



**Gas Sample Form No. 79-869**  
Noncore Balancing Aggregation Agreement

**Please Refer to Attached  
Sample Form**

Advice Letter No: 2567-G  
Decision No.

Issued by  
**Karen A. Tomcala**  
Vice President  
Regulatory Relations

Date Filed August 27, 2004  
Effective October 6, 2004  
Resolution No. \_\_\_\_\_

**PACIFIC GAS & ELECTRIC COMPANY**

**NONCORE BALANCING AGGREGATION AGREEMENT**

This Noncore Balancing Aggregation Agreement (NBAA) is made by and between PACIFIC GAS AND ELECTRIC COMPANY (PG&E), a California Corporation, and \_\_\_\_\_ a(n) \_\_\_\_\_ (Balancing Agent). PG&E and Balancing Agent each shall be referred to herein as "Party" and together as "Parties".

**1. GENERAL**

PG&E will provide gas balancing services on an aggregated basis, if appropriate, to Balancing Agent on behalf of Balancing Agent's individual Noncore End-Use Customers (Customer). Customer and Balancing Agent shall execute a separate Exhibit A for each Customer account under this NBAA.

By entering into this NBAA, Balancing Agent accepts responsibility for all applicable balancing, capacity allocation and constraint obligations, rights, penalties and credits pursuant to gas rate Schedule G-BAL, gas Rule 14 and other applicable rules, from the date this NBAA is effective, and for each Customer executing an Exhibit A. Any existing Customer imbalances and/or adjustments to past imbalances will also become the responsibility of the Balancing Agent upon the effective date of the NBAA.

Balancing Agent shall be subject to PG&E's tariffs, as they may change from time to time, and as they apply to Customers' accounts on an aggregated basis. Balancing Agent may act as an agent for other PG&E Customers under separate NBAAs.

The Balancing Agent is authorized by PG&E, and by each Customer executing an Exhibit A to this NBAA, to do any and all things both proper and necessary in receiving balancing services and complying with all obligations for and on the Customer's behalf, including (by way of illustration and not limitation) the purchase, nomination and delivery of gas supplies, accounting, trading and/or cash-outs of gas imbalances, compliance with gas Rule 14 and other rules as applicable, management of gas storage inventories, and all related transactions for each PG&E Customer account as set forth in the attached Exhibit(s) A.

**2. TERM OF AGREEMENT**

This NBAA is effective upon the date that both Parties have executed the Agreement.

**3. EXHIBITS**

Exhibit A--Customer Balancing Agent Service Authorization: To assign to the Balancing Agent all applicable balancing, capacity allocation and constraint obligations, rights, penalties and credits and to authorize the Balancing Agent to act on the Customer's behalf in providing, receiving service, and complying with the terms and conditions thereof pursuant to rate Schedule G-BAL, gas Rule 14 and other rules, as applicable, Customer and Balancing Agent must execute an Exhibit A. If the Customer has multiple accounts under this NBAA, a separate Exhibit A must be executed for each account.

## NONCORE BALANCING AGGREGATION AGREEMENT (Continued)

Exhibit B—Customer Termination of Balancing Agent Service Authorization: A Customer who wishes to terminate any or all Exhibit(s) A under this NBAA and resume on its own behalf all balancing, capacity allocation and constraint obligations, penalties, and credits, must complete an Exhibit B for each Exhibit A and submit it to PG&E, with a copy to the Balancing Agent.

A Customer who wishes to designate a new Balancing Agent must submit an Exhibit B for each Exhibit A under this NBAA to PG&E, with a copy to the Balancing Agent. Customer must submit an Exhibit A for each account under the NBAA with the new Balancing Agent to PG&E, with a copy to the new Balancing Agent. Likewise, for a Balancing Agent to terminate agent service to a Customer, Balancing Agent must submit an Exhibit B for each Exhibit(s) A to PG&E, with a copy to the Customer. The termination of a Balancing Agent shall become effective pursuant to the terms of Exhibit B.

