



## **Sempra Energy Receives Key Permits, Environmental Impact Statement For North American LNG Facilities**

### **Energía Costa Azul First in Baja California to Receive Three Key Permits**

#### **Cameron LNG in Louisiana Receives Final EIS From FERC**

SAN DIEGO, Aug. 18, 2003 - Sempra Energy officials today announced that the company's Energía Costa Azul liquefied natural gas (LNG) receiving terminal in Baja California, Mexico, received a storage and re-gasification permit from the Comisión Reguladora de Energía (CRE), Mexico's national energy regulatory agency, as well as the key land-use permit from the Municipality of Ensenada. In addition, Sempra Energy's Cameron LNG receiving terminal in Hackberry, La., received the final environmental impact statement (EIS) from the Federal Energy Regulatory Commission (FERC).

"We are pleased to have successfully navigated an extremely rigorous permitting process over the past year," said Donald E. Felsing, group president of Sempra Energy Global Enterprises, the umbrella for Sempra Energy's growth businesses. "We are positioned to build the next two LNG facilities in North America. These approvals will allow us to move forward to conclude our LNG supply arrangements for both facilities.

"These will be landmark projects. Energía Costa Azul will be the first in Baja California and the first West Coast LNG facility in North America, while Cameron will be the first new LNG facility built in the United States in more than two decades. Most importantly, they will both be designed to meet the industry's stringent safety standards."

Energía Costa Azul is the first LNG project in Baja California to receive all three key approvals - the CRE permit, land-use permit and the environmental permit, which was received in April 2003. The project will receive, store and re-gasify LNG at a rate of 1 billion cubic feet (Bcf) per day of natural gas. The \$600 million facility will be built at a site in Costa Azul, along the Pacific Coast about 14 miles north of Ensenada, Baja California.

The final EIS for Cameron LNG is the first to be issued to a new LNG receiving terminal in North America in more than 20 years and is the last remaining hurdle before the FERC authorization to construct can be awarded. Situated on the Calcasieu River approximately 150 miles east of Houston and 230 miles west of New Orleans, the \$700 million project will have the capacity to process up to 1.5 billion Bcf per day of natural gas.

"In the face of declining domestic gas production, we need to look for other sources of supply," said Darcel Hulse, president of Sempra Energy LNG Corp. "These two facilities represent a significant part of a new network of facilities that will be required to import LNG into North America.

"We are strategically positioned with one site on the West Coast and one on the Gulf Coast. Cameron LNG and Energía Costa Azul translate into 2.5 billion cubic feet a day of new gas supply capability to serve the North American market."

Construction on both facilities is expected to begin in 2004, with operations targeted for 2007.

LNG is natural gas that has been cooled below minus 260 degrees Fahrenheit and condensed into a liquid. LNG occupies 600 times less space than in its gaseous state, which allows it to be shipped in cryogenic tankers from remote locations to markets where it is needed. At the receiving terminal, LNG is unloaded and stored until it can be vaporized back into natural gas and moved via pipeline to customers.

Sempra Energy Global Enterprises is the umbrella for Sempra Energy's growth businesses, including Sempra Energy LNG Corp., which oversees LNG project development.

Sempra Energy (NYSE: SRE), based in San Diego, is a Fortune 500 energy services holding company with 2002 revenues of \$6 billion. The Sempra Energy companies' 12,000 employees serve more than 9 million customers in the United States, Europe, Canada, Mexico, South America and Asia.

Sempra Energy Global Enterprises and Sempra LNG Corp. are not the same companies as the utilities SDG&E/SoCalGas, and are not regulated by the California Public Utilities Commission.

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