

SECOND AMENDMENT

THIS SECOND AMENDMENT ("SECOND AMENDMENT") TO THE AGREEMENT TO JOINTLY DELIVER THE 2010-2012 ORANGE COUNTY CITIES ENERGY EFFICIENCY PARTNERSHIP PROGRAM dated January 1, 2010 (the "Agreement" or the "Program") is effective as of January 1, 2015 (the "Second Amendment Effective Date") as defined below by and among SOUTHERN CALIFORNIA GAS COMPANY ("SCG") AND THE CITY OF COSTA MESA, THE CITY OF FOUNTAIN VALLEY, THE CITY OF HUNTINGTON BEACH, THE CITY OF WESTMINSTER and THE CITY OF NEWPORT BEACH (the "Cities"). Terms not otherwise defined herein shall have the meaning ascribed to them in the Agreement. SCG and the Cities may be referred to herein individually as a "Party" and collectively as the "Parties."

RECITALS

WHEREAS, SCG and the Cities previously executed the Agreement effective January 1, 2010 and subsequently amended the Agreement to extend its term through December 31, 2014 in accordance with the applicable decisions of the California Public Utilities Commission;

WHEREAS, on March 26, 2014, the Utility submitted its application ("2015 Application") for the implementation of energy efficiency programs to be delivered to California utility customers for the years 2015, which includes the continuation of the Orange County Cities Partnership Program through 2015 ("2015 Program");

WHEREAS, on October 24, 2014, the Commission issued a Final Decision (D.14-10-046) approving the continuation of the Energy Efficiency Programs through 2015 (the "2015 Program"), and the Parties wish to extend the Agreement through 2015 under the terms and conditions set forth in the Agreement; and

WHEREAS, the Parties desire to further amend the Agreement as necessary to provide an authorized budget for the 2015 Program and to update the Agreement as required to reflect the extended 2015 Program cycle.

NOW THEREFORE, for valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. Effective Date and Conditions Precedent to Effectiveness: The "Second Amendment Effective Date" shall be the date by which all of the following conditions precedent have been met:
 - a. All Parties have signed this Second Amendment; and
 - b. The Commission has issued a Final Decision approving the Utility's respective 2015 Program as filed, or in a form acceptable to the Utility in its sole discretion.
2. Except as provided herein, and to the extent applicable, any reference in the Agreement to the "2010-2012 Program" shall hereby include both the 2013-2014 Program and the 2015 Program.

3. Section 1.1 of the Agreement is hereby deleted in its entirety and replaced with the following:

11. END DATE FOR PROGRAM AND ADMINISTRATIVE ACTIVITIES

Unless this Agreement is terminated pursuant to Section 25 (TERM AND TERMINATION), or unless otherwise agreed to by the Parties or so ordered by the Commission, the Parties shall complete all Program Administrative activities (as defined in the PIP) and all reporting requirements by no later than March 31, 2016, and all Direct Implementation and Marketing & Outreach activities by no later than December 31, 2015.

4. Section 12 of the Agreement is hereby deleted in its entirety and replaced with the following:

12. FINAL INVOICES

Each City must submit final invoices to SCG no later than March 31, 2016.

5. Section 25.1 of the Agreement is hereby deleted in its entirety and replaced with the following:

25.1 Term. This Agreement shall be effective as of the Effective Date. Subject to Section 37, the Agreement shall continue in effect until June 30, 2016 unless otherwise terminated in accordance with the provisions of Section 25.2 or 30 of the Agreement.

6. Section 26 of the Agreement is hereby deleted in its entirety and replaced with the following:

26. WRITTEN NOTICES

Any written notice, demand or request required or authorized in connection with this Agreement, shall be deemed properly given if delivered in person or sent by facsimile, nationally recognized overnight courier, or first class mail, postage prepaid, to the address specified below, or to another address specified in writing by a Party as follows:

The OC Cities:

City of Costa Mesa
Daniel Baker
77 Fair Drive
Costa Mesa, CA 92648
Tel: (714) 754-5156
Email: daniel.baker@costamesaca.gov

City of Fountain Valley
Matt Mogensen, Management Analyst
10200 Slater Ave.
Fountain Valley, CA 92708
Tel: (714) 593-4412
Email: Matt.Mogensen@fountainvalley.org

SCG:

Southern California Gas Company
Ann Teall, Program Advisor
555 W. Fifth Street, GT20B4
Los Angeles, CA 90013
Tel: (213) 244-5843
Email: alcall@scmprautilities.com

City of Huntington Beach
Ken Dills
2000 Main Street
Huntington Beach, CA 92648
Tel: (714) 375-5055
Email: kdills@surfcity-hb.org

City of Newport Beach
Iris Lee, Senior Civil Engineer
100 Civic Center Drive
Newport Beach, CA 92660
Tel: (949) 644-3323
Email: IrisLee@newportbeachca.gov

