

**UNITED STATES
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):

June 5, 2006

SAN DIEGO GAS & ELECTRIC COMPANY

(Exact name of registrant as specified in its charter)

California
(State or Other Jurisdiction
of Incorporation)

1-3779
(Commission
File Number)

95-1184800
(I.R.S. Employer
Identification Number)

**8330 Century Park Court
San Diego, California 92123**
(Address of Principal Executive Offices) (Zip Code)

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

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 8.01 Other Events

On June 8, 2006, San Diego Gas & Electric Company (the "Company") closed the public offering and sale of \$250,000,000 aggregate principal amount of its 6.00% First Mortgage Bonds, Series DDD, Due 2026 (the "Bonds") with proceeds to the Company (after deducting underwriting discounts but before other expenses estimated at approximately \$250,000) of 98.678% of principal amount. The sale of the Bonds was registered under the Company's Registration Statement on Form S-3 (File No. 333-133541). The Bonds were issued pursuant to a Supplemental Indenture, dated as of June 8, 2006, which is attached hereto as Exhibit 4.1. The Bonds will mature on June 1, 2026. Interest on the Bonds accrues from June 8, 2006 and is payable on June 1 and December 1 of each year, beginning on December 1, 2006. The Bonds will be redeemable prior to maturity, at the Company's option, at the redemption prices and under the circumstances described in the prospectus supplement filed on June 5, 2006. Further information regarding the sale of the Bonds is contained in the underwriting agreement and pricing agreement, which are attached hereto as Exhibits 1.1 and 1.2, respectively.

Item 9.01 Exhibits

(c) *Exhibits.*

| <u>Exhibit Number</u> | <u>Description of Exhibit</u> |
|-----------------------|---|
| 1.1 | Underwriting Agreement, dated June 5, 2006. |
| 1.2 | Pricing Agreement, dated June 5, 2006. |
| 4.1 | Supplemental Indenture, dated as of June 8, 2006. |
| 4.2 | Form of Bond (Included in Exhibit 4.1 hereto). |

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

SAN DIEGO GAS & ELECTRIC COMPANY

Dated: June 8, 2006

By: /s/ ROBERT SCHLAX

Name: Robert Schlax

Title: Vice President and Controller

EXHIBIT INDEX

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San Diego Gas & Electric Company

First Mortgage Bonds

Underwriting Agreement

June 5, 2006

To the Representatives of the several
Underwriters named in the
respective Pricing Agreements
hereinafter described

Ladies and Gentlemen:

From time to time, San Diego Gas & Electric Company, a California corporation (the “**Company**”), proposes to enter into one or more Pricing Agreements (each a “**Pricing Agreement**”) in the form of Annex I hereto, with such additions and deletions as the parties thereto may determine, and, subject to the terms and conditions stated herein and therein, to issue and sell to the firms named in Schedule I to the applicable Pricing Agreement (such firms constituting the “**Underwriters**” with respect to such Pricing Agreement and the securities specified therein) certain of its first mortgage bonds (the “**First Mortgage Bonds**”) specified in Schedule II to such Pricing Agreement (with respect to such Pricing Agreement, the “**Designated Bonds**”).

The terms and rights of any particular issuance of Designated Bonds shall be as specified in the Pricing Agreement relating thereto and in or pursuant to the indenture (the “**Indenture**”) identified in such Pricing Agreement.

1. Particular sales of Designated Bonds may be made from time to time to the Underwriters of such First Mortgage Bonds, for whom the firms designated as representatives of the Underwriters of such First Mortgage Bonds in the Pricing Agreement relating thereto will act as representatives (the “**Representatives**”). The term “Representatives” also refers to a single firm acting as sole representative of the Underwriters and to an Underwriter or Underwriters who act without any firm being designated as its or their representatives. This Underwriting Agreement shall not be construed as an obligation of the Company to sell any of the First Mortgage Bonds or as an obligation of any of the Underwriters to purchase any of the First Mortgage Bonds. The obligation of the Company to issue and sell any of the First Mortgage Bonds and the obligation of any of the Underwriters to purchase any of the First Mortgage Bonds shall be evidenced by the Pricing Agreement with respect to the Designated Bonds specified therein. Each Pricing Agreement shall specify the aggregate principal amount of such Designated Bonds, the initial public offering price of such Designated Bonds, the purchase price to the Underwriters of such Designated Bonds, the names of the Underwriters of such Designated Bonds, the names of the Representatives of such Underwriters and the principal amount of such Designated Bonds to be purchased by each Underwriter and shall set forth the

date, time and manner of delivery of such Designated Bonds and payment therefor. The Pricing Agreement shall also specify (to the extent not set forth in the Indenture and the registration statement and prospectus with respect thereto) the terms of such Designated Bonds. A Pricing Agreement shall be in the form of an executed writing (which may be in counterparts), and may be evidenced by an exchange of telegraphic communications or any other rapid transmission device designed to produce a written record of communications transmitted. The obligations of the Underwriters under this Agreement and each Pricing Agreement shall be several and not joint.

2. The Company represents and warrants to, and agrees with, each of the Underwriters that:

(a) A registration statement on Form S-3 (File No. 333-52150) (such registration statement, as amended, the “**Initial Registration Statement**”) in respect of the First Mortgage Bonds has been filed with the Securities and Exchange Commission (the “**Commission**”); the Initial Registration Statement and any post-effective amendments thereto subsequent to the date hereof, each in the form heretofore delivered or to be delivered to the Representatives and, excluding exhibits to the Initial Registration Statement but including all documents incorporated by reference in the prospectus contained in such Initial Registration Statement, to the Representatives for each of the other Underwriters, has been declared effective by the Commission in such form; other than a registration statement, if any, increasing the size of the offering (a “**Rule 462(b) Registration Statement**”), filed pursuant to Rule 462(b) under the Securities Act of 1933, as amended (the “**Act**”), which, if so filed, became effective upon filing, no other document with respect to the Initial Registration Statement or any document incorporated by reference therein has heretofore been filed or transmitted for filing with the Commission (other than documents filed after the filing date of the Initial Registration Statement under the Securities Exchange Act of 1934, as amended (the “**Exchange Act**”), and prospectuses filed pursuant to Rule 424(b) of the rules and regulations of the Commission under the Act, each in the form heretofore delivered to the Representatives); and no stop order suspending the effectiveness of the Initial Registration Statement, any post-effective amendment thereto or the Rule 462(b) Registration Statement, if any, has been issued and no proceeding for that purpose has been initiated or threatened by the Commission.

As used in this Agreement:

(i) “**Applicable Time**” has the meaning set for the in the applicable Pricing Agreement;

(ii) “**Effective Date**” means any date as of which any part of such registration statement relating to the Designated Bonds became, or is deemed to have become, effective under the Act in accordance with the rules and regulations thereunder (the “**Rules and Regulations**”);

(iii) **“Issuer Free Writing Prospectus”** means each “issuer free writing prospectus” (as defined in Rule 433 of the Rules and Regulations) in connection with the offering of the Designated Bonds;

(iv) **“Preliminary Prospectus”** means any preliminary prospectus relating to the Designated Bonds included in such registration statement or filed with the Commission pursuant to Rule 424(b) of the Rules and Regulations, including any preliminary prospectus supplement thereto relating to the Designated Bonds;

(iv) **“Pricing Disclosure Package”** means, as of the Applicable Time, the most recent Preliminary Prospectus, together with each Issuer Free Writing Prospectus filed or used by the Company on or before the Applicable Time, other than a road show that is an Issuer Free Writing Prospectus under Rule 433 of the Rules and Regulations;

(vi) **“Prospectus”** means the final prospectus relating to the First Mortgage Bonds, dated May 5, 2006, including any prospectus supplement thereto relating to the Designated Bonds, as filed with the Commission pursuant to Rule 424(b) of the Rules and Regulations; and

(vii) **“Registration Statement”** means, collectively, the various parts of the Initial Registration Statement, any post-effective amendment thereto and the Rule 462(b) Registration Statement, if any, including all exhibits thereto and the documents incorporated by reference in the prospectus contained in the Initial Registration Statement at the time such part of the Initial Registration Statement became effective but excluding any Form T-1, each as amended at the time such part of the Initial Registration Statement became effective or such part of the Rule 462(b) Registration Statement, if any, became or hereafter becomes effective.

Any reference herein to any Preliminary Prospectus or the Prospectus shall be deemed to refer to and include the documents incorporated by reference therein pursuant to the applicable form under the Act, as of the date of such Preliminary Prospectus or Prospectus, as the case may be; any reference to any amendment or supplement to any Preliminary Prospectus or the Prospectus shall be deemed to refer to and include any documents filed after the date of such Preliminary Prospectus or Prospectus, as the case may be, under the Exchange Act, and incorporated by reference in such Preliminary Prospectus or Prospectus, as the case may be, as of the date of filing of such document; any reference to any amendment to the Initial Registration Statement shall be deemed to refer to and include any annual report of the Company filed pursuant to Sections 13(a) or 15(d) of the Exchange Act after the effective date of the Initial Registration Statement that is incorporated by reference in the Registration Statement; and any reference to the “most recent Preliminary Prospectus” shall be deemed to refer to the latest Preliminary Prospectus included in the Registration Statement or filed pursuant to Rule 424(b) prior to or on the date hereof (including, for purposes hereof, any documents incorporated by reference therein prior to or on the date hereof);

(b) The documents incorporated by reference in the Prospectus, when they became effective or were filed with the Commission, as the case may be, conformed in all material respects to the requirements of the Act or the Exchange Act, as applicable, and the rules and regulations of the Commission thereunder, and none of such documents contained an untrue statement of a material fact or omitted to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; and any further documents so filed and incorporated by reference in the Prospectus or any further amendment or supplement thereto, when such documents become effective or are filed with the Commission, as the case may be, will conform in all material respects to the requirements of the Act or the Exchange Act, as applicable, and the rules and regulations of the Commission thereunder and will not contain an untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(c) The Registration Statement and the Prospectus conform, and any further amendments or supplements to the Registration Statement or the Prospectus will conform, in all material respects to the requirements of the Act and the rules and regulations of the Commission thereunder and the Registration Statement conforms, and any further amendments or supplements to the Registration Statement will conform, in all material respects to the requirements of the Trust Indenture Act of 1939, as amended (the “**Trust Indenture Act**”), and the rules and regulations of the Commission thereunder and do not and will not, as of the applicable Effective Date as to the Registration Statement and any amendments thereto and as of the applicable filing date and the applicable time of delivery as to the Prospectus and any amendment or supplement thereto, contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; *provided, however*, that with respect to the statements made in the Registration Statement under “Description of First Mortgage Bonds—Ranking,” “—Optional Redemption,” “—Issuance of Additional Bonds,” “—Maintenance Fund,” “—Events of Default,” “—Remedies,” and “—Consolidation, Merger and Conveyance of Assets as an Entirety; No Financial Covenants,” the term “Registration Statement” in this representation and warranty shall mean the Registration Statement as modified to the date hereof.

(d) The Pricing Disclosure Package did not, as of the Applicable Time, contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(e) Each Issuer Free Writing Prospectus (including, without limitation, any road show that is a free writing prospectus under Rule 433), when considered together with the Pricing Disclosure Package did not, as of the Applicable Time, contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading;

The representations and warranties in the preceding subsections (b), (c) and (d) shall not apply to statements in or omissions from the Registration Statement, any Preliminary Prospectus, the Prospectus or any Issuer Free Writing Prospectus (and the documents incorporated by reference therein) made in reliance upon and in conformity with written information furnished to the Company by any Underwriter of Designated Bonds through the Representatives expressly for use therein.

(f) The Company and its subsidiaries taken as a whole have not sustained since the date of the latest audited financial statements included or incorporated by reference in the Prospectus any material loss or interference with its business from fire, explosion, flood or other calamity, whether or not covered by insurance, or from any labor dispute or court or governmental action, order or decree, otherwise than as set forth or contemplated in the Prospectus; and, since the date as of which information is given in the Prospectus (excluding any Preliminary Prospectus), there has not been any material change in the capital stock or long-term debt of the Company or any of its subsidiaries or any material adverse change, or any development involving a prospective material adverse change, in or affecting the general affairs, management, financial position, shareholders' equity or results of operations of the Company and its subsidiaries, taken as a whole, otherwise than as set forth or contemplated in the Pricing Disclosure Package or the Prospectus;

(g) The Company has been duly incorporated and is validly existing as a corporation in good standing under the laws of the State of California, with power and authority (corporate and other) to own its properties and conduct its business as described in the Prospectus, and has been duly qualified as a foreign corporation for the transaction of business and is in good standing under the laws of each other jurisdiction in which it owns or leases properties or conducts any business so as to require such qualification, except where the failure to be so qualified would not subject it to material liability or disability; the subsidiaries of the Company, considered in the aggregate as a single subsidiary, do not constitute a "significant subsidiary" as defined in Rule 1-02 of Regulation S-X;

(h) The Company has an authorized capitalization as set forth in the Prospectus, and all of the issued shares of capital stock of the Company have been duly and validly authorized and issued and are fully paid and non-assessable and conform to the description thereof contained in the Prospectus;

(i) The First Mortgage Bonds have been duly authorized for issuance and sale by the Company and, when the Designated Bonds are issued and delivered pursuant to this Agreement and the Pricing Agreement with respect to such Designated Bonds, such Designated Bonds will have been duly executed, authenticated, issued and delivered and will constitute valid and legally binding obligations of the Company entitled to the benefits provided by the Indenture; the Indenture has been duly authorized and duly qualified under the Trust Indenture Act and, at the Time of Delivery for such Designated Bonds (as defined in Section 4 hereof), the Indenture will constitute a valid and legally binding instrument, enforceable in accordance with its terms, subject, as to enforcement, to bankruptcy, insolvency, receivership, liquidation, fraudulent conveyance, fraudulent

transfer, reorganization, moratorium and similar laws of general applicability relating to or affecting creditors' rights and to general equity principles; and the Indenture conforms, and the Designated Bonds will conform, to the descriptions thereof contained in the Prospectus as amended or supplemented with respect to such Designated Bonds;

(j) This Agreement and the applicable Pricing Agreement have each been duly authorized, executed and delivered by the Company;

(k) The issue and sale of the First Mortgage Bonds and the compliance by the Company with all of the provisions of the First Mortgage Bonds, the Indenture, this Agreement and any Pricing Agreement, and the consummation of the transactions herein and therein contemplated will not conflict with or result in a breach or violation of any of the terms or provisions of, or constitute a default under, any material contract, indenture, mortgage, deed of trust, loan agreement, note, lease or other agreement or instrument to which the Company is a party or by which the Company is bound or to which any of the material properties or assets of the Company is subject, nor will such action result in any violation of the provisions of the Articles of Incorporation or Bylaws of the Company or any statute or any order, rule or regulation of any court or governmental agency or body having jurisdiction over the Company or any of its material properties; and no consent, approval, authorization, order, registration or qualification of or with any such court or governmental agency or body is required for the issue and sale of the First Mortgage Bonds or the consummation by the Company of the transactions contemplated by this Agreement or any Pricing Agreement or the Indenture, except such as have been obtained under the Act, the Trust Indenture Act and from the Public Utilities Commission of the State of California and such consents, approvals, authorizations, registrations or qualifications as may be required under state securities or Blue Sky laws in connection with the purchase and distribution of the First Mortgage Bonds by the Underwriters;

(l) The statements set forth in the Prospectus as amended or supplemented under the captions "Description of First Mortgage Bonds" and "Supplemental Description of First Mortgage Bonds," insofar as they purport to constitute a summary of the terms of the First Mortgage Bonds or the Indenture, and under the captions "Plan of Distribution" and "Underwriting," insofar as they purport to describe the provisions of the laws and documents referred to therein, are accurate, complete and fair in all material respects;

(m) The Company is not (i) in violation of its Articles of Incorporation or Bylaws or (ii) in default in the performance or observance of any material obligation, agreement, covenant or condition contained in any contract, indenture, mortgage, deed of trust, loan agreement, note, lease or other agreement or instrument to which it is a party or by which it or any of its properties may be bound, except in the case of clause (ii) for such defaults which, individually or in the aggregate, would not reasonably be expected to have a material adverse effect on the consolidated financial position, shareholders' equity or results of operations of the Company and its subsidiaries, taken as a whole;

(n) Other than as set forth in the Prospectus, (i) there are no legal or governmental proceedings pending to which the Company or any of its subsidiaries is a

party or of which any property of the Company or any of its subsidiaries is the subject except for such proceedings which, if determined adversely to the Company, would not reasonably be expected individually or in the aggregate to have a material adverse effect on the financial position, shareholders' equity or results of operations of the Company and its subsidiaries, taken as a whole and (ii) to the best of the Company's knowledge, no such proceedings are threatened or contemplated by governmental authorities or threatened by others;

(o) The Company is not and after giving effect to the offering and sale of the First Mortgage Bonds, will not be, an "investment company," as such term is defined in the Investment Company Act of 1940, as amended (the "**Investment Company Act**");

(p) Deloitte & Touche LLP, who have certified certain financial statements of the Company and its subsidiaries taken as a whole, is an independent registered public accounting firm as required by the Act and the rules and regulations of the Commission thereunder and the rules and regulations of the Public Company Accounting Oversight Board;

(q) The financial statements of the Company and its consolidated subsidiaries included or incorporated by reference in the Registration Statement, the Pricing Disclosure Package and Prospectus present fairly in all material respects the consolidated financial position of the Company and its consolidated subsidiaries as of the dates indicated and the consolidated results of their operations for the periods specified; and, except as stated therein, such financial statements have been prepared in conformity with generally accepted accounting principles in the United States applied on a consistent basis;

(r) The Company and each of its subsidiaries maintains a system of internal accounting controls sufficient to provide reasonable assurance that (A) transactions are executed in accordance with management's general or specific authorizations; (B) transactions are recorded as necessary to permit preparation of financial statements in conformity with generally accepted accounting principles and to maintain asset accountability; (C) access to assets is permitted only in accordance with management's general or specific authorization; and (D) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any material differences.

