



2021 STATISTICAL REPORT

**Unaudited Supplement
to the Financial Report**



2021

Statistical Report

Unaudited Supplement to the 2021 Annual Report

Sempra™ is a California-based holding company with energy infrastructure investments in North America with 2021 revenues of approximately \$12.9 billion. Sempra's mission is to be North America's premier energy infrastructure company. The company is focused on transmission and distribution investments, among other areas, that the company believes are capable of producing stable cash flows and earnings visibility, with the goal of delivering safe and reliable energy to customers and increasing shareholder value. Additional information is available on the web at Sempra.com.

Shareholder Services

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Investor Relations

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Sempra Common Stock:
Trading Symbols: SRE and SRE.MX
New York Stock Exchange and Mexican Stock Exchange

Sempra Series C Preferred Stock is not listed on any national securities exchange

Sempra 5.75% Junior Subordinated Notes Due 2079:
Trading Symbol: SREA
New York Stock Exchange

Southern California Gas Company Preferred Stock:
SoCalGas preferred stock is not listed on any national securities exchange and trades over-the-counter.

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Selected Financial Data



(In millions, except per share amounts)	At December 31 or for the years then ended,		
	2021	2020	2019
Earnings attributable to common shares	\$ 1,254	\$ 3,764	\$ 2,055
Earnings per common share (EPS), diluted	\$ 4.01	\$ 12.88	\$ 7.29
Adjusted earnings ⁽¹⁾	\$ 2,637	\$ 2,342	\$ 1,970
Adjusted EPS, diluted ⁽¹⁾	\$ 8.43	\$ 8.00	\$ 6.99
Weighted-average common shares outstanding, diluted – adjusted	313.0	305.7	282.0
Dividends declared per common share	\$ 4.40	\$ 4.18	\$ 3.87
Dividend yield per common share	3.3 %	3.3 %	2.6 %
Dividend payout ratio per common share, diluted	109.7 %	32.5 %	53.1 %
Ratio of market closing price to book value per common share	1.67	1.82	2.50
Book value per common share	\$ 79.17	\$ 70.11	\$ 60.58
Common shares outstanding	316.9	288.5	291.7
Total assets	\$ 72,045	\$ 66,623	\$ 65,665
Long-term debt and finance leases (excludes current portion) ⁽²⁾	\$ 21,068	\$ 21,781	\$ 20,785
Short-term debt ⁽³⁾	\$ 3,577	\$ 2,425	\$ 5,031
Sempra Energy shareholders' equity	\$ 25,981	\$ 23,373	\$ 19,929
Effective income tax rate from continuing operations	12 %	14 %	18 %

(1) 2020 and 2019 amounts have been updated to exclude additional items to conform to current year presentation. Please refer to pages 16, 17 and 18 for an explanation and reconciliation of these non-GAAP measures.

(2) Excludes discontinued operations in 2019.

(3) Includes long-term debt due within one year and current portion of finance lease obligations. Excludes discontinued operations in 2019.

Consolidated Statements of Operations



(Dollars in millions, except per share amounts; shares in thousands)	Years ended December 31,		
	2021	2020	2019
REVENUES			
Utilities:			
Natural gas	\$ 6,333	\$ 5,411	\$ 5,185
Electric	4,658	4,614	4,263
Energy-related businesses	1,866	1,345	1,381
Total revenues	<u>12,857</u>	<u>11,370</u>	<u>10,829</u>
EXPENSES AND OTHER INCOME			
Utilities:			
Cost of natural gas	(1,597)	(925)	(1,139)
Cost of electric fuel and purchased power	(1,010)	(1,187)	(1,188)
Energy-related businesses cost of sales	(611)	(276)	(344)
Operation and maintenance	(4,338)	(3,940)	(3,466)
Aliso Canyon litigation and regulatory matters	(1,593)	(307)	—
Depreciation and amortization	(1,855)	(1,666)	(1,569)
Franchise fees and other taxes	(596)	(543)	(496)
Impairment losses	(3)	(1)	(43)
Gain (loss) on sale of assets	36	(3)	63
Other income (expense), net	58	(48)	77
Interest income	69	96	87
Interest expense	(1,198)	(1,081)	(1,077)
Income from continuing operations before income taxes and equity earnings	<u>219</u>	<u>1,489</u>	<u>1,734</u>
Income tax expense	(99)	(249)	(315)
Equity earnings	1,343	1,015	580
Income from continuing operations, net of income tax	<u>1,463</u>	<u>2,255</u>	<u>1,999</u>
Income from discontinued operations, net of income tax	—	1,850	363
Net income	<u>1,463</u>	<u>4,105</u>	<u>2,362</u>
Earnings attributable to noncontrolling interests	(145)	(172)	(164)
Preferred dividends	(63)	(168)	(142)
Preferred dividends of subsidiary	(1)	(1)	(1)
Earnings attributable to common shares	<u>\$ 1,254</u>	<u>\$ 3,764</u>	<u>\$ 2,055</u>
Basic EPS:			
Earnings from continuing operations	\$ 4.03	\$ 6.61	\$ 6.22
Earnings from discontinued operations	\$ —	\$ 6.32	\$ 1.18
Earnings	\$ 4.03	\$ 12.93	\$ 7.40
Weighted-average common shares outstanding	311,755	291,077	277,904
Diluted EPS:			
Earnings from continuing operations	\$ 4.01	\$ 6.58	\$ 6.13
Earnings from discontinued operations	\$ —	\$ 6.30	\$ 1.16
Earnings	\$ 4.01	\$ 12.88	\$ 7.29
Weighted-average common shares outstanding	313,036	292,252	282,033

Consolidated Balance Sheets



(Dollars in millions)	December 31,		
	2021	2020	2019
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 559	\$ 960	\$ 108
Restricted cash	19	22	31
Accounts receivable – trade, net	2,071	1,578	1,261
Accounts receivable – other, net	398	403	455
Due from unconsolidated affiliates	23	20	32
Income taxes receivable	79	113	112
Inventories	389	308	277
Prepaid expenses	260	215	161
Regulatory assets	271	190	222
Greenhouse gas allowances	97	553	72
Assets held for sale in discontinued operations	—	—	445
Other current assets	209	149	163
Total current assets	4,375	4,511	3,339
Other assets:			
Restricted cash	3	3	3
Due from unconsolidated affiliates	637	780	742
Regulatory assets	2,011	1,822	1,930
Insurance receivable for Aliso Canyon costs	360	445	339
Greenhouse gas allowances	422	101	470
Nuclear decommissioning trusts	1,012	1,019	1,082
Dedicated assets in support of certain benefit plans	567	512	488
Deferred income taxes	151	136	155
Right-of-use assets – operating leases	594	543	591
Investment in Oncor Holdings	12,947	12,440	11,519
Other investments	1,525	1,388	2,103
Goodwill	1,602	1,602	1,602
Other intangible assets	370	202	213
Wildfire fund	331	363	392
Assets held for sale in discontinued operations	—	—	3,513
Other long-term assets	1,244	753	732
Total other assets	23,776	22,109	25,874
Property, plant and equipment:			
Property, plant and equipment	58,940	53,928	49,329
Less accumulated depreciation and amortization	(15,046)	(13,925)	(12,877)
Property, plant and equipment, net	43,894	40,003	36,452
Total assets	\$ 72,045	\$ 66,623	\$ 65,665

Consolidated Balance Sheets (continued)



(Dollars in millions)	December 31,		
	2021	2020	2019
LIABILITIES AND EQUITY			
Current liabilities:			
Short-term debt	\$ 3,471	\$ 885	\$ 3,505
Accounts payable – trade	1,671	1,359	1,234
Accounts payable – other	178	154	179
Due to unconsolidated affiliates	—	45	5
Dividends and interest payable	563	551	515
Accrued compensation and benefits	479	446	476
Regulatory liabilities	359	140	319
Current portion of long-term debt and finance leases	106	1,540	1,526
Reserve for Aliso Canyon costs	1,980	150	9
Greenhouse gas obligations	97	553	72
Liabilities held for sale in discontinued operations	—	—	444
Other current liabilities	1,131	1,016	866
Total current liabilities	<u>10,035</u>	<u>6,839</u>	<u>9,150</u>
Long-term debt and finance leases	<u>21,068</u>	<u>21,781</u>	<u>20,785</u>
Deferred credits and other liabilities:			
Due to unconsolidated affiliates	287	234	195
Regulatory liabilities	3,402	3,372	3,741
Reserve for Aliso Canyon costs	3	301	7
Greenhouse gas obligations	225	—	301
Pension and other postretirement benefit plan obligations, net of plan assets	687	1,059	1,067
Deferred income taxes	3,477	2,871	2,577
Asset retirement obligations	3,375	3,113	2,923
Liabilities held for sale in discontinued operations	—	—	1,052
Deferred credits and other	2,067	2,119	2,062
Total deferred credits and other liabilities	<u>13,523</u>	<u>13,069</u>	<u>13,925</u>
Equity:			
Preferred stock	889	3,147	2,258
Common stock	11,862	7,053	7,480
Retained earnings	13,548	13,673	11,130
Accumulated other comprehensive income (loss)	(318)	(500)	(939)
Total Sempra Energy shareholders' equity	<u>25,981</u>	<u>23,373</u>	<u>19,929</u>
Preferred stock of subsidiary	20	20	20
Other noncontrolling interests	1,418	1,541	1,856
Total equity	<u>27,419</u>	<u>24,934</u>	<u>21,805</u>
Total liabilities and equity	<u>\$ 72,045</u>	<u>\$ 66,623</u>	<u>\$ 65,665</u>

