

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA**

Application of Southern California Gas
Company (U 904 G) for Authority to
Establish a Memorandum Account for the
Olympic Games.

Application 26-07-XXX
(Filed July 27, 2026)

**APPLICATION OF SOUTHERN CALIFORNIA GAS COMPANY FOR AUTHORITY
TO ESTABLISH A MEMORANDUM ACCOUNT FOR THE OLYMPIC GAMES**

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I. INTRODUCTION

Pursuant to California Public Utilities Code Section 701, and California Public Utilities Commission (Commission) Rules of Practice and Procedure (Rules) 2.1 and 2.2, Southern California Gas Company (SoCalGas) hereby submits this application (Application) for authorization to establish the Los Angeles 2028 Olympics Games Memorandum Account (Memo Account, OGMA). The Memo Account would track the incremental Operations and Maintenance (O&M) and Capital-related costs¹ associated with maintaining safe and reliable gas service during the Los Angeles 2028 Olympic and Paralympic Summer Games (2028 Games, Games, or Event). SoCalGas reasonably expects that the Games will impose extraordinary operating conditions² and require preparations that exceed its normal operating costs to fulfill SoCalGas's core obligation as a public utility to provide continuous, safe, and reliable service to all customers. Further, SoCalGas requests that the Memo Account be effective as of the date of the filing of the Application.

As discussed below and in the Basis of Estimate attached hereto, SoCalGas has estimated approximately \$8.2 million for planning activities leading up to the Games, activities during the

¹ Capital-related costs include depreciation, return on investment, taxes, and other carrying costs associated with in-service capital.

² For instance, the Games have been designated a National Special Security Event (NSSE) by the Secretary of Homeland Security as of June 13, 2024, making the furthest in advance that a NSSE designation has been granted. See Secret Service, *Press Release: 2028 Olympic and Paralympic Games in Los Angeles Designated a National Special Security Event* (June 13, 2024), available at: <https://www.secretservice.gov/newsroom/releases/2024/06/2028-olympic-and-paralympic-games-los-angeles-designated-national-special>.

Games, and post-Games activities. The estimate produced by SoCalGas reflects activities that span planning, preparation, execution, and completion of work designed to benefit ratepayers through the support of system safety and security, which promote public safety, and operational continuity, which promotes energy reliability. However, with much of the planning for the 2028 Games still under development and contingent on external requirements from leading agencies and cities, SoCalGas faces uncertainty regarding the final disposition of the Games. Published detailed plans from leading agencies are not available at the time of this Application. As a result, the precise nature, timing, and magnitude of the one-time incremental costs that will be required for these historic events may change from what SoCalGas has identified in this Application, especially if SoCalGas is required to fundamentally change its safety and security provisions or operations.

Finally, the Application seeks only the Commission's approval for establishment of a Memo Account to track SoCalGas's incremental costs associated with preparing for, operating during, and activities directly after the Games. Allowing SoCalGas to track these costs in a Memo Account will not result in immediate impact to ratepayers. If the request to establish a Memo Account is approved, SoCalGas will seek Commission review of the costs for reasonableness and authorization to implement those costs in rates.

II. BACKGROUND FOR THIS MEMO ACCOUNT APPLICATION

The establishment of a memorandum account is appropriate here. The incremental costs SoCalGas reasonably expects to incur arise directly from extraordinary, externally imposed operating conditions associated with the Games and are necessary to fulfill SoCalGas's core obligation as a public utility to provide continuous, safe, and reliable service to all customers.³ Importantly, the operational measures will not be undertaken to support the Games as an event, but to preserve system integrity and public safety under conditions that materially exceed normal operating assumptions.

Further, the Commission has already recognized the necessity of a memorandum account for Olympics preparation. In Southern California Edison's (SCE) most recent General Rate Case decision, the Commission authorized SCE to establish its Historic Sporting Events Cost Tracking

³ Pub. Util. Code §451 requires public utilities to "furnish and maintain such adequate, efficient, just, and reasonable service".

Memorandum Account (SCE HSECTMA) to record costs associated with its preparation for the 2028 Summer Olympics and the 2026 World Cup.^{4, 5} In authorizing the creation of the SCE HSECTMA, the Commission recognized the “historic, national, and intentional significance of both the 2026 World Cup and the 2028 Summer Olympics for California and the United States.”⁶

A. Scope of Event

The Games represent a unique convergence of scale, duration, and system complexity. The 2028 Games will be staged across more than 20 venues throughout the region.⁷ Key clusters, such as Downtown LA, Exposition Park, Inglewood, Long Beach⁸, Pasadena, Anaheim, the San Fernando Valley, and Venice, will host events ranging from athletics at the historic Los Angeles Memorial Coliseum to competitions at SoFi Stadium, the Rose Bowl, BMO Stadium, Dodger Stadium, and the Long Beach waterfront. Additional sites, including athlete housing, other competition venues, and support facilities will be located more broadly within SoCalGas’s territory. While distributing the Games over a wide geographical area allows the 2028 Games to produce an Olympics event without constructing new permanent venues, it requires an increase in planning to evaluate and prepare a broader set of infrastructure to support the sprawling experience. The operational scale of the Games has been underscored by the LA28 Committee (the Los Angeles Organizing Committee for the 2028 Olympic and Paralympic Games) who have compared staging for the Games—based on anticipated attendance and throughput—to that of seven Super Bowls per day for sixteen consecutive days, followed by approximately three

⁴ Decision (D.) 25-09-030 at 254.

⁵ SoCalGas did not request Memo Account treatment for the 2026 World Cup hosted in Los Angeles, which had similar world sporting stature. However, the operational parameters of the Games are much more complex than the 2026 World Cup. The World Cup had one competition venue in SoCalGas territory, while the Games will bring over 20 competition venues in SoCalGas territory. Additionally, Los Angeles hosted 8 World Cup competition events over 4 weeks, while the Games will bring 35 days of more than 800 competition events over 6 weeks. Lastly, the 2026 World Cup was not designated a NSSE, while the Games carries the NSSE designation which will bring heightened security requirements surrounding competition venues to the Los Angeles region.

⁶ Decision (D.) 25-09-030 at 254.

⁷ LA28, *LA28 Olympic Games Map* (June 8, 2026), available at: <https://la28.org/content/dam/latwentyeight/games-plan/maps/LA28OlympicGamesMap.pdf>.

⁸ SoCalGas does not serve residential customers in Long Beach but provides wholesale service to the City of Long Beach.

Super Bowls per day for twelve days during the Paralympic period.⁹ With 12–15 million spectators, more than 11,000 Olympic athletes and approximately 4,400 Paralympic athletes, and more than 800 competitive events^{10,11} the Games will impose additional stressors on Southern California’s utility operational framework and infrastructure.

