

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended June 30, 1999

Commission file number 1-3779

SAN DIEGO GAS & ELECTRIC COMPANY

(Exact name of registrant as specified in its charter)

California

95-1184800

(State or other jurisdiction of
incorporation or organization)

(I.R.S. Employer
Identification No.)

8326 Century Park Court, San Diego, California 92123

(Address of principal executive offices)
(Zip Code)

(619) 696-2000

(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 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 No

Common stock outstanding: Wholly owned by Enova Corporation

PART I - FINANCIAL INFORMATION
ITEM 1. FINANCIAL STATEMENTS.

SAN DIEGO GAS & ELECTRIC COMPANY AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF INCOME (Unaudited)
(Dollars in millions)

	Three Months Ended June 30,	
	1999	1998
Operating Revenues:		
Electric	\$646	\$476
Natural gas	94	93
Total operating revenues	740	569
Expenses:		
Purchased power - net	88	63
Electric fuel	21	36
Natural gas purchased for resale	43	38
Operation and maintenance	119	167
Depreciation and decommissioning	391	178
Other taxes and franchise payments	20	20
Income taxes	(9)	22
Total	673	524
Operating Income	67	45

Other Income and (Deductions):		
Regulatory interest - net	(2)	1
Allowance for equity funds used during construction	2	1
Income taxes on nonoperating income	(4)	(6)
Other - net	8	13
	-----	-----
Total	4	9
	-----	-----
Income Before Interest Charges	71	54
	-----	-----
Interest Charges:		
Long-term debt	21	24
Other	3	3
	-----	-----
Total	24	27
	-----	-----
Net Income	47	27
Preferred Dividend Requirements	1	2
	-----	-----
Earnings Applicable to Common Shares	\$ 46	\$ 25
	=====	=====

See notes to Consolidated Financial Statements.

SAN DIEGO GAS & ELECTRIC COMPANY AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF INCOME (Unaudited)
(Dollars in millions)

	Six Months Ended June 30,	
	1999	1998
	-----	-----
Operating Revenues:		
Electric	\$1,006	\$973
Natural gas	195	202
	-----	-----
Total operating revenues	1,201	1,175
	-----	-----
Expenses:		
Purchased power - net	154	159
Electric fuel	57	67
Natural gas purchased for resale	90	90
Operation and maintenance	226	266
Depreciation and decommissioning	458	377
Other taxes and franchise payments	40	43
Income taxes	38	51
	-----	-----
Total	1,063	1,053
	-----	-----
Operating Income	138	122
	-----	-----
Other Income and (Deductions):		
Regulatory interest - net	(2)	-
Allowance for equity funds used during construction	2	2
Income taxes on nonoperating income	(11)	(9)
Other - net	23	17
	-----	-----
Total	12	10
	-----	-----
Income Before Interest Charges	150	132
	-----	-----
Interest Charges:		
Long-term debt	43	51
Other	5	4
	-----	-----
Total	48	55
	-----	-----
Net Income	102	77
Preferred Dividend Requirements	3	3
	-----	-----
Earnings Applicable to Common Shares	\$ 99	\$ 74
	=====	=====

See notes to Consolidated Financial Statements.

SAN DIEGO GAS & ELECTRIC COMPANY AND SUBSIDIARY
CONSOLIDATED BALANCE SHEETS
(Dollars in millions)

	Balance at	
	June 30, 1999 (Unaudited) -----	December 31, 1998 -----
ASSETS		
Utility plant - at original cost	\$4,376	\$4,903
Less accumulated depreciation and decommissioning	(2,233)	(2,603)
	-----	-----
Utility plant - net	2,143	2,300
	-----	-----
Nuclear decommissioning trust	507	494
	-----	-----
Current assets:		
Cash and temporary investments	355	284
Accounts receivable	219	199
Due from affiliates	453	110
Inventories	47	77
Regulatory balancing accounts undercollected - net	--	9
Other	23	17
	-----	-----
Total current assets	1,097	696
	-----	-----
Deferred taxes recoverable in rates	99	194
Regulatory assets	253	511
Deferred charges and other assets	58	62
	-----	-----
Total	\$4,157	\$4,257
	=====	=====
CAPITALIZATION AND LIABILITIES		
Capitalization:		
Common equity	\$1,224	\$1,124
Preferred stock not subject to mandatory redemption	78	78
Preferred stock subject to mandatory redemption	25	25
Long-term debt	1,486	1,548
	-----	-----
Total capitalization	2,813	2,775
	-----	-----
Current liabilities:		
Long-term debt due within one year	66	72
Accounts payable	139	165
Taxes payable	44	--
Dividends payable	2	102
Interest accrued	9	9
Regulatory balancing accounts overcollected - net	146	--
Other	127	185
	-----	-----
Total current liabilities	533	533
	-----	-----
Customer advances for construction	46	41
Deferred income taxes - net	293	397
Deferred investment tax credits	55	89
Deferred credits and other liabilities	417	422
Commitments and contingent liabilities (Note 3)		
	-----	-----
Total	\$4,157	\$4,257
	=====	=====

See notes to Consolidated Financial Statements.

EXHIBIT 12.1
SAN DIEGO GAS & ELECTRIC COMPANY
COMPUTATION OF RATIO OF EARNINGS TO COMBINED FIXED CHARGES
AND PREFERRED STOCK DIVIDENDS
(Dollars in millions)

	1994	1995	1996	1997	1998	For the six Months Ended 6/30/99
Fixed Charges and Preferred Stock Dividends:						
Interest:						
Long-Term Debt	\$ 82	\$ 82	\$ 76	\$ 70	\$ 55	\$25
Short-Term Debt	9	18	13	14	13	7
Rate Reduction Bonds	--	--	--	--	41	18
Amortization of Debt Discount and Expense, Less Premium	5	5	5	5	8	4
Interest Portion of Annual Rentals	9	10	8	9	8	3
Total Fixed Charges	105	115	102	98	125	57
Preferred Dividend Requirements	8	8	7	7	7	3
Ratio of Income Before Tax to Net Income	1.83501	1.78991	1.88864	1.91993	1.73993	1.47447
Preferred Dividends for Purpose of Ratio	14	14	13	13	11	5
Total Fixed Charges and Preferred Stock Dividends For Purpose of Ratio	\$119	\$129	\$115	\$111	\$136	\$ 62
Earnings:						
Net Income (before preferred dividend requirements)	\$206	\$219	\$223	\$238	\$191	\$102
Add:						
Fixed charges (from above)	105	115	102	98	125	57
Less: Fixed charges capitalized	1	2	1	2	1	1
Taxes on Income	172	173	198	219	141	49
Total Earnings for Purpose of Ratio	\$482	\$505	\$522	\$553	\$456	\$207
Ratio of Earnings to Combined Fixed Charges and Preferred Stock Dividends	4.06	3.92	4.54	5.00	3.36	3.34

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THE SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION
EXTRACTED FROM THE CONDENSED STATEMENT OF CONSOLIDATED INCOME,
BALANCE SHEET AND CASH FLOWS AND IS QUALIFIED IN ITS ENTIRETY
BY REFERENCE TO SUCH FINANCIAL STATEMENTS.

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SAN DIEGO GAS & ELECTRIC COMPANY

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	DEC-31-1999	JUN-30-1999	PER-BOOK
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	507		
	1,097		
	398		
		12	
		4,157	
			291
	566		
		367	
1,224		25	
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66			
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1,278			
4,157			
	1,201		
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	1,025		
	1,063		
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			12
150			
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			102
	3		
99			
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	(111)		
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