

Sustainability Report

# 2024 Highlights







# Contents

<b>2</b>	About
<b>3</b>	Message from leadership
<b>4</b>	By the numbers
<b>5</b>	Doing business sustainably
<b>12</b>	Conclusion



## Sempra California | SDG&E

SDG&E is an innovative energy delivery company that provides clean, safe and reliable power to better the lives of the people and businesses it serves in San Diego and southern Orange counties.

The company is committed to creating a sustainable future for the more than 3.6 million customers who depend on it, including the 4,700+ employees who live within the company's service area.

SDG&E's 4,100-square-mile service area includes approximately 1.5 million electric meters and

915,000 natural gas meters connected by more than 35,500 miles of distribution and transmission lines. The company safely and reliably delivers energy to customers ranging from families, schools and small businesses to universities, the military and industry. Increasingly, the power SDG&E delivers comes from two Community Choice Aggregators (CCA), which currently purchase electricity for more than 85% of customers within SDG&E's service territory.

SDG&E operates within a region rich in biodiversity and cultural resources. In 2023, the company expanded its Habitat Conservation Plan to enhance and extend its protection of

more than 40 different plants, animals and their habitats located across the company's service area through 2050. SDG&E is also a proud energy partner to the 17 federally recognized Tribal Nations who have inhabited and been stewards of the land since time immemorial.

Safety is top of mind at SDG&E. With 64% of its service area classified as a High Fire-Threat District, SDG&E's industry-leading wildfire mitigation program deploys cutting-edge technology, collaborative emergency preparedness, incident response and stakeholder education to support community resilience and safety for current and future generations.

# Message from leadership

All eyes were on Los Angeles this past January as yet another unprecedented fire storm raged, this time destroying more than 16,000 homes, businesses, schools and places of worship in heavily populated urban areas. In stark contrast to historic regional flooding just a year earlier, January 2025 marked Southern California's driest start to the year in 174 years, creating a landscape ripe for fire activity.

As the fires burned just two hours north of us, our team worked 24/7 for 21 days straight to help keep our region safe and mitigate the impacts to customers enduring multiple Public Safety Power Shutoffs (PSPS). Although our proactive efforts helped San Diego avoid catastrophic wildfires this January, there is no doubt that increasingly

extreme weather conditions can lead to devastating consequences – loss of life, property, livelihood and community – literally overnight followed by years of heartache and recovery.

Our customers and communities place their trust in our energy infrastructure and the people who operate it. They trust that it will be safe, dependable, resilient and accessible to everyone. At SDG&E, we do not take that trust for granted. We know that our business and our infrastructure are not sustainable if they do not meet the expectations of our customers and communities. This is what drives us to prudently invest in proven plans and innovative solutions that help make the region we serve stronger, safer and healthier.

We've learned that our stakeholders also trust and expect us to protect and respect the biodiversity, cultural resources and Tribal, public and military lands where we operate. We take our role as environmental and cultural resources stewards seriously and we value the relationships and collaborations that help us find new ways of doing the right thing every day.

It is not lost on us that as we strive to meet the needs and expectations of our diverse stakeholders, affordability matters to every customer, family and business we serve. That is why we are working to help control the rise of electricity prices and stabilize bills while still delivering the exceptional safety and

reliability our customers expect. Our efforts include engaging with policymakers on energy affordability, focusing on projects that reduce risks and deliver value to our customers and decreasing the costs of operating our business.

And we're making progress. This past year, our investments in battery energy storage helped avoid rolling blackouts in September. These same projects have generated more than \$200 million in savings as a result of investment tax credits. And after analyzing customer service trends and feedback, we discovered opportunities to reduce site visits for routine tasks and redeploy service teams to more urgent customer requests.

We know there is much more work to be done. Every year that we prepare this report, we reflect on our progress and areas for improvement. We appreciate the trust our communities have placed in us and invite you to join us in our work to deliver the cleaner, safer, more resilient future that our communities expect.

As always, we look forward to your feedback.

