190	(219)
	-----	-----
Net cash provided by (used in) investing activities	144	(259)
	-----	-----
Cash Flows from Financing Activities		
Common dividends paid	(140)	--
Preferred dividends paid	(1)	(1)
	-----	-----
Net cash used in financing activities	(141)	(1)
	-----	-----
Increase in cash and cash equivalents	269	145
Cash and cash equivalents, January 1	205	11
	-----	-----
Cash and cash equivalents, March 31	\$ 474	\$ 156
	=====	=====
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Cash paid during the year for:		
Income tax payments - net	\$ 102	\$ --
	=====	=====
Interest payments, net of amounts capitalized	\$ 21	\$ 41
	=====	=====

See notes to Consolidated Financial Statements.

SOUTHERN CALIFORNIA GAS COMPANY AND SUBSIDIARIES
STATEMENTS OF CONSOLIDATED INCOME
Dollars in millions

	Three months ended	
	March 31,	
	2001	2000
	-----	-----
Operating Revenues	\$1,548	\$ 698
	-----	-----
Operating Expenses		
Cost of natural gas distributed	1,151	346
Operation and maintenance	186	150
Depreciation and amortization	65	64
Income taxes	44	44
Other taxes and franchise payments	34	28
	-----	-----
Total operating expenses	1,480	632
	-----	-----
Operating Income	68	66
	-----	-----
Other Income and (Deductions)		
Interest income	9	4
Regulatory interest - net	(5)	-
Allowance for equity funds used during construction	1	-
Taxes on non-operating income	(2)	(2)
Other - net	(1)	-
	-----	-----
Total	2	2
	-----	-----
Income Before Interest Charges	70	68
	-----	-----
Interest Charges		
Long-term debt	17	17
Other	3	2
Allowance for borrowed funds used during construction	(1)	(1)
	-----	-----
Total	19	18
	-----	-----
Earnings Applicable to Common Shares	\$ 51	\$ 50
	=====	=====

See notes to Consolidated Financial Statements.

SOUTHERN CALIFORNIA GAS COMPANY AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
Dollars in millions

	Balance at	
	March 31,	December 31,
	2001	2000
	-----	-----
ASSETS		
Utility plant - at original cost	\$6,356	\$6,314
Accumulated depreciation	(3,618)	(3,557)
	-----	-----
Utility plant - net	2,738	2,757

Current assets		
Cash and cash equivalents	474	205
Accounts receivable - trade	604	589
Accounts receivable - other	26	83
Due from affiliates	37	214
Deferred income taxes	74	74
Fixed price contracts and other derivatives	2,475	--
Inventories	19	67
Other	38	80
	-----	-----
Total current assets	3,747	1,312
	-----	-----
Other assets		
Regulatory assets	--	12
Fixed price contracts and other derivatives	1,226	--
Other	45	35
	-----	-----
Total other assets	1,671	47
	-----	-----
Total assets	\$7,756	\$4,116
	=====	=====

See notes to Consolidated Financial Statements.

SOUTHERN CALIFORNIA GAS COMPANY AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS (CONTINUED)
Dollars in millions

	Balance at	
	March 31, 2001	December 31, 2000
	-----	-----
CAPITALIZATION AND LIABILITIES		
Capitalization		
Common stock	\$ 835	\$ 835
Retained earnings	364	453
Accumulated other comprehensive income (loss)	(1)	(1)
	-----	-----
Total common equity	1,198	1,287
Preferred stock	22	22
Long-term debt	821	821
	-----	-----
Total capitalization	2,041	2,130
	-----	-----
Current liabilities		
Accounts payable - trade	390	368
Accounts payable - other	135	44
Regulatory balancing accounts - net	395	463
Income taxes payable	38	90
Interest payable	30	26
Current portion of long-term debt	120	120
Regulatory liabilities arising from fixed price contracts and other derivatives	2,444	--
Other	344	300
	-----	-----
Total current liabilities	3,896	1,411
	-----	-----
Deferred credits and other liabilities		
Customer advances for construction	15	16
Deferred income taxes	322	314
Deferred investment tax credits	52	53
Regulatory liabilities	9	--
Regulatory liabilities arising from fixed price contracts and other derivatives	1,226	--
Deferred credits and other liabilities	195	192
	-----	-----
Total deferred credits and other liabilities	1,819	575
	-----	-----
Contingencies and commitments (Note 2)		
Total liabilities and shareholders' equity	\$7,756	\$4,116
	=====	=====

See notes to Consolidated Financial Statements.

EXHIBIT 12.1

PACIFIC ENTERPRISES
 COMPUTATION OF RATIO OF EARNINGS TO FIXED CHARGES
 (Dollars in millions)

	1996	1997	1998	1999	2000	For the three months ended March 31, 2001
Fixed Charges and Preferred Stock Dividends:						
Interest	\$99	\$91	\$84	\$82	\$72	\$18
Interest Portion of Annual Rentals	12	12	11	3	4	1
Preferred dividends of subsidiary (1)	14	13	2	2	2	2
Total Fixed Charges and Preferred Stock For Purpose of Ratio	\$125	\$116	\$97	\$87	\$78	\$21
Earnings:						
Pretax income from continuing operations	\$354	\$335	\$274	\$350	\$396	\$94
Add:						
Fixed charges (from above)	125	116	97	87	78	21
Less: Fixed charges capitalized	2	1	1	2	2	1
Fixed charges net of capitalized charges	123	115	96	85	76	20
Total Earnings for Purpose of Ratio	\$477	\$450	\$370	\$435	\$472	\$114
Ratio of Earnings to Combined Fixed Charges and Preferred Stock Dividends	3.82	3.89	3.82	5.00	6.05	5.43

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

EXHIBIT 12.1

SOUTHERN CALIFORNIA GAS
 COMPUTATION OF RATIO OF EARNINGS TO FIXED CHARGES
 (Dollars in millions)

	1996	1997	1998	1999	2000	For the three months ended March 31, 2001
Fixed Charges:						
Interest	\$88	\$88	\$81	\$62	\$72	\$18
Interest Portion of Annual Rentals	5	5	4	3	4	1
Total Fixed Charges For Purpose of Ratio	\$93	\$93	\$85	\$65	\$76	\$19
Earnings:						
Pretax income from continuing operations	\$349	\$416	\$287	\$383	\$390	\$97
Add: Fixed charges (from above)	93	93	85	65	76	19
Less: Fixed charges capitalized	2	1	1	2	2	1
Fixed charges net of capitalized charges	91	92	84	63	74	18
Total Earnings for Purpose of Ratio	\$440	\$508	\$371	\$446	\$464	\$115
Ratio of Earnings to Fixed Charges	4.73	5.46	4.36	6.86	6.11	6.05