

Southern Gas Association

Mutual Assistance Procedures and Guidelines Approved August 1, 2006

As directed by the Board of Directors of Southern Gas Association (SGA), the Distribution Operating Section Managing Committee has developed and approved the following procedures and guidelines for Members to request and provide assistance to aid in restoring gas service when it has been disrupted and cannot be restored in a safe and timely manner by the affected company or companies alone. In approaching this task, committee members recognized the significant differences between work performed under normal circumstances and emergency restoration, as well as the fact that each member may at some time both require and supply emergency assistance. Therefore, Members have reached understanding and agreement to adhere to the procedures and guidelines contained herein.

The Distribution Operating Section Managing Committee shall have responsibility for maintenance and revision of the *Southern Gas Association Mutual Assistance Procedures and Guidelines*.

Section I

Understanding Among Members Regarding Mutual Assistance

1. Participating Members of Southern Gas Association (“Members”) understand and agree:

- 1.1 This document, as well as any future approved modifications, shall be known as the Southern Gas Association Mutual Assistance Procedures and Guidelines (“SGA Mutual Assistance Procedures and Guidelines” or “Agreement”).¹
- 1.2 Members will make a good faith effort to provide assistance to aid in restoring gas service when aid is needed by another Member company. Nothing in this agreement commits a company to respond; companies will, however, follow the procedures and guidelines set out herein if they are able to respond to a Requesting Company’s need for assistance.
- 1.3 That Members will work together to minimize risk to all parties. Responding Company will provide assistance (which may include personnel, equipment, and/or materials) on a not-for-profit basis, and Requesting Company will reimburse Responding Company for all expenses incurred in providing the assistance.¹
- 1.4 To adhere to and operate in accordance with the procedures contained in this Agreement.

¹ In this Agreement the terms “Responding Company” and “Requesting Company” refer to both the company and its employees.

- 1.5 That should there be any conflict in procedures and guidelines contained in the SGA Mutual Assistance Procedures and Guidelines and other regional or national mutual assistance agreements, guidelines, principles, or procedures, Members shall adhere to the SGA Mutual Assistance Procedures and Guidelines when assisting or requesting assistance from fellow members through the Joint Mobilization Conference Call Procedure outlined in Section III.
- 1.6 Members reserve the sole right to respond or not respond to a request for assistance on a case-by-case basis.
- 1.7 At all times, employees of a Responding Company continue to be employees of that Responding Company and are not ever deemed to be employees of a Requesting Company.
- 1.8 Wages, hours and other terms and conditions of employment of Responding Party shall apply to its employees at all times.

Section II General Guidelines / Responsibilities

2. Personnel Safety

- 2.1 Whether providing or receiving assistance, the safety of all personnel and the general public will be the preeminent objective and responsibility of all participants.
- 2.2 Responding Company will follow its own safety rules, except as may be agreed to in paragraph 2.4 below.
- 2.3 In the event the Responding Company or its employees are involved in any incident involving damage to persons or property, Responding Company will report the particulars of such incident to Requesting Company as soon as practicable after any such incident
- 2.4 Where the Responding Company and Requesting Company's procedures related to restoring service, working on live gas, and safety procedures differ, prior to mobilization the companies shall agree which procedures the Responding Company will follow. If any of the Requesting Company's procedures are used, the Requesting Company will provide the necessary training and orientation for the Responding Company's employees. Any questions or concerns arising about any safety rules and/or procedure should be promptly resolved between the Requesting and Responding Companies management.

3. Maintenance of Contact Roster

- 3.1 In order to facilitate efficient communication and response, Members will share the following information:
 - The names, contact numbers (if available, work phone, home phone, cellular phone, and pager), and e-mail addresses for two (2) individuals authorized to participate in Joint Mobilization Conference Calls.

- If available, the telephone number for the 24-hour operations / dispatch center for Members.
- If available, a satellite telephone number for the 24-hour operations / dispatch center.
- If available, a corporate emergency center 24-hour telephone number, if different from the 24-hour operations / dispatch telephone number.

3.2 The Southern Gas Association office will be responsible for maintaining, updating and furnishing to Members the Member Company Contact Roster annually.

4. Code of Conduct

4.1 Whether providing or receiving assistance, all personnel will be expected to conduct themselves in accordance with their company's Code of Conduct if such code exists, and if not, then all personnel will conduct themselves in a professional and responsible manner.

5. Communication With Contractors

5.1 Members understand the need for clear communication with contractors working on their systems and are encouraged to explain the joint mobilization process discussed in this document.

