

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): December 6, 2005

SEMPRA ENERGY

(Exact name of registrant as specified in its charter)

CALIFORNIA

1-14201

33-0732627

(State of incorporation
or organization)

(Commission
File Number)

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

101 ASH STREET, SAN DIEGO, CALIFORNIA

92101

(Address of principal executive offices)

(Zip Code)

Registrant's telephone number, including area code (619) 696-2034

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

FORM 8-K

Item 1.01 Entry into a Material Definitive Agreement.

To facilitate the implementation of its previously announced succession plan, Sempra Energy has amended its employment agreement with its Chairman of the Board and Chief Executive Officer as described in Item 5.02 of this Current Report.

Item 1.02 Termination of a Material Definitive Agreement.

Shareholder Rights Plan

On December 6, 2005, Sempra Energy's Board of Directors adopted a resolution to terminate Sempra Energy's Shareholder Rights Plan and the preferred stock purchase rights issued under the plan. The board also adopted a policy with respect to the future adoption of rights plans.

Sempra Energy's Shareholder Rights Plan and the related preferred stock purchase rights are described in Sempra Energy's Form 8-A Registration Statement filed with the Securities and Exchange Commission on June 5, 1998. In accordance with the board's resolution, the plan has been amended to provide that the plan and the rights will expire at the close of business on December 9, 2005.

The policy adopted by the board with respect to the adoption of future shareholder rights plans is as follows:

Sempra Energy will submit the adoption of any shareholder rights plan to a shareholder vote before adopting the plan unless the Board of Directors determines that, under then existing circumstances, it is in the best interests of Sempra Energy and its shareholders to adopt the plan without the delay that would be occasioned by submitting it to shareholders. Any plan so adopted without prior submission to shareholders will be submitted to shareholders within 12 months from the date it is adopted

Item 3.03 Material Modifications to Rights of Security Holders.

Shareholder Rights Plan

As reported in Item 1.02 of this Current Report, Sempra Energy has amended its Shareholder Rights Plan to provide that the plan and the preferred stock purchase rights issued under the plan will expire at the close of business on December 9, 2005.

Item 5.02 Departure of Directors or Principal Officers; Election of Directors; Appointment of Principal Officers.

Implementation of Previously Announced Succession Plan and Other Executive Changes.

To facilitate the implementation of its previously announced succession plan, on December 6, 2005 Sempra Energy's Board of Directors approved an amendment to Sempra Energy's employment agreement with its Chairman of the Board and Chief Executive Officer, Stephen L. Baum, to provide that Mr. Baum will retire as Chief Executive Officer on December 31, 2005 and as Chairman of the Board on January 31, 2006. The agreement previously provided that Mr. Baum would retire from both positions on January 31, 2006.

Also on December 6, 2005 and as contemplated by the succession plan, the Board of Directors elected Donald E. Felsing, currently President and Chief Operating Officer, to succeed Mr. Baum. Mr. Felsing will become Chief Executive officer on January 1, 2006 and Chairman of the Board on February 1, 2006.

The Board of Directors, as contemplated by the succession plan, also elected Neal E. Schmale, currently an Executive Vice President and the Chief Financial Officer to succeed Mr. Felsing. Mr. Schmale will become Chief Operating Officer on January 1, 2006 and President on February 1, 2006.

In addition, the board elected Mark Snell, currently Group President -- Sempra Global, to succeed Mr. Schmale. Mr. Snell will become an Executive Vice President and the Chief Financial Officer on January 1, 2006.

The amendment to Mr. Baum's employment agreement, which is included as an exhibit to this report, also provides for Mr. Baum and his wife to receive post-retirement financial services until the second anniversary of their deaths; provides for the continuation of excess personal liability insurance coverage for Mr. Baum for five years following his retirement; and provides that the Company will continue to match Mr. Baum's charitable contributions (in a matching amount not to exceed \$20,000 in any calendar year) for a period of five years following his retirement.

Item 8.01 Other Events

Board Declassification

Sempra Energy's Articles of Incorporation currently divide the Board of Directors into three classes with one-third of the authorized number of directors (or as close an approximation as possible) being elected at each annual meeting of shareholders to serve for terms of three years.

On December 6, 2005, the Board of Directors approved an amendment to the Articles of Incorporation which, if approved by the requisite vote of shareholders, would declassify the board.

