

Schedule No. G-POOL
POOLING SERVICE

APPLICABILITY

Utility will provide end-use customers, customer agents, contracted marketers, core aggregators, SoCalGas Gas Acquisition, and any other entity seeking to conduct business on the SoCalGas system (hereinafter "Pooler") pooling service on the SoCalGas system.

TERRITORY

Applicable throughout the service territory.

RATES

Transfer Charges

Rate, per pool-to-pool transfer \$50.00

Each Pooler may make up to ten transfers from its pool to another pool, SoCalGas end-user, core aggregator, SoCalGas Gas Acquisition, contracted marketer or storage customer, per nomination cycle, per day at no charge. A Pooler that makes pool-to-pool transfers in addition to ten transfers, per nomination cycle, per day will pay a fee of \$50 for each such additional transfer. The counting of pool-to-pool transfers, for the purpose of applying the rate, will be conducted at each nomination cycle during each day.

Example of application of pool-to-pool transfer charges:

Table with 3 columns: Each Nomination Cycle, Total Pool to Pool Transfers, Transfers in Excess of 10. Rows include Timely, Evening, Intraday 1, and Intraday 2 nomination cycles, and a total row showing 4 transfers subject to charge.

Pooler A will be charged for four pool-to-pool transfer for the day, totaling \$200. Two transfers from the evening cycle, one transfer from the intraday 1 nomination cycle and one transfer from the intraday 2 nomination cycle.

(continued)

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

ISSUED BY
William L. Reed
VICE PRESIDENT
CHIEF REGULATORY OFFICER

(TO BE INSERTED BY CAL. P.U.C.)
DATE FILED
EFFECTIVE
RESOLUTION NO.

Schedule No. G-POOL
POOLING SERVICE

(continued)

SPECIAL CONDITIONS

GENERAL

- 1. Pooling Service, as defined in Rule No. 1, allows for the aggregation and disaggregation of natural gas.
2. As a condition precedent to service under this schedule, Poolers are required to execute a Master Service Contract (hereafter "MSC") and MSC Schedule K, Pooling Service Agreement. All contracts, rates and conditions are subject to revision and modification as a result of Commission order.
3. Pooling service will be located at a logical point, not a physical point, on the SoCalGas system between supply sources and markets. This allows for the receipt of gas supplies from all supply entry points and delivery to all market points without the requirement of specifying paths or routes.
4. One pool will be allowed for each legal entity conducting business on the SoCalGas system. Pooling service cannot be assigned to another party.
5. Pools will not be required to balance during the Timely Nomination (first) cycle, but will be required to balance during each of the subsequent gas scheduling cycles each day. Pool balancing will be conducted during the nomination and confirmation process using a pool ranking mechanism.

ESTABLISHMENT OF CREDIT

- 6. The Pooler shall be required to establish credit by providing the Utility a credit application that includes any financial information deemed necessary by the Utility to establish an appropriate credit facility. The credit facility shall be established in accordance with existing Tariff Rules to accommodate maximum dollar exposure to the Utility. A credit facility may be unsecured or require a Guaranty from an acceptable third party; a cash deposit; a Standby Letter of Credit; a Surety bond; or any other security/collateral acceptable to the Utility.
7. To assure the continued validity of an established credit limit, the Pooler shall be required to furnish the Utility with financial information satisfactory to the Utility, as requested by the Utility, during the Pooler's participation in the Pooling Service Program. In the event the Utility determines that a financial change has or could adversely affect the creditworthiness of the Pooler, or if the Pooler does not provide the requested financial information, the Utility may terminate the Pooler's participation in the Pooling Service Program immediately or at its sole discretion, establish new creditworthiness requirements.

(continued)

(TO BE INSERTED BY UTILITY)

ISSUED BY

(TO BE INSERTED BY CAL. P.U.C.)

ADVICE LETTER NO. EXEMPL

William L. Reed

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DECISION NO.

VICE PRESIDENT
CHIEF REGULATORY OFFICER

EFFECTIVE

RESOLUTION NO.

