

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE

SAN FRANCISCO, CA 94102-3298



October 19, 2016

**Advice Letter: 4946-G**

Southern California Gas Company  
Attention: Sid Newsom  
555 West Fifth Street, GT14D6  
Los Angeles, CA 90013-1011

**SUBJECT: Master Agreement with California High-Speed Rail Authority in Accordance  
with General Order 96-B Section 8.2.3**

Dear Mr. Newsom:

Advice Letter 4946-G is effective as of October 13, 2016, per Resolution G-3498 Ordering Paragraphs.

Sincerely,

A handwritten signature in cursive script that reads "Edward Randolph".

Edward Randolph  
Director, Energy Division



Ronald van der Leeden  
Director  
Regulatory Affairs

555 W. Fifth Street, GT14D6  
Los Angeles, CA 90013-1011  
Tel: 213.244.2009  
Fax: 213.244.4957

*RvanderLeeden@semprautilities.com*

April 5, 2016

Advice No. 4946  
(U 904G)

Public Utilities Commission of the State of California

**Subject: Master Agreement with California High-Speed Rail Authority in  
Accordance with General Order 96-B Section 8.2.3**

Southern California Gas Company (SoCalGas) hereby submits for filing the subject agreement and a revision to its List of Contracts and Deviations, applicable throughout its service territory, as shown in Attachment A.

**Purpose**

SoCalGas has entered into a Master Agreement with the California High-Speed Rail Authority (Authority or CHSRA) to address the relocation and/or arrangement of utility facilities to accommodate the Authority's High-Speed Rail Project (HSR Project).

SoCalGas is notifying the California Public Utilities Commission (CPUC or Commission) of the Master Agreement pursuant to General Order 96-B, Section 8.2.3, and requesting the Commission to issue a disposition that this agreement is reasonable and in the public interest.

**Background**

The Authority is responsible for the development and implementation of intercity high-speed rail service in California. The California High-Speed Train System is designed to provide intercity, high-speed service on more than 800 miles of tracks throughout California, connecting the major population centers of Sacramento, the San Francisco Bay Area, Central Valley, Los Angeles, Inland Empire, Orange County, and San Diego. The Authority's future improvements associated with the HSR Project will

require SoCalGas to relocate or rearrange its facilities that are adjacent to or in close physical proximity with the new rail facilities.

The Master Agreement with CHSRA is entered into consistent with the statutory procedures governing utility relocation to accommodate the Authority's HSR Project set forth in the California High Speed Rail Act (HSR Act).<sup>1</sup> The HSR Act requires CHSRA to pay the cost of utility relocation performed by utilities, subject to certain conditions.<sup>2</sup> In lieu of the statutory procedures governing utility relocation for state high-speed rail construction, the HSR Act authorizes CHSRA to enter into contracts with utilities to address the respective obligations of the parties for relocation of utility facilities to accommodate the project.<sup>3</sup> SoCalGas is willing to accommodate the HSR Project and perform the necessary work under the terms and conditions as defined in the Master Agreement.

The agreement for which SoCalGas seeks Commission approval is the Master Agreement between CHSRA and SoCalGas submitted as Attachment B.

### **Description of Agreement**

The Master Agreement establishes the terms and conditions governing the relocation or rearrangement of SoCalGas' facilities in physical conflict with the HSR Project. While the Master Agreement includes some of the same procedures for utility relocation in the High Speed Rail Act, it contains additional terms and conditions relating to the manner in which relocation work will be performed. SoCalGas and CHSRA will enter into project specific utility agreements that memorialize the specific scope of relocation work for any particular segment of the HSR Project, which will be performed under the general terms and conditions established in this Master Agreement.