Compounding the scale of the Games is an operating environment that differs fundamentally from that of prior U.S. Olympic Games. Since the 2002 Winter Olympics, the widespread adoption of social media, smartphones, cloud computing and interconnected digital infrastructure¹² has transformed the security and operational landscape, introducing cyber threats, misinformation risks, and vulnerabilities that did not exist at a comparable scale during previous U.S. Games.¹³ In addition, the 2028 Games have been designated a National Special Security Event (NSSE)¹⁴, requiring an unprecedented level of coordination among federal, state, and local agencies over a duration that is expected to exceed any prior NSSE¹⁵. Security

⁹ University of Southern California (USC) Viterbi – School of Engineering, *Imagine Staging Seven Super Bowls per Day: Welcome to LA28* (March 23, 2026), available at: <https://viterbischool.usc.edu/news/2026/03/imagine-staging-seven-super-bowls-per-day-welcome-to-la28/>.

¹⁰ The LA28 Committee has not announced the number of attendees expected, however, several news outlets have provided forecasts to the number of spectators expected. See Spectrum News, *What We Know About the 2028 LA Olympics So Far* (January 14, 2026), available at: <https://spectrumlocalnews.com/us/snplus/sports/2026/01/14/la28-2028-olympics-what-we-know-so-far>.

¹¹ LA28 Committee, available at: <https://la28.org/>.

¹² During the most recent 2002 Winter Games hosted in the United States in Utah, technological connectivity was significantly lower; for example, Facebook, YouTube, the iPhone, and cloud computing did not yet exist.

¹³ World Economic Forum – Cybersecurity, *Paris Olympics 2024: Cybersecurity experts sound the alarm on cyber threats* (January 6, 2026), available at: <https://www.weforum.org/stories/2024/06/paris-olympics-2024-cybersecurity-experts-cyber-threats/>.

¹⁴ Examples of prior NSSE events include Presidential Inaugurations, State of the Union Address, United Nations General Assembly, National Political Conventions, Super Bowls, select World Series, and international political summits.

¹⁵ From January 1, 1998 to February 7, 2023, there have been 73 NSSEs nationwide. In that time frame, only one NSSE event occurred in Los Angeles, CA. Further, the maximum duration of NSSEs during this time frame was 16 days, which was the Winter Olympic Games in 2002, which spanned 16 days. The Summer Olympic Games are expected to span 36 days. See Congress.Gov, *Special Event Security and National Special Security Events: A Summary and Issues for Congressional Consideration* (July 16, 2024), available at: https://www.congress.gov/crs_external_products/R/PDF/R47439/R47439.3.pdf.

measures implemented under the NSSE designation are expected to include perimeters with controlled access zones, credentialing requirements, and restricted movement around key venues and infrastructure.

SoCalGas serves numerous Olympic and Paralympic venues and non-competition venues¹⁶ (collectively referred to as Games-Designated Sites), as well as municipal utility providers supporting other Games-Designated Sites.¹⁷ As a critical infrastructure provider, SoCalGas has an obligation to maintain safe and reliable service to these Games-Designated Sites and municipal utilities, as well as maintain continued reliability of its transmission and distribution system for the millions of residential, commercial, and industrial customers who depend on uninterrupted gas service during the same period.

B. Impacts of the Games

The unique scale, security posture, and operating environment associated with the Games will impose significant demands on SoCalGas's operational framework in two primary areas: safety and security, and operational continuity.

Enhanced security requirements and NSSE-related controls will require SoCalGas to maintain an elevated state of operational readiness throughout the Games period. Security measures, including controlled-access areas, credentialing requirements, and restrictions on movement near key venues and infrastructure, may limit access to Company facilities and assets. Accordingly, SoCalGas must prepare in advance to maintain the flexibility and readiness necessary to support coordinated planning and response efforts alongside law enforcement¹⁸, emergency management, transportation agencies, and other governmental partners throughout

¹⁶ "Games-designated sites" are both competition and non-competition sites identified by the LA28 Committee as associated with the Olympics. See LA28, *2028 Olympic & Paralympic Competition Venues*, available at: <https://la28.org/en/games-plan/venues.html>.

¹⁷ *Id.*

¹⁸ The City of Los Angeles Police Department estimated that it will incur \$1.15 billion in costs associated with the Games. See LA City, *Inter-Departmental Correspondence: Police – Deployment Model for the 2028 Games and Costs* (May 07, 2026), available at: https://ens.lacity.org/cao/cao_budget_memo/caocao_budget_memo2925197152_05072026.pdf.

the duration of the Games.¹⁹ This effort includes standing up SoCalGas's Incident Command System and Emergency Operations Center (EOC) for at least the duration of the Games, which will provide the enhanced coordination, situational awareness, and resource management capabilities necessary to support the unique operational and security demands of the Games and to respond effectively to potential incidents.

In addition, the heightened cyber threat environment associated with a globally significant event will necessitate enhanced cybersecurity protections, monitoring, and incident response capabilities.

Construction²⁰ and maintenance moratoriums, restrictions affecting key transportation corridors,²¹ and other Games-related operational constraints may affect SoCalGas's ability to perform routine maintenance, planned construction, and emergency work. To maintain safe and reliable service, SoCalGas is requesting the establishment of a Memo Account to conduct enhanced planning, workforce readiness measures, resource staging, contingency preparation, and operational coordination to preserve timely access, response capabilities, and system reliability for all ratepayers throughout the Games.

These combined activities result in incremental costs that would not otherwise be incurred. The costs are directly attributable to the scale, duration, and importance of security, would not be incurred but for the Games, and are required to maintain baseline levels of safety

¹⁹ Refer to the Department of Transportation (DOT) Section 7.0 NSSE Overview Fact Sheet, which recognizes that all aspects of local government will support NSSE in events, including some utilities. DOT – Office of Operations, *Section 7.0. NSSE Overview Fact Sheet*, available at: https://ops.fhwa.dot.gov/publications/fhwahop11012/nsse7_0.htm.

²⁰ Multiple construction moratoriums are expected across the region, including several already issued by cities and agencies in connection with Games-related activities. See City of LA – Office of the City Clerk, *Moratorium on Construction Activity During the 2028 Olympic and Paralympic Games* (April 30, 2025), available at: https://cityclerk.lacity.org/online/docs/2015/15-0989-S54_rpt_boe_4-30-25.pdf; see also DOT – California Traffic Control Devices Committee (CTCDC), *Experiment request for 2028 Los Angeles (LA28) Olympic and Paralympic Games traffic control devices (CTCDC Experiment 25-15)* (August 7, 2025), available at: <https://dot.ca.gov/-/media/dot-media/programs/safety-programs/documents/ctcdc/20250807/20250807-ctcdc-item-25-15-la28-experiment-request-all.pdf>.

²¹ The Caltrans Games Route Network (GRN) may restrict general highway access by temporarily converting existing lanes into exclusive routes for authorized “Games Family” vehicles. See Los Angeles County Metropolitan Transportation Authority (LA Metro or Metro), *We’re on Track for the LA 2028 Olympic and Paralympic Games* (Games Operational: Games Route Network), available at: <https://www.metro.net/2028games/>.

and reliability during an extraordinary event that places significant demands on existing resources. Implementing this cost-tracking mechanism now is critical to maintaining regulatory transparency and cost discipline through the creation of visibility into proactive planning, efficiencies captured via inter-agency coordination, and prudent fiscal management including preventative action to mitigate cost escalation before it occurs. Because these costs are caused by an evolving event of exceptional nature, could not have reasonably been estimated in the company's last General Rate Case, are not appropriate for the company's 2028 General Rate Case Filing, and are expected to be of a substantial nature; the creation of a memorandum account to track these costs is an appropriate measure.

