



## Sempra LNG And Aramco Services Company Sign Heads Of Agreement For Port Arthur LNG

May 22, 2019

### - Principal Terms for 5 Mtpa of LNG Offtake and a 25% Equity Ownership

DHAHRAN, Saudi Arabia and SAN DIEGO, May 22, 2019 /PRNewswire/ -- Sempra Energy (NYSE:SRE) and Saudi Aramco today announced their respective subsidiaries, Sempra LNG and Aramco Services Company, have signed a heads of agreement (HOA). The HOA anticipates the negotiation and finalization of a definitive 20-year liquefied natural gas (LNG) sale-and-purchase agreement (SPA) for 5 million tonnes per annum (Mtpa) of LNG offtake from Phase 1 of the Port Arthur LNG export project under development. It also includes the negotiation and finalization of a 25% equity investment in Phase 1 of Port Arthur LNG.

Amin Nasser, Saudi Aramco's CEO & President, said, "The agreement with Sempra LNG is a major step forward in Saudi Aramco's long term strategy to become a leading global LNG player. With global demand for LNG expected to grow by around 4% per year, and likely to exceed 500 million metric tons a year by 2035, we see significant opportunities in this market and we will continue to pursue strategic partnerships which enable us to meet rising global demand for LNG."

"At Sempra Energy, we are developing one of the largest LNG export infrastructure portfolios in North America, with an eye towards connecting millions of consumers to cleaner, more reliable energy sources," said Jeffrey W. Martin, chairman and CEO of Sempra Energy. "We are pleased to partner with affiliates of Saudi Aramco, the largest oil and gas company in the world, to advance the development of Sempra LNG's natural gas liquefaction facility in Texas and enable the export of American natural gas to global markets."

The proposed Port Arthur LNG Phase 1 project is expected to include two liquefaction trains, up to three LNG storage tanks and associated facilities that should enable the export of approximately 11 Mtpa of LNG on a long-term basis. Port Arthur LNG could be one of the largest LNG export projects in North America, with potential expansion capabilities up to eight liquefaction trains or approximately 45 Mtpa of capacity.

#### **Notes to Editors**

- Earlier this month, the U.S. Department of Energy issued Port Arthur LNG's authorization to export domestically produced natural gas to countries that do not have a free trade agreement with the U.S. Last month, Port Arthur LNG and its affiliates received authorization from the Federal Energy Regulatory Commission to site, construct and operate the liquefaction export facility and related natural gas pipelines.
- Port Arthur LNG is one of Sempra LNG's five strategically located LNG development opportunities in North America and is a component of Sempra LNG's goal of delivering 45 Mtpa of clean natural gas to the global LNG market.
- Development of Sempra Energy's LNG export projects is contingent upon obtaining additional customer commitments, completing the required commercial agreements, securing all necessary permits, obtaining financing, incentives and other factors, and reaching a final investment decision. The ultimate participation by Aramco Services Company and its affiliates in the Port Arthur LNG project remains subject to finalization of definitive agreements, among other factors.

#### **About Aramco Services Company**

Aramco Services Company (ASC) is the U.S.-based subsidiary of Saudi Aramco, a world leader in integrated energy and chemicals, and has had a presence in the U.S. for more than 60 years. ASC is a contributor to the U.S. energy sector through employment, partnerships with energy peers and oil services companies, joint industry and academic collaborations, and research and technology development. The company is headquartered in Houston, and maintains offices in New York, Washington D.C., Boston, and Detroit. ASC is committed to being a positive contributor in the communities where its employees live and work, and to making a difference through outreach that benefits the arts, geosciences, education and the environment. [www.aramcoservices.com](http://www.aramcoservices.com)

#### **About Saudi Aramco**

Saudi Aramco is a global integrated energy and chemicals company. We are driven by the core belief that energy is opportunity. From producing approximately one in every eight barrels of the world's oil supply to developing new energy technologies, our global team is dedicated to creating impact in all that we do. We focus on making our resources more dependable, more sustainable and more useful. This helps promote stability and long-term growth around the world. [www.saudiaramco.com](http://www.saudiaramco.com)

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#### **About Sempra Energy**

Sempra Energy's mission is to be North America's premier energy infrastructure company. With 2018 reported revenues of more than \$11.6 billion, the San Diego-based company is the utility holding company with the largest U.S. customer base. The Sempra Energy companies' more than 20,000 employees are focused on delivering energy with purpose to approximately 40 million consumers worldwide. Sempra Energy has been consistently recognized for its leadership in diversity and inclusion, and social responsibility, and is a member of the S&P 500 Utilities Index and the Dow Jones Utility Index.

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