

# SOCALGAS® TRADE PROFESSIONAL PROGRAM

## QUARTERLY NEWSLETTER



### SOCALGAS COMMITS TO NET-ZERO EMISSIONS IN ITS OPERATIONS AND DELIVERY OF ENERGY BY 2045

In March 2021, we announced Aspire 2045, which is our commitment to achieve net zero greenhouse gas emissions in our operations and delivery of energy by 2045. In doing so, SoCalGas becomes the largest gas distribution utility in the nation to include scopes 1, 2, and 3 emissions in our target, aligning with the Paris Climate Agreement’s recommendations to limit global warming to 1.5°C by achieving net zero by mid-century.<sup>1</sup>

Innovation and the rapid development of new technologies will be vital to SoCalGas’ success. Three SoCalGas capabilities are integral to achieving California’s energy transition and net zero goals.

- 1. Decarbonization:** Reducing carbon intensity across all economic sectors is foundational to achieving net zero. It requires energy efficiency, renewable electricity, renewable gases, long duration storage, carbon management, and other technologies to be viable at scale.
- 2. Diversification:** Developing a diversified portfolio of clean energy sources, distributed networks, tools, and applications is the only way to achieve society’s clean energy goals. Diversification also serves as a necessary risk management tool, delivering resiliency to the system and protecting against the uncertainties of the future.
- 3. Digitalization:** Deploying advanced technologies and analytics to improve planning, safety, resiliency, and the integration of real-time information to benefit participants across the energy value chain.

SoCalGas completed an enterprise-wide effort with Sempra Energy to align our strategic focus and sustainability strategy on four pillars. These pillars help us identify and manage key environmental, social, and governance initiatives, set bold goals in each area, and focus our communications to provide progress updates to stakeholders.<sup>2,3</sup>

**Enabling the energy transition:** The intersection of clean energy technologies, sound policy, and capital investments, will accelerate the affordable energy transition. The energy transition requires expanding on proven and new technologies in energy efficiency, renewable natural gas, renewable electricity, fuel cells, hydrogen, and carbon management.

**Championing people and communities:** We put our employees and the communities we serve first.

**Achieving world class safety:** As the nation’s largest gas distribution utility, with over 7,800 employees serving 22 million customers, safety is foundational to our business.

**Driving resilient operations:** Infrastructure is our business. SoCalGas operates over 100,000 miles of transmission and distribution pipelines and storage assets, and over six million customer meters across 500+ communities. Our resilient underground pipeline infrastructure prevents, withstands, adapts to, and quickly recovers from disruption, to enhance and complement an energy ecosystem made of clean electrons and clean molecules.

Learn more about our climate commitment plan [here](#).

1. See Joeri Rogelj et al., IPCC Special Report on Global Warming of 1.5, Chapter 2: Mitigation Pathways Compatible with 1.5°C in the Context of Sustainable Development, Intergovernmental Panel on Climate Change (IPCC) (2018), available at: [www.ipcc.ch/site/assets/uploads/sites/2/2019/02/SR15\\_Chapter2\\_Low\\_Res.pdf](http://www.ipcc.ch/site/assets/uploads/sites/2/2019/02/SR15_Chapter2_Low_Res.pdf); see also The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard, World Business Council for Sustainable Development, World Resources Institute (revised edition) at 25, available at: <https://ghgprotocol.org/sites/default/files/standards/ghg-protocol-revised.pdf>

2. SoCalGas is one of five separately reportable segments under Sempra Energy, a California-based holding company with infrastructure investments in North America.

3. For more information, see Sempra Energy’s 2019 Corporate Sustainability Report at 14-23, available at: [www.sempra.com/sustainability/sustainability-report](http://www.sempra.com/sustainability/sustainability-report)

### CARL MOYER PROGRAM OFFERS UP TO \$100K/CNG HEAVY-DUTY TRUCK

Qualifying customers may be able to purchase a new natural gas truck for less than the purchase price of a new diesel truck. The South Coast Air Quality Management District’s (SCAQMD) Carl Moyer Program offers fleet owners funding of up to \$100,000 per truck to replace their 2007 to 2010 diesel-powered trucks with new compressed natural gas (CNG) trucks. Funding is also available for building CNG fueling stations.

While this program can help offset initial truck purchase costs, switching to CNG can also help save on fuel costs, as it has historically been less expensive than diesel\*. Heavy-duty trucks with the latest natural gas engines can cut smog-forming emissions by more than 90 percent compared to the cleanest heavy-duty diesel trucks on the road today.

For additional program details, visit the [SCAQMD website](#).  
Online applications are due Tuesday, June 1, 2021 by 1 p.m.

