

EXHIBIT D

PACIFIC GAS AND ELECTRIC COMPANY
CONDENSED CONSOLIDATED STATEMENTS OF INCOME

(in millions)	(Unaudited)	
	Three Months Ended	
	March 31,	
	2010	2009
Operating Revenues		
Electric	\$ 2,510	\$ 2,426
Natural gas	965	1,005
Total operating revenues	3,475	3,431
Operating Expenses		
Cost of electricity	920	883
Cost of natural gas	495	557
Operating and maintenance	990	1,059
Depreciation, amortization, and decommissioning	451	419
Total operating expenses	2,856	2,918
Operating Income	619	513
Interest income	2	9
Interest expense	(156)	(173)
Other (expense) income, net	(6)	21
Income Before Income Taxes	459	370
Income tax provision	195	131
Net Income	264	239
Preferred dividend requirement	3	3
Income Available for Common Stock	\$ 261	\$ 236

PACIFIC GAS AND ELECTRIC COMPANY
CONDENSED CONSOLIDATED BALANCE SHEETS

Exhibit D-1
Page2

(in millions)	(Unaudited)	
	Balance At	
	March 31, 2010	December 31, 2009
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 60	\$ 334
Restricted cash	629	633
Accounts receivable:		
Customers (net of allowance for doubtful accounts of \$69 million in 2010 and \$68 million in 2009)	1,528	1,609
Accrued unbilled revenue	638	671
Related parties	1	1
Regulatory balancing accounts	1,468	1,109
Inventories:		
Gas stored underground and fuel oil	59	114
Materials and supplies	196	200
Income taxes receivable	121	138
Prepaid expenses and other	732	662
Total current assets	5,432	5,471
Property, Plant, and Equipment		
Electric	30,918	30,481
Gas	10,823	10,697
Construction work in progress	1,993	1,888
Total property, plant, and equipment	43,734	43,066
Accumulated depreciation	(14,358)	(14,175)
Net property, plant, and equipment	29,376	28,891
Other Noncurrent Assets		
Regulatory assets	5,602	5,522
Nuclear decommissioning funds	1,929	1,899
Related parties receivable	24	25
Income taxes receivable	610	610
Other	326	291
Total other noncurrent assets	8,491	8,347
TOTAL ASSETS	\$ 43,299	\$ 42,709

PACIFIC GAS AND ELECTRIC COMPANY
CONDENSED CONSOLIDATED BALANCE SHEETS

Exhibit D-1
Page3

(in millions, except share amounts)	(Unaudited)	
	Balance At	
	March 31, 2010	December 31, 2009
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current Liabilities		
Short-term borrowings	\$ 1,251	\$ 833
Long-term debt, classified as current	595	95
Energy recovery bonds, classified as current	390	386
Accounts payable:		
Trade creditors	882	984
Disputed claims and customer refunds	772	773
Related parties	24	16
Regulatory balancing accounts	312	281
Other	478	347
Interest payable	779	813
Income tax payable	283	223
Deferred income taxes	511	334
Other	1,079	1,307
Total current liabilities	7,356	6,392
Noncurrent Liabilities		
Long-term debt	9,534	10,033
Energy recovery bonds	730	827
Regulatory liabilities	4,190	4,125
Pension and other postretirement benefits	1,912	1,717
Asset retirement obligations	1,603	1,593
Deferred income taxes	4,686	4,764
Other	2,080	2,073
Total noncurrent liabilities	24,735	25,132
Commitments and Contingencies		
Shareholders' Equity		
Preferred stock without mandatory redemption provisions:		
Nonredeemable, 5.00% to 6.00%, outstanding 5,784,825 shares	145	145
Redeemable, 4.36% to 5.00%, outstanding 4,534,958 shares	113	113
Common stock, \$5 par value, authorized 800,000,000 shares, issued 264,374,809 shares in 2010 and 2009	1,322	1,322
Additional paid-in capital	3,076	3,055
Reinvested earnings	6,786	6,704
Accumulated other comprehensive loss	(234)	(154)
Total shareholders' equity	11,208	11,185
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	\$ 43,299	\$ 42,709