Consolidated Statements of Cash Flows



(Dollars in millions)	Years ended December 31,		
	2021	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income	\$ 1,463	\$ 4,105	\$ 2,362
Less: Income from discontinued operations, net of income tax	—	(1,850)	(363)
Income from continuing operations, net of income tax	1,463	2,255	1,999
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	1,855	1,666	1,569
Deferred income taxes and investment tax credits	(78)	159	189
Impairment losses	3	1	43
(Gain) loss on sale of assets	(36)	3	(63)
Equity earnings	(1,343)	(1,015)	(580)
Foreign currency transaction losses (gains), net	18	25	(21)
Share-based compensation expense	63	71	75
Fixed-price contracts and other derivatives	206	(7)	(11)
Other	167	139	58
Net change in other working capital components:			
Accounts receivable	(599)	(328)	(97)
Due to/from unconsolidated affiliates, net	(1)	12	1
Income taxes receivable/payable, net	(38)	(94)	(166)
Inventories	(87)	(35)	(22)
Other current assets	(220)	38	(88)
Accounts payable	263	74	17
Regulatory balancing accounts, net	249	(231)	13
Reserve for Aliso Canyon costs	1,532	141	(144)
Other current liabilities	(105)	(127)	(99)
Intercompany activities with discontinued operations, net	—	—	378
Insurance receivable for Aliso Canyon costs	85	(106)	122
Distributions from investments	941	651	247
Wildfire fund, current and noncurrent	—	—	(323)
Reserve for Aliso Canyon costs, noncurrent	—	294	—
Changes in other noncurrent assets and liabilities, net	(496)	56	(399)
Net cash provided by continuing operations	3,842	3,642	2,698
Net cash (used in) provided by discontinued operations	—	(1,051)	390
Net cash provided by operating activities	3,842	2,591	3,088
CASH FLOWS FROM INVESTING ACTIVITIES			
Expenditures for property, plant and equipment	(5,015)	(4,676)	(3,708)
Expenditures for investments and acquisitions	(633)	(652)	(1,797)
Proceeds from sale of assets	38	19	899
Distributions from investments	366	761	9
Purchases of nuclear decommissioning trust assets	(961)	(1,439)	(914)
Proceeds from sales of nuclear decommissioning trust assets	961	1,439	914
Advances to unconsolidated affiliates	(8)	(92)	(16)
Repayments of advances to unconsolidated affiliates	38	7	3
Disbursement for note receivable	(305)	—	—
Intercompany activities with discontinued operations, net	—	—	8
Other	11	15	21
Net cash used in continuing operations	(5,508)	(4,618)	(4,581)
Net cash provided by (used in) discontinued operations	—	5,171	(12)
Net cash (used in) provided by investing activities	(5,508)	553	(4,593)

Consolidated Statements of Cash Flows (continued)



(Dollars in millions)	Years ended December 31,		
	2021	2020	2019
CASH FLOWS FROM FINANCING ACTIVITIES			
Common dividends paid	(1,331)	(1,174)	(993)
Preferred dividends paid	(99)	(157)	(142)
Issuances of preferred stock, net	—	891	—
Issuances of common stock, net	5	11	1,830
Repurchases of common stock	(339)	(566)	(26)
Issuances of debt (maturities greater than 90 days)	3,773	6,051	4,296
Payments on debt (maturities greater than 90 days) and finance leases	(5,489)	(5,864)	(3,667)
Increase (decrease) in short-term debt, net	1,913	(1,759)	656
Advances from unconsolidated affiliates	40	64	155
Purchases of noncontrolling interests	(224)	(248)	(30)
Proceeds from sales of noncontrolling interests, net	3,206	26	5
Contributions from noncontrolling interests, net	4	1	98
Intercompany activities with discontinued operations, net	—	—	(266)
Other	(199)	(50)	(49)
Net cash provided by (used in) continuing operations	1,260	(2,774)	1,867
Net cash provided by (used in) discontinued operations	—	401	(392)
Net cash provided by (used in) financing activities	1,260	(2,373)	1,475
Effect of exchange rate changes in continuing operations	2	—	—
Effect of exchange rate changes in discontinued operations	—	(3)	1
Effect of exchange rate changes on cash, cash equivalents and restricted cash	2	(3)	1
(Decrease) increase in cash, cash equivalents and restricted cash, including discontinued operations	(404)	768	(29)
Cash, cash equivalents and restricted cash, including discontinued operations, January 1	985	217	246
Cash, cash equivalents and restricted cash, including discontinued operations, December 31	\$ 581	\$ 985	\$ 217
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION			
Interest payments, net of amounts capitalized	\$ 1,163	\$ 1,046	\$ 1,051
Income tax payments, including discontinued operations, net of refunds	230	1,385	360

Consolidated Statements of Comprehensive Income (Loss) and Changes in Equity



Years ended December 31, 2021, 2020 and 2019

(Dollars in millions)	Preferred stock	Common stock	Retained earnings	Accumulated other comprehensive income (loss)	Sempra Energy shareholders' equity	Non-controlling interests	Total equity
Balance at December 31, 2018	\$ 2,258	\$ 5,540	\$ 10,104	\$ (764)	\$ 17,138	\$ 2,110	\$ 19,248
Adoption of ASU 2016-02			17		17		17
Adoption of ASU 2018-02			40	(42)	(2)		(2)
Adjusted balance at December 31, 2018	2,258	5,540	10,161	(806)	17,153	2,110	19,263
Net income			2,198		2,198	164	2,362
Other comprehensive income (loss):							
Foreign currency translation adjustments				(43)	(43)	3	(40)
Financial instruments				(108)	(108)	(10)	(118)
Pension and other postretirement benefits				18	18		18
Comprehensive income			2,198	(133)	2,065	157	2,222
Share-based compensation expense		75			75		75
Dividends declared:							
Series A preferred stock (\$6.00/share)			(103)		(103)		(103)
Series B preferred stock (\$6.75/share)			(39)		(39)		(39)
Common stock (\$3.87/share)			(1,086)		(1,086)		(1,086)
Preferred dividends of subsidiary			(1)		(1)		(1)
Issuances of common stock		1,885			1,885		1,885
Repurchases of common stock		(26)			(26)		(26)
Noncontrolling interest activities:							
Contributions						175	175
Distributions		5			5	(103)	(98)
Purchases		(3)			(3)	(27)	(30)
Sale		4			4	1	5
Acquisition						3	3
Deconsolidations						(440)	(440)
Balance at December 31, 2019	\$ 2,258	\$ 7,480	\$ 11,130	\$ (939)	\$ 19,929	\$ 1,876	\$ 21,805

Consolidated Statements of Comprehensive Income (Loss) and Changes in Equity (continued)



Years ended December 31, 2021, 2020 and 2019

(Dollars in millions)	Preferred stock	Common stock	Retained earnings	Accumulated other comprehensive income (loss)	Sempra Energy shareholders' equity	Non-controlling interests	Total equity
Balance at December 31, 2019	\$ 2,258	\$ 7,480	\$ 11,130	\$ (939)	\$ 19,929	\$ 1,876	\$ 21,805
Adoption of ASU 2016-13			(7)		(7)	(2)	(9)
Adjusted balance at December 31, 2019	2,258	7,480	11,123	(939)	19,922	1,874	21,796
Net income			3,933		3,933	172	4,105
Other comprehensive income (loss):							
Foreign currency translation adjustments				547	547	(12)	535
Financial instruments				(113)	(113)	(12)	(125)
Pension and other postretirement benefits				12	12		12
Comprehensive income			3,933	446	4,379	148	4,527
Share-based compensation expense		71			71		71
Dividends declared:							
Series A preferred stock (\$6.00/share)			(104)		(104)		(104)
Series B preferred stock (\$6.75/share)			(39)		(39)		(39)
Series C preferred stock (\$27.90/share)			(25)		(25)		(25)
Common stock (\$4.18/share)			(1,214)		(1,214)		(1,214)
Preferred dividends of subsidiary			(1)		(1)		(1)
Issuance of series C preferred stock	889				889		889
Issuances of common stock		33			33		33
Repurchases of common stock		(566)			(566)		(566)
Noncontrolling interest activities:							
Contributions						1	1
Distributions						(1)	(1)
Purchases		34		(7)	27	(275)	(248)
Sale		1			1	27	28
Acquisition						1	1
Equitization of long-term debt for deficit held by NCI						22	22
Deconsolidation						(236)	(236)
Balance at December 31, 2020	\$ 3,147	\$ 7,053	\$ 13,673	\$ (500)	\$ 23,373	\$ 1,561	\$ 24,934