Sincerely,

**Estela de Llanos**

Vice President of Land and Environmental Services and Chief Sustainability Officer  
SDG&E





# 2024 by the numbers

## 1st

**California utility** to achieve CAL/OSHA Voluntary Protection Program certification<sup>1</sup>

## 380MW+

**of SDG&E utility-owned energy storage projects**, including 8 microgrids, to support grid and community resilience<sup>2</sup>

## ~\$1.2B

**diverse supplier spend**, including \$531M in San Diego County in 2024<sup>3</sup>

## 10,000+

**hours volunteered** by SDG&E employees to support local communities in 2024

## 19

**years ranked #1** for “keeping the lights on” by PA Consulting ReliabilityOne® award for Outstanding Reliability Performance in the Western Region

## 5,000+

**hardened miles in High Fire-Threat District**, consisting of ~1,000 miles of transmission lines and 4,000+ miles of distribution lines<sup>4</sup>

## 28%

**overall fleet electrified** to support safety and reliability while helping reduce air pollution in our region<sup>5</sup>

## \$100M+

shareholder funds **invested in the community** since 2014<sup>6</sup>

## 17

**years without a utility-caused wildfire** and opened a Wildfire & Climate Resilience Center to support regional emergency coordination

## 100%

**completed Pipeline Safety Enhancement Plan** to promote public safety and enhance reliability by strength testing and replacing natural gas transmission pipelines<sup>7</sup>

## ~\$200M

**generated in savings for customers** as a result of investment tax credits from energy storage projects

## \$2M+

**saved from recycling 3.6 million lbs. of scrap metals** via Supply Chain Investment Recovery Program in 2024<sup>8</sup>

<sup>1</sup> The California Voluntary Protection Program (Cal/VPP) is designed to recognize employers and their employees who have implemented safety and health programs that go beyond minimal Cal/OSHA standards and to help prevent and control occupational hazards.

<sup>2</sup> Includes utility-owned energy storage facilities and microgrids either in operation or under construction at year-end 2024.

<sup>3</sup> Includes qualifying procurement spend consistent with General Order 156 requirements.

<sup>4</sup> The CPUC defines a High Fire-Threat District (HFTD) as an area that has increased fire risk due to topography, geography, weather or other factors.

<sup>5</sup> CPUC and CARB Zero-Emission Vehicle (ZEV) technologies definition includes full battery electric vehicles (BEV), plug-in hybrid electric vehicles (PHEV) and hydrogen fuel cell vehicles.

<sup>6</sup> Includes shareholder dollars invested to support regional nonprofits and their programs, does not include lobbying fees.

<sup>7</sup> SDG&E's Pipeline Safety Enhancement Plan (PSEP) was approved by the California Public Utilities Commission (CPUC) in 2014 per D.14-06-007.

<sup>8</sup> Investment recovery is a program to identify, reuse, sell or otherwise dispose of surplus assets generated by an enterprise as it pursues its primary business.





# Doing business sustainably



## Investing in safe and resilient operations



## Engaging people and communities



## Innovating for the future



### SDG&E has a long history of doing business sustainably.

From early investments in energy efficiency and electric vehicles to integrating renewable energy and rooftop solar into the grid and supporting climate resilience today, SDG&E has been at the forefront of major changes in the energy sector.

In 2020, with yet another phase of the energy transition underway, SDG&E focused its operational strengths to take a more strategic, forward-looking approach to sustainability. With stakeholders in mind and through the lens of California's environmental objectives and climate policies, SDG&E set a number of company sustainability targets to help the state reach net-zero greenhouse gas emissions (GHG) by 2045.

Since then, California has adopted new climate mandates, regulations and decisions that affect SDG&E while the focus on affordability has intensified. In 2024, SDG&E embarked on a review of its sustainability strategy in light of these and other changes. SDG&E's current aspirational goals reflect changes in policy, regulation and technology while prioritizing customer affordability, energy reliability and employee, contractor and public safety.



