



Media Statement: Plaintiffs' lawyers' claims have no merit

SAN DIEGO, Oct. 18, 2004 -- Semptra Energy issued the following statement today regarding a press release issued by attorneys for Continental Forge Company:

"Plaintiffs' trial lawyers today issued a press release about a court ruling published a month ago, coupled with inflammatory rhetoric about claims that have no merit," said Javade Chaudhri, executive vice president and general counsel for Semptra Energy.

"The judge in the case denied a motion for summary judgment and did not address the merits of the case. While there always are hurdles in attempting to obtain a summary judgment, we believe the judge - who no longer is presiding over the case due to his impending retirement - erred in not granting our motion. We have petitioned the Court of Appeals urging immediate review to ensure that our judicial system isn't clogged by such irresponsible lawsuits.

"The filings in this case make it clear that there is no factual basis for the plaintiffs' claims. It is unfortunate that their trial lawyers believe they can achieve their litigation goals by trying to manipulate the news media. We will continue to oppose vigorously the allegations of the lawsuit. We expect to prevail in this case."

[NOTE: After the media statement above was released on 10/18/04, the Petition for Writ of Mandate and/or Prohibition filed with the Court of Appeal was posted on Semptra Energy's Web site. To read the petition, go here:
<http://www.semptra.com/downloads/WritPetition.pdf>.]

This press release contains statements that are not historical fact and constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. When the company uses words like "believes," "expects," "anticipates," "intends," "plans," "estimates," "may," "would," "should" or similar expressions, or when the company discusses its strategy or plans, the company is making forward-looking statements. Forward-looking statements are not guarantees of performance. They involve risks, uncertainties and assumptions. Future results may differ materially from those expressed in the forward-looking statements. Forward-looking statements are necessarily based upon various assumptions involving judgments with respect to the future and other risks, including, among others: national, international, regional and local economic, competitive, political, legislative and regulatory conditions and developments; actions by the California Public Utilities Commission, the California State Legislature, the California Department of Water Resources and the Federal Energy Regulatory Commission; capital market conditions, inflation rates and interest rates; energy and trading markets, including the timing and extent of changes in commodity prices; weather conditions; business, regulatory and legal decisions; the pace of deregulation of retail natural gas and electricity delivery; the timing and success of business development efforts; and other uncertainties, all of which are difficult to predict and many of which are beyond the company's control. These risks and uncertainties are further discussed in the company's reports filed with the Securities and Exchange Commission that are available through the EDGAR system without charge at its Web site, www.sec.gov.

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