

NEWS RELEASE

California Air Resources Board Latest Leak Estimates Indicate 60-Percent Reduction of Porter Ranch Methane Leak

LOS ANGELES, CA, Jan. 12, 2016 – The most recent Aliso Canyon preliminary methane emissions estimates by the California Air Resources Board (CARB) were posted yesterday, showing updated rough estimates of the volume of gas leaking from the well that indicate emissions have decreased from CARB's initial preliminary estimates, <u>SoCalGas</u> announced today. This new posting represents an estimated 60-percent reduction in CARB emissions estimates since the Nov. 28 data, according to the latest CARB monitoring data, and an approximate 20-percent reduction in emissions estimates since the most recent Dec. 23 preliminary estimate by CARB.

CARB releases rough estimates of the volume of gas leaking from the well based on data collected during periodic flights using sensitive monitoring equipment. The flyover data provides an estimated emission rate at the time the flights are conducted, and are used to develop a rough estimate of the total methane leaked to date. As CARB also acknowledges, a more refined estimate of the actual emissions will be conducted once the leak is stopped and additional data is collected and reviewed.

Preliminary methane emissions based on CARB data collected on Jan. 8 and posted yesterday show emissions have declined to 23,400 kilograms per hour from a high estimate of 58,000 kilograms on Nov. 28, according to information posted on the CARB web site.

CARB also calculated the total estimated volume of greenhouse gas (GHG) released from the well since the leak was detected at 1.9 million metric tons in carbon-dioxide equivalent. According to CARB's report on annual GHG emissions in California, the estimated total from the Aliso leak is less than one-half of 1 percent (0.4 percent) of California's total annual GHG emissions in carbon-dioxide equivalent.

SoCalGas is reiterating its intent to mitigate the environmental impact of the actual amount of natural gas released from the leak.

Actions SoCalGas has taken to reduce emissions:

For several weeks, in consultation with the CPUC, SoCalGas has been withdrawing
natural gas from the storage field at almost double the typical rate for this time of the
year by prioritizing the use of natural gas from Aliso Canyon to supply customer
demand.

- As a result of SoCalGas' withdrawals, the storage field's operating capacity has gone from being approximately 90-percent full before the leak, to being at most 37-percent full, as of Jan. 10, with the additional amount that has leaked unknown at this time.
- SoCalGas has developed a gas capture system that is designed to capture emissions
 from the well before they are emitted into the environment. Once permitted, SoCalGas
 intends to operate this capture system, provided site-specific safety conditions allow.
 This capture system is designed to further reduce a portion of emissions from entering
 the atmosphere through diversion and treatment.

SoCalGas is focused on stopping the leak and reducing air quality impacts as safely and quickly as reasonably possible.

About Southern California Gas Co.

Southern California Gas Co. has been delivering clean, safe and reliable natural gas to its customers for more than 140 years. It is the nation's largest natural gas distribution utility, providing service to 21.4 million consumers connected through 5.9 million meters in more than 500 communities. The company's service territory encompasses approximately 20,000 square miles throughout central and Southern California, from Visalia to the Mexican border. Southern California Gas Co. is a regulated subsidiary of sempra.com (NYSE: SRE), a Fortune 500 energy services holding company based in San Diego.

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authorization to recover such costs in rates from customers; deviations from regulatory precedent or practice that result in a reallocation of benefits or burdens among shareholders and ratepayers; capital markets conditions, including the availability of credit and the liquidity of our investments; inflation and interest rates; the availability of electric power and natural gas, and natural gas pipeline and storage capacity, including disruptions caused by failures in the North American transmission grid, pipeline explosions and equipment failures; cybersecurity threats to the energy grid, natural gas 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, terrorist attacks that threaten system operations and critical infrastructure, and wars; weather conditions, conservation efforts, natural disasters, catastrophic accidents, and other events that may disrupt our operations, damage our facilities and systems, and subject us to third-party liability for property damage or personal injuries some of which may or may not be covered by insurance; risks that our partners or counterparties will be unable or unwilling to fulfill their contractual commitments; business, regulatory, environmental and legal decisions and requirements; the inability or determination not to enter into long-term supply and sales agreements or long-term firm capacity agreements due to insufficient market interest, unattractive pricing or other factors; the resolution of litigation; and other uncertainties, all of which are difficult to predict and many of which are beyond our control. These risks and uncertainties are further discussed in the reports that the company 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. Investors should not rely unduly on any forward-looking statements. These forwardlooking 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.