

SEMPRA ENERGY  
Form 424B5  
January 27, 2003  
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The information in this preliminary prospectus supplement is not complete and may be changed. This preliminary prospectus supplement is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.

Filed pursuant to Rule 424(b)(5)  
Registration No. 333-52192

SUBJECT TO COMPLETION, DATED JANUARY 27, 2003

PROSPECTUS SUPPLEMENT  
(To Prospectus Dated January 10, 2001)

\$ ,000,000

% Notes due 2013

The notes will bear interest at the rate of % per year. Interest on the notes is payable on and of each year, beginning on , 2003. The notes will mature on , 2013. Sempra Energy may redeem some or all of the notes at any time at the redemption prices as described in this prospectus supplement.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus supplement or the related prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

	Per Note	Total
Public Offering Price	%	\$
Underwriting Discount	%	\$
Proceeds to Sempra Energy (before expenses)	%	\$

Interest on the notes will accrue from the date of issuance. Purchasers of notes must pay the accrued interest if they take delivery of the notes after the date of issuance.

The underwriters expect to deliver the notes to purchasers on or about , 2003 through The Depository Trust Company and its participants, Euroclear and Clearstream.

**JPMorgan**

**Salomon Smith Barney**

**Banc One Capital Markets, Inc**

**Deutsche Bank Securities**

**Scotia Capital  
SG Cowen**

, 2003

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You should rely only on the information contained in or incorporated by reference in this prospectus supplement and the accompanying prospectus. We have not authorized anyone to provide you with different information. We are not making an offer of these securities in any state where the offer is not permitted. You should not assume that the information contained in this prospectus supplement or the accompanying prospectus is accurate as of any date other than the date on the front of this prospectus supplement and the date on the front of the accompanying prospectus, respectively, and you should not assume that the information incorporated by reference is accurate as of any date other than the date of the document incorporated by reference.

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**FORWARD-LOOKING STATEMENTS**

This prospectus supplement and the accompanying prospectus and the documents they incorporate by reference contain statements that are not historical fact and constitute forward-looking statements. When we use words like believes, expects, anticipates, intends, plans, estimates, should or similar expressions, or when we discuss our strategy or plans, we are making forward-looking statements. Forward-looking statements are not guarantees of performance. They involve risks, uncertainties and assumptions. Our future results may differ materially from those expressed in these 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:

national, international, regional and local economic, competitive, technological, political, legislative and regulatory conditions and developments;

actions by the California Public Utilities Commission, the California State Legislature, the California Department of Water Resources and the Federal Energy Regulatory Commission;

capital market conditions, inflation rates, exchange rates and interest rates;

energy markets, including the timing and extent of changes in commodity prices;

weather conditions;

war and terrorist attacks;

business, regulatory and legal decisions;

the pace of deregulation of retail natural gas and electricity delivery;

the timing and success of business development efforts; 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 Business and Management's Discussion and Analysis of Financial Condition and Results of Operations in our Annual Report on Form 10-K for the year ended December 31, 2001, our Quarterly Reports on Form 10-Q for the three-month periods ended March 31, 2002, June 30, 2002 and September 30, 2002, and other documents on file with the Securities and Exchange Commission, or the SEC. You may obtain copies of these documents as described under Where You Can Find More Information in the accompanying prospectus.

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**SUMMARY INFORMATION**

The following information supplements, and should be read together with, the information contained in the accompanying prospectus. This summary highlights selected information from this prospectus supplement and the accompanying prospectus to help you understand the notes. You should carefully read this prospectus supplement and the accompanying prospectus, as well as the documents they incorporate by reference, to understand fully the terms of the notes and other considerations that are important to you in making a decision about whether to invest in the notes. Unless we state otherwise, or the context otherwise requires, references appearing in this prospectus supplement to we, us and our refer to Sempra Energy and its subsidiaries.

**Sempra Energy**

Sempra Energy, based in San Diego, is a Fortune 500 energy services holding company. Our family of companies provides a wide spectrum of value-added electric and gas products and services to a diverse range of customers. Our operations are divided between our delivery services, which are comprised of our California utility subsidiaries, and Sempra Energy Global Enterprises, our growth businesses, as described below.

As of September 30, 2002, our California utility subsidiaries, Southern California Gas Company and San Diego Gas & Electric Company, served over 21 million consumers. Natural gas service was provided throughout Southern California and portions of Central California through over 5.9 million active meters as of September 30, 2002. Electric service was provided throughout San Diego County and portions of Orange County, both in Southern California, through approximately 1.3 million active meters as of September 30, 2002.

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Our other subsidiaries provide the following energy-related products and services:

Sempra Energy Resources acquires, develops and operates power plants for the competitive market;

Sempra Energy Trading is a wholesale trader of physical and financial energy products, including natural gas, power, crude oil and other commodities, and a trader and wholesaler of metals, serving a broad range of customers;

Sempra Energy International engages in energy-infrastructure projects outside the United States and, as of September 30, 2002, has interests in companies that provide natural gas and electricity services to over 2.6 million customers in Argentina, Chile, Mexico and Peru; and

Sempra Energy Solutions provides energy-related products and services on a retail basis, including energy efficiency engineering services, to various markets.

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

**Recent Developments**

As previously reported, we are defendants in several antitrust and other lawsuits alleging that we have unlawfully sought to control and have manipulated natural gas and electricity markets. During the fourth quarter of 2002, additional similar lawsuits have been filed in various jurisdictions. We believe these lawsuits are without merit.

On December 19, 2002, the California Public Utilities Commission rendered a 3-to-2 decision approving a settlement of regulatory issues relating to the treatment of profits from intermediate term purchase power contracts entered into by San Diego Gas & Electric Company during the early stages of California's electric utility industry restructuring. The decision adopts the June 2002 proposed settlement, previously described in our Quarterly Report on Form 10-Q for the quarter ended September 30, 2002, that allocates the profits between San Diego Gas & Electric Company and its customers. The profits allocated to customers reduce San Diego Gas & Electric Company's balancing account undercollections, but do not adversely affect San Diego Gas & Electric Company's financial position, liquidity or results of operations. The term of a commissioner who voted to approve the settlement has expired, and a new commissioner has been appointed. Parties to the proceeding have until January 29, 2003 to request a Commission rehearing of the decision, and at least one has stated an intention to do so. Parties requesting a rehearing and parties to any rehearing may also appeal the Commission's final decision to the California appellate courts.

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**The Offering**

Issuer	Sempra Energy.
Amount of Notes Offered	\$ _____ in principal amount of _____ % Notes due 2013.
Maturity	_____, 2013.
Interest Rate	_____% per annum, accruing from _____, 2003.
Interest Payment Dates	_____ and _____, beginning _____, 2003.
Ranking	The notes are our unsecured senior obligations. The notes will rank senior to all of our existing and future indebtedness that is subordinated to the notes and equally with all of our other existing and future unsecured senior indebtedness. The notes will be effectively subordinated to all liabilities of our subsidiaries.
Optional Redemption	We may redeem all or a portion of the notes at any time at the redemption prices described in this prospectus supplement, plus accrued interest to the date of redemption.
Covenants	The notes and the related indenture do not contain any financial or other similar restrictive covenants. However, we will be subject to the covenant described under the caption Description of Debt Securities Consolidation, Merger and Conveyance of Assets as an Entirety; No Financial Covenants in the accompanying prospectus.
Use of Proceeds	We estimate the net proceeds from this offering will be approximately \$ _____ million. We intend to use the net proceeds of the offering to reduce short-term debt.
Further Issuances	Initially, the notes will be limited to \$ _____ million in aggregate principal amount. We may, however, reopen the series of notes and issue an unlimited principal amount of additional notes of that series in the future.
Ratings	We anticipate the notes will be assigned a rating of A- by Standard & Poor's, Baa1 by Moody's and A by Fitch.