Consolidated Statements of Comprehensive Income (Loss) and Changes in Equity (continued)



Years ended December 31, 2021, 2020 and 2019

(Dollars in millions)	Preferred stock	Common stock	Retained earnings	Accumulated other comprehensive income (loss)	Sempra Energy shareholders' equity	Non-controlling interests	Total equity
Balance at December 31, 2020	\$ 3,147	\$ 7,053	\$ 13,673	\$ (500)	\$ 23,373	\$ 1,561	\$ 24,934
Net income			1,318		1,318	145	1,463
Other comprehensive income (loss):							
Foreign currency translation adjustments				(6)	(6)	(3)	(9)
Financial instruments				144	144	14	158
Pension and other postretirement benefits				22	22		22
Comprehensive income			1,318	160	1,478	156	1,634
Share-based compensation expense		63			63		63
Dividends declared:							
Series B preferred stock (\$3.38/share)			(19)		(19)		(19)
Series C preferred stock (\$48.75/share)			(44)		(44)		(44)
Common stock (\$4.40/share)			(1,379)		(1,379)		(1,379)
Preferred dividends of subsidiary			(1)		(1)		(1)
Conversion of series A preferred stock	(1,693)	1,693			—		—
Conversion of series B preferred stock	(565)	565			—		—
Issuances of common stock		5			5		5
Repurchases of common stock		(339)			(339)		(339)
Noncontrolling interest activities:							
Contributions						4	4
Purchases		1,459		(44)	1,415	(1,567)	(152)
Sales		1,363		66	1,429	1,283	2,712
Deconsolidation						1	1
Balance at December 31, 2021	\$ 889	\$ 11,862	\$ 13,548	\$ (318)	\$ 25,981	\$ 1,438	\$ 27,419

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Segment Earnings (Losses) and Capital Expenditures, Investments and Acquisitions



(Dollars in millions)	Years ended December 31,		
	2021	2020	2019
EARNINGS (LOSSES) ATTRIBUTABLE TO COMMON SHARES			
SDG&E	\$ 819	\$ 824	\$ 767
SoCalGas	(427)	504	641
Sempra Texas Utilities	616	579	528
Sempra Infrastructure	682	580	247
Sempra Renewables	—	—	59
Parent and other	(436)	(563)	(515)
Discontinued operations	—	1,840	328
Total	<u>\$ 1,254</u>	<u>\$ 3,764</u>	<u>\$ 2,055</u>
CAPITAL EXPENDITURES, INVESTMENTS AND ACQUISITIONS			
SDG&E	\$ 2,220	\$ 1,942	\$ 1,522
SoCalGas	1,984	1,843	1,439
Sempra Texas Utilities	566	648	1,685
Sempra Infrastructure	869	883	846
Sempra Renewables	—	—	2
Parent and other	9	12	11
Total	<u>\$ 5,648</u>	<u>\$ 5,328</u>	<u>\$ 5,505</u>

Schedule of Capitalization



(Dollars in millions)	December 31,					
	2021		2020		2019	
CAPITALIZATION						
Short-term debt	\$ 3,471	6.7 %	\$ 885	1.8 %	\$ 3,505	7.4 %
Current portion of long-term debt and finance leases	106	0.2	1,540	3.1	1,526	3.2
Long-term debt and finance leases	21,068	40.5	21,781	44.4	20,785	43.6
Total debt	24,645	47.4	24,206	49.3	25,816	54.2
Equity:						
Preferred stock	889	1.7	3,147	6.4	2,258	4.8
Common stock	11,862	22.8	7,053	14.4	7,480	15.7
Retained earnings	13,548	26.0	13,673	27.8	11,130	23.4
Accumulated other comprehensive loss	(318)	(0.6)	(500)	(1.0)	(939)	(2.0)
Total Sempra Energy shareholders' equity	25,981	49.9	23,373	47.6	19,929	41.9
Preferred stock of subsidiary	20	—	20	—	20	—
Other noncontrolling interests	1,418	2.7	1,541	3.1	1,856	3.9
Total equity	27,419	52.6	24,934	50.7	21,805	45.8
Total capitalization	\$ 52,064	100.0 %	\$ 49,140	100.0 %	\$ 47,621	100.0 %

Schedule of Long-Term Debt



(Dollars in millions)	Outstanding at December 31, 2021
SDG&E:	
First mortgage bonds (collateralized by plant assets):	
1.914% payable 2015 through February 2022	\$ 17
3.6% September 1, 2023	450
2.5% May 15, 2026	500
6% June 1, 2026	250
1.7% October 1, 2030	800
5.35% May 15, 2035	250
6.125% September 15, 2037	250
6% June 1, 2039	300
5.35% May 15, 2040	250
4.5% August 15, 2040	500
3.95% November 15, 2041	250
4.3% April 1, 2042	250
3.75% June 1, 2047	400
4.15% May 15, 2048	400
4.1% June 15, 2049	400
3.32 % April 15, 2050	400
2.95 % August 15, 2051	750
Finance lease obligations:	
Purchased-power contracts	1,217
Other	57
SoCalGas:	
First mortgage bonds (collateralized by plant assets):	
3.15% September 15, 2024	500
3.2% June 15, 2025	350
2.6% June 15, 2026	500
2.55% February 1, 2030	650
5.75% November 15, 2035	250
5.125% November 15, 2040	300
3.75% September 15, 2042	350
4.45% March 15, 2044	250
4.125% June 1, 2048	400
4.3% January 15, 2049	550
3.95% February 15, 2050	350
Other long-term debt (uncollateralized):	
Notes at variable rates (0.55% at December 31, 2021) September 14, 2023 ⁽¹⁾	300
1.875% Notes May 14, 2026 ⁽¹⁾	4
5.67% Notes January 18, 2028 ⁽²⁾	5
Finance lease obligations	61

Schedule of Long-Term Debt (continued)

(Dollars in millions)	Outstanding at December 31, 2021
Sempra:	
3.25% Notes June 15, 2027	\$ 750
3.4% Notes February 1, 2028	1,000
3.8% Notes February 1, 2038	1,000
6% Notes October 15, 2039	750
4% Notes February 1, 2048	800
4.125% Junior Subordinated Notes April 1, 2052 ⁽¹⁾	1,000
5.75% Junior Subordinated Notes July 1, 2079 ⁽¹⁾	758
Sempra Infrastructure:	
Other long-term debt (uncollateralized unless otherwise noted):	
6.3% Notes February 2, 2023 (4.124% after cross-currency swap effective 2013)	189
Loan at variable rates (2.93% at December 31, 2021) December 9, 2025	341
Notes at variable rates (5.13% after floating-to-fixed rate swaps effective 2014), payable 2016 through December 2026, collateralized by plant assets ⁽²⁾	154
3.75% Notes January 14, 2028	300
Loan at variable rates (4.0275% after floating-to-fixed rate swap effective 2019) payable 2022 through November 2034 ⁽¹⁾	200
2.9% Loan November 15, 2034 ⁽¹⁾	241
Loan at variable rates (2.38% after floating-to-fixed rate swap effective 2020) payable November 2034 ⁽¹⁾	100
4.875% Notes January 14, 2048	540
4.75% Notes January 15, 2051	800
Total long-term debt outstanding	21,434
Current portion of long-term debt	(106)
Unamortized discount on long-term debt	(89)
Unamortized debt issuance costs	(171)
Total	<u>\$ 21,068</u>

(1) *Callable long-term debt not subject to make-whole provisions.*

(2) *Debt is not callable*

At the option of Sempra and SoCalGas, \$2.6 billion of debt is callable subject to premiums. In addition, at the option of Sempra, SDG&E and SoCalGas, \$17.3 billion of debt is callable subject to make-whole provisions.