Under the Master Agreement, Section 6 stipulates that the calculation of costs for relocation of facilities includes actual and necessary cost of all engineering, environmental compliance, monitoring and mitigation, labor and transportation, and all necessary materials exclusive of any dismantled facilities used in any relocation, together with reasonable and usual indirect and overhead charges attributable to that work, and any necessary new private facility right-of-way involved in the relocation. Section 6 also recognizes that the Authority will be entitled to the following credits: 1) the amount of any betterment to the facilities resulting from the relocation; 2) the salvage value of any materials or parts salvaged and retained by SoCalGas; and 3) if a new facility or portion thereof is constructed to accomplish such relocation, an amount bearing the same proportion to the original cost of the displaced facility or portion thereof as its age bears to its normal expected life. These credits reflect the same credits that would otherwise apply to utility relocation under the High Speed Rail Act.<sup>4</sup>

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<sup>1</sup> Public Utilities Code Section 185500, et seq.

<sup>2</sup> Public Utilities Code Section 185501-185503.

<sup>3</sup> Public Utilities Code Section 185507(a)(2).

<sup>4</sup> Public Utilities Code Section 185504.

Section 7 recognizes that the Master Agreement does not apply to “service” facilities for which the Authority is the regularly billed sole customer for the commodity provided, or as defined by the Commission.

Section 9 recognizes that the Authority and SoCalGas shall enter into a project-specific Utility Agreement setting forth, among other things, the relocation arrangements between the parties regarding cost apportionment, billing, payment, documentation, documentation retention, and accounting.

Section 10 establishes the execution methods in which SoCalGas may complete the project undertaking when all or a portion of the facility work is to be completed by SoCalGas.

Section 12 recognizes that if the Authority requires the relocation within its right-of-way of any utility facility more than once during a ten-year period, the Authority shall pay the cost of that second relocation, and any subsequent additional relocations of that utility facility within such ten-year period on any subsequent or additional project.

Section 13 establishes procedures to assess and address any contamination that may be discovered during the course of the work, under which the parties will consider reasonable alternatives and schedule modifications.

Sections 14 and 15 establish procedures for preservation of rights and for providing replacement land rights for the utility facilities.

Section 19 establishes the termination rights applicable to the Master Agreement.

Section 22 establishes a procedure to address certain force majeure events which may result in a delay in the utility relocation work.

Section 23 expressly recognizes that SoCalGas is subject to the Commission’s regulation, and that CHSRA will not require SoCalGas to perform any act or fail to perform any act that would cause SoCalGas to not be in compliance with the Commission’s rules. This language is intended to address the potential concern with respect to any enforcement or future modification of the Master Agreement that may be directed by the Commission in the exercise of its jurisdiction.

The List of Contracts and Deviations has been revised to reflect the agreement as described in this Advice Letter; the affected tariff sheets are provided as Attachment A. Since the Master Agreement applies only to the existing SoCalGas facilities required to be relocated in connection with the HSR Project, this filing will not affect any rate change, cause the withdrawal of service, or conflict with any rate schedule or rule. The Master Agreement recognizes that any future service facilities will be provided in accordance with SoCalGas’ tariffs and rates in effect at that time.

**Protests**

Anyone may protest this Advice Letter to the Commission. The protest must state the ground upon which it is based, including such items as financial and service impact, and should be submitted expeditiously. The protest must be made in writing and received by Monday, April 25, 2016, which is 20 days after the date that this Advice Letter was filed with the Commission. There is no restriction on who may file a protest. The address for mailing or delivering a protest to the Commission is:

CPUC Energy Division  
Attention: Tariff Unit  
505 Van Ness Avenue  
San Francisco, CA 94102

Copies of the protest should also be sent via email to the Energy Division Tariff Unit ([EDTariffUnit@cpuc.ca.gov](mailto:EDTariffUnit@cpuc.ca.gov)). A copy of the protest shall also be sent via both e-mail and facsimile to the addresses shown below on the same date it is mailed or delivered to the Commission.