**Table of Contents****USE OF PROCEEDS**

We intend to use the net proceeds of approximately \$ million from the sale of the notes to reduce our commercial paper borrowings, of which \$528 million was outstanding at January 15, 2003 with a weighted average interest rate of approximately 1.75% and a maturity of 30 days or less. We estimate that the expenses for this offering, excluding underwriting discounts and commissions, will be approximately \$250,000.

**CAPITALIZATION**

The following table sets forth our unaudited consolidated capitalization and short-term debt as of September 30, 2002 (i) on an historical basis and (ii) on an as adjusted basis to give effect to the sale of \$ aggregate principal amount of notes pursuant to this offering and the application of the estimated \$ million net proceeds from the sale to reduce short-term debt. This table should be read in conjunction with the Summary Historical Condensed Consolidated Financial Information and other financial information contained and incorporated by reference in this prospectus supplement and the accompanying prospectus.

	September 30, 2002	
	Historical	As Adjusted
	(dollars in millions)	
Cash and cash equivalents	\$ 420	\$
Debt:		
Short-term debt	\$ 685	\$
Current portion of long-term debt(1)	183	
Long-term debt(1)(2)	3,876	
Total debt	4,744	
Preferred stock of subsidiaries	204	
Mandatorily redeemable trust preferred securities	200	
Total shareholders' equity	2,727	
Total capitalization	\$ 7,875	\$

- (1) Long-term debt includes \$281 million, and the current portion of long-term debt includes \$66 million, of Rate Reduction Notes. The notes were issued by a San Diego Gas & Electric Company subsidiary in 1997 to finance a legislatively mandated rate reduction. They are repayable solely through a special charge on customer bills and are nonrecourse to San Diego Gas & Electric Company.
- (2) Long-term debt includes \$600 million of Equity Units issued during the second quarter of 2002.



**Table of Contents****RATIO OF EARNINGS TO COMBINED FIXED CHARGES**

The following table sets forth our ratio of earnings to combined fixed charges for each of the years in the five-year period ended December 31, 2001 and for each of the nine month periods ended September 30, 2002 and 2001:

	Years Ended December 31,					Nine Months Ended September 30,	
	2001	2000	1999	1998	1997	2002	2001
Ratio of Earnings to Combined Fixed Charges	2.86	2.90	3.21	2.74	3.76	3.28	3.17

We determined the ratio of earnings to combined fixed charges by dividing (a) the sum of pretax income and fixed charges by (b) fixed charges. Fixed charges consist of all interest expense (before allowances for borrowed funds used during construction), preferred dividends by subsidiaries, one-third of rent expense (which approximates the interest component of such expense) and amortization of debt issuance costs.

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**Table of Contents****SUMMARY HISTORICAL CONDENSED CONSOLIDATED  
FINANCIAL INFORMATION**

The following table contains our summary historical condensed consolidated financial information. The summary historical condensed consolidated financial information as of December 31, 2001, and for the two years then ended has been derived from our audited consolidated financial statements for the years ended December 31, 2001 and 2000. The summary historical condensed consolidated financial information as of September 30, 2002, and for the nine month periods ended September 30, 2002 and 2001, has been derived from our unaudited consolidated financial statements for the nine month periods ended September 30, 2002 and 2001. In the opinion of management, the interim condensed consolidated financial information reflects all adjustments necessary for a fair presentation. These adjustments are only of a normal recurring nature. The summary historical condensed consolidated financial information should be read in conjunction with and is qualified in its entirety by reference to the audited and unaudited consolidated financial statements and the related notes thereto from which it has been derived. More comprehensive financial information is included in the consolidated financial statements and related notes contained in our Annual Report on Form 10-K and Quarterly Reports on Form 10-Q, which we file with the SEC.

**Condensed Consolidated Statements of Income**

(dollars in millions, except per share data)

	For the Years Ended December 31,		For the Nine Months Ended September 30,	
	2001	2000	2002	2001
			(unaudited)	
Revenues(1)	\$ 8,029	\$ 7,037	\$ 4,338	\$ 6,431
Expenses(1)	(7,036)	(6,153)	(3,545)	(5,569)
Other income	90	127	41	83
Preferred dividends by subsidiaries	(29)	(26)	(22)	(22)
Income before interest and income taxes	1,054	985	812	923
Interest	(323)	(286)	(224)	(260)
Income taxes	(213)	(270)	(145)	(253)
Net income	\$ 518	\$ 429	\$ 443	\$ 410
EDITDA(2)	\$ 1,572	\$ 1,447	\$ 1,240	\$ 1,290

- (1) In accordance with generally accepted accounting principles ( GAAP ) then in effect, the years ended December 31, 2001 and 2000 report energy commodity sales of Sempra Energy Solutions on the gross basis of accounting, in which commodity sales are included in revenues and commodity costs are included in expenses. In accordance with a 2002 change in GAAP, the nine month periods ended September 30, 2002 and 2001 (as reflected in our Quarterly Report on Form 10-Q for the quarter ended September 30, 2002) report these sales on the net basis of accounting, in which the difference between the sales prices and commodity costs are reported in revenue. When our statements of income for the years ended December 31, 2001 and 2000 are presented in our 2002 Annual Report, they will be conformed to the nine-month presentation. The effect will be to decrease both revenues and expenses by \$299 million for the year ended December 31, 2001 and by \$277 million for the year ended December 31, 2000.
- (2) EBITDA is defined as operating income plus depreciation and amortization as reported in the consolidated statement of cash flows. EBITDA is not a measure of performance under GAAP. While EBITDA should not be considered as a substitute for net income, cash flows from operating activities and other income or cash flow statement data prepared in accordance with GAAP, or as a measure of profitability or liquidity, management understands that EBITDA is customarily used as a measure in evaluating companies.

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**Condensed Consolidated Balance Sheets**  
(dollars in millions)

	September 30, 2002	December 31, 2001
	(unaudited)	
<b>Assets</b>		
Current assets	\$ 6,464	\$ 4,808
Investments and other assets	4,123	4,131
Property, plant and equipment	6,586	6,217
<b>Total assets</b>	<b>\$ 17,173</b>	<b>\$ 15,156</b>
<b>Liabilities and Shareholders' Equity</b>		
<b>Liabilities</b>		
Current liabilities	\$ 6,865	\$ 5,524
Long-term debt	3,876	3,436
Deferred credits and other liabilities	3,301	3,100
<b>Total liabilities</b>	<b>14,042</b>	<b>12,060</b>
Preferred stock of subsidiaries	204	204
Mandatorily redeemable trust preferred securities	200	200
<b>Shareholders' Equity</b>		
Common stock	1,435	1,495
Retained earnings	1,764	1,475
Deferred compensation relating to ESOP	(34)	(36)
Accumulated other comprehensive income (loss)	(438)	(242)
<b>Total shareholders' equity</b>	<b>2,727</b>	<b>2,692</b>
<b>Total liabilities and shareholders' equity</b>	<b>\$ 17,173</b>	<b>\$ 15,156</b>

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**DESCRIPTION OF THE NOTES**

The notes offered by this prospectus supplement are a series of senior debt securities of Sempra Energy as described below and in the accompanying prospectus. The notes will be issued under an indenture between Sempra Energy, as issuer, and U.S. Bank Trust National Association, as trustee. The summary of selected provisions of the notes and the indenture referred to below supplements, and to the extent inconsistent supersedes and replaces, the description of the general terms and provisions of the senior debt securities and the indenture contained in the accompanying prospectus. This summary is not complete and is qualified by reference to provisions of the notes and the indenture. Forms of the notes and the indenture have been or will be filed with the SEC and you may obtain copies as described under [Where You Can Find More Information](#) in the accompanying prospectus.

