Sempra Energy

Sempra Energy

Third Quarter 2019 Earnings Results

November 1, 2019

Information Regarding Forward-Looking Statements

This presentation contains statements that are not historical fact and constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements can be identified by words such as "believes," "expects," "anticipates," "plans," "estimates," "projects," "forecasts," "contemplates," "assumes," "depends," "should," "could," "would," "will," "confident," "may," "can," "potential," "possible," "proposed," "target," "pursue," "outlook," "maintain," or similar expressions or when we discuss our guidance, strategy, plans, goals, vision, mission, opportunities, projections, initiatives, objectives or intentions. 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.

Factors, among others, that could cause our actual results and future actions to differ materially from those described in any forward-looking statements include risks and uncertainties relating to: the greater degree and prevalence of wildfires in California in recent years and the risk that we may be found liable for damages regardless of fault, such as where inverse condemnation applies, and the risk that we may not be able to recover any such costs from insurance, the California wildfire fund or in rates from customers in California or otherwise; actions and the timing of actions, including decisions, investigations, new regulations and issuances of permits and other authorizations and renewal of franchises by the Comisión Federal de Electricidad (CFE), California Public Utilities Commission, U.S. Department of Energy, California Department of Conservation’s Division of Oil, Gas, and Geothermal Resources, Los Angeles County Department of Public Health, U.S. Environmental Protection Agency, Federal Energy Regulatory Commission, Pipeline and Hazardous Materials Safety Administration, Public Utility Commission of Texas, states, cities and counties, and other regulatory and governmental bodies in the U.S. and other countries in which we operate; the success of business development efforts, construction projects, and major acquisitions, divestitures and internal structural changes, including risks in (i) obtaining or maintaining authorizations; (ii) completing construction projects on schedule and budget; (iii) obtaining the consent of partners; (iv) counterparties’ financial ability or otherwise to fulfill contractual commitments; (v) winning competitively bid infrastructure projects; (vi) the ability to complete contemplated acquisitions and/or divestitures and the disruptions caused by such efforts; and (vii) the ability to realize anticipated benefits from any of these efforts once completed; the resolution of civil and criminal litigation, regulatory investigations and proceedings, and arbitrations; actions by credit rating agencies to downgrade our credit ratings or those of our subsidiaries or to place those ratings on negative outlook and our ability to borrow at favorable interest rates; deviations from regulatory precedent or practice that result in a reallocation of benefits or burdens among shareholders and ratepayers; denial of approvals of proposed settlements; delays in, or denial of, regulatory agency authorizations to recover costs in rates from customers or regulatory agency approval for projects required to enhance safety and reliability; and moves to reduce or eliminate reliance on natural gas; weather conditions, natural disasters, accidents, equipment failures, computer system outages, explosions, terrorist attacks and other events that disrupt our operations, damage our facilities and systems, cause the release of harmful materials, cause fires and subject us to third-party liability for property damage or personal injuries, fines and penalties, some of which may not be covered by insurance (including costs in excess of applicable policy limits), may be disputed by insurers or may otherwise not be recoverable through regulatory mechanisms or may impact our ability to obtain satisfactory levels of affordable insurance; the availability of electric power and natural gas and natural gas storage capacity, including disruptions caused by failures in the transmission grid, limitations on the withdrawal or injection of natural gas from or into storage facilities, and equipment failures; risks posed by actions of third parties who control the operations of our investments; cybersecurity threats to the energy grid, storage and pipeline infrastructure, the information and systems used to operate our businesses, and the confidentiality of our proprietary information and the personal information of our customers and employees; expropriation of assets, the failure to honor the terms of contracts by foreign governments and state-owned entities such as the CFE, and other property disputes; the impact at San Diego Gas & Electric Company on competitive customer rates and reliability of electric transmission and distribution systems due to the growth in distributed and local power generation and from possible departing retail load resulting from customers transferring to Direct Access and Community Choice Aggregation or other forms of distributed and local power generation and the potential risk of nonrecovery for stranded assets and contractual obligations; Oncor Electric Delivery Company LLC’s (Oncor) ability to eliminate or reduce its quarterly dividends due to regulatory capital requirements and other regulatory and governance commitments, including the determination by a majority of Oncor’s independent directors or a minority member director to retain such amounts to meet future requirements; changes in capital markets, energy markets and economic conditions, including the availability of credit; and volatility in foreign currency exchange, interest and inflation rates and commodity prices and our ability to effectively hedge the risk of such volatility; changes in foreign and domestic trade policies and laws, including border tariffs and revisions to or replacement of international trade agreements, such as the North American Free Trade Agreement, that may increase our costs or impair our ability to resolve trade disputes; actions of activist shareholders, which could disrupt our operations by, among other things, requiring significant time by management and our board of directors; the impact of federal or state tax reform and our ability to mitigate adverse impacts; 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 Energy 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 the company's website at www.sempra.com. Investors should not rely unduly on any forward-looking statements. These forward-looking statements speak only as of November 1, 2019, and the company undertakes no obligation to update or revise these forecasts or projections or other forward-looking statements, whether as a result of new information, future events or otherwise.

Sempra South American Utilities, Sempra North American Infrastructure, Sempra LNG, Sempra Renewables, Sempra Mexico, Sempra Texas Utilities, Oncor Electric Delivery Company LLC (Oncor) and Infraestructura Energética Nova, S.A.B. de C.V. (IEnova) are not the same companies as the California utilities, San Diego Gas & Electric Company (SDG&E) or Southern California Gas Company (SoCalGas), and Sempra South American Utilities, Sempra North American Infrastructure, Sempra LNG, Sempra Renewables, Sempra Mexico, Sempra Texas Utilities, Oncor and IEnova are not regulated by the California Public Utilities Commission.

Table of Contents

- Executive Summary
- Strategy Update
- Operations Update
- Financial Update
- Key Takeaways

