Sempra Energy

2007 Earnings Results

Don Felsinger
Chairman & Chief Executive Officer

BUILDING OUR ENERGY FUTURE

February 26, 2008

Sempra Energy

Safe Harbor Statement

This presentation contains statements that are not historical fact and constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. When the company uses words like "believes," "expects," "anticipates," "intends," "plans," "estimates," "may," "would," "could," "should" or similar expressions, or when the company discusses its strategy or plans, the company is making forward-looking statements. Forward-looking statements are not guarantees of performance. They involve risks, uncertainties and assumptions. Future results may differ materially from those expressed in the forward-looking statements. Forward-looking statements are necessarily based upon various assumptions involving judgments with respect to the future and other risks, including, among others: 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, the Financial Services Authority, and other regulatory bodies in the United States and other countries; capital markets conditions, inflation rates, interest rates and exchange rates; energy and trading markets, including the timing and extent of changes 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; the resolution of litigation; and other uncertainties, all of which are difficult to predict and many of which are beyond the control of the company. These risks and uncertainties are further discussed in the company's reports filed with the Securities and Exchange Commission that are available through the EDGAR system without charge at its website, www.sec.gov, and on the company's website, www.sempra.com.

Sempra Energy

2007 Results

- Record income from continuing operations in 2007

(Dollars and shares in millions, except EPS)	Three months ended December 31, 2007	Three months ended December 31, 2006	Years ended December 31, 2007	Years ended December 31, 2006
	(Unaudited)			
Net Income	$ 289	$ 125	$ 1,099	$ 1,406
Income from Continuing Operations*	$ 288	$ 129	$ 1,125	$ 1,091
Diluted weighted-average shares outstanding	263	263	264	261
EPS - Net Income	$ 1.10	$ 0.47	$ 4.16	$ 5.38
EPS - Continuing Operations*	$ 1.10	$ 0.49	$ 4.26	$ 4.17

* Income from Continuing Operations includes $221 million impairment of Argentine investments in Q4-06 and FY-06 and $204 million gain on sale of Topaz power plants in FY-06.

Sempra Utilities

(Dollars in millions)	Three months ended December 31, 2007	Three months ended December 31, 2006	Years ended December 31, 2007	Years ended December 31, 2006
	(Unaudited)			
SDG&E Net Income	$ 47	$ 55	$ 283	$ 237
SoCalGas Net Income	58	55	230	223
Total Sempra Utilities	$ 105	$ 110	$ 513	$ 460

- SDG&E
  - $8 million lower income tax expense in Q4-06
  - $16 million favorable resolution of prior year's tax issues in FY-07 and $22 million of higher transmission and generation earnings

Sempra Energy

Sempra Commodities

(Dollars in millions)	Three months ended December 31, 2007	Three months ended December 31, 2006	Years ended December 31, 2007	Years ended December 31, 2006
	(Unaudited)			
Mark-to-Market Earnings *	$ 139	$ 158	$ 494	$ 487
Effect of EITF 02-3 **	47	56	5	17
GAAP Net Income	$ 186	$ 214	$ 499	$ 504

- The quarter reflects reduced earnings from natural gas and synthetic-fuel tax credit operations
- RBS Sempra Commodities transaction expected to close in April

* Represents earnings from the fair market value of all commodities transactions. This metric is a useful measurement of profitability because it simultaneously recognizes changes in the various components of transactions and reflects how the business is managed.

** Consists of the income statement effect of not recognizing changes in the fair market value of certain physical inventories, capacity contracts for transportation and storage, and derivative hedging activities related to synthetic fuels tax credits.

Sempra Generation

(Dollars in millions)	Three months ended December 31, 2007	Three months ended December 31, 2006	Years ended December 31, 2007	Years ended December 31, 2006
	(Unaudited)			
Net Income	$ 40	$ 53	$ 162	$ 375

- Q4-07 impacted by El Dorado power plant outage and higher taxes
- FY-06 included $204 million gain on sale of Topaz power plants

Sempra Pipelines & Storage

(Dollars in millions)	Three months ended December 31, 2007	Three months ended December 31, 2006	Years ended December 31, 2007	Years ended December 31, 2006
	(Unaudited)			
Net Income	$ 14	$ (223)	$ 64	$ (165)

- Q4-06 impacted by:
  - $221 million impairment of Argentine investments
  - $24 million tax on repatriation of foreign earnings
- FY-06 included $10 million favorable resolution of prior years' tax issues

Sempra Energy

Net Income by Business Unit

(Dollars in millions)	Three months ended December 31, 2007	Three months ended December 31, 2006	Years ended December 31, 2007	Years ended December 31, 2006
	(Unaudited)			
Sempra Utilities:				
San Diego Gas & Electric	$ 47	$ 55	$ 283	$ 237
Southern California Gas	58	55	230	223
Total Sempra Utilities	105	110	513	460
Sempra Global:				
Sempra Commodities	186	214	499	504
Sempra Generation*	40	53	162	375
Sempra Pipelines & Storage*	14	(223)	64	(165)
Sempra LNG	(19)	(7)	(46)	(42)
Total Sempra Global	221	37	679	672
Parent & Other	(38)	(18)	(67)	(41)
Continuing Operations	288	129	1,125	1,091
Discontinued Operations, Net of Income Tax	1	(4)	(26)	315
Consolidated Net Income	$ 289	$ 125	$ 1,099	$ 1,406

* Excludes amounts now classified as discontinued operations.

Financial Summary

- Record income from continuing operations in 2007
- Strong balance sheet
  - $668 million in cash
  - $5.2 billion in available credit lines
  - Debt-to-capitalization of 39%
- 3.2% dividend increase

Operational Update – Sempra Utilities

- Cost of Capital (SDG&E)
  - Final decision received Q4-07 increasing ROE to 11.1%
- General Rate Cases (SDG&E and SoCalGas)
  - Settlements filed on 2008 revenue requirements and attrition mechanisms
  - Final decision expected Q2-08
- Approval received for SDG&E's purchase of El Dorado power plant in 2011
- Sunrise Powerlink decision anticipated second half of 2008

Operational Update – Sempra LNG

- Energía Costa Azul
  - Commercial operations to begin Q2-08
  - $125 million nitrogen facility
- Cameron LNG
  - 75% complete
  - Commercial operations expected Q1-09

Sempra Energy

Rockies Express Pipeline Update

- REX-West update
  - Commenced interim service on first 500 miles to the ANR pipeline delivery point
  - Expect entire 700-mile REX-West to be complete in March
- REX-East targeted in service December 2008
- Total project cost revised to $4.9 billion from $4.4 billion*
- Completed open season for REX Northeast Express pipeline capacity to Princeton, New Jersey

* For Entrega, REX-West and REX-East; Sempra Energy's share is 25%

Summary

- Record income from continuing operations in 2007
- Focused on completing the following in 2008:

RBS Sempra Commodities	General Rate Cases
Energía Costa Azul LNG	REX-West
Cameron LNG	REX-East
LNG spur pipelines	Liberty Gas Storage

- 2008 earnings guidance: $3.65 to $3.85 per share