



## Judge Sets Schedule For Continental Forge Case

SAN DIEGO, Jan. 10, 2005 -- Semptra Energy (NYSE: SRE) announced today that a schedule has been set for a trial in the Continental Forge Company class-action litigation, beginning June 3, 2005. At that time, the judge will address what issues will be decided by a jury, as well as the scope and sequence of the cases.

"After years of legal discovery, including the review of millions of pages of documents, Semptra Energy and our utility subsidiaries -- Southern California Gas Co. and San Diego Gas & Electric -- are confident of refuting the plaintiffs' fictional theories and insupportable allegations," said W. Davis Smith, general counsel for Semptra Energy's utilities, Southern California Gas Co. and San Diego Gas & Electric. "The filings in this case make it clear there is no factual basis for the plaintiffs' claims. When appropriate, we expect to demonstrate in court that the plaintiffs' unfounded theories are contradicted by their own evidence. We also expect to prove that their monetary claims -- grossly inflated to attract media attention --are baseless."

The company expects to demonstrate that the increase in natural gas prices during the Western U.S. energy crisis of 2000-2001 was caused by the convergence of events over which Semptra Energy and its utilities had no control, Smith said.

These events included: the impact of drought conditions in the Pacific Northwest curtailing hydro-electric output, combined with an unseasonably hot summer followed by an unusually cold winter; an interruption of supplies due to an explosion on El Paso's interstate natural gas pipeline serving California; and an unanticipated shutdown of a Southern California nuclear generating facility. These factors and others led to record use of gas-fired power generation.

"The fact is that the Semptra Energy companies have led the way in bringing new energy supplies to California," Smith said. "The California Public Utilities Commission's consumer watchdog arm confirmed that Southern California Gas Co. helped reduce customers' energy costs during the California energy crisis of 2000-2001."

Additional information on the Continental Forge case is available on the company's Web site, [www.semptra.com/legal.htm](http://www.semptra.com/legal.htm). Semptra Energy, based in San Diego, is a Fortune 500 energy services holding company with 2003 revenues of \$7.9 billion. The Semptra Energy companies' 13,000 employees serve more than 10 million customers in the United States, Europe, Canada, Mexico, South America and Asia.

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," "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: national, international, regional and local economic, competitive, political, legislative and regulatory conditions and developments; actions by the California Public Utilities Commission, the California State Legislature, the California Department of Water Resources, the Federal Energy Regulatory Commission 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 natural gas; weather conditions and conservation efforts; war and terrorist attacks; business, regulatory, environmental, and legal decisions and requirements; the pace of deregulation of retail natural gas and electricity delivery; the timing and success of business development efforts; and other uncertainties, all of which are difficult to predict and many of which are beyond the company's control. 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](http://www.sec.gov) and on the company's Web site, [www.semptra.com](http://www.semptra.com).

Media Contact:  
Doug Kline/Denise King  
Semptra Energy  
(877) 866-2066  
[www.semptra.com](http://www.semptra.com)