

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, 2000

Commission file number 1-14201

Sempra Energy

(Exact name of registrant as specified in its charter)

California

33-0732627

(State or other jurisdiction of
incorporation or organization)

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

101 Ash Street, San Diego, California 92101

(Address of principal executive offices)
(Zip Code)

(619) 696-2034

(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 on July 31, 2000: 204,141,740

PART I FINANCIAL INFORMATION
ITEM 1. FINANCIAL STATEMENTS.

SEMPRA ENERGY
STATEMENTS OF CONSOLIDATED INCOME
Dollars in millions, except per share amounts

	Three Months Ended June 30,	
	2000	1999
Revenues and Other Income		
Utility revenues		
Natural gas	\$ 716	\$ 706
Electric	473	646
Other operating revenues	298	159
Other income	49	6
Total	1,536	1,517
Expenses		
Cost of natural gas distributed	316	275
Electric fuel and net purchased power	264	109
Operating expenses	530	485
Depreciation and amortization	144	467
Other taxes and franchise payments	40	41
Preferred dividends of subsidiaries	3	3
Trust preferred distributions by subsidiary	4	--
Total	1,301	1,380

Income Before Interest and Income Taxes	235	137
Interest	76	54
	-----	-----
Income Before Income Taxes	159	83
Income Taxes	49	1
	-----	-----
Net Income	\$ 110	\$ 82
	=====	=====
Weighted-average number of shares outstanding (Basic)*	201,386	237,157
	-----	-----
Weighted-average number of shares outstanding (Diluted)*	201,484	237,455
	-----	-----
Net Income Per Share of Common Stock (Basic and Diluted)	\$0.55	\$0.35
	=====	=====
Common Dividends Declared Per Share	\$0.25	\$0.39
	=====	=====

*In thousands of shares
See notes to Consolidated Financial Statements.

SEMPRA ENERGY
STATEMENTS OF CONSOLIDATED INCOME
Dollars in millions, except per share amounts

	Six Months Ended June 30,	
	2000	1999
	-----	-----
Revenues and Other Income		
Utility revenues		
Natural gas	\$1,537	\$1,404
Electric	822	1,006
Other operating revenues	570	270
Other income	73	28
	-----	-----
Total	3,002	2,708
	-----	-----
Expenses		
Cost of natural gas distributed	706	566
Electric fuel and net purchased power	397	211
Operating expenses	1,029	873
Depreciation and amortization	278	609
Franchise payments and other taxes	91	86
Preferred dividends of subsidiaries	6	6
Trust preferred distributions by subsidiary	6	--
	-----	-----
Total	2,513	2,351
	-----	-----
Income Before Interest and Income Taxes	489	357
Interest	149	112
	-----	-----
Income Before Income Taxes	340	245
Income Taxes	117	64
	-----	-----
Net Income	\$ 223	\$ 181
	=====	=====
Weighted-average number of shares outstanding (Basic)*	214,834	237,111
	-----	-----
Weighted-average number of shares outstanding (Diluted)*	214,920	237,444
	-----	-----
Net Income Per Share of Common Stock (Basic and Diluted)	\$1.04	\$0.76
	=====	=====
Common Dividends Declared Per Share	\$0.50	\$0.78
	=====	=====

*In thousands of shares
See notes to Consolidated Financial Statements.

SEMPRA ENERGY
CONSOLIDATED BALANCE SHEETS
Dollars in millions

Balance at

	June 30, 2000	December 31, 1999
ASSETS		
Current assets		
Cash and cash equivalents	\$ 546	\$ 487
Accounts receivable	589	552
Income taxes receivable	--	144
Energy trading assets	3,119	1,539
Inventories	79	147
Other	138	146
Total current assets	4,471	3,015
Investments and other assets		
Regulatory assets	879	606
Nuclear decommissioning trusts	551	551
Investments	1,245	1,164
Other assets	470	460
Total investments and other assets	3,145	2,781
Property, plant and equipment		
Property, plant and equipment	11,406	11,127
Less accumulated depreciation and amortization	(5,975)	(5,733)
Total property, plant and equipment - net	5,431	5,394
Total assets	\$13,047	\$11,190

See notes to Consolidated Financial Statements.

