



May 3, 2012

Sempra Energy Reports First-Quarter 2012 Earnings

- **Company Reaffirms 2012 Earnings-per-share Guidance Range of \$4 to \$4.30**
- **Cameron LNG Export Project Development Advances**

SAN DIEGO, May 3, 2012 - [Sempra Energy](#) (NYSE: SRE) today reported first-quarter 2012 earnings of \$236 million, or \$0.97 per diluted share, compared with \$254 million, or \$1.05 per diluted share in the first quarter 2011.

Effective Jan. 1, the company changed its accounting treatment for investment tax credits related to solar-power projects from the flow-through method to the deferral method. Sempra Energy's 2011 results have been restated to reflect this change in accounting method.

As previously reported, the General Rate Cases for both Southern California Gas Co. (SoCalGas) and San Diego Gas & Electric (SDG&E) currently are in process at the California Public Utilities Commission (CPUC). The revenue requirement established in these proceedings will be retroactive to Jan. 1, 2012. Until the Commission reaches a final decision, both utilities are recording revenues based on 2011 authorized levels, as adjusted for the recovery of actual incremental wildfire insurance premiums. When the final decision is reached, SoCalGas and SDG&E will record the cumulative change in revenues, retroactive to the beginning of the year.

"Our solid first-quarter results put us on track to meet our 2012 earnings-per-share guidance range of \$4 to \$4.30," said Debra L. Reed, chief executive officer of Sempra Energy. "We also made significant progress in developing a liquefied natural gas export facility at our Cameron LNG terminal."

Yesterday, Sempra Energy announced that its Cameron LNG subsidiary signed a third and final commercial development agreement with a subsidiary of GDF SUEZ Ltd. to develop a natural gas liquefaction export facility at the site of the Cameron LNG receipt terminal in Louisiana. In April, Cameron LNG signed commercial development agreements with Mitsubishi Corporation and Mitsui & Co., Ltd. The three agreements bind the parties to fund all development expenses, including design, permitting and engineering, as well as to negotiate 20-year tolling agreements, based on key terms outlined in the commercial development agreements.

The completed liquefaction facility is expected to be comprised of three liquefaction trains with a total export capability of 12 million tonnes per annum of liquefied natural gas, or approximately 1.7 billion cubic feet per day. Pending regulatory approvals and achievement of other key milestones, the company plans to start construction of the facility next year and begin operations in late 2016.

As announced previously, on Jan. 1, Sempra Energy consolidated Sempra Generation, Sempra Pipelines & Storage and Sempra LNG into two new operating units: Sempra International and Sempra U.S. Gas & Power. Beginning in the first quarter 2012, Sempra Energy began reporting financial results under the following segments: San Diego Gas & Electric, Southern California Gas Co., Sempra South American Utilities, Sempra Mexico, Sempra Renewables and Sempra Natural Gas.

CALIFORNIA UTILITIES

San Diego Gas & Electric

First-quarter earnings for SDG&E increased to \$105 million in 2012 from \$89 million in 2011, primarily due to earnings from construction work in progress.

Southern California Gas Co.

Earnings for SoCalGas in the first quarter 2012 were \$66 million, compared with \$68 million in last year's first quarter.

SEMPRA INTERNATIONAL

Sempra South American Utilities

Sempra South American Utilities recorded earnings of \$40 million in the first quarter 2012, up from \$22 million in the first quarter

2011. The increase was primarily due to the acquisition of the controlling interests in Chilquinta Energía and Luz del Sur in April 2011.

Sempra Mexico

Sempra Mexico recorded first-quarter earnings of \$37 million in 2012, compared with \$39 million last year.

A 20-year contract to sell SDG&E wind power from Sempra Mexico's 156-megawatt (MW) first phase of the Energía Sierra Juárez wind project under development in Baja California was approved by the CPUC March 22. Pending receipt of all regulatory permits, construction on the project is expected to begin this year.

