

MASTER SERVICES CONTRACT - SCHEDULE M
RECEIPT POINT MASTER AGREEMENT
Form No. 6597-18

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(See Attached Form)

(TO BE INSERTED BY UTILITY)
ADVICE LETTER NO. 3706-B
DECISION NO. 06-12-031, 07-06-003

ISSUED BY
Lee Schavrien
Senior Vice President
Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)
DATE FILED Nov 7, 2007
EFFECTIVE Nov 16, 2007
RESOLUTION NO. G-3407

**RECEIPT POINT MASTER AGREEMENT
SCHEDULE M**

Account Number: _____

This Receipt Point Master Agreement (RPMA) is entered into as of the following date: _____.

The parties to this RPMA are the following:

Southern California Gas Company and _____
555 West Fifth Street _____
Los Angeles, California 90013-1011 _____
Attn: **Capacity Products** _____

Federal Taxpayer ID: _____
Duns # _____
Master Services Contract # _____
Attn: _____
Phone: _____ Fax: _____
E-mail address _____

Phone: _____ Fax: _____

This RPMA incorporates by reference for all purposes all of the terms and conditions for the Master Services Contract dated _____ between Southern California Gas Company ("Utility") and _____ ("Customer"). The parties hereby agree to the following additional General Terms and Conditions:

GENERAL TERMS AND CONDITIONS

SECTION 1. PURPOSE AND PROCEDURES

- 1.1. These General Terms and Conditions to the RPMA are intended to facilitate the purchase of Receipt Point Access rights and the transportation of natural gas onto the Utility system or Off-System Delivery Services to transport natural gas off the Utility system. "Customer" refers to the party purchasing Receipt Point Access rights to transport gas onto the Utility system or Off-System Delivery Services to transport gas off the Utility system and "Utility" refers to the party selling those rights.
- 1.2. The parties will use the following Receipt Point Access Contract (RPAC) or Off-System Delivery Contract (OSD) procedure. Should the parties come to an agreement regarding a receipt point access or off-system delivery service transaction for a particular Receipt Period, the Utility shall, and Customer may, record that agreement on an RPAC form or an OSD form and communicate such RPAC or OSD form by facsimile, EDI or mutually agreeable electronic means, to the other party by the close of the Business Day following the date of agreement. The parties acknowledge that their agreement will not be binding until the exchange of non-conflicting RPAC or OSD forms or the passage of the Confirm Deadline without objection from the receiving party, as provided in Section 1.3.
- 1.3. If a sending party's RPAC or OSD form is materially different from the receiving party's understanding of the agreement referred to in Section 1.2., such receiving party shall notify the sending party via facsimile by the Confirm Deadline, unless such receiving party has previously sent a RPAC or OSD form to the sending party. The failure of the receiving party to so notify the sending party in writing by the Confirm Deadline constitutes the receiving party's agreement to the terms of the transaction described in the sending party's RPAC or OSD form. If there are any material differences between timely sent RPAC or OSD forms governing the same transaction, then neither RPAC or OSD form shall be binding until or unless such differences are resolved including the use of any evidence that clearly resolves the differences in the RPAC or OSD forms. The entire agreement between the parties shall be those provisions contained in both the RPMA and any effective RPAC or OSD form. In the event of a conflict among the terms of (i) an RPAC or OSD form, (ii) the RPMA, and (iii) these General Terms and Conditions, the terms of the documents shall govern in the priority listed in this sentence.

SECTION 2. DEFINITIONS

- 2.1. "Receipt Point Contract" shall mean the document, substantially in the form of Exhibit A, Schedule L, setting forth the terms of a purchase and sale receipt point transaction formed pursuant to Section 1 for a particular Receipt Period.
- 2.2. "Off-System Delivery Service Contract" shall mean the document, substantially in the form of Exhibit B, Schedule N, setting forth the terms of a purchase and sale receipt point transaction formed pursuant to Section 1 for a particular Receipt Period.
- 2.3. "Receipt Point Master Agreement" shall mean a contract executed by the parties that incorporates these General Terms and Conditions by reference; that specifies the agreed selections of provisions contained herein; and that sets forth other information required herein.
- 2.4. "Business Day" shall mean any day except Saturday, Sunday or Federal Reserve Bank holidays.
- 2.5. "Confirm Deadline" shall mean 5:00 p.m. in the receiving party's time zone on the second Business Day following the Day a

Confirmation is received; provided, if the RPAC form or OSD form is time stamped after 5:00 p.m. in the receiving party's time zone, it shall be deemed received at the opening of the next Business Day.