In this section, references to Sempra Energy, we, our, us and the Company mean Sempra Energy excluding, unless otherwise expressly stated in the context otherwise requires, its subsidiaries.

**General**

The notes will constitute a separate series of senior debt securities under the indenture, initially limited to \$ \_\_\_\_\_ million aggregate principal amount. We may, from time to time, without giving notice to or seeking the consent of the holders of the debt securities, issue additional notes having the same ranking, interest rate, maturity and other terms as the notes issued in this offering. Any additional notes having such similar terms together with the previously issued notes will constitute a single series of debt securities under the indenture.

The notes will mature on \_\_\_\_\_, 2013. The notes will bear interest at the rate of \_\_\_\_\_ % per annum, accruing from \_\_\_\_\_, 2003. Interest on the notes will be paid semi-annually, in arrears, on \_\_\_\_\_ and \_\_\_\_\_ to the holders of record at the close of business 15 days immediately preceding the applicable interest payment date. Interest on the notes will be computed on the basis of a 360-day year of twelve 30-day months.

If any interest payment date, redemption date or the maturity date of the notes is not a business day at any place of payment, then payment of the principal, premium, if any, and interest may be made on the next business day at that place of payment. In that case, no interest will accrue on the amount payable for the period from and after the applicable interest payment date, redemption date or maturity date, as the case may be.

The notes initially will be issued in book-entry form and represented by one or more global notes deposited with, or on behalf of, The Depository Trust Company, as Depository, and registered in the name of Cede & Co., its nominee. This means that you will not be entitled to receive a certificate for the notes that you purchase except under the limited circumstances described below under the caption [Book-Entry, Delivery and Form](#). If any of the notes are issued in certificated form they will be issued only in fully registered form without coupons, in denominations of \$1,000 and integral multiples of \$1,000.

So long as the notes are in book-entry form, you will receive payments and may transfer notes only through the facilities of the Depository and its direct and indirect participants. See [Book-Entry, Delivery and Form](#). We will maintain an office or agency in the Borough of Manhattan, The City of New York where notices and demands in respect of the notes and the indenture may be delivered to us and where certificated notes may be surrendered for payment, registration of transfer or exchange. That office or agency will initially be the office of the trustee, which is currently located at 100 Wall Street, Suite 1600, New York, New York 10005.

So long as the notes are in book-entry form, we will make payments on the notes to the Depository or its nominee, as the registered owner of the notes, by wire transfer of immediately available funds. If notes are issued in definitive certificated form under the limited circumstances described under the caption [Book-Entry, Delivery and Form](#), we will have the option of paying interest by check mailed to the addresses of the persons entitled to

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payment or by wire transfer to bank accounts in the United States designated in writing to the trustee at least 15 days before the applicable payment date by the persons entitled to payment.

We will pay principal of and any premium on the notes at stated maturity, upon redemption or otherwise, upon presentation of the notes at the office of the trustee, as our paying agent. In our discretion, we may appoint one or more additional paying agents and security registrars and designate one or more additional places for payment and for registration of transfer, but we must at all times maintain a place of payment of the notes and a place for registration of transfer of the notes in the Borough of Manhattan, The City of New York.

We will be entitled to redeem the notes at our option as described below under the caption *Optional Redemption*. The notes will not be subject to a sinking fund. You will not be permitted to require us to redeem or repurchase the notes at your option.

The notes will be our unsecured and unsubordinated obligations and will rank on a parity in right of payment with all of our other unsecured and unsubordinated indebtedness. The notes are our obligations exclusively, and are not the obligations of any of our subsidiaries. Because we conduct our operations primarily through our subsidiaries and substantially all of our consolidated assets are held by our subsidiaries, the notes will be effectively subordinated to all existing and future indebtedness and other liabilities of our subsidiaries. At September 30, 2002, our subsidiaries had total consolidated liabilities of \$12.7 billion. See *Description of Debt Securities Guarantee of Sempra Energy; Holding Company Structure* in the accompanying prospectus.

**Optional Redemption**

All or a portion of the notes may be redeemed at our option at any time or from time to time. The redemption price for the notes to be redeemed on any redemption date will be equal to the greater of the following amounts:

100% of the principal amount of the notes being redeemed on the redemption date; or

the sum of the present values of the remaining scheduled payments of principal and interest on the notes being redeemed on that redemption date (not including any portion of any payments of interest accrued to the redemption date) discounted to the redemption date on a semiannual basis at the Adjusted Treasury Rate (as defined below) plus \_\_\_\_\_ basis points, as determined by the Reference Treasury Dealer (as defined below),

plus, in each case, accrued and unpaid interest thereon to the redemption date. Notwithstanding the foregoing, installments of interest on notes that are due and payable on interest payment dates falling on or prior to a redemption date will be payable on the interest payment date to the registered holders as of the close of business on the relevant record date according to the notes and the indenture. The redemption price will be calculated on the basis of a 360-day year consisting of twelve 30-day months.

We will mail notice of any redemption at least 30 days but not more than 60 days before the redemption date to each registered holder of the notes to be redeemed. Once notice of redemption is mailed, the notes called for redemption will become due and payable on the redemption date and at the applicable redemption price, plus accrued and unpaid interest to the redemption date. If we elect to redeem all or a portion of the notes, that redemption will not be conditional upon receipt by the paying agent or the trustee of monies sufficient to pay the redemption price. See *Description of Debt Securities Redemption* in the accompanying prospectus.

Unless we default in payment of the redemption price, on and after the redemption date interest will cease to accrue on the notes or portions thereof called for redemption.

*Adjusted Treasury Rate* means, with respect to any redemption date, the rate per annum equal to the semiannual equivalent yield to maturity of the Comparable Treasury Issue, assuming a price for the Comparable

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Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for such redemption date.

*Comparable Treasury Issue* means the United States Treasury security selected by the Reference Treasury Dealer as having a maturity comparable to the remaining term of the notes to be redeemed that would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to the remaining term of such notes.

*Comparable Treasury Price* means, with respect to any redemption date, (A) the average of the Reference Treasury Dealer Quotations for such redemption date or (B) if only one Reference Treasury Dealer Quotation is received, such Quotation.

