



Sempra Infrastructure and INEOS Energy Trading Sign Heads of Agreement for LNG Supply

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HOUSTON, June 22, 2022 /PRNewswire/ -- [Sempra Infrastructure](#), a subsidiary of [Sempra](#) (NYSE: SRE) (BMV: SRE), and INEOS Energy Trading Ltd., a subsidiary of INEOS, a global chemical products manufacturer, today announced they have entered into a heads of agreement (HOA) for the long-term supply of liquefied natural gas (LNG) from Sempra Infrastructure's Gulf Coast LNG portfolio of projects under development in North America.

The HOA provides the framework for the negotiation and finalization of a definitive 20-year LNG sale and purchase agreement for approximately 1.4 million tonnes per annum (Mtpa) of LNG delivered free-on-board from the proposed Port Arthur LNG project or Cameron LNG Phase 2 project.

"INEOS is one of Europe's largest end-users of natural gas and we look forward to building a long-term relationship with a company that shares our vision of increasing the world's energy security while simultaneously advancing lower-carbon energy sources," said Justin Bird, CEO of Sempra Infrastructure. "This HOA demonstrates our ongoing momentum in advancing our next generation of LNG export facilities with an eye toward supplying U.S. natural gas to some of the world's leading energy and manufacturing companies."

"We are delighted to begin a strategic relationship with Sempra Infrastructure bringing significant expertise in construction and operation of LNG facilities. This agreement is an important part of our strategy as we build a network of liquefaction, shipping and regasification capacity to deliver affordable, cleaner and reliable energy to our businesses and customers globally," said David Bucknall, CEO of INEOS Energy.

Sempra Infrastructure is working to expand its Gulf Coast LNG asset base through the simultaneous development of the Port Arthur LNG project in Jefferson County, Texas, and the proposed expansion of the Cameron LNG facility in Hackberry, Louisiana. INEOS joins the company's growing portfolio of global energy and manufacturing companies that have recently executed HOAs for potential long-term offtake from these projects.

In addition to the 1.4 Mtpa HOA with INEOS Energy Trading, last month Sempra Infrastructure announced an HOA with the Polish Oil & Gas Company (PGNiG) for 2 Mtpa from Cameron LNG Phase 2 and 1 Mtpa from Port Arthur LNG, with an option for PGNiG to reallocate the Cameron LNG Phase 2 volumes to Port Arthur LNG. Sempra Infrastructure also recently announced an HOA with RWE Supply and Trading for 2.25 Mtpa from the Port Arthur LNG project.

The Port Arthur LNG Phase 1 project has received all major permits and is anticipated to include up to two natural gas liquefaction trains capable of producing, under optimal conditions, approximately 13.5 Mtpa of LNG. In addition, the proposed Cameron LNG Phase 2 project, expected to include a single LNG train with a maximum production capacity of 6.75 Mtpa of LNG, continues to reach a number of important commercial and permitting milestones, including the launch of a competitive Front-End Engineering Design (FEED) process.

The referenced HOAs are preliminary non-binding arrangements, and the development of the Port Arthur LNG and Cameron LNG Phase 2 projects remain subject to a number of risks and uncertainties, including reaching definitive agreements, securing all necessary permits, signing engineering and construction contracts, obtaining financing and incentives, and reaching a final investment decision.

About Sempra Infrastructure

Sempra Infrastructure delivers energy for a better world. Through the combined strength of its assets in North America, the company is dedicated to enabling the energy transition and beyond. With a continued focus on sustainability, innovation, world-class safety, championing people, resilient operations and social responsibility, its more than 2,000 employees develop, build and operate clean power, energy networks and LNG and net-zero solutions, that are expected to play a crucial role in the energy systems of the future. For more information about Sempra Infrastructure, please visit www.SempraInfrastructure.com and [Twitter](#).

About INEOS

INEOS is committed to achieving net zero by 2050 across its operations. The company is working to, over time, decarbonize the supply chain through carbon capture and storage and provide optionality for alternative sources of energy such as its leadership in the production of hydrogen.

INEOS Energy meets society's energy needs today and for the future. As an integral part of INEOS, a global manufacturing company, it continues to make an indispensable contribution to society by providing the most sustainable options for a wide range of everyday needs, making the products and energy essential for everyday life. INEOS Energy is committed to net-zero by 2050, producing and trading energy, power and carbon credits. It will grow through the acquisition of existing oil and gas assets, to run them safely, reliably, and efficiently. The business will be at the forefront of new decarbonization technologies such as carbon capture and storage and hydrogen. A sustainable energy business that continues to help consumers and industry to meet their long-term energy needs and carbon reduction targets.