III. OLYMPIC GAMES MEMORANDUM ACCOUNT COST DRIVERS AND ACTIVITIES

The additional activities SoCalGas foresees undertaking due to the presence of the Games are driven by two main factors: Safety & Security, and Operations Continuity. These activities are more specifically broken down into three main time periods: activities that will likely occur before the Games period, those that will likely occur during the Games period, and those that will likely occur after the Games period has concluded. The cost drivers and specific activities are discussed further in this section, below.

A. Description of Anticipated Cost Drivers

The incremental costs associated with the Games are driven by a discrete set of external, event-specific operating conditions that materially differ from normal system operations and cannot be accommodated through existing base resources. The scale, duration, visibility, and heightened security posture of the Games create a sustained period of extraordinary operating conditions, including unprecedented population influx, concentrated activity near critical gas infrastructure, and significant national and regional security requirements. During the Games, even routine operational issues²² carry materially greater consequences due to dense crowds, restricted access, and international visibility, driving the need for incremental staffing, monitoring, coordination, and response readiness beyond normal O&M levels to maintain public safety and uninterrupted service during the Games.

²² Examples include but are not limited to: responding to customer calls for equipment troubleshooting, meter set inspections, high bill investigations, and providing notice for planned work which may be delayed or suspended due to access control areas or work moratoriums.

1. Safety & Security Cost Drivers

Safety and security cost drivers stem from requirements to preserve system integrity and public safety. Due to a large population influx, the Los Angeles region²³ will require additional safety and security measures to properly maintain public safety. In addition to SoCalGas's measures to maintain the safety of its infrastructure, the Games themselves must undertake certain security measures to preserve public safety, which may impact SoCalGas's prototypical means of providing safe and reliable service. Security perimeters, transportation restrictions, and NSSE-level protocols may materially limit physical access to portions of the gas system. Furthermore, the NSSE designation introduces above-average complexities in interagency coordination from a federal level in addition to state and local.

These constraints drive costs associated with:

- Cyber and physical asset safety assessments and enhancements
- Design and execution of emergency exercises, drills, and cross-functional simulations
- Temporary security measures

These access limitations are externally imposed and temporary, and they fundamentally alter how routine O&M or emergency response activities must be executed with regard to the Games.

2. Operations Continuity Cost Drivers

As discussed above, an unprecedented population influx, paired with designated security perimeters restricting local personnel access will apply pressures on SoCalGas's existing operating conditions. Additionally, periods of increased population density and visitor activity can correlate with higher Emergency Service (EMS) activity, driving need for additional

²³ The Los Angeles region is already considered a high consequence area due to concentrated population. Pipeline safety frameworks define risk consequences based on population density, building occupancy, and the number of people/structures within an impact radius, demonstrating that exposure increases with the concentration of people and infrastructure near pipelines. Refer to DOT, *Fact Sheet: High Consequence Areas (HCA)*, available at: <https://primis.phmsa.dot.gov/stakeholder-comms/factsheets/fshca/>.

personnel for emergency response.²⁴ The Games are expected to significantly amplify these effects due to the scale of tourism, and sustained public activity across the region. Combining an unprecedented population influx with access and security restrictions drives incremental O&M costs associated with:

- Materials management
- Technology assessment and implementation
- Work interruption and restart impacts
- Temporary facility support
- Extended shifts and additional staffing aligned to security perimeters, access restriction zones, and coordination

These impacts are not reflected in baseline workload assumptions and occur solely as a result of the Games. Furthermore, early planning can help support efficient operations continuity, rather than a piecemeal approach, which in turn supports affordability. Early planning to forecast spikes in demand, coordinating with other agencies, deploying infrastructure hardening, and pre-positioning resources can help mitigate the need for emergency repairs or reactionary incident response which can often be more expensive.

B. Description of Activities to be Tracked in the Memo Account

The Games introduce a level of scale, complexity, visibility, and consequence that is fundamentally different from normal operating conditions. The activities described in this section are necessary to preserve system reliability, public safety, and customer affordability during a uniquely constrained and high-risk period. The proposed activities detailed below – such as identification and cost tracking of Games-driven operational, infrastructure, and coordination needs; advance coordination with state and local agencies to align objectives and avoid duplicative investments during the Games period; and proactive planning for procurement, permitting, and workforce deployment to reduce costs associated with compressed timelines – reflect that opportunity. By implementing these measures in advance, SoCalGas can minimize

²⁴ Large-scale sporting events have demonstrated significant increases in emergency-service demand and regional operational activity. For example, the most recent Super Bowl showed increased emergency service calls within one mile of the event by 2,900% after the event concluded. See RapidSOS, *Before the Kickoff, After the Whistle: A Real-Time Profile of 911 Demand* (February 10, 2026), available at: <https://rapidsos.com/blog/before-the-kickoff-after-the-whistle-a-real-time-profile-of-911-demand/>.

premium labor and materials pricing, prudently accelerate maintenance and reduce emergency work, and manage costs associated with the Event period proactively and at the lowest feasible cost; all of which promote overall customer affordability.

The 2028 Games memo account request seeks to record costs for labor and non-labor O&M and capital expenses that SoCalGas must incur to plan for, prepare for, and operate safely during the Games. These activities reflect heightened safety and security for the public, employees, contractors and the system as well as operational continuity for system reliability.

Given the scale and operational complexity of the event, SoCalGas anticipates three distinct time periods of incremental O&M and capital costs:

- **Pre-event:** Incremental system readiness and reliability activities, including the acceleration of compliance work undertaken in advance of the Games to prepare the gas system for safe and reliable operation under extraordinary operating conditions.
- **Event Period:** Incremental operating and maintenance activities required during the Games period to maintain system safety, reliability, and continuity of service.
- **Post Event:** Restoration of existing work areas, including demobilization of temporary facility or safety measures, remobilization of previously paused operational activities, and asset inspection.

Further details of anticipated costs are described in Attachment A, Basis of Estimate.

1. Pre-event System Readiness and Reliability Preparations

In advance of the Games, SoCalGas must undertake readiness efforts to maintain the safety of existing infrastructure and prepare to respond effectively under the constrained and heightened security conditions expected during the Games. These activities are critical to reducing operational risk, maintaining safety, limiting service disruptions during the event, maintaining our obligation to serve customers²⁵, and mitigating risk conditions expected during the Games.

²⁵ Pub. Util. Code §451.

Pre-event activities include labor and non-labor expenses, which may include but are not limited to:

- Cyber and physical asset safety assessments and enhancements
- Design and execution of emergency exercises, drills, and cross-functional simulations
- Materials management
- Technology assessment and implementation
- Work interruption impacts – demobilization of ongoing projects

2. Event Period Operations and System Reliability Activities

SoCalGas expects to incur incremental O&M costs directly related to heightened operational demands, influx to local population²⁶, and sustained incident command system activation levels that exceed normal operating conditions.