(s) The Company and its subsidiaries possess such certificates, authorities or permits issued by the appropriate state, federal, local or foreign regulatory agencies or bodies necessary to conduct the businesses now operated by them, except where the failure to possess such certificates, authorities or permits, individually or in the aggregate, would not have a material adverse effect on the consolidated financial position, shareholders' equity or results of operations of the Company and its subsidiaries, taken as a whole; and neither the Company nor any of its subsidiaries has received any notice of proceedings relating to the revocation or modification of any such certificate, authority or permit which, individually or in the aggregate, if the subject of an unfavorable decision, ruling or finding would have a material adverse effect on the consolidated financial position, shareholders' equity or results of operations of the Company and its subsidiaries, taken as a whole;

(t) The Company and its subsidiaries are in compliance with, and conduct their respective businesses in conformity with, all applicable state, federal, local and foreign laws and regulations relating to the operation and ownership of a public utility, including, without limitation, those relating to the distribution and transmission of natural gas, except to the extent that any failure so to comply or conform would not individually or in the aggregate have a material adverse effect on the consolidated financial position, shareholders' equity or results of operations of the Company and its subsidiaries, taken as a whole;

(u) The Public Utilities Commission of the State of California has duly authorized the issuance and sale of the Designated Bonds by the Company on the terms set forth in the Prospectus and in this Agreement, such authorizations are in full force and effect and no authorization of any other governmental agency having regulatory jurisdiction over the Company is required for such issuance and sale except such as may be required by the securities or blue sky laws of any jurisdiction;

(v) The Company and its subsidiaries hold all franchises, certificates of public convenience and necessity, permits, licenses and easements necessary to own, operate and maintain their properties as described in the Prospectus except to the extent that such failure, individually or in the aggregate, would not reasonably be expected to have a material adverse effect on the consolidated financial position, shareholders' equity or results of operations of the Company and its subsidiaries, taken as a whole;

(w) The Company and its subsidiaries have good and valid title to all the principal plants and other important units of their property and to all other real estate and fixed property (including plants, machinery and equipment) specifically described in the Indenture as subject to the lien thereof (except property theretofore retired or released from such lien in accordance with the terms of the Indenture) subject only to Permitted Liens (as defined in the Indenture) and permitted Non-Callable Liens (as defined in the Indenture) (collectively, "**Permissible Encumbrances**") and other liens and charges permitted by the Indenture and such liens, charges, encumbrances, defects, qualifications, exceptions and other matters affecting title, possession or use as are set forth or referred to in the Prospectus or which, individually or in the aggregate, would not reasonably be expected to have a material adverse effect on the consolidated financial position, shareholders' equity or results of operations of the Company and its subsidiaries, taken as a whole;

(x) The indenture originally dated as of July 1, 1940 (the "**Base Indenture**") between the Company and U.S. Bank Trust National Association, as successor trustee, as supplemented and amended by indentures supplemental thereto and amendatory thereof (each a "**Supplemental Indenture**" and the Base Indenture together with all Supplemental Indentures is referred to herein and in the Pricing Agreement as the "**Indenture**") has been duly recorded in all offices of county recorders or clerks of all counties in the State of California and the State of Arizona in which any real property

subject to the lien of the Indenture is located and appropriate financing statements in respect of personal property and fixtures have been filed in the Office of the Secretary of State of the State of California and no other filing or recordation is necessary for the perfection and preservation of the lien created thereby except for recordations required in respect of after-acquired real property;

(y) The Indenture constitutes, as security for the Designated Bonds, a valid and subsisting lien to the extent that it purports to be such on all the present properties of the Company (including plants, machinery, equipment, real estate and fixed property), rights and franchises of the Company and its subsidiaries (other than those properties excepted or released from the lien of the Indenture by its terms) subject only to Permissible Encumbrances and other liens and charges permitted by the Indenture and such liens, charges and encumbrances, defects, qualifications, exceptions and other matters as are set forth or referred to in the Prospectus, or which would not reasonably be expected materially to affect the security for the Designated Bonds, and upon acquisition thereafter by the Company of similar properties the Indenture will, subject to liens existing thereon at the time of acquisition, create such lien thereon; and

(z) Other than as set forth in the Prospectus, there are no legal proceedings pending to which the Company or any of its subsidiaries is a party or of which any property of the Company or any of its subsidiaries is the subject except for such proceedings which, if determined adversely to the Company, would not individually or in the aggregate have a material adverse effect on the financial position, shareholders' equity or results of operations of the Company and its subsidiaries, taken as a whole; and, to the best of the Company's knowledge, no such proceedings are threatened or contemplated.

3. Upon the execution of the Pricing Agreement applicable to any Designated Bonds and authorization by the Representatives of the release of such First Mortgage Bonds, the several Underwriters propose to offer such First Mortgage Bonds for sale upon the terms and conditions set forth in the Prospectus as amended or supplemented.

4. Designated Bonds to be purchased by each Underwriter pursuant to the Pricing Agreement relating thereto, in the form specified in such Pricing Agreement, and in such authorized denominations and registered in such names as the Representatives may request upon at least forty-eight hours' prior notice to the Company, shall be delivered through the facilities of the DTC by or on behalf of the Company to the Representatives for the account of such Underwriter, against payment by such Underwriter or on its behalf of the purchase price therefor by wire transfer of Federal (same-day) funds to the account specified by the Company to the Representatives at least forty-eight hours in advance or at such other place and time and date as the Representatives and the Company may agree upon in writing, such time and date being herein called the "**Time of Delivery**" for such First Mortgage Bonds.

5. The Company agrees with each of the Underwriters of any Designated Bonds:

(a) To prepare the Prospectus as amended or supplemented in relation to the applicable Designated Bonds in a form approved by the Representatives and to file such

Prospectus pursuant to Rule 424(b) under the Act not later than the Commission's close of business on the second business day following the execution and delivery of the Pricing Agreement relating to the applicable Designated Bonds or, if applicable, such earlier time as may be required by Rule 424(b); to make no further amendment or any supplement to the Registration Statement or Prospectus as amended or supplemented after the date of the Pricing Agreement relating to such First Mortgage Bonds and prior to the Time of Delivery for such First Mortgage Bonds which shall be disapproved by the Representatives for such First Mortgage Bonds promptly after reasonable notice thereof; to advise the Representatives promptly of any such amendment or supplement after such Time of Delivery and furnish the Representatives with copies thereof; to file promptly all reports and any definitive proxy or information statements required to be filed by the Company with the Commission pursuant to Section 13(a), 13(c), 14 or 15(d) of the Exchange Act for so long as the delivery of a prospectus is required in connection with the offering or sale of such First Mortgage Bonds, and during such same period to advise the Representatives, promptly after it receives notice thereof, of the time when any amendment to the Registration Statement has been filed or becomes effective or any supplement to the Prospectus or any amended Prospectus has been filed with the Commission, of the issuance by the Commission of any stop order or of any order preventing or suspending the use of any prospectus relating to the First Mortgage Bonds, of the suspension of the qualification of such First Mortgage Bonds for offering or sale in any jurisdiction, of the initiation or threatening of any proceeding for any such purpose, or of any examination pursuant to Section 8(e) of the Act concerning the Registration Statement, or of the Company becoming the subject of a proceeding under Section 8A of the Act in connection with the offering of the First Mortgage Bonds or of any request by the Commission for the amending or supplementing of the Registration Statement or Prospectus or for additional information; and, in the event of the issuance of any such stop order or of any such order preventing or suspending the use of any prospectus relating to the First Mortgage Bonds or suspending any such qualification, to promptly use commercially reasonable efforts to obtain the withdrawal of such order;

(b) to prepare a final term sheet (the "**Final Term Sheet**") reflecting the final terms of the applicable Designated Bonds, in the form attached to the applicable Pricing Agreement, and file such Final Term Sheet as an "issuer free writing prospectus" pursuant to Rule 433 prior to the close of business two business days after the date of the Pricing Agreement relating to such Designated Bonds; *provided* that the Company shall furnish the Representatives with copies of any such Final Term Sheet a reasonable amount of time prior to such proposed filing and will not use or file any such document to which the Representatives or counsel to the Underwriters shall reasonably object;

(c) If at any time after the date hereof any events shall have occurred as a result of which any Issuer Free Writing Prospectus, as then amended or supplemented, would conflict with the information in the Registration Statement, the most recent Preliminary Prospectus or the Prospectus or would include an untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading, or, if for any other reason it shall be necessary to amend or supplement any Issuer Free Writing Prospectus, to notify the Representatives and, upon their request, to file such

document and to prepare and furnish without charge to each Underwriter as many copies as the Representatives may from time to time reasonably request of an amended or supplemented Issuer Free Writing Prospectus that will correct such conflict, statement or omission or effect such compliance;

(d) Promptly from time to time to take such action as the Representatives may reasonably request to qualify such First Mortgage Bonds for offering and sale under the securities laws of such jurisdictions as the Representatives may request and to comply with such laws so as to permit the continuance of sales and dealings therein in such jurisdictions for as long as may be necessary to complete the distribution of such First Mortgage Bonds, *provided* that in connection therewith the Company shall not be required to qualify as a foreign corporation or to file a general consent to service of process in any jurisdiction;

(e) Prior to 10:00 a.m., New York City time, on the New York business day next succeeding the date of any Pricing Agreement for such Designated Bonds, or such later time or date as agreed to by the Company and the Representatives, and from time to time, to furnish the Underwriters with copies of the Prospectus in New York City as amended or supplemented in such quantities as the Representatives may reasonably request, and, if the delivery of a prospectus is required at any time in connection with the offering or sale of such Designated Bonds and if at such time any event shall have occurred as a result of which the Prospectus as then amended or supplemented would include an untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made when such Prospectus is delivered, not misleading, or, if for any other reason it shall be necessary during such same period to amend or supplement the Prospectus or to file under the Exchange Act any document incorporated by reference in the Prospectus in order to comply with the Act, the Exchange Act or the Trust Indenture Act, to notify the Representatives and upon their request to file such document and to prepare and furnish without charge to each Underwriter and to any dealer in securities as many copies as the Representatives may from time to time reasonably request of an amended Prospectus or a supplement to the Prospectus which will correct such statement or omission or effect such compliance;

(f) To make generally available to its securityholders as soon as practicable, but in any event not later than eighteen months after the effective date of the Registration Statement (as defined in Rule 158(c) under the Act), an earnings statement of the Company and its consolidated subsidiaries (which need not be audited) complying with Section 11(a) of the Act and the rules and regulations of the Commission thereunder (including, at the option of the Company, Rule 158);

(g) During the period beginning from the date of the Pricing Agreement for such Designated Bonds and continuing to and including the later of (i) the termination of trading restrictions for such First Mortgage Bonds, as notified to the Company by the Representatives and (ii) the Time of Delivery for such Designated Bonds, not to offer, sell, contract to sell or otherwise dispose of any First Mortgage Bonds, without the prior written consent of the Representatives;

(h) If the Company elects to rely upon Rule 462(b), the Company shall file a Rule 462(b) Registration Statement with the Commission in compliance with Rule 462(b) by 10:00 P.M., Washington, D.C. time, on the date of this Agreement, and the Company shall at the time of filing either pay to the Commission the filing fee for the Rule 462(b) Registration Statement or give irrevocable instructions for the payment of such fee pursuant to Rule 111(b) under the Act; and

(i) The Company represents and agrees that, unless it obtains the prior consent of the Representatives, and each Underwriter represents and agrees that, unless it obtains the prior consent of the Company and the Representatives, it has not made and will not make any offer relating to the Designated Bonds that would constitute an Issuer Free Writing Prospectus, or that would otherwise constitute a "free writing prospectus," as defined in Rule 405, required to be filed with the Commission; *provided, however*, that the prior written consent of the Representatives and the Company shall be deemed to have been given in respect of the Issuer Free Writing Prospectuses included in Schedule IV to the applicable Pricing Agreement; and *provided further, however*, that prior to the preparation of the Final Term Sheet in accordance with Section 5(b), the Underwriters are authorized to use the information with respect to the final terms of the Designated Bonds in communications conveying information relating to the offering to investors. Any such free writing prospectus consented to by the Company and the Representatives is hereinafter referred to as a "Permitted Free Writing Prospectus."

6. The Company covenants and agrees with the several Underwriters that the Company will pay or cause to be paid the following: (i) the fees, disbursements and expenses of the Company's counsel and accountants in connection with the registration of the First Mortgage Bonds under the Act and all other expenses in connection with the preparation, printing and filing of the Registration Statement, any Preliminary Prospectus, any Permitted Free Writing Prospectus and the Prospectus and amendments and supplements thereto and the mailing and delivering of copies thereof to the Underwriters and dealers; (ii) the cost of printing or producing any Agreement among Underwriters, this Agreement, any Pricing Agreement, any Indenture, any Blue Sky and Legal Investment Memoranda, closing documents (including any compilations thereof) and any other documents in connection with the offering, purchase, sale and delivery of the First Mortgage Bonds; (iii) all expenses in connection with the qualification of the First Mortgage Bonds for offering and sale under state securities laws as provided in Section 5(b) hereof, including the reasonable fees and disbursements of counsel for the Underwriters in connection with such qualification and in connection with the Blue Sky and Legal Investment Surveys; (iv) any fees charged by securities rating services for rating the First Mortgage Bonds; (v) any filing fees incident to, and the reasonable fees and disbursements of counsel for the Underwriters in connection with, any required review by the NASD Regulation, Inc. of the terms of the sale of the First Mortgage Bonds; (vi) the cost of preparing the First Mortgage Bonds; (vii) the fees and expenses of any Trustee and any agent of any Trustee and the reasonable fees and disbursements of counsel for any Trustee in connection with any Indenture and the First Mortgage Bonds; (viii) any fees and expenses in connection with listing the First Mortgage Bonds and the cost of registering the First Mortgage Bonds under Section 12 of the Exchange Act; and (ix) all other costs and expenses incident to the performance of its obligations hereunder which are not otherwise specifically provided for in this Section. It is understood, however, that except as provided in this Section, and Sections 8 and 11 hereof, the Underwriters will pay all of

their own costs and expenses, including the fees of their counsel, transfer taxes on resale of any of the First Mortgage Bonds by them and any advertising expenses connected with any offers they may make.

