



San Diego Gas & Electric Company  
San Diego, California

Original Cal. P.U.C. Sheet No. 15246-G\*

Canceling \_\_\_\_\_ Cal. P.U.C. Sheet No. \_\_\_\_\_

**SAMPLE FORMS**

Sheet 1

FORM 65503

N  
N

Gas Rule 2 – Special Facilities Contract

(12/05)

N  
N

(See Attached Form)

N

1C6

Advice Ltr. No. 1578-G

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

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

Date Filed Dec 13, 2005

Effective Jan 12, 2006

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



**SAN DIEGO GAS & ELECTRIC COMPANY  
GAS RULE 2 - SPECIAL FACILITIES CONTRACT**

Project No. \_\_\_\_\_ Work Order No. \_\_\_\_\_  
Submitted By: \_\_\_\_\_  
Contract Preparation Date: \_\_\_\_\_

Applicant Name and Mailing Address

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Individual    Corporation    General Partnership    Limited Partnership    Other \_\_\_\_\_

Job Name: \_\_\_\_\_  
\_\_\_\_\_

Job Address \_\_\_\_\_  
\_\_\_\_\_

Special Facilities to Serve: \_\_\_\_\_  
\_\_\_\_\_

Description of Work to be Performed: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**APPLICANT PAYMENTS REQUIRED**

**Customer Advance:**

- 1. Estimated Installed Cost (above Company's standard facilities) and/or Estimated Cost of Rearrangement of facilities: \$ \_\_\_\_\_
- 2. ITCC Tax Gross up: \$ \_\_\_\_\_
- 3. Sub Total (Line 1 plus 2): \$ \_\_\_\_\_

**Ownership Charge:**

- 4. One-time Ownership Charge in advance of the Work (Line 3 X 0.028%): \$ \_\_\_\_\_

**Total Customer Advance Due Utility In Advance of Work: (Line 3 plus 4)** \$ \_\_\_\_\_

**Monthly Payments (if approved by Utility)**

- 5. Monthly Utility-Financed Ownership Charge (Line 1 X 1.57% per month): \$ \_\_\_\_\_
- 6. Monthly Customer-Financed Ownership Charge (Line 3 X .84% per month): \$ \_\_\_\_\_

NOTICE: All costs and charges are based on estimated installed cost. Company reserves the right to require upfront payments in lieu of monthly payments.

## GENERAL TERMS AND CONDITIONS

1. Tariff Rules. This Contract is subject to and incorporates by reference Company's entire applicable tariff schedules as filed from time to time with the California Public Utilities Commission ("Commission"), including but not limited to, Company's Preliminary Statement and Rules 1,2,4,11,13,15,16 and 18. No Agent of the Company has authority to make any terms or representations not contained in this Contract and the tariff schedules and, to the extent that any terms or representations have been made that are not contained in this Contract and the tariff schedules, Applicant hereby waives them and agrees neither Company nor Applicant shall be bound by them.

2. Commission. This Contract is at all times subject to such changes or modifications as the Commission may direct from time to time in the exercise of its jurisdiction.

3. Charges. Applicant shall make the payments required hereunder as provided in the "Applicant Payments Required" section. Applicant shall pay any monthly Ownership Charges, representing the continuing ownership costs of the Special Facilities determined in accordance with the applicable percentage rates established in Company's Tariff Rule No. 2. This monthly Ownership Charge shall commence on the date the Special Facilities are first ready to serve, as determined by the Company. Company will notify Applicant, in writing, (which may be through its invoice) of such commencement date. Utility financed Monthly Ownership Charges and any alternate payment arrangements are provided for at the discretion of Company and are subject to the Applicant's creditworthiness, practicality of monthly or alternate payment arrangements, difficulty of administration of the contract, and other factors.

4. Change in Ownership Charge. The monthly charges shown in the "Applicant Payments Required" section shall automatically increase or decrease without formal amendment to the Contract if the Commission should subsequently authorize a higher or lower percentage rate for monthly ownership charges of Special Facilities as stated in Rule No. 2, effective with the date of such authorization.