Schedule No. G-POOL
POOLING SERVICE

(continued)

SPECIAL CONDITIONS (continued)

NOMINATIONS

- 8. Pooling service shall be subject to the applicable transportation provisions as contained in SoCalGas Rule 30, as modified from time to time. Pooling service will be offered as an optional service and will not be mandated. Customers or their agents may nominate directly from a supply source to an end-use or storage customer without the use of a pool.
9. Nominations will be allowed from any receipt point (including storage) at which the Utility permits nominations. A corresponding nomination must be made to deliver gas out of the pool to another pool, SoCalGas end-user, core aggregator, SoCalGas Gas Acquisition, contracted marketer or storage customer. Corresponding confirmations must be made from parties receiving gas from a pool.
10. Gas that is transferred pool-to-pool, must be delivered to an end-use customer account, storage customer account, or contracted marketer account at the end of the nomination cycle.
11. Poolers will be required to supply the Utility, each time a nomination is made, a ranking of its upstream supply sources and an ranking of downstream delivery to another pool, SoCalGas end-user, core aggregator, SoCalGas Gas Acquisition, contracted marketer or storage customer. In all nominations following the Timely Nomination Cycle, the Utility may use the rankings provided by the Pooler to reduce upstream sources or downstream deliveries to bring nominations into and out of the Pool into balance. If the Pooler fails to supply the Utility with the required rankings, the Utility will employ prorata ranking.

BILLINGS

- 12. The Pooler's bill is due and payable upon receipt. The bill will be considered past due if it is not paid in accordance with applicable tariffs. Past due notices will be mailed to the Pooler. If the bill is not paid within seven days of the issuance of the past due notice, the Pooler's participation may be subject to immediate termination by the Utility.

(continued)

(TO BE INSERTED BY UTILITY)

ISSUED BY

(TO BE INSERTED BY CAL. P.U.C.)

ADVICE LETTER NO. EXEMPL

William L. Reed

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Schedule No. G-POOL
POOLING SERVICE

(continued)

SPECIAL CONDITIONS (continued)

TERMINATION OF SERVICE

13. If a payment is not received within seven days of the issuance of a past due notice, 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 Pooler in favor of Utility shall be immediately payable without further notice of demand; and,
(c.) The Pooler will be suspended from the Utility's electronic communication network as defined in Rule No. 33, GasSelect.

At the time of termination, if the Pooler has not paid Utility billings, any deposit held on the Pooler's account shall be applied to recoup unpaid bills.

After termination, a Pooler will not be allowed to participate in the Pooling Service again until the Pooler has 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.

(TO BE INSERTED BY UTILITY)

ISSUED BY

(TO BE INSERTED BY CAL. P.U.C.)

ADVICE LETTER NO. EXEMPL

William L. Reed

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DECISION NO.

VICE PRESIDENT
CHIEF REGULATORY OFFICER

EFFECTIVE

RESOLUTION NO.

Rule No. 01
DEFINITIONS

(continued)

Peak Day Minimum + 20 Bcf Trigger: A volume of gas in storage inventory at which customers are required to deliver on a daily basis 70% of burn as specified in Rule No. 30.

Peak-Day Volume: Used in the calculation of the GT-RLS tariff, a customer's highest one-day usage over the specified time period.

Percentage of Default: This value determines the noncore customer's order for curtailment of interruptible intrastate transmission service as set forth in Rule No. 23. Interruptible service to customers at full tariff rates shall be 100% of default. For interruptible service to customers at rates other than full-tariff rates, the percentage of default shall be determined on a monthly basis and shall be equal to:

- A. The customer's total (1) volumetric transmission charges, (2) demand charges or other non-volumetric transmission charges, (3) customer or facilities charges, (4) the CPUC Reimbursement Fee (Schedule No. G-SRF) and (5) the Interstate Transition Cost Surcharge, under the applicable noncore service schedule for the immediate prior twelve-month period, divided by:
B. The total of the above charges that would have applied if the customer were paying full-tariff rates for the same 12-month period.

For customer's with individual demand forecasts adopted through the Utility's cost allocation proceeding, percentage of default shall be determined using the most recently adopted usage forecast. For all other customers, actual consumption shall be used. Charges not specifically applied to firm or interruptible service shall be prorated among the two services on the basis of actual or forecasted usage, whichever applies. The percentage of default calculation shall specifically exclude curtailment violation penalties, imbalance charges, and Utility User's Tax.