# Investing in safe and resilient operations

SDG&E is built on a culture of safety both for the public and the people who support the regional energy grid. The company works diligently to identify potential risks, enhance safety and resiliency and foster a culture that protects employees, contractors and the community.

## Continuing to improve safety

SDG&E is an organization that listens, learns and improves. The company's safety-first culture includes a Safety Management System designed to promote continued improvement and consistently support a safe work environment. Near Miss reporting, a key aspect of the Safety Management System, encourages SDG&E employees and contractors to watch for and identify potential risks or hazards so that the company can proactively address them to help

prevent future incident or injury. Every worker is empowered to report safety concerns or stop work. SDG&E views Near Miss reporting as an indicator of psychological safety and the strength of the company's safety focus.

In 2024, SDG&E achieved a record 447 Near Miss reports. By hearing directly from the workforce, SDG&E implemented several safety improvements to help prevent gas pipeline damage, improve, replace and/or repair company facilities and equipment, enable safer driving and reinforce a core company belief that everyone at SDG&E has a role to play in supporting safety.

Despite SDG&E's enhanced focus on serious injury and fatality prevention and ongoing safety engagement with its employee and contractor workforce, the company experienced one contractor fatality in 2024. The incident was investigated to identify potential contributing factors and the contractor implemented safety improvement mitigations.

## Advancing climate resilience with data and research

The changing climate impacts the weather, which impacts the communities SDG&E serves. Recovering from natural disasters places tremendous financial, emotional and social burdens on customers and communities. This is why SDG&E regularly engages with stakeholders to both understand the region's vulnerability to climate change hazards and prepare, respond and recover from incidents.

In 2024, SDG&E unveiled the company's new Wildfire & Climate Resilience Center, which serves as a hub for collaborative research, development and implementation of innovative solutions to envision and build an energy system that can better withstand the intensifying effects of climate change while supporting community safety and resiliency. The Wildfire & Climate Resilience Center also serves as the company's emergency operations center, when necessary.

The center houses situational awareness expertise and tools, which enable SDG&E teams to provide critical support and regional coordination during extreme weather events and major disasters.

Some examples of innovations include:

- Advanced weather monitoring through SDG&E's weather stations, which offer real-time data to better anticipate and address weather-related threats. The company's systems use millions of historical weather data points going back to 2010 to assist in training AI-based wind forecasting models, including one of the first AI-trained Santa Ana Wind Gust forecast models in the industry.
- AI and machine learning to help predict and mitigate wildfire impacts on the energy grid. For example, SDG&E systems conduct more than 10 million virtual wildfire simulations daily to inform operational wildfire risk models, and use more than 3.8 million drone images of company infrastructure to train AI-based inspection models.
- Collaboration with climate science experts at local academic institutions and national labs to evaluate extreme weather events, study fuel moisture, detect wildfires using real-time satellite imaging, analyze fire potential and inform climate adaptation planning.
- Workforce training and community engagement to support more effective climate resilience planning and equip SDG&E's current and future workforce with skills to manage and maintain a resilient grid.

The center, which was constructed with sustainable materials throughout, efficient water fixtures to reduce water consumption and rooftop solar panels to support its operation through renewable energy generation, received U.S. Green Building Council LEED® Platinum certification in December 2024.

### Reducing facilities cost and waste

During and after the pandemic of 2020, the workplace was redefined for many companies. At SDG&E, office-based employees now work a hybrid schedule that allows for opportunities to intentionally connect during in-office days. To support internal collaboration while addressing affordability concerns, SDG&E divested a portion of its office real estate portfolio in 2024 and made space for teams to work together in its existing Century Park campus.

The office consolidation project offered SDG&E the opportunity to create a more environmentally sustainable building that takes advantage of natural lighting, increases energy efficiency and decreases overall waste – all while reducing costs. For example, all of the interior furnishings from the former office building were reused in the revamped office space. Office items that could not be reused in the updated space were offered to community organizations. Local nonprofit the San Diego Fire-Rescue Foundation was invited to “shop” gently used office furniture to support their office environments. This circular economy project helped divert 70% of construction waste and reduced costs by more than \$1.5 million as compared to previous construction projects.

