



CFE and Semptra Infrastructure Expand Agreements for the Development of Energy Infrastructure in Mexico

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HOUSTON and MEXICO CITY, July 21, 2022 /PRNewswire/ -- Semptra Infrastructure, a subsidiary of Semptra (NYSE: SRE) (BMV: SRE), and Mexico's Federal Electricity Commission (Comisión Federal de Electricidad, CFE), announced several agreements to advance the joint development of critical energy infrastructure projects in Mexico, including the rerouting of the Guaymas-El Oro pipeline in Sonora, the proposed Vista Pacífico LNG project in Topolobampo, Sinaloa, and the potential development of a liquefied natural gas (LNG) terminal in Salina Cruz, Oaxaca.

These new agreements establish the framework for a joint venture between the companies to ultimately enable the restoration of service provided by the Guaymas-El Oro pipeline.

These agreements also outline the path forward for the Vista Pacífico LNG terminal, including the definition of the project's configuration to advance engineering and permitting efforts.

In addition, the companies are expanding the memorandum of understanding (MOU) signed earlier this year to jointly explore the potential development of an LNG terminal in Salina Cruz, Oaxaca. This new opportunity will support the Government of Mexico's Interoceanic Corridor in the Isthmus of Tehuantepec project, which is intended to promote economic growth and development of Mexico's South-Southeast region.

These development projects would allow CFE to potentially optimize the use of existing natural gas pipeline systems, provide additional sources of LNG supply for isolated markets in Mexico and continue to expand LNG supplies to the global market.

The agreements reflect Semptra Infrastructure and CFE's commitment to continue advancing energy infrastructure projects that enhance the region's energy security, promote North America's energy integration, and foster economic growth and social wellbeing in the region.

The agreements for the development of the Vista Pacífico LNG and the proposed LNG project in Salina Cruz are preliminary and non-binding. These development projects, together with the rerouting of the Guaymas-El Oro pipeline, remain subject to a number of commitments to be satisfied, including, as applicable, feasibility studies, reaching definitive customer, construction and partnership agreements, securing all necessary permits, obtaining financing and incentives, receiving respective board approval, and reaching a final investment decision.

About Semptra Infrastructure

Semptra 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 Semptra Infrastructure, please visit www.SemptraInfrastructure.com and [Twitter](https://twitter.com/SemptraInfra).

About CFE

The Federal Electricity Commission (CFE) is a productive company of the Mexican State, exclusively owned by the federal government, which supplies energy inputs and goods required for the productive and social development of the country in an efficient, sustainable, economic and inclusive manner, through a policy that prioritizes energy security and energy sovereignty, and that strengthens the public electricity service, a fundamental service for the development of Mexico, which, as a public company, has a position capable of influencing economic activity, at the same time as provides the goods and services for which it was created. For more information about the CFE, please visit <https://www.cfe.mx/>

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 by 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, 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 Company or Southern California Gas Company, and neither Sempra Infrastructure nor any of its subsidiaries is regulated by the California Public Utilities Commission.



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