Excluding finance lease obligations, discounts and debt issuance costs, maturities of long-term debt are \$0.1 billion in 2022, \$1.0 billion in 2023, \$0.5 billion in 2024, \$0.8 billion in 2025, \$1.3 billion in 2026 and \$16.4 billion thereafter.

Reconciliation of Sempra Adjusted Earnings to Sempra GAAP Earnings (Unaudited)



Sempra Adjusted Earnings and Adjusted Earnings Per Common Share (EPS) exclude items (after the effects of income taxes and, if applicable, noncontrolling interests (NCI)) as follows:

In 2021:

- \$(1,148) million from impacts associated with Aliso Canyon natural gas storage facility litigation at SoCalGas
- \$(44) million impact from foreign currency and inflation and associated undesignated derivatives
- \$(47) million net unrealized losses on commodity derivatives
- \$(30) million in charges associated with hedge termination costs and a write-off of unamortized debt issuance costs from the early redemptions of debt at Sempra Infrastructure in October 2021
- \$(92) million in charges associated with make-whole premiums and a write-off of unamortized discount and debt issuance costs from the early redemptions of debt at Parent and other in December 2021
- \$(72) million net income tax expense related to the utilization of a deferred income tax asset upon completing the sale of a 20% NCI in Sempra Infrastructure Partners, LP (SI Partners) to KKR Pinnacle Investor L.P. (KKR) in October 2021
- \$50 million equity earnings from investment in RBS Sempra Commodities LLP, which represents a reduction to an estimate of our obligations to settle pending value added tax (VAT) matters and related legal costs at our equity method investment at Parent and other

In 2020:

- \$(233) million from impacts associated with Aliso Canyon natural gas storage facility litigation and regulatory matters at SoCalGas
- \$(1) million impact from foreign currency and inflation and associated undesignated derivatives
- \$9 million net unrealized gains on commodity derivatives
- \$(100) million equity losses from investment in RBS Sempra Commodities LLP, which represent an estimate of our obligations to settle pending VAT matters and related legal costs at our equity method investment at Parent and other
- \$1,747 million gain on the sale of our South American businesses

In 2019:

- \$(39) million impact from foreign currency and inflation and associated undesignated derivatives
- \$(20) million net unrealized losses on commodity derivatives
- \$45 million gain on the sale of certain Sempra Renewables assets

Associated with holding the South American businesses for sale:

- \$89 million income tax benefit from outside basis differences in our South American businesses primarily related to the change in our indefinite reinvestment assertion from our decision in January 2019 to hold those businesses for sale and a change in the anticipated structure of the sale
- \$10 million income tax benefit to reduce a valuation allowance against certain net operating loss (NOL) carryforwards as a result of our decision to sell our South American businesses

Sempra Adjusted Earnings and Adjusted EPS are non-GAAP financial measures (GAAP represents generally accepted accounting principles in the United States of America). These non-GAAP financial measures exclude significant items that are generally not related to our ongoing business activities and/or are infrequent in nature. These non-GAAP financial measures also exclude the impact from foreign currency and inflation effects and associated undesignated derivatives and unrealized gains and losses on commodity derivatives, which we expect to occur in future periods, and which can vary significantly from one period to the next. Exclusion of these items is useful to management and investors because it provides a meaningful comparison of the performance of Sempra's business operations to prior and future periods. Non-GAAP financial measures are supplementary information that should be considered in addition to, but not as a substitute for, the information prepared in accordance with GAAP. The table below reconciles for historical periods these non-GAAP financial measures to Sempra GAAP Earnings and GAAP EPS, which we consider to be the most directly comparable financial measures calculated in accordance with GAAP.

Reconciliation of Sempra Adjusted Earnings to Sempra GAAP Earnings (Unaudited) (continued)



	Pretax amount	Income tax (benefit) expense ⁽¹⁾	Noncontrolling interests	Earnings
(Dollars in millions, except per share amounts; shares in thousands)				
Year ended December 31, 2021				
Sempra GAAP Earnings				\$ 1,254
Excluded items:				
Impacts associated with Aliso Canyon litigation	\$ 1,593	\$ (445)	\$ —	1,148
Impact from foreign currency and inflation and associated undesignated derivatives	44	4	(4)	44
Net unrealized losses on commodity derivatives	23	(18)	42	47
Costs associated with early redemptions of debt	180	(51)	(7)	122
Net income tax expense related to the utilization of a deferred income tax asset	—	72	—	72
Earnings from investment in RBS Sempra Commodities LLP	(50)	—	—	(50)
Sempra Adjusted Earnings				<u>\$ 2,637</u>
Diluted EPS:				
Weighted-average common shares outstanding, diluted – GAAP				<u>313,036</u>
Sempra GAAP EPS				<u>\$ 4.01</u>
Sempra Adjusted EPS				<u>\$ 8.43</u>
Year ended December 31, 2020				
Sempra GAAP Earnings				\$ 3,764
Excluded items:				
Impacts associated with Aliso Canyon litigation and regulatory matters	\$ 307	\$ (74)	\$ —	233
Impact from foreign currency and inflation and associated undesignated derivatives	51	(74)	24	1
Net unrealized gains on commodity derivatives	(9)	2	(2)	(9)
Losses from investment in RBS Sempra Commodities LLP	100	—	—	100
Gain on sale of South American businesses	(2,899)	1,152	—	(1,747)
Sempra Adjusted Earnings⁽²⁾				<u>\$ 2,342</u>
Diluted EPS:				
Weighted-average common shares outstanding, diluted – GAAP				<u>292,252</u>
Sempra GAAP EPS				<u>\$ 12.88</u>
Sempra Adjusted Earnings ⁽²⁾				\$ 2,342
Add back dividends for dilutive Series A preferred stock				104
Sempra Adjusted Earnings for Adjusted EPS				<u>\$ 2,446</u>
Weighted-average common shares outstanding, diluted – Adjusted ⁽³⁾				<u>305,669</u>
Sempra Adjusted EPS ⁽²⁾				<u>\$ 8.00</u>

Reconciliation of Sempra Adjusted Earnings to Sempra GAAP Earnings (Unaudited) (continued)



	Pretax amount	Income tax expense (benefit) ⁽¹⁾	Noncontrolling interests	Earnings
	Year ended December 31, 2019			
(Dollars in millions, except per share amounts; shares in thousands)				
Sempra GAAP Earnings				\$ 2,055
Excluded items:				
Impacts from foreign currency and inflation and associated undesignated derivatives	\$ (6)	\$ 75	\$ (30)	39
Net unrealized losses on commodity derivatives	26	(7)	1	20
Gain on sale of certain Sempra Renewables assets	(61)	16	—	(45)
Associated with holding the South American businesses for sale:				
Change in indefinite reinvestment assertion of basis differences and structure of sale of discontinued operations	—	(89)	—	(89)
Reduction in tax valuation allowance against certain NOL carryforwards	—	(10)	—	(10)
Sempra Adjusted Earnings⁽²⁾				<u>\$ 1,970</u>
Diluted EPS:				
Weighted-average common shares outstanding, diluted – GAAP				<u>282,033</u>
Sempra GAAP EPS				<u>\$ 7.29</u>
Sempra Adjusted EPS ⁽²⁾				<u>\$ 6.99</u>

(1) Except for adjustments that are solely income tax, income taxes were primarily calculated based on applicable statutory tax rates. We did not record an income tax expense for the equity earnings or an income tax benefit for the equity losses from our investment in RBS Sempra Commodities LLP because, even though a portion of the liabilities may be deductible under United Kingdom tax law, it is not probable that the deduction will reduce United Kingdom taxes.

(2) Adjusted Earnings and Adjusted EPS have been updated to reflect the impact from foreign currency and inflation and associated undesignated derivatives and net unrealized (gains) losses on commodity derivatives for the years ended December 31, 2020 and 2019.

(3) In the year ended December 31, 2020, because the assumed conversion of the series A preferred stock is dilutive for Adjusted Earnings, 13,417 series A preferred stock shares are added back to the denominator used to calculate Adjusted EPS.

