

SAMPLE FORMS

Sheet 1

Contracts

Feasibility Study Program Agreement, Form No. 6700-2 (8/96)

(TO BE INSERTED BY UTILITY)

ADVICE LETTER NO. 2517
DECISION NO.

101

ISSUED BY

Paul J. Cardenas
Vice President
Chief Regulatory Officer

(TO BE INSERTED BY CAL. PUC)

DATE FILED Aug 22, 1996
EFFECTIVE Oct 1, 1996
RESOLUTION NO. _____

Date _____

**Southern California Gas Company's
Feasibility Study Program Agreement
(Shareholder-Funded)**

Customer Name and Address:

Customer's Capacity:

___ Corp./___ Gen. ___ Ltd. Ptship./___ Lim. Liab. Co.
___ California/___ Foreign
___ State ___ Federal Governmental Entity _____

Attn: _____

Fed. Tax ID _____ SIC Code _____

Telephone: _____

Equipment: _____

Facility: _____

Account # _____

Premises I.D. _____

The following provisions apply to Feasibility Studies:

Name of Consultant: _____
Attach a copy of Consultant's proposal, which must pertain to installation of new energy efficient gas equipment, implementing new processes or improving the operation of existing gas equipment or systems.

Payment Amount: \$ _____ Maximum Percentage _____%. Payment will be made by The Gas Company following receipt and approval of the Consultant's Report and receipt of a copy of Consultant's invoice to Customer for the completed Report. In no event will the payment exceed an amount equal to the Maximum Percentage of the Consultant's fee.

Cut-off: _____ The Consultant must have completed the study and The Gas Company must have received a copy of the completed Report and a copy of Consultant's invoice by this date (or such later date The Gas Company and Customer agree to in writing), or The Gas Company has no obligation to make the Payment.

1. Information And Demonstration. The Gas Company has the right to disseminate the Consultant's Report or information therein to other interested persons, except to the extent it contains proprietary or trade secret information. If Customer implements any recommendations made by the Consultant, The Gas Company has the right, on reasonable advance notice to Customer, to visit the Facility to observe the equipment installed as a result of the Feasibility Study, to demonstrate it to interested third parties, to have access to (and the right to photocopy at its expense) operating data with regard to such equipment, and to advertise savings/benefits realized (with Customer's prior written consent, not to be unreasonably withheld, if Customer is identified in such advertising). In its sole discretion, The Gas Company may waive these rights.

2. No Further Participation. The Gas Company is not obligated to participate in Customer's implementation of Report recommendations or any alternatives to them.

3. CPUC/Tariffs. This program is approved by the California Public Utilities Commission ("CPUC") and may be amended, modified, or terminated at any time by the CPUC. This Agreement is subject to the provisions of Rule 38 as amended from time to time and except as otherwise provided herein, to the terms and conditions of The Gas Company's other applicable tariff rules as amended from time to time, including but not limited to Rule 4, the terms of which are incorporated by reference.

4. No Ownership. The Gas Company will have no ownership interest in the Equipment, if any, and is not a partner of or joint venturer with Customer.

5. NO WARRANTIES BY THE GAS COMPANY AND LIMITATION OF LIABILITY.

5.1 Although The Gas Company shall have the right to review information regarding the Equipment and/or Consultant's proposal and Report, as set forth above, Customer understands and agrees that The Gas Company's review is for The Gas Company's own purposes in determining Customer's eligibility, calculating the amount of the Incentive and/or Payment for the Feasibility Study, and obtaining information on the Equipment's operation. The Gas Company makes NO WARRANTIES, EXPRESS OR IMPLIED, AS TO THE EQUIPMENT OR THE SYSTEM OR ANY ASPECT OF THE INSTALLATION, OPERATION, PERFORMANCE, ENERGY USAGE, COST SAVINGS, OR ANY OTHER MATTER CONCERNING THE EQUIPMENT OR THE SYSTEM OR CONSULTANT OR CONSULTANT'S RECOMMENDATIONS, INCLUDING BUT NOT LIMITED TO RECOMMENDATIONS AS TO SELECTION AND INSTALLATION OF EQUIPMENT OR ADOPTION OF ENERGY MANAGEMENT MEASURES.

5.2 Customer understands and represents to The Gas Company that Customer will select or has selected the Equipment and/or Consultant in reliance upon information obtained by Customer or on its behalf by its agents and that The Gas Company is not and will not be responsible for the selection, installation, operation, performance, energy usage, cost savings, or any other matter concerning the Equipment, Consultant or Feasibility Study or Report, or for any liability, losses, damages or injuries arising from the Equipment's use or from the Feasibility Study. If the Equipment is unsatisfactory for any reason, or if Consultant's recommendations or implementation of them is unsatisfactory for any reason, Customer will make any claim on account thereof against Customer's engineer, vendor, installer, Equipment manufacturer, and/or Consultant as appropriate.

5.3 The Gas Company will not be liable for any consequential, indirect, or punitive damages.

6. No Third Party Beneficiaries. This program and agreement are for the benefit of, and enforceable only by, The Gas Company and Customer.

Customer: _____

Southern California Gas Company

By: _____

By: _____

Title & Name: _____

Title: _____

Date Signed: _____

Date Signed: _____