7. The obligations of the Underwriters of any Designated Bonds under the Pricing Agreement relating to such Designated Bonds shall be subject, in the discretion of the Representatives, to the condition that all representations and warranties and other statements of the Company in or incorporated by reference in the Pricing Agreement relating to such Designated Bonds are, at and as of the Time of Delivery for such Designated Bonds, true and correct, the condition that the Company shall have performed all of its obligations hereunder theretofore to be performed, and the following additional conditions:

(a) The Prospectus as amended or supplemented in relation to the applicable Designated Bonds shall have been filed with the Commission pursuant to Rule 424(b) within the applicable time period prescribed for such filing (without reliance on Rule 424(b)(8) by the rules and regulations under the Act and in accordance with Section 5(a) hereof; if the Company has elected to rely upon Rule 462(b), the Rule 462(b) Registration Statement shall have become effective by 10:00 P.M., Washington, D.C. time, on the date of the applicable Pricing Agreement; no stop order suspending the effectiveness of the Registration Statement or any part thereof shall have been issued and no proceeding for that purpose shall have been initiated or threatened by the Commission; and all requests for additional information on the part of the Commission shall have been complied with to the Representatives' reasonable satisfaction;

(b) Counsel for the Underwriters shall have furnished to the Representatives such written opinion, dated the Time of Delivery for such Designated Bonds, with respect to the Registration Statement and the Prospectus as amended or supplemented, as well as such other related matters as the Representatives may reasonably request, and such counsel shall have received such papers and information as they may reasonably request to enable them to pass upon such matters;

(c) Gary W. Kyle, Chief Corporate Counsel of Sempra Energy, a California corporation and the ultimate parent of the Company, shall have furnished to the Representatives a written opinion, dated the Time of Delivery for such Designated Bonds, in form and substance satisfactory to the Representatives, to the effect that:

(i) The Company has been duly incorporated and is validly existing as a corporation in good standing under the laws of the State of California, with power and authority (corporate and other) to own its properties and conduct its business as described in the Prospectus, and has been duly qualified as a foreign corporation for the transaction of business and is in good standing under the laws of each other jurisdiction in which it owns or leases properties or conducts any business so as to require such qualification, except where the failure to be so qualified would not subject it to material liability or disability;

(ii) The Company has an authorized capitalization as set forth in the Prospectus and all of the issued shares of capital stock of the Company have been duly and validly authorized and issued and are fully paid and non-assessable;

(iii) To the best of such counsel's knowledge and other than as set forth or incorporated by reference in the Prospectus, there are no legal or governmental proceedings pending to which the Company or any of its subsidiaries is a party or of which any property of the Company or any of its subsidiaries is the subject except for such proceedings which, if determined adversely to the Company or any of its subsidiaries, would not reasonably be expected, individually or in the aggregate, to have a material adverse effect on the consolidated financial position, shareholders' equity or results of operations of the Company and its subsidiaries, taken as a whole; and, to the best of such counsel's knowledge, no such proceedings are threatened or contemplated by governmental authorities or threatened by others;

(iv) This Agreement and the Pricing Agreement with respect to the Designated Bonds have been duly authorized, executed and delivered by the Company;

(v) The Designated Bonds have been duly authorized, executed, authenticated, issued and delivered by the Company and the Designated Bonds and the Indenture conform to the descriptions thereof in the Prospectus;

(vi) The Indenture has been duly authorized, executed and delivered by the Company; and the Indenture has been duly qualified under the Trust Indenture Act;

(vii) The Company and its subsidiaries hold all franchises, certificates of public convenience and necessity, permits, licenses and easements necessary to own, operate and maintain their properties as described in the Prospectus except to the extent that such failure, individually or in the aggregate, would not reasonably be expected to have a material adverse effect on the consolidated financial position, shareholders' equity or results of operations of the Company and its subsidiaries, taken as a whole;

(viii) The Base Indenture and each Supplemental Indenture has been duly recorded (or arrangements have been made for the prompt recording) in all offices of county recorders or clerks of all counties in the State of California and the State of Arizona in which any real property subject to the lien of the Indenture is located and appropriate financing statements in respect of personal property and fixtures have been filed in the Office of the Secretary of State of the State of California and the Office of the Secretary of State of the State of Arizona and no other filing or recordation is necessary for the perfection and preservation of the lien created thereby except for recordations required in respect of after-acquired real property;

(ix) The Indenture constitutes, as security for the Designated Bonds, a valid and subsisting first lien to the extent that it purports to be such on all the present properties of the Company (including plants, machinery, equipment, real estate and fixed property described above), rights and franchises of the Company (other than those properties excepted or released from the lien of the Indenture by its terms) subject only to Permissible Encumbrances and other liens and charges permitted by the Indenture and such liens, charges and encumbrances, defects, qualifications, exceptions and other matters as are set forth or referred to in the Prospectus, or which do not, in such counsel's opinion, materially affect the security for the Designated Bonds, and upon acquisition thereafter by the Company of similar properties the Indenture will, subject to liens existing thereon at the time of acquisition, create such lien thereon;

(x) The issue and sale of the Designated Bonds and the compliance by the Company with all of the provisions of the Designated Bonds, the Indenture, this Agreement and the Pricing Agreement with respect to the Designated Bonds and the consummation of the transactions herein and therein contemplated will not conflict with or result in a breach or violation of any of the terms or provisions of, or constitute a default under, any material contract, indenture, mortgage, deed of trust, loan agreement, note, lease or other agreement or instrument to which the Company is a party or by which the Company is bound or to which any of its material properties or assets is subject, nor will such actions result in any violation of the provisions of the Articles of Incorporation or Bylaws of the Company or any statute or any order, rule or regulation of any court or governmental agency or body having jurisdiction over the Company or any of its material properties;

(xi) No consent, approval, authorization, order, registration or qualification of or with any court or governmental agency or body having jurisdiction over the Company or any of its material properties is required for the issuance and sale of the Designated Bonds or the consummation by the Company of the transactions contemplated by this Agreement or such Pricing Agreement or the Indenture, except such as have been obtained under the Act, the Trust Indenture Act and from the Public Utilities Commission of the State of California and such consents, approvals, authorizations, orders, registrations or qualifications as may be required under state securities or Blue Sky laws in connection with the purchase and distribution of the Designated Bonds by the Underwriters; the Public Utilities Commission of the State of California has duly authorized the issuance and sale of the Designated Bonds by the Company on the terms set forth in the Prospectus and in this Agreement and such authorizations are in full force and effect;

(xii) The Company is not (i) in violation of its Articles of Incorporation or Bylaws or (ii) in default in the performance or observance of any material obligation, agreement, covenant or condition contained in any contract, indenture, mortgage, deed of trust, loan agreement, note, lease or other agreement or instrument to which it is a party or by which it or any of its properties may be bound, except in the case of clause (ii) for such defaults which, individually or in

the aggregate, would not reasonably be expected to have a material adverse effect on the consolidated financial position, shareholders' equity or results of operations of the Company and its subsidiaries, taken as a whole;

(xiii) The statements set forth in the Prospectus as amended or supplemented under the captions "Description of First Mortgage Bonds" and "Supplemental Description of First Mortgage Bonds," insofar as they purport to constitute a summary of the terms of the First Mortgage Bonds or the Indenture, and under the captions "Plan of Distribution" and "Underwriting," insofar as they purport to describe the provisions of the laws and documents referred to therein, are accurate, complete and fair in all material respects;

(xiv) The Company is not, and after giving effect to the offering and sale of the Designated Bonds, will not be, an "investment company," as such term is defined in the Investment Company Act;

(xv) The documents incorporated by reference in the Prospectus as amended or supplemented (other than the financial statements and related schedules therein, as to which such counsel need express no opinion), when they became effective or were filed with the Commission, as the case may be, complied as to form in all material respects with the requirements of the Act or the Exchange Act, as applicable, and the rules and regulations of the Commission thereunder, and such counsel has no reason to believe that any of such documents, when they became effective or were so filed, as the case may be, contained, in the case of a registration statement which became effective under the Act, an untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein not misleading, or, in the case of other documents which were filed under the Act or the Exchange Act with the Commission, an untrue statement of a material fact or omitted to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made when such documents were so filed, not misleading; it being understood that such counsel expresses no belief with respect to the financial statements or other financial data included or incorporated by reference in, or omitted from, the Prospectus as amended or supplemented;

(xvi) The Registration Statement and the Prospectus as amended or supplemented and any further amendments and supplements thereto made by the Company prior to the Time of Delivery for the Designated Bonds (in each case, excluding the documents incorporated by reference therein) comply as to form in all material respects with the requirements for registration statements on Form S-3 under the Act, and the requirements under the Trust Indenture Act and the rules and regulations of the Commission thereunder, it being understood, however, that such counsel expresses no opinion with respect to the financial statements, schedules or other financial data included or incorporated by reference in, or omitted from, the Registration Statement or the Prospectus as amended or supplemented or with respect to any Form T-1. In passing upon the compliance as to the form of the Registration Statement and the Prospectus as amended or

supplemented (in each case, excluding the documents incorporated by reference therein), except for those statements referred to in the opinion in subsection (xiii) of this Section 7(c), such counsel has assumed that the statements made and incorporated by reference therein are correct and complete; and

(d) Counsel for the Company satisfactory to the Representatives shall have furnished to the Representatives their written opinion or opinions, dated each Time of Delivery for such Designated Bonds, in form and substance satisfactory to the Representatives, to the effect that:

(i) Each of the Indenture, assuming the due authorization, execution and delivery thereof, and the applicable Supplemental Indenture, upon due execution thereof, will be a legally valid and binding obligation of the Company, enforceable against the Company in accordance with its terms;

(ii) The Designated Bonds, when executed, issued and authenticated in accordance with the terms of the Indenture, and delivered to and paid for by the Underwriters in accordance with the terms of this Agreement and the Pricing Agreement, will be legally valid and binding obligations of the Company, enforceable against the Company in accordance with their terms. A registered holder of the Designated Bonds will be a beneficiary under the Indenture, as supplemented by the applicable Supplemental Indenture;

(iii) The Registration Statement, as of the date it was declared effective, and the Prospectus, as of its date, (in each case, excluding the documents incorporated by reference therein) appeared on their face to be appropriately responsive in all material respects to the requirements for registration statements on Form S-3 under the Act, and the requirements under the Trust Indenture Act and the rules and regulations of the Commission thereunder; it being understood, however, that such counsel expresses no opinion with respect to the financial statements, schedules or other financial data included or incorporated by reference in, or omitted from, the Registration Statement or the Prospectus as amended or supplemented or with respect to any Form T-1. For purposes of this paragraph (in each case, excluding the documents incorporated by reference therein), such counsel has assumed that the statements made and incorporated by reference therein are correct and complete; and

(iv) The Registration Statement has become effective under the Act, and, based solely on telephone conversations with representatives of the Commission, no stop order suspending the effectiveness of the Registration Statement has been issued under the Act and no proceedings therefor have been initiated or threatened by the Commission. Any required filing of the Prospectus pursuant to Rule 424(b) under the Act has been made in accordance with Rules 424(b) and 430B under the Act.

In addition, such counsel shall provide a statement to the effect that such counsel has participated in telephone conferences with officers and other representatives of the

Company, and representatives of the Underwriters, during which the contents of the Registration Statement, the Preliminary Prospectus, any Issuer Free Writing Prospectus and the Prospectus as amended or supplemented and related matters were discussed and, although such counsel is not passing upon, and does not assume any responsibility for, the accuracy, completeness or fairness of the statements contained or incorporated by reference in the Registration Statement and the Prospectus as amended or supplemented and has not made any independent check or verification thereof, during the course of such participation, no facts came to such counsel's attention that caused them to believe that:

(v) the Registration Statement, at the Effective Date, including the information deemed to be a part of the Registration Statement pursuant to Rule 430B under the Act (together with the documents incorporated therein), contained an untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein, not misleading;

(vi) the Pricing Disclosure Package, at the Applicable Time (together with the documents incorporated therein), contained an untrue statement of a material fact or omitted to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; or

(vii) the Prospectus, as of its date or as of the Time of Delivery, (together with the documents incorporated therein), contained or contains an untrue statement of a material fact or omitted or omits to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading;

it being understood that such counsel expresses no belief with respect to the financial statements or other financial data included or incorporated by reference in, or omitted from, the Registration Statement or the Preliminary Prospectus, any Issuer Free Writing Prospectus or the Prospectus.

(e) On the date of the Pricing Agreement for such Designated Bonds at a time prior to the execution of the Pricing Agreement with respect to such Designated Bonds, and at the Time of Delivery for such Designated Bonds, the Company's independent registered public accounting firm that has certified the consolidated financial statements of the Company and its subsidiaries included or incorporated by reference in the Registration Statement shall have furnished to the Representatives a letter, dated the date of the Pricing Agreement, in form and substance satisfactory to the Representatives, containing statements and information of the type ordinarily included in accountants' "comfort letters" to underwriters, and a letter dated such Time of Delivery reaffirming the statements made in their letter dated the date of the Pricing Agreement, except that the specified date referred to in such letter delivered on such Time of Delivery shall be a date not more than three days prior to the Time of Delivery, and with respect to such letter dated such Time of Delivery, as to such other matters as the Representatives may reasonably request and in form and substance satisfactory to the Representatives;

(f) (i) The Company and its subsidiaries, taken as a whole shall have not sustained since the date of the latest audited financial statements included or incorporated by reference in the Prospectus as amended prior to the date of the Pricing Agreement relating to the Designated Bonds any loss or interference with its business from fire, explosion, flood or other calamity, whether or not covered by insurance, or from any labor dispute or court or governmental action, order or decree, otherwise than as set forth or contemplated in the Prospectus as amended prior to the date of the Pricing Agreement relating to the Designated Bonds, and (ii) since the respective dates as of which information is given in the Prospectus as amended prior to the date of the Pricing Agreement relating to the Designated Bonds there shall not have been any change in the capital stock or long-term debt of the Company or any change, or any development involving a prospective change, in or affecting the general affairs, management, consolidated financial position, shareholders' equity or results of operations of the Company and its subsidiaries, taken as a whole, otherwise than as set forth or contemplated in the Prospectus as amended prior to the date of the Pricing Agreement relating to the Designated Bonds, the effect of which, in any such case described in clause (i) or (ii), is in the judgment of the Representatives so material and adverse to the Company and its subsidiaries, taken as a whole, as to make it impracticable or inadvisable to proceed with the public offering or the delivery of the Designated Bonds on the terms and in the manner contemplated in the Prospectus as first amended or supplemented relating to the Designated Bonds;

(g) At or after the Applicable Time relating to the Designated Bonds (i) no downgrading shall have occurred in the rating accorded any of the Company's secured debt by any "nationally recognized statistical rating organization," as that term is defined by the Commission for purposes of Rule 436(g)(2) under the Act, other than a downgrade by Fitch Ratings to not lower than A+, and (ii) no such organization, other than Fitch Ratings, shall have publicly announced that it has under surveillance or review, with possible negative implications, its rating of any of the Company's secured debt;

(h) On or after the date of the Pricing Agreement relating to the Designated Bonds there shall not have occurred any of the following: (i) a suspension or material limitation in trading in securities generally on the New York Stock Exchange; (ii) a suspension or material limitation in trading in the Company's securities on the New York Stock Exchange; (iii) a general moratorium on commercial banking activities declared by either Federal or New York or California State authorities or a material disruption in commercial banking or securities settlement or clearance services in the United States; or (iv) the outbreak or escalation of hostilities involving the United States or the declaration by the United States of a national emergency or war, or other calamity or crisis or any change or development involving a prospective change in national or international political, financial or economic conditions, if the effect of any such event specified in this clause (iv) in the judgment of the Representatives makes it impracticable or inadvisable to proceed with the public offering or the delivery of the Designated Bonds on the terms and in the manner contemplated in the Prospectus as first amended or supplemented relating to the Designated Bonds;

(i) The Company shall have complied with the provisions of Section 5(c) hereof with respect to the furnishing of prospectuses on the New York business day next succeeding the date of any Pricing Agreement for such Designated Bonds; and

(j) The Company shall have furnished or caused to be furnished to the Representatives at the Time of Delivery for the Designated Bonds a certificate of officers of the Company satisfactory to the Representatives as to the accuracy of the representations and warranties of the Company herein at and as of such Time of Delivery, as to the performance by the Company of all of its obligations hereunder to be performed at or prior to such Time of Delivery, as to the matters set forth in subsections (a) and (f) of this Section and as to such other matters as the Representatives may reasonably request.

8. (a) The Company will indemnify and hold harmless each Underwriter against any losses, claims, damages or liabilities, joint or several, to which such Underwriter may become subject, under the Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon an untrue statement or alleged untrue statement of a material fact contained in any Preliminary Prospectus, any preliminary prospectus supplement, the Registration Statement, any Issuer Free Writing Prospectus, the Prospectus as amended or supplemented or any other prospectus relating to the First Mortgage Bonds, or any amendment or supplement thereto, or arise out of or are based upon the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, and will reimburse each Underwriter for any legal or other expenses reasonably incurred by such Underwriter in connection with investigating or defending any such action or claim as such expenses are incurred; *provided, however*, that the Company shall not be liable in any such case to the extent that any such loss, claim, damage or liability arises out of or is based upon an untrue statement or alleged untrue statement or omission or alleged omission made in any Preliminary Prospectus, any preliminary prospectus supplement, the Registration Statement, any Issuer Free Writing Prospectus, the Prospectus as amended or supplemented or any other prospectus relating to the First Mortgage Bonds or any such amendment or supplement in reliance upon and in conformity with written information furnished to the Company by any Underwriter of Designated Bonds through the Representatives expressly for use in the Prospectus as amended or supplemented relating to such Designated Bonds.

(b) Each Underwriter severally and not jointly, will indemnify and hold harmless the Company against any losses, claims, damages or liabilities to which the Company may become subject, under the Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon an untrue statement or alleged untrue statement of a material fact contained in any Preliminary Prospectus, any preliminary prospectus supplement, the Registration Statement, any Issuer Free Writing Prospectus, the Prospectus as amended or supplemented or any other prospectus relating to the First Mortgage Bonds, or any amendment or supplement thereto, or arise out of or are based upon the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, in each case to the extent, but only to the

extent, that such untrue statement or alleged untrue statement or omission or alleged omission was made in any Preliminary Prospectus, any preliminary prospectus supplement, the Registration Statement, any Issuer Free Writing Prospectus, the Prospectus as amended or supplemented or any other prospectus relating to the First Mortgage Bonds or any such amendment or supplement in reliance upon and in conformity with written information furnished to the Company by such Underwriter through the Representatives expressly for use therein; and will reimburse the Company for any legal or other expenses reasonably incurred by the Company in connection with investigating or defending any such action or claim as such expenses are incurred.

(c) Promptly after receipt by an indemnified party under subsection (a) or (b) above of notice of the commencement of any action, such indemnified party shall, if a claim in respect thereof is to be made against the indemnifying party under such subsection, notify the indemnifying party in writing of the commencement thereof; but the omission so to notify the indemnifying party shall not relieve it from any liability which it may have to any indemnified party under such subsection to the extent it is not materially prejudiced as a result thereof and in any event shall not relieve it from any liability otherwise than under such subsection. In case any such action shall be brought against any indemnified party and it shall notify the indemnifying party of the commencement thereof, the indemnifying party shall be entitled to participate therein and, to the extent that it shall wish, jointly with any other indemnifying party similarly notified, to assume the defense thereof, with counsel satisfactory to such indemnified party (who shall not, except with the consent of the indemnified party, be counsel to the indemnified party), and, after notice from the indemnifying party to such indemnified party of its election so to assume the defense thereof, the indemnifying party shall not be liable to such indemnified party under such subsection for any legal expenses of other counsel or any other expenses, in each case subsequently incurred by such indemnified party, in connection with the defense thereof other than reasonable costs of investigation; *provided, however*, that the Representatives shall have the right to employ counsel to represent jointly the Underwriters and their respective officers, employees and controlling persons who may be subject to liability arising out of any claim in respect of which indemnity may be sought by the Underwriters against the Company under this Section 8, if the Representatives shall have reasonably concluded that there may be one or more legal defenses available to the Underwriters and their respective officers, employees and controlling persons that are different from or additional to those available to the Company and its officers, employees and controlling persons, and the fees and expenses of a single separate counsel (in addition to local counsel) shall be paid by the Company. No indemnifying party shall, without the written consent of the indemnified party, effect the settlement or compromise of, or consent to the entry of any judgment with respect to, any pending or threatened action or claim in respect of which indemnification or contribution may be sought hereunder (whether or not the indemnified party is an actual or potential party to such action or claim) unless such settlement, compromise or judgment (i) includes an unconditional release of the indemnified party from all liability arising out of such action or claim and (ii) does not include a statement as to or an admission of fault, culpability or a failure to act by or on behalf of any indemnified party.

