



## Sempra Energy, RBS to Sell North American Assets of Commodities Joint Venture to JP Morgan Unit

SAN DIEGO, Oct. 7, 2010 – [Sempra Energy](#) (NYSE: SRE) and [The Royal Bank of Scotland](#) (RBS) today announced that they have agreed to sell most of the remaining assets of RBS Sempra Commodities to JP Morgan Ventures Energy Corp. (JP Morgan), a unit of JP Morgan Chase & Co., for approximately \$220 million.

The assets being sold include wholesale natural gas and power trading agreements, as well as over-the-counter and exchange-traded transactions, with counterparties across North America. The counterparties are natural gas producers, pipeline and storage providers, power plants, regasification facilities, utilities and municipal customers.

The sale, together with previously announced sales, will complete the divestiture of the last of the principal assets of RBS Sempra Commodities.

Last month, Noble Group Ltd. agreed to acquire the San Diego-based Sempra Energy Solutions unit of the RBS-Sempra Commodities joint venture. In July, Sempra Energy and RBS completed the first phase of the asset sales with a transaction to sell to JP Morgan Chase & Co. the joint venture's global metals and oil businesses, as well as the European natural gas and power businesses.

The sale of the RBS Sempra Commodities North American wholesale trading assets to JP Morgan will require regulatory approval from the Federal Energy Regulatory Commission. The transaction is expected to close in the fourth quarter 2010.

As previously reported, Sempra Energy expects its share of the proceeds from the sale of all of the joint venture's businesses and related cash distributions to total \$1.8 billion to \$1.9 billion. This includes approximately \$1.3 billion expected from the announced transactions, plus \$500 million to \$600 million consisting primarily of cash and accounts receivable, as well as net margin that is expected to be collected as customers are transferred to JP Morgan. The transfer of all accounts to JP Morgan will be done as soon as possible, but is expected to continue into 2011.

Cash distributions from RBS Sempra Commodities are net of expected transition costs and are not expected to fully recover the goodwill included in the carrying value of Sempra Energy's investment in the joint venture. Accordingly, Sempra Energy expects third-quarter 2010 earnings to reflect a reduction in its investment in RBS Sempra Commodities, resulting in an after-tax charge ranging from \$50 million to \$150 million.

Sempra Energy, based in San Diego, is a Fortune 500 energy services holding company with 2009 revenues of more than \$8 billion. The Sempra Energy companies' 13,800 employees serve about 29 million consumers worldwide.

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*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," "would," "could," "should," or similar expressions, or discussions of strategies, plans 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, California Department of Water Resources, Federal Energy Regulatory Commission, Federal Reserve Board, and other regulatory and governmental bodies in the United States and other countries where the company does business; capital market conditions and inflation, interest and exchange rates; energy and trading markets, including the timing and extent of changes and volatility in commodity prices; the availability of electric power, natural gas and liquefied natural gas; weather conditions and conservation efforts; war and terrorist attacks; business, regulatory, environmental and legal decisions and requirements; the status of deregulation of retail natural gas and electricity delivery; the timing and success of business development efforts; 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](http://www.sec.gov), and on the company's website at [www.sempra.com](http://www.sempra.com).*

Sempra Pipelines & Storage, Sempra Generation, Sempra LNG and RBS Sempra Commodities dba Sempra Energy Solutions

*and Sempra Energy Trading are not the same companies as the utility, San Diego Gas & Electric (SDG&E) or Southern California Gas Company (SoCalGas), and Sempra Pipelines & Storage, Sempra Generation, Sempra LNG and RBS Sempra Commodities dba Sempra Energy Solutions and Sempra Energy Trading are not regulated by the California Public Utilities Commission.*

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