Additionally, through smart planning, SDG&E will save an estimated \$10 million in office leasing costs by consolidating office space.

### Moving forward

SDG&E's unwavering commitment to safety remains the foundation of the company. This includes building and operating safe and resilient gas and electric infrastructure and helping to lead the region in preparing, responding and recovering from emergency events.

Just as important as safety, SDG&E's focus on the customer is front and center. This means listening to customers, finding new ways to advance the business and delivering value and quality of services in a rapidly changing environment.

SDG&E remains focused on identifying and mitigating the environmental impacts of its operations and projects. The company's dedicated team of environmental professionals will continue to protect human health and safety as well as the region's natural and cultural resources.

SDG&E also remains committed to reducing the environmental impact of company office spaces, seeking to divert 70% of facilities-related waste from landfills, repurpose 100% of vegetation management waste and reduce facilities freshwater use by 50% (2010 baseline) by 2030. By 2045, SDG&E hopes to achieve net-zero energy use at company facilities.

Additionally, SDG&E is in the midst of enhancing fleet operations and electrifying its fleet with a goal to operate a fully zero-emissions vehicle fleet wherever possible by 2040.<sup>1</sup>

<sup>1</sup> Fleet goals contingent on original equipment manufacturer vehicle availability and funding approval through the CPUC.





## Engaging people and communities

SDG&E is committed to supporting the many communities its employees and their families call home. The company makes good on this commitment by actively engaging stakeholders in an ongoing conversation about the region's sustainability priorities. The company's strategy responds to community feedback around emergency preparedness, environmental concerns, workforce and economic development, nonprofit capacity building and affordability.

### Supporting customers

Recognizing the financial hardships many of our customers face in a changing economic climate, SDG&E continues its efforts to help customers by offering various bill assistance programs, as well as finding ways to return revenues to customers, such as through securing federal investment tax credits for eligible projects.

- In 2023 and 2024, SDG&E secured federal investment tax credits for utility-owned storage projects that resulted in more than \$200 million in savings for customers.
- Last year, SDG&E helped nearly 306,000 customers with \$212 million of financial support through the California Alternate Rates for Energy (CARE) program, which offers 30% or more in bill discounts for income-qualified customers, and assisted more than 12,000 customers with \$4 million of financial support through the Family Electric Rates Assistance (FERA) program, which offers an 18% discount on electric bills.

### Investing in the community

SDG&E invests in local nonprofits to support their success in delivering valuable services in San Diego and southern Orange counties. In collaboration with Mission Edge, a regional nonprofit that designs programs to help connect companies to the communities in which they operate, SDG&E launched a skilled volunteer program that pairs company summer interns with local organizations to help solve real-world challenges. Now in its second year, this volunteer opportunity supported five nonprofits in 2024 as they worked to enhance and develop programs tied to climate action, K-16 STEM education, emergency preparedness and economic prosperity.

Representing departments ranging from accounting and finance to communications and environmental services, 30 SDG&E interns worked alongside their project advisors to not only provide more than 200 hours of service, but also bring back a new perspective and enhanced skills to their work at SDG&E.

SDG&E's commitment goes beyond dollars and includes engaging with local nonprofits to provide capacity-building resources such as:

- Supporting senior company leaders who can lend expertise to nonprofit boards.
- Hosting learning workshops to provide nonprofit resources and networking.
- Promoting volunteer service projects to connect nonprofits with skilled volunteers to deliver community impact.

## Integrating community and infrastructure

Across its service territory, SDG&E maintains more than 160 substations and pad-mounted transformers – critical components of the region's energy delivery system that can be unattractive but sometimes leveraged for community art. In the past five years, SDG&E has beautified a dozen of these spaces in locations such as Vista, National City, Imperial Beach and Chula Vista. In each instance, SDG&E hires a local artist and works alongside stakeholders to identify how the art should reflect the neighborhood.