These activities include labor and non-labor expenses, which may include but are not limited to:

- Temporary security measures such as mobile surveillance and roving patrol during a period of heightened national security risk
- Temporary facility support such as rented staging space or trailers where commercial lodging is unavailable²⁷
- Extended shifts and additional staffing aligned to security perimeters, access-restriction zones, and for adequate customer or infrastructure response²⁸

Collectively, these activities enable SoCalGas to fulfill its obligation to provide safe and reliable natural gas service during one of the most operationally complex planned events

²⁶ News outlets are currently projecting 14 million tickets sold, *see* NBC Los Angeles, *What to know about registration for the 2028 LA Olympics tickets draw* (February 22, 2026), available at: <https://www.nbclosangeles.com/olympics/2028-los-angeles/la-2028-olympicsc-tickets/3830930/>.

²⁷ News outlets are currently reporting shortages of hotel rooms to meet demand. *See*, When In Your State, *Los Angeles may not have enough hotel rooms for the Olympics, Mayor says* (June 2, 2026), available at: <https://wheninyourstate.com/california/los-angeles/los-angeles-may-not-have-enough-hotel-rooms-for-the-olympics-mayor-says/>.

²⁸ For example, there are more than 50,000 customer meters within a 3-mile radius of the Los Angeles Convention Center and more than 110,000 customer meters within a 3-mile radius of the SOFI Stadium alone, which may increase response times where road closures or security zones are in place.

affecting the company's service territory. The costs to be included in the OGMA are narrowly tailored and driven exclusively by the demands of the 2028 Games.

3. Post Event Period Demobilization and System Restoration Activities

SoCalGas expects to incur additional incremental costs after the Games period has concluded in order to support and restore operational continuity. Temporary measures deployed during the Games event period will need to be demobilized. Activities during this time period are anticipated to include non-labor resources performing the following, without limitation:

- Work restart impacts including O&M or Capital work paused due to local moratoriums or the Games

These activities will allow SoCalGas to return to normal operating conditions upon conclusion of the Games.

C. Forecasted Costs

SoCalGas expects costs associated with the Games to be substantial, and they will be caused by an event of exceptional nature that is not under the company's control. While anticipated costs are fluid in nature, as not all security, staffing, and customer inquiry expectations have been finalized at the time of this Application, SoCalGas has extensive unplanned operational experience in Southern California and has a reasoned basis to estimate the efforts it will need to undertake due to the games. See Attachment A for further description on cost substantiality. SoCalGas currently estimates approximately \$8.2 million in total incremental costs to be recorded to the OGMA between Q3 2026 and the conclusion of Games-related activities in 2028. This forecast was developed through identification of discrete activities reasonably expected to be required to support safe and reliable utility preparation for, operations during, and after, a defined short-duration event.

With much of the planning for the 2028 Games still under development and contingent on a variety of external agencies²⁹, SoCalGas faces a range of uncertainty regarding the final

²⁹ Identified agencies include but are not limited to: LA28 Committee, Games Energy Council, City of Los Angeles, County of Los Angeles, municipal utilities (LA Department of Water & Power, Long Beach Utilities, Pasadena Water and Power Department, etc.), U.S. Secret Service, Department of Homeland Security, Department of Energy, Federal Bureau of Investigation, California Independent System Operator, and transit authorities (CalTrans, LA Metro, Orange County Transportation Authority, etc.).

configuration and location of Games-Designated Sites,³⁰ security perimeters, credentialing requirements, and access restrictions. While many of these agencies are currently in planning stages for the Games, final communication and coordination of these plans are not available at the time of this Application and expected to evolve amongst interagency coordination over time. Furthermore, planned SoCalGas projects may experience unforeseen impacts resulting from construction moratoriums. Additionally, because non-critical work orders are expected to be suspended during the Games period, an anticipated backlog of customer contact incidents will need to be addressed. As a result, the precise nature, timing, and magnitude of the one-time incremental costs that will be required for the Games may change from what SoCalGas has identified in this Application. While the magnitude of the costs remains uncertain, SoCalGas will be required to perform incremental activities and incur associated costs.

SoCalGas is prioritizing early planning and coordination in advance of the Games to enable the use of temporary operational measures during the Games themselves. These efforts are intended to avoid long-term infrastructure additions driven by a short-duration event and avoid higher costs that could otherwise result from reactive or emergency-driven actions.

IV. MEMORANDUM ACCOUNT TREATMENT IS APPROPRIATE FOR THESE COSTS

The 2028 Olympic Games in Los Angeles will involve substantial resources and complex financial activities managed by multiple entities, including SoCalGas. Given the scale, duration, and public accountability expectations of the Games, the establishment of a memorandum account is essential to systematically track all related incremental costs separately from routine expenses funded by other mechanisms. SoCalGas plans to implement the following measures for incremental cost tracking (1) dedicating specific internal orders to track certain activities, (2) adhering to SoCalGas accrual, procurement, and approval and commitment policies (*e.g.*, review invoices at the project management and management level depending on dollar threshold), (3) verifying journal entries and invoices, and (4) conducting reconciliation of costs booked to the OGMA through review of posted transactions. A memorandum account will

³⁰ SoCalGas identified over twenty of the Competition Venues listed as served directly by SoCalGas as well as an unknown number of sites associated with non-competition such as athlete housing, fan zones, media broadcasting, and others. See LA28, *2028 Olympic & Paralympic Competition Venues*, available at: <https://la28.org/en/games-plan/venues.html>.

provide transparency, support regulatory and stakeholder reporting requirements, and ensure that all incremental expenditures associated with Olympic planning and execution are clearly documented, monitored, and subject to appropriate oversight.

A. Memorandum Account Standards

A memorandum account is appropriate to facilitate later consideration of the recovery of recorded incremental costs based upon a reasonableness showing at a later time.³¹ A memorandum account should be approved unless “the costs are recoverable in a general rate case, the costs are not substantial, or the existence of the costs is speculative.”³² “[E]stablishing a memorandum account for a new and significant project is routine and noncontroversial, with important ratemaking consequences to be addressed in a subsequent proceeding.”³³

Here, the costs were not proposed for recovery in SoCalGas’s prior rate case because the specific scope, timing, duration, geographic impacts, and operational requirements that would drive utility costs were not sufficiently defined or finalized. These costs were also not practically included in SoCalGas’s 2028 GRC filing, which seeks authorized revenue requirements beginning in 2028 – the same year that the Games will take place. Finally, the costs are expected to be substantial and non-speculative. The Games will require intensive preparation and impair SoCalGas’s usual day-to-day activities during the Games, resulting in incremental costs. SoCalGas has extensive experience in responding to large scale emergency and reliability events, but the geographical scope of the Games along with the heightened security, zone restriction, volume of people and duration will accelerate and increase the volume of work the Company.