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Selected Financial Data and Comparative Statistics



(Dollars in millions)	Years ended December 31,		
	2021	2020	2019
Net income	\$ 819	\$ 824	\$ 774
Earnings attributable to common shares	\$ 819	\$ 824	\$ 767
Common dividends to parent	\$ 300	\$ 200	\$ —
Capital expenditures	\$ 2,220	\$ 1,942	\$ 1,522
Weighted average rate base	\$ 12,527	\$ 11,109	\$ 10,467
CPUC-authorized rate of return:			
Rate base	7.55 %	7.55 %	7.55 %
Common equity	10.20 %	10.20 %	10.20 %
Achieved return on common equity	10.25 %	11.11 %	11.70 %
Electric volumes (millions of kilowatt hours)			
Residential	5,657	6,606	5,982
Commercial	4,128	5,873	6,295
Industrial	1,398	1,842	2,044
Street and highway lighting	115	77	76
	<u>11,298</u>	<u>14,398</u>	<u>14,397</u>
Community choice aggregation and direct access	5,916	3,482	3,549
Total	<u>17,214</u>	<u>17,880</u>	<u>17,946</u>
Cooling degree days	<u>812</u>	<u>1,153</u>	<u>869</u>
Electric customer meters at December 31 (thousands)			
Residential	1,282	1,317	1,305
Commercial	72	151	151
Industrial	1	1	1
Street and highway lighting	4	2	2
	<u>1,359</u>	<u>1,471</u>	<u>1,459</u>
Community choice aggregation and direct access	137	12	12
Total	<u>1,496</u>	<u>1,483</u>	<u>1,471</u>

Selected Financial Data and Comparative Statistics (Continued)



(Dollars in millions, except average cost of natural gas)	Years ended December 31,		
	2021	2020	2019
Natural gas volumes delivered (billion cubic feet)			
Residential	31	29	29
Commercial and industrial	25	23	26
Electric generation plants	28	31	16
Total	<u>84</u>	<u>83</u>	<u>71</u>
Core	50	48	50
Noncore	34	35	21
Total	<u>84</u>	<u>83</u>	<u>71</u>
Average cost of natural gas (per thousand cubic feet)	<u>\$ 5.30</u>	<u>\$ 3.74</u>	<u>\$ 3.91</u>
Heating degree days	<u>1,510</u>	<u>1,319</u>	<u>1,360</u>
Natural gas customer meters at December 31 (thousands)			
Residential	874	869	863
Commercial	29	29	29
Electric generation and transportation	3	3	3
Total	<u>906</u>	<u>901</u>	<u>895</u>

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Consolidated Statements of Operations



(Dollars in millions)	Years ended December 31,		
	2021	2020	2019
Operating revenues			
Electric	\$ 4,666	\$ 4,619	\$ 4,267
Natural gas	838	694	658
Total operating revenues	<u>5,504</u>	<u>5,313</u>	<u>4,925</u>
Operating expenses			
Cost of electric fuel and purchased power	1,069	1,191	1,194
Cost of natural gas	242	162	176
Operation and maintenance	1,587	1,455	1,181
Depreciation and amortization	889	801	760
Franchise fees and other taxes	350	331	301
Total operating expenses	<u>4,137</u>	<u>3,940</u>	<u>3,612</u>
Operating income	<u>1,367</u>	<u>1,373</u>	<u>1,313</u>
Other income, net			
Allowance for equity funds used during construction	81	79	56
Non-service component of net periodic benefit cost	(13)	(20)	(20)
Interest on regulatory balancing accounts, net	6	9	13
Sundry, net	(10)	(16)	(10)
Total other income, net	<u>64</u>	<u>52</u>	<u>39</u>
Interest income	1	2	4
Interest expense	(412)	(413)	(411)
Income before income taxes	1,020	1,014	945
Income tax expense	(201)	(190)	(171)
Net income	819	824	774
Earnings attributable to noncontrolling interest	—	—	(7)
Earnings attributable to common shares	<u>\$ 819</u>	<u>\$ 824</u>	<u>\$ 767</u>

Consolidated Balance Sheets



(Dollars in millions)	December 31,		
	2021	2020	2019
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 25	\$ 262	\$ 10
Accounts receivable – trade, net	715	573	398
Accounts receivable – other, net	78	143	119
Income taxes receivable, net	9	—	128
Inventories	123	104	94
Prepaid expenses	174	153	120
Regulatory assets	231	174	209
Greenhouse gas allowances	13	113	13
Other current assets	63	78	67
Total current assets	<u>1,431</u>	<u>1,600</u>	<u>1,158</u>
Other assets:			
Regulatory assets	786	534	440
Greenhouse gas allowances	111	83	189
Nuclear decommissioning trusts	1,012	1,019	1,082
Right-of-use assets – operating leases	185	102	130
Wildfire fund	331	363	392
Other long-term assets	154	189	202
Total other assets	<u>2,579</u>	<u>2,290</u>	<u>2,435</u>
Property, plant and equipment:			
Property, plant and equipment	26,456	24,436	22,504
Less accumulated depreciation and amortization	(6,408)	(6,015)	(5,537)
Property, plant and equipment, net	<u>20,048</u>	<u>18,421</u>	<u>16,967</u>
Total assets	<u>\$ 24,058</u>	<u>\$ 22,311</u>	<u>\$ 20,560</u>

Consolidated Balance Sheets (continued)



(Dollars in millions)	December 31,		
	2021	2020	2019
LIABILITIES AND EQUITY			
Current liabilities:			
Short-term debt	\$ 776	\$ —	\$ 80
Accounts payable	588	553	496
Due to unconsolidated affiliates	97	64	53
Accrued compensation and benefits	148	135	138
Regulatory liabilities	14	61	76
Current portion of long-term debt and finance leases	49	611	56
Customer deposits	30	56	74
Greenhouse gas obligations	13	113	13
Asset retirement obligations	86	117	95
Other current liabilities	310	301	229
Total current liabilities	<u>2,111</u>	<u>2,011</u>	<u>1,310</u>
Long-term debt and finance leases	<u>7,581</u>	<u>6,866</u>	<u>6,306</u>
Deferred credits and other liabilities:			
Regulatory liabilities	2,302	2,195	2,319
Greenhouse gas obligations	31	—	62
Pension obligation, net of plan assets	25	92	153
Deferred income taxes	2,275	2,019	1,848
Asset retirement obligations	804	759	771
Deferred credits and other	680	639	691
Total deferred credits and other liabilities	<u>6,117</u>	<u>5,704</u>	<u>5,844</u>
Equity:			
Preferred stock	—	—	—
Common stock	1,660	1,660	1,660
Retained earnings	6,599	6,080	5,456
Accumulated other comprehensive income (loss)	(10)	(10)	(16)
Total shareholder's equity	<u>8,249</u>	<u>7,730</u>	<u>7,100</u>
Total liabilities and shareholder's equity	<u>\$ 24,058</u>	<u>\$ 22,311</u>	<u>\$ 20,560</u>

Consolidated Statements of Cash Flows



(Dollars in millions)	Years ended December 31,		
	2021	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income	\$ 819	\$ 824	\$ 774
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	889	801	760
Deferred income taxes and investment tax credits	153	35	105
Other	(14)	27	13
Net change in other working capital components:			
Accounts receivable	(105)	(134)	(15)
Due to/from unconsolidated affiliates, net	33	11	(8)
Income taxes receivable/payable, net	(20)	129	(126)
Inventories	(19)	(10)	4
Other current assets	—	4	(19)
Accounts payable	7	31	32
Regulatory balancing accounts, net	(57)	(71)	(101)
Other current liabilities	(92)	(100)	4
Wildfire fund, current and noncurrent	—	—	(323)
Changes in other noncurrent assets and liabilities, net	(218)	(158)	(10)
Net cash provided by operating activities	<u>1,376</u>	<u>1,389</u>	<u>1,090</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Expenditures for property, plant and equipment	(2,220)	(1,942)	(1,522)
Purchases of nuclear decommissioning trust assets	(961)	(1,439)	(914)
Proceeds from sales of nuclear decommissioning trust assets	961	1,439	914
Other	7	8	—
Net cash used in investing activities	<u>(2,213)</u>	<u>(1,934)</u>	<u>(1,522)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Common dividends paid	(300)	(200)	—
Equity contribution from Sempra Energy	—	—	322
Issuances of debt (maturities greater than 90 days)	1,120	1,598	400
Payments on debt (maturities greater than 90 days) and finance leases	(613)	(510)	(274)
Increase (decrease) in short-term debt, net	401	(80)	(211)
Contributions from noncontrolling interest, net	—	—	172
Debt issuance costs	(8)	(11)	(4)
Net cash provided by financing activities	<u>600</u>	<u>797</u>	<u>405</u>
(Decrease) increase in cash, cash equivalents and restricted cash	(237)	252	(27)
Cash, cash equivalents and restricted cash, January 1	262	10	37
Cash and cash equivalents, December 31	<u>\$ 25</u>	<u>\$ 262</u>	<u>\$ 10</u>
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION			
Interest payments, net of amounts capitalized	\$ 402	\$ 404	\$ 405
Income tax payments, net of refunds	67	25	191

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Selected Financial Data and Comparative Statistics