This press release contains statements that constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are based on assumptions with respect to the future, involve risks and uncertainties, and are not guarantees. Future results may differ materially from those expressed in any forward-looking statements. These forward-looking statements represent our estimates and assumptions only as of the date of this press release. We assume no obligation to update or revise any forward-looking statement as a result of new information, future events or other factors.

In this press release, forward-looking statements can be identified by words such as "believes," "expects," "intends," "anticipates," "plans," "estimates," "projects," "forecasts," "should," "could," "would," "will," "confident," "may," "can," "potential," "possible," "proposed," "in process," "under construction," "in development," "opportunity," "target," "outlook," "maintain," "continue," "goal," "aim," "commit," or similar expressions, or when we discuss our guidance, priorities, strategy, goals, vision, mission, opportunities, projections, intentions or expectations.

Factors, among others, that could cause actual results and events to differ materially from those described in any forward-looking statements include

risks and uncertainties relating to: decisions, investigations, regulations, issuances or revocations of permits and other authorizations, and other actions by (i) the U.S. Department of Energy, Comisión Reguladora de Energía, U.S. Federal Energy Regulatory Commission and other regulatory and governmental bodies and (ii) states, counties, cities and other jurisdictions in the U.S., Mexico and other countries in which we do business; the success of business development efforts, construction projects and acquisitions and divestitures, including risks in (i) the ability to make a final investment decision, (ii) completing construction projects or other transactions on schedule and budget, (iii) the ability to realize anticipated benefits from any of these efforts if completed, and (iv) obtaining the consent or approval of partners or other third parties, including governmental entities and regulatory bodies; the resolution of civil and criminal litigation, regulatory inquiries, investigations and proceedings, arbitrations, and property disputes; changes to laws, including changes to certain of Mexico's laws and rules that impact energy supplier permitting, energy contract rates, the electricity industry generally and the ability to import, export, transport and store hydrocarbons; cybersecurity threats, including by state and state-sponsored actors, to the energy grid, storage and pipeline infrastructure, information and systems used to operate our businesses, and confidentiality of our proprietary information and personal information of our customers and employees, including ransomware attacks on our systems and the systems of third-party vendors and other parties with which we conduct business, all of which have become more pronounced due to recent geopolitical events and other uncertainties, such as the war in Ukraine; failure of foreign governments and state-owned entities to honor their contracts and commitments; actions by credit rating agencies to downgrade our credit ratings or to place those ratings on negative outlook and our ability to borrow on favorable terms and meet our debt service obligations; the impact of energy and climate policies, legislation, rulemaking and disclosures, as well as related goals set and actions taken but companies in our industry, including actions to reduce or eliminate reliance on natural gas generally and the risk of nonrecovery for stranded assets; the pace of the development and adoption of new technologies in the energy sector, including those designed to support governmental and private party energy and climate goals, and our ability to timely and economically incorporate them into our business; weather, natural disasters, pandemics, accidents, equipment failures, explosions, acts of terrorism, information system outages or other events that disrupt our operations, damage our facilities and systems, cause the release of harmful materials, cause fires or subject us to liability for property damage or personal injuries, fines and penalties, some of which may not be covered by insurance, may be disputed by insurers or may impact our ability to obtain satisfactory levels of affordable insurance; the availability of natural gas; the impact of the COVID-19 pandemic, including potential vaccination mandates, on capital projects, regulatory approvals and the execution of our operations; volatility in foreign currency exchange, inflation and interest rates and commodity prices, including inflationary pressures in the U.S., and our ability to effectively hedge these risks; changes in tax and trade policies, laws and regulations, including tariffs, revisions to international trade agreements and sanctions, such as those that have been imposed and that may be imposed in the future in connection with the war in Ukraine, which may increase our costs, reduce our competitiveness, impact our ability to do business with certain current or potential counterparties, or impair our ability to resolve trade disputes; 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 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 Sempra's website at www.sempra.com. Investors should not rely unduly on any forward-looking statements.

Sempra Infrastructure is not the same company as San Diego Gas & Electric or Southern California Gas Company, and neither Sempra Infrastructure nor any of its subsidiaries are regulated by the California Public Utilities Commission.



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