1. Costs Associated with the Described Activities Would Be Substantial and Are Not Speculative

SoCalGas expects to incur substantial increased costs associated with preparation, coordination, and heightened operational readiness during the Games period, reflecting incremental adjustments to existing safety and reliability measures. As discussed above,

³¹ D.06-01-018 at 5-6.

³² D.18-06-029 at 7. *See also* D.23-05-012 at 7 (the Commission has explained that it “has not always applied all of the factors or required that they all be met before authorizing a memorandum account. At different times, the Commission has considered all these factors, considered only some of these factors, or relied on other public policy considerations in determining whether to authorize a memorandum account.”).

³³ D.16-08-003 at 3.

SoCalGas has estimated its incremental costs to be \$8.2 million for pre-planning activities leading up to the Games, activities during the Games operations, and activities after the Games have concluded. However, as discussed above, the exact scope of the activities that SoCalGas may be required to complete for the Games is subject to external factors which it has little control over and may result in materially different costs than estimated. The activities formerly described are anticipated to be necessitated, resulting in incurring substantial costs, because:

- The Games are anticipated to require sustained surge operations beyond normal conditions to keep our system and customers safe.
- The Olympic and Paralympic footprint will affect large portions of the service territory for an extended period.
- A significant influx of visitors will require increased staffing and resources to maintain normal/critical response times to emergency orders.
- More facilities will become mission critical, with heightened security requirements due to national and international risk exposure.
- Sustained real-time coordination with multiple agencies will demand extensive preparation, integration, and operational support.
- Security perimeters, transportation disruptions, and restricted maintenance windows will limit operational flexibility.
- Restricted access to facilities and rights of way will increase operational complexity.

Further, the Games-related costs are not speculative. It is certain that the Games will take place in SoCalGas's service territory in 2028 and that SoCalGas will be providing gas service in support of the events. It is also certain that there will be an increase in the frequency and intensity of established, historically performed activities, rather than new or untested work assumed in advance of formal requirement. SoCalGas routinely conducts emergency response exercises, system inspections, operational planning, interagency coordination, and readiness activities to support public safety and system reliability. The Games do not create novel work categories; rather they dramatically accelerate and increase the volume of work SoCalGas already performs for large-scale emergency and reliability events. Based on the information that SoCalGas currently has regarding its response to the Games, SoCalGas has prepared a Basis of Estimate (Attachment A) which details its current assumptions and estimated costs.

2. The Expenses Could Not Have Been Reasonably Foreseen or Estimated in the Company's Last General Rate Case

The SoCalGas expenses associated with the 2028 Los Angeles Olympic and Paralympic Games could not have been reasonably foreseen or estimated in the Company's last General Rate Case (GRC), filed in May, 2022.³⁴ At the time of that filing, while the Games had been awarded, the specific scope, timing, duration, operational requirements, and externally imposed security measures were not sufficiently defined or measurable to support inclusion in the GRC.³⁵ Many costs incurred will extend well beyond the 2024 GRC cycle and are dependent on future decisions by the LA28 Organizing Committee and governmental and public-safety agencies. As a result, these expenses were neither known nor measurable for inclusion in test-year forecasts and therefore could not reasonably have been reflected in authorized rates. While SoCalGas is not aware of all NSSE requirements or work moratoriums at the time of this Application filing, SoCalGas has worked with the federal agencies leading the NSSE and is part of the Games Energy Council³⁶ to gain further insights on operational expectations and will continue engaging with these entities through the execution of the Games. Further, the Games Energy Council was formed in early 2024, and held its inaugural kickoff meeting in May 2024, with larger coordination beginning in mid-2025, subsequent to the date of SoCalGas's last GRC filing.

Nor could SoCalGas include these expenses in its test year 2028 GRC, filed in June, 2026.³⁷ The expenses associated with the Games are event-driven, externally imposed, and

³⁴ See Application (A.) 22-05-015, Application of SoCalGas for Authority, Among Other Things, to Update its Gas Revenue Requirement and Base Rates Effective on January 1, 2024 (May 16, 2022).

³⁵ SCE's 2023 GRC identified the uncertainty in planning for the Games. See A.23-05-010, Test Year 2025 General Rate Case Application of SCE (May 12, 2023) at 24 ("Specifics on the locations and times of these events have not been finalized (especially for the Olympics), leaving SCE with a lack of information at this time for the potential infrastructure upgrade needs and other incremental one-time costs associated with these historic sporting events that will be held in Southern California during this GRC cycle.").

³⁶ Games Energy Council brings together the City, the LA28 Committee, and all other parties responsible for the delivery of power infrastructure and service to Games-related projects, venues, and events to facilitate decision-making and cooperation necessary to optimize and meet required levels of services through the completion of the Games. Ad Hoc Committee on the 2028 Olympics and Paralympic Games. See City of LA – Office of the City Clerk, *AD HOC Committee on the 2028 Olympics and Paralympic Games Report (File No. 15-0989-520)* (April 25, 2023), available at: https://cityclerk.lacity.org/online/docs/2015/15-0989-S20_rpt_oly_4-25-23.pdf.

³⁷ See A.26-06-014, Application of SoCalGas for Authority, Among Other Things, to Update its Gas Revenue Requirement and Base Rates Effective on January 1, 2028 (June 15, 2026).

non-recurring in nature. Although the Games will occur during the test year, the associated operational requirements and cost obligations are defined and finalized by third-party entities on timelines that do not align with standard GRC forecasting processes. Further, costs incurred in advance of the Games may not be reasonably represented in the 2028 General Rate Case, as they may be incurred in 2026 and 2027. Including such costs in base rates would require speculative assumptions and would risk embedding temporary, one-time expenses into ongoing revenue requirements. A dedicated memorandum account is instead the appropriate mechanism to separately track these incremental costs, subject to subsequent Commission review for reasonableness and recovery.

B. Requested Effective Date, Timing, and Preliminary Statement

Under Public Utilities Code Section 1731(a), the Commission “may set the effective date of an order or decision before the date of issuance.” In light of the upcoming efforts to prepare for the Games and the extensive pre-event preparation that SoCalGas needs to complete, the ability to record costs from a date earlier than a Commission decision on the Application is necessary. Therefore, SoCalGas requests that the Application be granted no later than December 2026, with an effective date of the date of this filing. SoCalGas will provide a preliminary statement upon approval of the OGMA with the Advice Letter.

C. No Cost Recovery Is Requested in This Application

SoCalGas expects to seek recovery of its Games costs at appropriate times, in accordance with CPUC requirements for cost recovery. SoCalGas acknowledges that authorization to record costs in the Memo Account does not authorize recovery of those costs, which would be the subject of a separate rate recovery proceeding or process in which SoCalGas would have the burden of proving that the expenditures were reasonable. SoCalGas acknowledges that if the Memo Account is authorized, any party to this proceeding, regardless of its position in this proceeding, would not be precluded from arguing against the reasonableness of specific costs recorded in the Memo Account. Thus, granting this Application in no way binds the Commission to approve recovery of any of the recorded costs. Cost recovery of the balance in the OGMA would be subject to a reasonableness review in a future GRC or other applicable proceeding. This process will allow the Commission to evaluate the reasonableness of any cost recorded in the authorized memo account before there are any ratepayer impacts.