*Reference Treasury Dealer* means (A) J.P. Morgan Securities Inc. and Salomon Smith Barney Inc. (or their respective affiliates which are Primary Treasury Dealers), and their respective successors; provided, however, that if any of the foregoing shall cease to be a primary U.S. Government securities dealer in New York City (a Primary Treasury Dealer), we will substitute therefor another Primary Treasury Dealer; and (B) any other Primary Treasury Dealer(s) selected by the trustee after consultation with us.

*Reference Treasury Dealer Quotation* means, with respect to each Reference Treasury Dealer and any redemption date, the average, as determined by the trustee, of the bid and asked prices for the Comparable Treasury Issue (expressed in each case as a percentage of its principal amount) quoted in writing to the trustee by such Reference Treasury Dealer at 5:00 p.m. (New York City time) on the third business day preceding such redemption date.

**Book-Entry, Delivery and Form**

The notes initially will be issued in book-entry form and represented by one or more global notes. The global notes will be deposited with, or on behalf of, The Depository Trust Company ( DTC ), New York, New York, as Depositary, and registered in the name of Cede & Co., the nominee of DTC. Unless and until it is exchanged for individual certificates evidencing notes under the limited circumstances described below, a global note may not be transferred except as a whole by the Depositary to its nominee or by the nominee to the Depositary, or by the Depositary or its nominee to a successor Depositary or to a nominee of the successor Depositary.

DTC has advised us that it is:

- a limited-purpose trust company organized under the New York Banking Law;
- a banking organization within the meaning of the New York Banking Law;
- a member of the Federal Reserve System;
- a clearing corporation within the meaning of the New York Uniform Commercial Code; and
- a clearing agency registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934.

DTC holds securities that its participants deposit with DTC. DTC also facilitates the settlement among its participants of securities transactions, including transfers and pledges, in deposited securities through electronic computerized book-entry changes in participants' accounts, which eliminates the need for physical movement of securities certificates. Direct participants in DTC include securities brokers and dealers, including underwriters, banks, trust companies, clearing corporations and other organizations. DTC is owned by a number of its direct participants and by the New York Stock Exchange, Inc., the American Stock Exchange, Inc. and the National Association of Securities Dealers, Inc. Access to the DTC system is also available to others, which we

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sometimes refer to as indirect participants, that clear transactions through or maintain a custodial relationship with a direct participant either directly or indirectly. The rules applicable to DTC and its participants are on file with the SEC.

Purchases of notes within the DTC system must be made by or through direct participants, which will receive a credit for those notes on DTC's records. The ownership interest of the actual purchaser of a note, which we sometimes refer to as a beneficial owner, is in turn recorded on the direct and indirect participants' records. Beneficial owners of notes will not receive written confirmation from DTC of their purchases. However, beneficial owners are expected to receive written confirmations providing details of their transactions, as well as periodic statements of their holdings, from the direct or indirect participants through which they purchased notes. Transfers of ownership interests in global notes are to be accomplished by entries made on the books of participants acting on behalf of beneficial owners. Beneficial owners will not receive certificates representing their ownership interests in the global notes except under the limited circumstances described below.

To facilitate subsequent transfers, all global notes deposited with DTC will be registered in the name of DTC's nominee, Cede & Co. The deposit of notes with DTC and their registration in the name of Cede & Co. will not change the beneficial ownership of the notes. DTC has no knowledge of the actual beneficial owners of the notes. DTC's records reflect only the identity of the direct participants to whose accounts the notes are credited, which may or may not be the beneficial owners. The participants are responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to direct participants, by direct participants to indirect participants and by direct participants and indirect participants to beneficial owners will be governed by arrangements among them, subject to any legal requirements in effect from time to time.

Redemption notices will be sent to DTC or its nominee. If less than all of the notes are being redeemed, DTC will determine the amount of the interest of each direct participant in the notes to be redeemed in accordance with DTC's procedures.

In any case where a vote may be required with respect to the notes, neither DTC nor Cede & Co. will give consents for or vote the global notes. Under its usual procedures, DTC will mail an omnibus proxy to us as soon as possible after the record date. The omnibus proxy assigns the consenting or voting rights of Cede & Co. to those direct participants to whose accounts the notes are credited on the record date identified in a listing attached to the omnibus proxy.

Principal and interest payments on the notes will be made to Cede & Co., as nominee of DTC. DTC's practice is to credit direct participants' accounts on the relevant payment date unless DTC has reason to believe that it will not receive payment on the payment date. Payments by direct and indirect participants to beneficial owners will be governed by standing instructions and customary practices, as is the case with securities held for the account of customers in bearer form or registered in street name. Those payments will be the responsibility of participants and not of DTC or us, subject to any legal requirements in effect from time to time. Payment of principal and interest to Cede & Co. is our responsibility, disbursement of payments to direct participants is the responsibility of DTC, and disbursement of payments to the beneficial owners is the responsibility of direct and indirect participants.

Except under the limited circumstances described below, purchasers of notes will not be entitled to have notes registered in their names and will not receive physical delivery of notes. Accordingly, each beneficial owner must rely on the procedures of DTC and its participants to exercise any rights under the notes and the indenture.

The laws of some jurisdictions may require that some purchasers of securities take physical delivery of securities in definitive form. Those laws may impair the ability to transfer or pledge beneficial interests in notes.

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DTC is under no obligation to provide its services as Depositary for the notes and may discontinue providing its services at any time. Neither we nor the trustee will have any responsibility for the performance by DTC or its direct participants or indirect participants under the rules and procedures governing DTC.

As noted above, beneficial owners of notes generally will not receive certificates representing their ownership interests in the notes. However, if:

DTC notifies us that it is unwilling or unable to continue as a Depositary for the global notes or if DTC ceases to be a clearing agency registered under the Securities Exchange Act at a time when it is required to be registered and a successor Depositary is not appointed within 90 days of the notification to us or of our becoming aware of DTC's ceasing to be so registered, as the case may be;

we determine, in our sole discretion, not to have the notes represented by one or more global notes; or

an Event of Default, as defined in "Description of Debt Securities - Events of Default" in the accompanying prospectus, under the indenture has occurred and is continuing with respect to the notes,

we will prepare and deliver certificates for the notes in exchange for beneficial interests in the global notes. Any beneficial interest in a global note that is exchangeable under the circumstances described in the preceding sentence will be exchangeable for notes in definitive certificated form registered in the names that the Depositary directs. It is expected that these directions will be based upon directions received by the Depositary from its participants with respect to ownership of beneficial interests in the global notes.

We obtained the information in this section and elsewhere in this prospectus supplement concerning DTC and DTC's book-entry system from sources that we believe to be reliable, but we take no responsibility for the accuracy of this information.



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**UNITED STATES FEDERAL TAX CONSIDERATIONS**

The following is a summary of the material United States federal income and estate tax considerations relating to the purchase, ownership and disposition of the notes by holders thereof, but does not purport to be a complete analysis of all the potential tax considerations relating thereto. This summary supersedes, in its entirety, the discussion in the base prospectus entitled "Certain United States Federal Income Tax Consequences," to the extent it relates to debt securities. This summary is based upon the provisions of the Internal Revenue Code of 1986, as amended (the "Code"), Treasury Regulations promulgated under the Code, administrative rulings and judicial decisions, each as of the date hereof. These authorities may be changed, perhaps retroactively, so as to result in United States federal income and estate tax consequences different from those set forth below. We have not sought any ruling from the Internal Revenue Service or an opinion of counsel with respect to the statements made and the conclusions reached in the following summary, and there can be no assurance that the Internal Revenue Service will agree with such statements and conclusions.