Permanent Service: Service which, in the opinion of the Utility, is of a permanent and established character. This may be continuous, intermittent, or seasonal in nature.

Petroleum Oil Stills and Heaters: Direct-fired vessels used to heat petroleum products for a distillation, refining or manufacturing process.

Point(s) of Delivery: The place(s) where Utility delivers customer-owned natural gas to customer at its facility.

Point(s) of Receipt: The place(s) where customer delivers, or has delivered on its behalf, natural gas into the Utility System.

Pooling Service: Pooling is defined as: 1) the aggregation of gas from multiple physical and/or logical points to a single physical or logical point, and/or 2) the disaggregation of gas from a single physical or logical point to multiple physical and/or logical points.

(continued)

(TO BE INSERTED BY UTILITY)

ISSUED BY

(TO BE INSERTED BY CAL. P.U.C.)

ADVICE LETTER NO. EXEMPL

William L. Reed

DATE FILED _____

DECISION NO.

VICE PRESIDENT
CHIEF REGULATORY OFFICER

EFFECTIVE _____

RESOLUTION NO. _____

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SAMPLE FORMS

Contracts

Master Services Contract (Form 6597, Rev. 02/2000)

(See Attached)

(TO BE INSERTED BY UTILITY)

ADVICE LETTER NO. EXEMPL

DECISION NO.

ISSUED BY

William L. Reed

VICE PRESIDENT
CHIEF REGULATORY OFFICER

(TO BE INSERTED BY CAL. P.U.C.)

DATE FILED _____

EFFECTIVE _____

RESOLUTION NO. _____

PRO FORMA

MASTER SERVICES CONTRACT

ACCOUNT NO. _____

TAXPAYER I.D. (S) _____

ORDER CONTROL CODE (S) _____

This contract is entered into by and between Southern California Gas Company ("Utility")
and _____ ("Customer") as of the _____ day of _____

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

Section 1 - Scope

This Contract sets forth the general terms and conditions under which Utility will provide gas services to Customer pursuant to the applicable Tariff Rate Schedules and Tariff Rules which have been filed with the Public Utilities Commission of the State of California ("CPUC"), as in effect from time to time. Such services shall be limited to those services specified by Customer from time to time under Section 2 hereof and for which Customer qualifies. Service under this Contract shall commence on _____ ("Effective Date") and continue thereafter so long as one or more of the attached Schedules referenced in Section 2 remain in effect. This Contract shall also remain in effect to permit any "winding up" occurring thereafter (e.g., billing and payment reconciliations, correction of gas imbalances, etc.) or to enforce or satisfy any obligations arising prior to the end of the Contract.

Section 2 - Applicable Services

Utility offers the following "menu" of gas services:

- A. Intrastate Transportation Service. ()
- B. Marketer/Core Aggregator. ()
- C. GasSelect Service. ()
- D. Basic Storage Service. ()
- E. Auction Storage Service. ()
- F. Long Term Storage Service. ()
- H. Extended Balancing Service. ()
- I. Transaction-based Storage Service. ()
- J. Gas Air Conditioning Service. ()
- K. Pooling Service ()
- L. Other Services:

Customer has as of the Effective Date requested and agreed to pay for those services checked above. Utility has determined that Customer qualifies for such service(s). Additional services may be requested by Customer from time to time consistent with Utility's Tariff Rate Schedules and Tariff Rules and any publicly-announced bidding, offering or operating procedures of Utility, and this Contract may be supplemented as appropriate.

The agreement(s) specifying the terms and conditions for any or all of the above services requested by Customer shall be attached to the Contract as a "Schedule" (and incorporated herein by reference) using the alphabetical designation provided above. To the extent a particular service is **not** selected initially (or if terminated subsequently), a Schedule shall be attached stating that such service is "not applicable." To the extent that for any reason Customer desires to obtain the above services on a facility-by-facility basis, separate agreements shall be attached as separate Schedules and designated, e.g., "Schedule A-1," "Schedule A-2," etc., depending on the service applicable.

Although the various services are compiled under this Contract for administration and other considerations, each service provided by Utility to Customer is separate and independent from all other services. Thus, the breach of the agreement for one service under a Schedule attached hereto shall not result in the breach of, or excuse performance under, another agreement for another service attached as a Schedule to this Contract. Likewise, there shall be no offset between any amounts claimed to be payable or due under one Schedule against amounts claimed to be payable or due under another Schedule.

