

PROSPECTUS SUPPLEMENT
(To Prospectus Dated December 12, 2008)



Direct Stock Purchase Plan

Sempra Energy offers participation in its Direct Stock Purchase Plan (the Plan), designed to provide investors with a convenient method to purchase shares of our common stock and to reinvest all or a portion of the cash dividends paid on our common stock.

Shares of common stock purchased under the Plan will, at our option, represent newly issued shares, shares purchased in the open market by an independent Plan Administrator, or a combination of newly issued and open market purchases.

Sempra Energy's common stock is listed on the New York Stock Exchange under the symbol "SRE". This prospectus supplement contains a summary of the material provisions of the Plan and should be retained for future reference.

Investing in our common stock involves risks. See the "Risk Factors" on page 6 of the accompanying prospectus before investing in our common stock.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus. Any representation to the contrary is a criminal offense.

AVAILABLE INFORMATION

This document is in two parts. The first part is this prospectus supplement, which describes the Direct Stock Purchase Plan and also adds to and updates information contained in the accompanying prospectus and the documents incorporated by reference in this prospectus supplement and the accompanying prospectus. The second part is the accompanying prospectus, which gives more general information, some of which does not apply to the Plan. If the description of the information relevant to the Plan varies between this prospectus supplement and the accompanying prospectus, you should rely on the information in this prospectus supplement.

You should rely only on the information contained or incorporated by reference in this prospectus supplement and in the accompanying prospectus. We have not authorized any other person to provide you with different information. If anyone provides you with different or inconsistent information, you should not rely on it. You should assume that the information appearing in this prospectus supplement and the accompanying prospectus is accurate only as of the date on their respective covers. Our business, financial condition, results of operations and prospects may have changed since that date.

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FORWARD-LOOKING STATEMENTS

This prospectus supplement and the accompanying prospectus and the documents they incorporate by reference may contain statements that are not historical fact and constitute “forward-looking” statements. When we use words such as “believe,” “expect,” “anticipate,” “intend,” “depend,” “should,” “plan,” “estimate,” “could,” “may,” “would,” “project,” “contemplate,” “potential,” “target,” “goals,” or similar expressions, or when we discuss our strategy, plans or intentions, we are making forward-looking statements. Forward-looking statements are necessarily based upon assumptions with respect to the future, involve risks and uncertainties and are not guarantees of performance. Factors, among others, that could cause our actual results and future actions to differ materially from those described in forward-looking statements include:

- 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 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 our control.

You are cautioned not to rely unduly on any forward-looking statements. These risks and uncertainties are discussed in more detail under “Risk Factors,” “Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and elsewhere in our reports and other documents on file with the Securities and Exchange Commission. You may obtain copies of these documents as described under “Where You Can Find More Information” in the accompanying prospectus.

SEMPRA ENERGY

Sempra Energy, based in San Diego, California, is a Fortune 500 energy company. Our subsidiaries operate utilities, develop energy infrastructure and provide related products and services. Operations are divided principally between our California utility subsidiaries and our subsidiary Sempra Global.

Our California utility subsidiaries, Southern California Gas Company and San Diego Gas & Electric Company, serve over 23 million customers. Natural gas service is provided throughout Southern California and portions of Central California through over 6.5 million meters. Electric service is provided throughout San Diego County and portions of Orange County, both in Southern California, through over 1.3 million meters.

Through its subsidiaries and affiliates, our Sempra Global subsidiary provides the following energy-related products and services:

- Sempra Generation develops, owns and operates power plants serving wholesale electricity markets in North America.
- Sempra LNG develops, owns and operates liquefied natural gas terminals in North America.
- Sempra Pipelines & Storage develops, owns and operates natural gas pipelines and storage facilities.
- RBS Sempra Commodities is a partnership between us and The Royal Bank of Scotland plc, which in April 2008 acquired the commodities marketing and trading businesses previously operated as our subsidiaries. The partnership serves customers in natural gas, power, oil and oil products, coal, base metals, plastics and other energy and metals products.

Our principal executive offices are located at 101 Ash Street, San Diego, California 92101 and our telephone number is (619) 696-2034.