The amendment provides that each director elected after the effective date of the amendment, including a director elected to fill a vacancy, would hold office until the next annual meeting of shareholders and his or her successor has been elected and qualified. Directors elected prior to the effective date of the amendment, including those elected at the 2006 Annual Meeting, would continue to hold office until the expiration of the staggered three-year terms for which they were previously elected.

Shareholder approval of the amendment requires the favorable vote of the holders of two-thirds of the outstanding shares. The amendment will be submitted for shareholder approval at Sempra Energy's 2006 Annual Meeting of Shareholders together with the Board of Directors' recommendation that shareholders vote to approve the amendment.

Item 9.01 Financial Statements and Exhibits.

(c) Exhibits

99.1 Amendment to Employment Agreement dated as of December 6, 2005 between Sempra Energy and Stephen L. Baum (amending Employment Agreement dated as of September 17, 2002).

99.2 Employment Agreement dated as of September 17, 2002 between Sempra Energy and Stephen L. Baum (filed as Exhibit 10.01 to the Sempra Energy's Quarterly Report on Form 10-Q for the quarter ended September 30, 2002 and incorporated herein by reference).

99.3 Amendment to Rights Agreement dated as of December 6, 2005 between Sempra Energy and EquiServe Trust Company, N.A. (amending Rights Agreement dated as of May 26, 1998).

99.4 Rights Agreement dated as of May 26, 1998 between Sempra Energy and EquiServe Trust Company, N.A (then named First Chicago Trust Company of New York) (filed as Exhibit 1 to Sempra Energy's Form 8-A Registration Statement filed June 5, 1998 and incorporated herein by reference).

SIGNATURE

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 thereunto duly authorized.

SEMPRA ENERGY
(Registrant)

Date: December 9, 2005

By: /s/ F. H. Ault

F. H. Ault
Sr. Vice President and Controller

[Conformed COPY]

FIRST AMENDMENT TO EMPLOYMENT AGREEMENT

WHEREAS the Company and the Executive have entered into an Employment Agreement, dated as of September 17, 2002, (the "Employment Agreement") contemplating, among other things, that the Executive will serve as the Company's Chairman of the Board of Directors and Chief Executive Officer until his retirement on January 31, 2006;

WHEREAS it has been determined that in order to facilitate Chief Executive Officer succession, it would be desirable and in the best interests of the Executive and of the Company and its shareholders for the Executive to resign as Chief Executive Officer at year end 2005 and for the Executive to thereafter continue to serve the Company through January 31, 2006 as an executive officer and an employee in the position of the Company's Chairman of the Board of Directors;

Accordingly, the Company and the Executive agree as follows:

1. Amendments to the Employment Agreement

1.01. Section 2(a) of the Employment Agreement is amended to read in full as follows:

(a) Position. During the Employment Period, the Executive (i) shall serve as Chairman of the Board of Directors (the "Board") of the Company through his Retirement Date, and (ii) shall also serve as Chief Executive Officer of the Company through but not after December 31, 2005. The Executive shall report only to the Board. The senior-most person in charge of the Company's regulated and nonregulated businesses and the senior-most person in charge of each of the Company's policy units shall report directly to the Chief Executive Officer. The Executive shall retire and shall resign as Chief Executive Officer effective December 31, 2005 and shall retire and shall resign as Chairman of the Board and as a director, an executive officer and an employee effective at the close of business January 31, 2006. After January 31, 2005, although not employed by the Company, the Executive shall cooperate with and be available to consult with the Company through December 31, 2006 at mutually agreeable times and places and without compensation other than reimbursement of out of pocket expenses.

1.02. Section 2(b) of the Employment Agreement is amended to read in full as follows.

(b) Duties.

(i) Chief Executive Officer. The duties of the Executive while serving as Chief Executive Officer shall include but not be limited to directing the overall business, affairs and operations of the Company, through its officers, all of whom shall report directly or indirectly to the Chief Executive Officer.

(ii) Chairman of the Board. While serving as the Chairman of the Board, the Executive shall be an executive officer and an employee of the Company and his duties and responsibilities shall be those customarily assigned to such position in a company in which the chairman of the board is an executive officer and an employee but not the principal executive officer.