- 2.6. "Confirming Party" shall mean the party that prepares and forwards an RPAC or OSD form to the other party.
- 2.7. "Contract" shall mean the legally-binding relationship established by: (i) the RPMA (ii) the provisions contained in any effective RPAC or OSD form; (iii) the provisions in any effective amendment to an RPAC or OSD form; and (iv) the Master Services Contract.
- 2.8. "Contract Price" shall mean the amount expressed in U.S. Dollars per Dth or % of Tariff Rate, as evidenced by the Contract Price on the RPAC or OSD form.
- 2.9. "Contract Quantity" shall mean the quantity of Gas to be delivered and taken as set forth in the RPAC or OSD form.
- 2.10. "Day" shall mean a period of 24 consecutive hours, coextensive with a "day" as defined by the Utility in its Rule No. 1.
- 2.11. "Firm" shall mean that either party may interrupt its performance without liability only to the extent that such performance is prevented for reasons of Force Majeure.
- 2.12. "Gas" shall mean any mixture of hydrocarbons and non-combustible gases in a gaseous state consisting primarily of methane.
- 2.13. "Interruptible" shall mean that either party may interrupt its performance at any time for any reason, whether or not caused by an event of Force Majeure, with no liability.
- 2.14. "Month" shall mean the period beginning on the first Day of the calendar month and ending immediately prior to the commencement of the first Day of the next calendar month.
- 2.15. "Receipt Period" shall be the period during which deliveries are to be made to the Receipt Point(s) as set forth in the RPAC or OSD form.
- 2.16. "Receipt Point" shall mean such point as are mutually agreed upon between Utility and Customer as set forth in the RPAC or OSD form.
- 2.17. "Scheduled Gas" shall mean the quantity of Gas scheduled for delivery by the upstream interconnect to Utility for movement.
- 2.18. "Transporter(s)" shall mean all Gas gathering or pipeline companies or entities, or local distribution companies, acting in the capacity of a transporter(s), transporting Gas for Utility or Customer upstream or downstream, respectively, of the Receipt Point pursuant to a particular RPAC or OSD form.

SECTION 3. PERFORMANCE OBLIGATION

- 3.1. Utility agrees to sell and Customer agrees to purchase, the Daily Contract Quantity (DCQ) for a particular transaction in accordance with the terms of the Contract. Sales and purchases will be on a Firm or Interruptible basis, as specified in the RPAC or OSD form.
- 3.2. EXCEPT AS OTHERWISE SPECIFICALLY PROVIDED HEREIN, IN NO EVENT WILL EITHER PARTY BE LIABLE UNDER THIS CONTRACT, WHETHER IN CONTRACT, IN TORT (INCLUDING NEGLIGENCE AND STRICT LIABILITY), OR OTHERWISE, FOR INCIDENTAL, CONSEQUENTIAL, SPECIAL, OR PUNITIVE DAMAGES.

SECTION 4. TRANSPORTATION AND NOMINATIONS

- 4.1. Customer shall have the sole responsibility for transporting the Gas to the Receipt Point in association with Receipt Point Access rights.
- 4.2. The parties shall coordinate their nomination activities as provided for in SoCalGas' Rule No. 30 or its legal successor. Each party shall give the other party timely prior notice, sufficient to meet the requirements of all Transporter(s) involved in the transaction, of the quantities of Gas to be delivered each Day.
- 4.3. Customer shall conform to the operating procedures set forth in all applicable Utility tariffs and rules in effect during the term of this RPMA.

SECTION 5. QUALITY AND MEASUREMENT

- 5.1. All Gas delivered by Customer shall meet the quality and heat content requirements as provided for in SoCalGas' Rule No. 30 or its legal successor, unless otherwise specified by Commission decision, order or resolution.
- 5.2. The unit of quantity measurement for purposes of this Contract shall be one Dth dry.

SECTION 6. BILLING, PAYMENT AND AUDIT

- 6.1. Utility shall invoice Customer in accordance with the rate selected by Customer in the RPAC or OSD form and for any other applicable charges, providing supporting documentation acceptable in industry practice to support the amount charged. If the actual quantity delivered is not known by the billing date, billing will be prepared based on the quantity of Scheduled Gas.

- 6.2. Customer shall remit the amount due in accordance with the provisions set forth in the Master Services Contract between Utility and Customer and Utility's Rule No. 9, Discontinuance of Service. If a Customer disputes a Utility bill, the disputed amount will be deposited with the CPUC pending resolution of the dispute under existing Commission procedures. No termination of participation will occur for this dispute while the Commission is hearing the matter.
- 6.3. In the event any payments are due Customer hereunder, payment to Customer shall be made in accordance with Section 6.2. above.

SECTION 7. INDEMNITY

- 7.1. Customer agrees to indemnify Utility in accordance with the provisions of SoCalGas' Rule No. 30, Section A.2 or its legal successor.
- 7.2. Notwithstanding the other provisions of this Section 7, as between Utility and Customer, Customer will be liable for all Claims to the extent that such arise from the failure of Gas delivered by Customer to meet the quality requirements of Section 5.

