



## Federal Regulators Approve Sempra Energy Port Arthur LNG Project

SAN DIEGO, June 15, 2006 – Officials of Sempra LNG, a unit of Sempra Energy (NYSE: SRE), welcomed today's decision by the Federal Energy Regulatory Commission (FERC) authorizing the company to move forward with the development of a new liquefied natural gas (LNG) receiving terminal near Port Arthur, Texas, capable of processing up to 3 billion cubic feet per day (Bcfd) of natural gas.

"More than half of the nation's gas supplies are either consumed in or flow through the Gulf Coast region to serve the Midwest and East Coast markets," said Darcel L. Hulse, president of Sempra LNG. "Port Arthur LNG is in a premier location within the Gulf Coast region that provides access to important pipelines and natural gas storage facilities." Sempra Energy began the federal permitting process for Port Arthur LNG in April 2004.

"This permit gives Port Arthur LNG the flexibility, depending on the response from the marketplace, to determine the size and scope of the project's first and second phases," Hulse said. "The timing of construction would be dependent upon market needs. The facility would be built on a portion of the 2,900 acres of land, owned by Sempra Energy since 1989, along the Port Arthur Ship Canal. Port Arthur LNG could be fully operational as early as 2010 if the company successfully completes sufficient capacity and supply agreements.

"We have been in discussions with many of the world's LNG suppliers regarding capacity at our Port Arthur terminal. The FERC approval we have just received allows those negotiations to proceed with certainty."

Construction began last year and continues at two Sempra LNG receipt terminals, Energía Costa Azul in Baja California, Mexico, and Cameron LNG near Lake Charles, La. When both terminals are completed in 2008, they will have a combined sendout capacity of 2.5 Bcfd of natural gas.

Sempra LNG oversees LNG project development. Sempra Energy, based in San Diego, is a Fortune 500 energy services holding company with 2005 revenues of \$11.7 billion. The Sempra Energy companies' 14,000 employees serve more than 29 million consumers 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: local, regional, national and international 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 markets 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 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](http://www.sec.gov) and on the company's Web site, [www.sempra.com](http://www.sempra.com).

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

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