Attn: Sid Newsom  
Tariff Manager - GT14D6  
555 West Fifth Street Los Angeles, CA 90013-1011  
Facsimile No.: (213) 244-4957  
E-Mail: [snewsom@semprautilities.com](mailto:snewsom@semprautilities.com)

Attn: Yvonne Mejia Peña  
Regulatory Case Manager - GT14D6  
555 West Fifth Street Los Angeles, CA 90013-1011  
Facsimile No: (213) 244-3214  
E-Mail: [ymejia@semprautilities.com](mailto:ymejia@semprautilities.com)

**Effective Date**

Pursuant to General Order 96-B, Energy Industry Rule 5.3(8), this Advice Letter is designated as Tier 3 and, as such, requires a Commission Resolution to approve. Pursuant to GO 96-B, General Rule 8.2.3, the tariff changes requested in this Advice Letter are effective pending disposition.

**Notice**

A copy of this Advice Letter is being sent to SoCalGas' GO 96-B service list and the Commission's service list in R.13-03-009. Address change requests to the GO 96-B service list should be directed by electronic mail to [tariffs@socalgas.com](mailto:tariffs@socalgas.com) or call 213-244-3387. For changes to all other service lists, please contact the Commission's Process Office at 415-703-2021 or by electronic mail at [Process\\_Office@cpuc.ca.gov](mailto:Process_Office@cpuc.ca.gov).

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Ronald van der Leeden  
Director - Regulatory Affairs

Attachment

# CALIFORNIA PUBLIC UTILITIES COMMISSION

## ADVICE LETTER FILING SUMMARY ENERGY UTILITY

MUST BE COMPLETED BY UTILITY (Attach additional pages as needed)

Company name/CPUC Utility No. **SOUTHERN CALIFORNIA GAS COMPANY (U 904G)**

Utility type:

ELC

GAS

PLC

HEAT

WATER

Contact Person: Sid Newsom

Phone #: (213) 244-2846

E-mail: SNewsom@semprautilities.com

### EXPLANATION OF UTILITY TYPE

ELC = Electric

GAS = Gas

PLC = Pipeline

HEAT = Heat

WATER = Water

(Date Filed/ Received Stamp by CPUC)

Advice Letter (AL) #: 4946

Subject of AL: Master Agreement with California High-Speed Rail Authority in Accordance with General Order 96-B Section 8.2.3

Keywords (choose from CPUC listing): Agreements and Contracts

AL filing type:  Monthly  Quarterly  Annual  One-Time  Other

If AL filed in compliance with a Commission order, indicate relevant Decision/Resolution #:

Does AL replace a withdrawn or rejected AL? If so, identify the prior AL No

Summarize differences between the AL and the prior withdrawn or rejected AL<sup>1</sup>: N/A

Does AL request confidential treatment? If so, provide explanation: No

Resolution Required?  Yes  No

Tier Designation:  1  2  3

Requested effective date: Upon Commission Approval

No. of tariff sheets: 3

Estimated system annual revenue effect (%): N/A

Estimated system average rate effect (%): N/A

When rates are affected by AL, include attachment in AL showing average rate effects on customer classes (residential, small commercial, large C/I, agricultural, lighting).

Tariff schedules affected: List of Contracts and Deviations and TOCs

Service affected and changes proposed<sup>1</sup>: N/A

Pending advice letters that revise the same tariff sheets: None

**Protests and all other correspondence regarding this AL are due no later than 20 days after the date of this filing, unless otherwise authorized by the Commission, and shall be sent to:**

CPUC, Energy Division

Attention: Tariff Unit

505 Van Ness Ave.,

San Francisco, CA 94102

mas@cpuc.ca.gov and jnj@cpuc.ca.gov

Southern California Gas Company

Attention: Sid Newsom

555 West 5<sup>th</sup> Street, GT14D6

Los Angeles, CA 90013-1011

SNewsom@semprautilities.com

<sup>1</sup> Discuss in AL if more space is needed.