This summary assumes that the notes are held as capital assets and holders purchase the notes upon their initial issuance pursuant to this prospectus at the notes' initial offering price. This summary also does not address the tax considerations arising under the laws of any foreign, state or local jurisdiction. In addition, this discussion does not address all tax considerations that may be applicable to a holder's particular circumstances or to holders that may be subject to special tax rules, including, without limitation:

holders subject to the alternative minimum tax;

banks, insurance companies or financial institutions;

tax-exempt organizations;

dealers in securities or commodities;

traders in securities that elect to use a mark-to-market method of accounting for their securities holdings;

U.S. holders (as defined below) whose functional currency is not the United States dollar;

persons that will hold the notes as a position in a hedging transaction, straddle, conversion transaction or other risk reduction transaction; or

persons deemed to sell the notes under the constructive sale provisions of the Code.

If a partnership holds notes, the tax treatment of a partner in the partnership will generally depend upon the status of the partner and the activities of the partnership. If you are a partner of a partnership holding our notes, you should consult your tax advisor regarding the tax consequences of the ownership and disposition of the notes.

**THIS SUMMARY OF THE MATERIAL UNITED STATES FEDERAL TAX CONSIDERATIONS IS FOR GENERAL INFORMATION ONLY AND IS NOT TAX ADVICE. YOU ARE URGED TO CONSULT YOUR TAX ADVISOR WITH RESPECT TO THE APPLICATION OF UNITED STATES FEDERAL INCOME TAX LAWS TO YOUR PARTICULAR SITUATION AS WELL AS ANY TAX CONSEQUENCES ARISING UNDER THE UNITED STATES FEDERAL ESTATE OR GIFT TAX RULES OR UNDER THE LAWS OF ANY STATE, LOCAL, FOREIGN OR OTHER TAXING JURISDICTION OR UNDER ANY APPLICABLE TAX TREATY.**

*Consequences to U.S. Holders*

The following is a summary of the United States federal tax consequences that will apply to you if you are a U.S. holder of the notes. Certain consequences to non-U.S. holders of the notes are described under the caption "Consequences to Non-U.S. Holders" below. U.S. holder means a beneficial owner of a note that is:

a citizen or resident of the United States as determined for federal income tax purposes;

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a corporation or partnership created or organized in or under the laws of the United States or any political subdivision of the United States;

an estate the income of which is subject to United States federal income taxation regardless of its source; or

a trust if (1) it is subject to the primary supervision of a court within the United States and one or more United States persons have the authority to control all substantial decisions of the trust or (2) it has a valid election in effect under applicable Treasury Regulations to be treated as a United States person.

*Payments of Interest*

Stated interest on the notes will generally be taxable to you as ordinary income from domestic sources at the time it is paid or accrues in accordance with your method of accounting for tax purposes.

*Sale, Exchange or Other Taxable Disposition of Notes*

You will generally recognize gain or loss upon the sale, exchange, redemption, retirement or other taxable disposition of a note equal to the difference between the amount realized upon the sale, exchange or other disposition (less any amount attributable to any accrued interest not previously included in income, which will be taxable as interest income) and your adjusted tax basis in the note. Your adjusted tax basis in a note will generally equal the amount you paid for the note. Any gain or loss recognized on a disposition of the note will be capital gain or loss. If you are an individual and have held the note for more than one year, such capital gain will generally be subject to tax at a maximum rate of 20%. Your ability to deduct capital losses may be limited.

*Discharge of Obligations*

Under certain circumstances, we may discharge our obligations under the indenture prior to maturity of the notes by depositing funds with the trustee in an amount which, together with earnings thereon, will be sufficient to pay and discharge the entire amount of principal and interest due on the notes through maturity. See *Description of Debt Securities Satisfaction and Discharge* in the accompanying prospectus. If we choose to exercise this right, it is possible that you will recognize income or gain at different times and/or in different amounts than otherwise described in this discussion of United States federal tax considerations.

*Backup Withholding and Information Reporting*

Payments of interest and principal on notes held by U.S. holders and the proceeds received upon the sale or other disposition of such notes may be subject to information reporting and backup withholding tax. Payments to certain holders (including, among others, corporations and certain tax-exempt organizations) are generally not subject to information reporting or backup withholding. If you are a U.S. holder, payments to you will be subject to information reporting and backup withholding tax if:

you fail to furnish your taxpayer identification number ( TIN ), which, for an individual, is ordinarily his or her social security number, in the manner required by the Code and applicable Treasury Regulations;

we or our agent (or other payor) are notified by the Internal Revenue Service that the TIN you furnished is incorrect;

there has been a notified payee underreporting with respect to interest or dividends paid to you, as described in the Code; or

you have failed to certify under penalty of perjury that you are not subject to withholding under the Code.

The amount of any reportable payments, including interest, made to you (unless you are an exempt recipient) and the amount of tax withheld, if any, with respect to such payments will be reported to you and to the Internal Revenue Service for each calendar year.

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You should consult your tax advisor regarding your qualification for an exemption from backup withholding and information reporting and the procedures for obtaining such an exemption, if applicable. The backup withholding tax is not an additional tax, and you may use amounts withheld as a credit against your United States federal income tax liability or may claim a refund as long as you timely provide certain information to the Internal Revenue Service.

*Consequences to Non-U.S. Holders*

The following is a summary of the United States federal tax consequences that will apply to you if you are a non-U.S. holder of notes. The term non-U.S. holder means a beneficial owner of a note that is not a U.S. holder.

Special rules may apply to certain non-U.S. holders such as controlled foreign corporations, passive foreign investment companies and foreign personal holding companies. Such entities should consult their tax advisors to determine the United States federal, state, local and other tax consequences that may be relevant to them.

*Payment of Interest*

The 30% United States federal withholding tax will not apply to any payment to you of principal or interest on a note provided that:

you do not actually or constructively own 10% or more of the total combined voting power of all classes of our stock that are entitled to vote within the meaning of Section 871(h)(3) of the Code;

you are not a controlled foreign corporation that is related to us through stock ownership;

you are not a bank whose receipt of interest on a note is described in Section 881(c)(3)(A) of the Code; and

(a) you provide your name and address, and certify, under penalties of perjury, that you are not a United States person (which certification may be made on an Internal Revenue Service Form W-8BEN (or a successor form)) or (b) a securities clearing organization, bank, or other financial institution that holds customers' securities in the ordinary course of its business holds the note on your behalf and certifies, under penalties of perjury, that it has received Internal Revenue Service Form W-8BEN from you or from another qualifying financial institution intermediary, and, in certain circumstances, provides a copy of the Internal Revenue Service Form W-8BEN. If you hold your notes through certain foreign intermediaries or certain foreign partnerships, such foreign intermediaries or partnerships must also satisfy the certification requirements of applicable Treasury Regulations.

If you cannot satisfy the requirements described above, payments of interest will be subject to the 30% United States federal withholding tax, unless you provide us with a properly executed (1) Internal Revenue Service Form W-8BEN claiming an exemption from or reduction in withholding under the benefit of an applicable tax treaty or (2) Internal Revenue Service Form W-8ECI stating that interest paid on the note is not subject to withholding tax because it is effectively connected with your conduct of a trade or business in the United States. Alternative documentation may be applicable in certain circumstances.