Unless we state otherwise or the context otherwise requires, references appearing in this prospectus supplement to “we,” “us” and “our” should be read to refer to Sempra Energy and its subsidiaries.

SEMPRA ENERGY DIRECT STOCK PURCHASE PLAN

Purpose

The purpose of the Direct Stock Purchase Plan is to promote long-term share ownership by existing and new investors in Sempra Energy by providing a convenient method to purchase shares of our common stock and to reinvest all or a portion of cash dividends.

Features of The Plan

- Persons not presently owning shares of our common stock may become participants in the Plan by making an initial cash investment of \$500 or more or by authorizing a minimum of 10 automatic monthly withdrawals of at least \$50 each for the purchase of common stock.
- Persons who are currently Sempra Energy shareholders may enroll in the Plan by participating in the Plan's reinvestment service, by making an initial investment through the Plan, or by using the other service features of the Plan, such as certificate safekeeping.
- Participants may make additional investments in our common stock through optional cash investments of at least \$25 for any single investment up to a maximum of \$150,000 per calendar year (including the initial investment). Optional investments may be made by check, money order or automatic deduction from a predesignated U.S. bank account. Optional cash investments may be made occasionally or at regular intervals at the participant's option.
- Funds invested in the Plan are fully invested in our common stock through the purchase of whole shares and fractions of shares, and proportionate cash dividends on fractions of shares are used to purchase additional fractional shares. Brokerage commissions incurred in the purchase of shares will be paid by Sempra Energy. Purchases will be made at least once a week, but may be made more frequently.
- The Plan offers a "safekeeping" service permitting plan participants to deposit, free of any service charges, certificates for our common stock with the Plan Administrator and have their ownership of the deposited shares maintained on the Plan Administrator's records as part of their account.
- Participants may make transfers or gifts of our common stock at no charge. When a participant transfers or gives shares to another person, a Plan account will be opened for the recipient. The participant can also request that a special gift certificate be mailed to them for presentation to the recipient.
- Participants may sell all or any portion of their shares of our common stock through the Plan. Sales will usually be made on a daily basis. A transaction fee and sale commission will be deducted from the proceeds of the sale.
- Participants will receive Statements of Account showing all transactions completed during the year to date. A statement will be provided whenever the participant has made an optional cash investment, or deposited or transferred shares.

Plan Administration

American Stock Transfer and Trust Company LLC (which we refer to in this prospectus as “AST” or the “Plan Administrator”), administers the Plan, purchases and holds shares under the Plan, keep records, send Statements of Account to participants, and performs other duties related to the Plan. It also serves as our transfer agent, registrar and dividend disbursing agent.

For additional information about the Plan, please contact the Plan Administrator

By Phone:

Participants can call AST, toll-free at (877) 7SEMPRA. An automated voice response system is available 24 hours a day, every day of the year. Customer service representatives are available 8:00 a.m. to 7:00 p.m. Monday to Thursday and 8:00 a.m. to 5:00 p.m. Friday, Eastern time.

For shareholders outside of the United States and Canada: (718) 921-8283

TDD: a telecommunication device for the hearing impaired is available at (718) 921-7386

By Email and Internet:

Participants can email AST at info@amstock.com or visit their website at www.amstock.com.

In Writing:

Participants can contact the Plan Administrator by writing to:

Sempra Energy
c/o American Stock Transfer and Trust Company LLC
6201 15th Avenue
Brooklyn, New York 11219

Optional cash investments (checks for not less than \$25 payable to “Sempra Energy” or “American Stock Transfer and Trust Company LLC” in United States dollars) should be mailed to:

Sempra Energy
c/o American Stock Transfer and Trust Company LLC
Direct Service Investment Payments
P.O. Box 922 Wall Street Station
New York, New York 10269-0560

Do not send cash, traveler’s checks, or third party checks.

Plan participants should include their account numbers on all correspondence, together with telephone numbers where they can be reached during business hours.

