

SAMPLE FORMS - CONTRACTS  
Pro Forma Master Services Contract, Schedule D  
Basic Storage Service Agreement Form No. 6597-4 (Rev. 7/96)

Sheet 1

(TO BE INSERTED BY UTILITY)  
ADVICE LETTER NO.    2511  
DECISION NO.

ISSUED BY  
**Paul J. Cardenas**  
Vice President  
Chief Regulatory Officer

(TO BE INSERTED BY CAL. PUC)  
DATE FILED    Jul 23, 1996  
EFFECTIVE    Sep 1, 1996  
RESOLUTION NO.    \_\_\_\_\_

**PRO FORMA**  
**MASTER SERVICES CONTRACT**  
**SCHEDULE D**  
**BASIC STORAGE SERVICE AGREEMENT**

THIS AGREEMENT is entered into as of the \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_, by and between Southern California Gas Company ("Utility") and \_\_\_\_\_ ("Customer") and sets forth the Terms and Conditions under which Utility will provide firm gas storage injection, inventory and withdrawal rights for Customer. This Agreement shall be attached to and incorporated as Schedule D in the Master Services Contract (MSC) executed by the parties.

NOW THEREFORE, in consideration of the promises and mutual understandings set forth below, the parties agree as follows:

Section 1 - Storage Rights

On and after the effective date, Utility shall provide the gas storage services requested by Customer set forth below. This Agreement and the rights established herein shall be subject to the terms and conditions of Utility's Tariff Rate Schedules and Tariff Rules applicable hereto from time to time (including without limitation the definitions in Utility's Tariff Rule No. 1).

Section 2 - Services/Charges

Customer has elected the following gas storage services:

- Firm Withdrawal: \_\_\_\_\_ Decatherms per day
- Firm Inventory: \_\_\_\_\_ Decatherms

- One Month of Firm Injection:

Core Subscription

Transmission

April: _____ Decatherms per day	April: _____ Decatherms per day
May: _____ Decatherms per day	May: _____ Decatherms per day
June: _____ Decatherms per day	June: _____ Decatherms per day
October: _____ Decatherms per day	October: _____ Decatherms per day
November: _____ Decatherms per day	November: _____ Decatherms per day

Such services shall be subject to and billed at the rates set forth in Utility's Tariff Rate Schedules from time to time.

Section 3 - Effective Date/Term

(a) Effective Date - This Agreement shall be effective as of the first day of April, 1996 for the injections services to be consummated in April, May or June or as of the first day of October, 1996 for the injection services to be consummated in October or November ("Effective Date").

(b) Term - The initial term of this Agreement shall continue for a period of one (1) Contract Year from the Effective Date. (A "Contract Year" shall mean a consecutive twelve (12) - month period commencing on the first day of the first month of the term of the Agreement and continuing to and including the last day of the month which is twelve (12) consecutive months thereafter.)

Upon the completion of the initial term hereof, the term of this Agreement shall continue for additional one-year periods commencing upon the completion of the initial term hereof and at the completion of each subsequent one-year period, as the case may be, unless either party gives written notice to the other party not less than thirty (30) days prior to the end of the then current term stating that the Agreement shall terminate at the end of the then current term and not continue for an additional one-year period.

Section 4 - Billing and Payment

All services shall be billed and paid for as set forth in Utility's Tariff Rate Schedules from time to time. In addition to any remedies provided under Utility's Tariff Rate Schedules and Tariff Rules, in the event that Customer fails to timely pay any amounts payable in connection with the Services provided herein, if such amounts are not paid in full within seven (7) days following notice by Utility that such payment is in arrears, Utility may immediately suspend performance herein until Customer pays all amounts unpaid.

In the event of a billing dispute, the bill must be paid in full by Customer pending resolution of the dispute. Such payment shall not be deemed a waiver of Customer's right to a refund.

All bills shall be sent to Customer as specified in the MSC

Section 5 - Miscellaneous

(a) Interpretation - The interpretation and performance of any contracts for gas service shall be in accordance with the laws of the State of California, and the orders, rules and regulations of the Public Utilities Commission of the State of California, in effect from time to time.

(b) Notices - All notices between the parties shall be sent by telefax with confirming original copy thereof being sent by prepaid certified mail to the following and addressed as specified in the MSC:

CUSTOMER

Operating Matters

Contact Name: \_\_\_\_\_  
Contact Title: \_\_\_\_\_  
Fax No.: \_\_\_\_\_  
Telephone: \_\_\_\_\_

Contract Matters

Contact Name: \_\_\_\_\_  
Contact Title: \_\_\_\_\_  
Fax No.: \_\_\_\_\_  
Telephone: \_\_\_\_\_

UTILITY

Operating Matters

Contact Name: Gas Transactions Hotline

Fax No.: (213) 244-8281

Telephone: (213) 244-3900

Contract Matters

Contact Name: \_\_\_\_\_

Contact Title: \_\_\_\_\_

Fax No.: \_\_\_\_\_

Telephone: \_\_\_\_\_

The above designations may be changed by either party upon at least seven (7) days prior written notice.

(c) Credit worthiness - From time to time, as is deemed necessary, Utility may request that Customer furnish Utility with any information or data to establish Customer's credit worthiness, including without limitation financial statements for Customer which are audited or otherwise attested to Utility's satisfaction. Following review of such information Utility may require that Customer supply additional assurance as may be necessary to establish Customer's ongoing financial ability to perform under the Storage Agreement during the term thereof, including without limitation contractual guarantees or financial instruments such as letters of credit.

(d) Covenant of Assurances - Each party shall do all necessary acts, and execute and deliver such written instruments, as shall be reasonably required from time to time to carry out the intent and terms of this Agreement, including without limitation any non-material changes to this Agreement necessary to make it enforceable consistent with the intent of the parties and to conform to law.

(e) Limited Storage Liability - Utility shall not be responsible for any loss of gas in storage attributable to the inherent qualities of gas, including leakage or migration, of for pilferage or theft of gas by third parties, or due to a physical or legal inability to withdraw gas from storage, unless such loss is caused by failure of Utility to exercise the ordinary care and diligence required by law. In the event of any such loss, the portion of such loss which is attributable to Customer shall be determined based on Customer's pro rata share of the total recoverable working gas inventory in Utility's storage facilities at the time of the loss.

(f) Legal Clauses - The legal contract provisions in Section 6 of the MSC are incorporated by reference herein as if set forth in full, except to the extent such Section 6 is superseded by Utility's Tariff Rule 4.

IN WITNESS WHEREOF, the authorized representatives of the parties have executed two (2) duplicate original copies as of the date written above.

(CUSTOMER)

SOUTHERN CALIFORNIA GAS COMPANY

By \_\_\_\_\_

By \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_