6. Definition of Emergency Assistance Period

6.1 Members agree that the Emergency Assistance Period shall commence when personnel and/or equipment expenses are initially incurred by the Responding Company in response to the Requesting Company's needs. This includes any request for the Responding Company to prepare its employees and/or equipment for travel to the Requesting Company's location and to await further instructions before departing. This preparation time should begin when normal work activities for Responding Company stop and preparations dedicated to supporting the off system effort begin. Except as noted in ¶ 6.3, the Emergency Assistance Period shall terminate when such employees and/or equipment have returned to their point of origin, and shall include any mandated DOT reset time and reasonable time required to prepare the equipment for return to normal activities (e.g. cleaning trucks, restocking minor materials, etc.).

6.2 The length of stay by Responding Company personnel will be mutually agreed to by both companies. Generally, this period should not exceed 14 consecutive days, including travel time to the work area and return to the point of origin. When mutual assistance assignments go beyond this timeframe, SGA Members agree that Responding Company personnel will usually be changed out (rotated) rather than take extended reset periods (days off). Responding and Requesting companies may agree upon exceptions to this procedure.

- 6.3 It is understood and agreed that Responding Company can, in its sole and independent judgment, during any time after it has mobilized to provide mutual assistance recall any part or all of the Responding Company's native and/or contract workforce. In these instances:
- It is understood and agreed that the decision to terminate assistance and recall employees lies solely with the Responding Company.
 - If recall of Responding Company's workforce becomes necessary, the Requesting Company will be responsible for all expenses incurred by Responding Company up to the time of recall, as well as return travel costs to the workforce's point of origin and any needed retrofit of equipment as described in ¶ 6.1 above.
 - If Responding Company's workforce is recalled to a location other than their original point of origin, the Requesting Company will be responsible for travel costs not to exceed that which would have been incurred had the workforce returned to their original point of origin.

Section III

The Joint Mobilization Conference Call Procedures

7. Purpose and Rationale for Joint Mobilization Conference Call Procedures

- 7.1 The following procedures are intended to enhance and in no way hamper the mobilization goals of Member companies during emergencies.
- 7.2 Because response time is critical in emergency situations, the Joint Mobilization Conference Call provides a mechanism that allows Members to quickly request assistance and identify the number and status of all available regional resources.
- 7.3 The Joint Mobilization Conference Call format should:
- Provide Members with the opportunity to understand the entire scope of the emergency situation, including the number of companies expecting to be impacted and the potential damage to each.
 - Allow Members to discuss and evaluate weather forecasts from different sources.
 - Result in the most efficient, effective and equitable allocation of available resources, while mitigating the financial risk associated with early mobilization of resources.

8. Agreement / Understanding – Joint Mobilization Conference Call Procedures

- 8.1 Members agree to adhere to the procedures contained in Section III of this Agreement for requesting, identifying, and mobilizing emergency mutual assistance resources. The understood exception being when an event impacts a single member company and the impacted company anticipates a short restoration

time requiring assistance from only neighboring (adjacent) companies. In this instance, the impacted member may contact neighboring companies directly to arrange assistance.

- 8.2 Members understand and agree that participation on Joint Mobilization Conference Calls is restricted to employees of Member companies or signatories of the SGA Mutual Assistance Agreement, which may include member companies of American Gas Association or American Public Gas Association and staff members and/or representatives of the aforementioned associations, unless otherwise agreed.
- 8.3 Members understand that conversations between Members during Joint Mobilization Conference Calls may contain confidential and propriety information. Therefore, with the exception of general deployment data / information, Members, SGA staff members/representatives, and all other signatories to the Agreement agree not to share or release any information shared by other Members during Joint Mobilization Conference Calls without prior consent.

9. Initiation of the Joint Mobilization Conference Call

- 9.1 Typically, the Member that expects to be impacted first by an event will initiate the conference call (“Initiating Member”).
- 9.2 Members may initiate a conference call anytime they experience or are threatened by an event so significant that they anticipate needing resources beyond the capabilities of their neighboring (adjacent) companies to restore their system.
- 9.3 Procedure for initiating the Joint Mobilization Conference Call:

- During normal business hours, the Initiating Member will notify Southern Gas Association (972-620-8505) that it wishes to hold a Joint Mobilization Conference Call for emergency response and provide the date and time for the call (including time zone). SGA will distribute by email the Joint Mobilization Conference Call information to one of two groups (Initiating Member should specify):

-- All Participating Members of the Southern Gas Association (“Members”) or

--A specific group of Members as specified by the Initiating Member.

After each call, SGA will summarize and distribute discussion notes to all call participants.