SAN DIEGO GAS & ELECTRIC COMPANY
BALANCE SHEET
ASSETS AND OTHER DEBITS
MARCH 31, 2010

Exhibit D-2
Page 1

1. UTILITY PLANT		2010
101	UTILITY PLANT IN SERVICE	\$10,154,007,366
102	UTILITY PLANT PURCHASED OR SOLD	-
105	PLANT HELD FOR FUTURE USE	18,343,359
106	COMPLETED CONSTRUCTION NOT CLASSIFIED	-
107	CONSTRUCTION WORK IN PROGRESS	615,118,905
108	ACCUMULATED PROVISION FOR DEPRECIATION OF UTILITY PLANT	(4,257,482,670)
111	ACCUMULATED PROVISION FOR AMORTIZATION OF UTILITY PLANT	(270,727,451)
118	OTHER UTILITY PLANT	683,088,004
119	ACCUMULATED PROVISION FOR DEPRECIATION AND AMORTIZATION OF OTHER UTILITY PLANT	(152,192,654)
120	NUCLEAR FUEL - NET	49,220,932
TOTAL NET UTILITY PLANT		6,839,375,791
2. OTHER PROPERTY AND INVESTMENTS		
121	NONUTILITY PROPERTY	5,165,500
122	ACCUMULATED PROVISION FOR DEPRECIATION AND AMORTIZATION OF NONUTILITY PROPERTY	(529,653)
123	INVESTMENTS IN SUBSIDIARY COMPANIES	-
124	OTHER INVESTMENTS	-
125	SINKING FUNDS	-
128	OTHER SPECIAL FUNDS	706,678,903
TOTAL OTHER PROPERTY AND INVESTMENTS		711,314,749

Data from SPL as of May 28, 2010

SAN DIEGO GAS & ELECTRIC COMPANY
BALANCE SHEET
ASSETS AND OTHER DEBITS
MARCH 31, 2010

Exhibit D-2
Page 2

3. CURRENT AND ACCRUED ASSETS		2010
131	CASH	9,367,847
132	INTEREST SPECIAL DEPOSITS	-
134	OTHER SPECIAL DEPOSITS	-
135	WORKING FUNDS	3,000
136	TEMPORARY CASH INVESTMENTS	-
141	NOTES RECEIVABLE	-
142	CUSTOMER ACCOUNTS RECEIVABLE	177,965,627
143	OTHER ACCOUNTS RECEIVABLE	63,798,926
144	ACCUMULATED PROVISION FOR UNCOLLECTIBLE ACCOUNTS	(3,189,707)
145	NOTES RECEIVABLE FROM ASSOCIATED COMPANIES	16,024,261
146	ACCOUNTS RECEIVABLE FROM ASSOCIATED COMPANIES	936,122
151	FUEL STOCK	550,278
152	FUEL STOCK EXPENSE UNDISTRIBUTED	-
154	PLANT MATERIALS AND OPERATING SUPPLIES	58,993,058
156	OTHER MATERIALS AND SUPPLIES	-
163	STORES EXPENSE UNDISTRIBUTED	-
164	GAS STORED	301,419
165	PREPAYMENTS	35,177,059
171	INTEREST AND DIVIDENDS RECEIVABLE	4,010,221
173	ACCRUED UTILITY REVENUES	53,406,000
174	MISCELLANEOUS CURRENT AND ACCRUED ASSETS	197,151,076
175	DERIVATIVE INSTRUMENT ASSETS	36,491,600
TOTAL CURRENT AND ACCRUED ASSETS		650,986,786
4. DEFERRED DEBITS		
181	UNAMORTIZED DEBT EXPENSE	23,615,905
182	UNRECOVERED PLANT AND OTHER REGULATORY ASSETS	1,570,026,675
183	PRELIMINARY SURVEY & INVESTIGATION CHARGES	2,412,194
184	CLEARING ACCOUNTS	134,263
185	TEMPORARY FACILITIES	-
186	MISCELLANEOUS DEFERRED DEBITS	3,402,869
188	RESEARCH AND DEVELOPMENT	-
189	UNAMORTIZED LOSS ON REACQUIRED DEBT	25,678,176
190	ACCUMULATED DEFERRED INCOME TAXES	238,658,121
TOTAL DEFERRED DEBITS		1,863,928,202
TOTAL ASSETS AND OTHER DEBITS		10,065,605,529