Eligibility

Any individual or entity, whether or not a record holder of our common stock, is eligible to participate in the Plan, provided that (i) such person fulfills the requirements for participation described below under “Enrollment Procedures” and (ii) in the case of citizens or residents of a country other than the United States, its territories and possessions, participation would not violate local laws applicable to Sempra Energy, the Plan or the participant.

Enrollment Procedures

Registered Shareholders

Any registered shareholder of our common stock is eligible to participate in the Plan. A registered shareholder may enroll in the Plan through the Internet by going to the Plan Administrator’s website at www.amstock.com and following the instructions provided there, or by completing an enrollment form and returning it to the Plan Administrator to reinvest dividends and/or make optional cash investments. Requests for such forms can be made through the Plan Administrator’s website, by telephone or in writing.

Non-Shareholders

To enroll, investors must make an initial investment of at least \$500 or authorize a minimum of ten (10) automatic monthly withdrawals of at least \$50 each for the purchase of common stock and return a completed Initial Investment Form to the Plan Administrator. Requests for such forms can be made through the Plan Administrator’s website, by telephone or in writing.

Street Name Shareholders

Shareholders who hold shares of our common stock through banks, brokers or nominees may participate in the Plan by withdrawing some or all of their shares from such accounts.

Investment Date

The Investment Date for purchases of shares of our common stock for accounts under the Plan will commence on either the cash dividend payment date or, during periods in which no cash dividend is paid, a date not later than five business days after the initial investment and/or optional cash investments are received by the Plan Administrator.

Methods of Investment

Once enrolled in the Plan, additional share purchases of our common stock may be made by using the Plan’s optional cash investment feature. Optional cash payments must be in amount of not less than \$25 per investment and not more than \$150,000 per calendar year, inclusive of the initial investment. **No interest will be paid on amounts held by the Administrator pending investment.**

Check Investment

Optional cash investments may be made by enclosing a check for not less than \$25 (payable to “Sempra Energy” or “American Stock Transfer and Trust Company LLC” in United States dollars), with a completed optional cash investment stub which is attached to each statement. Do not send cash, traveler’s checks, money orders or third party checks.

One-Time Online Bank Debit

Participants may make optional cash investments at any time by going to the Plan Administrator’s website, www.amstock.com, and authorizing a one-time online bank debit from a predesignated U.S. bank account or financial institution. One time online optional cash investment funds will be held for one banking business day before they are invested. Participants should refer to the online confirmation for the account debit date and investment date.

Uncollected Funds Fee

There is a \$25 fee for all returned checks and direct debits. If your check or direct debit is returned as uncollected funds, AST will debit your optional cash payment if not yet invested. If your optional cash payment has already been invested then AST will sell the shares that have been purchased. However, if the sale of the shares purchased is not sufficient to satisfy the return check or the direct debit then AST reserves the right to sell additional shares from your account. In addition, additional shares will be sold from your account to satisfy the return check or direct debit fee.

Recurring Automatic Investments

Participants may make recurring automatic monthly investments of \$25 or more through a predesignated U.S. bank account or financial institution. To initiate recurring automatic deductions, the participant may enroll through the Plan Administrator’s website at www.amstock.com or complete and sign a Direct Debit Authorization Form and return it to the Plan Administrator together with a voided blank check for the account from which funds are to be drawn. Forms will be processed and will become effective as soon as practicable. A fee of \$0.50 per transaction will be charged to the participant. Once the recurring automatic deduction election is initiated, funds will be drawn from the participant’s designated bank account one banking business day before the last Investment Date of each month, and will be invested in common stock beginning on that Investment Date.

Participants may change or terminate automatic investments by notifying the Plan Administrator through their website, www.amstock.com, or by completing and submitting to the Plan Administrator a new Direct Debit Authorization Form. Such notification must be received at least six business days prior to the next automatic Investment Date to be effective by that date.

Dividend Reinvestment

Each participant in the Plan may elect one of the following options:

- have cash dividends on all of the shares of common stock automatically reinvested in additional common stock;

- have cash dividends on less than all of their whole shares paid in cash and reinvest any remaining amount of dividends in additional common stock; or
- have all dividends paid in cash.

Participants may change their investment options at any time by completing a new form and returning it to the Plan Administrator or by giving detailed written, telephonic or Internet instructions. The Plan Administrator must receive the request on or before the record date for any given dividend payment date in order for the request change to be effective for that dividend. If the request is received after the record date, the change may not be effective until the next dividend payment date.

Minimum Share Ownership

A participant must continue to own at least one share of our common stock or the participant's account will be closed. Any fractional shares will be liquidated at our expense and the proceeds mailed to the participant at the address on file. In appropriate cases we may waive this requirement.

Direct Deposit of Dividends

Through the Plan's direct deposit feature, a participant may elect to have any cash dividends not being reinvested under the Plan paid by electronic funds transfer to the participant's predesignated U.S. bank account. To receive these dividends by direct deposit, please contact the Plan Administrator through their website, www.amstock.com or at (877) 7SEMPRA for a Direct Deposit Authorization Form. Participants must first complete and sign the direct deposit form and return the form to the Plan Administrator.

Direct Deposit Authorization Forms will be processed and will become effective as promptly as practicable after receipt by the Plan Administrator. Participants may change the designated account for direct deposit or discontinue this feature by written instruction to the Plan Administrator or at its website, www.amstock.com.

Purchase of Common Stock

Purchases of shares of our common stock under the Plan will be made at least once a week, but may be made more frequently. If any designated Investment Date is a day when the New York Stock Exchange is not open, the Investment Date will be the next business day.

Purchases will be made as soon as practicable after each Investment Date, consistent with applicable law and an orderly market for our common stock.

If shares are purchased in the open market, the price per share will be the weighted average price (excluding brokerage commissions) of all shares purchased for the relevant Investment Date. The participant's account will be credited with the shares purchased.

If shares are purchased directly from us, the price will be the average of the high and low sale prices of shares of our common stock reported on the NYSE-Composite Transactions on the Investment Date.

Neither the participant nor we has any authority or power to direct the time or price at which shares of common stock may be purchased or the selection of the security broker or dealer through or from whom common stock purchases will be made.

All fractional shares are rounded to three decimal places and are credited to the participant's account in the same manner as whole shares.

Participants will be required to pay certain fees in connection with the purchase of shares of common stock under the Plan. See "Shareholder Fees" on page S-10. Broker commissions incurred in the purchase of shares will be paid by Sempra Energy.

Sale of Shares

Participants may sell any number of shares of common stock held in the participant's account by accessing their account through the Administrator's website, www.amstock.com or by calling (877) 7SEMPRA and selecting the appropriate automated option or by sending a written request to the Administrator. Certificated shares can be deposited in a participant's Plan account and subsequently sold through the Plan. A request to sell all shares held in a participant's account will be treated as a termination of that account.

The Plan Administrator will process the participant's sale order as promptly as reasonably practicable after receiving the sale request. The proceeds of the sale, less applicable fees and commissions, will be sent to the participant.

Sales will be made for the participant's account on the open market through a security broker designated by the Plan Administrator. The Plan Administrator may combine each selling participant's share with those of other selling participants. The price to each selling participant will be the weighted average sale price obtained by the broker, net of fees for each aggregate order executed by the broker. The participant will receive the proceeds, less any applicable fees and commissions.

Participants will be required to pay certain fees in connection with the sale of shares of our common stock under the Plan. See "Shareholder Fees" on page S-10.

Certificates for Shares

Shares of our common stock purchased and held under the Plan will be credited to the participant's account in book entry form. The number of shares (including fractional interests) held for each participant will be shown on each statement. Participants may obtain a certificate for some or all of the whole shares held in their Plan accounts upon written, telephonic or Internet request to the Plan Administrator.

Certificates will be issued in the name or names in which the account is registered, unless otherwise instructed. If the certificate is to be issued in a name other than that on the participant's Plan account, the signature(s) on the instructions or stock power must be Medallion Guaranteed by an eligible financial or securities institution participating in the Medallion Guarantee program. The Medallion Guarantee program ensures that the individual signing the certificates is in fact the registered owner as it appears on the stock certificate or stock power. No certificates will be issued for fractional shares.