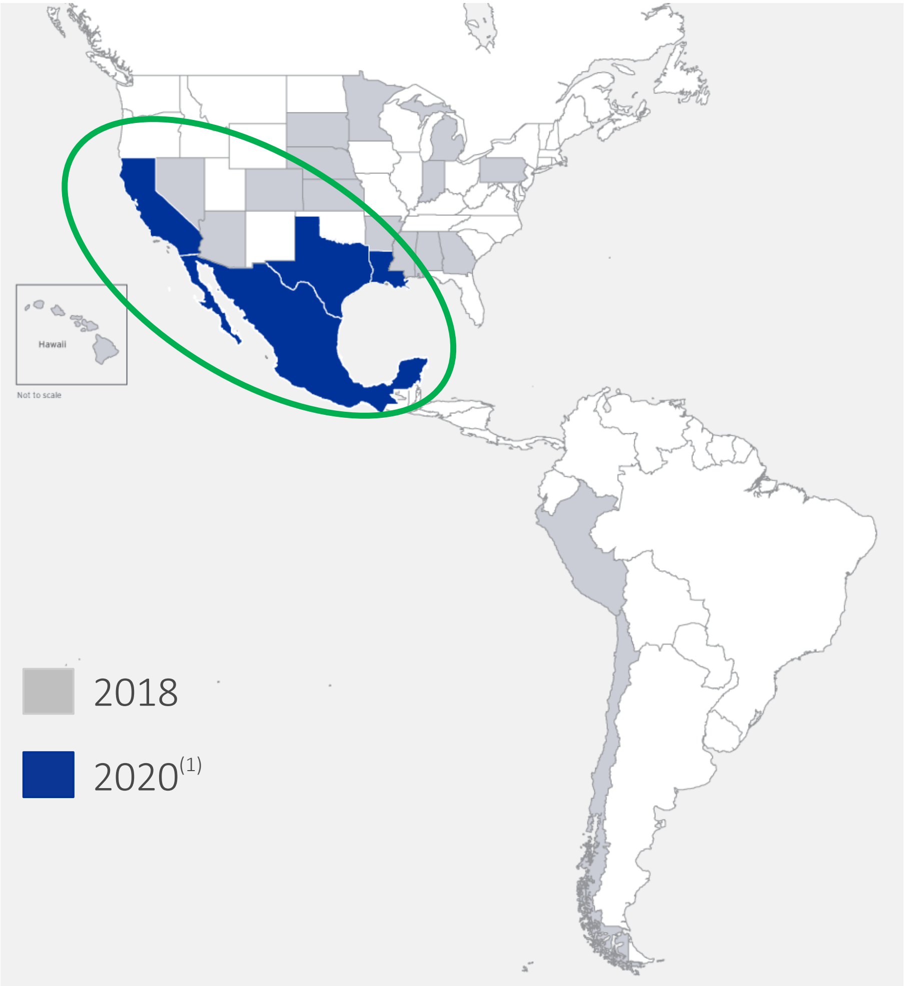
Executive Summary

- Continuing to pursue our mission to be North America's premier energy infrastructure company
  - Announced agreements to sell businesses in Peru and Chile
  - Focused T+D-like portfolio in three states and one foreign jurisdiction
  - Continue to invest in a high-performance culture
- Executing our strategy across our five operating companies
  - Reached COD at Cameron Train 1; schedule for Train 2 and Train 3 remains on track
  - Received constructive final decision in the 2019 CA General Rate Case (GRC) with a focus on safety and reliability
  - Announced new five-year capital plan at Oncor of ~$11.9B
  - Continued execution of infrastructure development in Mexico to help provide the country access to cleaner, more affordable and more reliable energy
  - Continued to advance our LNG development opportunities with more than 20 Mtpa of SPA[(1)], HOAs[(2)] and MOUs[(2)] signed over the last 12 months
- Successful execution has driven strong financial results
  - Reporting Q3-2019 adjusted earnings per common share (EPS) of $1.50[(3)] and year-to-date adjusted EPS of $5.23[(3)]
  - Raising FY-2019 adjusted EPS guidance range from $5.70 - $6.30 to $6.00 - $6.50[(4),(5)]
  - Affirming FY-2020 adjusted EPS guidance range of $6.70 - $7.50[(4)]

1) Subject to certain conditions precedent, including Sempra Energy making a final investment decision within certain agreed timelines.
2) Subject to negotiating and reaching definitive agreements. The HOAs and MOUs do not commit any party to enter into a definitive agreement, or otherwise participate in these projects.
3) Sempra Energy Adjusted EPS is a non-GAAP financial measure. GAAP EPS for Q3-2019 and YTD-2019 were $2.84 and $5.74, respectively. See appendix for information regarding non-GAAP financial measures.
4) Sempra Energy 2019 and 2020 Adjusted EPS Guidance Ranges are non-GAAP financial measures. GAAP EPS Guidance Range for 2019 is $6.50 - $7.00 and for 2020 is $12.78 - $14.26. See Appendix for information regarding non-GAAP financial measures.
5) Sempra Energy's guidance range includes assumptions for foreign currency impacts. See Appendix in the 2019 Investor Day slides for information regarding 2019 rules of thumb.

Strategy | Focused Portfolio in Attractive Markets

Sempra is in the process of rotating capital into some of the most attractive markets in North America



✓ Announced divestitures totaling ~$8.3B[(2)]

- FY-2018 adjusted earnings from Sempra Renewables and South American businesses were ~$305M[(3),(4)]

✓ Purchased 50% interest in Sharyland + Oncor purchased 100% of InfraREIT, which, together with the purchase of Oncor, total ~$10.6B[(5)]

- FY-2020 expected earnings from these businesses are ~$590M[(6)]

1) 2020 does not include the South American assets for which Sempra has announced planned divestitures and expects to close in Q1-2020.
2) Sold U.S. renewables and certain non-utility U.S. natural gas storage assets for ~$2.5B and entered into agreements to sell businesses in Peru and Chile for ~$5.8B, subject to adjustments and closing conditions.
3) 2018 associated adjusted earnings for Sempra Renewables were ~$106M. Sempra Renewables adjusted earnings is a non-GAAP financial measure. Sempra Renewables GAAP earnings for FY-2018 were $328M. See appendix for information regarding non-GAAP financial measures.
4) 2018 associated GAAP earnings for South American businesses were ~$199M. South American businesses earnings of ~$199M are as reported in the 2018 10-K and prior to recasting for Discontinued Operations.
5) Represents Sempra's share.
6) Represents midpoint of FY-2020 guidance for Sempra Texas Utilities.

Strategy | Announced Sale of S.A. Businesses

	Peru	Chile
Buyer	▪ China Yangtze Power International (Hongkong) Co., Limited	▪ State Grid International Development Limited
SRE Equity Sale Price[(1)]	▪ $3.59B	▪ $2.23B
Net Proceeds[(2)]	▪ $2.80B - $3.00B	▪ $1.75B - $1.85B
Plus Net Debt Relief[(3)]	▪ $0.5B	▪ $0.2B
Required Approvals	▪ Peruvian anti-trust authority ▪ Bermuda Monetary Authority	▪ Chilean anti-trust authority ▪ Chinese regulatory approvals ▪ Bermuda Monetary Authority

Total net proceeds from the sale are expected to be between $4.55B - $4.85B. Net proceeds to be redeployed into our utility and infrastructure businesses and to pay down parent debt

Announced Decision to Sell Businesses in South America

Announced Agreement to Sell Business in Peru

Announced Agreement to Sell Business in Chile

Expect to Close the Sales

Q1-2019 | *Q2-2019* | *Q3-2019* | *Q4-2019* | *Q1-2020*

1) Subject to adjustments and various conditions to closing.
2) Net of estimated taxes and anticipated adjustments.
3) Targeted adjusted net indebtedness amount per the Purchase and Sale Agreements dated September 27, 2019 for Peru and October 12, 2019 for Chile. Peru's amount represents Sempra's share at 83.6%.

Operations | SDG&E

Topic	Commentary
General Rate Case	▪ Retroactively effective January 1, 2019 ▪ 2019 test-year revenue requirement | $1.99B, 5.7% over 2018 authorized ▪ Post-test year revenue requirement attrition rates | 2020: 6.7%, 2021: 4.8% ▪ 2020 + 2021 post-test year revenue requirement increases for O&M are 2.6% and 2.5%, respectively, and for capital are 9.7% and 6.5%, respectively
FERC Cost of Capital[1]	▪ Submitted an offer of settlement with an ROE of 10.6%[2] ▪ Expect a final order 1H-2020
CPUC Cost of Capital[3]	▪ Filed revised testimony for ROE of 12.38% to account for new wildfire legislation; 56% equity layer request unchanged ▪ Per CPUC schedule, Final Decision expected by year-end 2019, with rates effective January 1, 2020
Wildfire Fund Contribution	▪ Amortize the contributions over the estimated period of benefit + record additional charges if a wildfire event in California occurs with expected fund utilization ▪ Fund has an estimated period of benefit of ~10 years[4]

1) Subject to FERC approval; docket number ER19-221-000: TO5 Cycle 1 Formula Rate Filing.
2) Includes a 50 basis point California Independent System Operator (CAISO) adder. SDG&E will refund the CAISO adder as of the refund effective date (June 1, 2019) in this proceeding if the FERC issues an order ruling that California investor-owned utilities are no longer eligible for the CAISO adder.
3) Subject to CPUC approval; docket number A.19-04-017.
4) Actual period of benefit may differ from estimated period of benefit.

Operations | SDG&E Wildfire Mitigation

SDG&E continues to build on its 10+ years of innovation and investment to help mitigate the risk of wildfires in its service territory and deliver safe + reliable energy to our customers

Fire Safe 1.0

- Deployed the most highly concentrated network of weather stations in the U.S. with ~190 stations in SDG&E's service territory
- Installed 100+ high-definition cameras
- Established an in-house meteorology team to monitor real-time weather conditions + analyze weather data collected
- Year-round access to one of the largest heli-tankers in the world

✓

Fire Safe 2.0

- Created sophisticated weather models with years of granular data collected
- Developed daily alerts for employees, fire agencies and local responders that forecast weather + fuel conditions several days in advance
- Fire-hardened system based on the most weather sensitive areas
- Established protocols + engaged with communities regarding Public Safety Power Shutoffs

✓

Fire Safe 3.0

- Utilize artificial intelligence to help increase accuracy of forecasts and models
- Create Vegetation Risk Index to help quantify risk associated with individual trees throughout SDG&E's service territory
- Improve weather stations to provide weather readings every 30 seconds
- Develop fire science and innovation lab to create forward-looking solutions to wildfire prevention and mitigation

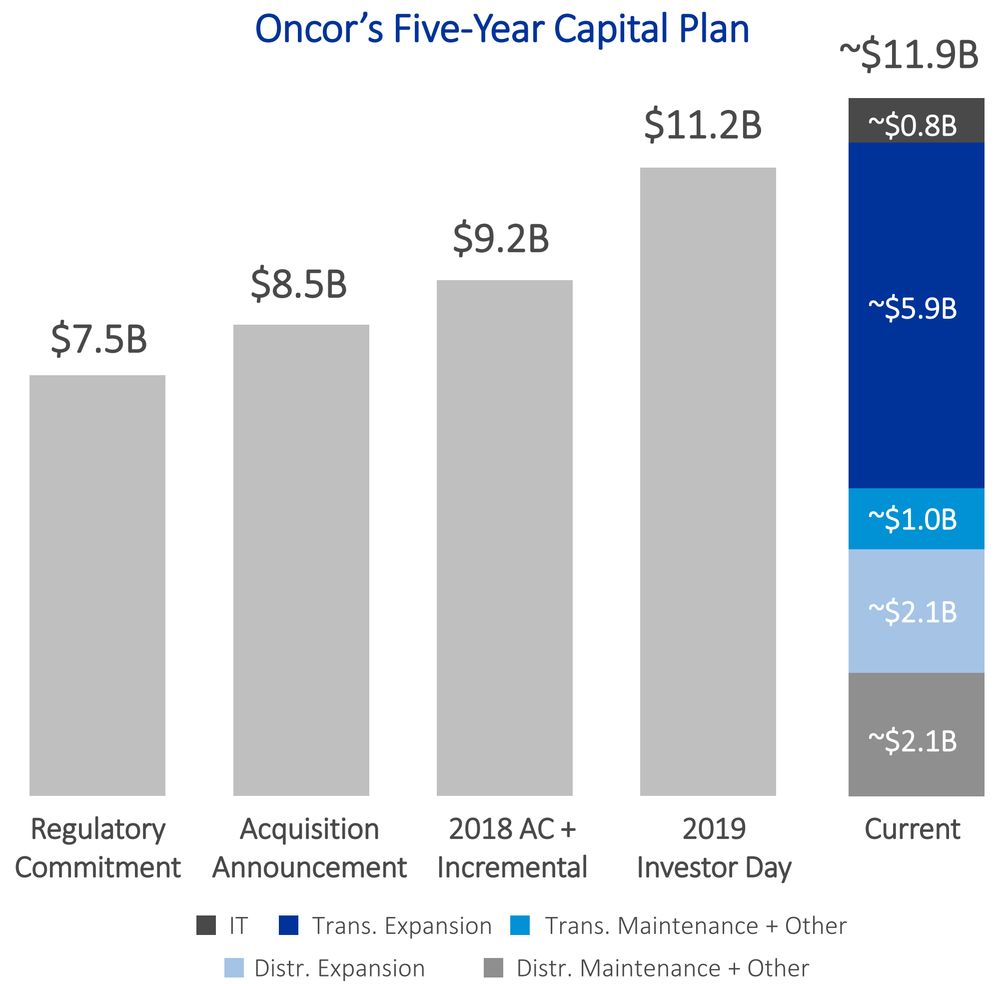
Operations | SoCalGas

Topic	Commentary
General Rate Case	▪ Retroactively effective January 1, 2019 ▪ 2019 test-year revenue requirement | $2.77B, 12.8% over 2018 authorized ▪ Post-test year revenue requirement attrition rates | 2020: 7.9%, 2021: 5.0% ▪ 2020 + 2021 post-test year revenue requirement increases for O&M are 2.6% and 2.4%, respectively, and for capital are 14.4% and 7.9%, respectively
CPUC Cost of Capital(1)	▪ Filed revised testimony with no changes to requested ROE of 10.7% and equity layer of 56% ▪ Per CPUC schedule, Final Decision expected by year-end 2019, with rates effective January 1, 2020

1) Subject to CPUC approval; docket number A.19-04-018.

Operations | Sempra Texas Utilities

- Growth continues in and around Oncor's service territory
- Across its service territory, Oncor is experiencing ~2% premise growth and ~1.5% load growth
- Due to continued growth, Oncor's new 5-year capital plan is ~$11.9B
  - 2/3 of new five-year capital plan is related to sustained T+D growth
  - Capital is subject to recovery in regulatory trackers



Oncor's five-year base capital program continues to increase given the sustained growth in its service territory

Operations | Sempra LNG

Project	Status
Cameron LNG Phase 1[1] | Train 1 in-service; Train 2 + 3 on-schedule	
▪ Train 1 Commercial operations under the tolling agreements reached in mid-August	✓
▪ Train 2 Entered commissioning stage	✓
▪ Train 2 Projected first LNG production Q1-2020[1],[2] | Estimated COD in Q1-2020[1]	Ongoing
▪ Train 3 Projected first LNG production Q2-2020[1],[2] | Estimated COD in Q3-2020[1]	Ongoing
Port Arthur LNG Phase 1[1] | Continuing to advance	
▪ Received all key permits	✓
▪ Began limited site work activities	✓
▪ Expect FID around mid-2020	Ongoing
ECA LNG Phase 1[1] | Continuing to advance	
▪ Facilitating competitive EPC bidding process	Ongoing
▪ Advancing toward FID anticipated in Q1-2020	Ongoing

1) The ability to successfully complete major construction projects, such as the Cameron LNG facility currently under construction, is subject to a number of risks and uncertainties. In addition, the Energía Costa Azul LNG mid-scale and large-scale opportunities, Port Arthur LNG opportunity, and the Cameron LNG Trains 4 and 5 opportunity are subject to a number of risks and uncertainties. Please refer to "Risk Factors" in our most recent Annual Report on Form 10-K and "Factors Influencing Future Performance" in our most recent Annual Report on Form 10-K and our most recent Quarterly Report on Form 10-Q for a description of the risks and other factors associated with the Cameron LNG facility currently under construction and these other opportunities.

2) Based on a number of factors, we believe it is reasonable to expect Train 2 and Train 3 to begin producing LNG in the first and second quarters, respectively, of 2020. These factors include, among others, the EPC contractor's progress to date, the current commissioning activities, the remaining work to be performed, the project schedules received from the EPC contractor, Cameron LNG JV's own review of the project schedules, the assumptions underlying such schedules, and the inherent risks in constructing and testing facilities such as the Cameron LNG liquefaction facility.

Operations | Sempra LNG Marketing Update

Over the last twelve months, Sempra has announced over 20 Mtpa of SPA, HOAs and MOUs with potential customers[(1),(2)]

Date	Description
November 2018	▪ MOU with Total S.A. for up to 9 Mtpa across Sempra's LNG development projects[(1)]
November 2018	▪ HOA with Total S.A., Mitsui and Tokyo Gas for full export capacity of 2.4 Mtpa at ECA Phase 1[(1)]
December 2018	▪ SPA with Polish Oil & Gas Company (PGNiG) for 2 Mtpa from Port Arthur[(2)]
May 2019	▪ HOA with Aramco Services Company for 5 Mtpa + 25% equity interest at Port Arthur[(1)]
September 2019	▪ MOU announced with China Three Gorges Corporation[(1)]
October 2019	▪ MOU with Mitsui for up to 1/3 of available capacity at Cameron Phase 2 and offtake of ~1 Mtpa of LNG + equity participation at ECA Phase 2[(1)]

1) Subject to negotiating and reaching definitive agreements. The HOAs and MOUs do not commit any party to enter into a definitive agreement, or otherwise participate in these projects.
2) The SPA with PGNiG is subject to certain conditions precedent, including Sempra Energy making a final investment decision within certain agreed timelines.

Operations | Sempra Mexico

- Mexico is among the largest economies in the world and it is expected to continue to grow
  - Current population of ~125 million people[1]; expected to reach ~150 million people by 2050[2]
  - 15th largest economy in the world[3]; expected to reach 8th by 2050 in terms of GDP[4]
- Mexico continues to be one of the United States' largest trading partners
  - In 2018, Mexico imported ~5.1 Bcf/d of natural gas from the U.S.[5]
  - Over half of U.S. gasoline exports went to Mexico in 2018[5]
  - Currently, Mexico is the United States' largest trading partner, ahead of Canada and China, exchanging over $410B of goods from January - August 2019[6]
- IEnova continues to develop infrastructure that supports Mexico's growing energy needs
  - Focusing on the development of ECA LNG and associated pipeline infrastructure
  - Placed into service Marine pipeline with 2.6 Bcf/d of capacity, significantly increasing Mexico's natural gas import capacity to meet the country's growing energy needs
  - Constructing refined product storage terminals to help facilitate Mexico's goal of 15 days of refined product inventory

IEnova continues to strategically develop infrastructure in Mexico to help provide the country access to cleaner, more affordable and more reliable energy

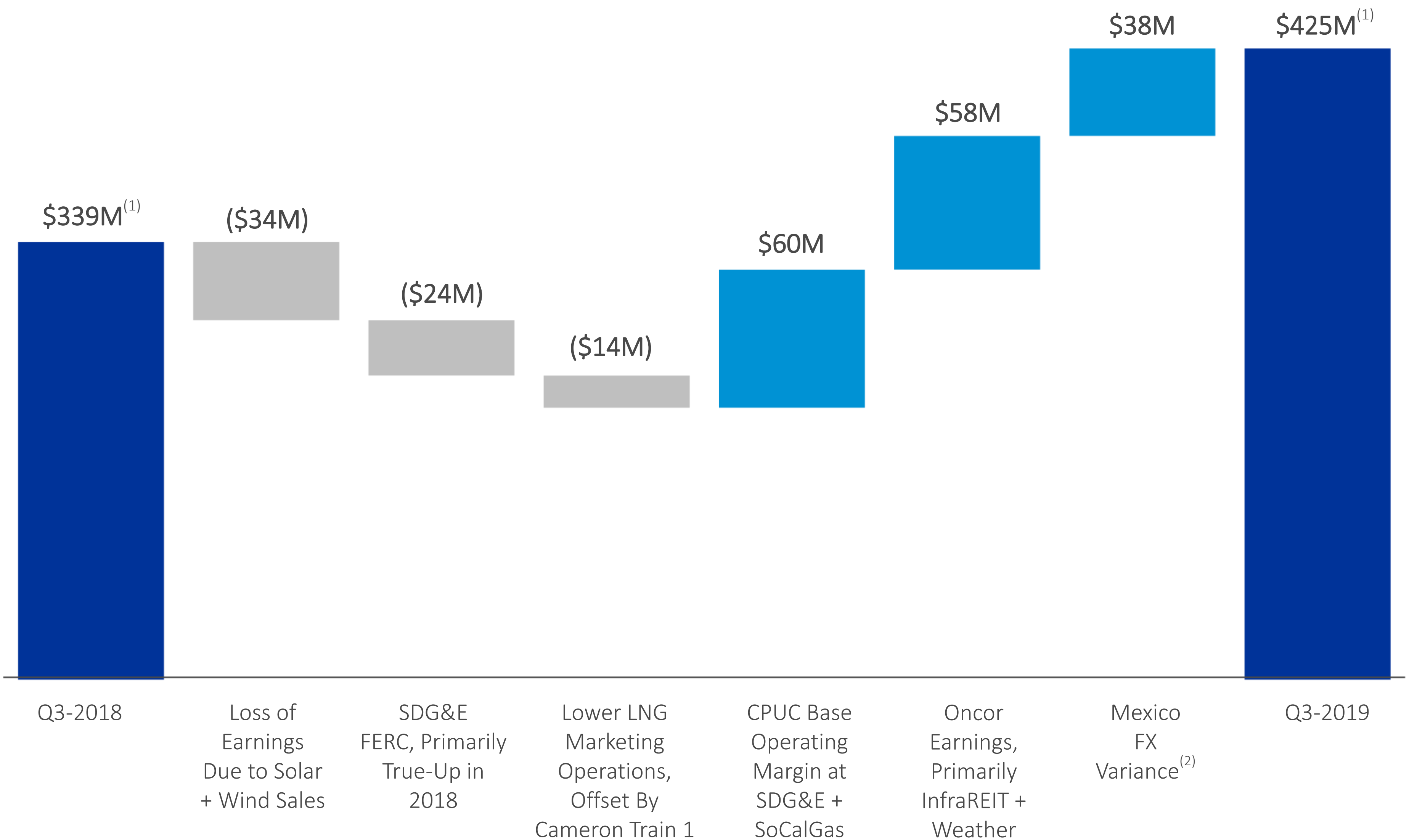
1) The CIA World Fact Book.
2) Energy Policies Beyond IEA Countries 2017.
3) 2017 GDP Data, average current prices in USD: International Monetary Fund (IMF) Data Mapper, utilizing World Economic Outlook Data (October 2018).
4) PwC. The world in 2050.
5) U.S. Energy Information Administration (EIA) data released September 30, 2019. Figures referenced are from the datasets "Exports by Destination" (Finished Motor Gasoline) and "U.S. Natural Gas Exports and Re-Exports by Point of Exit (Total to Mexico).
6) U.S. Census Bureau's "Monthly U.S. International Trade in Goods and Services, August 2019" published October 4, 2019. Figure shown represents the sum of year-to-date exports and imports through August 2019, not seasonally adjusted.

Financial | Third Quarter 2019 Results

(Unaudited; Dollars, except EPS, and shares, in millions)	Three months ended September 30 2019	Three months ended September 30 2018	Nine months ended September 30 2019	Nine months ended September 30 2018 (1)
GAAP Earnings	$ 813	$ 274	$ 1,608	$ 60
Retroactive Impact of 2019 GRC FD for First Half of 2019	(196)	-	-	-
Gain on Sale of U.S. Wind Assets	-	-	(45)	-
Tax Impacts from Expected Sale of South American Businesses	(192)	-	(99) (2)	-
Impacts Associated with Aliso Canyon Litigation	-	-	-	22
Impairment of U.S. Wind Equity Method Investments	-	-	-	145
Impairment of Non-utility U.S. Natural Gas Storage Assets	-	-	-	755
Impairment of Investment in RBS Sempra Commodities	-	65	-	65
Impacts from the Tax Cuts and Jobs Act of 2017	-	-	-	25
Adjusted Earnings(3)	$ 425	$ 339	$ 1,464	$ 1,072
Adjusted Diluted Weighted-Average Common Shares Outstanding(3)	283(4)	276	280	268(5)
Adjusted Earnings Per Diluted Common Share(3)	$ 1.50	$ 1.23	$ 5.23	$ 4.00
Diluted Weighted-Average Common Shares Outstanding	296	276	280	266
GAAP Earnings Per Diluted Common Share	$ 2.84(4)	$ 0.99	$ 5.74	$ 0.23

1) Amounts have been retrospectively adjusted for discontinued operations.
2) Includes $89M income tax benefit due to change in indefinite reinvestment assertion of basis differences and structure of sale of Discontinued Operations, and $10M to reduce a tax valuation allowance against certain net operating loss (NOL) carryforwards at Parent and Other.
3) Sempra Energy Adjusted Earnings, Adjusted EPS and Adjusted Diluted Weighted-Average Common Shares Outstanding are non-GAAP financial measures. See Appendix for information regarding non-GAAP financial measures and descriptions of the adjustments above.
4) In the three months ended September 30, 2019, because the assumed conversion of the series A preferred stock is dilutive for GAAP Earnings, the numerator used to calculate GAAP EPS includes an add-back of $26 million of series A preferred stock dividends declared in that quarter. However, because the assumed conversion is antidilutive for the lower Adjusted Earnings, 13,238 series A preferred stock shares are not included in the denominator used to calculate Adjusted EPS.
5) In the nine months ended September 30, 2018, the total weighted-average potentially dilutive stock options and RSUs of 736 and common shares sold forward of 945 were not included in the denominator used to calculate GAAP EPS due to the losses from continuing operations attributable to common shares, but have been added to the denominator used to calculate Adjusted EPS.

Financial | Q3-2019 Adjusted Earnings[1] Drivers



1) Attributable to common shares. Sempra Energy Adjusted Earnings is a non-GAAP financial measure. Q3-2019 and Q3-2018 GAAP Earnings were $813M and $274M, respectively. See appendix for information regarding non-GAAP financial measures.
2) All variance explanations for Sempra Mexico are shown after noncontrolling interests.

Key Takeaways

- Continuing to pursue our mission to be North America's premier energy infrastructure company
  - Announced agreements to sell businesses in Peru and Chile
  - Focused T+D-like portfolio in three states and one foreign jurisdiction
  - Continue to invest in a high-performance culture
- Executing our strategy across our five operating companies
  - Reached COD at Cameron Train 1; schedule for Train 2 and Train 3 remains on track
  - Received constructive final decision in the 2019 CA GRC with a focus on safety and reliability
  - Announced new five-year capital plan at Oncor of ~$11.9B
  - Continued execution of infrastructure development in Mexico to help provide the country access to cleaner, more affordable and more reliable energy
  - Continued to advance our LNG development opportunities with more than 20 Mtpa of SPA(1), HOAs(2) and MOUs(2) signed over the last 12 months
- Successful execution has driven strong financial results
  - Reporting Q3-2019 adjusted EPS of $1.50(3) and year-to-date adjusted EPS of $5.23(3)
  - Raising FY-2019 adjusted EPS guidance range from $5.70 - $6.30 to $6.00 - $6.50(4),(5)
  - Affirming FY-2020 adjusted EPS guidance range of $6.70 - $7.50(4)

1) Subject to certain conditions precedent, including Sempra Energy making a final investment decision within certain agreed timelines.
2) Subject to negotiating and reaching definitive agreements. The HOAs and MOUs do not commit any party to enter into a definitive agreement, or otherwise participate in these projects.
3) Sempra Energy Adjusted EPS is a non-GAAP financial measure. GAAP EPS for Q3-2019 and YTD-2019 were $2.84 and $5.74, respectively. See appendix for information regarding non-GAAP financial measures.
4) Sempra Energy 2019 and 2020 Adjusted EPS Guidance Ranges are non-GAAP financial measures. GAAP EPS Guidance Range for 2019 is $6.50 - $7.00 and for 2020 is $12.78 - $14.26. See Appendix for information regarding non-GAAP financial measures.
5) Sempra Energy's guidance range includes assumptions for foreign currency impacts. See Appendix in the 2019 Investor Day slides for information regarding 2019 rules of thumb.

APPENDIX

LNG Opportunities Overview[1]

Opportunities	Nameplate Capacity[2]	Offtake Capacity[3]	Status
Cameron Phase 1	~15 Mtpa	~12 Mtpa	▪ Train 1 commercial operations under tolling agreements ▪ Train 2 + 3 first LNG production targeted in Q1-2020 + Q2-2020, respectively
Cameron Phase 2	~10 Mtpa	~8 Mtpa	▪ FERC permits received ▪ DOE FTA and Non-FTA authorizations received ▪ MOU signed with Total and Mitsui[4]
ECA Phase 1	~3.2 Mtpa	~2.4 Mtpa	▪ Technip + Kiewit performed Front End Engineering Design (FEED) ▪ HOAs signed for 100% of offtake capacity[4] ▪ Goal of reaching FID in Q1-2020 ▪ DOE FTA and Non-FTA authorizations received
ECA Phase 2	~14 Mtpa	~12 Mtpa	▪ MOU signed with Total and Mitsui[4] ▪ DOE FTA and Non-FTA authorizations received
Port Arthur	~13.5 Mtpa	~11 Mtpa	▪ HOA with Aramco Services Company for 5 Mtpa + 25% equity[4] ▪ Definitive LNG SPA for sale of 2 Mtpa per year to PGNiG[5] ▪ Bechtel performed FEED ▪ FERC issued Final Environmental Impact Statement ▪ FERC authorization received ▪ DOE FTA and Non-FTA authorizations received

Note: All but Cameron Phase 1 capacities are illustrative and estimated, as final design has not been completed

1) The ability to successfully complete major construction projects, such as the Cameron LNG facility currently under construction, is subject to a number of risks and uncertainties. In addition, the Energía Costa Azul LNG mid-scale and large-scale opportunities, Port Arthur LNG opportunity, and the Cameron LNG Trains 4 and 5 opportunity are subject to a number of risks and uncertainties. Please refer to "Risk Factors" in our most recent Annual Report on Form 10-K and "Factors Influencing Future Performance" in our most recent Annual Report on Form 10-K and our most recent Quarterly Report on Form 10-Q for a description of the risks and other factors associated with the Cameron LNG facility currently under construction and these other opportunities.
2) Represents 100% of project, not Sempra's ownership. Size represents nameplate capacity; LNG amount the plant can produce under standard atmospheric conditions running 365 days per year at full load.
3) Represents 100% of project, not Sempra's ownership.
4) Subject to negotiating and reaching definitive agreements. The HOAs and MOUs do not commit any party to enter into a definitive agreement, or otherwise participate in these projects.
5) The SPA with PGNiG is subject to certain conditions precedent, including Sempra Energy making a final investment decision within certain agreed timelines.

APPENDIX

Business Unit Earnings

SDG&E

(Unaudited, Dollars in millions)	Three months ended September 30		Nine months ended September 30	
	2019	2018	2019	2018
SDG&E GAAP Earnings	$ 263	$ 205	$ 582	$ 521
Retroactive Impact of 2019 GRC FD for First Half of 2019[1]	(66)	-	-	-
SDG&E Adjusted Earnings[2]	$ 197	$ 205	$ 582	$ 521

- Q3-2019 adjusted earnings[2] are lower than Q3-2018 earnings primarily due to:
  - $24M lower earnings from electric transmission operations, primarily due to a FERC formulaic rate adjustment benefit in 2018, **partially offset by**
  - $19M higher CPUC base operating margin authorized for 2019, net of operating expenses

1) Includes retroactive impact recorded in Q3-2019 of ($36M) for Q1-2019 and ($30M) for Q2-2019.
2) SDG&E Adjusted Earnings is a non-GAAP financial measure. See Appendix beginning on page 28 for information regarding non-GAAP financial measures and a description of the adjustments above.

SoCalGas

(Unaudited, Dollars in millions)	Three months ended September 30		Nine months ended September 30	
	2019	2018	2019	2018
SoCalGas GAAP Earnings (Losses)	$ 143	$ (14)	$ 437	$ 244
Retroactive Impact of 2019 GRC FD for First Half of 2019[1]	(130)	-	-	-
Impacts Associated with Aliso Canyon Litigation	-	-	-	22
SoCalGas Adjusted Earnings (Losses)[2]	$ 13	$ (14)	$ 437	$ 266

- Q3-2019 adjusted earnings[2] compared to Q3-2018 losses primarily due to:
  - $41M higher CPUC base operating margin authorized for 2019, net of operating expenses, partially offset by
  - $21M impairment of non-utility native gas assets

1) Includes retroactive impact recorded in Q3-2019 of ($84M) for Q1-2019 and ($46M) for Q2-2019.
2) SoCalGas Adjusted Earnings is a non-GAAP financial measure. See Appendix beginning on page 28 for information regarding non-GAAP financial measures and a description of the adjustments above.

Sempra Texas Utilities

(Unaudited, Dollars in millions)	Three months ended September 30		Nine months ended September 30	
	2019	2018	2019	2018
Sempra Texas Utilities GAAP Earnings	$ 212	$ 154	$ 419	$ 283

- Q3-2019 earnings are $58M higher than Q3-2018 due to higher equity earnings from Oncor Holdings driven primarily by the impacts of Oncor's acquisition of InfraREIT in May 2019, higher distribution revenues resulting from an increase in volumes driven primarily by weather, and higher transmission revenues driven by rates

Sempra Mexico[1]

(Unaudited, Dollars in millions)	Three months ended September 30		Nine months ended September 30	
	2019	2018	2019	2018
Sempra Mexico GAAP Earnings	$ 84	$ 44	$ 214	$ 161

- Q3-2019 earnings are higher than Q3-2018 primarily due to:
  - $38M favorable impact from foreign currency and inflation effects net of foreign currency derivatives effects and
  - $9M lower income tax expense in 2019 primarily from the outside basis differences in JV investments and a two-year tax abatement that expires in 2020, **partially offset by**
  - $5M lower earnings primarily from force majeure payments that ended on August 22, 2019 with respect to the Guaymas-El Oro segment of the Sonora pipeline

1) All variance explanations are shown after noncontrolling interests.

Sempra Renewables

(Unaudited, Dollars in millions)	Three months ended September 30 2019	Three months ended September 30 2018	Nine months ended September 30 2019	Nine months ended September 30 2018
Sempra Renewables GAAP Earnings (Losses)	$ -	$ 34	$ 59	$ (54)
Gain on Sale of U.S. Wind Assets	-	-	(45)	-
Impairment of U.S. Wind Equity Method Investments	-	-	-	145
Sempra Renewables Adjusted Earnings[1]	$ -	$ 34	$ 14	$ 91

- Q3-2019 earnings are lower than Q3-2018 due to assets sold in December 2018 and April 2019

1) Sempra Renewables Adjusted Earnings is a non-GAAP financial measure. See Appendix beginning on page 28 for information regarding non-GAAP financial measures and a description of the adjustments above.

Sempra LNG

(Unaudited, Dollars in millions)	Three months ended September 30		Nine months ended September 30	
	2019	2018	2019	2018
Sempra LNG GAAP Earnings (Losses)	$ 2	$ 16	$ 13	$ (764)
Impairment of Non-utility U.S. Natural Gas Storage Assets	-	-	-	755
Impact from the Tax Cuts and Jobs Act of 2017	-	-	-	9
Sempra LNG Adjusted Earnings[1]	$ 2	$ 16	$ 13	$ -

- Q3-2019 earnings are $14M lower than Q3-2018 primarily due to lower earnings from our marketing operations mainly driven by changes in natural gas prices, **offset** by $9M higher equity earnings from Cameron LNG JV primarily due to Train 1 commencing commercial operations under its tolling agreements in August 2019

1) Sempra LNG Adjusted Earnings is a non-GAAP financial measure. See Appendix beginning on page 28 for information regarding non-GAAP financial measures and a description of the adjustments above.

Parent & Other

(Unaudited, Dollars in millions)	Three months ended September 30				Nine months ended September 30			
	2019		2018 [1]		2019		2018 [1]	
Parent & Other GAAP Losses	$	(139)	$	(211)	$	(383)	$	(446)
Reduction in Tax Valuation Allowance Against Certain NOL Carryforwards		-		-		(10)		-
Impairment of Investment in RBS Sempra Commodities		-		65		-		65
Parent & Other Adjusted Losses[2]	$	(139)	$	(146)	$	(393)	$	(381)

- Q3-2019 losses are in-line with Q3-2018 adjusted losses[2]

1) Amounts have been retrospectively adjusted for discontinued operations.
2) Parent & Other Adjusted Losses is a non-GAAP financial measure. See Appendix beginning on page 28 for information regarding non-GAAP financial measures and a description of the adjustments above.

Discontinued Operations[1] (Sempra South American Utilities)

(Unaudited, Dollars in millions)	Three months ended September 30 2019	Three months ended September 30 2018	Nine months ended September 30 2019	Nine months ended September 30 2018
Discontinued Operations GAAP Earnings	$ 248	$ 46	$ 267	$ 115
Tax Impacts from Expected Sale of South American Businesses	(192)	-	(89)	-
Impacts from the Tax Cuts and Jobs Act of 2017	-	-	-	16
Discontinued Operations Adjusted Earnings[2]	$ 56	$ 46	$ 178	$ 131

- Q3-2019 adjusted earnings[2] are higher than Q3-2018 earnings primarily due to:
  - $25M higher earnings from South American operations mainly from higher rates, lower cost of purchased power at Peru, and including $11M lower depreciation expense due to assets classified as held for sale, **partially offset by**
  - $12M income tax expense related to the increase in outside basis differences from 2019 earnings

1) Discontinued Operations include the operations of Sempra's South American businesses and income tax impacts associated with holding those businesses for sale.
2) Discontinued Operations Adjusted Earnings is a non-GAAP financial measure. See Appendix beginning on page 28 for information regarding non-GAAP financial measures and a description of the adjustments above.

APPENDIX

Non-GAAP Financial Measures

Adjusted Earnings and Adjusted EPS (Unaudited) (1 of 2)

Sempra Energy Adjusted Earnings and Adjusted Diluted Earnings Per Common Share (Adjusted EPS) exclude items (after the effects of income taxes and, if applicable, noncontrolling interests) in 2019 and 2018 as follows:

In the three months ended September 30, 2019:

- $196 million incremental revenue increases for the first six months of 2019 from the retroactive application of the final decision in the 2019 GRC FD at the California Utilities

Associated with holding the South American businesses for sale:

- $192 million income tax benefit associated with outside basis differences in our South American businesses primarily related to a change in the anticipated structure of the sale of those businesses

In the three months ended September 30, 2018:

- $(65) million impairment of RBS Sempra Commodities LLP (RBS Sempra Commodities) equity method investment at Parent and Other

In the nine months ended September 30, 2019:

- $45 million gain on the sale of certain Sempra Renewables assets

Associated with holding the South American businesses for sale:

- $89 million income tax benefit from outside basis differences in our South American businesses primarily related to the change in our indefinite reinvestment assertion from our decision in January 2019 to hold those businesses for sale and a change in the anticipated structure of the sale
- $10 million income tax benefit to reduce a valuation allowance against certain NOL carryforwards as a result of our decision to sell our South American businesses

In the nine months ended September 30, 2018:

- $(22) million impacts associated with Aliso Canyon natural gas storage facility litigation at SoCalGas
- $(145) million other-than-temporary impairment of certain U.S. wind equity method investments at Sempra Renewables
- $(755) million impairment of certain non-utility natural gas storage assets at Sempra LNG
- $(65) million impairment of RBS Sempra Commodities equity method investment
- $(25) million income tax expense to adjust the Tax Cuts and Jobs Act of 2017 (TCJA) provisional amounts

Sempra Energy Adjusted Earnings, Weighted-Average Common Shares Outstanding – Adjusted and Adjusted EPS are non-GAAP financial measures (GAAP represents accounting principles generally accepted in the United States of America). Because of the significance and/or nature of the excluded items, management believes that these non-GAAP financial measures provide a meaningful comparison of the performance of Sempra Energy's business operations to prior and future periods. Non-GAAP financial measures are supplementary information that should be considered in addition to, but not as a substitute for, the information prepared in accordance with GAAP. The table below reconciles for historical periods these non-GAAP financial measures to Sempra Energy GAAP Earnings, Weighted-Average Common Shares Outstanding – GAAP and GAAP Diluted Earnings Per Common Share (GAAP EPS), which we consider to be the most directly comparable financial measures calculated in accordance with GAAP.

Adjusted Earnings and Adjusted EPS (Unaudited) (2 of 2)

(Dollars in millions, except per share amounts; shares in thousands)	Pretax amount	Income tax expense (benefit)[1]	Earnings	Pretax amount	Income tax expense (benefit)[1]	Non-controlling interests	Earnings
	Three months ended September 30, 2019			Three months ended September 30, 2018			
Sempra Energy GAAP Earnings			$ 813				$ 274
Excluded items:							
SDG&E retroactive impact of 2019 GRC FD for first half of 2019	$ (92)	$ 26	(66)	$ -	$ -	$ -	-
SoCalGas retroactive impact of 2019 GRC FD for first half of 2019	(181)	51	(130)	-	-	-	-
Associated with holding the South American businesses for sale:							
Change in indefinite reinvestment assertion of basis differences and structure of sale of discontinued operations	-	(192)	(192)	-	-	-	-
Impairment of investment in RBS Sempra Commodities	-	-	-	65	-	-	65
Sempra Energy Adjusted Earnings			$ 425				$ 339
Diluted earnings per common share:							
Sempra Energy GAAP Earnings[2]			$ 839				$ 274
Weighted-average common shares outstanding, diluted - GAAP			295,789				275,907
Sempra Energy GAAP EPS			$ 2.84				$ 0.99
Sempra Energy Adjusted Earnings for Adjusted EPS			$ 425				$ 339
Weighted-average common shares outstanding, diluted - Adjusted[2]			282,551				275,907
Sempra Energy Adjusted EPS			$ 1.50				$ 1.23
	Nine months ended September 30, 2019			Nine months ended September 30, 2018			
Sempra Energy GAAP Earnings			$ 1,608				$ 60
Excluded items:							
Gain on sale of certain Sempra Renewables assets	$ (61)	$ 16	(45)	$ -	$ -	$ -	-
Associated with holding the South American businesses for sale:							
Change in indefinite reinvestment assertion of basis differences and structure of sale of discontinued operations	-	(89)	(89)	-	-	-	-
Reduction in tax valuation allowance against certain NOL carryforwards	-	(10)	(10)	-	-	-	-
Impacts associated with Aliso Canyon litigation	-	-	-	1	21	-	22
Impairment of U.S. wind equity method investments	-	-	-	200	(55)	-	145
Impairment of non-utility natural gas storage assets	-	-	-	1,300	(499)	(46)	755
Impairment of investment in RBS Sempra Commodities	-	-	-	65	-	-	65
Impact from the TCJA	-	-	-	-	25	-	25
Sempra Energy Adjusted Earnings			$ 1,464				$ 1,072
Diluted earnings per common share:							
Sempra Energy GAAP Earnings			$ 1,608				$ 60
Weighted-average common shares outstanding, diluted - GAAP			279,809				265,963
Sempra Energy GAAP EPS			$ 5.74				$ 0.23
Sempra Energy Adjusted Earnings for Adjusted EPS			$ 1,464				$ 1,072
Weighted-average common shares outstanding, diluted - Adjusted[3]			279,809				267,644
Sempra Energy Adjusted EPS			$ 5.23				$ 4.00

(1) Except for adjustments that are solely income tax and tax related to outside basis differences, income taxes on pretax amounts were primarily calculated based on applicable statutory tax rates.

(2) In the three months ended September 30, 2019, because the assumed conversion of the series A preferred stock is dilutive for GAAP Earnings, the numerator used to calculate GAAP EPS includes an add-back of $26 million of series A preferred stock dividends declared in that quarter. However, because the assumed conversion is antidilutive for the lower Adjusted Earnings, 13,238 series A preferred stock shares are not included in the denominator used to calculate Adjusted EPS.

(3) In the nine months ended September 30, 2018, the total weighted-average potentially dilutive stock options and RSUs of 736 and common shares sold forward of 945 were not included in the denominator of GAAP EPS due to the losses from continuing operations attributable to common shares, but have been added to the denominator when calculating Adjusted EPS.

Business Unit Adjusted Earnings (Unaudited) (1 of 6)

SDG&E Adjusted Earnings in the three months ended September 30, 2019 exclude:

- $66 million incremental revenue increases for the first six months of 2019 from the retroactive application of the 2019 GRC FD

SDG&E Adjusted Earnings is a non-GAAP financial measure. Because of the significance and/or nature of the excluded item, management believes that this non-GAAP financial measure provides a meaningful comparison of the performance of business operations to prior and future periods. Non-GAAP financial measures are supplementary information that should be considered in addition to, but not as a substitute for, the information prepared in accordance with GAAP. The table below reconciles for historical period(s) this non-GAAP financial measure to SDG&E GAAP Earnings, which we consider to be the most directly comparable financial measure calculated in accordance with GAAP.

	Pretax amount	Income tax expense[(1)]	Earnings
(Dollars in millions)	Three months ended September 30, 2019		
SDG&E GAAP Earnings			$ 263
Excluded item:			
Retroactive impact of 2019 GRC FD for first half of 2019	$ (92)	$ 26	(66)
SDG&E Adjusted Earnings			$ 197

(1) Income taxes were primarily calculated based on applicable statutory tax rates.

Business Unit Adjusted Earnings (Unaudited) (2 of 6)

SoCalGas Adjusted Earnings excludes items in 2019 and 2018 as follows:

In the three months ended September 30, 2019:

- $130 million incremental revenue increases for the first six months of 2019 from the retroactive application of the 2019 GRC FD

In the nine months ended September 30, 2018:

- $(22) million impacts associated with Aliso Canyon natural gas storage facility litigation

SoCalGas Adjusted Earnings is a non-GAAP financial measure. Because of the significance and/or nature of the excluded items, management believes that this non-GAAP financial measure provides a meaningful comparison of the performance of business operations to prior and future periods. Non-GAAP financial measures are supplementary information that should be considered in addition to, but not as a substitute for, the information prepared in accordance with GAAP. The table below reconciles for historical period(s) this non-GAAP financial measure to SoCalGas GAAP Earnings, which we consider to be the most directly comparable financial measure calculated in accordance with GAAP.

(Dollars in millions)	Pretax amount	Income tax expense(1)	Earnings	Pretax amount	Income tax expense(1)	(Losses) Earnings
	Three months ended September 30, 2019					
SoCalGas GAAP Earnings			$ 143			
Excluded item:						
Retroactive impact of 2019 GRC FD for first half of 2019	$ (181)	$ 51	(130)			
SoCalGas Adjusted Earnings			$ 13			
				Nine months ended September 30, 2018		
SoCalGas GAAP Earnings						$ 244
Excluded item:						
Impacts associated with Aliso Canyon litigation				$ 1	$ 21	22
SoCalGas Adjusted Earnings						$ 266

(1) Except for adjustments that are solely income tax, income taxes on pretax amounts were primarily calculated based on applicable statutory tax rates.

Business Unit Adjusted Earnings (Unaudited) (3 of 6)

Sempra Renewables Adjusted Earnings excludes items in 2019 and 2018 as follows:

In the nine months ended September 30, 2019:

- $45 million gain on the sale of certain Sempra Renewables assets

In the nine months ended September 30, 2018:

- $(145) million other-than-temporary impairment of certain U.S. wind equity method investments

Sempra Renewables Adjusted Earnings is a non-GAAP financial measure. Because of the significance and/or nature of the excluded items, management believes that this non-GAAP financial measure provides a meaningful comparison of the performance of business operations to prior and future periods. Non-GAAP financial measures are supplementary information that should be considered in addition to, but not as a substitute for, the information prepared in accordance with GAAP. The table below reconciles for historical period(s) this non-GAAP financial measure to Sempra Renewables GAAP Earnings (Losses), which we consider to be the most directly comparable financial measure calculated in accordance with GAAP.

	Pretax amount	Income tax expense[1]	Earnings	Pretax amount	Income tax benefit[1]	(Losses) earnings
(Dollars in millions)	Nine months ended September 30, 2019			Nine months ended September 30, 2018		
Sempra Renewables GAAP Earnings (Losses)			$ 59			$ (54)
Excluded items:						
Gain on sale of certain Sempra Renewables assets	$ (61)	$ 16	(45)	$ -	$ -	-
Impairment of U.S. wind equity method investments	-	-	-	200	(55)	145
Sempra Renewables Adjusted Earnings			$ 14			$ 91

(1) Income taxes on pretax amounts were primarily calculated based on applicable statutory tax rates.

Business Unit Adjusted Earnings (Unaudited) (4 of 6)

Sempra LNG Adjusted Earnings excludes items in 2018 as follows:

In the nine months ended September 30, 2018:

- $(755) million impairment of certain non-utility natural gas storage assets
- $(9) million income tax expense to adjust the TCJA provisional amounts

Sempra LNG Adjusted Earnings is a non-GAAP financial measure. Because of the significance and/or nature of the excluded items, management believes that this non-GAAP financial measure provides a meaningful comparison of the performance of business operations to prior and future periods. Non-GAAP financial measures are supplementary information that should be considered in addition to, but not as a substitute for, the information prepared in accordance with GAAP. The table below reconciles for historical period(s) this non-GAAP financial measure to Sempra LNG GAAP Losses, which we consider to be the most directly comparable financial measure calculated in accordance with GAAP.

	Pretax amount	Income tax (benefit) expense[1]	Non-controlling interests	Losses
(Dollars in millions)	Nine months ended September 30, 2018			
Sempra LNG GAAP Losses				$ (764)
Excluded items:				
Impairment of non-utility natural gas storage assets	$ 1,300	$ (499)	$ (46)	755
Impact from the TCJA	-	9	-	9
Sempra LNG Adjusted Earnings				$ -

(1) Except for adjustments that are solely income tax and tax related to outside basis differences, income taxes on pretax amounts were primarily calculated based on applicable statutory tax rates.

Business Unit Adjusted Earnings (Unaudited) (5 of 6)

Parent & Other Adjusted Losses excludes items in 2019 and 2018 as follows:

In the three months ended September 30, 2018:

- $(65) million impairment of RBS Sempra Commodities equity method investment

In the nine months ended September 30, 2019:

Associated with holding the South American businesses for sale:

- $10 million income tax benefit to reduce a valuation allowance against certain NOL carryforwards as a result of our decision to sell our South American businesses

In the nine months ended September 30, 2018:

- $(65) million impairment of RBS Sempra Commodities equity method investment

Parent & Other Adjusted Losses is a non-GAAP financial measure. Because of the significance and/or nature of the excluded items, management believes that this non-GAAP financial measure provides a meaningful comparison of the performance of business operations to prior and future periods. Non-GAAP financial measures are supplementary information that should be considered in addition to, but not as a substitute for, the information prepared in accordance with GAAP. The table below reconciles for historical period(s) this non-GAAP financial measure to Parent & Other GAAP Losses, which we consider to be the most directly comparable financial measure calculated in accordance with GAAP.

(Dollars in millions)	Pretax amount	Income tax benefit	Losses	Pretax amount	Income tax benefit	Losses
				Three months ended September 30, 2018		
Parent & Other GAAP Losses						$ (211)
Excluded item:						
Impairment of investment in RBS Sempra Commodities				$ 65	$ -	65
Parent & Other Adjusted Losses						$ (146)
	Nine months ended September 30, 2019			Nine months ended September 30, 2018		
Parent & Other GAAP Losses			$ (383)			$ (446)
Excluded items:						
Tax impacts from expected sale of South America	$ -	$ (10)	(10)	$ -	$ -	-
Impairment of investment in RBS Sempra Commodities	-	-	-	65	-	65
Parent & Other Adjusted Losses			$ (393)			$ (381)

Business Unit Adjusted Earnings (Unaudited) (6 of 6)

Discontinued Operations Adjusted Earnings excludes items in 2019 and 2018 as follows:

In the three months ended September 30, 2019:

Associated with holding the South American businesses for sale:

- $192 million income tax benefit associated with outside basis differences in our South American businesses primarily related to a change in the anticipated structure of the sale of those businesses

In the nine months ended September 30, 2019:

Associated with holding the South American businesses for sale:

- $89 million income tax benefit from outside basis differences in our South American businesses primarily related to the change in our indefinite reinvestment assertion from our decision in January 2019 to hold those businesses for sale and a change in the anticipated structure of the sale

In the nine months ended September 30, 2018:

- $(16) million income tax expense to adjust the TCJA provisional amounts

Discontinued Operations Adjusted Earnings is a non-GAAP financial measure. Because of the significance and/or nature of the excluded items, management believes that this non-GAAP financial measure provides a meaningful comparison of the performance of business operations to prior and future periods. Non-GAAP financial measures are supplementary information that should be considered in addition to, but not as a substitute for, the information prepared in accordance with GAAP. The table below reconciles for historical period(s) this non-GAAP financial measure to Discontinued Operations GAAP Earnings, which we consider to be the most directly comparable financial measure calculated in accordance with GAAP.

(Dollars in millions)	Pretax amount	Income tax benefit	Earnings
	Three months ended September 30, 2019		
Discontinued Operations GAAP Earnings			$ 248
Excluded item:			
Tax impacts from expected sale of South America	$ -	$ (192)	(192)
Discontinued Operations Adjusted Earnings			$ 56

	Pretax amount	Income tax benefit	Earnings	Pretax amount	Income tax expense	Earnings
	Nine months ended September 30, 2019			Nine months ended September 30, 2018		
Discontinued Operations GAAP Earnings			$ 267			$ 115
Excluded items:						
Tax impacts from expected sale of South America	$ -	$ (89)	(89)	$ -	$ -	-
Impact from the TCJA	-	-	-	-	16	16
Discontinued Operations Adjusted Earnings			$ 178			$ 131

2019 Adjusted EPS Guidance Range (Unaudited)

Sempra Energy 2019 Adjusted EPS Guidance Range of $6.00 to $6.50 excludes items as follows:

- $45 million gain on the sale of certain Sempra Renewables assets

Associated with holding the South American businesses for sale:

- $89 million income tax benefit from outside basis differences in our South American businesses primarily related to the change in our indefinite reinvestment assertion from our decision in January 2019 to hold those businesses for sale and a change in the anticipated structure of the sale
- $10 million income tax benefit to reduce a valuation allowance against certain NOL carryforwards as a result of our decision to sell our South American businesses

Sempra Energy 2019 Adjusted EPS Guidance is a non-GAAP financial measure. Because of the significance and/or nature of the excluded items, management believes that this non-GAAP financial measure provides a meaningful comparison of the performance of Sempra Energy's business operations to prior and future periods. Sempra Energy 2019 Adjusted EPS Guidance should not be considered an alternative to Sempra Energy 2019 GAAP EPS Guidance. Non-GAAP financial measures are supplementary information that should be considered in addition to, but not as a substitute for, the information prepared in accordance with GAAP.

	Full-Year 2019		
Sempra Energy GAAP EPS Guidance Range	$ 6.50	to	$ 7.00
Excluded items:			
Gain on sale of certain Sempra Renewables assets	(0.16)		(0.16)
Associated with holding the South American businesses for sale:			
Change in indefinite reinvestment assertion of basis differences and structure of sale of discontinued operations	(0.31)		(0.31)
Reduction in tax valuation allowance against certain NOL carryforwards	(0.03)		(0.03)
Sempra Energy Adjusted EPS Guidance Range	$ 6.00	to	$ 6.50
Weighted-average common shares outstanding, diluted (millions)			283

2020 Adjusted EPS Guidance Range (Unaudited)

Sempra Energy 2020 Adjusted EPS Guidance Range of $6.70 to $7.50 excludes approximately $1.8 billion to $2.0 billion estimated after-tax gain on the sale of our South American businesses, net of approximately $1.2 billion of income tax expense, which was calculated primarily based on applicable statutory tax rates.

Sempra Energy 2020 Adjusted EPS Guidance is a non-GAAP financial measure. Because of the significance and/or nature of the excluded items, management believes that this non-GAAP financial measure provides a meaningful comparison of the performance of Sempra Energy's business operations to prior and future periods. Sempra Energy 2020 Adjusted EPS Guidance should not be considered an alternative to Sempra Energy 2020 GAAP EPS Guidance. Non-GAAP financial measures are supplementary information that should be considered in addition to, but not as a substitute for, the information prepared in accordance with GAAP.

	Full-Year 2020		
Sempra Energy GAAP EPS Guidance Range	$ 12.78	to	$ 14.26
Excluded item:			
Estimated gain on sale of South American businesses	(6.08)		(6.76)
Sempra Energy Adjusted EPS Guidance Range	$ 6.70	to	$ 7.50
Weighted-average common shares outstanding, diluted (millions)			296

2018 Business Unit Adjusted Earnings (Unaudited)

Sempra Renewables Adjusted Earnings excludes items in the year ended December 31, 2018 as follows:

- $367 million gain on the sale of certain Sempra Renewables assets
- $(145) million other-than-temporary impairment of certain U.S. wind equity method investments

Sempra Renewables Adjusted Earnings is a non-GAAP financial measure. Because of the significance and/or nature of the excluded items, management believes that this non-GAAP financial measure provides a meaningful comparison of the performance of business operations to future periods. Non-GAAP financial measures are supplementary information that should be considered in addition to, but not as a substitute for, the information prepared in accordance with GAAP. The table below reconciles for historical periods this non-GAAP financial measure to Sempra Renewables GAAP Earnings, which we consider to be the most directly comparable financial measure calculated in accordance with GAAP.

(Dollars in millions)	Pretax amount	Income tax expense (benefit)[1]	Earnings
	Year ended December 31, 2018		
Sempra Renewables GAAP Earnings			$ 328
Excluded items:			
Gain on sale of certain Sempra Renewables assets	$ (513)	$ 146	(367)
Impairment of U.S. wind equity method investments	200	(55)	145
Sempra Renewables Adjusted Earnings			$ 106

(1) Income taxes were primarily calculated based on applicable statutory tax rates.