



Semptra Energy's Subsidiary IEnova, Chevron Sign Contract For Refined Fuels Terminal In Sinaloa, Mexico

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SAN DIEGO, Sept. 13, 2018 /PRNewswire/ -- Semptra Energy (NYSE: SRE) today announced that its Mexican subsidiary, Infraestructura Energética Nova, S.A.B. de C.V. (IEnova) (BMV: IENOVA), has signed a long-term contract with Chevron Combustibles de México S. de R.L. de C.V. (Chevron) for 50 percent of the 1-million-barrel initial capacity of the Topolobampo refined fuels marine terminal in Sinaloa, Mexico.

Under the agreement, subsidiaries of Chevron will have storage capacity of 500,000 barrels of refined fuels and the option to acquire up to 25 percent of the equity in the terminal after commercial operations begin. IEnova signed a separate long-term contract for the remaining half of the facility's initial storage capacity with another U.S. large independent refiner that will be announced at a later date.

"The Topolobampo project provides an important supply source of refined fuels for Mexico," said Carlos Ruiz Sacristán, chairman and CEO of the Semptra North American Infrastructure group and executive chairman of IEnova. "Together, working with our customers, this terminal will increase reliability of supply, create jobs and provide benefits to millions of Mexican consumers."

The Chevron contract for the Topolobampo terminal is the second announced by IEnova this week. On Tuesday, IEnova announced that British Petroleum would use 50 percent of the 1-million-barrel initial capacity of the refined fuels Baja Refinados terminal to be constructed in Baja California. Earlier this year, IEnova had signed an agreement with Chevron to utilize the other 50 percent initial capacity of the Baja Refinados facility.

IEnova will be responsible for financing, obtaining permits, engineering, procurement and construction, as well as maintenance and operations. Operations of the Topolobampo facility are expected to commence in the fourth quarter of 2020.

IEnova develops, builds and operates energy infrastructure in Mexico. As of the end of 2017, the company had invested more than U.S. \$7.6 billion in operating assets and projects under construction in Mexico, making it one of the largest private energy companies in the country. IEnova was the first energy infrastructure company to be listed on the Mexican Stock Exchange.

Semptra Energy announced in August that it formed a new operating group, Semptra North American Infrastructure. The new group's operations include IEnova, as well as Semptra LNG & Midstream development and marketing activities.

Semptra Energy, a San Diego-based energy services holding company with 2017 revenues of more than \$11 billion, is the utility holding company with the largest U.S. customer base. The Semptra Energy companies' approximately 20,000 employees serve more than 40 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 such as "believes," "expects," "anticipates," "plans," "estimates," "projects," "forecasts," "contemplates," "assumes," "depends," "should," "could," "would," "will," "confident," "may," "can," "potential," "possible," "proposed," "target," "pursue," "outlook," "maintain," or similar expressions or discussions of guidance, strategies, plans, goals, opportunities, projections, 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.

