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to 0 at its 1/25/79  
meeting.

CALENDAR ITEM

20.

1/79  
WP 331 WP 2757  
WP 3453 WP 3454  
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CONSENT TO MODIFICATION OF SECURITY INTEREST IN  
INDUSTRIAL LEASES PRC 331.1, 2757.1, 3453.1, 3454.1

GRANTOR: TOSCO Corporation  
10100 Santa Monica Boulevard  
Los Angeles, California 90067

GRANTEE: Title Insurance and Trust Company, as trustee  
for the benefit of:

The Bank of New York, as trustee for the  
benefit of:

- The Security Pacific National Bank (added)
- The First National Bank of Boston, Massachusetts
- The First National Bank of Saint Paul,  
Minnesota
- Wells Fargo Bank, N.A.
- Seattle-First National Bank
- The Prudential Insurance Company of America
- The Equitable Life Assurance Society of  
the United States
- The Mutual Life Insurance Company of New  
York
- The Penn Mutual Life Insurance Company
- North American Life and Casualty Company

<u>Lease No.</u>	<u>Location</u>	<u>Use</u>
PRC 331.1	Contra Costa County	Pipelines Crossing Pacheco Creek
PRC 2757.1	Contra Costa County	Marine Terminal at Pittsburg
PRC 3453.1	Contra Costa County	Amorco Marine Terminal at Martinez
PRC 3454.1	Contra Costa County	Wharf at Avon Refinery

EXHIBIT INFORMATION:  
In compliance with a decree of divestiture  
in an action filed in the United States  
District Court, for the Central District  
of California, Civil No. 66-1154-WJF, Phillips  
Petroleum Company, with the prior consent  
of the Commission, assigned certain of  
its leases and interests to The Oil Shale  
Corporation, hereinafter referred to as

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"TOSCO". Leases previously issued by the State Lands Commission were affected by the Court's Order. The State leases so affected include those identified above.

As a part of TOSCO's purchase of certain of Phillips Petroleum Company's leases and other assets, Phillips and TOSCO entered into an agreement under which Phillips agreed to finance portions of such purchase by TOSCO, and Tosco agreed to grant Phillips a security interest in the listed leases, among other assets. The Commission gave its prior written consent to the granting of a security interest in the subject State leases.

Applicant, TOSCO, now requests the Commission's approval of a modification to the existing security interest. Under the proposed modification, one additional bank (the Security Pacific National Bank) will join the present group of lenders and become a beneficially secured party under the existing security agreements. In addition, the security documents will be revised to provide some \$25,000,000 of additional credit availability to TOSCO. The original terms and conditions of the Commission's approval of the granting of the security interest will be otherwise unchanged.

The staff has reviewed the applicant's request and recommends that the Commission consent to this modification of the security interests. This transaction is not a project within the meaning as defined in Section 15037, of Title 14, of the Cal. Adm. Code, and Section 21065, of the P.R.C. Accordingly, an environmental assessment for this transaction is not required.

IT IS RECOMMENDED THAT THE COMMISSION:

ADVISE THAT AN EIR NEED NOT BE PREPARED FOR THIS TRANSACTION AS SUCH REPORT IS NOT REQUIRED UNDER THE PROVISIONS OF P.R.C. 21065. 14 CAL. ADM. CODE 15037.

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2. CONSENT TO THE MODIFICATION OF SECURITY INTERESTS PREVIOUSLY APPROVED BY THE COMMISSION AND GRANTED BY TOSCO CORPORATION IN LEASES IDENTIFIED AS PRC 331.1, PRC 2757.1, PRC 3453.1 AND PRC 3454.1, AS FOLLOWS:
  - a) THE SECURITY PACIFIC NATIONAL BANK MAY JOIN TOSCO'S EXISTING GROUP OF LENDERS AND BE RECOGNIZED AS A BENEFICIALLY SECURED PARTY,
  - b) TOSCO'S AVAILABLE CREDIT LIMIT UNDER THE SECURITY DOCUMENTS MAY BE INCREASED BY \$25,000,000.
3. AUTHORIZE THE EXECUTION OF APPROPRIATE DOCUMENTS TO EFFECTUATE SAID CONSENT.

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