

Sempra Infrastructure and Entergy Texas to Advance Renewable Energy and Supply Resiliency

July 26, 2022

 Companies sign MOU for cooperation on the development of renewable energy resources to supply Sempra Infrastructure facilities

HOUSTON, July 26, 2022 /PRNewswire/ -- Sempra Infrastructure, a subsidiary of Sempra (NYSE: SRE) (BMV: SRE), and Entergy Texas, Inc. (NYSE: ETI) today announced they have entered into a memorandum of understanding (MOU) to develop options designed to accelerate the deployment of new renewable energy generation resources and to increase the resiliency of power supply in Entergy Texas' Southeast Texas service area, where Sempra Infrastructure's facilities are under development.



"We look forward to working collaboratively with Entergy Texas to achieve both of our companies' sustainability goals," said Martin Hupka, president of LNG and Net-zero Solutions for Sempra Infrastructure. "Sempra Infrastructure has greenhouse gas reduction goals for our facilities through the utilization of lower-carbon technologies, including electrification of key processes, carbon dioxide sequestration and the use of cost-effective renewable energy, and we are excited about the opportunity to jointly develop a renewable electricity plan that could provide an efficient, resilient and economic path to achieve our goals."

The referenced MOU is non-binding and sets forth a framework for Entergy Texas and Sempra Infrastructure to collaborate on developing a renewable electricity plan, including an implementation schedule for renewable energy procurement that would supply Sempra Infrastructure affiliated facilities in the state, subject to approval by the Public Utility Commission of Texas.

Sempra Infrastructure is developing the Port Arthur LNG project in Jefferson County, Texas. Phase 1 of the Port Arthur LNG project is permitted and expected to include two natural gas liquefaction trains and LNG storage tanks, as well as associated facilities capable of producing, under optimal conditions, up to approximately 13.5 Mtpa of LNG. A similarly sized Phase 2 project is also under active marketing and development.

Additionally, Sempra Infrastructure is developing the proposed Port Arthur Pipeline Louisiana Connector, which would transport and provide natural gas to the proposed Port Arthur LNG project and exploring additional opportunities to co-locate lower-carbon hydrogen production and storage at or near its other facilities.

"We look forward to partnering with Sempra Infrastructure to help reduce their emissions through clean electrification and integration of renewable energy into their operations," said Eliecer "Eli" Viamontes, president and CEO of Entergy Texas. "We seek to be a strategic partner with our customers and communities to help meet their sustainability goals while increasing the reliability and resiliency of our system."

Entergy Texas plans to invest over \$2.5 billion by the end of 2024 to build a cleaner, more resilient and sustainable energy future for Southeast Texas. Last year, Entergy Texas filed a request for approval of the <u>Orange County Advanced Power Station</u>, a 1,215-megawatt, dual-fuel combined cycle power facility that will have the capability to use a combination of natural gas and hydrogen. Electric generation using hydrogen as the fuel source produces zero carbon emissions.

Entergy Texas also has entered into a 20-year power purchase agreement with Umbriel Solar for 150 megawatts of solar. The facility will be in Polk County, Texas and is expected to be operational beginning in 2024. Entergy Texas is evaluating additional solar resources that would provide economical, clean energy for customers, with plans to reach over 500 megawatts by 2025 and more by 2030. These resources will increase the diversity of Entergy Texas' power generation portfolio.

This is the second MOU Sempra Infrastructure has signed with energy providers along North America's Gulf Coast to advance the integration of renewable energy into its projects. Earlier this year, the company signed an MOU with Entergy Louisiana to collaborate on developing additional

options for renewable energy procurement for Sempra Infrastructure affiliated facilities in Louisiana.

The development of Sempra Infrastructure's projects in Texas and Louisiana is subject to a number of risks and uncertainties, including reaching definitive customer, partnership, construction and other agreements, securing all necessary permits, 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 Entergy Texas

Entergy Texas, Inc. provides electricity to more than 486,000 customers in 27 counties. Entergy Texas is a subsidiary of Entergy Corporation, a Fortune 500 company headquartered in New Orleans. Entergy powers life for 3 million customers through its operating companies across Arkansas, Louisiana, Mississippi and Texas. Entergy is creating a cleaner, more resilient energy future for everyone with our diverse power generation portfolio, including increasingly carbon-free energy sources. With roots in the Gulf South region for more than a century, Entergy is a recognized leader in corporate citizenship, delivering more than \$100 million in economic benefits to local communities through philanthropy and advocacy efforts annually over the last several years. Our approximately 12,500 employees are dedicated to powering life today and for future generations.

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," "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.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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