



San Diego Gas & Electric Company  
San Diego, California

Revised Cal. P.U.C. Sheet No. 20421-E

Canceling Revised Cal. P.U.C. Sheet No. 18487-E

**SAMPLE FORMS**

Sheet 1

FORM 106-44140

AGREEMENT FOR EXTENSION  
AND CONSTRUCTION OF  
OVERHEAD/UNDERGROUND ELECTRIC AND GAS FACILITIES

(1/08)

(See Attached Form)

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Advice Ltr. No. 1940-E-A

Decision No. \_\_\_\_\_

Issued by  
**Lee Schavrien**  
Senior Vice President  
Regulatory Affairs

Date Filed Jan 18, 2008

Effective Feb 17, 2008

Resolution No. \_\_\_\_\_



Submitted to Applicant by:

SDG&E Work Order(s):

**AGREEMENT FOR EXTENSION AND CONSTRUCTION  
OF OVERHEAD/UNDERGROUND ELECTRIC AND GAS FACILITIES**

**PARTIES**

This Agreement, dated \_\_\_\_\_ ("Agreement"), is made and entered into, by and between SAN DIEGO GAS & ELECTRIC COMPANY, a corporation, hereinafter called "Utility," and \_\_\_\_\_, hereinafter called "Applicant".

**RECITALS**

Whereas, Applicant requests Utility to furnish overhead/underground electric/gas service and extension to the premises/subdivision/development/development of land known as \_\_\_\_\_ located at \_\_\_\_\_.

**AGREEMENT**

Therefore, in consideration of the mutual promises herein, the parties agree as follows:

1. **GENERAL.** In accordance with California Public Utilities Commission approved Rules 15 and 16, the allocation of work on work order(s), the General Conditions for Underground Electric Distribution, Service Systems Construction and Gas Trench ("Utility's General Conditions and Specifications" ) and the cost information summarized in Appendix A – Cost Summary all of which are attached hereto and by this reference incorporated herein, Utility and/or Applicant shall construct an/a overhead/underground electric/gas extension and service.
2. **CONTRACT EXPIRATION.** Once Applicant has started to perform the work required by the Contract Documents, Applicant agrees to exercise reasonable diligence in pursuing such work to completion within one year after the date of the Contract Documents. If such work has not been completed within one year after the date of the Contract Documents, Utility shall have the right, upon giving written notice to Applicant, to cancel and terminate the Contract Documents.
3. **CONTRACT CANCELLATION.** If Utility elects to cancel and terminate the Contract Documents, Utility shall return to Applicant an amount equal to the cash advance made, minus Utility's costs. "Utility's costs" are defined as the actual costs (including but not limited to labor, materials and overhead) incurred by Utility prior to such cancellation and termination in connection with work done in furtherance of Applicant's project, plus the actual costs of removing any of the installed facilities which Utility desires to salvage,

minus the salvage value of such facilities. In the event Utility's costs exceed the above cash advance, Applicant agrees to pay Utility a sum equal to the amount by which the Utility's costs exceed the advance. Upon exercise of its right to cancel and terminate and upon payment to Applicant, all of Utility's obligations under the Contract Documents shall cease. Applicant agrees to indemnify, defend, and hold Utility harmless from and against any and all demands, claims, suits, costs, attorneys' fees, witness fees, liabilities and other expenses, in any way arising from the refunding of any money or other pecuniary advances due to the cancellation of contract, regardless of the cause.

4. **CONTRACT COMPLIANCE.** If, after six (6) months following the date the Utility is first ready to serve residential loads for which allowances were granted, or one (1) year for non-residential loads for which allowances were granted, Applicant fails to take service, or fails to use the service contracted for, Applicant shall pay the Utility an additional Contribution, based on the allowances for the loads actually installed.

5. **EXCESS FACILITIES.** If the loads provided by Applicant result in the Utility installing facilities which are in excess of those needed to serve the actual loads, and the Utility elects to reduce such excess facilities, Applicant shall pay the Utility its estimated total cost to remove, abandon, or replace its excess facilities, less the estimated salvage value of any removed facilities.

6. **EASEMENTS.** Applicant shall, upon Utility's request, execute Utility's standard form easements for the construction, service, presence, maintenance or inspection of Utility's facilities as may be required hereunder.

7. **PAYMENT OPTIONS.** Applicant has the option of advancing a refundable Contribution representing the Utility's total estimated installed cost or a nonrefundable Contribution representing a percentage of the refundable amount, as indicated below and described in the attached Appendix(es).