SEMPRA U.S. GAS & POWER

Sempra Renewables

Sempra Renewables recorded earnings of \$10 million in the first quarter 2012, up from \$4 million in the first quarter 2011. The increase was primarily due to deferred income-tax benefits as a result of placing solar and wind generating assets in service in 2012.

Sempra Natural Gas

Sempra Natural Gas, which includes results from natural gas and gas-fired power operations in the U.S., recorded first-quarter earnings of \$1 million in 2012, compared with \$63 million in 2011. The decrease in earnings was primarily due to the expiration of the 10-year California Department of Water Resources power-supply contract in September 2011.

INTERNET BROADCAST

Sempra Energy will broadcast a live discussion of its earnings results over the Internet today at 1 p.m. EDT with senior management of the company. Access is available by logging onto the website at www.sempra.com. For those unable to log onto the live webcast, the teleconference will be available on replay a few hours after its conclusion by dialing (888) 203-1112 and entering passcode 4152078.

Sempra Energy, based in San Diego, is a Fortune 500 energy services holding company with 2011 revenues of \$10 billion. The Sempra Energy companies' 17,500 employees serve more than 31 million consumers worldwide.

This press release contains statements that are not historical fact and constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements can be identified by words like "believes," "expects," "anticipates," "intends," "plans," "estimates," "may," "will," "would," "could," "should," "potential," "target," "outlook", "depends," "pursue" or similar expressions, or discussions of guidance, strategies, plans, goals, initiatives, objectives or intentions. Forward-looking statements are not guarantees of performance. They involve risks, uncertainties and assumptions. Future results may differ materially from those expressed in the 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: local, regional, national and international economic, competitive, political, legislative and regulatory conditions and developments; actions by the California Public Utilities Commission, California State Legislature, Federal Energy Regulatory Commission, U.S. Department of Energy, Nuclear Regulatory Commission, California Energy Commission, California Air Resources Board, and other regulatory, governmental and environmental bodies in the United States and other countries where the company does business; capital market conditions, including the availability of credit and the liquidity of investments; inflation, interest and exchange rates; the impact of benchmark interest rates, generally the U.S. Treasury bond and Moody's A-rated utility bond yields, on the California utilities' cost of capital; the timing and success of business development efforts and construction, maintenance and capital projects, including risks inherent in the ability to obtain, and the timing of the granting of, permits, licenses, certificates and other authorizations; energy markets, including the timing and extent of changes and volatility in commodity prices; the availability of electric power, natural gas and liquefied natural gas, including disruptions caused by failures in the North American transmission grid, pipeline explosions and equipment failures; weather conditions, natural disasters, catastrophic accidents, and conservation efforts; risks inherent in nuclear power generation and radioactive materials storage, including catastrophic release of such materials; risks posed by decisions and actions of third parties who control the operations of investments in which the company does not have a controlling interest; wars, terrorist attacks and cyber security threats; business, regulatory, environmental and legal decisions and requirements; expropriation of assets by foreign governments and title and other property disputes; the status of deregulation of retail natural gas and electricity delivery; the inability or determination not to enter into long-term supply and sales agreements or long-term firm capacity agreements; the resolution of litigation; and other uncertainties, all of which are difficult to predict and many of which are beyond the control of the company. These risks and uncertainties are further discussed in the reports that Sempra Energy has filed with the Securities and Exchange Commission. These reports are available through the EDGAR system free-of-charge on the SEC's website, www.sec.gov, and on the company's website at www.sempra.com.

These forward-looking statements speak only as of the date hereof, and the company undertakes no obligation to update or revise these

forecasts or projections or other forward-looking statements, whether as a result of new information, future events or otherwise.

Sempra International, LLC, and Sempra U.S. Gas & Power, LLC, are not the same companies as San Diego Gas & Electric (SDG&E) or Southern California Gas Company (SoCalGas) and Sempra International and Sempra U.S. Gas & Power are not regulated by the California Public Utilities Commission.

Note: Formerly known entities Sempra Generation, Sempra LNG and Sempra Pipelines & Storage have now been realigned under Sempra International and Sempra U.S. Gas & Power.

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