

**CALENDAR ITEM
C07**

A 10, 15, 26

12/02/13

S 1, 14

PRC 8777.1

R. Boggiano

REVISION OF RENT

LESSEE:

Pacific Gas and Electric Company

LAND TYPE AND LOCATION:

Sovereign land in the Mokelumne and the Cosumnes Rivers, near the city of Elk Grove, Sacramento and San Joaquin Counties.

AUTHORIZED USE:

The construction, use, operation, and maintenance of a 24-inch-diameter welded steel natural gas pipeline and maintenance of four existing slurried deactivated eight-inch-diameter pipelines.

LEASE TERM:

20 years, beginning March 25, 2008.

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 rent be revised from \$230 per year to \$295 per year, effective March 25, 2014.

OTHER PERTINENT INFORMATION:

1. On March 25, 2008, the Commission authorized the issuance of Lease No. PRC 8777.1, a General Lease - Right-of-Way Use, to Pacific Gas and Electric Company for the construction, use, operation and maintenance of a 24-inch-diameter welded steel natural gas pipeline and maintenance of four existing slurried deactivated eight-inch-diameter pipelines. The lease will expire on March 24, 2028.
2. Staff conducted a rent review called for in the lease and recommends rent be increased.

CALENDAR ITEM NO. **C07** (CONT'D)

3. Staff recommends that the Commission find that the subject revision of rent does not have a potential for resulting in either a direct or a reasonably foreseeable indirect physical change in the environment, 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:

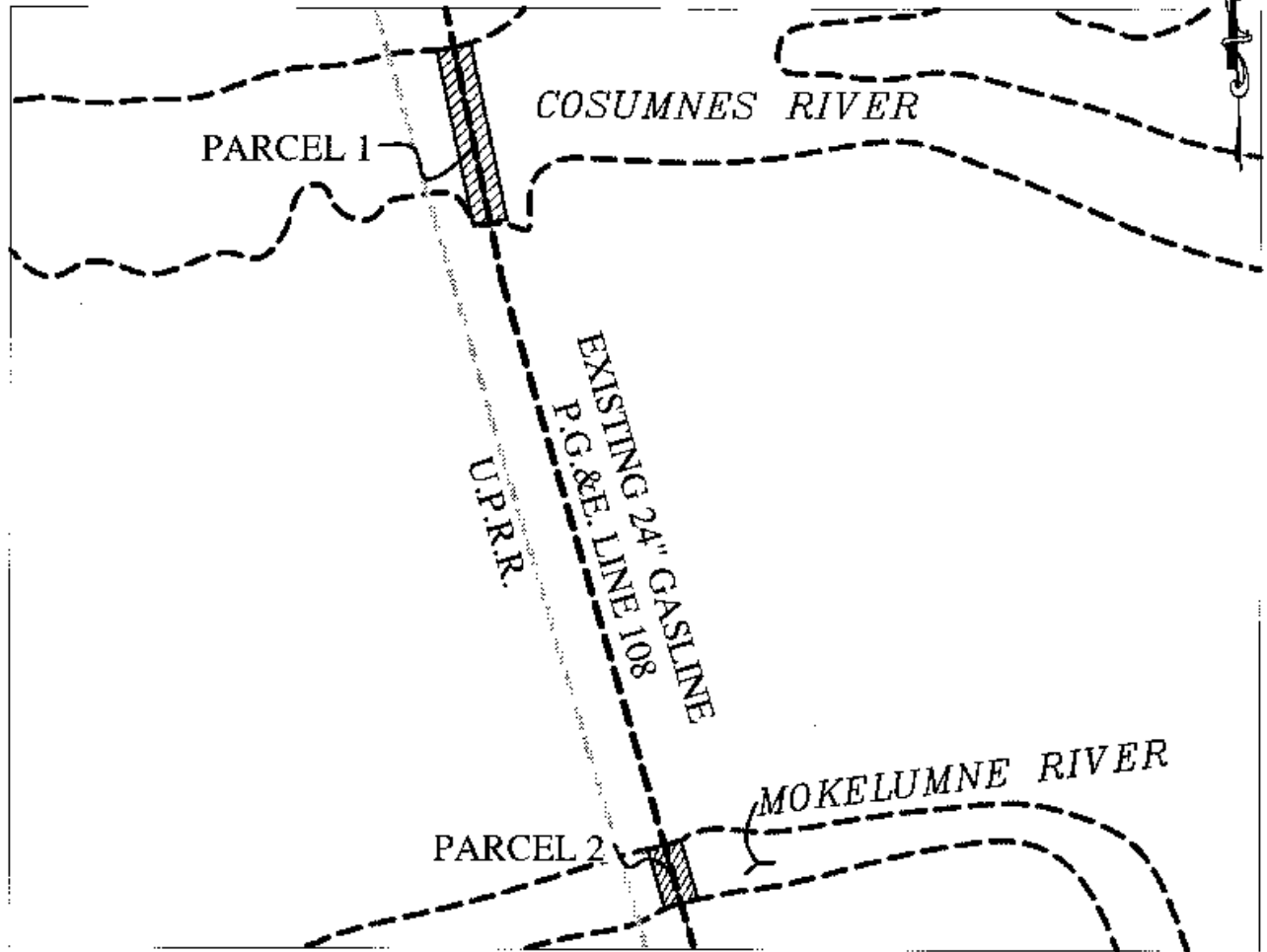
Find that the subject revision of rent is not subject to the requirements of CEQA pursuant to California Code of Regulations, Title 14, section 15060, subdivision (c)(3), because the subject activity is not a project as defined by Public Resources Code section 21065 and California Code of Regulations,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

AUTHORIZATION:

Approve the revision of rent for Lease No. PRC 8777.1 from \$230 per year to \$295 per year, effective March 25, 2014.

NO SCALE

SITE



Mokelumne River and Cosumnes River

NO SCALE

LOCATION



MAP SOURCE: USGS QUAD

Exhibit A

PRC 8777
 P.G.&E.
 GENERAL LEASE -
 RIGHT-OF-WAY USE
 SACRAMENTO &
 SAN JOAQUIN COUNTY



This Exhibit is solely for purposes of generally defining the lease premises, is based on unverified information provided by the Lessee or other parties and is not intended to be, nor shall it be construed as, a waiver or limitation of any State interest in the subject or any other property.