If you are engaged in a trade or business in the United States and interest on a note is effectively connected with the conduct of that trade or business, you will be required to pay United States federal income tax on that interest on a net income basis (although you will be exempt from the 30% withholding tax provided the certification requirement described above is met) in the same manner as if you were a United States person as defined under the Code, except as otherwise provided by an applicable tax treaty. In addition, if you are a foreign corporation, you may be required to pay a branch profits tax equal to 30% (or lower applicable treaty rate) of your effectively connected earnings and profits for the taxable year, subject to adjustments, that are effectively

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connected with your conduct of a trade or business in the United States. For this purpose, interest will be included in the earnings and profits of such foreign corporation.

### *Sale, Exchange or Other Taxable Disposition of Notes*

Any gain realized upon the sale, exchange, redemption, retirement or other taxable disposition of a note (except with respect to accrued and unpaid interest, which would be taxable as described above) generally will not be subject to United States federal income tax unless:

that gain is effectively connected with your conduct of a trade or business in the United States;

you are an individual who is present in the United States for 183 days or more in the taxable year of that disposition, and certain other conditions are met; or

you are subject to Code provisions applicable to certain United States expatriates.

If your gain is effectively connected with your conduct of a United States trade or business, you generally will be required to pay United States federal income tax on the net gain derived from the sale, except as otherwise required by an applicable tax treaty. If you are a corporation, any such effectively connected gain received by you may also, under certain circumstances, be subject to the branch profits tax at a 30% rate (or such lower rate as may be prescribed under an applicable United States income tax treaty). If you are described in the second bullet point above, you will be subject to a flat 30% United States federal income tax on the gain derived from the sale, which may be offset by United States source capital losses, even though the holder is not considered a resident of the United States. If you are described in the third bullet point above, you should consult your tax advisor to determine the United States federal, state, local and other tax consequences that may be relevant to you.

### *United States Federal Estate Tax*

The United States federal estate tax will not apply to the notes owned by you at the time of your death, provided that (1) you do not own actually or constructively 10% or more of the total combined voting power of all classes of our voting stock (within the meaning of the Code and the Treasury Regulations) and (2) interest on the note would not have been, if received at the time of your death, effectively connected with your conduct of a trade or business in the United States.

### *Backup Withholding and Information Reporting*

Backup withholding will likely not apply to payments of principal or interest made by us or our paying agents, in their capacities as such, to a non-U.S. holder of a note if the holder certifies that it is not a U.S. holder. However, information reporting on Internal Revenue Service Form 1042-S may still apply with respect to interest payments. Payments of the proceeds from a disposition by a non-U.S. holder of a note made to or through a foreign office of a broker will not be subject to information reporting or backup withholding, except that information reporting (but generally not backup withholding) may apply to those payments if the broker is:

a United States person;

a controlled foreign corporation for United States federal income tax purposes;

a foreign person 50% or more of whose gross income is effectively connected with a United States trade or business for a specified three-year period; or

a foreign partnership, if at any time during its tax year, one or more of its partners are United States persons, as defined in Treasury Regulations, who in the aggregate hold more than 50% of the income or capital interest in the partnership or if, at any time during its tax year, the foreign partnership is engaged in a United States trade or business.

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Payment of the proceeds from a disposition by a non-U.S. holder of a note made to or through the United States office of a broker is generally subject to information reporting and backup withholding unless the holder or beneficial owner establishes an exemption from information reporting and backup withholding.

Non-U.S. holders should consult their tax advisors regarding application of withholding and backup withholding in their particular circumstance and the availability of and procedure for obtaining an exemption from withholding and backup withholding under current Treasury Regulations. In this regard, the current Treasury Regulations provide that a certification may not be relied on if we or our agent (or other payor) know or have reason to know that the certification may be false. Any amounts withheld under the backup withholding rules from a payment to a non-U.S. holder will be allowed as a credit against the holder's United States federal income tax liability or such holder may claim a refund, provided the required information is furnished to the Internal Revenue Service on a timely basis.

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**UNDERWRITING**

J.P. Morgan Securities Inc. and Salomon Smith Barney Inc. are acting as representatives for the underwriters named below.

Subject to the terms and conditions stated in the underwriting agreement dated the date of this prospectus supplement, each underwriter named below has agreed to purchase, and we have agreed to sell to that underwriter, the principal amount of notes set forth opposite the underwriter's name.

<u>Name</u>	<u>Principal Amount of Notes</u>
J.P. Morgan Securities Inc.	\$
Salomon Smith Barney Inc.	
Banc One Capital Markets, Inc.	
Deutsche Bank Securities Inc.	
Scotia Capital (USA) Inc.	
SG Cowen Securities Corporation	
<b>Total</b>	<b>\$</b>

The underwriting agreement provides that the obligations of the underwriters to purchase the notes included in this offering are subject to approval of legal matters by counsel and to other conditions. The underwriters are obligated to purchase all the notes if they purchase any of the notes.

The underwriters propose to offer some of the notes directly to the public at the public offering price set forth on the cover page of this prospectus supplement and some of the notes to dealers at the public offering price less a concession not to exceed % of the principal amount of the notes. The underwriters may allow, and dealers may reallow, a concession not to exceed % of the principal amount of the notes on sales to other dealers. After the initial offering of the notes to the public, the representatives may change the public offering price and concessions.

The notes will not have an established trading market when issued. There can be no assurance of a secondary market for the notes or the continued liquidity of such market if one develops. It is not anticipated that the notes will be listed on any securities exchange.

The following table shows the underwriting discounts and commissions that we are to pay to the underwriters in connection with this offering (expressed as a percentage of the principal amount of the notes).

	<u>Paid by Sempra Energy</u>
Per note	%

In connection with the offering, J.P. Morgan Securities Inc. and Salomon Smith Barney Inc., on behalf of the underwriters, may purchase and sell notes in the open market. These transactions may include over-allotment, syndicate covering transactions and stabilizing transactions. Over-allotment involves syndicate sales of notes in excess of the principal amount of notes to be purchased by the underwriters in the offering, which creates a syndicate short position. Syndicate covering transactions involve purchases of the notes in the open market after the distribution has been completed in order to cover syndicate short positions. Stabilizing transactions consist of certain bids or purchases of notes made for the purpose of preventing or retarding a decline in the market price of the notes while the offering is in progress.

The underwriters also may impose a penalty bid. Penalty bids permit the underwriters to reclaim a selling concession from a syndicate member when J.P. Morgan Securities Inc. or Salomon Smith Barney Inc., in

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covering syndicate short positions or making stabilizing purchases, repurchases notes originally sold by that syndicate member.

Any of these activities may have the effect of preventing or retarding a decline in the market price of the notes. They may also cause the price of the notes to be higher than the price that otherwise would exist in the open market in the absence of these transactions. The underwriters may conduct these transactions in the over-the-counter market or otherwise. If the underwriters commence any of these transactions, they may discontinue them at any time.

Certain of the underwriters will make the notes available for distribution on the Internet through a proprietary web site and/or a third-party system operated by Market Axess Inc., an Internet-based communications technology provider. Market Axess Inc. is providing the system as a conduit for communications between these underwriters and their customers and is not a party to any transactions. Market Axess Inc., a registered broker-dealer, will receive compensation based on transactions conducted through the system. Certain of the underwriters will make the notes available to their customers through the Internet distributions, whether made through a proprietary or third-party system, on the same terms as distributions made through other channels.