(Dollars in millions, except average cost of natural gas)	Years ended December 31,		
	2021	2020	2019
Net (loss) income (before preferred dividends)	\$ (426)	\$ 505	\$ 642
(Losses) earnings attributable to common shares	\$ (427)	\$ 504	\$ 641
Common dividends to parent	\$ 75	\$ 100	\$ 150
Capital expenditures	\$ 1,984	\$ 1,843	\$ 1,439
Weighted average rate base	\$ 9,371	\$ 8,228	\$ 7,401
CPUC-authorized rate of return on:			
Rate base	7.30 %	7.30 %	7.34 %
Common equity	10.05 %	10.05 %	10.05 %
Achieved return on common equity	(8.10)%	10.24 %	14.30 %
Natural gas volumes delivered (billion cubic feet)			
Residential	226	232	236
Commercial and industrial	369	368	392
Electric generation plants	151	147	123
Wholesale	136	137	125
Total	<u>882</u>	<u>884</u>	<u>876</u>
Core	336	335	355
Noncore	546	549	521
Total	<u>882</u>	<u>884</u>	<u>876</u>
Average cost of natural gas (per thousand cubic feet)	<u>\$ 4.53</u>	<u>\$ 2.59</u>	<u>\$ 3.07</u>
Heating degree days	<u>1,251</u>	<u>1,134</u>	<u>1,328</u>
Customer meters at December 31 (thousands)			
Residential	5,824	5,792	5,756
Commercial	248	249	248
Industrial	25	25	25
Total ⁽¹⁾	<u>6,097</u>	<u>6,066</u>	<u>6,029</u>

(1) Includes negligible number of electric generation plants and wholesale customers.

Statements of Operations



(Dollars in millions)	Years ended December 31,		
	2021	2020	2019
Operating revenues	\$ 5,515	\$ 4,748	\$ 4,525
Operating expenses			
Cost of natural gas	1,369	783	977
Operation and maintenance	2,180	2,029	1,780
Aliso Canyon litigation and regulatory matters	1,593	307	—
Depreciation and amortization	716	654	602
Franchise fees and other taxes	223	190	173
Impairment losses	—	—	37
Total operating expenses	6,081	3,963	3,569
Operating (loss) income	(566)	785	956
Other expense, net			
Allowance for equity funds used during construction	48	41	34
Non-service component of net periodic benefit cost	(40)	(54)	(72)
Interest on regulatory balancing accounts, net	—	5	1
Sundry, net	(22)	(20)	(18)
Total other expense, net	(14)	(28)	(55)
Interest income	1	2	2
Interest expense	(157)	(158)	(141)
(Loss) income before income taxes	(736)	601	762
Income tax benefit (expense)	310	(96)	(120)
Net (loss) income	(426)	505	642
Preferred dividends	(1)	(1)	(1)
(Losses) earnings attributable to common shares	\$ (427)	\$ 504	\$ 641

Balance Sheets



(Dollars in millions)	December 31,		
	2021	2020	2019
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 37	\$ 4	\$ 10
Accounts receivable – trade, net	1,084	786	710
Accounts receivable – other, net	58	64	87
Due from unconsolidated affiliates	49	22	11
Income taxes receivable, net	23	—	161
Inventories	172	153	136
Regulatory assets	40	16	7
Greenhouse gas allowances	75	390	52
Other current assets	61	47	44
Total current assets	<u>1,599</u>	<u>1,482</u>	<u>1,218</u>
Other assets:			
Regulatory assets	1,148	1,208	1,407
Insurance receivable for Aliso Canyon costs	360	445	339
Greenhouse gas allowances	290	9	248
Right-of-use assets – operating leases	57	74	94
Other long-term assets	627	499	447
Total other assets	<u>2,482</u>	<u>2,235</u>	<u>2,535</u>
Property, plant and equipment:			
Property, plant and equipment	23,104	21,180	19,362
Less accumulated depreciation and amortization	(6,861)	(6,437)	(6,038)
Property, plant and equipment, net	<u>16,243</u>	<u>14,743</u>	<u>13,324</u>
Total assets	<u>\$ 20,324</u>	<u>\$ 18,460</u>	<u>\$ 17,077</u>

Balance Sheets (continued)



(Dollars in millions)	December 31,		
	2021	2020	2019
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current liabilities:			
Short-term debt	\$ 385	\$ 113	\$ 630
Accounts payable – trade	775	600	545
Accounts payable – other	142	122	110
Due to unconsolidated affiliates	36	31	47
Accrued compensation and benefits	202	189	182
Regulatory liabilities	345	79	243
Current portion of long-term debt and finance leases	11	10	6
Customer deposits	13	48	71
Reserve for Aliso Canyon costs	1,980	150	9
Greenhouse gas obligations	75	390	52
Asset retirement obligations	77	59	65
Other current liabilities	271	291	222
Total current liabilities	<u>4,312</u>	<u>2,082</u>	<u>2,182</u>
Long-term debt and finance leases	<u>4,773</u>	<u>4,763</u>	<u>3,788</u>
Deferred credits and other liabilities:			
Regulatory liabilities	1,100	1,177	1,422
Reserve for Aliso Canyon costs	3	301	7
Greenhouse gas obligations	174	—	208
Pension obligation, net of plan assets	551	853	785
Deferred income taxes	1,039	1,406	1,403
Asset retirement obligations	2,505	2,309	2,112
Deferred credits and other	425	425	422
Total deferred credits and other liabilities	<u>5,797</u>	<u>6,471</u>	<u>6,359</u>
Shareholders' equity:			
Preferred stock	22	22	22
Common stock	1,666	866	866
Retained earnings	3,785	4,287	3,883
Accumulated other comprehensive income (loss)	(31)	(31)	(23)
Total shareholders' equity	<u>5,442</u>	<u>5,144</u>	<u>4,748</u>
Total liabilities and shareholders' equity	<u>\$ 20,324</u>	<u>\$ 18,460</u>	<u>\$ 17,077</u>

Statements of Cash Flows



(Dollars in millions)	Years ended December 31,		
	2021	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES			
Net (loss) income	\$ (426)	\$ 505	\$ 642
Adjustments to reconcile net (loss) income to net cash provided by operating activities:			
Depreciation and amortization	716	654	602
Deferred income taxes and investment tax credits	(494)	(112)	88
Impairment losses	—	—	37
Other	19	59	(5)
Net change in working capital components:			
Accounts receivable	(383)	(101)	(73)
Due to/from unconsolidated affiliates, net	(25)	(27)	(1)
Income taxes receivable/payable, net	(43)	189	(156)
Inventories	(18)	(19)	1
Other current assets	(21)	(12)	(9)
Accounts payable	181	64	(7)
Regulatory balancing accounts, net	306	(160)	114
Reserve for Aliso Canyon costs	1,532	141	(144)
Other current liabilities	(92)	(21)	(21)
Insurance receivable for Aliso Canyon costs	85	(106)	122
Reserve for Aliso Canyon costs, noncurrent	—	294	—
Changes in other noncurrent assets and liabilities, net	(304)	178	(322)
Net cash provided by operating activities	<u>1,033</u>	<u>1,526</u>	<u>868</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Expenditures for property, plant and equipment	(1,984)	(1,843)	(1,439)
Other	—	—	1
Net cash used in investing activities	<u>(1,984)</u>	<u>(1,843)</u>	<u>(1,438)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Common dividends paid	(75)	(100)	(150)
Preferred dividends paid	(1)	(1)	(1)
Equity contribution from Sempra Energy	800	—	—
Issuances of debt (maturities greater than 90 days)	—	949	349
Payments on finance leases	(12)	(12)	(6)
Increase (decrease) in short-term debt, net	272	(517)	374
Debt issuance costs	—	(8)	(4)
Net cash provided by financing activities	<u>984</u>	<u>311</u>	<u>562</u>
Increase (decrease) in cash and cash equivalents	33	(6)	(8)
Cash and cash equivalents, January 1	4	10	18
Cash and cash equivalents, December 31	<u>\$ 37</u>	<u>\$ 4</u>	<u>\$ 10</u>
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION			
Interest payments, net of amounts capitalized	\$ 151	\$ 146	\$ 126
Income tax payments, net of refunds	227	19	188

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Sempra Texas Utilities Selected Financial Data and Comparative Statistics

Sempra Texas Utilities is comprised of our equity method investments in Oncor Electric Delivery Holdings Company LLC (Oncor Holdings), which we acquired in March 2018, and Sharyland Holdings, L.P. (Sharyland Holdings), which we acquired in May 2019. Oncor Holdings owns an 80.25% interest in Oncor Electric Delivery Company LLC (Oncor), a regulated electric transmission and distribution utility that operates in the north-central, eastern, western and panhandle regions of Texas. We provide information on Sempra Texas Utilities' equity method investments and selected statistics for Oncor below.

