

LAW OFFICES OF

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February 12, 1975

ONE ADDRESS
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Rec'd SEC
FEB 14 1975

Mr. Samuel W. Widdifield
Securities and Exchange Commission
500 N. Capitol - Room 589
Washington, D.C. 20549

Re: San Diego Gas & Electric Company

Dear Mr. Widdifield:

In accordance with our telephone conversation last week, I am enclosing for your review preliminary copies of the documents relating to certain proposed amendments to the Mortgage and Deed of Trust dated July 1, 1940, as amended and supplemented to date, (the "Indenture") of San Diego Gas & Electric Company (the "Company") under which its First Mortgage Bonds (the "Bonds") are issued and secured. The amendments would be effected by the execution of a Supplemental Indenture with the consent of the holders of at least 66-2/3% of the aggregate principal amount of the Bonds.

Briefly, these amendments are intended: first, to insure that the Company will be able to bond its facilities in the process of construction, resolving a conflict that had developed under the Indenture as to the necessity of first obtaining all necessary governmental permits for the operation of such facilities; and second, to permit the Company to offset against its annual maintenance fund obligation under the Indenture (15% of gross operating revenues) the proportionate amount thereof attributable to recent dramatic increases in its costs of fuel and natural gas, neither of which is reasonably related to the need for maintenance of the Company's facilities.

Although more definitive copies of the enclosed material will be submitted to the Commission for its review under the proxy rules, we are requesting your advice at this time as to whether or not you consider the proposed changes significant enough to constitute a reclassification or an exchange of a security requiring registration under the Securities act of 1933 ("1933 Act") or qualification of

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Mr. Samuel W. Widdifield

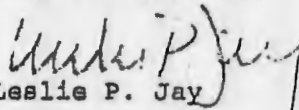
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The Supplemental Indenture under the Trust Indenture Act of 1939 ("1939 Act"). Inasmuch as the Company anticipates paying a solicitation fee in connection with obtaining the required consent of bondholders the exception otherwise provided by Section 3(a)(9) of the 1933 Act would not appear to be available. However, in our view, the registration requirements of both the 1933 Act and the 1939 Act should not be applied under the circumstances inasmuch as the terms of the outstanding Bonds and the underlying Indenture would not be materially altered by the proposed amendments. We seek your concurrence with our view in this regard.

Please give me a call if you have any questions concerning this request or if you need any additional information regarding the proposed amendments. If possible, I would hope to get your response prior to February 24, 1975, at which time the Board of Directors of the Company is expected to take the necessary action authorizing the proposed amendments and the solicitation of bondholder consents with respect thereto.

Very truly yours,


Leslie P. Jay

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Enclosures