V. STATUTORY AND PROCEDURAL REQUIREMENTS

A. Rule 2.1(a)-(c)

In accordance with Rule 2.1 (a) – (c), SoCalGas provides the following information.

1. Rule 2.1(a) – Legal Name

SoCalGas is a corporation organized and existing under the laws of the State of California. SoCalGas's principal place of business is 555 West Fifth Street, Los Angeles, California 90013.

2. Rule 2.1(b) - Correspondence

Correspondence or communications regarding this Application should be addressed to:

ERIC A. GRESSLER

Attorney for:

SOUTHERN CALIFORNIA GAS COMPANY
555 West Fifth Street, Suite 1400, GT14E7
Los Angeles, California 90013
Telephone: (213) 244-8507
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ALANA MCKEAN

Regulatory Case Manager for:

SOUTHERN CALIFORNIA GAS COMPANY
555 West Fifth Street, GT14D6
Los Angeles, California 90013
Telephone:(213) 213-6412
E Mail: AMcKean@SoCalGas.com

3. Rule 2.1(c) – Category, Hearings, Issues, Schedule

a. Proposed Category of Proceeding

In accordance with Rule 7.1, SoCalGas requests that this Application be categorized as ratesetting because it requests establishment of a memorandum account that will ultimately be addressed in a future General Rate Case proceeding or other applicable proceeding.

b. Need for Hearings

SoCalGas does not believe that a hearing is necessary for this Application.

c. Issues to be Considered, Including Relevant Safety Considerations

The issues to be considered are described in this Application, and will not result in any adverse safety impacts on the facilities or operations of SoCalGas.

d. Proposed Schedule

SoCalGas proposes the schedule below:

EVENT	DATE
Application	July 27, 2026
Responses/Protests	within 30 days of Daily Calendar notice
SoCalGas's Reply Responses/Protests	within 10 days (see Rule 2.6)
Prehearing Conference	September 2026
Scoping Memo	October 2026
Proposed Decision	November 2026
Commission Decision	December 2026

B. Rule 2.2 – Articles of Incorporation

A copy of SoCalGas's Restated Articles of Incorporation as last amended, presently in effect and certified by the California Secretary of State, was filed with the Commission on October 1, 1998, in connection with SoCalGas's Application No. 98-10-012, and is incorporated herein by reference.

C. Rule 3.2 – Authority to Change Rates

SoCalGas seeks authority for the establishment of a memorandum account with no rate changes that will result from the Application. Because this Application seeks interim tracking and not a rate increase, the requirements of Rule 3.2 are not applicable at this time. Rule 3.2 requirements will be met at the time SoCalGas seeks recovery of amounts tracked within the requested Memo Account.

D. Rule 1.9 – Service

This is a new application. No service list has been established. Accordingly, SoCalGas is serving this Application on all parties to A.25-09-014 - Application of Southern California Gas

Company (U 904 G) and San Diego Gas & Electric Company (U 902 G) Cost Allocation Proceeding.

VI. CONCLUSION AND SPECIFIC REQUEST FOR RELIEF

For all the foregoing reasons, SoCalGas respectfully requests that the Commission approve this Application in all respects. Specifically, in accordance with the foregoing proposed schedule, SoCalGas requests the following specific relief:

1. Approval of authority for SoCalGas to establish an interest-bearing Memo Account for incremental costs incurred associated with SoCalGas's pre-event activities, event period activities, and post-event period activities associated with the Games with an effective date of no later than the filing of this Application; and
2. Granting of such other relief as is necessary and proper.

Respectfully submitted,

By: /s/ Eric A. Gressler
Eric A. Gressler

Attorney for:
SOUTHERN CALIFORNIA GAS COMPANY
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July 27, 2026

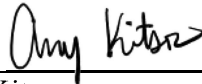
OFFICER VERIFICATION

Amy Kitson declares the following:

I am an officer of Southern California Gas Company and am authorized to make this verification on its behalf. I am informed and believe that the matters stated in the foregoing **APPLICATION OF SOUTHERN CALIFORNIA GAS COMPANY FOR AUTHORITY TO ESTABLISH A MEMORANDUM ACCOUNT FOR THE OLYMPIC GAMES** are true to my own knowledge, except as to matters which are therein stated on information and belief, and as to those matters, I believe them to be true.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed on July 27, 2026, at Los Angeles, California.



Amy Kitson
Southern California Gas Company
VP – Gas Engineering and Systems Integrity

ATTACHMENT A

ATTACHMENT A
Basis of Estimates
Application of Southern California Gas Company for Authority to Establish A
Memorandum Account for the Olympic Games

I. OVERALL DESCRIPTION

This basis of estimate presents projected incremental Operating and Maintenance (O&M) and Capital costs associated with maintaining safe and reliable gas service during the Los Angeles 2028 Olympic and Paralympic Summer Games (2028 Games, Games, or Event). The estimates reflect activities that span planning, preparation, execution, and completion of work designed to support system safety and security, and operations continuity in response to the extraordinary operating environment created by the Event.

The costs described herein are illustrative of the types and magnitude of activities SoCalGas anticipates recording in the Olympic Games Memorandum Account (Memo Account or OGMA). All costs are expected to be incremental to those otherwise authorized in existing rates or presented within other proceedings and incurred as a direct result of the Games. Recovery of recorded costs would be implemented only after a Commission finding of reasonableness, which would be demonstrated by SoCalGas in a subsequent GRC or other applicable proceeding. While SoCalGas has made a good faith effort to identify the types and magnitude of activities that it currently anticipates will be necessary; the actual activities executed may vary based on continued feedback and coordination with Olympic Games stakeholders and the needs of SoCalGas to provide reliable and safe service during the Games.

Table 1: Estimated Costs Per Time Period*

Timeframe	Direct Costs	Loaders (7.6% Labor Only)	Total Loaded Costs
Pre-Event	\$ 3,717,000	\$ 5,000	\$ 3,722,000
During Event	\$ 3,877,000	\$ 158,000	\$ 4,035,000
Post Event	\$ 394,000	\$ -	\$ 394,000
Total	\$ 7,989,000	\$ 163,000	\$ 8,152,000

*Costs are rounded to nearest thousand

II. FORECAST METHODOLOGY

SoCalGas has prepared a preliminary cost estimate based on its forecasted activities informed by Olympic Games stakeholders to date. The estimate is based on Q2 2026 US dollars basis and is intended to be representative of the knowledge base of activities required to safely

operate SoCalGas's system at the time of this filing. SoCalGas used common utility personnel rates and, when available, costs from similar historical projects or proposals from contractors and consultants to guide forecast development. Contingencies ranging from 5-15% are applied to reflect the complexity associated with the scale of the Event, the number of external agencies involved, and the amount of time between now and the Games which may result in changes to operational conditions and requirements. Labor costs in this estimate include an indirect factor of 7.6%.

Activities and costs have been identified by time period relative to the Olympic Games (pre, during, and post-event) and by driver (Safety & Security or Operational Continuity). When forecasting estimates for these activities, further cost categories were considered (O&M Labor, O&M Non-labor, and Capital). The cost categories and their estimating methodology are described in further detail below.