- After normal working hours and on weekends, a Member may initiate a Joint Mobilization Conference Call by contacting the SGA person on call (24 hour emergency numbers can be accessed by going to www.southerngas.org; click on “Resource Center” at the top; then on the “Natural Disaster Emergency Management Interest Group” folder, then on the “After Hour Emergency Phone Numbers – SGA” folder). This SGA person on call will contact Members by email or phone using the SGA Mutual Assistance Contact Roster. If the SGA person

on call cannot be reached, the Initiating Member will use the SGA Mutual Assistance Contact Roster on the SGA web site to contact Members directly.

10. Responsibilities of the Initiating Member

10.1 The Initiating Member will designate an individual to serve as moderator for the Joint Mobilization Conference Call. The moderator with the assistance of the SGA coordinator will:

- Call the roll of Member companies and identify non-Member participants.
- Present an estimate of predicted impact / damages and when these are expected to occur or an assessment of actual damages if the event has already occurred. If the event is large enough to impact more than one member's service territory, the moderator will ask other Members for their projected damage assessments.
- Present an estimate of resources needed by type (i.e. personnel, equipment, materials, etc.). If the event is large enough to impact more than one member's service territory, the moderator will ask other Members for their projected resource needs.
- By roll call, ask all non-impacted Members and participants to estimate the numbers of resources they intend to make available to assist immediately or once their territories are no longer threatened.
- When appropriate, the moderator will lead discussion of staging areas to be used by Responding Companies; transportation concerns, such as evacuation orders, fuel availability, and DOT exemptions; and, the availability of non-Member resources that may be available to assist Requesting Companies.
- Keep the call moving and minimize the length of the call as much as possible.
- Set the date and time for future conference call(s).

11. Responsibilities of Non-Initiating Members Participating In Conference Calls

11.1 Members agree that participation in the Joint Mobilization Conference Call by Non-Initiating Members does not obligate them to become a Responding Company.

11.2 Responding Company agrees not to release or dispatch ANY resources (contract or native) unless committed to and confirmed by a Requesting Company. It is understood that a Responding Company's territory must be free from significant threat before resources can be committed and dispatched.

11.3 Within twenty-four hours of the first Joint Mobilization Conference Call, non-impacted Members will be prepared to provide an estimate of the number of their employees available to assist Requesting Company (ies), including an estimate of when those personnel can be dispatched.

11.4 To enhance safety and flexibility, upon request non-impacted Members will be prepared to identify staging areas available in their territories.

11.5 Upon request non-impacted Members will assist with DOT exemptions for crews traveling through their service territories.

12. Resource Allocation and Mobilization

12.1 When more than one company has requested emergency assistance under this Agreement, all Members understand and agree that it is the responsibility of the Requesting Companies to agree upon the allocation of available member company resources with the assistance of the SGA Coordinator.

12.2 Members agree that, in general, resources will be allocated on the basis of severity of need, based on:

- Impact – degree of system loss and estimated time customers have been without service.
- Which company will be first impacted.
- Travel time.
- Availability of other non-SGA member-controlled resources.

The intent will be to allocate available resources to meet all member company needs in the most efficient manner possible according to severity of need.

12.3 Members agree that final dispatch of committed resources is to be coordinated directly between the Requesting Company and the Responding Company (or its contractor(s), where applicable).

13. Responsibilities of SGA Coordinator

13.1 A Coordinator designated by the Southern Gas Association will be responsible for notifying Members of Joint Mobilization Conference Calls in accordance with ¶ 9.3 and assist the initiating member moderator as needed.

13.2 The Southern Gas Association Coordinator will be responsible for producing and distributing conference call summary notes after each conference call.

13.3 When more than one company has requested emergency assistance, the Southern Gas Association Coordinator will serve as moderator of conference calls between impacted companies to allocate SGA member company resources.

Section IV

Requesting Company Responsibilities

14. Requesting Company – Responsibilities Prior to Mobilization

14.1 To the extent possible, the Requesting Company is expected to clearly communicate the degree of devastation and working conditions Responding Company personnel should expect to encounter upon arrival at the emergency restoration work area.

- 14.2 The Requesting Company is expected to inform the Responding Company prior to deployment if their requirements for maintaining and furnishing receipts differs from the procedures stated in ¶ 20.5.
- 14.3 To facilitate communications, the Requesting Company may opt to provide a single point of contact (Coordinator) to interact with the Responding Company. If a single point of contact (Coordinator) is designated a secondary point of contact shall be designated also.
- 14.4 The Requesting Company will provide the Responding Company with the name and contact information for their Coordinator(s) before Responding Company personnel leave their point of origin.
- 14.5 Requesting Company will coordinate with their state DOT officials concerning emergency exemptions and any other transportation issues that will facilitate the Responding Company's trip to and from the Requesting Company. Requesting Company will also coordinate with other state and federal officials, as necessary.
- 14.6 The Requesting Company is encouraged to communicate general guidelines with Responding Company. Items covered may include labor contractual issues, safety issues, contact personnel, vehicle fueling arrangements, typical standard construction, meal and lodging arrangements, and other items that will be of benefit to the responding personnel and their supervision.

