



**PXiSE**  
Energy Solutions, LLC



## NEWS RELEASE

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# **SEMPRA ENERGY UNIT PXiSE, MITSUI SIGN EQUITY INVESTMENT AGREEMENT FOR ADVANCED SMARTGRID CONTROL PLATFORM**

**PXiSE Technology Integrates Renewable Energy on Electric Grid,  
Provides High-Speed Power Control for Utilities, Microgrids and  
Advanced SCADA Systems**

SAN DIEGO, Aug. 15, 2018 – PXiSE Energy Solutions, LLC, a subsidiary of Sempra Energy (NYSE: SRE) today announced it has signed an equity investment agreement with Mitsui & Co., Ltd. for the development and sales of PXiSE's high-speed patented software designed to benefit utilities, grid operators, power generators and commercial customers.

Under the terms of the agreement, Mitsui has acquired up to a 20-percent equity stake in PXiSE Energy Solutions and will collaborate in the sales and marketing activities internationally through the company's global network.

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"We are pleased to partner with Mitsui as an equity investor in PXiSE Energy Solutions," said Dennis V. Arriola, chief strategy officer and executive vice president for external affairs and South America for Sempra Energy. "PXiSE's innovative technology can help improve the reliability, stability and efficiency of electric transmission and distribution systems, better balancing renewable and conventional resources."

PXiSE's software platform – advanced grid control technology – can help optimize and operate a mix of energy resources at speeds of up to 60 times per second to achieve increased reliability at a lower cost than traditional grid control systems. PXiSE was awarded a patent last month by the U.S. Patent and Trademark Office for its propriety grid control system.

"Our patented technology and innovative software solution, along with the significant technology development contributions from OSIsoft, should help transform electric grids to be smarter and more responsive to customers' needs," said Patrick Lee, president of PXiSE Energy Solutions. "We look forward to working with Mitsui, a well respected global company, to expand the deployment of PXiSE."

"We are confident PXiSE's technology accelerates the digital transformation in the energy and power industry where Mitsui has many assets and access to partners," said Makoto Serino, general manager of DT Business Development Div. for Mitsui & Co., Ltd. "Based on our great relationship with Sempra Energy established through our liquefied natural gas investments, we will further support PXiSE's growth through our expertise as a partner and shareholder of OSIsoft, which provides one of the key technologies of PXiSE's advanced grid control technology."

The PXiSE advanced grid control platform runs on a standard Microsoft Windows platform and uses an imbedded OSIsoft software and synchro-phasor data to enhance, analyze and respond to grid data from numerous power resources. The continuous higher-resolution visibility and artificial intelligence balances a mix of renewable energy, storage and traditional generation on the electrical grid.

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The PXiSE software application currently is in use at Sempra Renewables' Auwahi Wind and Great Valley Solar facilities in Hawaii and Northern California,

respectively; at Sempra Energy's headquarters in San Diego; and at a winery in Sonoma County, Calif. To find out more, visit [www.pxise.com](http://www.pxise.com).

PXiSE Energy Solutions is a subsidiary of Sempra Energy, a Fortune 500 energy services holding company with 2017 revenues of more than \$11 billion. Sempra Energy is the utility holding company with the largest U.S. customer base. The Sempra Energy companies' approximately 20,000 employees serve more than 40 million consumers worldwide.

Mitsui & Co., Ltd. is one of the world's most diversified and comprehensive trading, investment and service enterprises. Headquartered in Tokyo, Mitsui maintains a global network of 137 offices in 66 countries and regions, and has 472 subsidiaries and associated companies worldwide. (As of Apr. 1, 2018) Visit [www.mitsui.com](http://www.mitsui.com) to learn more.

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*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 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 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.*

*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: actions and the timing of actions, including decisions, new regulations, and issuances of permits and other authorizations by the California Public Utilities Commission, U.S. Department of Energy, California Department of Conservation's Division of Oil, Gas, and Geothermal Resources, Federal Energy Regulatory Commission, U.S. Environmental Protection Agency, Pipeline and Hazardous Materials Safety Administration, Los Angeles County Department of Public Health, 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 timing and success of business development efforts and construction projects, including risks in timely obtaining or maintaining permits and other authorizations, risks in completing construction projects on schedule and on budget, and risks in obtaining the consent and participation of partners and counterparties; the resolution of civil and criminal litigation and regulatory investigations; 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 or modifications of settlements; and delays in, or disallowance 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, any of which may raise our cost of capital and materially impair our ability to finance our operations; the greater degree and prevalence of wildfires in California in recent years and risk that we may be found liable for damages regardless of fault, such as in cases where the inverse condemnation doctrine applies, and risk that we may not be able to recover any such costs in rates from customers in California; the availability of electric power, natural gas and liquefied natural gas, and natural gas pipeline and storage capacity, including disruptions caused by failures in the transmission grid, moratoriums or limitations on the withdrawal or injection of natural gas from or into storage facilities, and equipment failures; changes in energy markets, volatility in commodity prices and moves to reduce or eliminate reliance on natural gas; risks posed by actions of third parties who control the operations of our investments, and risks that our partners or counterparties will be unable or unwilling to fulfill their contractual commitments; 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 greenhouse gases, radioactive materials and harmful emissions, cause wildfires 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 insurance, to the extent that such insurance is available or not prohibitively expensive; 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; our ability to successfully execute our plan to divest certain non-utility assets within the anticipated timeframe, if at all, or that such plan may not yield the anticipated benefits; actions of activist shareholders, which could impact the market price of our common stock, preferred stock and other securities and*

*disrupt our operations as a result of, among other things, requiring significant time and attention by management and our board of directors; capital markets and economic conditions, including the availability of credit and the liquidity of our investments; fluctuations in inflation, interest and currency exchange rates and our ability to effectively hedge the risk of such fluctuations; the impact of recent federal tax reform and uncertainty as to how it may be applied, and our ability to mitigate adverse impacts; 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; changes in foreign and domestic trade policies and laws, including border tariffs, and revisions to international trade agreements, such as the North American Free Trade Agreement, that make us less competitive or impair our ability to resolve trade disputes; the ability to win competitively bid infrastructure projects against a number of strong and aggressive competitors; expropriation of assets by foreign governments and title and other property disputes; the impact on reliability of San Diego Gas & Electric Company's (SDG&E) electric transmission and distribution system due to increased amount and variability of power supply from renewable energy sources; the impact on competitive customer rates due to the growth in distributed and local power generation and the corresponding decrease in demand for power delivered through SDG&E's electric transmission and distribution system 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; the ability to realize the anticipated benefits from our investment in Oncor Electric Delivery Holdings Company LLC (Oncor Holdings); Oncor Electric Delivery Company LLC's (Oncor) ability to eliminate or reduce its quarterly dividends due to regulatory capital requirements, certain reductions in its senior secured credit rating, or the determination by Oncor's independent directors or a minority member director to retain such amounts to meet future requirements; 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](http://www.sec.gov). Investors should not rely unduly on any forward-looking statements. 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 South American Utilities, Sempra Infrastructure, Sempra LNG & Midstream, Sempra Renewables, Sempra Mexico, Sempra Texas Utility, 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 Infrastructure, Sempra LNG & Midstream, Sempra Renewables, Sempra Mexico, Sempra Texas Utility, Oncor and IEnova are not regulated by the California Public Utilities Commission.*