Section 3 - Interpretation

In the event of any conflict between the provisions of this Contract and the provisions of any Schedule, the provisions of such Schedule shall be deemed to control; provided, however, notwithstanding the foregoing, this Contract and the Schedules attached hereto shall at all times be subject to (a) Utility's Tariff Rate Schedules and Tariff Rules, (b) all rules, regulations, decisions and orders of the CPUC, and (c) all other governmental laws, regulations, and decisions (including by a court) applicable to this Contract and/or the Schedules attached hereto, as each of the foregoing may be in effect from time to time.

Section 4 - Billing/Payments

All bills rendered by Utility shall be paid by Customer within nineteen (19) days after the billing date to Utility's depository specified below (which may be changed by Utility on ten (10) days prior written notice). One master billing may be made by Utility for all services provided under this Contract (including all Schedules attached hereto) after 1993 as mutually agreed. Such billing shall be sent to Customer at the following location:

Attn : _____

Additional copies of billings shall also be sent to the following facility location (s) of Customer:

Attn : _____

The parties recognize that billings may be subject to adjustment in subsequent periods during the term hereof or after the expiration of this Contract (or any Schedule) to reflect subsequent reconciliations with the records of interstate transporters or third parties delivering gas in California for Customer.

Customer may make payments either by mail, at branch offices or electronically.

All mail payments by Customer shall be made for the account of Utility to the following address:

Attn : _____

Cash payment can also be made to the local branch office.

Electronic Funds Transfer (EFT) Payment Information:

Attn : _____

Section 5 - Notices/Information

All notices, requests or demands by either party shall be given in writing as specified in the effective Schedules attached hereto except that notices of changes to Section 4 shall be sent to the Master Billing Address of Customer for changes in Utility's depository and to Utility at the address provided below for changes in the Master Billing Address:

Attn : _____

Section 6 - Legal Provisions

(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) **Amendment or Modification** - Except as required to conform with California law and the orders, rules and regulations of the Public Utilities Commission of the State of California (which retains continuing jurisdiction over this Contract and the Schedules attached hereto), no amendment or modification shall be made to this Contract except by an instrument in writing executed by all parties thereto, and no amendment or modification shall be made by course of performance, course of dealing or usage of trade.

(C) **Waiver** - No waiver by any party of one or more defaults under this Contract shall operate or be construed as a waiver of any other default or defaults, whether of a like or different character.

(D) **Damages** - No party under this Contract shall be assessed any special, punitive, consequential, incidental, or indirect damages, whether in contract or tort, for any actions or inactions arising from or related to this Contract.

(E) **Assignment** - This Contract (or any rights or obligations related thereto) shall not be assigned without the prior written consent of Utility, which consent shall not be withheld unreasonably (but Utility may require that any assignee confirm in writing its assumption of the rights and obligations of its predecessor).

(F) **Hinshaw Exemption** - In the event that any governmental entity (including a court) issues an order or rule which would result in the loss of Utility's Hinshaw Exemption from Federal regulations if this Contract entered into by Utility remains in effect, Utility may terminate this Contract.

The foregoing provisions (A) through (F) shall be superseded to the extent such matters are covered by Utility's Tariff Rule 4, as in effect from time to time.

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

(COMPLETE CUSTOMER NAME)
By : _____
Title : _____

Southern California Gas Company
By : _____
Title : _____

SAMPLE FORMS

Contracts

Master Services Contract, Schedule A, (Form 6597-A, Rev 02/2000)

(See Attached)

(TO BE INSERTED BY UTILITY)

ADVICE LETTER NO. EXEMPL

DECISION NO.

ISSUED BY

William L. Reed

VICE PRESIDENT
CHIEF REGULATORY OFFICER

(TO BE INSERTED BY CAL. P.U.C.)

DATE FILED _____

EFFECTIVE _____

RESOLUTION NO. _____

MASTER SERVICES CONTRACT

SCHEDULE A

INTRASTATE TRANSMISSION SERVICE

ACCOUNT NUMBER _____

This Agreement is entered into by and between Southern California Gas Company ("Utility") and _____ ("Customer") as of the _____ day of _____, _____. This Agreement shall be attached to and incorporated as a Schedule in the Master Services Contract ("MSC") executed by the Parties.

