



Sempra Energy Third-Quarter Earnings Per Share Increase 8 Percent

Utility, Generation, Pipeline Operations Pace Strong Results

SAN DIEGO, Nov. 10, 2008 - Sempra Energy (NYSE: SRE) today reported third-quarter 2008 net income of \$308 million, or \$1.24 per diluted share, up 8 percent per share over third-quarter 2007 net income of \$305 million, or \$1.15 per diluted share.

Net income for the first nine months of 2008 was \$794 million, or \$3.13 per diluted share, compared with \$810 million, or \$3.06 per diluted share, during the same period last year. Shares outstanding have been reduced in 2008 through the recently completed \$1 billion share-repurchase program the company initiated in April.

"Given the turmoil and dislocation in the financial markets, we are pleased with our third-quarter results," said Donald E. Felsing, chairman and chief executive officer of Sempra Energy. "We have assembled a diversified group of energy businesses that help us continue to meet our financial targets, even during down cycles in specific market segments."

OPERATING HIGHLIGHTS

Southern California Gas Co.

Net income for Southern California Gas Co. (SoCalGas) in the third quarter 2008 rose to \$77 million from \$63 million in the third quarter 2007, due primarily to \$11 million from the favorable resolution of regulatory and income-tax issues in 2008. SoCalGas' third-quarter 2008 results also included \$7 million of net income from the retroactive application of its rate case, approved in July.

San Diego Gas & Electric

Third-quarter net income for San Diego Gas & Electric (SDG&E) was \$123 million in 2008, unchanged from 2007. Third-quarter 2008 results included \$33 million from the retroactive application of SDG&E's rate case, approved in July, and \$12 million from the favorable resolution of income-tax issues, offset by \$17 million in litigation expense. Last year's third-quarter results included \$46 million from the favorable resolution of regulatory and income-tax issues. SDG&E also benefited from improved operating margins in the third quarter 2008, compared with the same quarter in 2007.

On Oct. 31, the California Public Utilities Commission's assigned commissioner and administrative law judge reviewing SDG&E's application for the Sunrise Powerlink transmission-line project issued draft decisions in the case. The assigned commissioner recommended conditional approval of the project, while the administrative judge recommended denial of the project. The full commission is expected to issue a final decision on the Sunrise Powerlink next month.

RBS Sempra Commodities

Sempra Energy recorded a net loss of \$3 million from its equity share of the RBS Sempra Commodities joint venture. In last year's third quarter, Sempra Commodities earned \$87 million in net income. Results for 2007 represented 100 percent of the earnings from the commodity-marketing business prior to the formation of RBS Sempra Commodities. In the most recent quarter, results were negatively impacted by losses in power marketing caused by the steep decline in commodity prices during the early part of the quarter and reduced market liquidity associated with fewer market participants.

"Notwithstanding the third-quarter results in our joint venture, its outlook continues to be strong and we expect to meet our previously provided range for this segment of \$250 million to \$350 million in 2008," Felsing said.

Sempra Generation

Sempra Generation's third-quarter net income rose sharply to \$94 million in 2008 from \$58 million in 2007, primarily due to an increase in mark-to-market earnings on long-term contracts with RBS Sempra Commodities and other counterparties.

Sempra Pipelines & Storage

Third-quarter 2008 net income for Sempra Pipelines & Storage doubled to \$34 million from \$17 million in last year's third quarter, due primarily to start-up of the Rockies Express-West pipeline and the natural gas pipelines supporting Sempra LNG's new liquefied natural gas receipt terminal in Mexico.

Last month, Sempra Energy completed its acquisition of EnergySouth, Inc., whose operations have been absorbed into Sempra Pipelines & Storage. The transaction gives Sempra Energy a majority ownership in two large, high-cycle underground natural gas storage facilities that, when fully developed, will have capacity of 57 billion cubic feet of natural gas serving the nation's fastest-growing natural gas markets. The transaction also included acquisition of Mobile Gas Service Corp., an Alabama

natural gas distribution utility.

Sempra LNG

Sempra LNG had net income of \$4 million in the third quarter 2008, compared with a net loss of \$4 million in the third quarter 2007. The improved results were due primarily to a mark-to-market gain related to a natural gas marketing agreement with RBS Sempra Commodities.

The third quarter of 2008 was the first full quarter of operation of Energía Costa Azul, Sempra LNG's Mexican receipt terminal.

Internet Broadcast

Sempra Energy will broadcast a live discussion of its earnings results over the Internet today at 1 p.m. EST with senior management of the company. Access is available by logging onto the Web site at www.sempra.com. For those unable to log onto the live webcast, the teleconference will be available on replay a few hours after its conclusion by dialing (888) 203-1112 and entering the passcode 6032084.

Sempra Energy, based in San Diego, is a Fortune 500 energy services holding company with 2007 revenues of more than \$11 billion. The Sempra Energy companies' 13,500 employees serve more than 29 million consumers worldwide.

Complete financial tables, including income-statement information by business unit, are available on Sempra Energy's Web site at <http://www.sempra.com/downloads/3Q2008.pdf>.

This press release contains statements that are not historical fact and constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements can be identified by words like "believes," "expects," "anticipates," "intends," "plans," "estimates," "may," "would," "could," "should," or similar expressions, or discussions of strategies or plans. Forward-looking statements are not guarantees of performance. They involve risks, uncertainties and assumptions. Future results may differ materially from those expressed in the forward-looking statements. Forward-looking statements are necessarily based upon various assumptions involving judgments with respect to the future and other risks, including, among others: local, regional, national and international economic, competitive, political, legislative and regulatory conditions and developments; actions by the California Public Utilities Commission, California State Legislature, California Department of Water Resources, Federal Energy Regulatory Commission, Federal Reserve Board, U.K. Financial Services Authority and other environmental and regulatory bodies in the United States and other countries; capital market conditions, inflation rates, interest rates and exchange rates; energy and trading markets, including the timing and extent of changes in commodity prices; the availability of electric power, natural gas and liquefied natural gas; weather conditions and conservation efforts; war and terrorist attacks; business, regulatory, environmental, and legal decisions and requirements; the status of deregulation of retail natural gas and electricity delivery; the timing and success of business development efforts; the resolution of litigation; and other uncertainties, all of which are difficult to predict and many of which are beyond the control of the company. These risks and uncertainties are further discussed in the reports that Sempra Energy has filed with the Securities and Exchange Commission. These reports are available through the EDGAR system without charge at the SEC's Web site, www.sec.gov and on the company's Web site, at www.sempra.com.

Sempra Pipelines & Storage, Sempra Generation, Sempra LNG and Sempra Commodities are not the same companies as the utility, San Diego Gas & Electric (SDG&E) or Southern California Gas Company (SoCalGas), and Sempra Pipelines & Storage, Sempra Generation, Sempra LNG and Sempra Commodities are not regulated by the California Public Utilities Commission.

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Media Contact:

Doug Kline
Sempra Energy
(877) 866-2066
www.sempra.com

Financial Contact:

Glen Donovan
Sempra Energy
(877) 736-7727
investor@sempra.com