

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report

(Date of earliest event reported): August 6, 1997

Commission File Number	Exact name of Registrant as specified in its charter	State of Incorporation	IRS Employer Identification Number
1-11439	ENOVA CORPORATION	California	33-0643023
1-3779	SAN DIEGO GAS & ELECTRIC COMPANY	California	95-1184800

101 ASH STREET, SAN DIEGO, CALIFORNIA 92101  
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code----- (619) 696-2000

(Former name or former address, if changed since last report.)

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Item 5. Other Events

Enova Corporation and Pacific Enterprises, on August 7, 1997, jointly announced an agreement to acquire AIG Trading Corp., a leading natural gas and power marketing firm, for \$190 million. Enova and Pacific Enterprises also will commit up to \$35 million for certain long-term incentive compensation and retention arrangements. The press release describing the acquisition is attached as Exhibit 99.1.

The two companies also announced that, after having reviewed the totality of circumstances surrounding the proposed merger involving Enova Corporation and Pacific Enterprises, they remain totally committed to its successful completion. The two companies further agreed to extend the deadline by which they must complete the merger from April 30, 1998 to September 1, 1998. An amendment to the merger agreement made in connection with such extension is attached as Exhibit 10.1.

ITEM 7. FINANCIAL STATEMENTS AND EXHIBITS.

(c) Exhibits.

10.1 Amendment No. 2, dated as of August 6, 1997, to Agreement and Plan of Reorganization by and among Enova Corporation, Pacific Enterprises, Mineral Energy Company, G Mineral Energy Sub and B Mineral Energy Sub, dated as of October 12, 1996.

99.1 Press release dated August 7, 1997.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrants have duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

ENOVA CORPORATION  
and  
SAN DIEGO GAS & ELECTRIC COMPANY  
(Registrants)

Date: August 12, 1997  
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By: /s/ F.H. Ault  
-----  
F.H. Ault  
Vice President and Controller

AMENDMENT NO. 2  
to  
AMENDMENT AND PLAN OF REORGANIZATION

This Amendment No. 2 is dated as of August 6, 1997, and amends the Agreement and Plan of Merger and Reorganization dated as of October 12, 1996, as previously amended (the "Merger Agreement"), among the parties named below.

The parties named below, which constitute all of the parties to the Merger Agreement, agree that the date September 1, 1998 is substituted for the date April 30, 1998 appearing in Section 8.01(b) of the Merger Agreement.

ENOVA CORPORATION

By: /s/ S.L. Baum  
-----  
Stephen L. Baum  
President and Chief  
Executive Officer

PACIFIC ENTERPRISES

By: /s/ W.B. Wood, Jr.  
-----  
Willis B. Wood, Jr.  
Chairman and Chief  
Executive Officer

MINERAL ENERGY COMPANY

By: /s/ R.D. Farman  
-----  
Richard D. Farman  
President

G MINERAL ENERGY Sub

By: /s/ K.C. Sagara  
-----  
Kevin C. Sagara  
President

B MINERAL ENERGY Sub

By: /s/ G.W. Kyle  
-----  
Gary W. Kyle  
President

NEWS

Media Contacts: Doug Kline Enova Corporation 619/696-4292	Analyst Contacts: Mark Fisher Enova Corporation 619/696-2901
Mike Mizrahi Pacific Enterprises 213/244-3030	Clem Teng Pacific Enterprises 213/244-3966

ENOVA CORPORATION, PACIFIC ENTERPRISES ANNOUNCE  
AGREEMENT TO ACQUIRE AIG TRADING CORP.

AIG Trading Corp. is 10th largest natural gas marketer  
Competitively Positions Merged Company in Rapidly  
Changing Energy Marketplace

For Immediate Release

SAN DIEGO/LOS ANGELES (Aug. 7, 1997) - Enova Corporation and Pacific Enterprises (PE) today jointly announced an agreement to acquire AIG Trading Corp., a leading natural gas and power marketing firm, for \$190 million.

AIG Trading Corp.'s business primarily focuses on wholesale trading and marketing of natural gas, power and oil. It is the 10th largest natural gas marketer in the United States, based on volume.

Headquartered in Greenwich, Conn., AIG Trading Corp. is a subsidiary of AIG Trading Group Inc., also based in Greenwich. AIG Trading Corp. will become a subsidiary of the new company to be formed by the merger of PE and Enova that was announced in October 1996.