- **O&M Labor:** Incremental labor costs associated with Games-related activities, limited to overtime or additional staffing beyond levels reflected in authorized/requested rates.
- **O&M Non-labor:** Incremental non-labor costs, including contractor support, temporary measures, and subsistence expenses during continuous operations.
- **Capital:** Investments in permanent infrastructure modifications and adjustments to existing capital work such as project acceleration or deferral required because of Olympic induced environmental conditions.

III. COST & ASSUMPTIONS

A. Key Assumptions & Facts

The following facts and planning assumptions reflect publicly available information at the time of filing and reasonable expectation for infrastructure and activities within SoCalGas service territory based on comparable large-scale events and anticipated conditions associated with the Event. These facts and assumptions form the basis from which incremental activities were identified.

- **Venues:** Twenty-three addressed SoCalGas served sites represent the location of Olympic and Paralympic competition venues.¹
- **Event Period:** A published competition schedule² identifies the planned dates of venue use and is assumed to reflect the general timing of site activation with an additional 2-days added per site for advance setup and post-event demobilization; a 35-day operational period was used for activities addressing the event as a whole.³
- **NSSE Designation:** Venues are assumed to be within an operational security perimeter⁴ and subject to NSSE-level security protocols during the event period.
- **Assessment Area:** Operational impacts and assets were considered within a 3-mile radius around each venue given prior NSSE security perimeters⁵ and planning information for transit⁶ and anticipation of vehicle traffic control and temporary adjustments to support public transportation points in the area directly

¹ SoCalGas identified over 20 of the Competition Venues listed as served directly by SoCalGas. See LA28, *2028 Olympic & Paralympic Competition Venues*, available at: <https://la28.org/en/games-plan/venues.html>.

² LA28, *2028 Olympic Games Competition Schedule*, available at: <https://la28.org/en/games-plan/olympics.html#olympic-competition-schedule>.

³ The 2028 Olympics official game period is July 15-30 with events happening 3 days prior. Paralympic official game period runs August 15-27, with events happening 1-2 days prior.

⁴ U.S. Secret Service, *Press Release: 2028 Olympic and Paralympic Games in Los Angeles Designated a National Special Security Event* (June 13, 2024), available at: <https://www.secretservice.gov/newsroom/releases/2024/06/2028-olympic-and-paralympic-games-los-angeles-designated-national-special>.

⁵ See e.g., Metropolitan Police Dept. – Washington D.C., *2025 Army 250th Birthday Parade Public Safety Overview Map*, available at: https://mpdc.dc.gov/sites/default/files/dc/sites/mpdc/page_content/attachments/Armys%20250th%20Birthday%20Parade%20Public%20Safety%20Map%2011x17_0.pdf.

⁶ For example, University of Southern California (USC) Viterbi – School of Engineering assumes a three-mile radius for bicycle infrastructure in its planning. See USC Viterbi – School of Engineering, *Planes, Trains and Air Lanes: The LA28 Transportation Blueprint* (March 23, 2026), available at: <https://viterbischool.usc.edu/news/2026/03/planes-trains-and-air-lanes-the-la28-transportation-blueprint/>.

around the secured site.⁷ A 3-mile impact radius reflects a planning-level operational zone that captures transportation disruptions, emergency response requirements, and threat interdiction space beyond the immediate secured venue. NSSE security is layered and scalable, and comparable events routinely extend their operational footprint well beyond the venue to encompass surrounding infrastructure, access routes, and public safety resources.

- **Access Restriction/Credentialing Requirements:** Security perimeters are expected to have limited ingress and egress, requiring SoCalGas personnel to complete necessary credentialing processes in advance or be escorted by designated security personnel.
- **Activity Limitation:** Active construction and maintenance work within access restricted areas is assumed to be limited or prohibited during the Event Period. Accordingly, work within access restricted areas is assumed to require either completion in advance of, pause during, or deferral until after the Event Period. It is assumed this activity limitation may be preceded by moratoriums on infrastructure work 6-months in advance of the Games.
- **Temporary Population Increase:** The influx of visitors and mobility of the local population during the Event is expected to be substantial resulting in widespread impacts throughout the service territory, affecting transportation routes and lodging availability.⁸

⁷ The 2028 Games Mobility Concept Plan details several traffic control measures and indicates a 3-mile radius for bicycle analysis surrounding venues. See South Bay Cities Council of Governments (SBCCOG), *Metro 2028 Games Mobility Concept Plan* (July 25, 2024), available at: https://cdn.southbaycities.org/wp-content/uploads/2023/12/25124942/PRESENTATION_Metro-Olympics-Mobility-Concept-Plan-Update.pdf.

⁸ SoCalGas did not request Memo Account treatment for the 2026 World Cup hosted in Los Angeles, which had similar world sporting stature, however, the population influx to the Los Angeles region for the Games is expected to be much larger than the 2026 World Cup. The World Cup had one competition venue in SoCalGas territory, while the Games will bring over 20 competition venues in SoCalGas territory. Additionally, Los Angeles hosted 8 competition events over 4 weeks for the World Cup, while the Games will bring more than 35 days with various competition events in a concentrated area over 6 weeks.

- **Overtime Estimates:** Estimates of overtime assume a 12-hour work shift of which only 4-hours of overtime have been accounted for within the basis of these estimates.

B. Direct Cost

The activities and associated costs are generally grouped by two main drivers: Safety & Security; and Operations Continuity. The activities for each driver are discussed in further detail below.

C. Safety & Security

Activities identified herein are designed to preserve system integrity and public safety, with regard to the environment created by the Olympics. The scope described below reflects current public information and identified planning assumptions and may be modified as additional event-specific information and interagency requirements are established.

- **Cyber and physical asset safety assessments and enhancements:** targeted upgrades to infrastructure and security technologies at SoCalGas facilities and Olympic-impacted locations to address elevated risk conditions. These efforts include implementation of physical hardening measures, enhancements to communications and command capabilities, and modifications to existing systems necessary to maintain reliable operations and security during the event.
- **Design and execution of emergency exercises, drills, and cross-functional simulations:** the planning and facilitation of various tabletop and functional exercises specifically developed to address the unique operational, security, and coordination challenges associated with a special event like the Olympic Games; materially different from and exceeding standard emergency preparedness programs, both in scale and in complexity, due to the need to simulate coordinated, multi-agency responses under heightened security conditions and constrained operating environment, with augmented staffing plans.
- **Temporary security measures:** the implementation of targeted, time-bound resources—such as mobile surveillance and roving patrol technologies—that provide a flexible and scalable approach to managing elevated event-driven risks.

The costs associated with Safety & Security drivers in each time period are detailed below:

Table 2: Safety and Security Costs by Time Period*

Timeframe	Direct Costs	Loaders (7.6% Labor Only)	Total Loaded Costs
Pre-Event	\$ 3,100,000	\$ -	\$ 3,100,000
During Event	\$ 1,311,000	\$ -	\$ 1,311,000
Post-Event	\$ -	\$ -	\$ -
Total	\$ 4,412,000	\$ -	\$ 4,412,000

*Costs are rounded to nearest thousand.