In February 2024, SDG&E collaborated with ArtReach, a nonprofit that ignites youth creativity through visual arts expression and community connection, to complete a mural at an electric substation located on the border of the Rolando and College Area communities. Local artist Katy Yeaw created the new mural, which reflects direct feedback from the community and spotlights



the historic paseos that connect the Rolando neighborhood. Viewers can find each paseo name referenced visually in the mural, which also includes local plants and animals such as agave, hummingbirds, coyotes, oranges, palms, pine trees, parrots and falcons.

New projects are underway at substations in downtown San Diego and the Bay Park neighborhood. SDG&E has also collaborated with community organizations on utility box beautification, including projects in Imperial Beach, Southeast San Diego, the Convoy District and East Village.

## Looking ahead

As SDG&E advances its sustainability strategy, the company will continue to invest resources to empower and positively transform the communities it serves. SDG&E employees will continue volunteering their time and expertise with nonprofit organizations to support local communities. Additionally, 100% of SDG&E leadership aims to serve on nonprofit boards and the company continues work to convene nonprofit leaders throughout the year to help build sector capacity.

SDG&E also remains committed to developing the regional economy by supporting local businesses and responsible sourcing.





# Innovating for the future

SDG&E works daily to support California in creating a decarbonized energy future that is affordable, equitable and sustainable. This work includes investing in innovative solutions and modernizing the energy grid to build community resilience and maintain energy reliability even as the demand for electrification continues to grow.

## Decarbonization

SDG&E is exploring leveraging hydrogen as a versatile, cleaner fuel to support communities today and shape a more sustainable tomorrow. In 2024, SDG&E acquired a containerized and mobile “nanogrid” unit to bring energy to customers when they need it most – during emergency events. The standalone nanogrid system is designed to help SDG&E support communities by responding to emergency events such as wildfires and PSPS. Equipped with a built-in solar

canopy, on-board batteries and a novel hydrogen system that includes a small electrolyzer and solid-state hydrogen storage, the unit can serve as an emission-free alternative to diesel backup generators. The nanogrid can power electric vehicles, charge phones and other devices and even generate drinking water using moisture in the air.

## Diversification

Diversifying energy sources for the transportation sector is key to not only helping California meet its net-zero by 2045 target but also to supporting cleaner air in local communities. The California Air Resources Board (CARB) estimates that 40% of current GHG emissions are from the transportation sector, which is why SDG&E is focused on working with communities to build the infrastructure needed to support electric vehicles and manufacturers to develop new transportation solutions.

In recent years, SDG&E expanded public electric vehicle charging in the Otay Mesa region to

support trucks crossing through the Otay Mesa Port of Entry. In April 2024, SDG&E celebrated an historic milestone for sustainable transportation as the first Class 8 heavy-duty electric freight truck made its first voyage from the U.S. into Mexico. The truck was part of Bali Express Services, a binational freight company based in Otay Mesa that intends to charge its fleet batteries with the infrastructure built through SDG&E’s Power Your Drive for Fleets program.

## Digitalization

In 2022, SDG&E developed the Community Impact Platform, an innovative digital mapping tool that can incorporate company data and model scenarios across the service area. The Community Impact Platform’s first use case involved overlaying SDG&E fleet vehicle and GPS information with socioeconomic data to model vehicle replacement scenarios to help reduce tail pipe emissions in communities hardest hit by air pollution and climate change.

Using the same innovative mapping technology that powers the Community Impact Platform, SDG&E developed a Climate Intelligence Platform in 2024. The Climate Intelligence Platform can generate detailed scenarios that show how climate change may impact SDG&E's service area. The information provided helps SDG&E understand which customers and what assets may be most vulnerable and develop mitigations that can support system hardening and community safety and resilience. This is especially important for San Diego's most vulnerable communities that may be impacted disproportionately by climate change.