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

Section 1 - Scope

A. Intent

This Agreement sets forth the general terms and conditions under which Utility will transport gas, or transport and procure gas, for customer in California pursuant to Utility's applicable Tariff Rate Schedules and Tariff Rules ("Tariffs") on file with Public Utilities Commission of the State of California ("CPUC"), as each is in effect from time to time.

To the extent not inconsistent herewith, the provisions of MSC are incorporated by reference in this agreement. All transmission services by Utility shall be paid for by Customer at the rates specified in the applicable Tariffs, except as otherwise specified herein. Nothing in this Agreement shall be construed as preventing Utility and Customer from mutually agreeing to conditions which are more stringent than set forth in the Tariffs.

B. Effective Date/Term

- (1) The Effective Date of this Agreement shall be as of 6:00 AM on _____, _____.
- (2) The term of this Agreement shall end on _____, _____.

At the end of each term, this Agreement shall continue for an additional term of the same duration unless terminated by written notice from one party to the other given not less than fifteen (15) days prior to the last day of the current term.

Section 2 - Services Provided and Redelivery Locations

Customer has requested and agreed to pay for, and Utility has determined that Customer is qualified for transmission services to the following locations (the data provided will be utilized by Utility in determinations regarding curtailment) and any special sequencing of redelivery conditions should be noted in Section 9(E):

Facility A

Facility Name: _____

Account Number: _____

Address: _____

SIC Code: _____

Mail copy of Bill to this Facility: _____

Supplemental Facility Account Number(s):

Full Requirements* _____ *(Noncore only)

Facility Customer Contacts

Operations

Name: _____

Title: _____

Address: _____

Tel. No: _____

Fax No: _____

Emergency

Name: _____

Title: _____

Address: _____

Tel. No: _____

Fax No: _____

Customer shall notify Utility in the event of any change in the gas requirements or notification designations for this facility. If Customer receives its full requirements under Core Subscription in the event during any month Customer utilizes gas in excess of the following monthly scheduled quantity, such usage shall be treated as reserved capacity for the entire year.

Sequence 01

BILLING SCHEDULE				
Rate Schedule	Priority	Net Billed	Transmission Rates Tariff/Negotiated	Otherwise Applicable Rate
Term: _____				

MONTHLY SCHEDULED QUANTITY (Therms)			
Jan	_____	Jul	_____
Feb	_____	Aug	_____
Mar	_____	Sep	_____
Apr	_____	Oct	_____
May	_____	Nov	_____
Jun	_____	Dec	_____

Annual Quantity* _____ Use or Pay (Y/N) _____

*(Only applies to firm rates under partial requirements)

Customer's regular days for operations under this sequence are:

M_____ T_____ W_____ Th_____ F_____ Sat_____ Sun_____

Sequence 02

BILLING SCHEDULE				
Rate Schedule	Priority	Net Billed	Transmission Rates Tariff/Negotiated	Otherwise Applicable Rate
Term: _____				

MONTHLY SCHEDULED QUANTITY (Therms)			
Jan	_____	Jul	_____
Feb	_____	Aug	_____
Mar	_____	Sep	_____
Apr	_____	Oct	_____
May	_____	Nov	_____
Jun	_____	Dec	_____

Annual Quantity* _____ Use or Pay (Y/N) _____

*(Only applies to firm rates under partial requirements)

Customer's regular days for operations under this sequence are:

M_____ T_____ W_____ Th_____ F_____ Sat_____ Sun_____

Section 3 - Other Existing Transportation/Exchange Arrangements

- (1) Customer has existing intrastate transportation/exchange arrangements with Utility
 - (2) Date of Arrangement: _____
 - (3) Term of Arrangement: _____
 - (4) This Agreement shall have no impact on such existing arrangement except: _____
-

Section 4 - Transportation Receipt Locations

Customer's "Order Control Code" (OCC) for gas transportation by Utility is: _____

A. Transportation Receipt Points

Gas may be delivered to Utility for transportation for Customer's account at the following interconnection receipt points on Utility's pipeline facilities.