D. Operations Continuity

These activities are associated with maintaining baseline safe and reliable service of before, during, and after the Olympic Games. The activities considered for estimating purposes are as follows:

- **Materials management:** Overtime labor and logistics costs associated with pre-staging materials, off-peak and expedited deliveries, and urgent material movements, including selective overtime for warehouse and logistics personnel or overflow carriers during peak demand periods.
- **Technology assessment and implementation:** Non-labor costs associated with implementation of monitoring or communication equipment to maintain system visibility, coverage, and reliability where existing assets may be constrained by access restrictions or security requirements.
- **Work interruption and restart impacts:** Forced suspension and subsequent restart of capital and facility projects within access restricted areas, including demobilization and remobilization activities during access restrictions, as well as additional post-event construction and restoration costs driven by modified site conditions, re-sequencing of work. Due to Olympic-related restrictions,⁹

⁹ Multiple construction moratoriums are expected across the region, including several already issued by cities and agencies in connection with LA28-related activities. See City of LA – Office of the City Clerk, *Moratorium on Construction Activity During the 2028 Olympic and Paralympic Games* (April 30, 2025), available at: https://cityclerk.lacity.org/online/docs/2015/15-0989-S54_rpt_boe_4-30-25.pdf; see also DOT – California Traffic Control Devices Committee (CTCDC), *Experiment request for 2028 Los Angeles (LA28) Olympic and Paralympic Games traffic control devices (CTCDC Experiment 25-15)* (August 7, 2025), available at: <https://dot.ca.gov/-/media/dot->

increased project planning and execution complexity is expected. This increased complexity may lead to additional planning and interagency coordination, as well as non-labor construction and restoration costs driven by constrained access and concurrent third-party activity.

- **Temporary facility support:** Temporary on-site facilities within Olympic-impacted areas to support extended operations and workforce presence, including modular lodging units or trailers used to maintain operational readiness where travel, access, or shift constraints limit normal workforce mobility.
- **Extended shifts and additional staffing aligned to security perimeters, access-restriction zones, and coordination:** Overtime labor and non-labor support costs associated with deploying customer service and operational personnel across security perimeters, access-restricted zones, and coordination points to maintain system responsiveness during the Olympic period, accommodating restricted access to key transportation corridors¹⁰ and assets.
 - Thirteen SoCalGas Distribution Operations Districts host (a) competition venue(s)
 - One (1) Distribution Operations Crew (two (2) employees) staffed at each base which contains a competition venue
 - One (1) Customer Service Technician staffed at each base which contains a competition venue
 - Two (2) Residential Energy Technicians staffed within each assessment area
 - One (1) Meter and Regulation Crew (two (2) employees) staffed at each base which contains a competition venue

[media/programs/safety-programs/documents/ctcdc/20250807/20250807-ctcdc-item-25-15-la28-experiment-request-ally.pdf](https://www.ctcd.org/media/programs/safety-programs/documents/ctcdc/20250807/20250807-ctcdc-item-25-15-la28-experiment-request-ally.pdf).

¹⁰ The Caltrans Games Route Network (GRN) may restrict general highway access by temporarily converting existing lanes into exclusive routes for authorized “Games Family” vehicles. See Los Angeles County Metropolitan Transportation Authority (LA Metro or Metro), *We’re on Track for the LA 2028 Olympic and Paralympic Games* (Games Operational: Games Route Network), available at: <https://www.metro.net/2028games/>.

- Three (3) Front Line Supervisors staged at each base which contains a competition venue
- Garage Mechanic Overtime (OT) + Storage field OT + Systems & Technology OT
- Non-labor meals

Table 3: Operations Continuity Costs by Time Period*

Timeframe	Direct Costs	Loaders (7.6% Labor Only)	Total Loaded Costs
Pre-Event	\$ 617,000	\$ 5,000	\$ 622,000
During Event	\$ 2,566,000	\$ 158,000	\$ 2,724,000
Post-Event	\$ 394,000	\$ -	\$ 394,000
Total	\$ 3,577,000	\$ 163,000	\$ 3,741,000

*Costs are rounded to nearest thousand.

E. Loaded Cost

The contingency, loaders, and total loaded costs for pre-event, event period, and post-event period activities are summarized in further detail below.

Contingencies ranging from 5-15% have been applied to the direct costs for the activities associated with the 2028 Games, reflecting the current planning status and evolving external environment. The contingency accounts for uncertainty associated with externally imposed conditions and represents a reasonable, planning-level allowance.

A loading factor of 7.6%¹¹ was applied to all cost estimates associated with SoCalGas overtime labor.

¹¹ Payroll tax is calculated on the incremental portion of labor (internal overtime and recognition pay) and represents SoCalGas's required contributions to the Federal Insurance Contributions Act (FICA) fund. Incremental payroll tax will have been incurred if incremental labor resulting from the Games was not incurred. SoCalGas uses a payroll tax rate of 7.6%.

Table 4. Summary of 2028 Games Costs*

Event Period	Direct Costs	Loaders (7.6%, Labor Only)	Total Loaded Costs
Pre-Event			
O&M Labor	\$ 68,000	\$ 5,000	\$ 74,000
O&M Non-Labor	\$ 1,339,000	\$ -	\$ 1,339,000
Capital	\$ 2,310,000	\$ -	\$ 2,310,000
Total =	\$ 3,717,000	\$ 5,000	\$ 3,722,000
During Event			
O&M Labor	\$ 2,082,000	\$ 158,000	\$ 2,241,000
O&M Non-Labor	\$ 1,795,000	\$ -	\$ 1,795,000
Capital	\$ -	\$ -	\$ -
Total =	\$ 3,877,000	\$ 158,000	\$ 4,035,000
Post Event			
O&M Labor	\$ -	\$ -	\$ -
O&M Non-Labor	\$ 78,000	\$ -	\$ 78,000
Capital	\$ 316,000	\$ -	\$ 316,000
Total =	\$ 394,000	\$ -	\$ 394,000

*Costs are rounded to nearest thousand.

IV. PRELIMINARY SCHEDULE OF ACTIVITIES

The preliminary schedule of 2028 Games–related activities reflects information known at the time of this Application. This schedule is subject to change as additional details are developed, finalized, or released by organizing entities, governing bodies, and local, state, and federal agencies from the date of this Application through the commencement of the Games. Accordingly, the information presented should be considered preliminary and subject to adjustment.

	2026		2027				2028			
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Safety & Security										
<u>Pre-Event</u>										
Cyber & physical security safety assessments and enhancements										
Design and execution of emergency exercises, drills, and cross-functional simulations										
<u>During Event</u>										
Temporary security measures										
Operations Continuity										
<u>Pre-Event</u>										
Materials management										
Technology assessment and implementation										
Work interruption impacts										
<u>During Event</u>										
Temporary facility support										
Extended shifts & additional staffing										
<u>Post-Event</u>										
Work restart impacts										