Data from SPL as of May 28, 2010

SAN DIEGO GAS & ELECTRIC COMPANY
BALANCE SHEET
LIABILITIES AND OTHER CREDITS
MARCH 31, 2010

Exhibit D-2
Page 3

5. PROPRIETARY CAPITAL

	<u>2010</u>
201 COMMON STOCK ISSUED	(\$291,458,395)
204 PREFERRED STOCK ISSUED	(78,475,400)
207 PREMIUM ON CAPITAL STOCK	(592,222,753)
210 GAIN ON RETIRED CAPITAL STOCK	-
211 MISCELLANEOUS PAID-IN CAPITAL	(279,618,042)
214 CAPITAL STOCK EXPENSE	25,688,571
216 UNAPPROPRIATED RETAINED EARNINGS	(1,694,678,348)
219 ACCUMULATED OTHER COMPREHENSIVE INCOME	<u>9,402,776</u>
TOTAL PROPRIETARY CAPITAL	<u>(2,901,361,591)</u>

6. LONG-TERM DEBT

221 BONDS	(1,936,905,000)
223 ADVANCES FROM ASSOCIATED COMPANIES	-
224 OTHER LONG-TERM DEBT	(253,720,000)
225 UNAMORTIZED PREMIUM ON LONG-TERM DEBT	-
226 UNAMORTIZED DISCOUNT ON LONG-TERM DEBT	<u>3,777,870</u>
TOTAL LONG-TERM DEBT	<u>(2,186,847,130)</u>

7. OTHER NONCURRENT LIABILITIES

227 OBLIGATIONS UNDER CAPITAL LEASES - NONCURRENT	(677,760,115)
228.2 ACCUMULATED PROVISION FOR INJURIES AND DAMAGES	(29,656,059)
228.3 ACCUMULATED PROVISION FOR PENSIONS AND BENEFITS	(379,018,889)
228.4 ACCUMULATED MISCELLANEOUS OPERATING PROVISIONS	-
230 ASSET RETIREMENT OBLIGATIONS	<u>(599,115,481)</u>
TOTAL OTHER NONCURRENT LIABILITIES	<u>(1,685,550,543)</u>

Data from SPL as of May 28, 2010

SAN DIEGO GAS & ELECTRIC COMPANY
BALANCE SHEET
LIABILITIES AND OTHER CREDITS
MARCH 31, 2010

Exhibit D-2
Page 4

8. CURRENT AND ACCRUED LIABILITES		2010
231	NOTES PAYABLE	(23,700,000.00)
232	ACCOUNTS PAYABLE	(207,540,524)
233	NOTES PAYABLE TO ASSOCIATED COMPANIES	-
234	ACCOUNTS PAYABLE TO ASSOCIATED COMPANIES	(43,332,515)
235	CUSTOMER DEPOSITS	(57,005,027)
236	TAXES ACCRUED	(15,106,812)
237	INTEREST ACCRUED	(42,228,726)
238	DIVIDENDS DECLARED	(1,204,918)
241	TAX COLLECTIONS PAYABLE	(5,011,447)
242	MISCELLANEOUS CURRENT AND ACCRUED LIABILITIES	(445,965,053)
243	OBLIGATIONS UNDER CAPITAL LEASES - CURRENT	(41,436,813)
244	DERIVATIVE INSTRUMENT LIABILITIES	(267,750,769)
245	DERIVATIVE INSTRUMENT LIABILITIES - HEDGES	0
TOTAL CURRENT AND ACCRUED LIABILITIES		(1,150,282,601)
9. DEFERRED CREDITS		
252	CUSTOMER ADVANCES FOR CONSTRUCTION	(16,359,835)
253	OTHER DEFERRED CREDITS	(136,077,984)
254	OTHER REGULATORY LIABILITIES	(951,688,510)
255	ACCUMULATED DEFERRED INVESTMENT TAX CREDITS	(25,606,904)
257	UNAMORTIZED GAIN ON REACQUIRED DEBT	-
281	ACCUMULATED DEFERRED INCOME TAXES - ACCELERATED	(5,201,256)
282	ACCUMULATED DEFERRED INCOME TAXES - PROPERTY	(763,139,793)
283	ACCUMULATED DEFERRED INCOME TAXES - OTHER	(243,489,382)
TOTAL DEFERRED CREDITS		(2,141,563,664)
TOTAL LIABILITIES AND OTHER CREDITS		(\$10,065,605,529)