(Dollars in millions)	Years ended December 31					
	2021		2020		2019	
	Oncor Holdings	Sharyland Holdings	Oncor Holdings	Sharyland Holdings	Oncor Holdings	Sharyland Holdings
Total investments at January 1	\$ 12,440	\$ 102	\$ 11,519	\$ 100	\$ 9,652	\$ —
Acquisitions	—	—	—	—	—	95
Capital contributions	566	—	632	—	1,587	3
Total expenditures for investments and acquisitions	566	—	632	—	1,587	98
Equity earnings	617	5	577	3	526	2
Distributions of earnings	(681)	(7)	(285)	(1)	(246)	—
Other	5	—	(3)	—	—	—
Total investments at December 31	\$ 12,947	\$ 100	\$ 12,440	\$ 102	\$ 11,519	\$ 100

	Years ended December 31		
	2021	2020	2019
Oncor:			
Capital expenditures	\$ 2,497	\$ 2,540	\$ 2,097
Average rate base ⁽¹⁾	\$ 18,024	\$ 16,331	\$ 14,073
PUCT-authorized return on equity	9.80 %	9.80 %	9.80 %
Electric volumes (millions of kilowatt hours)			
Residential	44,059	44,628	45,340
Commercial, industrial and other	90,998	86,529	88,038
Total	135,057	131,157	133,378
Cooling degree days	1,636	1,660	1,838
Heating degree days	772	676	925
Electric customer meters at December 31 (thousands)	3,832	3,762	3,685

(1) Average rate base represents the average of total rate base for the last two years as calculated in the Earnings Monitoring Report that is filed with the Public Utility Commission of Texas (PUC) on an annual basis, usually in April of the following year. The estimated total rate base for 2021 was \$18,889 million and the filed total rate base for 2020 and 2019 were \$17,158 million and \$15,504 million, respectively.

Sempra Texas Utilities is not the same company as SDG&E and SoCalGas (collectively, Sempra California), and Sempra Texas Utilities is not regulated by the California Public Utilities Commission.

Consolidated Statement of Operations and Statistics



(Dollars in millions)	Year ended December 31, 2021
REVENUES	
Utility – natural gas	\$ 81
Energy-related businesses	1,916
Total revenues	<u>1,997</u>
EXPENSES AND OTHER INCOME	
Utility cost of natural gas	(24)
Energy-related businesses cost of sales	(608)
Operation and maintenance	(550)
Depreciation and amortization	(239)
Other taxes	(14)
Other expense, net	
Losses on interest rate and foreign exchange instruments, net	(28)
Allowance for equity funds used during construction	4
Foreign currency transaction losses, net	(17)
Sundry, net	5
Total other expense, net	<u>(36)</u>
Interest income	75
Interest expense	(205)
Income before income taxes and equity earnings	396
Income tax expense	(238)
Equity earnings	671
Net income	<u>829</u>
Earnings attributable to noncontrolling interests	(147)
Earnings attributable to common shares	<u>\$ 682</u>
Natural Gas Distribution Operations	
Volumes delivered (billion cubic feet)	<u>3</u>
Customer meters at December 31 (thousands)	<u>143</u>
Power Generated and Sold	
Termoelectrica de Mexicali (TdM) (millions of kilowatt hours)	<u>3,382</u>
Wind and solar (millions of kilowatt hours) ⁽¹⁾	<u>2,510</u>

(1) Includes 50% of the total power generated and sold at the Energía Sierra Juárez (ESJ) wind power generation facility through March 19, 2021. As of March 19, 2021, ESJ became a wholly owned, consolidated subsidiary of Sempra Infrastructure.

Sempra Infrastructure is not the same company as SDG&E and SoCalGas (collectively, Sempra California), and Sempra Infrastructure is not regulated by the California Public Utilities Commission.

Consolidated Balance Sheet



(Dollars in millions)	December 31, 2021
ASSETS	
Current assets:	
Cash and cash equivalents	\$ 310
Restricted cash	17
Accounts receivable	527
Due from unconsolidated affiliates	152
Income taxes receivable	56
Inventories	94
Fixed-price contracts and other derivatives	101
Other current assets	71
Total current assets	<u>1,328</u>
Restricted cash	3
Due from unconsolidated affiliates	1,632
Regulatory assets	77
Investments	1,425
Goodwill and other intangible assets	1,972
Deferred income taxes	71
Right-of-use assets – operating leases	180
Property, plant and equipment, net	7,560
Other long-term assets	160
Total assets	<u>\$ 14,408</u>
LIABILITIES AND EQUITY	
Current liabilities:	
Short-term debt	\$ 1,070
Accounts payable	310
Due to unconsolidated affiliates	86
Current portion of long-term debt	46
Contract liabilities	112
Other current liabilities	540
Total current liabilities	<u>2,164</u>
Long-term debt	<u>2,746</u>
Deferred credits and other liabilities:	
Due to unconsolidated affiliates	305
Deferred income taxes	1,682
Contract liabilities	83
Fixed-price contracts and other derivatives	134
Operating lease liabilities	113
Deferred credits and other	169
	<u>2,486</u>
Equity:	
Sempra Infrastructure shareholders' equity	5,594
Noncontrolling interests	1,418
Total equity	<u>7,012</u>
Total liabilities and equity	<u>\$ 14,408</u>

Sempra Infrastructure is not the same company as SDG&E and SoCalGas (collectively, Sempra California), and Sempra Infrastructure is not regulated by the California Public Utilities Commission.

Consolidated Statement of Cash Flows



(Dollars in millions)	Year ended December 31, 2021
CASH FLOWS FROM OPERATING ACTIVITIES	
Net income	\$ 829
Adjustments to reconcile net income to net cash provided by operating activities:	
Depreciation and amortization	239
Deferred income taxes	(31)
Equity earnings	(671)
Foreign currency transaction losses, net	17
Fixed-price contracts and other derivatives	208
Other	25
Net change in working capital components	38
Distributions from investments	623
Changes in other noncurrent assets and liabilities, net	19
Net cash provided by operating activities	<u>1,296</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Expenditures for property, plant and equipment	(802)
Expenditures for investments and acquisitions, net of cash and cash equivalents acquired	(67)
Increase in loans to affiliates, net	(3,826)
Distributions from investments	4
Other	(3)
Net cash used in investing activities	<u>(4,694)</u>
CASH FLOWS FROM FINANCING ACTIVITIES	
Issuances of equity	3
Issuances of debt (maturities greater than 90 days)	1,664
Payments on debt (maturities greater than 90 days)	(1,664)
Proceeds from sale of noncontrolling interest, net	3,206
Purchases of noncontrolling interests	(224)
Contributions from noncontrolling interests	4
Increase in loans from affiliates, net	457
Other	(69)
Net cash provided by financing activities	<u>3,377</u>
Effect of exchange rate changes on cash, cash equivalents and restricted cash	<u>2</u>
Decrease in cash, cash equivalents and restricted cash	(19)
Cash, cash equivalents and restricted cash, January 1	349
Cash, cash equivalents and restricted cash, December 31	<u>\$ 330</u>

Sempra Infrastructure is not the same company as SDG&E and SoCalGas (collectively, Sempra California), and Sempra Infrastructure is not regulated by the California Public Utilities Commission.

Sempra Mexico Consolidated Statements of Operations and Comparative Statistics

(Dollars in millions)	Years ended December 31,	
	2020	2019
REVENUES		
Utility – natural gas	\$ 58	\$ 73
Energy-related businesses	1,198	1,302
Total revenues	<u>1,256</u>	<u>1,375</u>
EXPENSES AND OTHER INCOME		
Utility cost of natural gas	(12)	(14)
Energy-related businesses cost of sales	(283)	(373)
Operation and maintenance	(279)	(256)
Depreciation and amortization	(189)	(183)
Other taxes	(7)	(6)
Other (expense) income, net		
(Losses) gains on interest rate and foreign exchange instruments, net	(64)	49
Allowance for equity funds used during construction	8	3
Foreign currency transaction (losses) gains, net	(25)	21
Sundry, net	4	3
Total other (expense) income, net	<u>(77)</u>	<u>76</u>
Interest income	60	78
Interest expense	<u>(132)</u>	<u>(119)</u>
Income before income taxes and equity earnings	337	578
Income tax expense	(57)	(227)
Equity earnings	144	24
Net income	<u>424</u>	<u>375</u>
Earnings attributable to noncontrolling interests	(165)	(122)
Earnings attributable to common shares	<u>\$ 259</u>	<u>\$ 253</u>
Natural Gas Distribution Operations		
Volumes delivered (billion cubic feet)	<u>3</u>	<u>3</u>
Customer meters at December 31 (thousands)	<u>136</u>	<u>132</u>
Power Generated and Sold		
Termoelectrica de Mexicali (TdM) (millions of kilowatt hours)	<u>2,905</u>	<u>3,873</u>
Wind and solar (millions of kilowatt hours) ⁽¹⁾	<u>1,724</u>	<u>1,442</u>

(1) Includes 50% of the total power generated and sold at the ESJ wind power generation facility, in which Sempra Mexico has a 50% ownership interest. ESJ is not consolidated within Sempra Mexico, and the related investment is accounted for under the equity method for the periods presented.