### Preparing for the energy future

In the coming years, the regional energy grid must adapt to be more resilient and able to accommodate increased customer demand as vehicles and buildings electrify. As SDG&E prepares for a reliable, sustainable and affordable energy future, the company will continue to explore and deploy decarbonization technologies, such as biomethane and hydrogen, to reduce its emissions portfolio as well as regional transportation emissions. SDG&E will also continue to deploy non-SF6 equipment where feasible and strive to reduce emissions from electricity delivered to customers as the state works toward carbon neutrality. To better meet customer demand and promote affordability, SDG&E will advance its efforts to anticipate regional energy needs, connect customers seamlessly to the grid and support community resiliency – all while maintaining a high standard of reliability.





# Planning for a more sustainable future

SDG&E's sustainability strategy – like its business operations – is centered around the people the company is privileged to serve.

In 2024 SDG&E undertook a periodic review of its 2020 sustainability aspirations and evolved company goals to respond to stakeholder concerns on energy affordability and address changing compliance obligations, including policy developments at the state and federal level as well as the recent 2024 - 2027 General Rate Case decision from the California Public Utilities Commission.

## Supporting communities through progress

Since 2020, SDG&E delivered on several community and company objectives in support of sustainability. A few key accomplishments include:

- Piloting a Virtual Power Plant (VPP) to strengthen resilience and support energy reliability in a remote San Diego community.
- Providing more than 45,000 trees to help support biodiversity and better air quality for communities across the service area.

- Developing new programs to support a more sustainable supply chain, including creating a surplus policy to help internal teams recycle, salvage, sell or donate excess items to recover costs and reduce waste.
- Expanding access to electric vehicle charging infrastructure across the company's service territory and in support of regional transportation electrification goals.
- Placing a project into service at the company's Palomar Energy Center to generate and blend clean hydrogen with natural gas to support power generation, for use as a coolant and to refuel hydrogen fuel cell vehicles in the company's fleet.

Yet, even with these early wins, more must be done. Over the next five years, SDG&E will continue to work toward meaningful progress on state and company climate targets, including supporting transportation and building electrification. As with any significant journey, the path may not always be a straight line and momentum may be shifted by external events such as changes to the state and federal policy landscape, customer affordability concerns and the increasing impacts of climate change.

## Adapting to address challenges and feedback

As a regulated California utility, SDG&E recognizes the important role it plays in helping the state to reach its climate goals of net-zero GHG emissions by 2045. The company continues to invest in the infrastructure needed to meet growing state energy demand and work alongside local CCAs to deliver increasingly clean energy to commercial and residential customers.

SDG&E's largest source of direct emissions includes the company's power generation facilities and fugitive emissions from the natural gas system. Policy alone cannot bring these emissions to zero. That is why SDG&E continues to engage with legislators, regulators, peers and innovators to explore diverse and leading-edge options to decarbonize the regional energy grid without compromising safety, affordability and reliability.

Sustainability is a shared journey that the company is proud to be taking with organizations and individuals across all sectors of the economy. Through collective will, constructive feedback and perseverance, SDG&E hopes to help build a more sustainable and resilient future for the community it calls home.

# Forward-looking statements

This report contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are based on assumptions about the future, involve risks and uncertainties, and are not guarantees. Future results may differ materially from those expressed or implied in any forward-looking statement. These forward-looking statements represent our estimates and assumptions only as of June 4, 2025. We assume no obligation to update or revise any forward-looking statement as a result of new information, future events or otherwise.

In this report, forward-looking statements can be identified by words such as “believe,” “expect,” “intend,” “anticipate,” “contemplate,” “plan,” “estimate,” “project,” “forecast,” “envision,” “should,” “could,” “would,” “will,” “confident,” “may,” “can,” “potential,” “possible,” “proposed,” “in process,” “construct,” “develop,” “opportunity,” “preliminary,” “initiative,” “target,” “outlook,” “optimistic,” “poised,” “positioned,” “maintain,” “continue,” “progress,” “advance,” “goal,” “aim,” “commit,” or similar expressions, or when we discuss our guidance, priorities, strategies, goals, vision, mission, projections, intentions or expectations.