ELECTRIC	€	Refundable	€	Nonrefundable
GAS	€	Refundable	€	Nonrefundable

8. **REFUNDS.** The total refundable amount shall be subject to refund, without interest, in accordance with the following provisions:

a) **Refund Timing.** Refunds will be made within ninety (90) days after the date Applicant becomes eligible for a refund, except that refunds may be accumulated to a \$50 minimum or the total refundable balance, if less than \$50.

b) **Residential Refunds.** Refunds will be made on the basis of a new customer's permanent load connecting to the line extension that produces additional revenues to Utility. Such refundable amount will be that amount which is on file at the time the Contract Documents are signed. The refund will be deducted from the total refundable amount, and the remaining amount subject to refund represents that portion of the extension cost not supported by revenues.

c) **Non-Residential Refunds.** Refunds will be made on the basis of Applicant's or new customer's permanent load connecting to the line extension which produces additional revenues to Utility. Utility shall be responsible to review Applicant's actual base annual revenue for the first three years from the date Utility is first ready to serve. Applicant shall be responsible for notifying Utility if new, permanent load is added in the fourth through tenth year from the date Utility is first ready to serve. Such review shall determine if additional revenue supports any refunds to Applicant.

d) **Applicant Installation.** When the Applicant Installation option is selected, refunds will be made based on the lower of the Utility's estimated refundable

costs or the Applicant's Contract Anticipated Costs, as reported to the Utility, for the work performed under the Applicant Installation option.

- e) **Series of Distribution Line Extensions.** When there is a series of Distribution Line Extensions, commencing with an extension having an outstanding amount subject to refund, and each Distribution Line Extension is dependent on the previous Distribution Line Extension as a direct source of supply, a series refund will be made. Additional service connections supplied from a Distribution Line Extension on which there is a refundable amount will provide refunds first to the Distribution Line Extension to which they are connected. When the amount subject to refund on a Distribution Line Extension in a series is fully refunded, the excess refundable amount will provide refunds to the Distribution Line Extension having the oldest outstanding amount subject to refund in the series.
- f) **Ownership Charge – Electric.** When any portion of an electric refundable amount has not qualified for a refund at the end of twelve (12) months from the date Utility is first ready to serve, Applicant will pay to Utility an Ownership Charge (stated in Rule 15 Section J.) on the remaining refundable balance. The difference between the total refundable advance and any refunds made or eligible to be made to Applicant shall serve as the basis of a monthly Ownership Charge. A monthly Ownership Charge will normally be accumulated and deducted from refunds due to Applicant. This provision does not apply to individual residential Applicants for electric service. Any refundable amount remaining at the end of the ten (10) year period shall become the property of the Utility.
- g) **Ownership Charges – Gas.** When any portion of a gas refundable amount has not qualified for a refund at the end of thirty six (36) months from the date Utility is first ready to serve, Applicant will pay to Utility an Ownership Charge (stated in Rule 15 Section I.) on the remaining refundable balance. The difference between the total refundable advance and any refunds made or eligible to be made to Applicant shall serve as the basis of a monthly Ownership Charge. A monthly Ownership Charge will normally be accumulated and deducted from refunds due to Applicant. This provision does not apply to individual residential Applicants for gas service. Any refundable amount remaining at the end of the ten (10) year period shall become the property of the Utility.
9. **ASSIGNMENTS.** This Agreement may be assigned by Applicant only upon the assignee's written acceptance of said assignment, and the prior approval of Utility as evidenced by written endorsement thereon; however, such approval shall not constitute a release of Applicant's obligation hereunder unless expressly so provided in said endorsement. Utility may refuse to accept an assignment of the Contract Documents unless executed on form furnished and approved by Utility.
10. **COMMISSION CHANGES.** Applicant shall be governed by Utility's applicable Rates and Rules on file with the California Public Utilities Commission, which Rates and Rules are made a part hereof by reference, and a copy of which will be furnished to Applicant on request. This Agreement shall at all times be subject to such changes or modifications as said Commission may, from time to time, direct in the exercise of its jurisdiction.
11. **ELECTRIC OVERHEAD CONSTRUCTION RESPONSIBILITIES.** Utility is responsible for the installation of distribution poles, cross-arms, wires, transformers, and other related distribution equipment required to complete the extension and service, as delineated in the work order mentioned therein.
12. **ELECTRIC UNDERGROUND CONSTRUCTION RESPONSIBILITIES.** Applicant shall perform at its expense all trenching, excavation, backfilling and compaction, including furnishing any imported backfill material required, and will furnish and install all distribution and feeder conduit and substructures required, all in accordance with Utility's

General Conditions and Specifications, attached hereto and made a part hereof by this reference. Utility is responsible for the installation of distribution cable, connections, transformers, and other related distribution equipment required to complete the extension and service.

Upon Utility's final acceptance of said installation in accordance with the referenced Utility's General Conditions and Specifications, Applicant hereby grants, sells and conveys to Utility all its rights, title and interest in and to all materials installed. Once the extension receives final acceptance, Utility agrees to own, operate and maintain such extension and service.

- 13. **GAS CONSTRUCTION RESPONSIBILITIES.** Utility is responsible for the installation of distribution main, valves, regulators, and other related distribution equipment required to complete the extension, including all necessary trenching/excavation, backfilling and compaction, and any imported backfill material required, as delineated in the Work Order(s) mentioned herein.

Where mutually agreed upon by Utility and Applicant, Applicant shall have the option of performing all excavation, backfilling and compaction, including furnishing any imported backfill material, and substructures required, all in accordance with Utility's General Conditions and Specifications, attached hereto and made part hereof by this reference. Utility shall reimburse Applicant, Utility's estimated installed cost of such facilities and work, by applying a credit toward Applicant's advance. Any amount not so credited shall be reimbursed to Applicant upon final acceptance of said work and facilities by Utility.

