

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

	2002	2003	2004	2005	2006	Six months ended June 30, 2007
Fixed Charges:						
Interest	\$ 63	\$ 54	\$ 47	\$ 55	\$ 78	\$ 40
Interest portion of annual rentals	2	2	2	3	4	2
Preferred dividends of subsidiary (1)	2	2	2	2	2	1
Total fixed charges	67	58	51	60	84	43
Preferred stock dividends	7	7	7	6	6	3
Combined fixed charges and preferred stock dividends for purpose of ratio	<u>\$ 74</u>	<u>\$ 65</u>	<u>\$ 58</u>	<u>\$ 66</u>	<u>\$ 90</u>	<u>\$ 46</u>
Earnings:						
Pretax income from continuing operations	\$ 383	\$ 361	\$ 390	\$ 324	\$ 425	\$ 196
Total fixed charges (from above)	67	58	51	60	84	43
Less: interest capitalized	-	-	-	-	1	-
Total earnings for purpose of ratio	<u>\$ 450</u>	<u>\$ 419</u>	<u>\$ 441</u>	<u>\$ 384</u>	<u>\$ 508</u>	<u>\$ 239</u>
Ratio of earnings to combined fixed charges and preferred stock dividends	<u>6.08</u>	<u>6.45</u>	<u>7.60</u>	<u>5.82</u>	<u>5.64</u>	<u>5.20</u>
Ratio of earnings to fixed charges	<u>6.72</u>	<u>7.22</u>	<u>8.65</u>	<u>6.40</u>	<u>6.05</u>	<u>5.56</u>

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