CALENDAR ITEM

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- S 5, 7

08/14/12 PRC 8677.1 C. Hudson

CONTINUATION OF RENT

LESSEE:

Pacific Gas and Electric Company 245 Market Street, Room 1052A-N10A San Francisco, CA 94105

AREA, LAND TYPE, AND LOCATION:

2.65 acres, more or less, of sovereign land in Old River, Middle River, and Latham Slough, near McDonald Island, Lower Jones Island, Bacon Island, and Palm Tract, San Joaquin and Contra Costa counties.

AUTHORIZED USE:

Operation, use, and maintenance of an existing 24-inch diameter natural gas pipeline.

LEASE TERM:

20 years, beginning April 17, 2006.

CONSIDERATION:

This lease provides that Lessor may modify the rent periodically during the lease term. Pursuant to this provision, staff has conducted a review of the rent under this lease, and recommends that the rent be continued at \$1,110 per year, effective April 17, 2012.

OTHER PERTINENT INFORMATION:

- 1. On April 17, 2006, the Commission authorized a General Lease Right-of-Way Use with Pacific Gas and Electric Company. That lease will expire on April 16, 2026. The pipeline was last inspected in March 2011, with no operational or maintenance violations reported.
- 2. The staff recommends that the Commission find that the subject continuation of rent does not have a potential for resulting in either a direct or a reasonably foreseeable indirect physical change in the environment,

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and is, therefore, not a project in accordance with the California Environmental Quality Act (CEQA).

Authority: Public Resources Code section 21065 and California Code of Regulations, Title 14, sections 15060, subdivision (c)(3), and 15378.

EXHIBIT:

A. Site and Location Map

RECOMMENDED ACTION:

It is recommended that the Commission:

CEQA FINDING:

Find that the subject continuation of rent is not subject to the requirements of CEQA pursuant to California Code of Regulations, Title 14, section 15060, subdivision (c)(3), because the subject activity is not a project as defined by Public Resources Code section 21065 and California Code of Regulations, Title 14, section 15378.

AUTHORIZATION:

Approve the continuation of rent for Lease No. PRC 8677.1 at \$1,110 per year, effective April 17, 2012.