City of Westminster
Soroosh Rahbari, Building Official
8200 Westminster Blvd.
Westminster, CA 92683
Tel: (714) 898-3311, ext. 250
Email: sorooshr@ci.westminster.ca.us

Notices shall be deemed received (a) if personally or hand-delivered, upon the date of delivery to the address of the person to receive such notice if delivered before 5:00 p.m. PST (or PDT, as applicable), or otherwise on the Business Day following personal delivery; (b) if mailed, three (3) Business Days after the date the notice is postmarked; (c) if by facsimile, upon electronic confirmation of transmission, followed by telephone notification of transmission by the noticing Party; or (d) if by overnight courier, on the Business Day following delivery to the overnight courier within the time limits set by that courier for next-day delivery.

7. This Second Amendment may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall be deemed to be one and the same instrument.
8. Exhibit B (2010-12 ORANGE COUNTY CITIES PARTNERSHIP PROGRAM GOALS AND BUDGET) of the Agreement are hereby deleted in their entirety and replaced with the version of Exhibit B (2013-2015 ORANGE COUNTY CITIES PARTNERSHIP PROGRAM GOALS AND BUDGET) attached to this Second Amendment, which attached version is incorporated herein by reference and made a part of the Agreement.
9. General. From and after the Second Amendment Effective Date, any reference to the Agreement contained in any notice, request, certificate or other instrument, document or agreement shall be deemed to mean the Agreement, as amended by this Second Amendment. In the event of any conflict between the Agreement, as amended, and this Second Amendment, this Second Amendment shall prevail. All remaining provisions of the Agreement shall remain unchanged and in full force and effect. Each party is fully responsible for ensuring that the person signing this Second Amendment on that party's behalf has the requisite legal authority to do so.

[SIGNATURES FOLLOW]

IN WITNESS WHEREOF, the Parties hereto have caused this First Amendment to be executed by their duly authorized representatives as of the Second Amendment Effective Date.

The Cities:

CITY OF COSTA MESA

By: _____

Name Printed: Stephen Mensinger

Title: Mayor

Date:

By: _____

Name Printed: Thomas R. Hatch

Title: CEO

Date:

[SIGNATURES FOLLOW]

IN WITNESS WHEREOF, the Parties hereto have caused this First Amendment to be executed by their duly authorized representatives as of the Second Amendment Effective Date.

The Cities:

CITY OF COSTA MESA

By: _____

Name Printed: Stephen Mensinger

Title: Mayor

Date:

By: _____

Name Printed: Thomas R. Hatch

Title: CEO

Date:

CITY OF FOUNTAIN VALLEY

By: _____

Name Printed: Bob Hall

Title: City Manager

Date: _____

CITY OF HUNTINGTON BEACH

By: _____

Name Printed: Matthew Harper

Title: Mayor

Date: _____

By: _____

Name Printed: Fred Wilson

Title: City Manager

Date: _____

CITY OF NEWPORT BEACH

By: _____

Name Printed: Dave Kiff

Title: City Manager

Date: _____

CITY OF WESTMINSTER

By: _____

Name Printed: Mitch Waller

Title: City Manager

Date: _____

SCG:
SOUTHERN CALIFORNIA GAS COMPANY

By: _____

Name Printed: Daniel Rendler
Title: Director, Customer Programs and Assistance

Date: _____

EXHIBIT B

2013-15 Orange County Cities Partnership Program Goals and Budget

2013-2015 Energy Savings (Gross Therms)				
	2013	2014	2015	3-Year Total
SCG	40,000 Therms	40,000 Therms	40,000 Therms	120,000 Therms

Other non-resource goals are contained in the SCG PIP in Exhibit A.

SCG 2013-2015 OC Cities Partnership Total Non-Incentive Budget			
SCG Authorized Budget	2013-2014 (Previous)	2015	2013-2015 Total Budget
SCG Administrative Other	\$90,687	\$62,233	\$152,920
SCG Administrative Overhead	\$12,949	\$7,319	\$20,268
Total Utility Authorized Budget	\$103,636	\$69,552	\$173,188
OC Cities Authorized Budget	\$168,302	\$84,151	\$252,453
2013-15 Total Non-incentive Program Budget	\$271,938	\$153,703	\$425,641

Projected Allocations for OC Cities Authorized Budget \$252,453

	2013	2014	2015
Administration	\$10,000	\$10,000	\$10,000
Marketing & Outreach	\$7,000	\$7,000	\$7,000
Direct implementation	\$67,151	\$67,151	\$67,151

Note: Incentive is a part of SCG Core Program's Incentive Budget. The incentive level is \$1.00 per therm for calculated measures or 80% of the equipment cost, whichever is the lesser of the two. Incentives for deemed measures are in accordance with the incentive levels for the applicable SCG Core Programs.