



Sempra Energy Reports Higher Second-Quarter 2010 Earnings

SAN DIEGO, Aug. 3, 2010 - Sempra Energy (NYSE: SRE) today reported second-quarter 2010 earnings of \$222 million, or \$0.89 per diluted share, up from earnings of \$198 million, or \$0.80 per diluted share, in 2009.

Second-quarter 2009 earnings included a charge of \$64 million, or \$0.26 per diluted share, for an asset write-off at Sempra Pipelines & Storage.

Sempra Energy's earnings for the first six months of 2010 were \$328 million, or \$1.31 per diluted share, compared with \$514 million, or \$2.09 per diluted share, in 2009. First-quarter 2010 earnings included a charge of \$96 million after tax, or \$0.38 per diluted share, for a proposed energy-crisis litigation settlement.

"Our core businesses performed well in the quarter," said Donald E. Felsing, chairman and chief executive officer of Sempra Energy. "Last month, we completed our transaction with J.P. Morgan to sell a major portion of our commodities joint venture - the first step in our exit from that business. Our proceeds from the sale and other distributions will be approximately \$1 billion. Additionally, last month, San Diego Gas & Electric reached a significant milestone with receipt of the final major regulatory approval for its Sunrise Powerlink transmission line. This project will increase electric grid reliability and create a new pathway for clean, renewable energy."

Sempra Energy today also announced that the company will begin a \$500 million accelerated share-repurchase program later this quarter.

SUBSIDIARY OPERATING RESULTS

San Diego Gas & Electric

In the second quarter 2010, earnings for San Diego Gas & Electric (SDG&E) were \$75 million, up from \$70 million in last year's second quarter.

For the first six months of 2010, SDG&E earned \$158 million, compared with \$169 million during the same period last year.

On July 13, SDG&E received approval from the U.S. Forest Service and now is moving forward with construction of the \$1.9 billion Sunrise Powerlink transmission line project. The U.S. Forest Service permit was the last major regulatory approval required for the project. SDG&E previously received approvals from the California Public Utilities Commission and the federal Bureau of Land Management.

Southern California Gas Co.

Southern California Gas Co. (SoCalGas) had second-quarter earnings of \$69 million in 2010, compared with \$65 million in the prior-year's second quarter.

SoCalGas' earnings in the first half of the year increased to \$134 million in 2010 from \$124 million in 2009.

Sempra Generation

Sempra Generation's second-quarter earnings rose to \$48 million in 2010 from \$33 million last year, due primarily to additional renewable energy tax credits from new projects. The gains from the tax credits in the most recent quarter were offset partially by lower earnings due to scheduled maintenance at two power plants and earthquake damage at the company's Mexican plant.

In the first half of 2010, Sempra Generation recorded a loss of \$5 million, compared with earnings of \$76 million during the same period last year. In the first quarter 2010, Sempra Generation took a charge of \$84 million related to a proposed energy-crisis litigation settlement.

Sempra Generation has activated the first 18 megawatts (MW) at its 48-MW Copper Mountain Solar facility under construction near Las Vegas. The facility is expected to be completed by year-end. Copper Mountain Solar and Sempra Generation's adjacent El Dorado Solar facility together will employ about 1 million thin-film photovoltaic panels to produce a total of 58 MW of solar energy. The power is being sold to Pacific Gas & Electric under 20-year agreements.

Sempra Pipelines & Storage

In the second quarter 2010, Sempra Pipelines & Storage earned \$39 million, compared with a loss of \$27 million in the prior

year's quarter. In the second quarter 2009, Sempra Pipelines & Storage recorded a charge of \$64 million for the write-off of certain assets at Liberty Gas Storage.

For the first six months of 2010, Sempra Pipelines & Storage's earnings increased to \$77 million from \$10 million in the same period last year.

Sempra LNG

Sempra LNG's earnings in the second quarter 2010 were \$13 million, compared with a loss of \$12 million in the second quarter 2009, due to higher earnings from operations. In the third quarter last year, Sempra LNG's Louisiana receipt terminal began operations and a major supply contract commenced for the company's Mexican receipt terminal.

In the first half of 2010, Sempra LNG earned \$45 million, compared with a loss of \$19 million in the first half of 2009.

Sempra Commodities

Sempra Energy's commodity operations broke even in the second quarter 2010, compared with earnings of \$85 million in last year's second quarter, due primarily to lower results in crude oil, oil products and natural gas, as well as higher costs for employee retention.

For the first six months of 2010, Sempra Energy recorded a loss of \$5 million in its commodity operations, compared with earnings of \$199 million in the same period last year.

On July 1, Sempra Energy and the Royal Bank of Scotland completed the sale to J.P. Morgan of the RBS Sempra Commodities joint venture's metals, oil, and European power and gas businesses for \$1.6 billion. Sempra Energy's share of the proceeds from the sale was approximately \$1 billion, including distributions of 2009 earnings.

In February, Sempra Energy announced its intention to exit the joint venture. An active sales process is under way for the remaining North American operations of RBS Sempra Commodities. As stated previously, Sempra Commodities' performance is not expected to improve significantly prior to completion of the sales process, because of low commodity prices and the disruptions caused by the sale.

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 7403945.

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.

Complete financial tables, including earnings information by business unit, are available on Sempra Energy's Web site at <http://www.sempra.com/downloads/2Q2010.pdf>.

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, and on the company's website at 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

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