ATTACHMENT A  
Advice No. 4946

Cal. P.U.C. Sheet No.	Title of Sheet	Cancelling Cal. P.U.C. Sheet No.
Revised 52483-G	LIST OF CONTRACTS AND DEVIATIONS, Sheet 3	Revised 50252-G
Revised 52484-G	TABLE OF CONTENTS	Revised 51971-G
Revised 52485-G	TABLE OF CONTENTS	Revised 52482-G



LIST OF CONTRACTS AND DEVIATIONS

(Continued)

<u>Name and Location of Customer</u>	<u>Type or Class of Service</u>	<u>Date of</u>		<u>Commission Authorization No. and Date</u>	<u>Most Comparable Regular Tariff Schedule</u>	
		<u>Execution</u>	<u>Expiration</u>		<u>No.</u>	<u>Contract Differences</u>
US Government Basic Ordering Agreement Cont #N62473- 13-G-1402	Residential/ Commercial/ Industrial	8-7-13	3 years (Two 1-year extensions may be granted)	AL 4633 G.O. 96-B Sec. 8.2.3	-	Basic Ordering Agreement
US Government (GSA) Cont# GS-00P-14-BSD-1054	General	3-1-14	10 years	AL 4634 G.O. 96-B Sec. 8.2.3	-	Areawide Public Utility Contract
California High-Speed Rail Authority (CHSRA)	Commercial	7-1-14	Indefinite	AL 4946 G.O. 96-B Sec. 8.2.3	-	Master Agreement to accommodate the California High-Speed Rail Project

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(TO BE INSERTED BY UTILITY)  
 ADVICE LETTER NO. 4946  
 DECISION NO.

ISSUED BY  
**Dan Skopec**  
 Vice President  
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)  
 DATE FILED Apr 5, 2016  
 EFFECTIVE Oct 13, 2016  
 RESOLUTION NO. \_\_\_\_\_

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45165-G,49508-G,45167-G

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(TO BE INSERTED BY UTILITY)

ADVICE LETTER NO. 4946  
DECISION NO.

ISSUED BY

**Dan Skopec**  
Vice President  
Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)

DATE FILED Apr 5, 2016  
EFFECTIVE Oct 13, 2016  
RESOLUTION NO. \_\_\_\_\_

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(Continued)

(TO BE INSERTED BY UTILITY)  
 ADVICE LETTER NO. 4946  
 DECISION NO.

ISSUED BY  
**Dan Skopec**  
 Vice President  
 Regulatory Affairs

(TO BE INSERTED BY CAL. PUC)  
 SUBMITTED Apr 5, 2016  
 EFFECTIVE Oct 13, 2016  
 RESOLUTION NO. \_\_\_\_\_

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**ATTACHMENT B**

**Advice No. 4946**

**Master Agreement Between  
California High-Speed Rail Authority  
and Southern California Gas Company**

**MASTER AGREEMENT**  
BETWEEN  
CALIFORNIA HIGH-SPEED RAIL AUTHORITY  
AND  
SOUTHERN CALIFORNIA GAS COMPANY

**PARTIES:**

The State of California, acting by and through California High-Speed Rail Authority (“Authority”), which term Authority includes its officers, agents, contractors, successors and assigns and other public agencies performing projects in connection with California’s High-Speed Rail Project (“HSR Project”), and Southern California Gas Company (“Owner”), which term “Owner” includes its officers, agents, contractors, successors and assigns, hereby agree effective July 1, 2014, as follows:

**RECITALS:**

- A. Owner owns, operates or maintains, in the State of California, Facilities as defined herein, of which certain Facilities may be operated under regulations of the California Public Utilities Commission (“CPUC”).
- B. Authority is responsible for the HSR Project, as defined herein, and from time to time the HSR Project requires the Relocation of Owner's Facilities.
- C. Authority and Owner desire to enter into a contract establishing the terms and conditions to perform the above-referenced Relocations.