15. Requesting Company – Responsibilities During Emergency Assistance Period

- 15.1 The Requesting Company will establish expectations for work, including start time and duration.
- 15.2 The Requesting Company will provide materials necessary for emergency assistance, unless specifically noted otherwise.
- 15.3 The Requesting Company will provide a guide with communications capability or portable radios/cellular telephones to assist responding team leaders.
- 15.4 The Requesting Company will provide required system maps and/or information.
- 15.5 The Requesting Company will provide vehicle security for parking areas unless specifically agreed otherwise.
- 15.6 With the exception of food and lodging during travel to and from the final work site, the Requesting Company will handle all food, lodging and incidental support needed by Responding Company unless both companies agree that Responding Company will handle these logistics.
- 15.7 Requesting and Responding companies should agree on the provision of laundry services.
- 15.8 If the Responding Company has not purchased pre-paid long distance calling cards for crew members as suggested below, the Requesting and Responding

Companies must agree on the provision of long distance telephone services for emergency workers to use after they arrive at the restoration work site.

16. Requesting Company - Procedures for Releasing Assisting Companies

16.1 The Requesting Company will notify each Responding Company's Coordinator (as required in ¶ 19.2) 24-hours in advance of the anticipated release of their utility and contract crews.

17. Requesting Company – Responsibility for Reimbursement of Expenses

17.1 Members understand and agree that the provision of emergency mutual assistance is a not-for-profit endeavor for Responding Companies. Therefore, the Requesting Company will reimburse all reasonable costs and expenses incurred by the Responding Company in the provision of the emergency assistance for the entire Emergency Assistance Period as defined in ¶ 6. Responding Company shall furnish documentation of expenses to Requesting Company. Such costs and expenses shall include, but not be limited to, the following:

- a. Employees' wages and salaries including applicable overheads.
- b. Employee travel and living expenses (meals, lodging and reasonable incidentals).
- c. Replacement cost of materials and supplies expended or furnished.
- d. Repair or replacement cost of equipment damaged or lost.
- e. Charges, at rates internally used by Responding Company, for the use of transportation equipment and other equipment requested.
- f. Administrative and general costs, which are properly allocable to the emergency assistance to the extent such costs, are not chargeable pursuant to the foregoing subsections.

17.2 If Responding Company resources are released after mobilization but before being utilized, the Requesting Company will reimburse Responding Company for all incurred preparation and travel expenses (from and to the point of origin), including any mandated DOT reset time and reasonable time required to prepare the equipment for return to normal activities after returning to their point of origin.

17.3 During emergencies impacting more than one member, Responding Company resources may be re-assigned either: en route to the Requesting Company; at an initial staging area before reaching the Requesting Company; or at the Responding Company's final staging area. Additionally, resources may be assigned to assist a second Requesting Company after completing work for the initial Requesting Company.

In any of these instances, unless otherwise mutually agreed or stated in this Agreement, the Requesting Company that receives the re-assigned Responding Company resources will be responsible for all Responding Company costs from the time of re-assignment.

- 17.4 *Host Companies* are those companies who may provide staging areas or other resources to a Responding Company. Requesting Company will reimburse Host Company for expenses incurred in the provision and management of interim staging areas (i.e. labor and miscellaneous expenses provided by the host company to operate the staging area, but not including any Responding Company crew costs). In emergencies involving more than one Requesting Company, staging costs will be shared by Requesting Companies on a prorated basis based on the resources committed to each Requesting Company entering (logged into) the staging site.
- 17.5 Provided proper supporting documentation is included, the Requesting Company will pay invoice(s) from Responding Company within 60 calendar days after receipt of invoice(s).

