FIRST AMENDMENT

FIRST AMENDMENT ("FIRST AMENDMENT") TO THE AGREEMENT TO DELIVER THE 2013-2014 REDLANDS ENERGY EFFICIENCY PARTNERSHIP PROGRAM dated January 1, 2013 (the "Agreement") is effective as of January 21, 2015 (the "First Amendment Effective Date") by and between SOUTHERN CALIFORNIA GAS COMPANY ("SCG") AND THE CITY OF REDLANDS. Terms not otherwise defined herein shall have the meaning ascribed to them in the Agreement. SCG may be referred to individually herein as the "Utility" or collectively as the "Utilities". The Utilities and The City of Redlands may be referred to herein individually as a "Party" or collectively as the "Parties."

RECITALS

WHEREAS, the Parties previously executed the Agreement effective January 1, in accordance with the applicable decisions of the California Public Utilities Commission ("Commission");

WHEREAS, on November 14, 2013, 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 included the continuation of the Redlands Energy Efficiency Partnership Program through 2015 ("2015 Program");

WHEREAS, on October 24, 2014, the Commission issued its Decision (D.14-10-046) approving the continuation of the Energy Efficiency Partnership Programs, which includes the 2015 Program, and the Parties desire to extend the Agreement through the year 2015 under the terms and conditions set forth in the Agreement, except as otherwise provided in this First Amendment; 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. To the extent applicable, any reference in the Agreement, as amended, to the "2013-2014 Program" shall also hereby include the 2015 Program.

2. Section 11 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 below, 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.

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

12. FINAL INVOICES

The City must submit final invoices to the Utility no later than March 31, 2016.

- 4. Section 25.1 of the Agreement is hereby deleted in its entirety and replaced with the following:
 - 25.1 <u>Term.</u> 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 below.
- 5. 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 City:
City of Redlands
Fred Cardenas, Director of Quality of Life
PO Box 3005
35 Cajon Street, Suite 222
Redlands, CA 92373

SCG: Southern California Gas Company Jeff Lawler, Program Manager 555 W. Fifth Street, GT20B4 Los Angeles, CA 90013

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.

6. This First 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.

- 7. Exhibit B (Southern California Gas Company GOALS & CITY OF REDLANDS ENERGY EFFICIENCY PARTNERSHIP BUDGET) of the Agreement are hereby deleted in their entirety and replaced with the version of Exhibit B Southern California Gas Company 2015 GOALS & PARTNER BUDGET FOR The City of Redlands attached to this First Amendment, which attached versions are incorporated herein by reference and made a part of the Agreement.
- 8. General. From and after the First 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 any prior amendments to the Agreement, and this First Amendment. In the event of any conflict between the Agreement, as amended, and this First Amendment, this First 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 First Amendment on that Party's behalf has the requisite legal authority to do so.

[SIGNATURES FOLLOW ON NEXT PAGE]

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

REDLANDS:

THE CITY OF REDLANDS:

Name: Paul W. Foster

Title: Mayor, City of Redlands

Date:

ATTEST':

Sam Irwin, City Clerk

SOCALGAS:

SOUTHERN CALIFORNIA GAS COMPANY

Name: Frank Spasaro

Title: Partnerships & Finance Manager

Date: 1/23/15