



Port Arthur LNG Receives Non-FTA Authorization For Liquefaction-Export Project In Texas

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Permit Signed in Brussels During First US-EU Energy Council High-Level Energy Forum

SAN DIEGO, May 2, 2019 /PRNewswire/ -- U.S. Secretary of Energy Rick Perry today signed the Department of Energy's authorization allowing Sempra Energy's (NYSE: SRE) Port Arthur LNG to export approximately 13.5 million tonnes per annum (Mtpa) of U.S.-produced liquefied natural gas (LNG) to countries that do not have a free-trade agreement (FTA) with the U.S. during the first U.S.-EU Energy Council High-Level Energy Forum in Brussels, Belgium.

"I am pleased to announce the order signed today authorizing Port Arthur LNG to export up to 1.91 billion cubic feet per day of LNG, to any country that does not have an FTA with the United States," said Perry. "The United States is in its third consecutive year as a net exporter of natural gas, now exporting domestic LNG to 35 countries. I applaud the American private sector for continuing to reach new milestones and look forward to continued growth in this sector."

The Port Arthur LNG export project in development in Jefferson County, Texas is expected to include two liquefaction trains, up to three LNG storage tanks and associated facilities.

"Today's approval marks a major regulatory step for the development of Port Arthur LNG that would allow LNG to be exported from Port Arthur to all European, Asian and other markets around the world," said Carlos Ruiz Sacristán, chairman and CEO of Sempra North American Infrastructure. "Port Arthur LNG is one of Sempra Energy's five LNG-export projects under development that we believe will help to further establish the U.S. as a global leader in LNG exports."

Port Arthur LNG is expected to create approximately 3,500 on-site engineering and construction jobs, as well as several hundred jobs in Texas in support of the project, including fabrication and operational jobs. Nearly 200 full-time jobs will be created to operate and maintain Port Arthur LNG facility.

Last month, Port Arthur LNG received authorization from the Federal Energy Regulatory Commission to site, construct and operate the liquefaction project. In December 2018, Port Arthur LNG and the Polish Oil & Gas Company signed a definitive 20-year sale-and-purchase agreement for 2 Mtpa of LNG from the Port Arthur LNG project, subject to certain conditions. Bechtel has been selected as the engineering, procurement, construction and commissioning contractor for the project, subject to reaching a definitive agreement.

Development of the Port Arthur LNG project is contingent upon obtaining additional customer commitments, completing the required commercial agreements, obtaining financing, incentives and other factors, as well as reaching a final investment decision.

Sempra LNG develops, builds and invests in natural gas liquefaction facilities and is pursuing the development of five strategically located LNG projects in North America with a goal of delivering 45 Mtpa of clean natural gas to the largest world markets, making Sempra Energy one of North America's largest developers of LNG-export facilities.

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 when we discuss our guidance, strategy, plans, goals, vision, 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 authorizations by the U.S. Department of Energy, Federal Energy Regulatory Commission, U.S. Environmental Protection Agency and Pipeline and Hazardous Materials Safety Administration, states, cities and counties, and other regulatory and governmental bodies in the U.S. and other countries in which we operate; the success of business development efforts and construction projects, including risks in (i) obtaining or maintaining authorizations; (ii) completing construction projects on schedule and budget; (iii) obtaining the consent of partners; (iv) counterparties' ability to fulfill contractual commitments; and (v) the ability to realize anticipated benefits from any of these efforts once completed; the availability of natural gas and liquefied natural gas, and natural gas pipeline and storage capacity; equipment failures; changes in energy markets; volatility in commodity prices; moves to reduce or eliminate reliance on natural gas; risks posed by actions of third parties who control the operations of our investments; weather conditions, natural disasters, accidents, equipment failures, explosions, terrorist attacks and other events that disrupt our operations, damage our facilities and systems, cause the release of harmful materials, 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) or may be disputed by insurers; cybersecurity threats to storage and pipeline infrastructure, the information and systems used to operate our businesses; the impact of recent federal tax reform and our ability to mitigate adverse impacts; changes in foreign and domestic trade policies and laws, including border tariffs, revisions to or the replacement of international trade agreements, and changes that make our exports less competitive or otherwise restrict our ability to export; 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 (SEC). These reports are available through the EDGAR system free-of-charge on the SEC's website, www.sec.gov, and on the company'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 the company undertakes 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.

Sempra LNG and Port Arthur LNG, LLC are not the same as the California Utilities, San Diego Gas & Electric Company (SDG&E) or Southern California Gas Company (SoCalGas), or Oncor Electric Delivery Company LLC (Oncor) and are not regulated by the California Public Utilities Commission.



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