Data from SPL as of May 28, 2010

SAN DIEGO GAS & ELECTRIC COMPANY
STATEMENT OF INCOME AND RETAINED EARNINGS
THREE MONTHS ENDED MARCH 31, 2010

Exhibit D-2
Page 5

1. UTILITY OPERATING INCOME

400	OPERATING REVENUES		\$745,704,347
401	OPERATING EXPENSES	\$465,099,780	
402	MAINTENANCE EXPENSES	43,084,720	
403-7	DEPRECIATION AND AMORTIZATION EXPENSES	85,101,209	
408.1	TAXES OTHER THAN INCOME TAXES	19,496,106	
409.1	INCOME TAXES	22,732,382	
410.1	PROVISION FOR DEFERRED INCOME TAXES	18,938,680	
411.1	PROVISION FOR DEFERRED INCOME TAXES - CREDIT	(11,037,956)	
411.4	INVESTMENT TAX CREDIT ADJUSTMENTS	(658,623)	
411.6	GAIN FROM DISPOSITION OF UTILITY PLANT		
	TOTAL OPERATING REVENUE DEDUCTIONS		642,756,298
	NET OPERATING INCOME		102,948,049

2. OTHER INCOME AND DEDUCTIONS

415	REVENUE FROM MERCHANDISING, JOBBING AND CONTRACT WORK	-	
417.1	EXPENSES OF NONUTILITY OPERATIONS	(15,845)	
418	NONOPERATING RENTAL INCOME	106,178	
418.1	EQUITY IN EARNINGS OF SUBSIDIARIES	-	
419	INTEREST AND DIVIDEND INCOME	500,186	
419.1	ALLOWANCE FOR OTHER FUNDS USED DURING CONSTRUCTION	9,310,840	
421	MISCELLANEOUS NONOPERATING INCOME	200,028	
421.1	GAIN ON DISPOSITION OF PROPERTY	-	
	TOTAL OTHER INCOME	10,101,387	
421.2	LOSS ON DISPOSITION OF PROPERTY	-	
426	MISCELLANEOUS OTHER INCOME DEDUCTIONS	(9,931)	
	TOTAL OTHER INCOME DEDUCTIONS	(9,931)	
408.2	TAXES OTHER THAN INCOME TAXES	93,562	
409.2	INCOME TAXES	(1,172,350)	
410.2	PROVISION FOR DEFERRED INCOME TAXES		
411.2	PROVISION FOR DEFERRED INCOME TAXES - CREDIT	2,119,810	
	TOTAL TAXES ON OTHER INCOME AND DEDUCTIONS	1,041,022	
	TOTAL OTHER INCOME AND DEDUCTIONS		9,070,296
	INCOME BEFORE INTEREST CHARGES		112,018,345
	NET INTEREST CHARGES*		27,965,346
	NET INCOME		\$84,052,999

*NET OF ALLOWANCE FOR BORROWED FUNDS USED DURING CONSTRUCTION, (10,071,740)