Withdrawal From The Plan

Participants may withdraw from the Plan by accessing their account through the Plan Administrator's website, www.amstock.com, by calling (877) 7SEMPRA, by giving written notice to the Plan Administrator or by completing and returning the appropriate section of the Statement of Account to the Plan Administrator. Upon withdrawal, the participant must elect to either (i) receive a certificate for the number of whole shares held in the participant's Plan account and a check for the value of any fractional shares less any applicable fees and commissions; or (ii) sell all or part of the whole shares in the participant's Plan account as described under "Sale of Shares," and receive a certificate for any remaining whole shares and a check for the value of any fractional shares less any applicable fees and commissions.

If a notice to withdraw is received by the Plan Administrator on or after the record date for a dividend payment, the Plan Administrator, in its sole discretion, may either pay the dividend in cash or reinvest the dividend in shares on behalf of the withdrawing participant. If the dividend is reinvested, the Administrator may sell the shares purchased and remit the proceeds to the participant.

Share Safekeeping

Participants may use the Plan's "share safekeeping" service to deposit any certificates for shares of our common stock in their possession with the Administrator. Shares deposited will be transferred into the name of the Plan Administrator or its nominee and credited to the participant's account under the Plan.

Certificates to be deposited should not be endorsed. They should be sent to the Brooklyn, New York address listed on page S-4 via registered mail, return receipt requested and insured for possible mail loss for 2% of the current market value (plus \$25). The insurance proceeds would be available to cover the premium for the bond required in order to replace the lost certificates.

By using the share safekeeping service, investors no longer bear the risk associated with loss, theft or destruction of stock certificates. Shares held in safekeeping can be sold and withdrawn from time to time, as described in "Sale of Shares" on page S-8, and "Gift or Transfer of Shares," as described below.

Gift or Transfer of Shares

If participants wish to change the ownership of all or part of their shares of our common stock held under the Plan through a gift, private sale or otherwise, the participant must deliver properly completed written instructions to the Plan Administrator. Transfers must be made in whole shares. No fraction of a share credited to a participant's account may be transferred unless the participant's entire account is transferred. Signatures must be Medallion Guaranteed by an eligible financial or securities institution participating in the Medallion Guarantee program.

Participants may make gifts of Sempra Energy common stock by:

- making an initial investment of at least \$500 and up to a maximum of \$150,000 to establish an account in the recipient's name;

- submitting an optional cash investment in an amount not less than \$25 nor more than \$150,000 on behalf of an existing Plan participant; or
- by transferring shares from the participant's account to another person.

Shares may be transferred to new or existing shareholders.

A gift certificate, if requested, will be sent to the account holder, free of charge, for presentation to the recipient by calling Sempra Energy's Shareholder Services at (877) SEMPRA7.

The new participants, at their option, may elect one of the following options:

- have cash dividends on all of the shares of our common stock automatically reinvested in additional common stock;
- have cash dividends on less than all of the whole shares paid in cash and reinvest any remaining amounts of dividends in additional shares of our common stock; or
- have all dividends paid in cash.

If no election is made, the account will automatically be enrolled in the cash dividends program.

Shareholder Fees

Optional Cash Investment:

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|------------------------------------|---|
| – via check | Sempra Energy pays the purchase transaction fee |
| – via automatic monthly deductions | \$0.50 per transaction |

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|---------------------------|---|
| Reinvestment of Dividends | Sempra Energy pays the purchase transaction fee |
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| Sales Fee | \$10 per transaction plus commission of \$0.03 per share |
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| Certificate Withdrawal | No Charge |
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| Replace DRP Statement | Information is available on line at no cost. For a hard copy, no charge for current year statements; \$20 per request per account for prior year statements. |
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| Replace Lost 1099 | Information is available on line at no cost. For hard copy, no charge for current year 1099's; \$15 per request per account for prior year hard copy 1099's. |
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| Copy of Paid Dividend Check | \$15 |
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| Return Check for NSF | \$25 |
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| Copy of Cancelled Certificate | \$25 |
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| Lost Certificate Replacement | \$25 plus 2% fair market value of the value of lost certificate |
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Reports to Participants

Whenever a participant purchases, sells or deposits shares of our common stock through the Plan, the participant will promptly receive from the Plan Administrator a transaction advice with the details of the transaction.