We estimate that our total expenses for this offering will be \$250,000, excluding underwriting discounts and commissions.

We have agreed to indemnify the underwriters against certain liabilities, including liabilities under the Securities Act of 1933, or to contribute to payments the underwriters may be required to make because of any of those liabilities.

**LEGAL MATTERS**

Latham & Watkins, Los Angeles, California, will pass upon certain legal matters relating to the issuance and sale of the notes on behalf of Sempra Energy. Gary W. Kyle, Chief Corporate Counsel of Sempra Energy will pass upon the validity of the notes and various other legal matters relating to the issuance and sale of the notes. Sidley Austin Brown & Wood LLP, San Francisco, California will act as counsel for the Underwriters. Paul Pringle is a partner of Sidley Austin Brown & Wood LLP and owns 2,310 shares of common stock and 1,000 Equity Units of Sempra Energy.

**INDEPENDENT ACCOUNTANTS**

The consolidated financial statements and the related financial statement schedule as of December 31, 2001 and 2000 and for each of the three years in the period ended December 31, 2001 incorporated by reference into Sempra Energy's registration statement on Form S-3 filed with the SEC on December 19, 2000 have been audited by Deloitte & Touche LLP, independent auditors, as stated in their reports.

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**PROSPECTUS**

**\$1,000,000,000**

**SEMPRA ENERGY**

Debt Securities, Common Stock, Preferred Stock and Guarantees

**SEMPRA ENERGY GLOBAL ENTERPRISES**

Debt Securities Guaranteed by Sempra Energy

**SEMPRA ENERGY CAPITAL TRUST II**

**SEMPRA ENERGY CAPITAL TRUST III**

Trust Preferred Securities Guaranteed by Sempra Energy

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We may offer and sell the securities from time to time in one or more offerings. This prospectus provides you with a general description of the securities we may offer.

Each time we sell securities we will provide a supplement to this prospectus that contains specific information about the offering and the terms of the securities. The supplement may also add, update or change information contained in this prospectus. You should carefully read this prospectus and the accompanying prospectus supplement before you invest in any of our securities.

**Sempra Energy**

Sempra Energy may offer and sell the following securities:

- debt securities
- common stock
- preferred stock
- guarantees of debt securities and trust preferred securities

**Sempra Energy Global Enterprises**

Sempra Energy Global Enterprises may offer and sell debt securities guaranteed by Sempra Energy.

**The Sempra Energy Trusts**

Sempra Energy Capital Trust II and Sempra Energy Capital Trust III may offer and sell trust preferred securities guaranteed by Sempra Energy.

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**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.**

The date of this prospectus is January 10, 2001.



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**ABOUT THIS PROSPECTUS**

This prospectus is part of a shelf registration statement that we filed with the United States Securities and Exchange Commission, or the SEC. By using a shelf registration statement, we may sell up to \$1,000,000,000 offering price of any combination of the securities described in this prospectus from time to time and in one or more offerings. This prospectus only provides you with a general description of the securities that we may offer. Each time we sell securities, we will provide a supplement to this prospectus that contains specific information about the terms of the securities. The supplement may also add, update or change information contained in this prospectus. Before purchasing any securities, you should carefully read both this prospectus and the accompanying prospectus supplement, together with the additional information described under the heading Where You Can Find More Information.

This prospectus does not contain separate financial statements for Sempra Energy Global Enterprises or the trusts. Sempra Energy files consolidated financial information with the SEC that includes Sempra Energy Global Enterprises and each of the trusts. The trusts have no historical operations and do not have any independent function other than to issue securities and to purchase subordinated debt securities from Sempra Energy. We do not believe that additional financial information regarding Sempra Energy Global Enterprises or the trusts would be useful to you.

You should rely only on the information contained or incorporated by reference in this prospectus and in any supplement. 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 and the accompanying prospectus supplement is accurate 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, any accompanying prospectus supplement and the documents they incorporate by reference may contain statements that are not historical fact and constitute forward-looking statements. When we use words like believes, expects, anticipates, intends, plans, estimates, should or similar expressions, or when we discuss our strategy or plans, we are making forward-looking statements. Forward-looking statements are not guarantees of performance. They involve risks, uncertainties and assumptions. Our future results may differ materially from those expressed in these forward-looking statements. These statements are necessarily based upon various assumptions involving judgments with respect to the future and other risks, including, among others:

- national, international, regional and local economic, competitive, technological, political, legislative and regulatory conditions and developments;
- capital market conditions, inflation rates, exchange rates and interest rates;
- energy markets, including the timing and extent of changes in commodity prices;
- weather conditions;
- business, regulatory and legal decisions;
- the pace of deregulation of retail natural gas and electricity delivery;
- the timing and success of business development efforts; 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 Business and Management's Discussion and Analysis of Financial Condition and Results of Operations in our Annual Report on Form 10-K for the year ended December 31, 1999, our Quarterly Reports on Form 10-Q for the three-month periods ended March 31, 2000, June 30, 2000 and September 30, 2000, and other documents on file with the SEC. You may obtain copies of these documents as described under Where You Can Find More Information in this prospectus.

**WHERE YOU CAN FIND MORE INFORMATION**

**Available Information**

Sempra Energy files reports, proxy statements and other information with the SEC. Information filed with the SEC by Sempra Energy can be inspected and copied at the Public Reference Room maintained by the SEC and at the Regional Offices of the SEC as follows:

Public Reference Room  
450 Fifth Street, N.W.  
Room 1024  
Washington, D.C. 20549

New York Regional Office  
7 World Trade Center  
Suite 1300  
New York, New York 10048

Chicago Regional Office  
Citicorp Center  
500 West Madison Street  
Suite 1400  
Chicago, Illinois 60661-2551

You may also obtain copies of this information by mail from the Public Reference Section of the SEC, 450 Fifth Street, N.W., Room 1024, Washington, D.C. 20549, at prescribed rates. Further information on the operation of the SEC's Public Reference Room in Washington, D.C. can be obtained by calling the SEC at 1-800-SEC-0330.

The SEC also maintains a web site that contains reports, proxy statements and other information about issuers, such as Sempra Energy, who file electronically with the SEC. The address of that site is <http://www.sec.gov>.

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Sempra Energy's common stock is listed on the New York Stock Exchange (NYSE: SRE), and reports, proxy statements and other information concerning Sempra Energy can also be inspected at the offices of the New York Stock Exchange at 20 Broad Street, New York, New York 10005.

This prospectus is part of a registration statement that we filed with the SEC. The full registration statement may be obtained from the SEC or Sempra Energy, as indicated below. Forms of the indentures, the declarations of trust and other documents establishing the terms of the offered securities and the guarantees are filed as exhibits to the registration statement. Statements in this prospectus about these documents are summaries. You should refer to the actual documents for a more complete description of the relevant matters.

**Incorporation by Reference**

The rules of the SEC allow us to incorporate by reference information into this prospectus, which means that we can disclose important information to you by referring you to another document filed separately with the SEC. The information incorporated by reference is deemed to be part of this prospectus, and later information that we file with the SEC will automatically update and supersede that information. The prospectus incorporates by reference the documents set forth below that have been previously filed with the SEC. These documents contain important information about Sempra Energy.