**SAN DIEGO GAS & ELECTRIC COMPANY
STATEMENT OF INCOME AND RETAINED EARNINGS
THREE MONTHS ENDED MARCH 31, 2010**

Exhibit D-2
Page 6

3. RETAINED EARNINGS

RETAINED EARNINGS AT BEGINNING OF PERIOD, AS PREVIOUSLY REPORTED	\$1,611,830,266
NET INCOME (FROM PRECEDING PAGE)	84,052,999
DIVIDEND TO PARENT COMPANY	-
DIVIDENDS DECLARED - PREFERRED STOCK	(1,204,917)
OTHER RETAINED EARNINGS ADJUSTMENTS	
RETAINED EARNINGS AT END OF PERIOD	<u>\$1,694,678,348</u>

SOUTHERN CALIFORNIA GAS COMPANY
BALANCE SHEET
ASSETS AND OTHER DEBITS
MARCH 31, 2010

Exhibit D-2
Page 7

	1. UTILITY PLANT	<u>2010</u>
101	UTILITY PLANT IN SERVICE	\$8,910,069,552
102	UTILITY PLANT PURCHASED OR SOLD	-
105	PLANT HELD FOR FUTURE USE	-
106	COMPLETED CONSTRUCTION NOT CLASSIFIED	-
107	CONSTRUCTION WORK IN PROGRESS	286,437,055
108	ACCUMULATED PROVISION FOR DEPRECIATION OF UTILITY PLANT	(3,728,261,897)
111	ACCUMULATED PROVISION FOR AMORTIZATION OF UTILITY PLANT	(22,004,419)
117	GAS STORED-UNDERGROUND	<u>55,520,014</u>
	TOTAL NET UTILITY PLANT	<u>5,501,760,305</u>
2. OTHER PROPERTY AND INVESTMENTS		
121	NONUTILITY PROPERTY	126,390,518
122	ACCUMULATED PROVISION FOR DEPRECIATION AND AMORTIZATION OF NONUTILITY PROPERTY	(98,976,780)
123	INVESTMENTS IN SUBSIDIARY COMPANIES	-
124	OTHER INVESTMENTS	122
125	SINKING FUNDS	-
128	OTHER SPECIAL FUNDS	<u>3,000,000</u>
	TOTAL OTHER PROPERTY AND INVESTMENTS	<u>30,413,860</u>

Data from SPL as of March 26, 2010

SOUTHERN CALIFORNIA GAS COMPANY
BALANCE SHEET
ASSETS AND OTHER DEBITS
MARCH 31, 2010

Exhibit D-2
Page 8

3. CURRENT AND ACCRUED ASSETS		2010
131	CASH	23,144,427
132	INTEREST SPECIAL DEPOSITS	-
134	OTHER SPECIAL DEPOSITS	-
135	WORKING FUNDS	92,775
136	TEMPORARY CASH INVESTMENTS	157,100,000
141	NOTES RECEIVABLE	-
142	CUSTOMER ACCOUNTS RECEIVABLE	500,457,599
143	OTHER ACCOUNTS RECEIVABLE	18,715,632
144	ACCUMULATED PROVISION FOR UNCOLLECTIBLE ACCOUNTS	(4,409,398)
145	NOTES RECEIVABLE FROM ASSOCIATED COMPANIES	172,662,636
146	ACCOUNTS RECEIVABLE FROM ASSOCIATED COMPANIES	(9,113,888)
151	FUEL STOCK	-
152	FUEL STOCK EXPENSE UNDISTRIBUTED	-
154	PLANT MATERIALS AND OPERATING SUPPLIES	28,571,835
155	MERCHANDISE	8,104
156	OTHER MATERIALS AND SUPPLIES	-
163	STORES EXPENSE UNDISTRIBUTED	59,253
164	GAS STORED	21,638,821
165	PREPAYMENTS	6,668,576
171	INTEREST AND DIVIDENDS RECEIVABLE	16,794
173	ACCRUED UTILITY REVENUES	-
174	MISCELLANEOUS CURRENT AND ACCRUED ASSETS	25,855,456
175	DERIVATIVE INSTRUMENT ASSETS	7,323,404
176	LONG TERM PORTION OF DERIVATIVE ASSETS - HEDGES	5,384,169
	TOTAL CURRENT AND ACCRUED ASSETS	954,176,193
4. DEFERRED DEBITS		
181	UNAMORTIZED DEBT EXPENSE	5,084,711
182	UNRECOVERED PLANT AND OTHER REGULATORY ASSETS	933,681,278
183	PRELIMINARY SURVEY & INVESTIGATION CHARGES	42,933
184	CLEARING ACCOUNTS	(17,564)
185	TEMPORARY FACILITIES	-
186	MISCELLANEOUS DEFERRED DEBITS	5,980,570
188	RESEARCH AND DEVELOPMENT	-
189	UNAMORTIZED LOSS ON REACQUIRED DEBT	25,927,206
190	ACCUMULATED DEFERRED INCOME TAXES	278,486,982
191	UNRECOVERED PURCHASED GAS COSTS	-
	TOTAL DEFERRED DEBITS	1,249,186,116
	TOTAL ASSETS AND OTHER DEBITS	\$ 7,735,536,473