- (1) El Paso – California border (Blythe or Topock): _____
- (2) Transwestern – California border (Needles only): _____
- (3) Kern/Mojave/PGE/Elk Hills– Wheeler Ridge: _____
- (4) Mojave – Hector Road: _____
- (5) California Production: _____
- (6) Other receipt points (specify): _____

Priority of access to any Receipt Point shall be as set forth in the Tariffs or as otherwise established by the CPUC.

B. Operations

All nominations, confirmations, and other operating procedures for transportation services shall be subject to the rules and conditions established therefor by Utility. Customer shall be responsible for obtaining, and subject to any liability or loss regarding, any upstream transportation prior to the receipt of gas by Utility for Customer's account, except for core and core-subscription usage. Customer's failure to obtain firm upstream transportation rights to ensure delivery to Utility shall not be deemed to be a condition of Force Majeure.

Any deviations from a standard 5 or 7 day week should be noted in Section 9(E).

Section 5 - Service Interruption Credit

The firm transportation services by Utility under this Agreement may be subject to the applicable "Service Interruption Credit" as set forth in Utility's Tariffs.

Section 6 - Billing and Payment

Billing and Payment for services hereunder shall be as provided in Utility's applicable Tariffs, with payment due from Customer to Utility not later than 19 days following the date of Utility's invoice. Any special billing instructions should be noted in Section 9(E).

Section 7 - Imbalances

Utility shall provide Customer with an imbalance service in connection with transportation of gas hereunder pursuant to Tariff Rate Schedule G-IMB, as in effect from time to time (or any successor thereto). Any applicable imbalance charges shall be charged to Account Number: _____

For any Customer utilizing the services of a Contracted Marketer, a summary of transactional activities shall be provided to the following designated account: _____.

Section 8 - Transfer of Rights

Subject to Section 9(A), this Agreement and the rights and obligations hereunder shall only be transferred or assigned with the prior written consent of Utility which shall not be withheld unreasonably, provided that any successor first established its "creditworthiness" and assumes such contractual rights and obligations in writing.

Section 9 - Miscellaneous

A. Representatives - Customer shall utilize the services of:

- (1) Contracted Marketer: ___ (Y/N)
Authorized to access Customer's meter usage: ___ (Y/N)
Will nominate on Customer's behalf: ___ (Y/N)
Will trade on Customer's behalf: ___ (Y/N)

- (2) Agent
Authorized to access Customer's meter usage: ___ (Y/N)
Will nominate on Customer's behalf: ___ (Y/N)
Will trade on Customer's behalf: ___ (Y/N)

If Customer designates a Marketer or Agent, any communications made by such Marketer/Agent shall be binding on Customer and shall prevail in any conflict during the period such authorization remains in effect. Such authorization shall remain in effect for the term of this Agreement unless otherwise specified in the initial authorization, or unless terminated pursuant to notification received written by the Utility. In order for a Marketer/Agent to nominate on Customer's behalf, such designated Marketer/Agent must be so designated by the 20th of month preceding any particular nomination.

B. Contacts/Notices:

All day to day contacts with Customer shall be as specified for each Facility above. Operating contacts to be used by Customer with Utility shall be:

Operations/Emergency	Customer Service
Title: _____	Title: _____
Tel. No: _____	Tel. No: _____
Fax No: _____	Fax No: _____

Any written notices from one party to the other affecting this Agreement shall be sent to the following locations (unless changed by seven days prior written notice):

Customer	Utility
_____	_____
_____	_____
_____	_____
Title: _____	Title: _____
Attn: _____	Attn: _____

C. Definitions: All definitions set forth in the Tariffs, including without limitation Utility Rule 1, are incorporated herein by reference as if set forth in full.

D. Miscellaneous Legal Provisions: The miscellaneous legal 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.

E. Special Conditions: The following special conditions of service are applicable hereto:

IN WITNESS WHEREOF, the authorized representatives of the parties have executed two duplicate original copies hereof.

Customer	Utility
Name: _____	Name: <u>Southern California Gas Company</u>
By: _____	By: _____
Title: _____	Title: _____

SAMPLE FORMS

Contracts

Master Services Contract, Schedule K, Pooling Service Agreement (Form 6597-13)

(See Attached)

(TO BE INSERTED BY UTILITY)

ADVICE LETTER NO. EXEMPL

DECISION NO.