<u>SEC Filings (File No. 1-14201)</u>	<u>Period</u>
Annual Report on Form 10-K	Year ended December 31, 1999
Quarterly Reports on Form 10-Q	Three-month periods ended March 31, 2000, June 30, 2000 and September 30, 2000
Current Reports on Form 8-K	Filed January 28, 2000, February 8, 2000, February 22, 2000, March 9, 2000, March 30, 2000, April 28, 2000, August 2, 2000, October 27, 2000, December 5, 2000 and December 13, 2000
Registration Statement on Form 8-A	Filed June 5, 1998

We are also incorporating by reference all additional documents that we file with the SEC pursuant to Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934, as amended, between the date of this prospectus and the termination of the offering of securities described in this prospectus.

Sempra Energy will provide without charge to each person to whom a copy of this prospectus has been delivered a copy of any and all of these filings. You may request a copy of these filings by writing or telephoning us at:

Sempra Energy  
 101 Ash Street  
 San Diego, California 92101  
 Attention: Corporate Secretary  
 Telephone: (619) 696-2034

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**SEMPRA ENERGY**

Sempra Energy, based in San Diego, is a Fortune 500 energy services company. Through two regulated utility subsidiaries, Southern California Gas Company and San Diego Gas & Electric Company, Sempra Energy serves over 21 million consumers, the largest customer base of any gas, electric or combination gas and electric utility in the United States. Natural gas service is provided throughout Southern California and portions of Central California through over 5.7 million active meters. Electric service is provided throughout San Diego County and portions of Orange County, both in Southern California, through over 1.2 million active meters. Through other subsidiaries, Sempra Energy also provides other energy-related products and services.

The information above concerning Sempra Energy and its subsidiaries is only a summary and does not purport to be comprehensive. For additional information concerning Sempra Energy and its subsidiaries, you should refer to the information described under the caption "Where You Can Find More Information" in this prospectus.

Sempra Energy's offices are located at 101 Ash Street, San Diego, California 92101 and the telephone number is (619) 696-2034.

**SEMPRA ENERGY GLOBAL ENTERPRISES**

Sempra Energy Global Enterprises is a wholly owned subsidiary of Sempra Energy. It is a holding company for many of the subsidiaries of Sempra Energy that are not subject to California utility regulation. Its principal direct and indirect subsidiaries currently are:

Sempra Energy Solutions, a provider of energy-related products and services to commercial, industrial, governmental, institutional and consumer markets. Its principal subsidiaries are Sempra Energy Trading, Sempra Energy Resources and Sempra Energy Services Company.

Sempra Energy Trading, a wholesale trader of physical and financial energy products, including natural gas, power, crude oil and associated commodities. Sempra Energy Trading serves a broad range of customers, including electric and gas utilities, industrial and large commercial end users, and major energy marketers. It specializes in high-volume transactions and provides its customers with customized energy delivery and pricing programs.

Sempra Energy Resources, a company which acquires and develops power plants for the competitive market and operates natural gas storage, production and transportation assets. Sempra Energy Resources' power plants use state-of-the-art, combined-cycle power generation technology and natural gas to generate electricity for the wholesale market and retail electric providers, including utilities, marketers and large energy users.

Sempra Energy Services Company, a provider of energy-efficiency engineering services for government and institutional customers.

Sempra Energy International, a company which engages in energy-infrastructure projects outside the United States. It currently has interests in companies that provide natural gas and electricity services in Argentina, Canada, Chile, Mexico, Peru and Uruguay.

Sempra Energy Global Enterprises may, in the future, engage in other businesses.

Sempra Energy Global Enterprises' offices are located at 101 Ash Street, San Diego, California 92101 and the telephone number is (619) 696-2034.

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**SEMPPRA ENERGY CAPITAL TRUST II AND SEMPPRA ENERGY CAPITAL TRUST III**

Sempra Energy created Sempra Energy Capital Trust II and Sempra Energy Capital Trust III. Sempra Energy will file an Amended and Restated Declaration of Trust (a Declaration) for each trust, which will state the terms and conditions for each trust to issue and sell its trust preferred securities and trust common securities. A form of Declaration is filed as an exhibit to the registration statement of which this prospectus forms a part.

Each trust exists solely to:

- issue and sell its trust preferred securities (representing undivided beneficial interests in the trust) to investors;
- issue and sell its trust common securities (representing undivided beneficial interests in the trust) to Sempra Energy;
- use the proceeds from the sale of its trust preferred and common securities to purchase a series of Sempra Energy's subordinated debt securities;
- distribute the cash payments it receives on the subordinated debt securities it owns to the holders of its trust preferred and common securities;
- maintain its status as a grantor trust for federal income tax purposes; and
- engage in other activities that are necessary or incidental to these purposes.

Sempra Energy will purchase all of the trust common securities of each trust. The trust common securities will represent an aggregate liquidation amount equal to at least 3% of each trust's total capitalization. The trust preferred securities will represent the remaining 97% of the trust's total capitalization. The trust common securities will have terms substantially identical to, and will rank equal in priority of payment with, the trust preferred securities. However, if Sempra Energy defaults on the related subordinated debt securities, then cash distributions and liquidation, redemption and other amounts payable on the trust common securities will be subordinate to the trust preferred securities in priority of payment.

The trust preferred securities will be guaranteed by Sempra Energy as described later in this prospectus.

Sempra Energy has appointed six trustees to conduct each trust's business and affairs:

- The Bank of New York (property trustee);
- The Bank of New York (Delaware trustee);
- The Bank of New York (securities trustee); and
- Three Sempra Energy officers (regular trustees).

Only Sempra Energy, as owner of the trust common securities, can remove or replace the trustees. In addition, Sempra Energy can increase or decrease the number of trustees.

Sempra Energy will pay all fees and expenses related to each trust and each offering of the related trust preferred securities and will pay all ongoing costs and expenses of each trust, except the respective trust's obligations under the related trust preferred and common securities.

The trusts will not have separate financial statements. The statements would not be material to holders of the trust preferred securities because no trust will have any independent operations. Each trust exists solely for the reasons summarized above.

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**USE OF PROCEEDS**

Unless stated otherwise in the applicable prospectus supplement, the net proceeds from the sale of the offered securities will be:

used by Sempra Energy and/or its subsidiaries for general corporate purposes, including investing in unregulated business activities and reducing short-term debt incurred to provide interim financing for such purposes; and

used by the respective trusts to purchase subordinated debt securities of Sempra Energy, which will in turn use the proceeds from the issuance of subordinated debt securities for the purposes stated above.

**RATIO OF SEMPRA ENERGY EARNINGS TO COMBINED FIXED CHARGES  
AND PREFERRED STOCK DIVIDENDS**

The following table sets forth the ratio of Sempra Energy earnings to combined fixed charges and preferred stock dividends for Sempra Energy for each of the five years in the five-year period ended December 31, 1999 and for each of the nine-month periods ended September 30, 1999 and 2000:

	December 31,					Nine Months Ended September 30,	
	1995	1996	1997	1998	1999	1999	2000
Ratio of Earnings to Combined Fixed Charges and Preferred Stock Dividends	3.13	3.67	3.75	2.73	3.19	2.84	