Data from SPL as of March 26, 2010

SOUTHERN CALIFORNIA GAS COMPANY
BALANCE SHEET
LIABILITIES AND OTHER CREDITS
MARCH 31, 2010

Exhibit D-2
Page 9

5. PROPRIETARY CAPITAL

	<u>2010</u>
201 COMMON STOCK ISSUED	(834,888,907)
204 PREFERRED STOCK ISSUED	(21,551,075)
207 PREMIUM ON CAPITAL STOCK	-
208 OTHER PAID-IN CAPITAL	-
210 GAIN ON RETIRED CAPITAL STOCK	(9,722)
211 MISCELLANEOUS PAID-IN CAPITAL	(31,306,680)
214 CAPITAL STOCK EXPENSE	143,261
216 UNAPPROPRIATED RETAINED EARNINGS	(868,473,477)
219 ACCUMULATED OTHER COMPREHENSIVE INCOME	<u>24,855,788</u>
 TOTAL PROPRIETARY CAPITAL	 <u>(1,731,230,812)</u>

6. LONG-TERM DEBT

221 BONDS	(1,255,384,169)
224 OTHER LONG-TERM DEBT	(12,475,533)
225 UNAMORTIZED PREMIUM ON LONG-TERM DEBT	-
226 UNAMORTIZED DISCOUNT ON LONG-TERM DEBT	<u>1,925,491</u>
 TOTAL LONG-TERM DEBT	 <u>(1,265,934,211)</u>

7. OTHER NONCURRENT LIABILITIES

227 OBLIGATIONS UNDER CAPITAL LEASES - NONCURRENT	(13,276,394)
228.2 ACCUMULATED PROVISION FOR INJURIES AND DAMAGES	(120,147,671)
228.3 ACCUMULATED PROVISION FOR PENSIONS AND BENEFITS	(707,743,745)
228.4 ACCUMULATED MISCELLANEOUS OPERATING PROVISIONS	-
230 ASSET RETIREMENT OBLIGATIONS	<u>(684,101,080)</u>
 TOTAL OTHER NONCURRENT LIABILITIES	 <u>(1,525,268,891)</u>