SEMPRA ENERGY
CONSOLIDATED BALANCE SHEETS
Dollars in millions

	Balance at	
	June 30, 2000	December 31, 1999
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Short-term debt	\$ --	\$ 182
Accounts payable	670	546
Income taxes payable	26	--
Deferred income taxes	76	67
Energy trading liabilities	2,757	1,365
Dividends and interest payable	119	154
Regulatory balancing accounts - net	497	346
Customer refunds payable	388	--
Current portion of long-term debt	153	155
Other	431	421
Total current liabilities	5,117	3,236
Long-term debt	3,313	2,902
Deferred credits and other liabilities		
Customer advances for construction	70	72
Post-retirement benefits other than pensions	198	204
Deferred income taxes	641	615
Deferred investment tax credits	104	106
Deferred credits and other liabilities	780	865
Total deferred credits and other liabilities	1,793	1,862
Preferred stock of subsidiaries	204	204
Mandatorily redeemable trust preferred securities	200	--
Commitments and contingent liabilities (Note 3)		
SHAREHOLDERS' EQUITY		
Common Stock	1,412	1,966

Retained earnings	1,057	1,101
Deferred compensation relating to ESOP	(40)	(42)
Accumulated other comprehensive income	(9)	(39)
	-----	-----
Total shareholders' equity	2,420	2,986
	-----	-----
Total liabilities and shareholders' equity	\$13,047	\$11,190
	=====	=====

See notes to Consolidated Financial Statements.

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THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION
EXTRACTED FROM THE 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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SEMPRA ENERGY

1,000,000

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	DEC-31-2000	JUN-30-2000	PER-BOOK
	4,967		
	2,260		
	4,471		
	1,124		
		225	
		13,047	
			1,412
	0		
	1,057		
2,420			
	225		
			179
	3,289		
		0	
	0		
0			
152			
	0		
	24		
			1
6,757			
13,047			
	2,929		
		117	
	2,513		
	2,630		
	299		
		73	
372			
	149		
			223
	0		
223			
	101		
	82		
	812		
			1.04
			1.04

PREFERRED DIVIDEND OF SUBSIDIARY INCLUDED IN OTHER OPERATING
EXPENSE

SEMPRA ENERGY
 COMPUTATION OF RATIO OF EARNINGS TO COMBINED FIXED CHARGES
 AND PREFERRED STOCK DIVIDENDS
 (Dollars in millions)

	For the six Months Ended					
	1995	1996	1997	1998	1999	2000
Fixed Charges and Preferred Stock Dividends:						
Interest	\$ 227	\$ 205	\$ 209	\$ 210	\$ 233	165
Interest Portion of Annual Rentals	32	28	25	20	10	5
Preferred dividends of subsidiaries (1)	50	37	31	18	16	9
Total Fixed Charges and Preferred Stock Dividends For Purpose of Ratio	\$ 309	\$ 270	\$ 265	\$ 248	\$ 259	\$ 179
Earnings:						
Pretax income from continuing operations	\$ 665	\$ 727	\$ 733	\$ 432	\$ 573	\$ 340
Add:						
Fixed charges (from above)	309	270	265	248	259	179
Less: Fixed charges capitalized	6	5	3	3	5	2
Fixed charges net of capitalized charges	303	265	262	245	254	177
Total Earnings for Purpose of Ratio	\$ 968	\$ 992	\$ 995	\$ 677	\$ 827	\$ 517
Ratio of Earnings to Combined Fixed Charges and Preferred Stock Dividends	3.13	3.67	3.75	2.73	3.19	2.89

(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.