(d) If the indemnification provided for in this Section 8 is unavailable to or insufficient to hold harmless an indemnified party under subsection (a) or (b) above in respect of any losses, claims, damages or liabilities (or actions in respect thereof) referred to therein, then each indemnifying party shall contribute to the amount paid or payable by such indemnified party as a result of such losses, claims, damages or liabilities (or actions in respect thereof) in such proportion as is appropriate to reflect the relative benefits received by the Company on the one hand and the Underwriters of the Designated Bonds on the other from the offering of the First Mortgage Bonds to which such loss, claim, damage or liability (or action in respect thereof) relates. If, however, the allocation provided by the immediately preceding sentence is not permitted by applicable law or if the indemnified party failed to give the notice required under subsection (c) above, then each indemnifying party shall contribute to such amount paid or payable by such indemnified party in such proportion as is appropriate to reflect not only such relative benefits but also the relative fault of the Company on the one hand and the Underwriters of the Designated Bonds on the other in connection with the statements or omissions which resulted in such losses, claims, damages or liabilities (or actions in respect thereof), as well as any other relevant equitable considerations. The relative benefits received by the Company on the one hand and such Underwriters on the other shall be deemed to be in the same proportion as the total net proceeds from such offering (before deducting expenses) received by the Company bear to the total underwriting discounts and commissions received by such Underwriters. The relative fault shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the Company on the one hand or such Underwriters on the other and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission. The Company and the Underwriters agree that it would not be just and equitable if contribution pursuant to this subsection (d) were determined by pro rata allocation (even if the Underwriters were treated as one entity for such purpose) or by any other method of allocation which does not take account of the equitable considerations referred to above in this subsection (d). The amount paid or payable by an indemnified party as a result of the losses, claims, damages or liabilities (or actions in respect thereof) referred to above in this subsection (d) shall be deemed to include any legal or other expenses reasonably incurred by such indemnified party in connection with investigating or defending any such action or claim. Notwithstanding the provisions of this subsection (d), no Underwriter shall be required to contribute any amount in excess of the amount by which the total price at which the applicable Designated Bonds underwritten by it and distributed to the public were offered to the public exceeds the amount of any damages which such Underwriter has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. The obligations of the Underwriters of Designated Bonds in this subsection (d) to contribute are several in proportion to their respective underwriting obligations with respect to such First Mortgage Bonds and not joint.

(e) The obligations of the Company under this Section 8 shall be in addition to any liability which the Company may otherwise have and shall extend, upon the same terms and conditions, to each person, if any, who controls any Underwriter within the meaning of the Act; and the obligations of the Underwriters under this Section 8 shall be in addition to any liability which the respective Underwriters may otherwise have and shall extend, upon the same terms and conditions, to each officer and director of the Company and to each person, if any, who controls the Company within the meaning of the Act.

9. (a) If any Underwriter shall default in its obligation to purchase the Designated Bonds which it has agreed to purchase under the Pricing Agreement relating to such Designated Bonds, the Representatives may in their discretion arrange for themselves or another party or other parties to purchase such Designated Bonds on the terms contained herein. If within thirty-six hours after such default by any Underwriter the Representatives do not arrange for the purchase of such Designated Bonds, then the Company shall be entitled to a further period of thirty-six hours within which to procure another party or other parties satisfactory to the Representatives to purchase such Designated Bonds on such terms. In the event that, within the respective prescribed period, the Representatives notify the Company that they have so arranged for the purchase of such Designated Bonds, or the Company notifies the Representatives that it has so arranged for the purchase of such Designated Bonds, the Representatives or the Company shall have the right to postpone the Time of Delivery for such Designated Bonds for a period of not more than seven days, in order to effect whatever changes may thereby be made necessary in the Registration Statement or the Prospectus as amended or supplemented, or in any other documents or arrangements, and the Company agrees to file promptly any amendments or supplements to the Registration Statement or the Prospectus which in the opinion of the Representatives may thereby be made necessary. The term “**Underwriter**” as used in this Agreement shall include any person substituted under this Section with like effect as if such person had originally been a party to the Pricing Agreement with respect to such Designated Bonds.

(b) If, after giving effect to any arrangements for the purchase of the Designated Bonds of a defaulting Underwriter or Underwriters by the Representatives and the Company as provided in subsection (a) above, the aggregate principal amount of such Designated Bonds which remains unpurchased does not exceed one-eleventh of the aggregate principal amount of the Designated Bonds, then the Company shall have the right to require each non-defaulting Underwriter to purchase the principal amount of Designated Bonds which such Underwriter agreed to purchase under the Pricing Agreement relating to such Designated Bonds and, in addition, to require each non-defaulting Underwriter to purchase its pro rata share (based on the principal amount of Designated Bonds which such Underwriter agreed to purchase under such Pricing Agreement) of the Designated Bonds of such defaulting Underwriter or Underwriters for which such arrangements have not been made; but nothing herein shall relieve a defaulting Underwriter from liability for its default.

(c) If, after giving effect to any arrangements for the purchase of the Designated Bonds of a defaulting Underwriter or Underwriters by the Representatives

and the Company as provided in subsection (a) above, the aggregate principal amount of Designated Bonds which remains unpurchased exceeds one-eleventh of the aggregate principal amount of the Designated Bonds, as referred to in subsection (b) above, or if the Company shall not exercise the right described in subsection (b) above to require non-defaulting Underwriters to purchase Designated Bonds of a defaulting Underwriter or Underwriters, then the Pricing Agreement relating to such Designated Bonds shall thereupon terminate, without liability on the part of any non-defaulting Underwriter or the Company, except for the expenses to be borne by the Company and the Underwriters as provided in Section 6 hereof and the indemnity and contribution agreements in Section 8 hereof; but nothing herein shall relieve a defaulting Underwriter from liability for its default.

10. The respective indemnities, agreements, representations, warranties and other statements of the Company and the several Underwriters, as set forth in this Agreement or made by or on behalf of them, respectively, pursuant to this Agreement, shall remain in full force and effect, regardless of any investigation (or any statement as to the results thereof) made by or on behalf of any Underwriter or any controlling person of any Underwriter, or the Company or any officer or director or controlling person of the Company, and shall survive delivery of and payment for the First Mortgage Bonds.

11. If any Pricing Agreement shall be terminated pursuant to Section 9 hereof, the Company shall not then be under any liability to any Underwriter with respect to the Designated Bonds covered by such Pricing Agreement except as provided in Sections 6 and 8 hereof; but, if for any other reason Designated Bonds are not delivered by or on behalf of the Company as provided herein, the Company will reimburse the Underwriters through the Representatives for all out-of-pocket expenses approved in writing by the Representatives, including fees and disbursements of counsel, reasonably incurred by the Underwriters in making preparations for the purchase, sale and delivery of such Designated Bonds, but the Company shall then be under no further liability to any Underwriter with respect to such Designated Bonds except as provided in Sections 6 and 8 hereof.

12. In all dealings hereunder, the Representatives of the Underwriters of Designated Bonds shall act on behalf of each of such Underwriters, and the parties hereto shall be entitled to act and rely upon any statement, request, notice or agreement on behalf of any Underwriter made or given by such Representatives jointly or by such of the Representatives, if any, as may be designated for such purpose in the Pricing Agreement.

All statements, requests, notices and agreements hereunder shall be in writing, and if to the Underwriters shall be delivered or sent by mail, telex or facsimile transmission to the address of the Representatives as set forth in the Pricing Agreement; and if to the Company shall be delivered or sent by mail, telex or facsimile transmission to the address of the Company set forth in the Registration Statement, Attention: Secretary; *provided, however*, that any notice to an Underwriter pursuant to Section 8(c) hereof shall be delivered or sent by mail, telex or facsimile transmission to such Underwriter at its address set forth in its Underwriters' Questionnaire, or telex constituting such Questionnaire, which address will be supplied to the Company by the Representatives upon request. Any such statements, requests, notices or agreements shall take effect upon receipt thereof.

13. This Agreement and each Pricing Agreement shall be binding upon, and inure solely to the benefit of, the Underwriters, the Company and, to the extent provided in Sections 8 and 10 hereof, the officers and directors of the Company and each person who controls the Company or any Underwriter, and their respective heirs, executors, administrators, successors and assigns, and no other person shall acquire or have any right under or by virtue of this Agreement or any such Pricing Agreement. No purchaser of any of the First Mortgage Bonds from any Underwriter shall be deemed a successor or assign by reason merely of such purchase.

14. The Company acknowledges and agrees that the Underwriters are acting solely in the capacity of an arm's length contractual counterparty to the Company with respect to the offering of Designated Bonds contemplated hereby (including in connection with determining the terms of the offering) and not as a financial advisor or a fiduciary to, or an agent of, the Company or any other person. Additionally, neither the Representatives nor any other Underwriter is advising the Company or any other person as to any legal, tax, investment, accounting or regulatory matters in any jurisdiction. The Company shall consult with its own advisors concerning such matters and shall be responsible for making their own independent investigation and appraisal of the transactions contemplated hereby, and the Underwriters shall have no responsibility or liability to the Company with respect thereto. Any review by the Underwriters of the Company, the transactions contemplated hereby or other matters relating to such transactions will be performed solely for the benefit of the Underwriters and shall not be on behalf of the Company.

15. Time shall be of the essence of each Pricing Agreement. As used herein, "**business day**" shall mean, unless otherwise expressly stated, any day when the Commission's office in Washington, D.C. is open for business.

16. This Agreement and each Pricing Agreement shall be governed by and construed in accordance with the laws of the State of New York.

17. This Agreement and each Pricing Agreement may be executed by any one or more of the parties hereto and thereto in any number of counterparts, each of which shall be deemed to be an original, but all such respective counterparts shall together constitute one and the same instrument.

(Signature Page Follows)

If the foregoing is in accordance with your understanding, please sign and return to us one for the Company and for each of the Representatives plus one for each counsel counterparts hereof.

Very truly yours,

San Diego Gas & Electric Company

By: /s/ Joan T. Jones

Name: Joan T. Jones

Title: Vice President, Finance & Treasurer

Accepted as of the date hereof:

Banc of America Securities LLC

By: /s/ Lily Chang

Name: Lily Chang

Title: Principal

BNP Paribas Securities Corp.

By: /s/ Timothy D. McCann

Name: Timothy D. McCann

Title: Managing Director

Greenwich Capital Markets, Inc.

By: /s/ John McCabe

Name: John McCabe

Title: Senior Vice President

On behalf of each of the Underwriters

ANNEX I
Pricing Agreement

As Representatives of the several
Underwriters named in Schedule I hereto,

_____, 200_

Ladies and Gentlemen:

San Diego Gas & Electric Company, a California corporation (the “**Company**”), proposes, subject to the terms and conditions stated herein and in the Underwriting Agreement, dated _____, 200_ (the “**Underwriting Agreement**”) between the Company on the one hand and _____ on the other hand, to issue and sell to the Underwriters named in Schedule I hereto (the “**Underwriters**”) the First Mortgage Bonds specified in Schedule II hereto (the “**Designated Bonds**”). Each of the provisions of the Underwriting Agreement is incorporated herein by reference in its entirety, and shall be deemed to be a part of this Agreement to the same extent as if such provisions had been set forth in full herein; and each of the representations and warranties set forth therein shall be deemed to have been made at and as of the date of this Pricing Agreement and the Applicable Time (as defined herein), except that each representation and warranty which refers to the Prospectus in Section 2 of the Underwriting Agreement shall be deemed to be a representation and warranty as of the date of the Underwriting Agreement in relation to the Prospectus (as therein defined), and also a representation and warranty as of the date of this Pricing Agreement and the Applicable Time in relation to the Prospectus as amended or supplemented relating to the Designated Bonds which are the subject of this Pricing Agreement. Each reference to the Representatives herein and in the provisions of the Underwriting Agreement so incorporated by reference shall be deemed to refer to you. Unless otherwise defined herein, terms defined in the Underwriting Agreement are used herein as therein defined. The Representatives designated to act on behalf of the Representatives and on behalf of each of the Underwriters of the Designated Bonds pursuant to Section 12 of the Underwriting Agreement and the address of the Representatives referred to in such Section 12 are set forth at the end of Schedule II hereto.

An amendment to the Registration Statement, or a supplement to the Prospectus, as the case may be, and a Final Term Sheet (as defined in the Underwriting Agreement) relating to the Designated Bonds, in the form attached hereto as Schedule III, is now proposed to be filed with the Commission.

Subject to the terms and conditions set forth herein and in the Underwriting Agreement incorporated herein by reference, the Company agrees to issue and sell to each of the Underwriters, and each of the Underwriters agrees, severally and not jointly, to purchase from the Company, at the time and place and at the purchase price to the Underwriters set forth in Schedule II hereto, the principal amount of Designated Bonds set forth opposite the name of such Underwriter in Schedule I hereto.

If the foregoing is in accordance with your understanding, please sign and return to us one for the Company and for each of the Representatives plus one for each counsel counterparts hereof, and upon acceptance hereof by you, on behalf of each of the Underwriters, this letter and such acceptance hereof, including the provisions of the Underwriting Agreement incorporated herein by reference, shall constitute a binding agreement between each of the Underwriters, on the one hand, and the Company, on the other hand. It is understood that your acceptance of this letter on behalf of each of the Underwriters is or will be pursuant to the authority set forth in a form of Agreement among Underwriters, the form of which shall be submitted to the Company for examination upon request, but without warranty on the part of the Representatives as to the authority of the signers thereof.

Very truly yours,

San Diego Gas & Electric Company

By: _____

Name:

Title:

Accepted as of the date hereof:

On behalf of each of the Underwriters

SCHEDULE I

| Underwriter | Principal Amount of Designated Bonds to be Purchased |
|-------------|---|
| Total | \$ |

Schedule I-1

SCHEDULE II

Title of Designated Bonds:

[____%] [Floating Rate] [Zero Coupon] [First Mortgage Bonds] due 20__

Aggregate principal amount:

\$ _____

Price to Public:

____% of the principal amount of the Designated Bonds, plus accrued interest[, if any,] from ____ to ____ [and accrued amortization[, if any,] from ____ to ____]

Purchase Price by Underwriters:

____% of the principal amount of the Designated Bonds[, plus accrued interest from ____ to ____] [and accrued amortization[, if any,] from ____ to ____]

Form of Designated Bonds:

[Definitive form to be made available for checking and packaging at least twenty-four hours prior to the Time of Delivery at the office of [The Depository Trust Company or its designated custodian] [the Representatives]]

[Book-entry only form represented by one or more global securities deposited with The Depository Trust Company (“DTC”) or its designated custodian, to be made available for checking by the Representatives at least twenty-four hours prior to the Time of Delivery at the office of DTC.]

Specified funds for payment of purchase price:

Federal (same day) funds

Applicable Time:

_____ a.m./p.m. (New York City time) _____, 200__ or such other time as agreed by the Company and the Representatives

Time of Delivery:

____ a.m. (New York City time), _____, 200__

Indenture:

Indenture dated July 1, 1940, as amended and supplemented to date, including the Supplemental Indenture dated as of _____, 200__, between the Company and U.S. Bank National Association, as successor trustee

Maturity:

Interest Rate:
[_____%] [Zero Coupon] [See Floating Rate Provisions] [See Adjustable Rate Provisions]

Interest Payment Dates:
[_____ and _____, commencing _____, 200__]

Redemption Provisions:
[No provisions for redemption]

[The Designated Bonds may be redeemed, otherwise than through the sinking fund, in whole or in part at the option of the Company, in the amount of the greater of the following amounts: (a) 100% of the principal amount of the Designated Bonds being redeemed on the date fixed for such redemption (the "**Redemption Date**"); or (b) the sum of the present values of the remaining scheduled payments of principal and interest (as adjusted for any announced rating change as of the date of the notice of redemption, whether or not effective) on the bonds being redeemed on that Redemption Date (not including any portion of any payments of interest accrued to the Redemption Date) discounted to the Redemption Date on a semiannual basis,]

[on or after _____ at the following redemption prices (expressed in percentages of principal amount). If [redeemed on or before _____, _____%, and if] redeemed during the 12-month period beginning _____,

| Year | Redemption Price |
|------|------------------|
| | |

and thereafter at 100% of their principal amount, together in each case with accrued interest to the redemption date.]

[on any interest payment date falling on or after _____, at the election of the Company, at a redemption price equal to the principal amount thereof, plus accrued interest to the date of redemption.]]