Data from SPL as of March 26, 2010

SOUTHERN CALIFORNIA GAS COMPANY
BALANCE SHEET
LIABILITIES AND OTHER CREDITS
MARCH 31, 2010

Exhibit D-2
Page 10

8. CURRENT AND ACCRUED LIABILITES		2010
231	NOTES PAYABLE	-
232	ACCOUNTS PAYABLE	(305,494,817)
233	NOTES PAYABLE TO ASSOCIATED COMPANIES	-
234	ACCOUNTS PAYABLE TO ASSOCIATED COMPANIES	(13,297,235)
235	CUSTOMER DEPOSITS	(84,668,941)
236	TAXES ACCRUED	(38,875,239)
237	INTEREST ACCRUED	(19,276,991)
238	DIVIDENDS DECLARED	(323,265)
241	TAX COLLECTIONS PAYABLE	(24,860,972)
242	MISCELLANEOUS CURRENT AND ACCRUED LIABILITIES	(157,194,739)
243	OBLIGATIONS UNDER CAPITAL LEASES - CURRENT	(10,144,330)
244	DERIVATIVE INSTRUMENT LIABILITIES	(956,806)
245	DERIVATIVE INSTRUMENT LIABILITIES - HEDGES	-
	TOTAL CURRENT AND ACCRUED LIABILITIES	(655,093,335)
9. DEFERRED CREDITS		
252	CUSTOMER ADVANCES FOR CONSTRUCTION	(85,479,445)
253	OTHER DEFERRED CREDITS	(112,907,129)
254	OTHER REGULATORY LIABILITIES	(1,732,357,204)
255	ACCUMULATED DEFERRED INVESTMENT TAX CREDITS	(27,153,128)
257	UNAMORTIZED GAIN ON REACQUIRED DEBT	-
281	ACCUMULATED DEFERRED INCOME TAXES - ACCELERATED	-
282	ACCUMULATED DEFERRED INCOME TAXES - PROPERTY	(324,127,318)
283	ACCUMULATED DEFERRED INCOME TAXES - OTHER	(275,985,001)
	TOTAL DEFERRED CREDITS	(2,558,009,224)
	TOTAL LIABILITIES AND OTHER CREDITS	\$ (7,735,536,473)

Data from SPL as of March 26, 2010

SOUTHERN CALIFORNIA GAS COMPANY
STATEMENT OF INCOME AND RETAINED EARNINGS
THREE MONTHS ENDED MARCH 31, 2010

Exhibit D-2
Page 11

1. UTILITY OPERATING INCOME

400	OPERATING REVENUES		\$1,183,636,041
401	OPERATING EXPENSES	\$927,188,901	
402	MAINTENANCE EXPENSES	27,029,946	
403-7	DEPRECIATION AND AMORTIZATION EXPENSES	75,267,253	
408.1	TAXES OTHER THAN INCOME TAXES	19,646,864	
409.1	INCOME TAXES	39,874,667	
410.1	PROVISION FOR DEFERRED INCOME TAXES	22,610,691	
411.1	PROVISION FOR DEFERRED INCOME TAXES - CREDIT	(5,582,175)	
411.4	INVESTMENT TAX CREDIT ADJUSTMENTS	(627,454)	
411.6	GAIN FROM DISPOSITION OF UTILITY PLANT	-	
411.7	LOSS FROM DISPOSITION OF UTILITY PLANT	-	
	TOTAL OPERATING REVENUE DEDUCTIONS		1,105,408,693
	NET OPERATING INCOME		78,227,347

2. OTHER INCOME AND DEDUCTIONS

415	REVENUE FROM MERCHANDISING, JOBBING AND CONTRACT WORK	-	
417	REVENUES FROM NONUTILITY OPERATIONS	-	
417.1	EXPENSES OF NONUTILITY OPERATIONS	32,153	
418	NONOPERATING RENTAL INCOME	(91,813)	
418.1	EQUITY IN EARNINGS OF SUBSIDIARIES	-	
419	INTEREST AND DIVIDEND INCOME	(124,864)	
419.1	ALLOWANCE FOR OTHER FUNDS USED DURING CONSTRUCTION	(4,108,673)	
421	MISCELLANEOUS NONOPERATING INCOME	(52,501)	
421.1	GAIN ON DISPOSITION OF PROPERTY	0	
	TOTAL OTHER INCOME	(4,345,698)	
425	MISCELLANEOUS AMORTIZATION	-	
426	MISCELLANEOUS OTHER INCOME DEDUCTIONS	889,699	
		889,699	
408.2	TAXES OTHER THAN INCOME TAXES	20,685	
409.2	INCOME TAXES	198,780	
410.2	PROVISION FOR DEFERRED INCOME TAXES	750,871	
411.2	PROVISION FOR DEFERRED INCOME TAXES - CREDIT	(751,933)	
420	INVESTMENT TAX CREDITS	-	
	TOTAL TAXES ON OTHER INCOME AND DEDUCTIONS	218,403	
	TOTAL OTHER INCOME AND DEDUCTIONS		(3,237,596)
	INCOME BEFORE INTEREST CHARGES		81,464,943
	NET INTEREST CHARGES*		16,465,910
	NET INCOME		\$64,999,033

