

Application of SOUTHERN CALIFORNIA GAS )  
COMPANY for authority to update its gas )  
revenue requirement and base rates )  
effective January 1, 2028 (U 904-G) )

Application No.: A.26-06-\_\_

Exhibit No.: (SCG-03-RRWP-MROWMA)

MORONGO RIGHTS OF WAY MEMORANDUM ACCOUNT (MROWMA)  
REASONABLENESS REVIEW WORKPAPERS TO  
PREPARED DIRECT TESTIMONY  
OF AMY KITSON  
ON BEHALF OF SOUTHERN CALIFORNIA GAS COMPANY

BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF CALIFORNIA

JUNE 2026



**Exhibit SCG-03-RRWP\_MROWMA**

Workpaper Category/Witness Area								
Description	DESCRIPTION							
	Prior Years Spend							
(\$ in thousands)	2020	2021	2022	2023	2024	2025	Total	
Capital Expenditures Labor	15.03	7.22	-				22	
Capital Expenditures Non-Labor	307.88	35	-48.92	6.59			301	
<b>Capital Expenditures Direct Costs Subtotal</b>	<b>323</b>	<b>42</b>	<b>(49)</b>	<b>7</b>	<b>-</b>	<b>-</b>	<b>323</b>	
Capital Expenditures Indirect Costs	27.08	5.61	-4.52				28	
<b>Capital Total</b>	<b>350</b>	<b>48</b>	<b>(53)</b>	<b>7</b>	<b>-</b>	<b>-</b>	<b>351</b>	
O&M Labor	NA	NA	NA	NA	NA	NA	NA	
O&M Non-Labor	NA	NA	NA	NA	NA	NA	NA	
<b>O&amp;M Direct Costs Subtotal</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	
O&M Indirect Costs							-	
<b>O&amp;M Total</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	
Units								
Unit 1							-	
Unit 2							-	
FTE							-	
Imputed Authorized Direct Capital \$							-	
Imputed Authorized Direct O&M \$							-	

**Direct Cost Breakdown by Cost Category:**

(\$ in thousands)	Prior Years Spend						
	2020	2021	2022	2023	2024	2025	Total
<b>Category 1 (BC 617/Land Rights of Way)</b>							
<b>Capital</b>	<b>323</b>	<b>42</b>	<b>(49)</b>	<b>7</b>	<b>-</b>	<b>-</b>	<b>323</b>
Labor	15.03	7.22					22
Non-Labor	307.88	35	-48.92	6.59			301
<b>O&amp;M</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Labor							-
Non-Labor							-
<b>Category 1 Total</b>	<b>323</b>	<b>42</b>	<b>(49)</b>	<b>7</b>	<b>-</b>	<b>-</b>	<b>323</b>
<b>Category 2 (BC or Cost Category)</b>							
<b>Capital</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Labor							-
Non-Labor							-
<b>O&amp;M</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Labor							-
Non-Labor							-
<b>Category 2 Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>323</b>	<b>42</b>	<b>(49)</b>	<b>7</b>	<b>-</b>	<b>-</b>	<b>323</b>

**Business Purpose:**

SoCalGas operated three gas transmission pipelines (Lines 2000, 2001, and 5000) across federal land held in trust for the Morongo Band of Mission Indians (Morongo) near Cabazon, California (referred to as the Reservation). SoCalGas also operates a gas distribution system located on the Reservation serving the residential and commercial needs of Morongo. The three gas transmission pipelines and the gas distribution system are required to serve the needs of SoCalGas' core and non-core customer and Morongo pursuant to rights-of-way granted by the Department of Interior (DOI) through the Bureau of Indian Affairs (BIA). These rights of way were scheduled to expire in 2018 and 2020, and SoCalGas established the MROWMA to record costs associated with the renewal of expiring rights-of-way within the Morongo Reservation, as directed in the GRC Decision, D. 19-09.051. After several years of negotiations, SoCalGas reached a resolution with Morongo to renew the right-of-way agreements for two of the three gas transmission pipelines (Line 2001 and Line 5000) before 12/31/2021, allowing SoCalGas to seek and receive cost recovery of expenses related to the renewal of the transmission pipelines in the TY 2024 GRC. The renewal of right-of-way for the distribution system was later finalized in June 2023, expenses of which SoCalGas continued to record in the MROWMA so it can seek cost recovery in the current TY 2028 GRC.

**Project Justification:**

Renewal of the gas distribution system right-of-way agreement was necessary to enable the continued service on the Reservation, serving Morongo's residential and commercial needs.

**Project Scope:**

Continued efforts to renew one gas distribution system right of way agreement, with Rights of Way used as the work unit, by working with the Morongo in obtaining tribal member consents, coordinating pipeline relocation work for locations where tribal member consent was denied, preparing and revising survey exhibits of the distribution system needed to accompany the new DOI/BIA issued right-of-way grant, and obtaining final federal right-of-way grant.

**Cost Drivers:**

Direct charges include company labor to conduct renewal activities listed in the Project Scope and non-labor survey contractor costs, which is the main cost driver, to complete the necessary survey exhibits that are part of the required documentation to supplement the DOI/BIA issued right-of-way grant to identify locations of the Distribuion System within the Reservation.

**Project Timing and Phases:**

Continued renewal activities of the distribution system right-of-way agreement, which spanned from 2020 to 2023.

**Approval Process/Procurement Process:**

Internal project approval followed the work order authorization process for capital projects, where project information and scope was submitted by project manager for in-line supervisor, manager, direct, VP and officer approval if necessary, in accordance with the company's commitment and approval policy.

**Risk Identification and Mitigation:**

N/A

**Consideration of Alternative Solutions:**

N/A

**Coordination with Similar Programs**

N/A

**Stakeholder Impact and Engagement:**

N/A

**Utility Benchmarking:**

N/A

**Pictures:**

N/A