[Other possible redemption provisions, such as mandatory redemption upon occurrence of certain events or redemption for changes in tax law]

[Restriction on refunding]

Sinking Fund Provisions:

[No sinking fund provisions]

[The Designated Bonds are entitled to the benefit of a sinking fund to retire [\$ _____] principal amount of Designated Bonds on _____ in each of the years _____ through _____ at 100% of their principal amount plus accrued interest[, together with [cumulative] [noncumulative] redemptions at the option of the Company to retire an additional [\$ _____] principal amount of Designated Bonds in the years _____ through _____ at 100% of their principal amount plus accrued interest.]

[If Designated Bonds are floating rate debt securities, insert—

Floating rate provisions:

Initial annual interest rate will be ____% through _____ [and thereafter will be adjusted [monthly] [on each ____, ____, and] [to an annual rate of _____% above the average rate for _____-year [month][securities][certificates of deposit] issued by _____ and _____ [insert names of banks] _____] [and the annual interest rate [thereafter] [from _____ through _____] will be the interest yield equivalent of the weekly average per annum market discount rate for _____-month Treasury bills plus ____% of Interest Differential (the excess, if any, of (i) the then current weekly average per annum secondary market yield for _____-month certificates of deposit over (ii) the then current interest yield equivalent of the weekly average per annum market discount rate for _____-month Treasury bills); [from _____ and thereafter the rate will be the then current interest yield equivalent plus ____% of Interest Differential].]

Adjustable rate provisions:

Initial annual interest rate will be ____% [and in the event of a downgrade in the First Mortgage Bonds rating of the Company by Moody's Investors Service, Inc. ("**Moody's**") or Standard & Poor's Rating Service ("**S&P**") below the specified ratings, and in the event of subsequent upgrades or downgrades, the interest rate on the Designated Bonds will be adjusted. Following an adjustment, the annual interest rate will be equal to the initial interest rate of ____% plus the sum of the applicable Moody's adjustment amount and the applicable S&P adjustment amount.

Beginning with the first Interest Payment Date for the Designated Bonds after a rating change, the Designated Bonds will bear interest at an adjusted interest rate. Subsequent interest rate adjustments, whether the adjustment is up or down, will also become effective on the first Interest Payment Date after such rating change. In no event will the annual interest rate on the Designated Bonds be less than the initial rate of ____% or greater than an annual interest rate of ____%.]

Closing location for delivery of Designated Bonds:

Additional Closing Conditions:

Names and addresses of Representatives:

Designated Representatives:

Address for Notices, etc.:

[Other Terms]:

Schedule II-4

SCHEDULE III
Final Term Sheet
11, 2001

Issuer: San Diego Gas & Electric Company

Aggregate principal amount offered: \$1

Coupon: 1%

Maturity: 11, 2011

Yield to Maturity: 1%

Spread to Benchmark Treasury: 1 basis points

Benchmark Treasury: 1% due 11, 2011

Benchmark Treasury Price and Yield: \$1 and 1%

Interest Payment Dates: 1 and 1

Redemption Provision: Make Whole Call UST + 1 basis points

Price to Public: 1%

Net proceeds to Issuer (after underwriting discount, but before expenses): \$1

Settlement Date: 11, 2001

The issuer has filed a registration statement (including a prospectus) with the SEC for the offering to which this communication relates. Before you invest, you should read the prospectus in that registration statement and other documents the issuer has filed with the SEC for more complete information about the issuer and this offering. You may get these documents for free by visiting EDGAR on the SEC website at www.sec.gov. Alternatively, I can arrange to send you the prospectus if you request it by calling or e-mailing I at 1-1 or 1.

Schedule III-1

SCHEDULE IV

[Specify Each Issuer Free Writing Prospectus]

The Final Term Sheet attached as Schedule III to the Pricing Agreement

Schedule IV-1

Pricing Agreement

Banc of America Securities LLC
40 West 57th Street, NY1-040-27-03,
New York, NY 10019

BNP Paribas Securities Corp.
787 7th Avenue
New York, NY 10019

Greenwich Capital Markets, Inc.
600 Steamboat Road
Greenwich, CT 06830

As Representatives of the several
Underwriters named in Schedule I hereto,

June 5, 2006

Ladies and Gentlemen:

San Diego Gas & Electric Company, a California corporation (the “**Company**”), proposes, subject to the terms and conditions stated herein and in the Underwriting Agreement, dated June 5, 2006 (the “**Underwriting Agreement**”) between the Company on the one hand and Banc of America Securities LLC, BNP Paribas Securities Corp. and Greenwich Capital Markets, Inc. on the other hand, to issue and sell to the Underwriters named in Schedule I hereto (the “**Underwriters**”) the First Mortgage Bonds specified in Schedule II hereto (the “**Designated Bonds**”). Each of the provisions of the Underwriting Agreement is incorporated herein by reference in its entirety, and shall be deemed to be a part of this Agreement to the same extent as if such provisions had been set forth in full herein; and each of the representations and warranties set forth therein shall be deemed to have been made at and as of the date of this Pricing Agreement and the Applicable Time (as defined herein), except that each representation and warranty which refers to the Prospectus in Section 2 of the Underwriting Agreement shall be deemed to be a representation and warranty as of the date of the Underwriting Agreement in relation to the Prospectus (as therein defined), and also a representation and warranty as of the date of this Pricing Agreement and the Applicable Time in relation to the Prospectus as amended or supplemented relating to the Designated Bonds which are the subject of this Pricing Agreement. Each reference to the Representatives herein and in the provisions of the Underwriting Agreement so incorporated by reference shall be deemed to refer to you. Unless otherwise defined herein, terms defined in the Underwriting Agreement are used herein as therein defined. The Representatives designated to act on behalf of the Representatives and on behalf of each of the Underwriters of the Designated Bonds pursuant to Section 12 of the Underwriting Agreement and the address of the Representatives referred to in such Section 12 are set forth at the end of Schedule II hereto.

An amendment to the Registration Statement, or a supplement to the Prospectus, as the case may be, and a Final Term Sheet (as defined in the Underwriting Agreement) relating to the Designated Bonds, in the form attached hereto as Schedule III, is now proposed to be filed with the Commission.

Subject to the terms and conditions set forth herein and in the Underwriting Agreement incorporated herein by reference, the Company agrees to issue and sell to each of the Underwriters, and each of the Underwriters agrees, severally and not jointly, to purchase from the Company, at the time and place and at the purchase price to the Underwriters set forth in Schedule II hereto, the principal amount of Designated Bonds set forth opposite the name of such Underwriter in Schedule I hereto.

If the foregoing is in accordance with your understanding, please sign and return to us one for the Company and for each of the Representatives plus one for each counsel counterparts hereof, and upon acceptance hereof by you, on behalf of each of the Underwriters, this letter and such acceptance hereof, including the provisions of the Underwriting Agreement incorporated herein by reference, shall constitute a binding agreement between each of the Underwriters, on the one hand, and the Company, on the other hand. It is understood that your acceptance of this letter on behalf of each of the Underwriters is or will be pursuant to the authority set forth in a form of Agreement among Underwriters, the form of which shall be submitted to the Company for examination upon request, but without warranty on the part of the Representatives as to the authority of the signers thereof.

Very truly yours,

San Diego Gas & Electric Company

By: /s/ Joan T. Jones

Name: Joan T. Jones

Title: Vice President, Finance & Treasurer

Accepted as of the date hereof:

Banc of America Securities LLC

By: /s/ Lily Chang

Name: Lily Chang

Title: Principal

BNP Paribas Securities Corp.

By: /s/ Timothy D. McCann
Name: Timothy D. McCann
Title: Managing Director

Greenwich Capital Markets, Inc.

By: /s/ John McCabe
Name: John McCabe
Title: Senior Vice President

On behalf of each of the Underwriters

SCHEDULE I

| Underwriter | Principal Amount of Designated Bonds to be Purchased |
|---------------------------------|---|
| Banc of America Securities LLC | \$ 65,000,000 |
| BNP Paribas Securities Corp. | 65,000,000 |
| Greenwich Capital Markets, Inc. | 65,000,000 |
| Calyon Securities (USA) Inc. | 22,500,000 |
| HSBC Securities (USA) Inc. | 22,500,000 |
| Loop Capital Markets, LLC | 10,000,000 |
| Total | <u>\$ 250,000,000</u> |

Schedule I-1

SCHEDULE II

Title of Designated Bonds:

6.00% First Mortgage Bonds, Series DDD due 2026

Aggregate principal amount:

\$250,000,000

Price to Public:

99.553% of the principal amount of the Designated Bonds

Purchase Price by Underwriters:

98.678% of the principal amount of the Designated Bonds

Form of Designated Bonds:

Book-entry only form represented by one or more global securities deposited with The Depository Trust Company (“DTC”) or its designated custodian, to be made available for checking by the Representatives at least twenty-four hours prior to the Time of Delivery at the office of DTC.

Specified funds for payment of purchase price:

Federal (same day) funds

Applicable Time:

1:15 p.m. (New York City time) June 5, 2006

Time of Delivery:

10:00 a.m. (New York City time), June 8, 2006

Indenture:

Indenture dated July 1, 1940, as amended and supplemented to date, including the Supplemental Indenture dated as of June 8, 2006, between the Company and U.S. Bank National Association, as successor trustee

Maturity:

June 1, 2026

Interest Rate:

6.00%

Interest Payment Dates:

June 1 and December 1, commencing December 1, 2006

Redemption Provisions:

The Designated Bonds may be redeemed, in whole or in part, at the option of the Company, at any time or from time to time on the terms and subject to the conditions set forth in the final prospectus supplement dated June 5, 2006, relating to the Designated Bonds.

Sinking Fund Provisions:

No sinking fund provisions

Closing location for delivery of Designated Bonds:

Latham & Watkins LLP
633 West Fifth Street
Los Angeles, California 90071

Additional Closing Conditions:

Not applicable

Names and addresses of Representatives:

Designated Representatives:

Banc of America Securities LLC
BNP Paribas Securities Corp.
Greenwich Capital Markets, Inc.

Address for Notices, etc.:

Banc of America Securities LLC
40 West 57th Street, NY1-040-27-03,
New York, NY 10019
Attention: High Grade Transaction Management/Legal
704.264.2522 (FAX)

BNP Paribas Securities Corp.
787 7th Avenue
New York, NY 10019
Attention: Fixed Income Syndicate Desk
212.841.3930 (FAX)

Greenwich Capital Markets, Inc.
600 Steamboat Road
Greenwich, CT 06830
Attention: Credit Markets/Legal
203.422.4083 (FAX)

RECORDING REQUESTED BY RECORDED MAIL TO:

U.S. BANK NATIONAL ASSOCIATION
633 W. FIFTH STREET, 24TH FLOOR
LOS ANGELES, CA 90071
ATTN: CORPORATE TRUST SERVICES

**Index as a UCC Filing and an Indenture
This is a Security Agreement and a Mortgage of Chattels
as well as a Mortgage of Real Estate and Other Property**

FIFTY-SECOND SUPPLEMENTAL INDENTURE

FROM

SAN DIEGO GAS & ELECTRIC COMPANY

TO

U.S. BANK NATIONAL ASSOCIATION

Dated as of June 8, 2006

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* For convenience only and not part of the Fifty-Second Supplemental Indenture

THIS FIFTY-SECOND SUPPLEMENTAL INDENTURE IS A SECURITY AGREEMENT AND A MORTGAGE OF CHATTELS AS WELL AS A MORTGAGE OF REAL ESTATE AND OTHER PROPERTY

THIS FIFTY-SECOND SUPPLEMENTAL INDENTURE, dated as of the eighth day of June, 2006, by and between SAN DIEGO GAS & ELECTRIC COMPANY, a corporation duly organized and existing under and by virtue of the laws of the State of California, having its principal office in that State in the City of San Diego (the "Company"), and U.S. BANK NATIONAL ASSOCIATION, a banking association duly organized under an act known as the "National Bank Act", of the United States of America, having a corporate trust office in the City of Los Angeles, State of California, as Trustee (the "Trustee").

WHEREAS, the Company executed and delivered a Mortgage and Deed of Trust (the "Original Indenture"), dated July 1, 1940, to The Bank of California, National Association, as predecessor trustee to Bankers Trust Company of California, National Association, as predecessor trustee to First Trust of California, National Association, (subsequently renamed U.S. Bank Trust National Association) as predecessor trustee to the Trustee, to secure payment of the principal of and the interest on all bonds of the Company at any time outstanding thereunder according to their tenor and effect, and to provide the terms and provisions with respect to its First Mortgage Bonds, 3 3/8% Series due July 1, 1970, issued in the aggregate principal amount of \$16,000,000 and heretofore retired; and

WHEREAS, the Company executed and delivered to the then current trustee, a First Supplemental Indenture dated as of December 1, 1946, a Second Supplemental Indenture dated as of Much 1, 1948, a Third Supplemental Indenture dated as of April 1, 1952, a Fourth Supplemental Indenture dated as of April 1, 1954, a Fifth Supplemental Indenture dated as of October 1, 1955, a Sixth Supplemental Indenture dated as of October 1, 1957, a Seventh Supplemental Indenture dated as of October 1, 1960, an Eighth Supplemental Indenture dated as of March 1, 1967, a Tenth Supplemental Indenture dated as of December 1, 1968, an Eleventh Supplemental Indenture dated as of February 1, 1970, a Twelfth Supplemental Indenture dated as of September 1, 1971, a Thirteenth Supplemental Indenture dated as of January 15, 1974, a Fourteenth Supplemental Indenture dated as of December 15, 1974, a Fifteenth Supplemental Indenture dated as of May 1, 1975, a Seventeenth Supplemental Indenture dated as of July 15, 1976, an Eighteenth Supplemental Indenture dated as of March 15, 1977, a Nineteenth Supplemental Indenture dated as of May 1, 1978, a Twentieth Supplemental Indenture dated as of March 15, 1980, a Twenty-First Supplemental Indenture dated as of August 1, 1980, a Twenty-Second Supplemental Indenture dated as of July 15, 1981, a Twenty-Third Supplemental Indenture dated as of January 15, 1982, a Twenty-Fourth Supplemental Indenture dated as of August 16, 1982, a Twenty-Fifth Supplemental Indenture dated as of August 16, 1982, a Twenty-Sixth Supplemental Indenture dated as of August 16, 1982, a Twenty-Seventh Supplemental Indenture dated as of June 2, 1983, a Twenty-Eighth Supplemental Indenture dated as of July 15, 1983, a Twenty-Ninth Supplemental Indenture dated as of September 1, 1983, a Thirty-First, Supplemental Indenture dated as of May 1, 1984, a Thirty-Second Supplemental Indenture dated as of December 1984, a Thirty-Third Supplemental Indenture dated as of September 1, 1985, a Thirty-Fourth Supplemental Indenture dated as of December 1, 1985, a Third-Fifth Supplemental Indenture dated as of July 1, 1986, a Thirty-Sixth Supplemental Indenture dated as of December 1, 1986, a Thirty-Seventh Supplemental Indenture dated as of September 1, 1987, a Thirty-Eighth Supplemental Indenture dated as of April 15, 1990, a Thirty-Ninth Supplemental Indenture dated as of December 1, 1991, a Fortieth Supplemental Indenture dated as of April 1, 1992, a Forty-First Supplemental Indenture dated as of June 15, 1992, a Forty-Second Supplemental Indenture dated as of September 1, 1992, a Forty-Third Supplemental Indenture dated as of December 1, 1992, a Forty-Fourth Supplemental Indenture dated as of April 1, 1993, a Forty-Fifth Supplemental Indenture dated as of June 1, 1993, a Forty-Sixth Supplemental Indenture dated as of July 1, 1993, a Forty-Seventh Supplemental Indenture dated as of June 1, 1995, a Forty-Eighth Supplemental Indenture dated as of June 1, 1995, a Forty-Ninth Supplemental Indenture dated as of June 1, 2004, a Fiftieth Supplemental Indenture dated as of May 19, 2005 and a Fifty-First Supplemental Indenture dated as of November 17, 2005, whereby, among other things, the Company set forth certain of the particulars of the Bonds of series designated "First Mortgage Bonds, 2 3/4% Series due December 1, 1981" issued in the aggregate principal amount of \$2,800,000; "First Mortgage Bonds, Series C due 1978" issued in the aggregate principal amount of \$10,000,000; "First Mortgage Bonds, Series D due 1982" issued in the aggregate principal amount of \$512,000,000; "First Mortgage Bonds, Series E due 1984" issued; in the aggregate principal amount of \$17,000,000; "First Mortgage Bonds, Series F due 1985" issued in the aggregate principal amount of \$18,000,000; "First Mortgage Bonds, Series G due 1987" issued is the aggregate principal amount of \$12,000,000; "First Mortgage Bonds, Series H