*NET OF ALLOWANCE FOR BORROWED FUNDS USED DURING CONSTRUCTION. (\$1,248,533)

**SOUTHERN CALIFORNIA GAS COMPANY
STATEMENT OF INCOME AND RETAINED EARNINGS
THREE MONTHS ENDED MARCH 31, 2010**

Exhibit D-2
Page 12

3. RETAINED EARNINGS

RETAINED EARNINGS AT BEGINNING OF PERIOD, AS PREVIOUSLY REPORTED	\$903,797,710
NET INCOME (FROM PRECEDING PAGE)	64,999,033
DIVIDEND TO PARENT COMPANY	(100,000,000)
DIVIDENDS DECLARED - PREFERRED STOCK	(323,266)
OTHER RETAINED EARNINGS ADJUSTMENT	<u>-</u>
RETAINED EARNINGS AT END OF PERIOD	<u>\$868,473,477</u>

BALANCE SHEET

MARCH 31, 2010

A S S E T S

(Millions of Dollars)

UTILITY PLANT:

Utility plant, at original cost	\$25,354
Less - Accumulated depreciation	(6,064)
	19,290
Construction work in progress	2,790
Nuclear fuel, at amortized cost	314
	22,394

OTHER PROPERTY AND INVESTMENTS:

Nonutility property - less accumulated depreciation of \$92	70
Nuclear decommissioning trusts	3,248
Other Investments	75
	3,393

CURRENT ASSETS:

Cash and equivalents	66
Short-term investments	9
Receivables, less allowances of \$53 for uncollectible accounts	626
Accrued unbilled revenue	360
Inventory	320
Derivative assets	130
Regulatory assets	303
Other current assets	229
	2,043

DEFERRED CHARGES:

Regulatory assets	4,675
Derivative assets	141
Other long-term assets	329
	5,145
	\$32,975

BALANCE SHEET

MARCH 31, 2010

CAPITALIZATION AND LIABILITIES

(Millions of Dollars)

CAPITALIZATION:

Common stock	\$2,168
Additional paid-in capital	557
Accumulated other comprehensive loss	(18)
Retained Earnings	4,905
Common shareholder's equity	<u>7,612</u>
Preferred and preference stock not subject to redemption requirements	920
Long-term debt	6,984
	<u>15,516</u>

CURRENT LIABILITIES:

Short-term debt	180
Accounts payable	897
Accrued taxes	39
Accrued interest	114
Customer deposits	234
Derivative liabilities	178
Regulatory liabilities	288
Deferred income taxes	47
Other current liabilities	427
	<u>2,404</u>

DEFERRED CREDITS:

Deferred income taxes	3,796
Deferred investment tax credits	95
Customer advances	112
Derivative liabilities	920
Pensions and benefits	1,702
Asset retirement obligations	3,229
Regulatory liabilities	3,521
Other deferred credits and other long-term liabilities	1,680
	<u>15,055</u>
	<u>\$32,975</u>

SOUTHERN CALIFORNIA EDISON COMPANY

STATEMENT OF INCOME

3 MONTHS ENDED MARCH 31, 2010

(Millions of Dollars)

OPERATING REVENUE	<u>\$2,159</u>
OPERATING EXPENSES:	
Fuel	81
Purchased power	608
Other operation and maintenance	713
Depreciation, decommissioning and amortization	309
Property and other taxes	<u>68</u>
Total operating expenses	<u>1,779</u>
OPERATING INCOME	380
Interest income	1
Other income	34
Interest expense - net of amounts capitalized	(99)
Other expenses	<u>(10)</u>
INCOME BEFORE INCOME TAX	306
INCOME TAX EXPENSE	<u>129</u>
NET INCOME	177
Less: Dividends on preferred and preference stock not subject to mandatory redemption	<u>13</u>
NET INCOME AVAILABLE FOR COMMON STOCK	<u><u>\$164</u></u>