In 2020 and 2019, Sempra Mexico was not the same company as SDG&E and SoCalGas (collectively, Sempra California), and Sempra Mexico was not regulated by the California Public Utilities Commission.

Sempra Mexico Consolidated Balance Sheets

(Dollars in millions)	December 31,	
	2020	2019
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 293	\$ 58
Restricted cash	22	31
Accounts receivable	348	285
Due from unconsolidated affiliates	126	172
Income taxes receivable	67	23
Inventories	27	28
Other current assets	93	75
Total current assets	976	672
Restricted cash	3	3
Due from unconsolidated affiliates	832	766
Regulatory assets	80	83
Investments	852	741
Goodwill and other intangible assets	1,801	1,811
Deferred income taxes	64	52
Right-of-use assets – operating leases	169	179
Property, plant and equipment, net	5,927	5,555
Other long-term assets	48	76
Total assets	\$ 10,752	\$ 9,938
LIABILITIES AND EQUITY		
Current liabilities:		
Short-term debt	\$ 772	\$ 1,174
Accounts payable	83	149
Due to unconsolidated affiliates	180	168
Current portion of long-term debt	69	65
Other current liabilities	295	194
Total current liabilities	1,399	1,750
Long-term debt	2,834	1,813
Deferred credits and other liabilities:		
Due to unconsolidated affiliates	278	237
Deferred income taxes	768	808
Contract liabilities	72	72
Fixed-price contracts and other derivatives	162	141
Operating lease liabilities	98	102
Deferred credits and other	92	115
	1,470	1,475
Equity:		
Sempra Mexico shareholders' equity	3,555	3,277
Noncontrolling interests	1,494	1,623
Total equity	5,049	4,900
Total liabilities and equity	\$ 10,752	\$ 9,938

In 2020 and 2019, Sempra Mexico was not the same company as SDG&E and SoCalGas (collectively, Sempra California), and Sempra Mexico was not regulated by the California Public Utilities Commission.

Sempra Mexico Consolidated Statements of Cash Flows

(Dollars in millions)	Years ended December 31,	
	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	\$ 424	\$ 375
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	189	183
Deferred income taxes	(37)	93
Equity earnings	(144)	(24)
Fixed-price contracts and other derivatives	58	(44)
Foreign currency transaction losses (gains), net	25	(21)
Other	18	4
Net change in working capital components	(68)	(31)
Changes in other noncurrent assets and liabilities, net	8	(13)
Net cash provided by operating activities	<u>473</u>	<u>522</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Expenditures for property, plant and equipment	(611)	(624)
Increase in loans to affiliates, net	(85)	(16)
Other	(28)	(46)
Net cash used in investing activities	<u>(724)</u>	<u>(686)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividends paid	—	(145)
Issuances of debt (maturities greater than 90 days)	1,888	1,477
Payments on debt (maturities greater than 90 days)	(1,249)	(967)
Increase (decrease) in loans from affiliates, net	93	(88)
Distributions to noncontrolling interests	—	(73)
Debt issuance costs	(14)	(4)
Purchases of noncontrolling interests	(241)	(10)
Other	—	(12)
Net cash provided by financing activities	<u>477</u>	<u>178</u>
Increase in cash, cash equivalents and restricted cash	226	14
Cash, cash equivalents and restricted cash, January 1	92	78
Cash, cash equivalents and restricted cash, December 31	<u>\$ 318</u>	<u>\$ 92</u>

In 2020 and 2019, Sempra Mexico was not the same company as SDG&E and SoCalGas (collectively, Sempra California), and Sempra Mexico was not regulated by the California Public Utilities Commission.

Sempra LNG Consolidated Statements of Operations

(Dollars in millions)	Years ended December 31,	
	2020	2019
REVENUES – Energy-related businesses	\$ 374	\$ 410
EXPENSES AND OTHER INCOME		
Energy-related businesses cost of sales	(218)	(299)
Operation and maintenance	(159)	(156)
Depreciation and amortization	(9)	(10)
Other taxes	(7)	(7)
Interest income	81	61
Interest expense	(43)	(35)
Income (loss) before income taxes and equity earnings	19	(36)
Income tax (expense) benefit	(92)	5
Equity earnings	391	24
Net income (loss)	318	(7)
Losses attributable to noncontrolling interests	2	1
Earnings (losses)	\$ 320	\$ (6)

In 2020 and 2019, Sempra LNG was not the same company as SDG&E and SoCalGas (collectively, Sempra California), and Sempra LNG was not regulated by the California Public Utilities Commission.

Sempra LNG

Consolidated Balance Sheets

(Dollars in millions)	December 31,	
	2020	2019
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 31	\$ 18
Accounts receivable	64	38
Due from unconsolidated affiliates	343	844
Income taxes receivable	63	60
Inventories	24	19
Fixed-price contracts and other derivatives	24	45
Other current assets	17	5
Total current assets	566	1,029
Due from unconsolidated affiliates	325	1,040
Investment in Cameron LNG JV	433	1,256
Intangible assets	3	4
Property, plant and equipment, net	852	555
Other long-term assets	26	17
Total assets	\$ 2,205	\$ 3,901
LIABILITIES AND EQUITY		
Current liabilities:		
Accounts payable	\$ 114	\$ 63
Due to unconsolidated affiliates	41	63
Other current liabilities	64	56
Total current liabilities	219	182
Long-term debt	1	22
Deferred credits and other liabilities:		
Due to unconsolidated affiliates	640	2,043
Deferred income taxes	828	184
Deferred credits and other	29	15
Total deferred credits and other liabilities	1,497	2,242
Equity:		
Sempra LNG shareholder's equity	442	1,456
Noncontrolling interests	46	(1)
Total equity	488	1,455
Total liabilities and equity	\$ 2,205	\$ 3,901

In 2020 and 2019, Sempra LNG was not the same company as SDG&E and SoCalGas (collectively, Sempra California), and Sempra LNG was not regulated by the California Public Utilities Commission.

Sempra LNG

Consolidated Statements of Cash Flows

(Dollars in millions)	Years ended December 31,	
	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income (loss)	\$ 318	\$ (7)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Depreciation and amortization	9	10
Deferred income taxes	666	226
Equity earnings	(391)	(24)
Fixed-priced contracts and other derivatives	(50)	18
Other	(8)	(7)
Net change in working capital components	95	(86)
Distributions from investments	365	—
Net cash provided by operating activities	<u>1,004</u>	<u>130</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Expenditures for property, plant and equipment	(268)	(112)
Expenditures for investments	(4)	(110)
Proceeds from sale of assets	—	327
Distributions from investments	753	—
Increase in loans to affiliates, net	(1,406)	(462)
Other	6	18
Net cash used in investing activities	<u>(919)</u>	<u>(339)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Purchases of noncontrolling interests	(7)	(20)
Proceeds from sale of noncontrolling interests, net	25	—
Capital contributions, net	—	1
Issuance of long-term debt	17	—
(Decrease) increase in loans from affiliates, net	(94)	244
Debt issuance costs	(15)	—
Other	2	—
Net cash (used in) provided by financing activities	<u>(72)</u>	<u>225</u>
Increase in cash and cash equivalents	13	16
Cash and cash equivalents, January 1	18	2
Cash and cash equivalents, December 31	<u>\$ 31</u>	<u>\$ 18</u>

In 2020 and 2019, Sempra LNG was not the same company as SDG&E and SoCalGas (collectively, Sempra California), and Sempra LNG was not regulated by the California Public Utilities Commission.

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Annual Report

Semptra's Annual Report on Form 10-K filed with the U.S. Securities and Exchange Commission is available to shareholders at no charge through the Investors section of Semptra's website (Semptra.com) or by writing to Shareholder Services at our Corporate Headquarters.

Research Coverage

The following firms provide equity investment research coverage of Semptra:

Argus Research Company
Bank of America Merrill Lynch
Barclays
BMO Capital Markets
Citi
Evercore ISI
FINAM
Goldman Sachs & Co.
Guggenheim
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KeyBanc
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