

**EXHIBIT 12.1**  
**SEMPRA ENERGY**  
**COMPUTATION OF RATIO OF EARNINGS TO COMBINED FIXED CHARGES**  
**AND PREFERRED STOCK DIVIDENDS**  
(Dollars in millions)

	1999	2000	2001	2002	2003	Six months ended June 30, 2004
Fixed Charges and Preferred Stock Dividends:						
Interest	\$ 233	\$ 308	\$ 358	\$ 350	\$ 351	\$ 167
Interest portion of annual rentals	10	8	6	6	5	2
Preferred dividends of subsidiaries (1)	16	18	16	15	11	7
Combined fixed charges and preferred stock dividends for purpose of ratio	<u>\$ 259</u>	<u>\$ 334</u>	<u>\$ 380</u>	<u>\$ 371</u>	<u>\$ 367</u>	<u>\$ 176</u>
Earnings:						
Pretax income from continuing operations	\$ 573	\$ 699	\$ 731	\$ 721	\$ 742	\$ 438
Total fixed charges (from above)	259	334	380	371	367	176
Less:						
Interest capitalized	1	3	11	29	26	4
Equity in income (loss) of unconsolidated subsidiaries and joint ventures	<u>-</u>	<u>62</u>	<u>12</u>	<u>(55)</u>	<u>8</u>	<u>-</u>
Total earnings for purpose of ratio	<u>\$ 831</u>	<u>\$ 968</u>	<u>\$ 1,088</u>	<u>\$ 1,118</u>	<u>\$ 1,075</u>	<u>\$ 610</u>
Ratio of earnings to combined fixed charges and preferred stock dividends	<u>3.21</u>	<u>2.90</u>	<u>2.86</u>	<u>3.01</u>	<u>2.93</u>	<u>3.47</u>

(1) In computing this ratio, "Preferred dividends of subsidiaries" represents the before-tax earnings necessary to pay such dividends, computed at the effective tax rates for the applicable periods.