

MASTER SERVICES CONTRACT

SCHEDULE A

26729

INTRASTATE TRANSMISSION SERVICE

This Agreement is entered into by and between Southern California Gas Company ("Utility") and **City of Long Beach** ("Customer") as of the **11th** day of **September, 2007**. This Agreement shall be deemed 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 the Public Utilities Commission of the State of California ("CPUC"), as are in effect from time to time.

To the extent not inconsistent herewith, the provisions of the 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 12:00 AM on **November 1st, 2007**.
- (2) The initial term of this Agreement shall end on **November 1st, 2009**.
- (3) Billing Schedule Sequences for terms less than the initial term of this Agreement may be amended or renewed upon expiration as permitted or required in the applicable Tariffs on file with the CPUC. In the event any such Billing Schedule Sequences are not amended or renewed by the Customer, an available Tariff Service that allows a month term may be provided.

At the end of the initial term, this Agreement shall continue thereafter on a month to month basis unless terminated by written notice from one party to the other given not less than twenty (20) days prior to the last day of the initial term or any month thereafter.

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):

Facility A

Facility Name: City Of Long Beach
 Account Number: 060-607-0500
 Address: 2400 E Spring St
Long Beach, CA 90806 - 2203

Mail copy of Bill to this Facility: **YES**

Facility Mailing Address: Financial Services Officer
2400 E. Spring Street
Long Beach, CA 90806
United States

Supplemental Facility Account Number(s):

GNN	GNN Service Address
<u>535</u>	<u>2400 E Spring St, Apt 3, Long Beach, CA 90806 - 2203</u>
<u>536</u>	<u>2400 E Spring St, Long Beach, CA 90806 - 2203</u>
<u>541</u>	<u>2400 E Spring St, Long Beach, CA 90806 - 2203</u>
<u>550</u>	<u>2400 E Spring St, Apt 4, Long Beach, CA 90806 - 2203</u>
<u>21491</u>	<u>2400 E Spring St, Long Beach, CA 90806 - 2203</u>
<u>39412</u>	<u>1 Reservation Pt, Terminal Isl, CA 90731</u>

Full Requirements: **YES** (Noncore only)

Facility Customer Contacts

Operations

Emergency

Name: <u>Ms. Joan Collier</u>	Name: <u>Mr. Alan Winter</u>
Title: <u>Gas Supply and Business Office</u>	Title: <u>Manager of Engineering</u>
Address: <u>2400 E. Spring St.</u>	Address: <u>2400 E. Spring St.</u>
<u>Long Beach, CA 90806</u>	<u>Long Beach, CA 90806</u>
Tel. No: <u>(562) 570-2007</u>	Tel. No: <u>(562) 570-2040 2140</u>
Fax No: <u>(562) 570-2008</u>	Fax No: <u>(562) 570-2008</u>

Customer shall notify Utility in the event of any change in the gas requirements or notification designations for this facility.

BILLING SCHEDULE SEQUENCE 01				
Rate Schedule	Priority	Net Billed	Transmission Rates Tariff/Negotiated	Otherwise Applicable Rate
GT-F7	FIRM	N/A	-TARIFF-	
The term of this sequence is for: <u>2</u> Year(s).				

MONTHLY SCHEDULED QUANTITY (THERMS)			
January	19,720,340	July	7,389,811
February	14,357,756	August	7,584,522
March	16,688,757	September	7,896,810
April	12,708,600	October	9,826,969
May	9,845,817	November	13,542,660
June	7,475,040	December	16,705,404

Annual Quantity **143,742,486**

Use or Pay Aggregator (Yes/No) **NO**

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

M x T x W x Th x F x Sat x Sun x

Section 3 - Other Existing Transportation/Exchange Arrangements

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

Customers "Order Control Code" (OCC) for gas transportation by Utility is: **L02**

In the event Customer has elected Transportation Services herein, a Transportation Services Addendum must be completed to indicate the specific account to which any applicable imbalance charges pursuant to imbalance service provided under Tariff Schedule G-IMB shall be applied. Additional elections may be made by the customer, including but not limited to the use of Agent or Contracted Marketer services. Any elections, or changes thereto, made on the Transportation Services Addendum shall be applicable to all Customer Agreements and facilities utilizing the same Order Control Code.

Section 5 - Billing and Payment

Billing and Payment for services hereunder shall be as provided in Utility's Tariff Rule No. 9. Any special billing instructions should be noted in Section 7(E).

Section 6 - Transfer of Rights

Subject to Section 7(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 establishes its "creditworthiness" and assumes such contractual rights and obligations in writing.

Section 7 - Miscellaneous

A. Use or Pay Aggregator: **N/A**

Use or Pay Aggregators will automatically be authorized to access Customer's meter usage. To the extent applicable, appropriate authorization by Customer (including the terms and conditions thereof) has been executed and incorporated by reference (as supplemented from time to time) in this Agreement.

B. Contacts/Notices:

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
City of Long Beach _____ 2400 E. Spring St. _____	Southern California Gas Company _____ 555 W. 5th Street ML 22A1 _____
Long Beach, CA 90806 _____ Attn: Ms. Joan Collier Title: Gas Supply and Business Office	Los Angeles, CA 90012 _____ Attn: Mr. Oliver N Harris Title: Account Manager

C. Definitions:

All definitions set forth in the Tariffs, including without limitation Utility Rule No. 1, are incorporated herein by reference as if set forth in full.

D. Miscellaneous Legal Provisions:

This Agreement incorporates by reference all terms and conditions of the MSC.

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

N/A

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

Customer	Utility
<u>City of Long Beach</u>	<u>Southern California Gas Company</u>
ASSISTANT Signature: <u><i>Christine J. Shippey</i></u>	Signature: <u><i>Richard M. Morrow</i></u>
Name: <u>Mr. Patrick H West</u>	Name: <u>Mr. Richard M. Morrow</u>
Title: <u>City Manager</u>	Title: <u>V.P., Customer Service</u>

**EXECUTED PURSUANT
TO SECTION 301 OF
THE CITY CHARTER.**

APPROVED AS TO FORM

10/11/2007

ROBERT E. SHANNON City Attorney

By *[Signature]*

DEPUTY CITY ATTORNEY