Factors, among others, that could cause actual results and events to differ materially from those expressed or implied in any forward-looking statement include: California wildfires, including potential liability for damages regardless of fault and any inability to recover all or a substantial portion of costs from insurance, the wildfire fund established by California Assembly Bill 1054, rates from customers or a combination thereof; decisions, denials of cost recovery, audits, investigations, inquiries, ordered studies, regulations, denials or revocations of permits, consents, approvals or other authorizations, renewals of franchises, and other actions, including the failure to honor contracts and commitments, by the (i) California Public Utilities Commission (CPUC), U.S. Department of Energy, U.S. Federal Energy Regulatory Commission, U.S. Internal Revenue Service and other regulatory bodies and (ii) U.S. and states, counties, cities and other jurisdictions therein where we do business; the success of business development efforts and construction projects, including risks related to (i) negotiating pricing and other terms in definitive contracts, (ii) completing construction projects or other transactions on schedule and budget, (iii) realizing anticipated benefits

from any of these efforts if completed, (iv) obtaining regulatory and other approvals and (v) third parties honoring their contracts and commitments; changes to our capital expenditure plans and their potential impact on rate base or other growth; changes, due to evolving economic, political and other factors, to (i) trade and other foreign policy, including the imposition of tariffs by the U.S. and foreign countries, and (ii) laws and regulations, including those related to tax; litigation, arbitration, property disputes and other proceedings; cybersecurity threats, including by state and state-sponsored actors, of ransomware or other attacks on our systems or the systems of third parties with which we conduct business, including the energy grid or other energy infrastructure; the availability, uses, sufficiency, and cost of capital resources and our ability to borrow money or otherwise raise capital on favorable terms and meet our obligations, which can be affected by, among other things, (i) actions by credit rating agencies to downgrade our credit ratings or place those ratings on negative outlook, (ii) instability in the capital markets, and (iii) fluctuating interest rates and inflation; the impact on affordability of our customer rates and our cost of capital and on our ability to pass through higher costs to customers due to (i) volatility in inflation, interest rates and commodity prices and the imposition of tariffs and (ii) the cost of meeting the demand for lower carbon and reliable energy in California; the impact of climate policies, laws, rules, regulations, trends and required disclosures, including actions to reduce or eliminate reliance on natural gas, increased uncertainty in the political or regulatory environment for California natural gas distribution companies, the risk of nonrecovery for stranded assets, and uncertainty related to emerging technologies; weather, natural disasters, pandemics, accidents, equipment failures, explosions, terrorism, information system outages or other events, such as work stoppages, that disrupt our operations, damage our facilities or systems, cause the release of harmful materials or fires or subject us to liability for damages, fines and penalties, some of which may not be recoverable through regulatory mechanisms or insurance or may impact our ability to obtain satisfactory levels of affordable insurance; the availability of electric power, natural gas and natural gas storage capacity, including disruptions caused by failures in the transmission grid or pipeline and storage systems or limitations on the injection

and withdrawal of natural gas from storage facilities; and other uncertainties, some of which are difficult to predict and 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, [www.sec.gov](http://www.sec.gov), and on Sempra’s website, [www.sempra.com](http://www.sempra.com). Investors should not rely unduly on any forward-looking statements.

Sempra Infrastructure, Sempra Infrastructure Partners, Sempra Texas, Sempra Texas Utilities, Oncor Electric Delivery Company LLC (Oncor) and Infraestructura Energética Nova, S.A.P.I. de C.V. (IEnova) are not the same companies as the California utilities, San Diego Gas & Electric Company or Southern California Gas Company, and Sempra Infrastructure, Sempra Infrastructure Partners, Sempra Texas, Sempra Texas Utilities, Oncor and IEnova are not regulated by the CPUC.

Published on June 4, 2025.





SDGE Katy Yearw  
ArtReach



**San Diego Gas & Electric Company**

8326 Century Park

San Diego, CA 92123-4150

Toll-free (800) 411-7343

[sdge.com](http://sdge.com)