



Sempra Energy's New Baja California LNG Terminal Ready for Commercial Operations

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SAN DIEGO, May 15, 2008 – Sempra LNG, a subsidiary of Sempra Energy (NYSE: SRE), today announced that its Energía Costa Azul liquefied natural gas (LNG) receipt terminal in Baja California, Mexico, has successfully completed all performance testing and is ready for commercial operations. Located 14 miles north of Ensenada, Energía Costa Azul is the first LNG receipt facility on the West Coast of North America.

Over the past month, a variety of start-up and commissioning activities have been under way at Energía Costa Azul, including receiving the facility's first two LNG cargoes.

Energía Costa Azul is the largest capital project in our company's 10-year history thus far and part of our ongoing plan to develop critically needed natural gas infrastructure throughout North America," said Donald E. Felsing, chairman and chief executive officer of Sempra Energy.

"The start of operations at Energía Costa Azul represents the culmination of seven years of development activity involving the acquisition of permits and commercial contracts, construction, start-up and testing," said Darcel L. Hulse, president and chief executive officer of Sempra LNG. "The journey from an idea to a whole new business has been both challenging and satisfying."

Energía Costa Azul's first cargo of imported natural gas arrived April 18 aboard the Al Safliya, a new, state-of-the-art LNG carrier from Qatar. A second LNG ship, the Bluesky, arrived at Energía Costa Azul May 6 with a cargo of LNG from Trinidad. The stringent performance testing is now complete and the terminal has successfully met all of its design criteria.

The terminal is fully contracted and capable of processing 1 billion cubic feet per day (Bcf/d) of natural gas, with room for expansion. While Sempra LNG owns 100 percent of the facility, the company is leasing half of Energía Costa Azul's processing capacity to Shell International Gas Limited under a 20-year agreement. Sempra LNG's half of the capacity at Energía Costa Azul will be supplied from a new liquefaction facility nearing completion at Tangguh, Indonesia. Shipments from the Indonesian facility should begin arriving in the second quarter of 2009.

The natural gas processed at Energía Costa Azul will be used in Baja California and the U.S. Southwest. Natural gas from the terminal will meet applicable Mexico and U.S. gas pipeline quality standards.

A second Sempra LNG receipt terminal, Cameron LNG, is under construction near Lake Charles, La. The project, capable of processing 1.5 Bcf/d, is slated for completion by the end of the year.

LNG is simply natural gas in liquid form. To reach a liquid state, natural gas must be cooled. The liquid gas is then transported aboard specially designed carriers for delivery to receipt terminals. These receipt terminals store LNG, return it to its gaseous state and dispatch it into pipelines for customer use. In LNG's 45-year shipping history, LNG carriers have traveled more than 100 million miles without a major incident.

Sempra LNG develops and operates LNG receipt terminals serving North American markets. Sempra Energy, based in San Diego, is a Fortune 500 energy services holding company with 2007 revenues of more than \$11 billion. The Sempra Energy companies' 13,500 employees serve more than 29 million consumers worldwide.

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Sempra LNG is not the same company as the utilities, SDG&E or SoCalGas, and is not regulated by the California Public Utilities Commission.

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. When the company uses words like "believes," "expects," "anticipates," "intends," "plans," "estimates," "may," "would," "could," "should," or similar expressions, or when the company discusses its strategy or plans, the company is making forward-looking statements. 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, U.K. Financial Services Authority and other regulatory bodies in the United States and other countries; capital market conditions, inflation rates, interest rates and exchange rates; energy and trading markets, including the timing and extent of changes 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 company's reports filed with the Securities and Exchange Commission that are available through the EDGAR system without charge at its Web site, www.sec.gov, and on the company's Web site, www.sempra.com.

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