

**ORA DATA REQUEST  
ORA-SCG-139-LMW  
SOCALGAS 2019 GRC – A.17-10-008  
SOCALGAS RESPONSE  
DATE RECEIVED: FEBRUARY 26, 2018  
DATE RESPONDED: MARCH 12, 2018**

**Exhibit Reference:** SCG-24 - Expense

**SCG Witness:** Tattersall

**Subject:** GCT Rents

**Please provide the following:**

1. In response to data request ORA-SCG-019-LMW Q.1a, SCG provided a spreadsheet showing the addition of space on the 22<sup>nd</sup> floor. Based on this, please provide/answer the following:

- a. How much extra space is provided in the rent forecast for 2019?
- b. Provide all proof why the extra space is needed.
- c. Where in the current lease does it show the costs for the additional space? If the lease does not clearly show the rent increase, provide the monthly calculation that ties out to the increase.
- d. What month in 2019 does SCG plan to occupy the floor?
- e. Has SCG signed any official documents (e.g., lease) for the extra space? If no then why? If yes, then please provide those signed documents showing the request for the extra space.

**SOCALGAS Response 01:**

- a. The 2019 rent forecast for the 22<sup>nd</sup> floor does not include any new or extra space. SoCalGas has occupied the entire 22<sup>nd</sup> floor since 2013.
- b. The space associated with the 22<sup>nd</sup> floor has been occupied since 2013 by Pipeline Safety Enhancement Plan (PSEP) personnel. Lease costs associated with the 22<sup>nd</sup> Floor were recorded in the Pipeline Safety and Reliability Memorandum Account (PRSMA) from 2013 through mid-June 2014. After that date and through 2018, lease costs have been and will continue to be recorded in the Safety Enhancement Expense Balancing Account (SEEBA) pursuant to D.14-06-007. Lease costs through mid-June 2014 were recovered pursuant to D.16-12-063. Lease costs recorded after that date will be recovered through the 2016 Reasonableness Review application, currently pending before the Commission, and in the 2018 Reasonableness Review process. Any 2018 lease costs not included in the 2018 Reasonableness Review application will be addressed in SoCalGas' next General Rate Case proceeding.

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**SOCALGAS Response 01:-CONTINUED**

In accordance with Ordering Paragraph 5 of D.16-08-003, PSEP is transitioning to the General Rate Case process beginning with the TY2019 GRC. Therefore, lease costs associated with the 22<sup>nd</sup> Floor are now considered part of base business and are included with the overall Gas Company Tower Lease forecast in the TY2019 GRC.

- c. “Section 2.1-Floor 22 Basic Rent” from the most recent lease amendment executed in December 2017 shows the contracted lease costs for the 22<sup>nd</sup> floor. The contracted lease costs from the amendment exceed the 2019 cost estimate reflected in testimony by approximately \$25K per annum.
- d. See responses to Questions 1.a. and 1.b.
- e. SoCalGas commenced the lease for the 22<sup>nd</sup> floor at the Gas Company Tower in May 2013. In December 2017, SoCalGas amended the Gas Company Tower lease to extend the 22<sup>nd</sup> floor to October 2026.