NOW, THEREFORE, for and in consideration of the mutual covenants and agreements contained in this Master Agreement (“Master Agreement”) and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Authority and Owner agree as follows:

- 1. Scope of Agreement. This Master Agreement shall govern exclusively the obligations of Authority and Owner in regard to Facility Work described herein in lieu of determination under any other laws, and prior contracts and agreements which would be applicable to this work. This Master Agreement shall apply throughout the State of California to the Authority’s HSR Project.
- 2. Definitions. As used in this Master Agreement, the following terms have the following meanings:
  - (A) “Facility” or “Facilities” means any Utility owned and/or operated by Owner.
  - (B) “Facility Work” means all services, labor, materials, and other efforts to be provided and performed including the following general categories: scheduling, utility relocation, demolition, permitting, survey, geotechnical, design, land and/or property rights acquisition, environmental mitigation, construction, quality control, and quality assurance for design and construction, community relations, quality inspection and testing, construction safety and security program, systems testing, preparation of CADD As-Builts, coordination with jurisdictional authorities

(governments, public and private entities), utility companies, railroad companies, and local communities, and other efforts necessary or appropriate to complete the design and construction required for Relocation of Facilities or construction of new Facilities in conjunction with the HSR Project.

- (C) “HSR Project” means the development and implementation of intercity high-speed rail service throughout the State of California as defined under current provisions of Sections 2704 et seq. of the Streets and Highways Code and Sections 185030 et seq. of the Public Utilities Code.
- (D) “Notice to Owner” means a formal written notice to relocate issued by the Authority to Owner in accordance with Paragraph 24 below. The Notice to Owner shall specify the place of Relocation, or location from which the conflicting Utility Facility is to be removed, and specifying a reasonable time within which the Facility Work is to be commenced.
- (E) “Relocation” means removal, relocation, abandonment, protection or any other rearrangement of Owner's Facility as ordered and approved by Authority to accommodate Authority's HSR Project. Relocation shall include, but not be limited to: preparation and submission by Owner and approval by Authority of relocation plans or drawings sufficiently engineered to allow construction of the ordered Relocation, and a detailed estimate by Owner of the actual and necessary cost of the ordered Relocation.
- (F) “Utility” means Owner’s gas Facilities, and communications associated therewith existing at the time of Owner’s receipt of Notice to Owner. The necessary appurtenances (including, but not limited to, pipelines and conduits, together with valves, pipeline integrity devices, metering, measuring, regulating, cathodic protection, and other appurtenances for the transportation of natural gas and energy) to each Facility shall be considered part of such Utility. Without limitation, any service line connecting directly to a Utility shall be considered an appurtenance to that Utility, regardless of the ownership of such service line. However, when used in the context of the removal, relocation and/or protection of facilities to accommodate the HSR Project, the term “Utility” or “utility” specifically excludes (a) traffic signals, street lights, and crossing equipment, as well as any electrical conduits and feeds providing service to such facilities, and (b) cellular telecommunications towers and related facilities, except to the extent any of the foregoing constitute part of or otherwise provide the support structure for Owner’s advanced metering infrastructure (AMI) or supervisory control and data acquisition (SCADA) equipment existing at the time of Owner’s receipt of Notice to Owner.
- (G) “Wasted Work” means any Facility Work performed by Owner pursuant to a Relocation Notice for a Relocation rendered useless or unnecessary as a result of the Authority's cancellation and/or scope of changes as agreed by both parties of the HSR Project.
- (H) “Betterment” means the difference in cost between the intended Relocation of Owner's Facility proposed and submitted by Owner for Authority's approval and a Relocation which would provide the Owner with equivalent substitute Facilities for those Facilities requiring Relocation to accommodate Authority's project. As employed herein, betterment does not include those differences in cost caused by changes in manufacturing standards, availability of materials, or regulatory requirement.

- (I) "Private Right-of-Way of Owner" means a property right held by Owner in the form of either a recorded or fully executed deed in the usual form or other valid instrument recorded or otherwise fully executed and conveying a property right for the Facility within the HSR Project right-of-way, including any rights subject to a recorded Joint Use Agreement (JUA) or Consent To Common Use Agreement (CCUA). Private Right-of-Way of Owner shall also mean a property right held by Owner that has been acquired through a prescriptive easement, where the Owner's normal and ordinary business records demonstrate installation, maintenance and/or use of the Facility for a period of five (5) years or greater prior to the time of the proposed Facility Work that is the subject of Relocation pursuant to a Notice to Owner under this Master Agreement.
- (J) "Hazardous Material(s)" means any hazardous substance, hazardous material, or hazardous waste as defined under state or federal law.

