



## **Sempra Energy Reports Second-Quarter 2009 Results, Reaffirms 2009 Earnings-Per-Share Guidance of \$4.35 to \$4.60**

### **Improved Performance Expected to Offset One-time Write-off**

SAN DIEGO, July 31, 2009 - Sempra Energy (NYSE: SRE) today reported second-quarter 2009 earnings of \$198 million, or \$0.80 per diluted share, compared with second-quarter 2008 earnings of \$244 million, or \$0.98 per diluted share.

Second-quarter 2009 results included an asset write-off of \$64 million, or \$0.26 per diluted share, at Sempra Pipelines & Storage. The potential for the write-off was previously disclosed.

Earnings for the first six months of 2009 were \$514 million, or \$2.09 per diluted share, up from \$486 million, or \$1.90 per diluted share.

Sempra Energy today reaffirmed its previously announced 2009 earnings-per-share guidance range of \$4.35 to \$4.60.

"We are pleased that our performance through the first half of the year has been strong enough that we are able to reaffirm our 2009 earnings guidance, in spite of the asset write-off in the second quarter," said Donald E. Felsing, chairman and chief executive officer of Sempra Energy. "We also continue to make progress in growing our natural gas infrastructure businesses. We reached two major operational milestones recently with the start-up of our second liquefied natural gas terminal and the eastern leg of the Rockies Express Pipeline."

### **SUBSIDIARY OPERATING RESULTS**

#### **San Diego Gas & Electric**

In the second quarter 2009, earnings for San Diego Gas & Electric (SDG&E) rose to \$70 million from \$61 million in last year's second quarter, due primarily to higher operating margins.

For the first six months of 2009, SDG&E generated earnings of \$169 million, up from \$135 million during the same period last year.

#### **Southern California Gas Co.**

Southern California Gas Co. (SoCalGas) had second-quarter earnings of \$65 million in 2009, up from \$56 million in 2008, due primarily to higher operating margins.

SoCalGas' earnings in the first half of the year increased to \$124 million in 2009 from \$113 million last year.

#### **RBS Sempra Commodities**

Earnings for Sempra Energy's commodity operations were \$85 million in the second quarter 2009, compared with \$130 million in last year's second quarter. Second-quarter 2008 results included a \$67 million gain on the transaction with The Royal Bank of Scotland forming the RBS Sempra Commodities joint venture, offset by \$30 million of expenses related to litigation and taxes.

For the first six months of 2009, earnings from Sempra Energy's commodity operations increased to \$199 million from \$189 million in the first six months of 2008. First-quarter 2008 results represented 100 percent of the earnings of Sempra Energy's commodity operations prior to the formation of the joint venture in April 2008.

#### **Sempra Generation**

Sempra Generation's earnings increased to \$33 million in the second quarter 2009 from \$23 million in the same quarter a year ago. In last year's second quarter, Sempra Generation recorded mark-to-market losses on forward contracts.

Sempra Generation's earnings in the first half of 2009 were \$76 million, compared with \$68 million in the first half of 2008.

Earlier this week, Sempra Generation announced that Pacific Gas and Electric (PG&E) has entered into a 20-year sales agreement for 48 megawatts (MW) of solar power from a new plant under development in Boulder City, Nev., called Copper Mountain Solar. The Copper Mountain Solar facility will be built on land adjacent to the 10-MW El Dorado Solar plant. Construction on the 48-MW Copper Mountain project is slated to begin later this year and be completed in 2011. Last year,

PG&E also contracted with Sempra Generation for the output of El Dorado Solar.

### **Sempra Pipelines & Storage**

In the second quarter 2009, Sempra Pipelines & Storage had a net loss of \$27 million, compared with earnings of \$24 million in last year's second quarter. During the most recent quarter, Sempra Pipelines & Storage recorded a charge of \$64 million for the write-off of certain assets at Liberty Gas Storage, principally the salt-caverns and associated facilities near Sulphur, La. Remedial efforts have been unsuccessful in making this facility operational. The charge in the quarter was partially offset by higher earnings from LNG-related pipeline operations.

For the first six months of 2009, Sempra Pipelines & Storage had \$10 million in earnings, compared with \$50 million in earnings in the first half of 2008.

Last month, Sempra Pipelines & Storage and its project partners initiated service on the eastern portion of the Rockies Express pipeline, which stretches from Missouri to Ohio. The last leg of the 1,679-mile pipeline is expected to be completed in November. When complete, total capacity on the pipeline will be approximately 1.8 billion cubic feet per day, virtually all of which has been contracted under long-term firm commitments from creditworthy shippers.

### **Sempra LNG**

Sempra LNG recorded a net loss of \$12 million in the second quarter 2009, compared with a net loss of \$28 million in the prior year's second quarter. The improved results were due primarily to lower mark-to-market losses on a natural gas marketing agreement with RBS Sempra Commodities and lower income-tax expense related to Mexican currency and inflation adjustments.

In the first half of 2009, Sempra LNG recorded a net loss of \$19 million, compared with a net loss of \$37 million in the first half of 2008.

Yesterday, Cameron LNG, Sempra LNG's Louisiana terminal, began commercial operations after successfully receiving its first two cargoes of liquefied natural gas (LNG). In June, Sempra LNG announced an agreement with an affiliate of RasGas Company Limited to have Cameron LNG serve as a potential U.S. Gulf Coast receipt point for LNG cargoes, beginning next month. Cargoes could be delivered to Cameron LNG through December 2010. The agreement allows RasGas to deliver up to 50 cargoes with each cargo containing up to 4.8 billion cubic feet of natural gas.

### **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 Web site at [www.sempra.com](http://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 2144396.

Sempra Energy, based in San Diego, is a Fortune 500 energy services holding company with 2008 revenues of nearly \$11 billion. The Sempra Energy companies' 13,600 employees serve about 29 million consumers worldwide.

*Complete financial tables, including earnings information by business unit, are available on Sempra Energy's Web site at <http://www.sempra.com/downloads/2Q2009.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. These statements can be identified by words like "believes," "expects," "anticipates," "intends," "plans," "estimates," "may," "would," "could," "should," or similar expressions, or discussions of strategies, plans 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 by the California Public Utilities Commission, California State Legislature, California Department of Water Resources, Federal Energy Regulatory Commission, Federal Reserve Board, and other regulatory and governmental bodies in the United States, the United Kingdom and other countries; capital market conditions and inflation, interest and exchange rates; energy and trading markets, including the timing and extent of changes and volatility in commodity prices; the availability of electric power, natural gas and liquefied natural gas; weather conditions and conservation efforts; war and terrorist attacks; business, regulatory, environmental and legal decisions and requirements; the status of deregulation of retail natural gas and electricity delivery; the timing and success of business development efforts; 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 without charge at the SEC's Web site, [www.sec.gov](http://www.sec.gov) and on the company's Web site, at [www.sempra.com](http://www.sempra.com).*

*Sempra Pipelines & Storage, Sempra Generation, Sempra LNG and Sempra Commodities are not the same companies as the utility, San Diego Gas & Electric (SDG&E) or Southern California Gas Company (SoCalGas), and Sempra Pipelines & Storage, Sempra Generation, Sempra LNG and Sempra Commodities are not regulated by the California Public Utilities Commission.*

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**Media Contact:**

Doug Kline  
Sempra Energy  
(877) 866-2066  
[www.sempra.com](http://www.sempra.com)

**Financial Contact:**

Glen Donovan  
Sempra Energy  
(877) 736-7727  
[investor@sempra.com](mailto:investor@sempra.com)