SECTION 8. NOTICES

- 8.1. All RPAC or OSD forms, invoices, payments and other communications made pursuant to the RPMA ("Notices") shall be made to the addresses specified in writing by the respective parties from time to time.
- 8.2. All Notices required hereunder may be sent by facsimile or mutually acceptable electronic means, a nationally recognized overnight courier service, first class mail or hand delivered.
- 8.3. Notice shall be given when received on a Business Day by the addressee. In the absence of proof of the actual receipt date, the following presumptions will apply. Notices sent by facsimile shall be deemed to have been received upon the sending party's receipt of its facsimile machine's confirmation of successful transmission, if the day on which such facsimile is received is not a Business Day or is after five p.m. on a Business Day, then such facsimile shall be deemed to have been received on the next following Business Day. Notice by overnight mail or courier shall be deemed to have been received on the next Business Day after it was sent or such earlier time as is confirmed by the receiving party. Notice via first class mail shall be considered delivered two Business Days after mailing.
- 8.4. Customer shall provide prior written notice to Utility of those persons authorized by Customer to submit binding open season bids, make nominations on behalf of Customer, and execute secondary market transactions for RPAC or OSD forms. Customer shall notify Utility at the earliest time practicable when such persons are no longer authorized to conduct these transactions on behalf of Customer. Customer shall further notify SoCalGas at the earliest time practicable whenever any person who has been given a secure log-in ID by SoCalGas for purposes of making nominations on behalf of Customer is no longer authorized by Customer to use such secure log-in ID.

SECTION 9. FINANCIAL RESPONSIBILITY

- 9.1. In order to receive service from Utility, Customer must meet the credit requirements as determined from time to time by the Utility.
- 9.2. Each party reserves to itself all rights, set-offs, counterclaims, and other defenses which it is or may be entitled to arising from the Contract.

SECTION 10. FORCE MAJEURE

- 10.1. Except with regard to a party's obligation to make payment due under Section 6, neither party shall be liable to the other for failure to perform a Firm or other, obligation hereunder, to the extent such failure was caused by Force Majeure. The term "Force Majeure" as employed herein is defined in SoCalGas' Rule No. 1, as further defined in Section 10.2.
- 10.2. Force Majeure shall include but not be limited to the following: (i) physical events such as acts of God, landslides, lightning, earthquakes, fires, storms or storm warnings, such as hurricanes, which result in evacuation of the affected area, floods, washouts, explosions, breakage or accident or necessity of repairs to machinery or equipment or lines of pipe; (ii) weather related events affecting an entire geographic region, such as low temperatures which cause freezing or failure of wells or lines of pipe; (iii) acts of others such as strikes, lockouts or other industrial disturbances, riots, sabotage, insurrections or wars; and (iv) governmental actions such as necessity for compliance with any court order, law, statute, ordinance, or regulation promulgated by a governmental authority having jurisdiction. Utility and Customer shall make reasonable efforts to avoid the adverse impacts of a Force Majeure and to resolve the event or occurrence once it has occurred in order to resume performance.
- 10.3. Neither party shall be entitled to the benefit of the provisions of Force Majeure to the extent performance is affected by any or all of the following circumstances: (i) the party claiming excuse failed to remedy the condition and to resume the performance of such covenants or obligations with reasonable dispatch; or (ii) economic hardship.
- 10.4. Notwithstanding anything to the contrary herein, the parties agree that the settlement of strikes, lockouts or other industrial disturbances shall be entirely within the sole discretion of the party experiencing such disturbance.
- 10.5. The party whose performance is prevented by Force Majeure must provide notice to the other party. Initial notice may be given

orally; however, written notification with reasonably full particulars of the event or occurrence is required as soon as reasonably possible. Upon providing written notification of Force Majeure to the other party, the affected party will be relieved of its obligation to make or accept delivery of Gas as applicable to the extent and for the duration of Force Majeure, and neither party shall be deemed to have failed in such obligations to the other during such occurrence or event.

SECTION 11. TERM

11.1. This RPMA may be terminated on 30 days' written notice, but shall remain in effect until the expiration of the latest Receipt Period of any RPAC or OSD form. The rights of either party pursuant to Section 6, the obligations to make payment hereunder, and the obligation of either party to indemnify the other, pursuant hereto shall survive the termination of the RPMA or any RPAC or OSD.

SECTION 12. MISCELLANEOUS

12.1. If any provision in this RPMA is determined to be invalid, void or unenforceable by any court having jurisdiction, such determination shall not invalidate, void, or make unenforceable any other provision, agreement or covenant of this RPMA.

12.2. There is no third party beneficiary to this RPMA.

12.3. Each party hereby confirms that it shall comply with all applicable requirements set forth in the Federal Acquisition Regulations (or successor thereto) in effect on the date of this agreement, including but not limited to the following: 48 C.F.R. Section 52 et seq.; Affirmative Action for Workers with Disabilities; Affirmative Action Compliance; Prohibition of Segregated Facilities; Affirmative Action for Disabled Veterans and Veterans of the Vietnam Era; Utilization of Small Business Concerns; Equal Opportunity; Affirmative Action Programs; Small, Small Disadvantaged and Women-Owned Small Business Subcontracting Plan and any applicable sections contained in 41 C.F.R. Chapter 60. The terms and conditions thereof shall be controlling over any conflicting terms and conditions set forth in this Contract or any written Amendment hereto.

IN WITNESS WHEREOF, the authorized representatives of the parties have executed this RPMA in two (2) duplicate original copies.

Southern California Gas Company

(Customer)

By _____

By _____

Title _____

Title _____