1.03. Section 4(d)(vi) of the Employment Agreement is amended to read in full as follows:

(vi) the failure of the Board to elect the Executive to the positions of Chairman of the Board and Chief Executive Officer during the applicable periods specified in Section 2(a);

1.04. Section 5(d) (iii) of the Employment Agreement is amended to add the term "Retirement Date" to the term "Date of Termination" in each of the two places that the latter term appears therein so that they shall read "the Retirement Date or Date of Termination."

1.05. Section 5(d)(v) of the Employment Agreement is amended to read in full as follows:

The Company will continue (i) to provide, without charge, financial planning services to the Executive and, following his death, to his widow until the second anniversary of the last to occur of the death of the Executive and his widow, at a level of service consistent with that made available to the Executive prior to the Retirement Date, and (ii) to maintain in full force and effect for a

period of five (5) years following the Retirement Date for the benefit of and without charge to the Executive excess personal liability insurance coverage consistent with the level of coverage provided for the benefit of the Executive prior to the Retirement Date.

1.06. Section 5(d) of the Employment Agreement is further amended by adding an additional subsection to the end thereof to read in full as follows:

(vi) The Company will continue to match, on a dollar for dollar basis, the Executive's charitable contributions for a period of five years following the Retirement Date in a matching amount not to exceed \$20,000 in any calendar year.

2. References to and Effect on the Employment Agreement

2.01. Each reference in the Employment Agreement to "this Agreement", "hereunder", "hereof", "herein" or words of like import referring to the Employment Agreement and to sections or other provisions of the Employment Agreement shall refer to the Employment Agreement as amended by this Amendment.

2.02. Except as amended by this Amendment, the Employment Agreement shall continue in full force and effect.

In Witness Whereof, the Executive has executed this Amendment and the Company has caused this Amendment to be executed by a duly authorized officer, as of the date first above written.

/s/ STEPHEN L. BAUM

Stephen L. Baum

Sempra Energy

By: /s/ G. JOYCE ROWLAND

Name: G. Joyce Rowland

Title: Senior Vice President

AMENDMENT TO RIGHTS AGREEMENT

Amendment dated as of December 6, 2005 (the "Rights Agreement Amendment") between SEMPRA ENERGY, a California corporation (the "Company"), and EQUISERVE TRUST COMPANY, N.A., a New York corporation as Rights Agent (the "Rights Agent"), to Rights Agreement dated as of May 26, 1998 between the Company and the Rights Agent (then named First Chicago Trust Company of New York). Capitalized terms not otherwise defined in this Rights Agreement Amendment have meanings specified in the Rights Agreement.

Pursuant to Sections 26 and 30 of the Rights Agreement and a resolution duly adopted by its Board of Directors on December 6, 2005, the Company has elected to exercise its discretion to amend, and has directed the Rights Agent, to amend the Rights Agreement as contemplated by this Rights Agreement Amendment to provide, among other things, for the expiration on December 9, 2005 of the Rights issued under the Rights Agreement.

In connection with such amendment, the Rights Agent has received from the Company the certificates and instructions contemplated by Sections 20.2 and 20.7 of the Rights Agreement.

Accordingly, the Company and the Rights Agent agree as follows:

1. Section 7.1 of the Rights Agreement is amended by amending clause (i) thereof to read in full as follows"

(i) the close of business on December 9, 2005 (the "Final Expiration Date"),

2. The Rights and all rights and obligations of the holders thereof and the Company thereunder or with respect thereto shall expire and terminate on the Final Expiration Date.

3. The Rights Agreement and all rights and obligations of the Company and the Rights Agent thereunder or with respect thereto shall expire and terminate on the Final Expiration Date except that the rights of the Rights Agent and the obligations of the Company under Sections 18 and 20 of the Rights Agreement shall survive such expiration and termination.

4. This Rights Agreement Amendment may be executed in any number of counterparts and each of such counterparts shall for all purposes be deemed an original. and all such counterparts shall together constitute the same instrument.

In Witness Whereof, the Company and Rights Agent have caused this Rights Agreement Amendment to be duly executed and delivered, as of the date first above written.

SEMPRA ENERGY

By: /s/ CATHERINE C. LEE

Name: Catherine C. Lee

Title: Corporate Secretary

EQUISERVE TRUST COMPANY, N.A.

By: /s/ KEVIN LAURITA

Name: Kevin Laurita

Title: Managing Director