ISSUED BY

William L. Reed

VICE PRESIDENT
CHIEF REGULATORY OFFICER

(TO BE INSERTED BY CAL. P.U.C.)

DATE FILED _____

EFFECTIVE _____

RESOLUTION NO. _____

SCHEDULE K
POOLING AGREEMENT

This Agreement is entered into this _____ day of _____, 2000, by and between Southern California Gas Company ("Utility") and ("Customer"), and shall be attached to and incorporated as Schedule K to the Master Services Contract ("MSC") executed by the parties.

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

Section 1 - Scope

This Agreement sets forth the terms and conditions under which Utility will provide end-use customers, customer agents, contracted marketers, core aggregators, SoCalGas Gas Acquisition, and any other party seeking to conduct business on the SoCalGas system (hereinafter "Pooler" or "Customer") pooling service on the SoCalGas system.

Section 2 - G-Pool Service

Pursuant to the terms and conditions of this Agreement, Utility will provide and Customer will take pooling services.

Pooling is defined as: (1) the aggregation of gas from multiple physical and/or logical points to a single physical or logical point, and/or (2) the disaggregation of gas from a single physical or logical point to multiple physical and/or logical points. As a condition precedent to service under this schedule, Customer will execute a Master Service Contract (hereafter "MSC") and MSC Schedule H, Pooling Agreement. All contracts, rates, terms and conditions of this Agreement and the MSC are subject to revision and modification as a result of Commission order.

Pooling service will be located at a logical point, not a physical point, on the Utility's system between supply sources and markets allowing for the receipt of gas supplies from all supply entry points (including storage) and delivery to all market points without the requirement of specifying paths or routes.

Customer is allowed one pool pursuant to this Agreement.

Pools will not be required to balance during the Timely Nomination (first) cycle, but will be required to balance during each of the subsequent gas scheduling cycles each day. Pool balancing will be conducted during the nomination and confirmation process using a pool ranking mechanism.

Customer will be allowed to make pool-to-pool transfers under this Agreement. Customers may make up to ten transfers from its pool to another pool, SoCalGas end-user, core

aggregator, SoCalGas Gas Acquisition, contracted marketer or storage customer, per nomination cycle, per day at no charge. Customer will be billed at the rates and conditions of service approved by the Commission for each such additional transfer. The counting of pool-to-pool transfers, hereunder, will be conducted for each nomination cycle during each day.

Section 3 - Term

This Agreement shall become effective on the date that Customer executes this Agreement ("Effective Date"), and continue thereafter from the Effective Date to the first day of the next following calendar month, and from calendar month to calendar month thereafter until terminated by not less than ten (10) days prior written notice from one party to the other, sent at least ten (10) days prior to the end of any calendar month; provided, however, Utility may terminate this Agreement at any time that Customer fails to comply with the provisions of Section 8 hereof. No termination shall relieve either party from discharging obligations arising prior to termination, including without limitation obligations to pay monies due, and to adjust prior billings and/or payments to reflect actual transactions.

Section 4 - Establishment of Credit

Customer shall be required to establish credit by providing the Utility a credit application that includes any financial information deemed necessary by the Utility to establish an appropriate credit facility. The credit facility shall be established in accordance with existing Tariff Rules to accommodate maximum dollar exposure to the Utility. A credit facility may be unsecured or require a Guaranty from an acceptable third party, a cash deposit, a Standby Letter of Credit, a Surety bond, or any other security/collateral acceptable to the Utility.

To assure the continued validity of an established credit limit, Customer shall be required to furnish the Utility with financial information satisfactory to the Utility, as requested by the Utility, during the Customer's terms of this Agreement. In the event the Utility determines that a financial change has or could adversely affect the creditworthiness of Customer, or if Customer does not provide the requested financial information, the Utility may terminate this Agreement immediately or at its sole discretion, establish new creditworthiness requirements.

Section 5 - Disclaimer

This Agreement is intended to establish rights and obligations between the Utility and Customer, and shall not be deemed to establish any rights for or obligations to any third party.

Customer shall be solely responsible for the selection of services, particular transactions and products to achieve Customer's intended results. Utility disclaims any warranty, representation, or opinion, either express or implied, as to the advisability or enforceability of any arrangement or relationship Customer may enter into with any third party. Utility also disclaims any responsibility for any loss or injury attributable in whole or in part to its actions or inactions in connection herewith.