due 1990” issued in the aggregate principal amount of \$30,000,000; “First Mortgage Bonds, Series I due 1997” issued in the aggregate principal amount of \$25,000,000; “First Mortgage Bonds, Series J due 1998” issued in the aggregate principal amount of \$35,000,000; “First Mortgage Bonds; Series K due 2000” issued in the aggregate principal amount of \$40,000,000; “First Mortgage Boards, Series L due 2001” issued in the aggregate principal amount of \$45,000,000; “First Mortgage Bonds, Series M due 2004” issued in the aggregate principal amount of \$75,000,000; “First Mortgage Bonds, Series N due 1979” issued in the aggregate principal amount of \$50,000,000; “First Mortgage Bonds, Series O due 1982” issued in the aggregate principal amount of \$40,000,000; “First Mortgage Bonds, Series P due 2006” issued in the aggregate principal amount of \$45,000,000; “First Mortgage Bonds, Series Q due 2007” issued in the aggregate principal amount of \$50,000,000; “First Mortgage Bonds, Series R due 2008” issued in the aggregate principal amount of \$50,000,000; “First Mortgage Bonds, Series S due 2010” issued in the aggregate principal amount of \$50,000,000; “First Mortgage Bonds, Series T due 2010” issued in the aggregate principal amount of \$75,000,000; “First Mortgage Bonds, Series U-1 due 1984, and U-2 due 1994” issued in the aggregate principal amount of \$6,567,000 for Series U-1 and \$13,268,000 for Series U-2, “First Mortgage Bonds, Series V due 2011” issued in the aggregate amount of \$50,000,000, “First Mortgage Bonds, Series W due 1988” issued in the aggregate principal amount of \$40,000,000; “First Mortgage Bonds, Series X due 1987” issued in the aggregate principal amount of \$20,000,000; “First Mortgage Bonds, Series Y due 1987” issued in the aggregate principal amount of \$15,000,000; “First Mortgage Bonds, Series Z, due 2013” issued in the aggregate principal amount of \$65,000,000; “First Mortgage Bonds, Series AA, due 2018” issued in the aggregate principal amount of \$150,000,000; “First Mortgage Bonds, Series BB, due 2018” issued in the aggregate principal amount of \$150,000,000; “First Mortgage Bonds, Series CC, due 2008” issued in the aggregate principal amount of \$53,000,000; “First Mortgage Bonds Series DD, due 2008” issued in the aggregate principal amount of \$27,000,000; “First Mortgage Bonds, Series EE, due 2015” issued in the aggregate principal amount of \$100,000,000; “First Mortgage Bonds, Series FF, due 2007” issued in the aggregate principal amount of \$35,000,000; “First Mortgage Bonds, Series GG, due 2021” issued in the aggregate principal amount of \$44,250,000; “First Mortgage Bonds, Series HH, due 2021” issued in the aggregate principal amount of \$381,350,000; “First Mortgage Bonds, Series II due 2023” issued in the aggregate principal amount of \$25,000,000; “First Mortgage Bonds, Series JJ, due 2015” issued in aggregate principal amount of \$100,000,000; “First Mortgage Bonds, Series KK, due 2015” issued in the aggregate principal amount of \$14,400,000; “First Mortgage Bonds, Series LL, due 2022” issued in the aggregate principal amount of \$60,000,000, “First Mortgage Bonds, Series MM due 2002” issued in the aggregate principal amount of \$80,000,000; “First Mortgage Bonds, Series NN”, issued in the aggregate principal amount of \$118,615,000; “First Mortgage Bands, Series OO”, issued in the aggregate principal amount of \$250,000,000; “First Mortgage Bonds, Series PP, due 2018” issued in the aggregate principal amount of \$70,795,000; “First Mortgage Bonds, Series QQ, due 2018” issued in the aggregate principal amount of \$14,915,000; “First Mortgage Bonds, Series RR, due 2021” issued in the aggregate principal amount of \$60,000,000, and “First Mortgage Bonds, Series SS, due 2018” issued in the aggregate principal amount of \$92,945,000, “First Mortgage Bonds, Series TT due 2020” issued in the aggregate principal amount of \$57,650,000, “First Mortgage Bonds, Series UU due 2020” issued in the aggregate principal amount of \$16,700,000, “First Mortgage Bonds, Series VV due 2034” issued in the aggregate principal amount of \$43,615,000,, “First Mortgage Bonds, Series WW due 2034” issued in the aggregate principal amount of \$40,000,000, “First Mortgage Bonds, Series XX due 2034” issued in the aggregate principal amount of \$35,000,000, “First Mortgage Bonds, Series YY due 2034” issued in the aggregate principal amount of \$24,000,000, “First Mortgage Bonds, Series ZZ due 2034” issued in the aggregate principal amount of \$33,650,000, “First Mortgage Bonds, Series AAA due 2039” issued in the aggregate principal amount of \$75,000,000, “First Mortgage Bonds, Series BBB due 2035” issued in the aggregate principal amount of \$250,000,000, and “First Mortgage Bonds, Series CCC due 2015” issued in the aggregate principal amount of \$250,000,000, respectively, all of which First Mortgage Bonds are presently issued and outstanding, except the 2 3/4% Series due 1981, the Series C due 1978, the Series D due 1982, the Series E due 1984, the Series F due 1985, the Series G due 1987, the Series H due 1990, the Series I due 1997, the Series J due 1998, the Series K due 2000, the Series L due 2001, the Series M due 2004, the Series N due 1979, the Series O due 1982, the Series P due 2006, the Series Q due 2007, the Series R due 2008, the Series S due 2010, the Series T due 2010, the Series U-1 due 1984, the Series U-2 due 1994, the Series V due 2011, the Series W due 1988, the Series X due 1987, the Series Y due 1987, the Series Z due 2013, the Series AA due 2018, the Series BB due 2018, the Series CC due 2008, the Series DD due 2008, the Series EE due 2015, the Series FF due 2007, the Series GG due 2021, the Series HH due 2021, the Series II due 2023, the Series JJ due 2015, the Series LL due 2022, the Series MM due 2022, the Series NN, the Series QQ due 2018 the Series TT due 2020, and the Series UU due 2020, which have heretofore been retired or redeemed; and

WHEREAS, certain of the provisions of the Original Indenture have been amended by the aforesaid Second and Tenth Supplemental Indentures, a Ninth Supplemental Indenture dated as of August 1, 1968, a Sixteenth Supplemental Indenture dated August 28, 1975, and a Thirtieth Supplemental Indenture dated September 23, 1983; and

WHEREAS, the Original Indenture and each of said Supplemental Indentures have been recorded in the Official Records of the Recorders of the Counties of San Diego, Orange, Riverside, and Imperial in the State of California and the Counties, Yuma and Maricopa in the State of Arizona, as follows:

| Document | Official Records | Counties of | | | |
|---------------------------------------|---------------------|-----------------|----------------|----------------|---------------|
| | | San Diego | Orange | Riverside | Imperial |
| Original Indenture | Book | 1087 | 1062 | 1765 | 1369 |
| | Page | 1 | 300 | 364 | 232 |
| | Date | Oct. 10, 1940 | Oct. 10, 1940 | July 13, 1955 | Nov. 22, 1974 |
| First Supplemental Indenture | Book | 2321 | 1506 | 1765 | 1369 |
| | Page | 48 | 472 | 499 | 332 |
| | Date | Jan. 2, 1947 | Jan. 9, 1947 | July 13, 1955 | Nov. 22, 1974 |
| Second Supplemental Indenture | Book | 2537 | 1616 | 1765 | 1369 |
| | Page | 363 | 190 | 448 | 343 |
| | Date | Mar. 16, 1948 | Mar. 15, 1948 | July 13, 1955 | Nov. 22, 1974 |
| Third Supplemental Indenture | Book | 4424 | 2311 | 1765 | 1369 |
| | Page | 535 | 116 | 475 | 370 |
| | Date | Apr. 3, 1952 | Apr. 3, 1952 | July 13, 1955 | Nov. 22, 1974 |
| Fourth Supplemental Indenture | Book | 5193 | 2701 | 1765 | 1369 |
| | Page | 217 | 153 | 336 | 409 |
| | Date | Apr. 2, 1954 | Apr. 2, 1954 | July 13, 1955 | Nov. 22, 1974 |
| Fifth Supplemental Indenture | Book | 5893 | 3304 | 1829 | 2369 |
| | Page | 291 | 205 | 3 | 456 |
| | Date | Dec. 5, 1955 | Dec. 5, 1955 | Dec. 5, 1955 | Nov. 22, 1974 |
| Sixth Supplemental Indenture | Book | 6829 | 4099 | 2175 | 1369 |
| | Page | 390 | 109 | 538 | 492 |
| | Date | Nov. 12, 1957 | Nov. 12, 1957 | Nov. 12, 1957 | Nov. 22, 1974 |
| Seventh Supplemental Indenture | Book | 1960 Series 1 | 5455 | 2780 | 1369 |
| | Page | File No. 202061 | 385 | 3 | 541 |
| | Date | Oct. 10, 1960 | Oct. 10, 1960 | Oct. 10, 1960 | Nov. 22, 1974 |
| Eighth Supplemental Indenture | Book | 1967 Series 8 | 8197 | Endorsement | 1369 |
| | Page | File No. 33860 | 129 | No. 20925 | 618 |
| | Date | Mar. 13, 1967 | Mar. 13, 1967 | Mar. 13, 1967 | Nov. 22, 1974 |
| Ninth Supplemental Indenture | Book | 1968 Series 9 | 8691 | | 1369 |
| | Page | | 69 | | 694 |
| | Doc. No. | 138926 | 9816 | 78781 | |
| Tenth Supplemental Indenture | Date | Aug. 14, 1968 | Aug. 14, 1968 | Aug. 14, 1968 | Nov. 22, 1974 |
| | Book | 1968 Series 9 | 8810 | Endorsement | 1369 |
| | Page | | 375 | No. 119982 | 706 |
| Eleventh Supplemental Indenture | Doc. No. | 215131 | | | |
| | Date | Dec. 9, 1968 | Dec. 9, 1968 | Dec. 9, 1968 | Nov. 22, 1974 |
| | Book | 1970 | 9217 | Endorsement | 1369 |
| Twelfth Supplemental Indenture | Page | | 516 | No. 14780 | 725 |
| | Doc. No. | 27782 | | | |
| | Date | Feb. 16, 1970 | Feb. 16, 1970 | Feb. 16, 1970 | Nov. 22, 1974 |
| Twelfth Supplemental Indenture | Book | File/Page | 9810 | Endorsement | 1369 |
| | Page | No. 212688 | 539 | No. 106508 | 744 |
| | Date | Sept. 20, 1971 | Sept. 20, 1971 | Sept. 20, 1971 | Nov. 22, 1974 |

| | | | | | |
|---|----------------------|---|--|--|--------------------------------|
| Thirteenth Supplements Indenture | Book Page Date | File/Page No. 74-006878 Jan. 10, 1974 | 11055 1 Jan. 10, 1974 | Endorsement No. 3853 Jan. 10, 1974 | 1369 763 Nov. 22, 1974 |
| Fourteenth Supplemental Indenture | Book Page Date | File/Page No. 74-322156 Dec. 11, 1974 | 11303 458 Dec. 11, 1974 | Endorsement No. 157219 Dec. 11, 1974 | 1369 1689 Dec. 11, 1974 |
| Fifteenth Supplemental Indenture | Book Page Date | File/Page No. 755-108612 May 7, 1975 | 11395 1879 May 7, 1975 | Instrument No. 52617 May 7, 1975 | 1374 809 May 7, 1975 |
| Sixteenth Supplemental Indenture | Book Page Date | File/Page No. 75-235624 Sept. 2, 1975 | 11500 1620 Sept. 2, 1975 | Instrument No. 107732 Sept. 3, 1975 | 1378 952 Sept. 2, 1975 |
| Seventeenth Supplemental Indenture | Book Page Date | File/Page No. 76-224493 July 16, 1976 | 11815 640 July 16, 1976 | Instrument No. 103484 July 16, 1976 | 1389 687 July 16, 1976 |
| Eighteenth Supplemental Indenture | Book Page Date | File/Page No. 77-100483 Mar. 18, 1977 | 12110 58 Mar. 18, 1977 | Instrument No. 45619 Mar. 18, 1977 | 1398 1675 Mar. 18, 1977 |
| Nineteenth Supplemental Indenture | Book Page Date | File/ Page No. 78-194210 May 12, 1978 | 12672 1803-1822 May 12, 1978 | Instrument No. 94450 May 12, 1978 | 1415 1638 May 12, 1978 |
| Twentieth Supplemental Indenture | Book Page Date | File/Page No. 80-082569 Mar. 11, 1980 | 13530 722 Mar. 11, 1980 | Instrument No. 47195 Mar. 11, 1980 | 1448 1221 Mar. 11, 1980 |
| Twenty-First Supplemental Indenture | Book Page Date | File/Page No. 80-245100 Aug. 1, 1980 | 13687 349 Aug. 1, 1980 | Instrument No. 139349 Aug. 1, 1980 | 1455 1660 Aug. 1, 1980 |
| Twenty-Second Supplemental Indenture | Book Page Date | File/Page No. 81-22576 July 17, 1981 | Instrument No. 24605 July 17, 1981 | Instrument No. 135815 July 17, 1981 | 1472 508 July 17, 1981 |
| Twenty-Third Supplemental Indenture | Book Page Date | File/Page No. 82-02387 Jan. 27, 1982 | Instrument No. 82-031423 Jan. 27, 1982 | Instrument No. 16093 Jan. 27, 1982 | 1479 1714 Jan. 27, 1982 |
| Twenty-Fourth Supplemental Indenture | Book Page Date | File/Page No. 82-257258 Aug. 19, 1982 | File/Page No. 82-291894 Aug. 19, 1982 | File/Page No. 82/143370212 Aug. 19, 1982 | 1489 Aug. 19, 1982 |
| Twenty-Fifth Supplemental Indenture | Book Page Date | File/Page No. 82-257259 Aug. 19, 1982 | File/Page No. 82-291895 Aug. 19, 1982 | File/Page No. 82-143371 Aug. 19, 1982 | 1489 236 Aug. 19, 1982 |
| Twenty-Sixth Supplemental Indenture | Book Page Date | File/Page No. 82-257260 Aug. 19, 1982 | File/Page No. 82-291896 Aug. 19, 1982 | File/Page No. 82/143372260 Aug. 19, 1982 | 1489 Aug. 19, 1982 |
| Twenty-Seventh Supplemental Indenture | Book Page Date | File/Page No. 83-200545 June 15, 1983 | File/Page No. 83-253901 June 15, 1983 | File/Page No. 118670 June 15, 1983 | 1503 743 June 15, 1983 |
| Twenty-Eighth Supplemental Indenture | Book Page Date | File/Page No. 83-252396 July 22, 1983 | File/Page No. 83-316224 July 22, 1983 | File/Page No. 147671 July 22, 1983 | 1505 583 July 22, 1983 |
| Twenty-Ninth Supplemental Indenture | Book Page Date | File/Page 83-339007 Sept. 22, 1983 | File/Page 83-417956 Sept. 22, 1983 | File/Page 194083 Sept. 22, 1983 | 1508 1425 Sept. 22, 1983 |

| | Official Records | Counties of | |
|--|---------------------|---|--------------------------------------|
| | | Yuma | Maricopa |
| | | Thirtieth Supplemental Indenture Consisting of Original and Twenty-Nine Supplemental Indentures thereto | Book Page Book Page Date |

| Document | Official Records | Counties of | | | | | |
|---------------------------------------|----------------------|-------------------------------------|------------------------------------|---------------------------------|-----------------------------------|-------------------------------------|-------------------------------------|
| | | San Diego | Orange | Riverside | Imperial | Yuma | Maricopa |
| Thirty-First Supplemental Indenture | Book Page Date | File/Page 84-161897 5/2/84 | File/Page 84-180870 5/2/84 | File/Page 92011 5/2/84 | 1520 1552 4/30/84 | Docket 1382 743-761 4/30/84 | File No. 84-186813 5/2/84 |
| Thirty-Second Supplemental Indenture | Book Page Date | File/Page 84-466428 12/14/84 | File/Page 84-517843 12/14/84 | File/Page 267452 12/14/84 | 1533 753 12/14/84 | Docket 1413 216-235 12/14/84 | File No. 84-537706 12/14/84 |
| Thirty-Third Supplemental Indenture | Book Page Date | File/Page 85-323210 9/4/85 | File/Page 85-333505 9/4/85 | File/Page 198810 9/4/85 | 1546 708 9/4/85 | Docket 1450 816 9/4/85 | File No. 85-418309 9/4/85 |
| Thirty-Fourth Supplemental Indenture | Book Page Date | File/Page 85-42465 12/2/85 | File/Page 85-481794 12/2/85 | File/Page 270136 12/2/85 | 1550 1573 12/3/85 | Docket 1463 215 12/3/85 | File No. 85-568874 12/2/85 |
| Thirty-Fifth Supplemental Indenture | Book Page Date | File/Page 86-279922 7/8/86 | File/Page 86-290957 7/8/86 | File/Page 158161 7/8/86 | 1562 549 7/8/86 | Docket 1491 639-657 7/8/86 | File No. 86-347412 7/8/86 |
| Thirty-Sixth Supplemental Indenture | Book Page Date | File/Page 86-576027 12/10/86 | File/Page 86-606666 12/10/86 | File/Page 314771 12/10/86 | 1571 240 12/10/86 | Docket 1512 5-24 12/10/86 | File/Page 86-680502 12/10/86 |
| Thirty-Seventh Supplemental Indenture | Book Page Date | File/Page 87-532270 9/21/87 | File/Page 87-530266 9/21/87 | File/Page 273181 9/21/87 | 1588 844 9/21/87 | Docket 1555 844 9/21/87 | File/Page 87-585903 9/21/87 |
| Thirty-Eighth Supplemental Indenture | Book Page Date | File/Page 90-217585 4/23/90 | File/Page 90-212277 4/23/90 | File/Page 146794 4/23/90 | 1646 1280 4/23/90 | Docket 1686 92-120 4/23/90 | File/Page 88-176460 4/23/90 |
| Thirty-Ninth Supplemental Indenture | Book Page Date | File/Page 91-632073 12/09/91 | File/Page 91-674397 12/09/91 | File/Page 425578 12/09/91 | 1687 743 12/09/91 | Docket 1771 711-728 12/09/91 | File/Page 91-0574751 12/09/91 |
| Fortieth Supplemental Indenture | Book Page Date | File/Page 92-185636 4/1/92 | File/Page 92-202372 4/1/92 | File/Page 115201 4/1/92 | Book/Page 92-06577 4/1/92 | Docket 1790 954-970 4/1/92 | File/Page 92-0169646 4/1/92 |
| Forty-First Supplemental Indenture | Book Page Date | File/Page 92-0363471 6/11/92 | File/Page 92-393790 6/11/92 | File/Page 214904 6/11/92 | Book/Page 92-011833 6/11/92 | Docket 1804 73-88 6/11/92 | File/Page 92-0317072 6/11/92 |
| Forty-Second Supplemental Indenture | Book Page Date | File/Page 92-0650893 10/13/92 | File/Page 92-692066 10/13/92 | File/Page 384167 10/13/92 | Book/Page 92-21988 10/13/92 | Docket 1824 670-689 10/13/92 | File/Page 92-0575062 10/13/92 |
| Forty-Third Supplemental Indenture | Book Page Date | File/Page 92-0788665 12/9/92 | File/Page 92-845626 12/10/92 | File/Page 471625 12/10/92 | Book/Page 92-27082 12/9/92 | Docket 1834 187-206 12/9/92 | File/Page 92-0700568 12/9/92 |
| Forty-Fourth Supplemental Indenture | Book Page Date | File/Page 93-0257065 4/27/93 | File/Page 93-0277892 4/27/93 | File/Page 153382 4/27/93 | Book/Page 93-009487 4/27/93 | Docket 1859 Fee 09300 4/27/93 | File/Page 93-0246725 4/26/93 |