Factors, among others, that could cause our actual results and future actions to differ materially from those described in any forward-looking statements include risks and uncertainties relating to: actions and the timing of actions, including decisions, new regulations, and issuances of permits and other authorizations by the California Public Utilities Commission, U.S. Department of Energy, California Department of Conservation's Division of Oil, Gas, and Geothermal Resources, Federal Energy Regulatory Commission, U.S. Environmental Protection Agency, Pipeline and Hazardous Materials Safety Administration, Los Angeles County Department of Public Health, Public Utility Commission of Texas, states, cities and counties, and other regulatory and governmental bodies in the U.S. and other countries in which we operate; the timing and success of business development efforts and construction projects, including risks in timely obtaining or maintaining permits and other authorizations, risks in completing construction projects on schedule and on budget, and risks in obtaining the consent and participation of partners and counterparties; the resolution of civil and criminal litigation and regulatory investigations; deviations from regulatory precedent or practice that result in a reallocation of benefits or burdens among shareholders and ratepayers; denial of approvals of proposed settlements or modifications of settlements; and delays in, or disallowance or denial of, regulatory agency authorizations to recover costs in rates from customers or regulatory agency approval for projects required to enhance safety and reliability, any of which may raise our cost of capital and materially impair our ability to finance our operations; the greater degree and prevalence of wildfires in California in recent years and risk that we may be found liable for damages regardless of fault, such as in cases where the inverse condemnation doctrine applies, and risk that we may not be able to recover any such costs in rates from customers in California; the availability of electric power, natural gas and liquefied natural gas, and natural gas pipeline and storage capacity, including disruptions caused by failures in the transmission grid, moratoriums or limitations on the withdrawal or injection of natural gas from or into storage facilities, and equipment failures; changes in energy markets, volatility in commodity prices and moves to reduce or eliminate reliance on natural gas; risks posed by actions of third parties who control the operations of our investments, and risks that our partners or counterparties will be unable or unwilling to fulfill their contractual commitments; weather conditions, natural disasters, accidents, equipment failures, computer system outages, explosions, terrorist attacks and other events that disrupt our operations, damage our facilities and systems, cause the release of greenhouse gases, radioactive materials and harmful emissions, cause wildfires and subject us to third-party liability for property damage or personal injuries, fines and penalties, some of which may not be covered by insurance (including costs in excess of applicable policy limits), may be disputed by insurers or may otherwise not be recoverable through regulatory mechanisms or may impact our ability to obtain satisfactory levels of insurance, to the extent that such insurance is available or not prohibitively expensive; cybersecurity threats to the energy grid, storage and pipeline infrastructure, the information and systems used to operate our businesses and the confidentiality of our proprietary information and the personal information of our customers and employees; our ability to successfully execute our plan to divest certain non-utility assets within the anticipated timeframe, if at all, or that such plan may not yield the anticipated benefits; actions of activist shareholders, which could impact the market price of our common stock, preferred stock and other securities

and disrupt our operations as a result of, among other things, requiring significant time and attention by management and our board of directors; capital markets and economic conditions, including the availability of credit and the liquidity of our investments; fluctuations in inflation, interest and currency exchange rates and our ability to effectively hedge the risk of such fluctuations; the impact of recent federal tax reform and uncertainty as to how it may be applied, and our ability to mitigate adverse impacts; actions by credit rating agencies to downgrade our credit ratings or those of our subsidiaries or to place those ratings on negative outlook and our ability to borrow at favorable interest rates; changes in foreign and domestic trade policies and laws, including border tariffs, and revisions to international trade agreements, such as the North American Free Trade Agreement, that make us less competitive or impair our ability to resolve trade disputes; the ability to win competitively bid infrastructure projects against a number of strong and aggressive competitors; expropriation of assets by foreign governments and title and other property disputes; the impact on reliability of San Diego Gas & Electric Company's (SDG&E) electric transmission and distribution system due to increased amount and variability of power supply from renewable energy sources; the impact on competitive customer rates due to the growth in distributed and local power generation and the corresponding decrease in demand for power delivered through SDG&E's electric transmission and distribution system and from possible departing retail load resulting from customers transferring to Direct Access and Community Choice Aggregation or other forms of distributed and local power generation, and the potential risk of nonrecovery for stranded assets and contractual obligations; the ability to realize the anticipated benefits from our investment in Oncor Electric Delivery Holdings Company LLC (Oncor Holdings); Oncor Electric Delivery Company LLC's (Oncor) ability to eliminate or reduce its quarterly dividends due to regulatory capital requirements, certain reductions in its senior secured credit rating, or the determination by Oncor's independent directors or a minority member director to retain such amounts to meet future requirements; and other uncertainties, some of which may be difficult to predict and are beyond our control.

These risks and uncertainties are further discussed in the reports that Sempra Energy has filed with the U.S. 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 Sempra Energy's website at www.sempra.com. Investors should not rely unduly on any forward-looking statements. These forward-looking statements speak only as of the date hereof and Sempra Energy or its subsidiaries undertake 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.

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