



Pacific Gas and Electric Company 2027 GRC

A.25-05-009

TURN HEARING EXHIBIT

TURN Ex-709

Thomas Crowley

Response to Data Request TURN-PG&E-55, Question 18

**PACIFIC GAS AND ELECTRIC COMPANY
General Rate Case 2027 Phase I
Application 25-05-009
Data Response**

PG&E Data Request No.:	TURN_055-Q018
PG&E File Name:	GRC-2027-Phi_DR_TURN_055-Q018
Request Date:	October 17, 2025
Requester DR No.:	55
Requesting Party:	The Utility Reform Network
Requester:	Ruthie Lazenby
Date Sent:	October 31, 2025
PG&E Witness(es):	Thomas Crowley – Engineering, Planning and Strategy

SUBJECT: EXHIBIT PG&E-7, CHAPTER 4 REAL ESTATE

QUESTION 018

OGO Mall/Parking Structure.

- a. Provide the month and year when Company first considered these projects.
- b. Explain why these projects were not included in the Petition For Modification.
- c. Provide the Project Approval Executive Summary (Similar to the one provided in WP 4-37 through 4-39) including all revisions, for the mall/parking structure project. If one was not prepared, explain why not.
- d. Explain why the Mall/Parking Structure was not part of the original plan.
- e. Explain in detail why the Mall/Parking Structure is necessary for the OGO.
- f. Provide a copy of the cost benefit analysis performed for the Mall/Parking Structure project. If one was not prepared, explain why not.

ANSWER 018

- a. The initial driver that resulted in the purchase of the Mall parcel was PG&E's parking requirements. The lease with purchase option for 300 Lakeside allowed for leasing up to 300 parking spaces within the adjacent parking structure owned and operated by TMG, the landlord. As PG&E began offering coworkers a return-to-work option in 2023, there was a need to identify additional parking spaces. In March 2023, TMG engaged with PG&E for options for additional parking. Subsequently TMG agreed to lease the top 3 floors of the parking structure to PG&E. This lease included an option to purchase those floors by 2026. TMG then approached PG&E with an offer to sell the entire Mall parcel, including the parking structure, at below market values if purchased in 2025 coincident with the Tower purchase. PG&E executed the purchase for the Tower and Mall parcels in June 2025.

- b. The PFM focused on the allowed costs outlined in CPUC Decision (D.) 21-08-027 that were related to selling and closing San Francisco General Office and consolidating several sites to 300 Lakeside. The parking lease and mall purchase were not contemplated in the prior decision. PG&E elected to seek rate recovery within the 2027 GRC rather than amend the prior request.
- c. The OGO Mall and Parking structure purchase did not utilize the CRESS Capital Project Phase Gate Process and instead followed delegations of authority to execute the parking lease with purchase option. The subsequent purchase followed similar delegations of authority. A summary, similar to an “executive summary” was included on page 4-18 in the GRC testimony (Exhibit (PG&E-7), Chapter 4).
- d. Please see the responses to part (a) and (b) above.
- e. As outlined in PG&E’s GRC testimony in Exhibit (PG&E-7), Chapter 4, page 4-35, PG&E had the unique opportunity to replicate similar amenities that were available at SFGO within the now “OGO Campus” at less than market costs that included: a) parking, b) conference, c) food service, d) daycare, and e) onsite health services that were not available through the 300 Lakeside Tower lease or purchase.
- f. Please refer to GRC-2027-Phi_DR_TURN_020-Q018Supp01 response, which includes documents supporting the valuation analysis for the mall and parking structures.