Section 6 - Pooling Operations

Utility's provision of pooling service hereunder shall be subject to the applicable transportation provisions as contained in Utility's Rule 30, as modified from time to time as an optional service and will not be mandated. Consequently, notwithstanding the terms of this Agreement, Customer remains able to nominate in the traditional manner or choose to use pools.

Customer will be able to make pooling nominations under this Agreement from any nominable receipt point. For each such pooling nomination following the Timely Nomination Cycle, Customer shall make a corresponding nomination to deliver gas out of the pool to another pool, Utility, end-user, core aggregator, SoCalGas Gas Acquisition, contracted marketer or storage customer. Corresponding confirmations must be made from parties receiving gas from a pool, or Customer's pooling nomination may not be accepted in the sole discretion of Utility. Pooler will be required to supply the Utility, each time a nomination is made, a ranking of its upstream supply sources and a ranking of downstream delivery Customers. In all nominations following the Timely Nomination Cycle, the Utility may use the rankings provided by the Pooler to reduce upstream sources or downstream deliveries to bring nominations into and out of the Pool into balance. If the Pooler fails to supply the Utility with the required rankings, the Utility will employ prorata ranking.

Section 7

For pooling services provided by Utility under this Agreement, Customer agrees to pay the rates and charges applicable to such service as provided in Utility's tariff and rate schedule as in effect from time to time.

Section 8 - Billings

Customer's bill is due and payable upon receipt. All payments will be accomplished electronically or by wire transfer unless otherwise agreed to by the Utility. The bill will be considered past due if it is not paid in accordance with applicable tariffs. Past due notices will be mailed to Customer. If the bill is not paid within seven days of the issuance of the

past due notice, this Agreement may be subject to immediate termination by the Utility.

Section 9 - Termination of Service

As set out in Section 8 above, if a payment is not received within seven days of the issuance of a past due notice, this Agreement may be subject to immediate termination. In addition, if the Utility receives any information that the Customer has filed, is contemplating filing, or 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, this Agreement may be terminated immediately and all of Customer's rights to conduct business with the Utility hereunder shall be terminated.

Upon termination of a Customer's participation:

- (a) Termination notices will be sent to Customer;
- (b) All fees, charges, and other obligations of Customer in favor of Utility shall be immediately payable without further notice of demand; and,
- (c) Customer will be suspended from the Utility's electronic communication network as defined in Rule 33, GasSelect.

At the time of termination, if Customer has not paid Utility billings, any deposit held on Customer's account shall be applied to recoup unpaid bills.

Section 11 - Miscellaneous

- (a) Tariff Rate Schedules and Tariff Rules - This Agreement shall be subject to Utility's Tariff Rate Schedules and Tariff Rules, as in effect from time to time. For purposes of this Agreement the term "consequential damages" referenced in Rule 4 shall include without limitation any loss of business, opportunity, goodwill, profits, ability to discharge third party obligations or other similar losses.
- (b) Governmental Jurisdiction - This Agreement shall be subject to the continuing jurisdiction of the Public Utilities Commission of the State of California and all rules, regulations, orders or decisions of any governmental entity (including a court having jurisdiction).
- (c) Entire Agreement - This Agreement sets forth the entire understanding of the parties on the subject matter discussed herein, and supersedes and replaces any prior writings, discussions, or communications, whether oral or written. This Agreement shall only be amended or modified by an instrument in writing executed by both parties. In no event

shall this Agreement be amended by course of performance, course of dealing or usage of trade.

- (d) Taxes - Customer shall be solely responsible for any taxes imposed or assessed in connection with this Agreement except for taxes on Utility's income.
- (e) No Joint Venture - Nothing in this Agreement shall be deemed as establishing a joint venture, partnership, association or other joint business relationship.
- (f) Special Conditions - The following special conditions shall apply to this Agreement:

_____.

IN WITNESS WHEREOF the authorized representatives of Utility and Customer have executed two (2) duplicate original copies as of the date above.

"CUSTOMER"

"UTILITY"

[FULL NAME]

SOUTHERN CALIFORNIA GAS COMPANY

By: _____

By: _____

Title: _____

Title: _____