#### 4. COMMUNICATIONS AND OPERATIONS CONTACTS

All formal communications pertaining to this NBAA shall be in writing and shall be considered received when delivered by facsimile (if followed in a timely manner by confirming documents), courier, or registered mail, with all postage or charges prepaid, to either Party at the address designated below. Daily Nominations shall be considered as duly delivered when received by facsimile or electronic data interchange. Either Party may, from time to time, change or designate any other name or address for receiving communications upon timely notice by the Party requesting such change.

##### Gas Nominations/OFO/EFO Notifications

Name: _____	Pacific Gas and Electric Company
Company: _____	Attn: Gas Scheduling
Department: _____	P. O. Box 770000, Mail Code B16A
Address: _____	San Francisco, CA 94177
_____	Telephone No.: (415) 973-2424
Telephone No.: _____	Facsimile No.: (415) 973-0649
Facsimile No.: _____	

##### Imbalance Notifications and Trades

Name: _____	Pacific Gas and Electric Company
Company: _____	Attn: G-BAL Administrator
Department: _____	P. O. Box 770000, Mail Code B12C
Address: _____	San Francisco, CA 94177
_____	Telephone No.: (415) 973-6799
Telephone No.: _____	Facsimile No.: (415) 973-2860
Facsimile No.: _____	

#### 5. BILLING AND PAYMENT

Balancing Agent shall be responsible for paying PG&E for all charges associated with all services provided to each Customer, or obligations imposed on the Customer, which are the subject of this NBAA. These charges include, but are not limited to, imbalance charges pursuant to rate Schedule G-BAL, and Operational Flow Order (OFO) and Emergency Flow Order (EFO) noncompliance charges or diversion charges pursuant to gas Rule 14. Billing and payment provisions are set forth in gas Rule 25.

## NONCORE BALANCING AGGREGATION AGREEMENT (Continued)

### 6. CREDITWORTHINESS

The Balancing Agent shall meet creditworthiness requirements as set forth in gas Rule 25 in order to act as Customer's Balancing Agent under this NBAA. Creditworthiness determinations may be adjusted by PG&E when Customers begin or terminate services with Balancing Agent under this NBAA.

### 7. ASSIGNMENT

This NBAA may not be assigned by any Party without the written consent of the other Party. Any successor to, transferee of, or assignee of the rights of a Party, whether by voluntary transfer, judicial sale, foreclosure sale, or otherwise, shall be subject to all terms and conditions of this NBAA to the same extent as though such successor, transferee or assignee were an original Party. Assignment of this NBAA shall not release the assigning Party from any of the obligations under this NBAA prior to assignment, unless such a release, and its terms, are specifically agreed to in writing by the other Party to this NBAA and by the assuming Party.

### 8. FORCE MAJEURE

It is understood and agreed that "force majeure" as used herein shall not include, nor are exclusions limited to, scheduled and routine maintenance and repairs of machinery and lines of pipe, operational flow orders or emergency flow orders in accordance with PG&E gas Rule 14, financial considerations, or the unavailability of upstream or downstream transportation or supply.

In the event Balancing Agent or PG&E is rendered unable, wholly or in part, by force majeure to carry out its obligations under this NBAA, it is agreed that, upon such Party giving notice and reasonably full particulars of such force majeure in writing (or by facsimile or telephone if confirmed in writing within seventy-two (72) hours) to the other Party within five business days of the onset of the force majeure condition, then the obligations of the Party giving such notice, so far as they are affected by such force majeure, shall be suspended during the continuance of the effects of the cause, and the Party subject to such cause shall remedy it so far as possible with all reasonable dispatch; provided, however, that no force majeure shall be cause for delay in the payment for services rendered prior to its inception.

