Schedule No. G-POOL POOLING SERVICE

Sheet 1

APPLICABILITY

The Utility will provide Pooling Services on the SoCalGas system to parties meeting the qualifications set forth herein (hereinafter "Pooler").

TERRITORY

Applicable throughout the service territory.

SPECIAL CONDITIONS

GENERAL

1. The definitions of the principal terms used in this schedule are found either herein or in Rule No. 1, Definitions. Pooling Services are the administrative aggregation or disaggregation of natural gas supplies at the Citygate and receipt points.

N

2. As a condition precedent to service under this schedule, Poolers are required to meet the requirements for and execute both the Master Services Contract (hereinafter "MSC") and MSC Schedule K, Pooling Services Agreement (Form No. 6597-13). All contracts, rates and conditions are subject to revision and modification as a result of CPUC order or rules.

N

3. Only one pool contract for the Citygate and one for each receipt point will be allowed for each Pooler conducting business on the SoCalGas system. Pooling Services cannot be assigned to another party.

N |

N

4. Locations for Pooling Services will be at the Citygate and receipt points listed in Schedule No. G-BTS. Receipt point pools will allow pool-to-pool transfers at the same receipt point without the payment of BTS charges. No pool-to-pool transfers between different receipt points will be allowed.

5. Pools will be required to balance during each scheduling cycle, each day. Pool balancing will be conducted during the Utility's confirmation process using the "lesser of" rule and a pool ranking mechanism as described in Rule No. 30, Transportation of Customer-Owned Gas.

6. There shall be no Transfer Charges applicable to the party receiving the transferred pool gas.

(Continued)

(TO BE INSERTED BY UTILITY) ADVICE LETTER NO. 4240 DECISION NO. 11-04-032

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ISSUED BY
Lee Schavrien
Senior Vice President
Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)

DATE FILED May 6, 2011

EFFECTIVE Dec 1, 2012

RESOLUTION NO.

Revised LOS ANGELES, CALIFORNIA CANCELING Original CAL. P.U.C. SHEET NO. CAL. P.U.C. SHEET NO.

47189-G** 42277-G 47189-G*

Schedule No. G-POOL POOLING SERVICE

Sheet 2

(Continued)

SPECIAL CONDITIONS (Continued)

GENERAL (Continued)

- 7. In a situation where, due to the complexity of the transaction chain, a Pooler's transactions cannot be processed within the scheduling timeline, the Utility will process as many of the transactions as possible.
- 8. The Pooler shall indemnify, hold harmless and defend the Utility, its officers, agents and employees, against any and all loss, damage, expense and/or liability (including reasonable attorney fees) arising out of or in any way connected with the Pooler's use or intended use of the Utility's pooling service or the performance or non-performance of the Utility's pooling service, however caused, except to the extent caused by the negligence or willful misconduct of the Utility, its officers, agents and employees.

ESTABLISHMENT OF CREDIT

9. The Pooler shall be required to establish and maintain creditworthiness in accordance with the Utility's applicable credit rules.

NOMINATIONS

- 10. Pooling Services shall be subject to the applicable transportation provisions as contained in Rule No. 30, Transportation of Customer-Owned Gas. Pooling Services shall be an optional service and is not mandatory.
- 11. Gas may be nominated as follows using Pooling Services:

<u>TO</u>
V

Citygate Pool Account Off-System Delivery Contract

Citygate Pool Account End User, Contracted Marketer, ESP Account

Citygate Pool Account Storage Account Citygate Pool Account Citygate Pool Account Backbone Transportation Service Contract Citygate Pool Account Storage Account Citygate Pool Account Receipt Point Pool Account Receipt Point Pool Account

Receipt Point Pool Account **Backbone Transportation Service Contract**

(Continued)

(TO BE INSERTED BY UTILITY) ADVICE LETTER NO. 4240 DECISION NO. 11-04-032

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ISSUED BY Lee Schavrien Senior Vice President Regulatory Affairs

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CAL. P.U.C. SHEET NO. CAL. P.U.C. SHEET NO.

42278-G 41534-G

Schedule No. G-POOL POOLING SERVICE

Sheet 3

(Continued)

SPECIAL CONDITIONS (Continued)

BILLINGS

12. The Pooler's bill is due and payable in accordance with Rule No. 9 and the MSC.

TERMINATION OF SERVICE

13. If a payment is not received in accordance with Rule No. 9, the Pooler's participation in the program may be subject to immediate termination. In addition, if the Utility receives any information that the Pooler has filed, is contemplating filing, or has been served with or may be served with papers in bankruptcy, or an assignment for the benefit of creditors, or is closing, changing or ceasing the operation of its business, the Pooler's participation may be terminated immediately.

Upon termination of a Pooler's participation:

- (a) Termination notices will be sent to the Pooler;
- (b) All fees, charges and other obligations of the Pooler in favor of the Utility shall be immediately payable without further notice of demand; and,
- (c) The Pooler may be suspended from the Utility's electronic communication network, the Utility's Electronic Bulletin Board (EBB) service, as defined in Rule No. 33.

At the time of termination, if the Pooler has not paid the Utility billings, any deposits held on any of the Pooler's accounts with the Utility may be applied to unpaid bills and any security held pursuant to the Utility's applicable credit rules may be applied.

After termination, a Pooler will not be allowed to participate in the Pooling Services again until the Pooler has 1) reimbursed the Utility for all outstanding charges and all operating, maintenance, legal, and uncollectible expenses incurred by the Utility as a result of the Pooler's participation in the program being terminated and 2) met and demonstrated the ability to maintain all current credit requirements.

N

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RESOLUTION NO. G-3407