5. Easements. Where formal rights of way or easements are required in, under, across or through Applicant's property or the property of others for the installation of the Special Facilities, Applicant understands and agrees that Company shall not be obligated to install the Special Facilities unless and until any necessary permanent rights of way or easements, satisfactory to Company, are granted without cost to Company.

5.1 General. Applicant grants to the Company such easements and rights of way in, under, across and through the real property which is a part of the Job site ("Premises"), together with such rights of ingress and egress as may be necessary or convenient for the Company to install, operate, inspect, maintain, repair, replace and remove the Special Facilities.

5.2 Specific. Upon Applicant's request, the blanket easements granted Company may be deleted and replaced by non-exclusive easement(s) in mutually acceptable form and substance, provided that such easement(s), including the legal description(s), shall be provided at no expense to Company. The Company's acceptance of the easement(s) shall operate to terminate the blanket easement(s) for the applicable portion of the Premises, but shall not affect any of the other terms or conditions of this Contract or any of the tariff rules applicable to any utility service to be provided by Company.

6. Force Majeure. Company shall not be responsible for any delay in the installation or completion of the Special Facilities by Company resulting from events of Force Majeure (Rule No. 1). In the event that Company is prevented from commencing or completing the installation of the Special Facilities due to reasons of Force Majeure within twelve months following the acceptance date of this Contract, Company shall have the right to terminate the Contract or to revise its estimates of the cost figures to reflect any changes since the original costs were determined. Company shall notify Applicant of such termination, or of such adjusted costs and give Applicant the option to either terminate this Contract or proceed with the Contract as revised. Economic conditions or inability of Applicant to obtain financing and/or to sell any part of the Premises shall not be considered an event of Force Majeure.

7. Termination Early. If this Contract is terminated as set forth in Section 6, the provisions of Section 13 shall be applicable, based on that portion of the Special Facilities then completed, if any. Applicant shall also be responsible for any and all charges for any expense incurred by Company for any engineering, surveying, right of way acquisition expenses and other associated expenses incurred by Company for that portion of the Special Facilities not installed, or in Company's sole judgment, not useful in supplying permanent gas service to Company's other customers plus attorneys fees and costs of collection. If such expenses are greater or less than the payments previously made by Applicant, Applicant shall pay to Company, or Company shall refund the balance without interest, to Applicant, as the case may be.

8. Indemnity.

8.1 General. Applicant shall indemnify and hold Company harmless from and against all liability (excluding only Pre-Existing Environmental Liability) connected with or resulting from injury to or death of persons, including but not limited to employees of Company or Applicant, injury to property of Company, Applicant or a third party, or violation of local, state or federal laws or regulations (excluding environmental laws or regulations) (including attorney's fees) arising out of the performance of this Contract, except only for liability caused by the sole negligence or willful misconduct of Company. Provided, however, that as long as the liability is not caused by Applicant's willful misconduct, Applicant's duty to indemnify Company shall also not extend to liability to the extent it is caused by the negligence of Company.

8.2 Environmental. Applicant shall indemnify and hold Company harmless from and against any and all liability (including attorney's fees) arising out of or in any way connected with the violation or compliance with any local, state, or federal environmental law or regulation as a result of pre-existing conditions at the Job site, release or spill of any pre-existing hazardous materials or waste, or out of the management and disposal of any pre-existing contaminated soils or groundwater, hazardous or nonhazardous, removed from the ground as a result of the work performed under this Contract ("Pre-Existing Environmental Liability"), including, but not limited to, liability for the costs, expenses, and legal liability for environmental investigations, monitoring, containment, abatement, removal, repair, cleanup, restoration, remedial work, penalties, and fines arising from the violation of any local, state, or federal law or regulation, attorney's fees, disbursements, and other response costs. As between Applicant and Company, Applicant agrees to accept full responsibility for and bear all costs associated with Pre-Existing Environmental Liability. Applicant agrees that Company may stop work, terminate the Job in accordance with Section 7, redesign the Job to a different location or take other action reasonably necessary to complete the Job without incurring any Pre-Existing Environmental Liability.

8.3 Withhold Rights. In addition to any other rights to withhold, Company may withhold from payments due Applicant such amounts as, in Company's reasonable opinion, are necessary to provide security against all loss, damage, expense and liability covered by the foregoing indemnity provision.