After each dividend reinvestment, the participant will receive a detailed statement showing the amount of the latest dividend reinvested, the purchase price per share, the number of shares purchased (three decimal places) for the Participant and the total shares held for the Participant in the Plan. The statement will also show all year-to-date account activity, including purchases, sales, certificate deposits or withdrawals and dividend reinvestments.

Quarterly statements show participant's current account balance including all certificated shares, Plan book-entry shares and the dividend amount reinvested each quarter. The account statements will also show year-to-date transaction activity, including any purchases, sales, certificate deposits or withdrawals.

On each statement and transaction advice there will be information such as how to buy or sell shares through the Plan and where to call or write for additional information.

Participants will receive copies of all communications that we send to holders of our common stock. This includes annual reports to shareholders and proxy materials. We may deliver these communications electronically or the electronic notice of where they may be accessed on the Internet. A participant may elect to non-electronic communications by calling 1-866-668-8562.

All notices, statements and reports from the Plan Administrator to a participant will be addressed to the participant's latest address on record with the Plan Administrator. Participants should promptly notify the Plan Administrator of any change of address.

Certain U.S. Federal Income Tax Consequences

The following is a summary of the principal U.S. federal income tax consequences of participation in the Plan as of the date of this prospectus supplement. This summary does not reflect every tax situation that could result from participation in the Plan, and we advise you to consult your own tax advisors for information about your specific situation.

In general, all your cash dividends, whether paid to you in cash or reinvested in our common stock on your behalf, are considered taxable income to you at the time they are received or reinvested. In addition, brokerage commissions paid by us on your behalf to purchase our common stock on the open market will be treated as distributions to you subject to income tax in the same manner as cash dividends. The total amount of dividends and other distributions will be reported to you and to the Internal Revenue Service on Form 1099-DIV shortly after the end of each year.

In general, the cost basis for U.S. federal income tax purposes of shares of our common stock acquired through the Plan will be the price at which the shares are credited to your Plan account, plus, in the case of any open market purchases, the amount of the brokerage commissions with respect to such shares paid by

us on your behalf. You generally will not realize gain or loss for U.S. federal income tax purposes upon the deposit of shares of our common stock in your Plan account. In contrast, you generally will realize gain or loss on the sale of the shares.

You must provide your federal taxpayer identification number to the Plan Administrator. If you are a new Plan participant, you must also certify to the Plan Administrator as required by Section 3406(d) of the Internal Revenue Code of 1986, as amended. Failure to comply with these requirements may subject your dividends to back-up withholding, unless you are exempt from such requirements. As of the date of this prospectus supplement, back-up withholding is imposed at the rate of 28% on dividends.

If you are a foreign participant, you or your intermediary must provide an appropriate Form W-8 (for example, a Form W-8BEN, Form W-8ECI or Form W-8IMY, as applicable to you) to the Plan Administrator to avoid withholding on dividends. As of the date of this prospectus, such withholding is at the rate of 30% of the gross amount of the dividend, subject to treaty reduction and other exceptions.

If your dividends are or become subject to U.S. federal tax withholding, to the extent you elect dividend reinvestment, the Plan Administrator will reinvest your dividends less the amount of tax required to be withheld. The filing of any documentation required to obtain a reduction in U.S. federal tax withholding is your responsibility. In addition, it is your responsibility to determine whether you have a filing obligation or are exempt with respect to the above withholding requirements.

THE FOREGOING IS A SUMMARY OF THE PRINCIPAL FEDERAL INCOME TAX CONSEQUENCES OF PARTICIPATION IN THE PLAN. THE ABOVE CONSEQUENCES MAY NOT BE APPLICABLE TO CERTAIN PARTICIPANTS IN THE PLAN, SUCH AS TAX-EXEMPT ENTITIES (INCLUDING INDIVIDUAL RETIREMENT ACCOUNTS) AND FOREIGN SHAREHOLDERS. FOR FURTHER INFORMATION AS TO THE TAX CONSEQUENCES TO YOU, INCLUDING STATE, LOCAL AND FOREIGN TAX CONSEQUENCES, YOU SHOULD CONSULT WITH YOUR OWN TAX ADVISORS. THE FOREGOING DISCUSSION IS BASED ON FEDERAL INCOME TAX LAWS IN EFFECT AS OF THE DATE OF THIS PROSPECTUS SUPPLEMENT. YOU SHOULD CONSULT WITH YOUR OWN TAX ADVISORS WITH RESPECT TO THE IMPACT OF ANY FUTURE CHANGES IN LAW, PROPOSALS TO CHANGE LAW OR LAW ENACTED AFTER THE DATE OF THIS PROSPECTUS SUPPLEMENT.

Miscellaneous

Stock Dividend or Stock Split

Any shares of our common stock distributed as a result of a stock dividend or stock split on shares held by the Plan Administrator for a participant will be credited to the participant's Plan account. Transaction processing may either be curtailed or suspended until the completion of any stock dividend, stock split or corporate action.

Rights Offering

A participant's entitlement in a rights offering will be based upon the participant's number of whole shares only.

Voting of Proxies

A participant will receive a proxy card, either by hard copy or electronic link, representing both the shares held by the participant in certificate form and the whole shares held by the Plan Administrator in the participant's account under the Plan. The proxy will be voted as indicated by the participant on the signed proxy. If the proxy card or instruction form is not returned or if it is returned unsigned by the registered owner(s), none of the participant's shares will be voted. Proxies can be voted by mail, by the Internet at www.voteproxy.com or by telephone.

Limitation of Liability

Neither Sempra Energy nor the Plan Administrator, in administering the Plan, will be liable for any act done in good faith or for any good faith omission to act, including, without limitation, any claim of liability arising out of failure to terminate a participant's account upon such participant's death, the prices at which shares are purchased or sold for the participant's account or the times when such purchases or sales are made or fluctuations in the market value of common stock. This limitation of liability does not constitute a waiver of any rights a participant might have under applicable federal securities laws

Participants should recognize that neither Sempra Energy nor the Plan Administrator can assure them of a profit or protect them against a loss on the shares purchased by them under the Plan.

Dividends currently are paid quarterly to shareholders. The payment of future dividends is within the discretion of the Sempra Energy board of directors.

Change or Termination of Plan

Sempra Energy reserves the right to suspend, modify or terminate the Plan at any time. All participants will receive notice of any such suspension, modification or termination. Upon termination of the Plan, certificates for whole shares held in a participant's account under the Plan will be issued and a cash payment will be made for any fractional share less applicable fees and commissions.

USE OF PROCEEDS

Shares of our common stock purchased through the Plan will, at our option, be newly issued shares, shares purchased in the open market by the Plan Administrator or a combination of newly issued shares and open market purchases by the Plan Administrator. We are unable to estimate the number of newly issued shares that will be purchased directly from us under the Plan. If shares for the Plan are purchased from us, the net proceeds will be used by us for general corporate purposes.

LEGAL MATTERS

Gary W. Kyle, Chief Corporate Counsel of Sempra Energy has passed on the validity of the common stock offered under the Plan.

EXPERTS

The consolidated financial statements as of December 31, 2007 and 2006 and for each of the three years in the period ended December 31, 2007 and the related financial statement schedule, incorporated by reference in this prospectus supplement from Sempra Energy's annual report on Form 10-K for the year ended December 31, 2007, and the effectiveness of Sempra Energy's internal control over financial reporting have been audited by Deloitte & Touche LLP, an independent registered public accounting firm, as stated in their reports incorporated by reference herein (which reports (1) express an unqualified opinion on the consolidated financial statements and financial statement schedule and include an explanatory paragraph relating to the adoption of new accounting standards, and (2) express an unqualified opinion on the effectiveness of internal control over financial reporting), and have been so incorporated in reliance upon the reports of such firm given upon their authority as experts in accounting and auditing.