"We are extremely pleased to acquire an energy trading and marketing firm of AIG Trading Corp.'s capability and reputation," said Richard D. Farman, president and chief operating officer, Pacific Enterprises.

"AIG Trading Corp. actively trades and markets energy commodities to customers on a national basis and is an excellent strategic fit with the current marketing operations of Energy Pacific," Farman added. Energy Pacific, a joint venture launched last March by Enova and PE, is an unregulated energy-services company.

"This transaction establishes the wholesale commodity trading business necessary to support our retail marketing," said Stephen L. Baum, president and chief executive officer, Enova Corporation. "Now we will have a full portfolio of energy services for our customers."

Farman and Baum said, "Each of our companies has reviewed the totality of circumstances surrounding our proposed merger and remain totally committed to its successful completion."

Enova and PE will acquire all of the outstanding common stock of AIG Trading Corp. Each company is funding half of the acquisition, which is expected to be accounted for as a purchase.

The acquisition will require approval from the Federal Energy Regulatory Commission (FERC) and is expected to be completed before the end of this year.

The merger between Enova and PE has been conditionally approved by the FERC and a final decision is expected from the California Public Utilities Commission in March 1998.

In 1996, AIG Trading Corp. transactions averaged over 3 billion cubic feet of gas per day. In addition to its Greenwich headquarters, AIG Trading Corp. also has marketing offices in Calgary and Toronto, Canada, and Houston. The company has approximately 90 employees.

AIG Trading Corp.'s current management team will remain in place to continue expanding its range of energy trading and marketing businesses under the Enova/PE ownership. Four senior officers of AIG Trading Corp. -- Steven Prince, David Messer, Todd Esse and Frank Gallipoli -- will be principals of the new venture.

"By combining our trading and risk management capabilities together with Enova/PE's expertise in the energy business, we expect to be among a small group of companies able to provide a full range of energy products and services for our customers on a national basis,"

said David Messer, President of AIG Trading Corp.

"Enova/PE's management and AIG Trading Corp. share a common vision of tomorrow's energy marketplace," said Steven Prince, chairman and chief executive officer of AIG Trading Corp."We are excited about the opportunity that AIG Trading now has to contribute to Enova/PE's growth as a competitive nationwide energy provider."

At closing, PE and Enova will establish a credit facility needed to handle the working capital of AIG Trading Corp. The companies will put in place long-term incentive compensation and retention arrangements, which are expected to involve commitments of up to \$35 million.

Enova Corporation (NYSE-ENA), based in San Diego, is a leading energy company providing electricity, gas and value-added products and services in the United States and Mexico. Enova is the parent company of SDG&E and six other U.S.-based subsidiaries - Enova Energy, Enova International, Enova Technologies, Enova Financial, Califia and Pacific Diversified Capital. SDG&E serves 1.2 million electricity customers in San Diego and southern Orange County and more than 715,000 natural gas customers in San Diego County.

Pacific Enterprises (NYSE-PET) is a Los Angeles-based energy-services company, whose Southern California Gas Co. unit is the nation's largest natural gas distributor, with 4.8 million customers. Pacific Enterprises also has interstate and offshore natural gas pipelines, centralized heating and cooling facilities and natural gas distribution operations in Latin America.

Both Enova and PE were assisted in the transaction by outside advisors, including the investment banking firm of Merrill Lynch & Co.

#### AIG TRADING CORP. ACQUISITION FACT SHEET

COMPANY BEING ACQUIRED	AIG Trading Corp.
PARENT COMPANY	AIG Trading Group, Inc., Greenwich, Conn.
BUSINESS	Wholesale gas and power marketing
U.S. RANK	10th largest (natural gas trading volume)
VOLUME	Averaged over 3 bcf/day
FOUNDED	1992
EMPLOYEES	Approximately 90
HEADQUARTERS	Greenwich
BRANCH OFFICES	Calgary, B.C., Toronto, Houston
OWNERSHIP	Enova Corporation (50%), Pacific Enterprises (50%)
TRANSACTION PRICE	\$190 million
TERMS OF TRANSACTION	Cash purchase
PROJECTED COMPLETION DATE	December 1997
REGULATORY APPROVALS	Federal Energy Regulatory Commission Federal approval under the Hart-Scott-Rodino Act
AIG TRADING CORP. MANAGEMENT	Steven J. Prince  Chairman & Chief Executive Officer  David Messer President

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