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|--------------------------------------|----------------|--------------------------------|----------------------------------|--------------------------------|------------------------------|--------------------------|-------------------------------|
| Forty-Fifth Supplemental Indenture | Book Page Date | File/Page 93-0395609 6/23/93 | File/Page 93-0420127 6/23/93 | File/Page 239922 6/23/93 | Book/Page 93-14224 6/23/93 | Docket Fee 14413 6/23/93 | File/Page 93-0403060 6/23/93 |
| Forty-Sixth Supplemental Indenture | Book Page Date | File/Page 93-0474705 7/26/93 | File/Page 93-0496100 7/26/93 | File/Page 288868 7/27/93 | Book/Page 93-17399 7/27/93 | Docket Fee 17163 7/27/93 | File/Page 93-0487598 7/27/93 |
| Forty-Seventh Supplemental Indenture | Book Page Date | File/Page 95-0230457 6/01/95 | File/Page 95-0232951 6/01/95 | File/Page 175604 6/01/95 | Book/Page 95-11739 6/01/95 | Docket 246-264 6/01/95 | File/Page 95-0313576 6/01/95 |
| Forty-Eighth Supplemental Indenture | Book Page Date | File/Page 95-0230458 6/01/95 | File/Page 95-0232952 6/01/95 | File/Page 175605 6/01/95 | Book/Page 95-11740 6/01/95 | Docket 265-284 6/01/95 | File/Page 95-0343577 6/01/95 |
| Forty-Ninth Supplemental Indenture | Book Page Date | File/Page 05-0038447 1/14/05 | File/Page 04-683110 7/28/04 | File/Page 04-0766976 9/28/04 | Book/Page 04-021901 7/15/04 | Docket 04-29663 8/16/04 | File/Page 04-941699 8/13/04 |
| Fiftieth Supplemental Indenture | Book Page Date | File/Page 20050441722 5/25/05 | File/Page 2005000405730 5/26/05 | File/Page 20050145832 5/25/05 | Book/Page 019964 5/25/05 | Docket 200522373 5/25/05 | File/Page 20050711918 5/27/05 |
| Fifty-First Supplemental Indenture | Book Page Date | File/Page 20051016267 11/23/05 | File/Page 2005000945695 11/28/05 | File/Page 20050981667 11/29/05 | Book/Page 2006005449 1/30/06 | Docket 200553032 12/2/05 | File/Page 20051852692 12/7/05 |

WHEREAS, the Board of Directors of the Company has duly authorized the creation of an additional series of bonds to be designated "First Mortgage Bonds, Series DDD, due 2026," as hereinafter set forth in this Fifty-Second Supplemental Indenture; and

WHEREAS, the execution and delivery of this Fifty-Second Supplemental Indenture has been duly authorized by resolution of the Board of Directors of the Company; and

WHEREAS, all the conditions and requirements necessary to make this Fifty-Second Supplemental Indenture a valid, binding and legal instrument in accordance with its terms and for the purposes herein expressed have been performed and fulfilled and the execution and delivery hereof have been in all respects duly authorized.

NOW, THEREFORE, in order further to secure the payment of the principal of and interest on all of the bonds of the Company at any time outstanding under the Original Indenture, as from time to time amended and supplemented (the "Indenture") and to secure the performance and observance of each and every of the covenants and agreements of the Indenture, as from time to time amended and supplemented, and for and in consideration of the premises, and of the sum of One Dollar (\$1.00) to the Company duly paid by the Trustee (the receipt whereof is hereby acknowledged), the Company has executed and delivered this Fifty-Second Supplemental Indenture and has granted, bargained, sold, warranted, released, conveyed, assigned, transferred, mortgaged, pledged, hypothecated, granted a security interest in, set over and confirmed, and by these presents does grant, bargain, sell, warrant, release, convey, assign, transfer, mortgage pledge, hypothecate, grant a security interest in, set over and confirm unto U.S. Bank National Association, as Trustee, and to its respective successors in said trust forever, with power of sale, all property, real, personal and mixed, now owned or hereafter acquired or to be acquired by the Company, and wheresoever situated (except such property as is expressly excepted or excluded from the lien and security interest of the Indenture, and property of a successor corporation or corporations excluded from the lien and security interest thereof by the provisions of Section 3 of Article XIV thereof) subject to the rights reserved by the Company in and by other provisions of the Indenture, including in the property subject and to be subject to the lien and security interest thereof and hereof (without in any manner limiting or impairing by the enumeration of the same scope and intent of the foregoing or of any general description contained in the Original Indenture or in this or any other supplemental indenture) all lands, rights-of-way, other land rights, flowage and other water rights, power houses, dams, reservoirs, docks, roads, and buildings, structures and other land improvements; steam,

and other electric generating plants, including buildings and other structures, turbines, generators, exciters, boilers and other boiler plant equipment, condensing equipment, and all auxiliary equipment; stations and substations; electric transmission and distribution systems, including structures, poles, towers, fixtures, conduits, insulators, wires, cables, transformers, services and meters; steam heating plants and systems, including mains and equipment, gas plants, transmission and distribution systems, including pipe lines, structures, tanks, mains, compressor stations, purifier stations, pressure holders, governors, services and meters; communication systems, office, shop and other buildings and structures, and equipment; apparatus and equipment and materials and supplies of all other kinds and descriptions; and all municipal and other franchises, leaseholds, licenses, permits, and privileges;

TOGETHER WITH all and singular the tenements, hereditaments and appurtenances belonging or in any wise appertaining to the aforesaid property or any part thereof with the reversion and reversions, remainder and remainders, tolls, rents and revenues, issues, income, proceeds, product and profits thereof, and all the estate, right, title and interest and claim whatsoever, at law as well as in equity, which the Company now has or may hereafter acquire in and to the aforesaid property and every part and parcel thereof (except such property as is expressly excepted or excluded from the lien and security interest of the Indenture, and property of a successor corporation or corporations excluded from the lien and security thereof by the provisions of Section 3 of Article XIV thereof), subject to the rights reserved by the Company in and by other provisions of the Indenture;

It is hereby agreed by the Company that, except as aforesaid, all the property, rights, and franchises acquired by the Company after the date hereof shall be as fully embraced within the lien and security interest hereof as if such property were now owned by the Company and were specifically described herein and conveyed and a security interest therein granted hereby;

SAVING AND EXCEPTING, HOWEVER, anything to the contrary notwithstanding contained herein or in the granting clauses of the Original Indenture and said Supplemental Indentures (a) such property described or referred to in any of such granting clauses as has been from time to time, released or sold free from the lien and security interest of the Original Indenture (or the Original Indenture, as supplemented) in accordance and compliance with the provisions thereof (or of the Original Indenture, as supplemented, as the case may be), and (b) all of the following property (whether now owned by the Company or hereafter acquired by it): (1) all gas, electric energy and steam produced, purchased or otherwise acquired; (2) all contracts, choses in action, shares of stock, bonds, notes, evidences of indebtedness, and other securities, other than any of the foregoing which maybe required to be deposited from time to time with the Trustee in accordance with the provisions of the Indenture or are required by some express provision thereof to be deposited with the Trustee; (3) merchandise and appliances at any time acquired for the purpose of sale or lease to customers and others and contracts for the sale of merchandise and appliances; (4) motor vehicles; (5) timber on land owned by the Company; (6) minerals or mineral rights in lands owned by the Company; (7) oil, coal or gas, or oil, coal or gas rights in land owned by the Company or gas wells or oil wells or equipment therefore or coal mines or equipment therefore; (8) fuel and other personal property which are consumable in their use in the operation of the properties of the Company; (9) bills and accounts receivable; (10) cash on hand and in banks other than such cash as may be deposited from time to time with the Trustee in accordance with the provisions of the Indenture or as is required by some express provision thereof to be deposited with the Trustee; and (11) the last day of the term of each leasehold estate now or hereafter enjoyed by the Company. The Company may, however, expressly subject to the lien and security interest and operation of the Original Indenture and all indentures supplemental thereto all or any part of the property of the character described in clause (b) of this paragraph;

TO HAVE AND TO HOLD all said properties, real, personal and mixed, mortgaged, pledged, or conveyed and in which a security interest has been granted by the Company as aforesaid, or intended so to be, unto the Trustee and its successors and assigns forever, subject, however, to Permitted Liens as defined in the Indenture;

IN TRUST NEVERTHELESS, for the equal pro rata benefit and security as provided in the Original Indenture and all indentures supplemental thereto of all and every of the bonds issued and to be issued in accordance with the provisions of the Original Indenture and all indentures supplemental thereto, without preference priority or distinction as to lien or security interest of any over the others by reason of priority in time of the issue, negotiation or maturity thereof, subject, however, to the provisions of the Original Indenture and all indentures supplemental thereto relating to any sinking fund or similar fund for the benefit of the bonds of any particular series;

The Company does further covenant and agree with the Trustee as follows:

ARTICLE I
SERIES DDD BONDS

Section 1: There is hereby created, for issuance under the Original Indenture as supplemented by the said Supplemental Indentures (including this Fifty-Second Supplemental Indenture), a series of bonds designated Series DDD, due 2026, each of which shall bear the descriptive title “First Mortgage Bonds, Series DDD, due 2026” (herein sometimes referred to as “Series DDD Bonds”), and the form thereof shall contain suitable provisions with respect to the matters hereinafter in this Section specified. The Series DDD Bonds shall mature on June 1, 2026 and shall be issued in denominations of \$1,000 and integral multiples thereof as the Company may from time to time execute and deliver. The Series DDD Bonds shall bear interest at the rate and from the date, shall be expressed to mature as to principal, and shall be payable as to principal and interest at such place or places and in such money, all as provided in the form of Series DDD Bond set forth on Exhibit A hereto (the “Form of Bond”) and by the applicable provisions of the Indenture. In addition, June 8, 2006 shall be an Interest Payment Date for the Series DDD Bonds for purposes of Section 9 of Article II of the Indenture, *provided* that no interest shall be payable on such date. Both the principal and interest on the Series DDD Bonds shall be payable at the corporate trust office of the Trustee in the City and County of San Francisco, State of California. The Series DDD Bonds shall be dated as in Section 9 of Article II of the Indenture provided with respect to registered bonds without coupons.

The Series DDD Bonds shall further be redeemable, exchangeable, transferable and otherwise have the terms set forth in the Form of Bond.

The Series DDD Bonds shall otherwise be of such terms, provisions, tenor and form as provided in this Fifty-Second Supplemental Indenture.

Section 2: The Series DDD Bonds shall be executed, authenticated and delivered in accordance with the provisions and shall be entitled to the protection and security, of the Original Indenture supplemented by this Fifty-Second Supplemental Indenture and the other supplemental indentures, and shall be subject to all of the terms, conditions and covenants and limitations thereof. The aggregate principal amount of the Series DDD Bonds, which may be executed by the Company and authenticated and delivered by the Trustee and secured by the Indenture as from time to time in effect, is limited only to the extent provided in Section 1 of Article II of the Original Indenture.

Section 3: The Series DDD Bonds shall be issued only as fully registered bonds without coupons. The fully registered bonds without coupons and the certificate of authentication to be endorsed on all Series DDD Bonds shall be substantially in the form set forth on the Form of Bond. In addition, the Series DDD Bonds may be issuable in whole or in part in the form of one or more securities that evidences all or part of the bonds of such series which is issued to a depository or a nominee thereof for such series (a “Global Security”) and, in such case, the Board of Directors of the Company shall appoint a clearing agency registered under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), designated to act as depository (a “depository”) for such Global Securities. The definitive Series DDD Bonds shall be numbered in such manner as the Company shall at any time or from time to time determine.

Section 4: In the event the Series DDD Bonds are issued as a Global Security the following provisions, in addition to the provisions of the Indenture, shall apply:

(1) Each Global Security authenticated under the Indenture shall be registered in the name of the depository designated for such Global Security or a nominee thereof and delivered to such depository or a nominee thereof or custodian therefor, and each such Global Security shall constitute a single bond for all purposes of this Supplemental Indenture.

(2) Notwithstanding any other provision in this Supplemental Indenture, no Global Security may be exchanged in whole or in part for bonds registered, and no transfer of a Global Security in whole or in part may be registered, in the name of any person other than the depository for such Global Security or a nominee thereof unless (A) such depository has notified the Company that it is unwilling or unable to continue as depository for such Global Security and a successor depository has not been appointed by the Company within 90 days of receipt by the Company

of such notification, (B) if at any time the depository ceases to be a clearing agency registered under the Exchange Act at a time when the depository is required to be so registered to act as such depository and no successor depository shall have been appointed by the Company within 90 days after it became aware of such cessation, (C) the Company, in its sole discretion, executes and delivers to the Trustee a written order signed in the name of the Company by its Chairman of the Board, its President or a Vice President, and by its Treasurer, an Assistant Treasurer, its Secretary or an Assistant Secretary to the effect that such Global Security, together with all other Global Securities of the same series, shall be exchangeable as described below, or (D) a “completed default” (as defined in the Indenture) has occurred and is continuing with respect to the Series DDD Bonds. If any of the events described in clauses (A) through (D) of the preceding sentence occur, the beneficial owners of interests in the relevant Global Securities will be entitled to exchange those interests for definitive bonds and, without unnecessary delay but in any event not later than the earliest date on which those interests may be so exchanged, the Company will deliver to the Trustee definitive bonds in such form and denominations as are required by or pursuant to this Indenture, and of the same series, containing identical terms and in an aggregate principal amount equal to the principal amount of such Global Securities, such bonds to be duly executed by the Company. On or after the earliest date on which such beneficial interests may be so exchanged, such Global Securities shall be surrendered from time to time by the depository as shall be specified in the order from the Company with respect thereto (which the Company agrees to deliver), and in accordance with any instructions given to the Trustee and the depository (which instructions shall be in writing but need not be contained in or accompanied by an officers’ certificate or be accompanied by an opinion of counsel), as shall be specified in the order from the Company with respect thereto to the Trustee, as the Company’s agent for such purpose, to be exchanged, in whole or in part, for definitive bonds as described above without charge. The Trustee shall authenticate and make available for delivery, in exchange for each portion of such surrendered Global Security, a like aggregate principal amount of definitive bonds of the same series of authorized denominations and of like tenor as the portion of such Global Security to be exchanged. Promptly following any such exchange in part, such Global Security shall be returned by the Trustee to such depository or its custodian. If a definitive bond is issued in exchange for any portion of a Global Security after the close of business at the place where such exchange occurs on or after (i) any regular record date for the date the interest is due (the “Interest Payment Date”) for such bond and before the opening of business at that place of payment on the next Interest Payment Date, or (ii) any special record date for the payment of interest for such bond and before the opening of business at such place of payment on the related proposed date for the payment of the interest which was not punctually paid or duly provided for on any Interest Payment Date, as the case may be, interest shall not be payable on such Interest Payment Date or proposed date for payment, as the case may be, in respect of such definitive bond, but shall be payable on the Interest Payment Date or proposed date for payment, as the case may be, only to the person to whom interest in respect of such portion of such Global Security shall be payable in accordance with the provisions of this Indenture.

(3) Subject to Clause (2) above, any exchange or transfer of a Global Security for other bonds may be made in whole or in part, and all bonds issued in exchange for or upon transfer of a Global Security or any portion thereof shall be registered in such names as the depository for such Global Security shall direct.

(4) Every bond authenticated and delivered upon registration of transfer of, or in exchange for or in lieu of, a Global Security or any portion thereof, shall be authenticated and delivered in the form of, and shall be, a Global Security, unless such bond is registered in the name of a person other than the depository for such Global Security or a nominee thereof.