- 3. Scope of Work. The work to be performed under this Master Agreement shall be all work necessary to accomplish Relocation of Owner's existing Facilities as necessitated by Authority's HSR Project.
- 4. Notice to Owner. All work under this Master Agreement shall be preceded by the issuance of a written Notice to Owner by Authority.
- 5. Relocation Costs. The cost of all work to complete the Relocation of Owner's existing Facilities necessitated by Authority's HSR Project shall be calculated pursuant to the provisions of Paragraph 6 and shall be performed at the Authority's sole expense.
- 6. Relocation Cost Calculation. Cost of Relocation includes the actual and necessary cost of all engineering, labor and transportation, and all necessary materials exclusive of any dismantled Facilities used in any Relocation, together with reasonable and usual indirect and overhead charges attributable to that work, and any necessary new private Facility right-of-way involved in the Relocation, except:

(A) The Authority shall be entitled to credits as follows:

- i. The amount of any Betterment to the Facility resulting from such Relocation.
- ii. The salvage value of any materials or parts salvaged and retained by Owner.
- iii. If a new Facility or portion thereof is constructed to accomplish such Relocation, an amount bearing the same proportion to the original cost of the displaced facility or portion thereof as its age bears to its normal expected life.

$$\text{Credit} = \frac{\text{Age of facility}}{\text{Normal expected life}} \times \text{Original cost}$$

(B) Unless otherwise expressly provided for herein, a credit shall not be allowed against any portion of the cost that is otherwise chargeable to Owner.

- 7. Service Facilities. This Master Agreement does not apply to "Service" facilities for which Authority is the regularly billed sole customer for the commodity provided, or as defined by California Public Utilities Commission.

8. Partial Interests. Where Owner is the owner of a part of, or of a present undivided part interest in, any Facility, this Master Agreement shall apply to the extent of such interest.
9. Project-Specific Utility Agreement. For each Relocation, Authority and Owner shall enter into a project-specific Utility Agreement setting forth, among other things, the Relocation arrangements between the parties regarding cost apportionment, billing, payment, documentation, documentation retention, and accounting.
10. Project Undertaking. When all or a portion of the Facility Work is to be performed by the Owner, the Owner agrees to provide and furnish all necessary labor, materials, tools, and equipment required, and to execute said work diligently to completion and to: (i) perform work with its own forces, or (ii) cause the work to be performed by a contractor, employed by Owner pursuant to a written contract, or (iii) cause the work to be performed through a contract with a qualified bidder, selected pursuant to a valid competitive bidding procedure to perform work of this type.

Upon the issuance of a Notice to Owner, or as otherwise agreed upon in the specific Utility Agreement, the Owner shall diligently undertake, or cause to be undertaken, the Facility Work in accordance with the Authority's reasonable schedule.

11. Wasted Work. Authority will pay, in its entirety, that portion of the cost of the Relocation constituting Wasted Work.
12. Multiple Relocations. If Authority requires the Relocation within its right-of-way of any Facility more than once during a ten-year period, Authority shall pay the cost of that second Relocation, and any subsequent additional Relocations of that Facility within such ten-year period on any subsequent or additional project.
13. Hazardous Materials. Upon discovery of Hazardous Material in connection with the Relocation, both Owner and Authority shall immediately confer to explore all reasonable alternatives and agree on a course of action, and Owner shall immediately reschedule the work to complete the Relocation in accordance with Authority's reasonable schedule and in compliance with existing statutes or regulations concerning the disposition of Hazardous Material.
  - (A) Authority will pay, in its entirety, those costs for additional necessary effort undertaken by Owner to comply with existing statutes or regulations concerning the disposition of Hazardous Material found as a consequence of that Relocation, unless such conditions are attributable to Owner's existing installation or operation.
  - (B) Each party to this Master Agreement retains the right to pursue recovery of its share of any such Hazardous Material related costs from the other party or third parties in accordance with existing law.
14. Preservation of Rights. Whenever Owner's affected Facilities will remain within the existing Private Right-of-Way of Owner, and these Facilities will fall within the right-of-way of the HSR Project under the jurisdiction of the Authority, Authority and Owner shall jointly execute an agreement for common use of the subject area which agreement shall also confirm any prior rights held by Owner in said Private Right-of Way of Owner.



