The Energía Costa Azul (ECA) Liquefaction project seeks to add natural gas liquefaction capabilities to the ECA liquefied natural gas (LNG) receipt and regasification terminal, located north of Ensenada, Baja California, Mexico. Sempra LNG & Midstream, IEnova and MGI Enterprises, a subsidiary of Pemex, Mexico’s state-owned petroleum company are working together in the development of the project.

The ECA Liquefaction project, if approved and constructed, will help meet the growing global demand for North American-sourced LNG in the next decade. The project is anticipated to generate significant tax revenue at the federal and local levels.

The terminal’s existing facilities include one marine berth and breakwater, two LNG tanks of 160,000 cubic meters each, LNG vaporizers, nitrogen injection systems and pipeline inter-connections.

The liquefaction project would add natural gas receipt, treatment and liquefaction capabilities and loading of LNG cargoes. The proposed facilities include two natural gas liquefaction trains capable of producing approximately 12.4 million metric tons per annum (Mtpa) in the aggregate, or approximately 658 billion cubic feet of natural gas per year, one additional LNG storage tank, one additional berth and other associated facilities. Once in operation, the project will be 100 percent self sufficient in terms of electricity and water usage.

### Project Timeline

- **October 2014:** Size and technology defined as well as the initial gas and transport assessment finalized.
- **November 2014:** Mexico’s Energy Regulatory Commission (CRE) initiates new regulatory framework for liquefaction facilities.
- **February 2015:** Sempra LNG & Midstream, IEnova and MGI Enterprises, a subsidiary of Pemex, entered into a Memorandum of Understanding to collaborate in exploring the development of a natural gas liquefaction project at Energía Costa Azul.
- **January 2016:** Initiated pre-filing review with Mexican regulatory agencies.
- **December 2016:** Filed permit applications with Mexico’s Safety, Energy and Environmental Agency (ASEA) and Department of Energy (SENER). The filings included the environmental impact assessment, environmental risk studies and social impact study.
- **February 2017:** Filed applications with CRE for the liquefaction facilities, power generation and regasification permits.
Project Benefits

Adding liquefaction capabilities at ECA is anticipated to create many benefits and provide access to cost-competitive LNG to world-wide partners.

» Construction of the multi-billion dollar investment would benefit the regional economy, small businesses and the local community.

» The proposed project would create approximately 5,000 to 6,000 direct jobs during construction, approximately 200 additional permanent full-time jobs once operations begin and several thousand of indirect jobs.

» The proposed project would increase trade between Mexico and countries in the Pacific Basin and help strengthen trade with world partners.

» The project is anticipated to generate significant tax revenue at the federal and local levels.

Project Partners

Sempra LNG & Midstream

Sempra LNG & Midstream develops and builds LNG receipt terminals, liquefaction facilities and midstream natural gas infrastructure. The company developed one of the first liquefaction and export facilities in the United States at the site of the Cameron LNG regasification terminal in Louisiana, a total investment of approximately $10 billion. Sempra LNG & Midstream is also active in the sale of LNG worldwide.

IEnova

IEnova, a Sempra Energy company, develops, designs, builds and operates energy infrastructure in Mexico. With approximately 900 employees and more than $7 billion dollars invested*, our footprint sprawls several lines of business encompassing the entire energy infrastructure value chain open to private investment in Mexico.

*By year-end 2016, including projects in operation and construction.

MGI Enterprises

MGI Enterprises is a subsidiary of Pemex, a state-owned enterprise in Mexico. MGI Enterprises and its related companies have experience in the development and operation of a wide range of energy assets throughout the entire value chain of the oil, gas, and petrochemical sectors, as well as in the commercialization and transport of commodities (crude oil, refined products, petrochemicals, and natural gas) within Mexico and internationally.

Development of the ECA Liquefaction project is contingent on several factors, including but not limited to securing all necessary permits and approvals, completing the required commercial agreements, obtaining financing and reaching a final investment decision.