- 14. **APPLICANT INSTALLATION OPTION.** Where the Applicant Installation option is selected, the Applicant shall use qualified contractors to install that portion of the new electric/gas extension and service normally the responsibility of the Utility. Such installation shall be in accordance with the Utility's design and General Conditions and Specifications, attached hereto and made a part hereof by this reference.

The Contract Documents reflects the lower of the Utility's estimated refundable costs or the Applicant's Contract Anticipated Costs for the work normally the responsibility of the Utility, unless the Applicant has declined to provide these costs. The Applicant certifies that any cost reported to the Utility for the execution of this contract is true and accurate to the knowledge of the Applicant.

- 15. **BETTERMENT.** Where mutually agreed upon by Utility and Applicant, Applicant shall perform additional work to install additional electric/gas facilities in accordance with Utility's specifications, timing, and applicable tariffs. Utility shall reimburse Applicant, Utility's estimated installed cost of such additional electric/gas facilities and work, by applying a credit toward Applicant's advance. Any amount not so credited shall be reimbursed to Applicant upon final acceptance of the additional facilities and work by Utility.

- 16. **AUTHORIZED SIGNATURE.** If Applicant is a corporation, partnership, joint venture or a group of individuals, the subscriber hereto represents that he has the authority to bind said corporation, partners, joint venture or individuals as the case may be.

- 17. **EFFECTIVE DATE.** The Contract Documents shall become effective only upon the date signed by the authorized Utility representative.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed for and on behalf of each, by their duly authorized agents, partners, or corporate officers.

**APPLICANT:**

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Applicant Mailing Address:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

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

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

**SAN DIEGO GAS & ELECTRIC COMPANY,**  
a corporation

By: \_\_\_\_\_  
(Authorized Signature)

Name: \_\_\_\_\_  
(Please Print or Type)

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

By: \_\_\_\_\_  
(Authorized Signature)

Name: \_\_\_\_\_  
(Please Print or Type)

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

By: \_\_\_\_\_  
(Authorized Individual-Utility)

Date Executed: \_\_\_\_\_

Type of Customer (For SDG&E Use Only)

Residential  Non-Residential

Individual  Subdiv/Dev.

## Agreement for Extension & Construction of Electric & Gas Facilities

### APPENDIX A - COST SUMMARY

Following is a summary of the project cost, allowances, refundable amounts, and direct payments associated with the gas and electric installations covered by this agreement.

**1. Amount Due Applicant \***

Rule 15 Electric Overhead Line Extension	(Appendix _)	\$ _____
Rule 15 Electric Underground Line Extension	(Appendix _)	\$ _____
Rule 15 Gas Main Extension	(Appendix _)	\$ _____
Rule 16 Electric Service Installation	(Appendix _)	\$ _____
Rule 16 Gas Service Installation	(Appendix _)	\$ _____
Electric Street Lighting Installation	(Appendix _)	\$ _____

**Total Amount Due Applicant** \$ \_\_\_\_\_

**2. Amount Subject to Future Refund \*\***

Rule 15 Electric Overhead Line Extension	(Appendix _)	\$ _____
Rule 15 Electric Underground Line Extension	(Appendix _)	\$ _____
Rule 15 Gas Main Extension	(Appendix _)	\$ _____

**Total Amount Subject to Future Refund** \$ \_\_\_\_\_

**3. Amount Due Utility \*\*\***

Rule 15 Electric Overhead Line Extension	(Appendix _)	\$ _____
Rule 15 Electric Underground Line Extension	(Appendix _)	\$ _____
Rule 15 Gas Main Extension	(Appendix _)	\$ _____
Rule 16 Electric Service Installation	(Appendix _)	\$ _____
Rule 16 Gas Service Installation	(Appendix _)	\$ _____
Electric Street Lighting Installation	(Appendix _)	\$ _____
Electric Street Light Service Point	(Appendix _)	\$ _____

**Total Amount Due Utility** \$ \_\_\_\_\_

**4. Allowances Granted to Customer**

Electric Residential Allowances (_____ units X \$_____/per unit)	\$ _____
Electric Non-Residential Allowances	\$ _____
Gas Residential Allowances (_____ units X \$_____/per unit)	\$ _____
(Load: <input type="checkbox"/> Heat <input type="checkbox"/> Water Heat <input type="checkbox"/> Range <input type="checkbox"/> Dryer)	
Gas Non-Residential Allowances	\$ _____

**Total Allowances Granted to Customer** \$ \_\_\_\_\_

\* Amount due applicant will be made after final acceptance of work by utility.

\*\* Future refunds will be made in accordance with the refund provisions in Rule 15.

\*\*\* Construction will commence only after receipt of signed agreements, customer payment, and any other specified project requirements.

All costs included in this summary in sections 1, 2, and 3 include an Income Tax Component of Contribution (ITCC).

Note: Please see the attached appendices for a detailed accounting of the costs associated with each of the above installations.