15. Replacement Rights. Whenever Owner's affected Facilities will be relocated from the existing Private Right-of-Way of Owner to a new location that falls outside such existing Private Right-of-Way of Owner, the Authority shall convey or cause to be conveyed a new right-of-way for such relocated Facilities as will correspond to the existing Private Right-of-Way of Owner. For such Relocations, the Authority shall issue, or cause to be issued, to Owner, without charge to Owner or credit to Authority, appropriate replacement rights in the new location mutually acceptable to both Authority and Owner for those rights previously held by Owner in its existing Private Right-of-Way. In discharge of Authority's obligations under this Paragraph, in the event that the new location falls within the right-of-way of the HSR Project under the jurisdiction of Authority, Authority and Owner shall jointly execute an agreement for joint use of said new area which agreement shall also confirm any prior rights held by Owner in said Private Right-of-Way of Owner. In consideration for these replacement rights being issued by Authority, Owner shall subsequently convey to Authority, or its nominee, within Authority's Right-of-Way, all of its corresponding right, title and interest within Owner's existing Private Right-of Way so vacated.

Whenever Owner has secured, as of the time of Owner's receipt of the Notice to Owner, a property interest or use right in connection with Owner's AMI or SCADA equipment, Authority will compensate Owner for obtaining appropriate replacement rights or will make reasonable efforts to obtain those replacement rights for the Owner.

16. Owner's Fee Property. If the existing Private Right-of-Way of Owner includes fee title, Authority shall acquire from Owner, for just compensation under State law, those property rights required by Authority for the HSR Project by separate transaction, leaving to Owner those remaining property rights appropriate for the placement and operation of Owner's Facilities in the Private Right-of-Way of Owner.
17. Successors and Assigns. This Master Agreement shall inure to the benefit of, and shall be binding upon, the successors and assigns of the parties. None of the rights, obligations or interests of either party under this Master Agreement shall be assigned, in whole or in part, by operation of law or otherwise, without the written consent of the other party, not to be unreasonably withheld, in the form of a formal written amendment, except that either party may assign the Master Agreement to its successor or any entity acquiring all or substantially all of such party's assets.
18. Amendments. This Master Agreement may be amended, changed or altered by mutual consent of the parties in writing.
19. Termination Rights. Either party, upon one year's written notice, may terminate this Master Agreement, except that, notwithstanding that termination, the provisions of this Master Agreement shall remain in full force and effect with respect to any Relocation of Facilities required under a Notice to Owner issued prior to the Master Agreement termination.
20. Time of Essence. Time shall be of the essence of this Master Agreement.
21. HSR Project Funding. No state funds or resources are allocated or encumbered as against this Master Agreement and both Owner's and Authority's obligations and duties expressed herein are conditioned upon the passage of the annual State Budget Act and the allocation of funds by the California Department of Finance and the encumbrance of funds under a project-specific Utility Agreement.

22. Force Majeure. Neither the Owner nor the Authority (the “non-performing Party”) shall be liable to the other for any failure to perform under this Master Agreement to the extent such performance is prevented by any occurrence beyond the reasonable control of the non-performing Party (a “Force Majeure Occurrence”), but only to the extent that the non-performing Party did not cause the Force Majeure Occurrence or that by exercise of due foresight such non-performing Party could not reasonably have been expected to avoid and that the non-performing Party is unable to overcome by the exercise of due diligence; provided that the non-performing Party claiming the excuse from performance:

- (A) Promptly notifies the other Party of the Force Majeure Occurrence and its estimated duration,
- (B) Uses reasonable efforts to mitigate the effects of the Force Majeure Occurrence, and
- (C) Resumes performance as soon as reasonably practicable after the Force Majeure Occurrence ends.