SoCalGas offers application assistance to qualifying customers.  
Contact [CleanTransportation@socalgas.com](mailto:CleanTransportation@socalgas.com) to learn more.

The Carl Moyer Program is funded and administered by SCAQMD. SoCalGas has no responsibility and shall not be liable in connection with the administration, implementation, or funding of the Carl Moyer Program.

\*For more information on natural gas fuel and diesel rates, please visit [afdc.energy.gov/fuels/prices](http://afdc.energy.gov/fuels/prices)



SoCalGas offers application assistance for the Carl Moyer Program, which provides funding of up to \$100,000/CNG truck.

TRADE PRO SPOTLIGHT: R.F. MACDONALD CO.

We applaud the work you do each day to help customers save energy and money. To celebrate your successes, we are shining the spotlight on one of your projects.

With offices throughout California and Nevada, [R.F. MacDonald Co.](#) (RFM) services and sells boilers, pumps, and accessories for commercial and industrial applications.

For one of its customers, a large metal beverage container manufacturer in Southern California, RFM removed an old and oversized firetube boiler and replaced it with three new modular hydronic, high efficiency condensing boilers used for process heating.

In order to minimize the customer’s production down time and reduce on-site personnel to only those necessary during installation, which took place during the COVID-19 pandemic, the boilers were pre-piped and mounted on a skid. This ensured a safe and efficient experience for all involved.

To read additional Spotlights, click [here](#).

Reference herein to any RF MacDonald Co. or its products or services does not constitute or imply endorsement, recommendation, or favoring by SoCalGas. SoCalGas neither endorses any manufacturer, vendor, or service provider discussed in this document, nor does it endorse any particular goods or service of such manufacturer, vendor, or service provider.

CONTACT US

Send your questions and comments to [tradepro@socalgas.com](mailto:tradepro@socalgas.com) or visit [socalgas.com/tradepro](https://socalgas.com/tradepro). Please note our new fax number (323) 518-2317.

This document contains statements that constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are based on assumptions with respect to the future, involve risks and uncertainties, and are not guarantees. Future results may differ materially from those expressed in any forward-looking statements. These forward-looking statements represent our estimates and assumptions only as of March 23, 2021. We assume no obligation to update or revise any forward-looking statement as a result of new information, future events or other factors.

In this document, forward-looking statements can be identified by words such as “believes,” “expects,” “anticipates,” “plans,” “estimates,” “projects,” “forecasts,” “should,” “could,” “would,” “will,” “confident,” “may,” “can,” “potential,” “possible,” “proposed,” “in process,” “under construction,” “in development,” “target,” “outlook,” “maintain,” “continue,” or similar expressions, or when we discuss our guidance, priorities, strategy, goals, vision, mission, opportunities, projections, intentions or expectations.

Factors, among others, that could cause actual results and events to differ materially from those described in any forward-looking statements include risks and uncertainties relating to: decisions, investigations, regulations, issuances or revocations of permits and other authorizations, renewals of franchises, and other actions by (i) the California Public Utilities Commission (CPUC), U.S. Department of Energy, and other regulatory and governmental bodies and (ii) states, counties, cities and other jurisdictions in the U.S.; the success of business development efforts and construction projects, including risks in (i) completing construction projects or other transactions on schedule and budget, (ii) the ability to realize anticipated benefits from any of these efforts if completed, and (iii) obtaining the consent of partners or other third parties; the resolution of civil and criminal litigation, regulatory inquiries, investigations and proceedings, and arbitrations, including, among others, those related to the natural gas leak at the Aliso Canyon natural gas storage facility; the impact of the COVID-19 pandemic on our capital projects, regulatory approval processes, supply chain, liquidity and execution of operations; actions by credit rating agencies to downgrade our credit ratings or to place those ratings on negative outlook and our ability to borrow on favorable terms and meet our substantial debt service obligations; moves to reduce or eliminate reliance on natural gas and the impact of volatility of oil prices on our businesses and development projects; weather, natural disasters, pandemics, accidents, equipment failures, explosions, acts of terrorism, computer system outages and other events that disrupt our operations, damage our facilities and systems, cause the release of harmful materials, cause fires and subject us to 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 natural gas and natural gas storage capacity, including disruptions caused by limitations on the withdrawal of natural gas from storage facilities and equipment failures; cybersecurity threats to the 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; volatility in interest and inflation rates and commodity prices and our ability to effectively hedge these risks; changes in tax policies, laws and regulations; 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 the company 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, HYPERLINK “http://www.sec.gov” www.sec.gov. Investors should not rely unduly on any forward-looking statements.



R.F. MacDonald replaced an old firetube boiler with three new high efficiency condensing boilers at a metal beverage container manufacturer.