

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

	2003	2004	2005	2006	2007	March 31, 2008
<b>Fixed Charges:</b>						
Interest	\$ 54	\$ 47	\$ 55	\$ 78	\$ 78	\$ 18
Interest portion of annual rentals	2	2	3	4	3	1
Preferred dividends of subsidiary (1)	2	2	2	2	2	1
Total fixed charges	58	51	60	84	83	20
Preferred stock dividends	7	7	6	6	6	2
Combined fixed charges and preferred stock dividends for purpose of ratio	<u>\$ 65</u>	<u>\$ 58</u>	<u>\$ 66</u>	<u>\$ 90</u>	<u>\$ 89</u>	<u>\$ 22</u>
<b>Earnings:</b>						
Pretax income from continuing operations	\$ 361	\$ 390	\$ 324	\$ 425	\$ 407	\$ 99
Total fixed charges (from above)	58	51	60	84	83	20
Less: interest capitalized	-	-	-	1	1	-
Total earnings for purpose of ratio	<u>\$ 419</u>	<u>\$ 441</u>	<u>\$ 384</u>	<u>\$ 508</u>	<u>\$ 489</u>	<u>\$ 119</u>
Ratio of earnings to combined fixed charges and preferred stock dividends	<u>6.45</u>	<u>7.60</u>	<u>5.82</u>	<u>5.64</u>	<u>5.49</u>	<u>5.41</u>
Ratio of earnings to fixed charges	<u>7.22</u>	<u>8.65</u>	<u>6.40</u>	<u>6.05</u>	<u>5.89</u>	<u>5.95</u>

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