18. Indemnification

- 18.1 Requesting Company shall indemnify and hold Responding Company harmless from and against any and all liability for loss, damage, cost or expense which Responding Company may incur by reason of bodily injury, including death, to any person or persons or by reason of damage to or destruction of any property, including the loss of use thereof, which results from furnishing emergency assistance under this Agreement and whether or not due in whole or in part to any act, omission, or negligence of Responding Company except to the extent that such death or injury to person, or damage to property, is caused by the willful or wanton misconduct and/or gross negligence of the Responding Company. Where payments are made to Responding Company's employees under a worker's compensation or disability benefits law or any similar law for bodily injury or death resulting from furnishing emergency assistance, Requesting Company shall reimburse the Responding Company for such payments, except to the extent that such bodily injury or death is caused by the willful or wanton misconduct and/or gross negligence of the Responding Company.
- 18.2 In the event any claim or demand is made or suit or action is filed against Responding Company alleging liability for which Requesting Company shall indemnify and hold harmless Responding Company under paragraph (18.1) above, Responding Company shall promptly notify Requesting Company thereof, and Requesting Company, at its sole cost and expense, shall settle, compromise or defend the same in such manner as it in its sole discretion deems necessary or prudent.
- 18.3 The provisions of this subsection 18 shall remain in effect for a period of five years after the last date on which the Responding Company provided assistance to the Requesting Company, and unless mutually agreed to otherwise, shall be governed by and construed in accordance with the laws of the state of the Responding Company.

Section V

Responding Company – Responsibilities

19. Responding Company – Responsibilities Prior to Mobilization

- 19.1 To the extent possible, the Responding Company is expected to clearly communicate the degree of devastation and working conditions to their employees that they should expect to encounter upon arrival at the emergency restoration work area.
- 19.2 To facilitate communications, the Responding Company shall provide a single point of contact (Coordinator) to interact with the Requesting Company.
- 19.3 Prior to traveling, Responding Company is authorized to purchase pre-paid telephone calling cards for each team member (up to 120 minutes). This should preclude any telephone charges to any lodging facility by the Responding Company personnel except in case of emergency local 911 calls. Pre-paid calling card expenses shall be included in the supporting documentation for the company's Preliminary Invoice. However, if Responding Company does not purchase pre-paid calling cards, it will reach agreement with Requesting Company to establish guidelines for long distance telephone service to begin immediately upon arriving at the restoration work site.
- 19.4 Responding Company agrees not to load extra emergency stock on trucks unless specifically requested by the Requesting Company.

20. Responding Company – Responsibilities During Emergency Assistance Period

- 20.1 Responding Company will handle all communication needs within their teams.
- 20.2 The Responding Company will be responsible for performing normal maintenance on their vehicles and equipment during the Emergency Assistance Period and this work will be covered in their standard hourly/daily rates.
- 20.3 Responding Company will maintain daily records of time and expenses for personnel and equipment. This documentation will be provided with its Preliminary Invoice.
- 20.4 When the Requesting Company has provided specific guidance in advance that differs from that in ¶ 20.5, the Responding Company will maintain and furnish the requested documentation of expenses with their preliminary invoice.
- 20.5 Unless otherwise agreed prior to mobilization, Members agree that Responding companies will maintain and furnish upon request receipts for all individual expenses / purchases made during the Emergency Assistance Period in

accordance with the IRS requirements in effect at the time assistance is requested.

- 20.6 Responding Company will document all work performed and installations in a manner agreeable to the Requesting Company.
- 20.7 Responding Company shall be an independent Contractor of Requesting Company and wages, hours and other terms and conditions of employment of Responding Company shall remain applicable to its employees during the emergency assistance period.
- 20.8 All instructions for work to be done by Responding Company's crews shall be given by Requesting Company to Responding Company's supervisor(s); or, when Responding Company's crews are to work in widely separate areas, to such of Responding Company's foremen as may be designated for the purpose by Responding Company's supervisor(s).

21. Responding Company – Responsibilities End Of Emergency Assistance Period

- 21.1 Unless otherwise agreed, Responding Company should submit an invoice ("Preliminary Invoice") to Requesting Company within 60 calendar days from the date released by the Requesting Company. Responding Company will provide supporting documentation at the time the Preliminary Invoice is mailed. Requesting Company should receive a final invoice within 90 calendar days from invoice date of Preliminary Invoice.
- 21.2 Responding Company agrees to maintain auditable records of billed expenses for emergency mutual assistance sufficient to satisfy the legal / statutory requirements and obligations incumbent upon the Requesting Company. It is Requesting Company's responsibility to make those requirements and obligations known to the Responding Company prior to mobilization.
- 21.3 Responding Company shall return all maps and proprietary information to the Requesting Company.
- 21.4 Responding Company shall return all loaned equipment to the Requesting Company.

Mutual Assistance Procedures and Guidelines Signature Page

The undersigned organization hereby agrees to the foregoing Southern Gas Association Mutual Assistance Procedures and Guidelines.

Company

Date

Company Officer's Signature

Printed Name of Officer

Title of Officer