Sempra Infrastructure Announces Sale and Purchase Agreement with RWE for Port Arthur LNG

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HOUSTON, Dec. 28, 2022 /PRNewswire/ -- Sempra Infrastructure, a subsidiary of Sempra (NYSE: SRE) (BMV: SRE), today announced it has entered into a long-term sale and purchase agreement (SPA) with RWE Supply & Trading, a subsidiary of RWE (RWE: AG), for the supply of approximately 2.25 million tonnes per annum (Mtpa) of liquefied natural gas (LNG) from the Port Arthur LNG Phase 1 project under development in Jefferson County, Texas. The LNG will be delivered on a free-on-board basis for 15 years. The agreement also provides a framework to explore ways to lower the carbon intensity of LNG produced from the Port Arthur LNG Phase 1 project through GHG emission reduction, mitigation strategies and a continuous improvement approach.

"We could not be more excited to finalize our agreement with RWE as we continue supporting the energy security and environmental goals of our European customers," said Justin Bird, CEO of Sempra Infrastructure. "Because of its scale, location and permitting status, Port Arthur LNG is benefitting from a lot of commercial momentum with nearly all the projected off-take capacity for Phase 1 now under long-term agreements with some of the leading global energy companies. Today's announcement moves us one step further along in the process of making Port Arthur LNG a reality."

"Our partnership with Sempra Infrastructure, one of the leading companies for LNG infrastructure in the US, is another important step to diversify Germany's gas supply and thus contributes to enhancing security of supply in Europe on a long-term basis," said Andree Stracke, CEO of RWE Supply & Trading. "Thanks to the LNG supply contract with Sempra Infrastructure, we can also enlarge our international LNG portfolio."

Sempra Infrastructure recently announced it has entered into long-term agreements with ConocoPhillips, INEOS and ENGIE for the sale and purchase of approximately 7.3 Mtpa of LNG from the proposed Phase 1 project. The company is focused on completing the remaining steps necessary to achieve its goal of making a final investment decision for Phase 1 of the liquefaction project in the first quarter of 2023, with first cargo deliveries expected in 2027.

The Port Arthur LNG Phase 1 project is permitted and expected to include two natural gas liquefaction trains and LNG storage tanks and associated facilities capable of producing, under optimal conditions, up to approximately 13.5 Mtpa of LNG. A similarly sized Port Arthur LNG Phase 2 project is also competitively positioned and under active marketing and development.

Development of both phases of the Port Arthur LNG project is contingent upon completing the required commercial agreements, securing and/or maintaining all necessary permits, obtaining financing, and reaching a final investment decision, among other factors.

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 delivery of cleaner energy for its customers. 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 RWE
RWE is leading the way to a green energy world. With an extensive investment and growth strategy, the company will expand its powerful, green generation capacity to 50 gigawatts internationally by 2030. RWE is investing more than €50 billion gross for this purpose in this decade. The portfolio is based on offshore and onshore wind, solar, hydrogen, batteries, biomass and gas.

RWE Supply & Trading provides tailored energy solutions for large customers. RWE has locations in the attractive markets of Europe, North America and the Asia-Pacific region. The company is responsibly phasing out nuclear energy and coal. Government-mandated phaseout roadmaps have been defined for both of these energy sources. RWE employs around 19,000 people worldwide and has a clear target: to get to net zero by 2040. On its way there, the company has set itself ambitious targets for all activities that cause greenhouse gas emissions. The Science Based Targets initiative has confirmed that these emission reduction targets are in line with the Paris Agreement. Very much in the spirit of the company's purpose: Our energy for a sustainable life.

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 or implied in any forward-looking statement. 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," "contemplates," "plans," "estimates," "projects," "forecasts," "should," "could," "would," "will," "confident," "may," "can," "potential," "possible," "proposed," "in process," "construct," "develop," "opportunity," "initiative," "target," "outlook," "optimistic," "maintain," "continue," "progress," "advance," "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 expressed or implied in any forward-looking statement include risks and uncertainties relating to: decisions, investigations, regulations, issuances or revocations of permits or 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 governmental and regulatory bodies and (ii) the U.S., Mexico and states, counties, cities and other jurisdictions therein and in other countries in which we do business; the success of business development efforts, construction projects and acquisitions and divestitures, including risks in (i) being able

to make a final investment decision, (ii) completing construction projects or other transactions on schedule and budget, (iii) realizing anticipated benefits from any of these efforts if completed, and (iv) obtaining the consent or approval of partners or other third parties, including governmental and regulatory bodies; civil and criminal litigation, regulatory inquiries, investigations, arbitrations, property disputes and other proceedings; changes to laws and regulations, including certain of Mexico's laws and rules that impact energy supplier permitting, energy contract rates, the electricity industry generally and the import, export, transport and storage of hydrocarbons; cybersecurity threats, including by state and state-sponsored actors, by ransomware attacks on our systems or the systems of third-parties with which we conduct business, including to the energy grid or other energy infrastructure, all of which have become more pronounced due to recent geopolitical events, such as the war in Ukraine; failure of foreign governments, state-owned entities and our counterparties to honor their contracts and commitments; our ability to borrow money on favorable terms or otherwise and meet our debt service obligations, including due to (i) actions by credit rating agencies to downgrade our credit ratings or place those ratings on negative outlook and (ii) rising interest rates and inflation; the impact on our ability to pass through any higher costs to current and future customers due to volatility in inflation, interest and foreign currency exchange rates and commodity prices and our ability to effectively hedge these risks; the impact of energy and climate policies, laws, rules and disclosures, as well as related goals and actions of companies in our industry, including actions to reduce or eliminate reliance on natural gas 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 efficiently 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 or systems, cause the release of harmful materials, cause fires or subject us to liability for damages, fines and penalties, some of which may be disputed or not covered 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 on capital projects, regulatory approvals and the execution of our operations; 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 counterparties, or impair our ability to resolve trade disputes; and other uncertainties, some of which are difficult to predict and 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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