9. Title. Special Facilities provided hereunder shall at all times be and remain the property of Company.

10. Contract For Extension of Gas Line. This Contract supplements any contracts for extension of gas distribution and/or service facilities that may exist in accordance with Rules 15 and 16.

11. Special Facilities Charge. If it becomes necessary for Company to alter or rearrange the Special Facilities, Applicant shall be notified of such necessity and shall be given the option to either (i) terminate this Contract (and pay the amounts set out in Section 12) or (ii) to pay to Company additional Special Facilities charges consisting of (a) a facility termination charge for that portion of the Special Facilities which is being removed because of alteration or rearrangement (determined in the same manner as described in Section 12) plus, (b) an additional Advance and/or rearrangement cost, if any for any new Special Facilities requested; plus, (c) a revised monthly Ownership Charge based on the total installed cost of all new and remaining Special Facilities.

12. Termination Charges (except Lump Sum payments)

12.1 Customer-financed. Upon discontinuance of the use of any Special Facilities for any reason, in addition to all other monies to which Company may be legally entitled or required to collect by virtue of such termination, Applicant having paid the full installed costs consistent with Rule 2 as an Advance under this Contract shall be required to pay the cost of subsequent replacement facilities installed in accordance with Section 11 above, less accumulated depreciation, if applicable, plus Company's cost of removal or abandonment less any remaining salvage value.

12.2 Utility-financed. Upon discontinuance of the use of any Special Facilities for any reason, in addition to all other monies to which Company may be legally entitled or required to collect by virtue of such termination, Applicant shall pay to Company on demand a facility termination charge defined as the initial installed costs as determined by Company in accordance with its standard accounting practices and Rule 2, less accumulated depreciation, plus the cost of subsequent replacement facilities installed in accordance with Section 11 above, less accumulated depreciation, if applicable, plus Company's costs of removal or abandonment, plus any applicable ITCC, less salvage value for the Special Facilities to be removed or abandoned.

12.3 Removal or Abandonment. Company shall be entitled to remove or abandon and shall have a reasonable time in which to remove or abandon any portion of the Special Facilities located on the Applicant's premises.

12.4 Alteration and Retention. Company may, at its option, alter, rearrange, convey or retain in place any portion of the Special Facilities located on other property off Applicant's Premises. Where all or any portion of the Special Facilities located off Applicant's Premises are retained in place and used by Company to provide permanent service to other customers, an equitable adjustment will be made in the facility termination charge.

13. Payment Terms. Unless otherwise expressly stated in a writing signed by Company, all payments from Applicant are due and payable within 19 days from the date of invoice. Applicant agrees Company may apply any credits due Applicant under this Contract or any related Rule 15 or 16 contract to amounts owed by Applicant to Company under this Contract, including the costs of collection (attorneys fees, whether or not suit is brought, and costs).

14. Incorporation by Reference/Revisions. All exhibits attached hereto and all applicable tariff schedules (whether or not specifically mentioned in this Contract or attached hereto) are incorporated by reference. This Contract, including the documents so incorporated, is the complete agreement between the parties respecting its subject matter. If there is more than one Contract, the effective Contract shall be the one with the highest/most current revision number and date.

At the request of Applicant, SAN DIEGO GAS & ELECTRIC COMPANY (Company) hereby agrees, as an accommodation, to install at the Applicant's expense within a reasonable time, or to allocate for Applicant's use, at the Job Address, the Special Facilities, in accordance with its tariffs on file with and authorized by the California Public Utilities Commission (Commission), subject to the terms and conditions set out herein.

The undersigned Applicant agrees to perform all of its responsibilities as set out in Rule 2 and other applicable Company tariff schedules and acknowledges receipt of a copy of Rule 2, and the General Terms and Conditions and agrees to be bound by them and the other provisions on the face hereof. This Contract shall not be effective unless it is (1) executed and delivered by Applicant to Company together with any payment required hereunder within ninety days of the Contract Preparation Date shown on the first page, and (2) accepted by Company. This Contract shall then take effect without further notice to Applicant.

Applicant:

\_\_\_\_\_  
\_\_\_\_\_

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

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

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

Accepted by: San Diego Gas & Electric Company

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

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

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