The term "force majeure," as employed herein, shall mean acts of God, strikes, lockouts or other industrial disturbances, acts of the public enemy, wars, blockage, insurrection, riots, epidemics, landslides, lightning, earthquakes, fires, storms, floods, high water, washouts, civil disturbances, explosions, breakage or accident to machinery or lines of pipe, the necessity for making non-routine repairs, non-routine alterations to machinery or lines of pipe, freezing lines of pipe, acts of civil or military authority (including, but not limited to, courts, or administrative or regulatory agencies), and any other cause, whether of the kind herein enumerated or otherwise, not within the control of the Party claiming suspension and which, by the exercise of due diligence, that Party is unable to prevent or overcome.

It is understood and agreed that the settlement of strikes or lockouts shall be entirely within the discretion of the Party having the difficulty, and the above requirement that any force majeure shall be remedied with all reasonable dispatch shall not require the settlement of strikes or lockouts when such course is inadvisable in the discretion of the Party having the difficulty.

## NONCORE BALANCING AGGREGATION AGREEMENT (Continued)

### 9. LIABILITIES AND WAIVERS

With the exception of tariff and rule changes approved by the Public Utilities Commission of the State of California (CPUC), no subsequent waiver, modification or amendment of this NBAA or of any of its provisions shall be of any effect unless in writing and signed by a duly authorized representative of each Party.

This NBAA shall not change the obligations, restrictions or rights contained in other agreements between the Parties unless expressly set forth in this NBAA. The Parties agree that all understandings between them regarding the gas service to be provided under this NBAA are set forth or referenced in this NBAA. No agreements, representations, memoranda, or any other form of communication, written or oral, exchanged before the signing of this NBAA (other than PG&E's tariffs), shall be grounds for altering or interpreting the terms of this NBAA.

The waiver by any Party of any breach of any term, covenant or condition contained in this NBAA, or any default in the performance of any obligations under this NBAA, shall not be deemed to be a waiver of any other breach or default of the same or any other term, covenant, condition or obligation. Nor shall any waiver of any incident of breach or default constitute a continuing waiver of the same.

No Party under this NBAA shall be assessed any special, punitive, consequential, incidental, or indirect damages, whether in contract or tort, for any actions or inaction arising from or related to the NBAA.

PG&E shall have no liability to any Customer, or any assignee thereof, for any curtailment or interruption of service or losses of gas pursuant to this NBAA, PG&E's gas rules or rate schedules. The liability of PG&E for any curtailments or interruptions or gas losses otherwise arising out of mistakes, omissions, interruptions, delays, errors or defects in any of the gas services or facilities furnished by PG&E shall in no event exceed an amount equal to any applicable pro rata charges for the period during which the services or facilities are affected by the mistake, omission, interruption, delay, error or defect, and under no circumstances shall PG&E be liable to Customer, or assignee thereof, for consequential, indirect or punitive damages for an interruption or curtailment of service or losses of gas, whether arising in contract, Tort (including negligence), or otherwise; provided, however, that the provisions hereof shall not apply to damages caused by willful misconduct, fraudulent conduct or violations of law.

This NBAA shall be interpreted under the laws of the State of California. This NBAA and the obligations of the Parties are subject to all valid laws, orders, rules, and regulations of the authorities having jurisdiction over this NBAA (or the successors of those authorities).

PG&E retains the right to terminate immediately the offering or furnishing of any services hereunder if the continued performance of such services could reasonably be determined to jeopardize continuance of PG&E's Hinshaw Exemption pursuant to Section 1 (c) of the Natural Gas Act.

**NONCORE BALANCING AGGREGATION AGREEMENT (Continued)**

**BALANCING AGENT**

**PACIFIC GAS AND ELECTRIC COMPANY**

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Print Name of Authorized Representative)

\_\_\_\_\_  
(Print Name of Authorized Representative)

\_\_\_\_\_  
(Title)

\_\_\_\_\_  
(Title)

\_\_\_\_\_  
(Date)

\_\_\_\_\_  
(Date)

Incorporated Attachments: Exhibit(s) A, B  
Illustrative Attachments: Gas Rate Schedule G-BAL  
Gas Rules 14, 25