

June 6, 2006

**Illinois Commerce Commission**  
527 East Capitol Ave.  
Springfield, Illinois 62701

To Whom It May Concern,

This letter is to confirm that pursuant to the Demand Promissory Note dated September 1, 2002, between Sempra Energy Solutions and Sempra Energy Global Enterprises, its corporate Parent, Sempra Energy Solutions has the ability to borrow from its corporate parent at least the greater of \$750,000 or 7.5% of its total revenue as shown on the financial statement for the most recently completed fiscal year. The Demand Promissory Note is in continuing force and effect and Sempra Energy Solutions has the ability to borrow the amount stated above for at least one year.

Sincerely,

Michael Allman  
CFO  
Sempra Energy Global Enterprises

Subscribed and sworn to before me this  
June 6, 2006

**SECOND GUARANTEE AMENDMENT**

**To: Illinois Electric Public Utilities: Commonwealth Edison Company, AmerenCILCO, AmerenCIPS, AmerenIP, AmerenUE, Interstate Power Company, South Beloit Water, Gas and Electric Company, Mt. Carmel Public Utility Company and MidAmerican Energy Company. (the "Counterparty"):**

We refer you to our guarantee in your favor (the "Guarantee"), dated October 2001 and amended on May 28, 2003 in respect of the obligations of **Sempra Energy Solutions**, a California Corporation. The Guarantee is hereby amended as follows:

1. Section 5 is deleted in its entirety and replaced with: "The obligations of the Guarantor under this Guaranty are independent of the obligations of the Obligor, and the Guarantor absolutely, unconditionally and irrevocably guarantees all obligations to the Counterparty under this Guaranty."

2. Except as amended above, the Guarantee remains in full force and effect and is hereby ratified, approved and confirmed.

3. This Second Guarantee Amendment and the guaranty of obligations hereunder shall be subject to all of the terms and conditions of the Guarantee as if it were a part hereof, including, without limitation, any provision with respect to choice of law, venue, and/or jurisdiction.

IN WITNESS WHEREOF the undersigned have executed this Guarantee Amendment as of \_\_\_\_\_.

**SEMPRA ENERGY**, a California Corporation

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

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

APPROVED AS TO FORM: \_\_\_\_\_

COPY

## DEMAND PROMISSORY NOTE

San Diego, California  
September 1, 2002

FOR VALUE RECEIVED, SEMPRA ENERGY SOLUTIONS, a California corporation ("*Borrower*"), hereby unconditionally promises to pay to the order of SEMPRA ENERGY GLOBAL ENTERPRISES, a California corporation (including its assigns, "*Lender*"), in lawful money of the United States and in immediately available funds, aggregate principal sum of all amounts advanced by Lender to Borrower from time to time as evidenced on Lender's books and records (the "*Loan*"), together with accrued and unpaid interest thereon, each due and payable on the dates and in the manner set forth below.

1. **Repayment.** All outstanding principal on the Loan shall be due and payable upon demand.

2. **Interest Rate.** Borrower further promises to pay interest on the outstanding principal amount hereof beginning on the date any funds are advanced hereunder until payment in full, which interest shall be payable at the Sempra Energy Intercompany Borrowing Rate or the maximum rate permissible by law (which under the laws of the State of California shall be deemed to be the laws relating to permissible rates of interest on commercial loans), whichever is less. As used herein, "*Sempra Energy Intercompany Borrowing Rate*" shall be defined as that certain interest rate communicated monthly by the Lender to the Borrower through the Sempra Energy Finance Department. Interest shall be computed on the basis of a year of 360 days for the actual number of days elapsed and shall be compounded monthly. Accrued interest shall be added to the outstanding principal balance of the Loan on the first day of each month.

3. **Place of Payment; Prepayment.** All payments payable hereunder shall be payable at the offices of Lender, 101 Ash Street, San Diego, California, or such other place as Lender may direct from time to time. Borrower may at any time prepay the entire principal amount of the Loan by payment of such amount together with accrued interest thereon and all other amounts payable hereunder.

4. **Default.** Each of the following events shall be an "*Event of Default*" hereunder:

a. Borrower fails to pay timely any of the principal amount due under this Note or any accrued interest or other amounts due under this Note on the date the same becomes due and payable;

b. Borrower files any petition or action for relief under any bankruptcy, reorganization, insolvency or moratorium law or any other law for the relief of, or relating to, debtors, now or hereafter in effect, or makes any assignment for the benefit of creditors or takes any corporate action in furtherance of any of the foregoing;  
or

c. An involuntary petition is filed against Borrower (unless such petition is dismissed or discharged within sixty (60) days) under any bankruptcy statute now or hereafter in effect, or a custodian, receiver, trustee, assignee for the benefit of creditors (or other similar official) is appointed to take possession, custody or control of any property of Borrower.

Upon the occurrence of an Event of Default hereunder, all unpaid principal, accrued interest and other amounts owing hereunder shall, at the option of Lender, and, in the case of an Event of Default pursuant to (b) or (c) above, automatically, be immediately due, payable and collectible by Lender pursuant to applicable law.

Upon the occurrence of an Event of Default, all amounts due, including all unpaid principal and all accrued but unpaid interest, shall thereafter bear interest at the lesser of ten percent (10) or the maximum rate permissible by law.

**5. Costs and Expenses.** Borrower shall reimburse Lender for all necessary costs in arranging the loans contemplated herein, including but not limited to, all legal and finance costs. If this Note is not paid upon demand, Borrower agrees to pay all collection expenses, court expenses, attorney and other costs (whether or not litigation is commenced) that may be incurred by Lender in connection with the collection or enforcement of this Note.

**6. Waiver.** Borrower and all endorsers hereof hereby waive presentment and demand for payment, notice of dishonor, protest and notice of protest of this Note.

**7. Amendment.** Any term of this Note may be amended or waived with the written consent of Borrower and Lender.

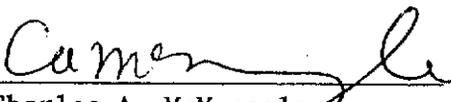
**8. Successors and Assigns.** Neither this Note nor any rights hereunder may be assigned, conveyed or transferred, in whole or in part; provided, however, that this Note may be assigned, conveyed or transferred by Lender without the prior written consent of Borrower. The rights and obligations of Borrower and Lender under this Note shall be binding upon and benefit their respective permitted successors, assigns, heirs, administrators and transferees.

**9. Governing Law.** This Note shall be governed by, and construed in accordance with, the laws of the State of California, United States of America, without regard to conflicts of laws principles.

IN WITNESS WHEREOF, Borrower has caused this Note to be signed in its name as of the date first written above.

**BORROWER**

**SEMPRA ENERGY SOLUTIONS,**  
a California corporation

By:   
Name: Charles A. McMonagle  
Title: Vice President & Treasurer

