First-Quarter 2011
Earnings Results

May 9, 2011
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First-Quarter 2011 Results

Strong performance across all business units in Q1-11

Q1-10 earnings included $96 million charge related to litigation settlement, or $0.38 per share

- Excluding the impact of the litigation charge, Q1-11 earnings per share increased 34%
Sempra Utilities

<table>
<thead>
<tr>
<th>(Unaudited, dollars in millions)</th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>SDG&amp;E Earnings</td>
<td>$89</td>
<td>$83</td>
</tr>
<tr>
<td>SoCalGas Earnings</td>
<td>68</td>
<td>65</td>
</tr>
<tr>
<td>Total</td>
<td>$157</td>
<td>$148</td>
</tr>
</tbody>
</table>

- Q1-10 earnings included tax charges related to the passage of the health care bill
  - $3 million at SDG&E
  - $13 million at SoCalGas
- SoCalGas Q1-10 results included a $7 million regulatory award
Sempra Generation

Q1-11 increase due to:

- $11 million lower operation and maintenance costs principally due to scheduled major maintenance in Q1-10
- $84 million expense related to the litigation settlement in Q1-10

### Three months ended March 31, (Unaudited, dollars in millions)

<table>
<thead>
<tr>
<th></th>
<th>2011</th>
<th>2010*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Earnings (loss)</td>
<td>$44</td>
<td>$ (51)</td>
</tr>
</tbody>
</table>

* Earnings from Sempra Rockies Marketing have been reclassified in 2010 into Sempra Generation from our former Sempra Commodities segment. Sempra Rockies Marketing contributed $3 million and $2 million to earnings in Q1-11 and Q1-10, respectively.
Sempra Pipelines & Storage

Q1-11 increase due to:

- $8 million higher earnings related to pipeline assets in Mexico acquired in Q2-10
- $6 million higher operating results from the utilities in Chile and Peru

<table>
<thead>
<tr>
<th>(Unaudited, dollars in millions)</th>
<th>Three months ended March 31,</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2011</td>
</tr>
<tr>
<td>Earnings</td>
<td>$54</td>
</tr>
</tbody>
</table>
Both Q1-11 and Q1-10 include $11 million in customer payments related to contracted cargoes that were not delivered.
Utility Operational Update

▶ SDG&E Renewable Energy Portfolio
  • Since start of 2011, SDG&E has signed contracts to increase renewables portfolio capacity by 700 MW
  • On-track to meet new California renewable portfolio standards signed into law last month

▶ Sunrise Powerlink
  • All phases of construction well underway
  • Continue to expect in-service date in second half of 2012

▶ General Rate Case
  • Rate case plan calls for decision by approximately March 2012
Natural Gas Pipeline Safety Update

- Approximately 4,000 miles in SoCalGas/SDG&E transmission system – about 1,600 miles in populated areas
- Pipe installed post-1970: ~500 miles, pressure tested and operating safely
- Pipe installed pre-1970: ~1,100 miles
  - All operating safely at or below pressures established using extensive records and historical pressures
  - ~700 miles pressure tested
  - Of the remaining ~400 miles, ~170 miles smart-pigged
  - Additional voluntary actions taken

- Costs
  - #1 priority is safety; significant pipeline integrity spending included in plan
  - Spent about $1.5 million year-to-date gathering records
  - No anticipated impact to earnings guidance
  - Expect recovery of costs related to any new regulations
# Sempra Generation Business Update

<table>
<thead>
<tr>
<th>Project</th>
<th>Nameplate Capacity (MW)</th>
<th>Power Purchase Agreement Status</th>
<th>Expected Construction Start Date</th>
<th>Expected Completion Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mesquite Solar (1st Phase)</td>
<td>150</td>
<td>20-year contract signed and approved by CPUC</td>
<td>June 2011</td>
<td>Early 2013</td>
</tr>
<tr>
<td>Energía Sierra Juárez Wind (1st Phase)</td>
<td>156</td>
<td>20-year contract signed and pending regulatory approval</td>
<td>2012</td>
<td>2013</td>
</tr>
<tr>
<td>Auwahi Wind</td>
<td>21</td>
<td>20-year contract signed and pending regulatory approval</td>
<td>Early 2012</td>
<td>Late 2012</td>
</tr>
</tbody>
</table>
South America Update

- Completed transaction on April 6 for $875 million
  - Sempra Energy owns 100% of Chilquinta Energía in Chile and 76% of Luz del Sur in Peru, with remaining 24% of Luz del Sur owned by institutional investors and the general public
  - Results for Chilquinta Energía and Luz del Sur will be fully consolidated beginning in Q2-11

- Groundbreaking for 98-MW hydroelectric plant in Peru took place earlier this month
  - Project expected to be complete in 2014
Summary

▶ Strong Q1-11 earnings performance across all businesses validates company’s refocus on utilities and contracted energy infrastructure

▶ Significant progress on renewables procurement at SDG&E and renewables development at Sempra Generation

▶ Closed accretive acquisition of South American utilities