A Force Majeure Occurrence includes, without limitation: (i) an act of civil or military authority, (ii) an act of God, epidemic, blockade, rebellion, war, riot, act of terrorism or civil commotion, fire, earthquake, unusually severe weather conditions, flood or inundation, power blackout or natural catastrophe, (iii) material or facility shortages or unavailability, (iv) actions or inactions of legislative, judicial, or regulatory agencies of competent jurisdiction, including without limitation, any failure to obtain, delay in obtaining, or revocation of, any permit, license or other governmental approval or clearance or the conduct of any governmental review, (v) discovery at, near or on the site of any archaeological, paleontological, cultural, biological or other protected resources, (vi) any lawsuit seeking to restrain, enjoin, challenge or delay construction of the HSR Project or the Relocation or the granting or renewal of any governmental approval of the HSR Project or the Relocation, (vii) any strike, labor dispute, work slowdown, work stoppage, secondary boycott, walkout or other similar occurrence affecting the HSR Project or the Relocation;

If any such event of Force Majeure occurs, upon the request of either party hereto, the Owner and the Authority will meet and confer to discuss what additional efforts are mutually acceptable to reduce impact to the HSR Project and Relocation schedules.

23. California Public Utilities Commission. As described in Recital A above, the Authority understands that the Owner is a public utility and is subject to regulation by the CPUC for certain actions and operations. The Authority further understands that Owner is required to comply with all applicable orders, rules, regulations, policies and administrative practices (“CPUC Rules”) prescribed thereby. The Authority will not require the Owner to perform any act or fail to perform any act, or require any action which would cause Owner to be in violation of CPUC Rules.

24. Notices.

- (A) Method of Transmission. All notices or other communications required or permitted to be given to a party shall be in writing and shall be (i) personally delivered, (ii) sent by registered or certified mail, postage prepaid, return receipt requested, (iii) sent by a guaranteed overnight delivery commercial courier service that provides written confirmation of delivery, to such party at its address for notices set forth as follows:

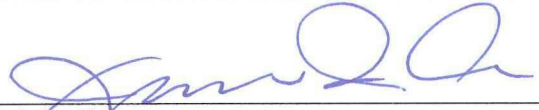
Authority: CALIFORNIA HIGH-SPEED RAIL AUTHORITY  
770 L Street, Suite 800  
Sacramento, California 95814  
Attn: Thomas Fellenz

Owner: SOUTHERN CALIFORNIA GAS COMPANY  
555 W. Fifth Street, GT11A1  
Los Angeles, California 90013  
Attn: Land and Right of Way

- (B) Time of Notice. Each such notice or other communication shall be deemed given, delivered and received upon its actual receipt, except that (i) if it is mailed in accordance with the provisions of subsection (A) above, then it shall be deemed given, delivered and received three (3) business days after the date such notice or other communication is deposited with the United States Postal Service, or (ii) if it is sent by guaranteed overnight delivery commercial courier service in accordance with the provisions of subsection (A) above, then it shall be deemed given, delivered and received one (1) business day after deposit with such commercial courier service. Either party may give a notice of a change of its contact information to the other Party in accordance with this Paragraph 24.

IN WITNESS WHEREOF, the PARTIES hereto have executed this Master Agreement effective the day and year first written.

**SOUTHERN CALIFORNIA GAS COMPANY:**

By   
\_\_\_\_\_  
Jimmie I. Cho  
Senior Vice President – Gas Operations & System Integrity

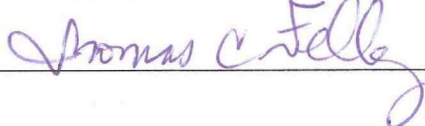
10-28-2014  
\_\_\_\_\_  
Date:

**CALIFORNIA HIGH-SPEED RAIL AUTHORITY**

By   
\_\_\_\_\_  
Jeff Morales  
Chief Executive Officer

12-12-14  
\_\_\_\_\_  
Date:

Approved as to Form:

By   
\_\_\_\_\_  
Date:

12/9/14  
\_\_\_\_\_  
Date: