



May 2, 2014

Sempra Energy Reports Higher First-Quarter 2014 Earnings

- **Company Reaffirms 2014 Earnings-per-Share Guidance of \$4.25 to \$4.55**
- **Cameron LNG Export Project Completes Federal Environmental Review**

SAN DIEGO, May 2, 2014 - [Sempra Energy](#) (NYSE: SRE) today reported first-quarter 2014 earnings of \$247 million, or \$0.99 per diluted share, compared with first-quarter 2013 earnings of \$178 million, or \$0.72 per diluted share.

Excluding a \$9 million after-tax charge related to the closure of the San Onofre Nuclear Generating Station (SONGS), Sempra Energy's adjusted earnings were \$256 million, or \$1.03 per diluted share, in the first quarter 2014.

"We are seeing year-over-year earnings growth consistent with our expectations," said Debra L. Reed, chairman and CEO of Sempra Energy. "We are on track to meet our 2014 earnings guidance. Our Cameron LNG liquefaction-export project continues to make strong progress toward the start of construction later this year and we have several large projects in Mexico and Peru coming online in the second half of 2014."

Earlier this week, Cameron LNG received notice that it had completed the environmental review process with the Federal Energy Regulatory Commission. Also, in March, Cameron LNG awarded a construction contract to a joint venture between CB&I and Chiyoda International Corp. Construction on the project is expected to begin later this year, with commercial operations slated to start in 2018.

CALIFORNIA UTILITIES

Southern California Gas Co.

Earnings for Southern California Gas Co. (SoCalGas) increased to \$78 million in the first quarter 2014 from \$46 million in last year's first quarter, due primarily to higher California Public Utilities Commission (CPUC) base operating margin.

The CPUC General Rate Case decision was delayed until the second quarter last year, so neither SoCalGas nor San Diego Gas & Electric (SDG&E) recorded revenue from that decision in the first quarter 2013.

San Diego Gas & Electric

First-quarter earnings for SDG&E were \$99 million in 2014, compared with \$91 million in 2013, due to improved CPUC base operating margin and the delay in the General Rate Case decision, offset by the \$9 million SONGS charge.

On March 27, SDG&E and Southern California Edison announced that they reached a settlement agreement with key parties on the closure of SONGS. If approved by the CPUC, the agreement resolves all outstanding cost issues related to the plant closure and allows for recovery of replacement power costs, operating and maintenance expenses, and the companies' non-steam generator replacement investment.

SEMPRA INTERNATIONAL

Sempra South American Utilities

Sempra South American Utilities had earnings of \$35 million in the first quarter 2014, compared with \$37 million in the first quarter 2013.

Sempra Mexico

Sempra Mexico's earnings increased to \$42 million in the first quarter 2014 from \$31 million in last year's first quarter, due primarily to regulatory earnings for pipeline projects under construction and lower income-tax expense.

On April 21, Sempra Energy's Mexican subsidiary IEnova announced that it has finalized an agreement to sell InterGen 50 percent of the 155-megawatt Energía Sierra Juárez wind-generation project. The project, which has a 20-year power-purchase agreement with SDG&E, is expected to begin commercial operations in 2015.

SEMPRA U.S. GAS & POWER

Sempra Renewables

Sempra Renewables had first-quarter 2014 earnings of \$28 million, compared with \$4 million in the first quarter 2013, due primarily to the sale of a 50-percent equity interest in the Copper Mountain Solar 3 project.

Sempra Natural Gas

Earnings for Sempra Natural Gas were \$9 million in the first quarter 2014, compared with \$53 million in the first quarter 2013. In last year's first quarter, Sempra Natural Gas recorded a \$44 million gain related to the sale of half of the Mesquite Power natural gas-fired power plant.

NON-GAAP FINANCIAL MEASURES

Adjusted first-quarter 2014 earnings and earnings per share are non-GAAP financial measures. Additional information regarding these non-GAAP financial measures is in the appendix on Table A of the first-quarter financial tables.

INTERNET BROADCAST

Sempra Energy will broadcast a live discussion of its earnings results over the Internet today at 1 p.m. EDT with senior management of the company. Access is available by logging onto the website at www.sempra.com. For those unable to log onto the live webcast, the teleconference will be available on replay a few hours after its conclusion by dialing (888) 203-1112 and entering passcode 2722529.

Sempra Energy, based in San Diego, is a Fortune 500 energy services holding company with 2013 revenues of more than \$10.5 billion. The Sempra Energy companies' 17,000 employees serve more than 31 million consumers worldwide.

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. These statements can be identified by words like "believes," "expects," "anticipates," "plans," "estimates," "projects," "forecasts," "contemplates," "intends," "depends," "should," "could," "would," "will," "may," "potential," "target," "pursue," "goals," "outlook," "maintain" or similar expressions, or discussions of guidance, strategies, plans, goals, 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. Forward-looking statements are necessarily based upon various assumptions involving judgments with respect to the future and other risks, including, among others: local, regional, national and international economic, competitive, political, legislative and regulatory conditions and developments; actions and the timing of actions, including issuances of permits to construct and licenses for operation, by the California Public Utilities Commission, California State Legislature, U.S. Department of Energy, Federal Energy Regulatory Commission, Nuclear Regulatory Commission, Atomic Safety and Licensing Board, California Energy Commission, California Air Resources Board, and other regulatory, governmental and environmental bodies in the United States and other countries in which we operate; capital markets conditions, including the availability of credit and the liquidity of our investments; the timing and success of business development efforts and construction, maintenance and capital projects, including risks in obtaining permits, licenses, certificates and other authorizations on a timely basis and risks in obtaining adequate and competitive financing for such projects; inflation, interest and exchange rates; the impact of benchmark interest rates, generally Moody's A-rated utility bond yields, on our California utilities' cost of capital; energy markets, including the timing and extent of changes and volatility in commodity prices; the availability of electric power, natural gas and liquefied natural gas, including disruptions caused by failures in the North American transmission grid, pipeline explosions and equipment failures and the decommissioning of San Onofre Nuclear Generating Station (SONGS); weather conditions, natural disasters, catastrophic accidents, and conservation efforts; risks inherent with nuclear power facilities and radioactive materials storage, including the catastrophic release of such materials, the disallowance of the recovery of the investment in, or operating costs of, the nuclear facility due to an extended outage and facility closure, and increased regulatory oversight; risks that partners or counterparties will be unable or unwilling to fulfill their contractual commitments; risks posed by decisions and actions of third parties who control the operations of investments in which we do not have a controlling interest; wars, terrorist attacks that threaten system operations and critical infrastructure, and cybersecurity threats to the energy grid and the confidentiality of proprietary information and the personal information of customers; business, regulatory, environmental and legal decisions and requirements; expropriation of assets by foreign governments and title and other property disputes; the impact on reliability of San Diego Gas & Electric Company's electric transmission and distribution system due to increased amount and variability of power supply from renewable energy sources; the impact on competitive customer rates of the growth in distributed and local power generation and the corresponding decrease in demand for power delivered through San Diego Gas & Electric Company's electric transmission and distribution system; the inability or determination not to enter into long-term supply and sales agreements or long-term firm capacity agreements; the resolution of litigation; and other uncertainties, all of which are difficult to predict and many of which are beyond the control of the company. These risks and uncertainties are further discussed in the reports that Sempra Energy has filed with the Securities and Exchange Commission. 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 statement. These forward-looking statements speak only as of the date hereof, 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 International, LLC, and Sempra U.S. Gas & Power, LLC, are not the same companies as the California utilities, San Diego Gas & Electric (SDG&E) or Southern California Gas Company (SoCalGas), and Sempra International, LLC, and Sempra U.S. Gas & Power, LLC, are not regulated by the California Public Utilities Commission. Sempra International's underlying entities include Sempra Mexico and Sempra South American Utilities. Sempra U.S. Gas & Power's underlying entities include Sempra Renewables and Sempra Natural Gas.

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