(5) Unless otherwise specified as contemplated by Section 1 of Article I of this Supplemental Indenture for the bonds evidenced thereby, every Global Security authenticated and delivered hereunder shall bear a legend in substantially the following form:

THIS SECURITY IS A GLOBAL SECURITY WITHIN THE MEANING OF THE INDENTURE HEREINAFTER REFERRED TO AND IS REGISTERED IN THE NAME OF A DEPOSITARY OR A NOMINEE THEREOF. THIS SECURITY MAY NOT BE EXCHANGED IN WHOLE OR IN PART FOR A SECURITY REGISTERED, AND NO TRANSFER OF THIS SECURITY IN WHOLE OR IN PART MAY BE REGISTERED, IN THE NAME OF ANY PERSON OTHER THAN SUCH DEPOSITARY OR A NOMINEE THEREOF, EXCEPT IN THE LIMITED CIRCUMSTANCES DESCRIBED IN THE INDENTURE. ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF HAS AN INTEREST HEREIN.

Section 5: The Series DDD Bonds may contain or have imprinted thereon such provisions or specifications not inconsistent with the Indenture as may be required to comply with the rules of any stock exchange or any federal or state authority or commission, or to comply with usage with respect thereto, and may bear such other appropriate endorsements or notations as are authorized or permitted by the Indenture.

Section 6: In the manner and subject to certain conditions and limitations specified herein and in the Indenture, Series DDD Bonds may be exchanged without a service charge for a like aggregate principal amount of such Series DDD Bonds of other authorized denomination or denominations; *provided* that the Company may require payment of a sum or sums sufficient to reimburse it for any stamp tax or other governmental charge payable in connection therewith.

Section 7: The Company shall maintain in the City and County of San Francisco, State of California, and in such other place or places as the Company may designate at any time or from time to time, an office or agency where Series DDD Bonds may be presented for payment, registration, transfer and exchange as provided therein or in the Indenture. Such office or agency in the City and County of San Francisco shall be the corporate trust office of the Trustee unless and until the Company shall designate another office or agency by notice in writing delivered to the Trustee. Notwithstanding the foregoing, if and when definitive bonds are issued, the Company shall maintain in the Borough of Manhattan, City and County of New York, State of New York, an office or agency where Series DDD Bonds may be presented for payment, registration, transfer and exchange as provided therein or in the Indenture.

Section 8: No transfer or exchange of any Series DDD Bonds pursuant to any of the provisions of this Article I shall be made except upon and in accordance with all of the applicable terms, provisions and conditions of said bonds and of the Indenture.

ARTICLE II MISCELLANEOUS PROVISIONS

Section 1: This instrument is executed and shall be construed as an indenture supplemental to the Original Indenture and shall form a part thereof and, as supplemented by this Fifty-Second Supplemental Indenture, the Original Indenture as heretofore supplemented and amended is hereby confirmed.

Section 2: All terms used in this Fifty-Second Supplemental Indenture shall be taken to have meaning as in the Original Indenture, as heretofore supplemented and amended, except terms which may be otherwise expressly defined herein and in cases where the context clearly indicates otherwise.

Section 3: In order to facilitate the filing of this Fifty-Second Supplemental Indenture the same may be executed in several counterparts each of which, when so executed, shall be deemed to be an original, but such counterparts shall constitute but one and the same instrument.

Section 4: All of the covenants, stipulations, promises and agreements in this Fifty-Second Supplemental Indenture by or on behalf of the Company shall bind its successors and assigns, whether so expressed or not.

Section 5: To the extent any provision in this Supplemental Indenture conflicts with any provision in the Indenture, the provisions of this Supplemental Indenture shall govern; *provided, however*, that in the event such conflict would require bondholder consent, the terms and provisions of the Indenture shall govern.

Section 6: The Original Indenture, insofar as it applies to the Series DDD Bonds, this Supplemental Indenture and the Series DDD Bonds shall be governed by and construed in accordance with the laws of the State of California, without regard to conflicts of laws principles thereof.

{Signature Page Follows}

IN WITNESS WHEREOF, SAN DIEGO GAS & ELECTRIC COMPANY has caused this Fifty-Second Supplemental Indenture to be signed in its name and behalf by its duly authorized officer and its corporate seal to be hereunto affixed duly attested by its Secretary or one of its Assistant Secretaries, and U.S. BANK NATIONAL ASSOCIATION, to evidence its acceptance of the trusts hereby created, has caused this Fifty-Second Supplemental Indenture to be signed in its name and behalf by its duly authorized officer as of the day and year first above written.

SAN DIEGO GAS & ELECTRIC COMPANY

By: /s/ Joan T. Jones
Name: Joan T. Jones
Title: Vice President and Treasurer

Attest:

By: /s/ Catherine C. Lee
Name: Catherine C. Lee
Title: Secretary

U.S. BANK NATIONAL ASSOCIATION, AS TRUSTEE

By: /s/ Fonda Hall
Name: Fonda Hall
Title: Vice President

STATE OF CALIFORNIA)
) ss
COUNTY OF SAN DIEGO)

On June 6, 2006, before me, Loida C. Morrison, a Notary Public, in and for said County and State, personally appeared Joan T. Jones, a Vice President and the Treasurer, and Catherine C. Lee, the Secretary, of SAN DIEGO GAS & ELECTRIC COMPANY, personally known to me (or proved to me on the basis of satisfactory evidence) to be the persons whose names are subscribed to the within instrument and acknowledged to me that they executed the same in their authorized capacities, and that by their signatures on the instrument the entity upon behalf of which they acted, executed the instrument.

WITNESS my hand and official seal.

/s/ Loida C. Morrison
LOIDA C. MORRISON
COMM. # 1366037
NOTARY PUBLIC-CALIFORNIA
SAN DIEGO COUNTY
My Commission Expires
JULY 22, 2006

STATE OF CALIFORNIA)
) ss
COUNTY OF LOS ANGELES)

On June 7, 2006, before me, Christina M. Rouser, a Notary Public, in and for said County and State, personally appeared Fonda Hall of U.S. BANK NATIONAL ASSOCIATION, personally known to me (or proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her authorized capacities, and that by his/her signature on the instrument the entity upon behalf of which he/she acted, executed the instrument.

WITNESS my hand and official seal.

/s/ Christina M. Rouser
CHRISTINA M. ROUSER
Commission # 1364672
Notary Public - California
Los Angeles County
My Comm. Expires Jul 13, 2006

EXHIBIT A
FORM OF BOND
(Attached)

[If this bond is issued as a global security, insert the following legend: THIS SECURITY IS A GLOBAL SECURITY WITHIN THE MEANING OF THE INDENTURE HEREINAFTER REFERRED TO AND IS REGISTERED IN THE NAME OF A DEPOSITARY OR A NOMINEE THEREOF. THIS SECURITY MAY NOT BE EXCHANGED IN WHOLE OR IN PART FOR A SECURITY REGISTERED, AND NO TRANSFER OF THIS SECURITY IN WHOLE OR IN PART MAY BE REGISTERED, IN THE NAME OF ANY PERSON OTHER THAN SUCH DEPOSITARY OR A NOMINEE THEREOF, EXCEPT IN THE LIMITED CIRCUMSTANCES DESCRIBED IN THE INDENTURE. ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF HAS AN INTEREST HEREIN.]

SAN DIEGO GAS & ELECTRIC COMPANY
(INCORPORATED UNDER THE LAWS OF THE STATE OF CALIFORNIA)
6.00% FIRST MORTGAGE BOND,
SERIES DDD, DUE 2026

No. _____ \$ _____

SAN DIEGO GAS & ELECTRIC COMPANY, a corporation organized and existing under the laws of the State of California (hereinafter called the "Company"), which term shall include any successor corporation, as defined in the Indenture hereinafter referred to), for value received, hereby promises to pay to _____ [If this bond is issued as a global security, insert "CEDE & CO." in the foregoing space] or registered assigns, the principal sum of _____ in lawful money of the United States of America, on the first day of June, 2026, and to pay interest thereon from the date of this bond, at the rate of 6.00% per annum in like lawful money, payable semi-annually, on the first day of June and December in each year, to the holder of record of this bond on the immediately preceding fifteenth day of May and November, respectively, commencing December 1, 2006, until the Corporation's obligation with respect to the payment of such principal shall be discharged as provided in the Indenture hereinafter mentioned. Both the principal of and interest on this bond will be paid at the corporate trust office of U.S. Bank National Association, or its successor trustee under said Indenture, in the City and County of San Francisco, State of California [if this bond is a definitive bond, insert: ", or at the office or agency in the Borough of Manhattan, City and County of New York, State of New York, that the Corporation maintains for such purpose"]. Notwithstanding the foregoing, so long as the holder of this bond is a depository, or its nominee, payment of the principal of (and premium, if any) and interest on this bond will be made by wire transfer of immediately available funds.

The provisions of this bond are continued following the signature blocks below and such continued provisions shall for all purposes have the same effect as though fully set forth at this place.

This bond shall not be valid or become obligatory for any purpose unless and until U.S. BANK NATIONAL ASSOCIATION, as Trustee under the Indenture, as amended, or its successor thereunder, shall have signed the certificate of authentication endorsed hereon.

IN WITNESS WHEREOF, SAN DIEGO GAS & ELECTRIC COMPANY has caused this instrument to be executed in its name by the signature or facsimile signature of its President or any Vice President and its corporate seal, or a facsimile thereof to be hereto affixed and attested by the signature or facsimile signature of its Secretary or any Assistant Secretary.

Dated: _____

SAN DIEGO GAS & ELECTRIC COMPANY

By: _____
President or Vice President

(CORPORATE SEAL)

Attest:

Secretary or Assistant Secretary

This bond is one of a duly authorized issue of bonds of the Company, known as its First Mortgage Bonds, of the series and designation indicated on the face hereof (the "Series DDD Bonds"), all issued and to be issued under and equally secured by a Mortgage and Deed of Trust dated July 1, 1940, and indentures supplemental thereto, including the Fifty-Second Supplemental Indenture dated as of June 8, 2006 (which Mortgage and Deed of Trust, as so supplemented, is herein called the "Indenture") executed by the Company to U.S. Bank National Association, as Trustee (herein called the "Trustee"), to which Indenture reference is hereby made for a description of the property mortgaged, pledged, hypothecated and in which a security interest was granted, the nature and extent of the security, the rights of the holders of the Series DDD Bonds as to such security, and the terms and conditions upon which the Series DDD Bonds may be issued under the Indenture and are secured. The principal hereof may be declared or may become due on the conditions, in the manner and at the time set forth in the Indenture, upon the happening of a completed default as in the Indenture provided.

With the consent of the Company and to the extent permitted by and as provided in the Indenture, the rights and obligations of the Company or of the holders of the Series DDD Bonds, or the terms and provisions of the Indenture or of any indentures supplemental thereto, may be modified or altered by the affirmative vote of the holders of the percentage of principal amount of bonds required by the Indenture; *provided, however*, that without the consent of the holder hereof no such modification or alteration shall permit the reduction of the principal or the extension of the maturity of the principal of this bond, or the reduction of the rate of interest hereon, or any other modification of the terms of payment of such principal or interest.

The Company, the Trustee, any paying agent, any registrar, and any depository may deem and treat the person in whose name this bond is registered as the absolute owner hereof for the purpose of receiving payment of or on account of the principal hereof and interest hereon and for all other purposes and shall not be affected by any notice to the contrary.

All or a portion of the Series DDD Bonds may be redeemed at the Company's option at any time or from time to time.

The price at which the Series DDD Bonds will be redeemed (the "Redemption Price") on the date fixed for such redemption (the "Redemption Date") will be equal to the greater of the following amounts: (a) 100% of the principal amount of the Series DDD Bonds being redeemed on the Redemption Date; or (b) the sum of the present values of the remaining scheduled payments of principal and interest on the Series DDD Bonds being redeemed on that Redemption Date (not including any portion of any payments of accrued and unpaid interest to the Redemption Date) discounted to the Redemption Date on a semiannual basis at the Adjusted Treasury Rate (as defined below) plus 15 basis points, as determined by the Reference Treasury Dealer (as defined below), plus, in each case, accrued and unpaid interest thereon to the Redemption Date. Notwithstanding the foregoing, installments of interest on Series DDD Bonds that are due and payable on Interest Payment Dates falling on or prior to a Redemption Date will be payable on the Interest Payment Date to the registered holders of such Series DDD Bonds as of the close of business on the relevant record date. The Redemption Price will be calculated on the basis of a 360-day year consisting of twelve 30-day months.

As more fully provided in and subject to the provisions of the Indenture, the Series DDD Bonds are also subject to redemption on any date, under certain circumstances specified in Section 13 of Article XI of the Indenture in case of the disposition of certain properties of the Company, at 100% of the principal amount thereof, together with accrued interest thereon.

Notice of any redemption will be mailed at least 30 days but not more than 60 days before the Redemption Date to each registered holder of the Series DDD Bonds to be redeemed. Once notice of redemption is mailed, the Series DDD Bonds called for redemption will become due and payable on the Redemption Date and at the applicable Redemption Price, plus accrued and unpaid interest to the Redemption Date. Redemption will not be conditional upon receipt by the Trustee of monies sufficient to pay the Redemption Price.

Unless the Company defaults in payment of the Redemption Price, on and after the Redemption Date interest will cease to accrue on the Series DDD Bonds or portions thereof called for redemption. The Company will pay the Redemption Price and any accrued interest once the Series DDD Bonds are surrendered for redemption. If only a portion of the Series DDD Bonds are redeemed, the Trustee will deliver new Series DDD Bonds for the remaining portion without charge.

“Adjusted Treasury Rate” means, with respect to any Redemption Date, the rate per annum equal to the semiannual equivalent yield to maturity of the Comparable Treasury Issue, assuming a price for the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for such Redemption Date.

“Comparable Treasury Issue” means the United States Treasury security selected by the Reference Treasury Dealer as having a maturity comparable to the remaining term of the Series DDD Bonds to be redeemed that would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to the remaining term of such Series DDD Bonds.

“Comparable Treasury Price” means, with respect to any Redemption Date, (A) the average of the Reference Treasury Dealer Quotations for such Redemption Date, or (B) if only one Reference Treasury Dealer Quotation is received, such Quotation.

“Reference Treasury Dealer” means (A) Banc of America Securities, LLC, BNP Paribas Securities Corp. and Greenwich Capital Markets, Inc. (or their affiliates which are Primary Treasury Dealers) and their successors; *provided, however*, that if any of the foregoing shall cease to be a primary U.S. Government securities dealer in the United States (a “Primary Treasury Dealer”), the Company will substitute therefor another Primary Treasury Dealer; and (B) any other Primary Treasury Dealer(s) selected by the Company.

“Reference Treasury Dealer Quotations” means, with respect to each Reference Treasury Dealer and any Redemption Date, the average, as determined by the Company, of the bid and asked prices for the Comparable Treasury Issue (expressed in each case as a percentage of its principal amount) quoted in writing to the Company by such Reference Treasury Dealer at 5:00 p.m. (New York City time) on the third business day preceding such Redemption Date.

In the event that the Company elects to redeem only a portion of the Series DDD Bonds, the bonds to be redeemed shall be selected in accordance with the procedures of The Depository Trust Company, in the case of bonds represented by a global security, or by the Trustee by a method the Trustee deems to be fair and appropriate, in the case of bonds that are not represented by a global security.

This bond is transferable as prescribed in the Indenture by the registered owner hereof in person, or by his duty authorized attorney, at the corporate trust office of the Trustee in the City and County of San Francisco, State of California, upon surrender and cancellation of this bond and thereupon a new registered bond of the same series and principal amount will be issued to the transferee in exchange therefor as provided in the Indenture, upon payment of any tax or taxes or other governmental charges required to be paid by the Company by reason of such transfer.

The registered owner of any Series DDD Bond, at the option of such holder, may surrender the same, accompanied by a written instrument of transfer in form approved by the Company duly executed by the registered owner, at the corporate trust office of the Trustee in the City and County of San Francisco, State of California, for cancellation in exchange for another or other registered bonds of the said series of higher or lower authorized denominations of an aggregate principal amount equal to the aggregate principal amount of the bond or bonds so surrendered and bearing interest as provided in Section 9 of Article II of the Indenture, and upon payment of any tax or taxes or other governmental charges required to be paid by the Company by reason of such exchange and subject to the terms and conditions specified in the Indenture, thereupon the Company shall execute and deliver to the Trustee and the Trustee shall authenticate and deliver such other bonds to such registered owner at its office or at such agency of the Company, at the option of such registered owner.

No recourse shall be had for the payment of the principal of (or premium, if any) or the interest on this bond, or any part thereof, or of any claim based herein or in respect hereof or of said Indenture, against any incorporator, or any past, or future stockholder, officer or director, as such, of the Company or of any predecessor or successor corporation, either directly or through the Company, or through any such predecessor or successor corporation, or through any receiver or a trustee in bankruptcy, whether, by virtue of any constitution, statute or rule of law or by the enforcement of any assessment or penalty or otherwise, all such liability being, by the acceptance hereof and as part of the consideration for the issue hereof expressly waived and released, as more fully provided in the Indenture.

This bond is one of the bonds of the Series designated therein, described in the within-mentioned Indenture

U.S. BANK NATIONAL ASSOCIATION,
As Trustee

By _____
Authorized Officer