

**CALENDAR ITEM
C45**

A 78
S 39

10/16/15
PRC 5392.1
R. Collins

REVISION OF RENT

LESSEE:

San Diego Gas and Electric Company

AREA, LAND TYPE, AND LOCATION:

Sovereign land located in San Diego Bay, between the cities of San Diego and Coronado, San Diego County.

AUTHORIZED USE:

Operation and maintenance of two existing natural gas pipelines (one 6-inch diameter and one 8-inch diameter), two 69 kV electrical transmission lines, one 12 kV distribution line; and the installation and maintenance of one new 69 kV electrical transmission line within existing conduits; the removal of one 69 kV electrical transmission line within an oil filled pipeline; and the installation and maintenance of a new telecommunications line within that same existing oil-filled electrical transmission pipeline, once the oil has been removed.

LEASE TERM:

30 years, beginning October 29, 2010.

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 \$76,050 per year to \$83,619 per year, effective October 29, 2015.

OTHER PERTINENT INFORMATION:

1. Lessee has the right to use the upland adjacent to the Lease premises.
2. On October 29, 2010, the Commission authorized a General Lease – Right-of-Way Use to San Diego Gas and Electric Company, for the operation and maintenance of two existing natural gas pipelines and eight conduits for existing and future electrical transmission, electrical

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distribution, and telecommunication lines. The lease will expire on October 28, 2040.

3. Staff conducted the rent review called for in the lease and recommends the rent increase.
4. 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:

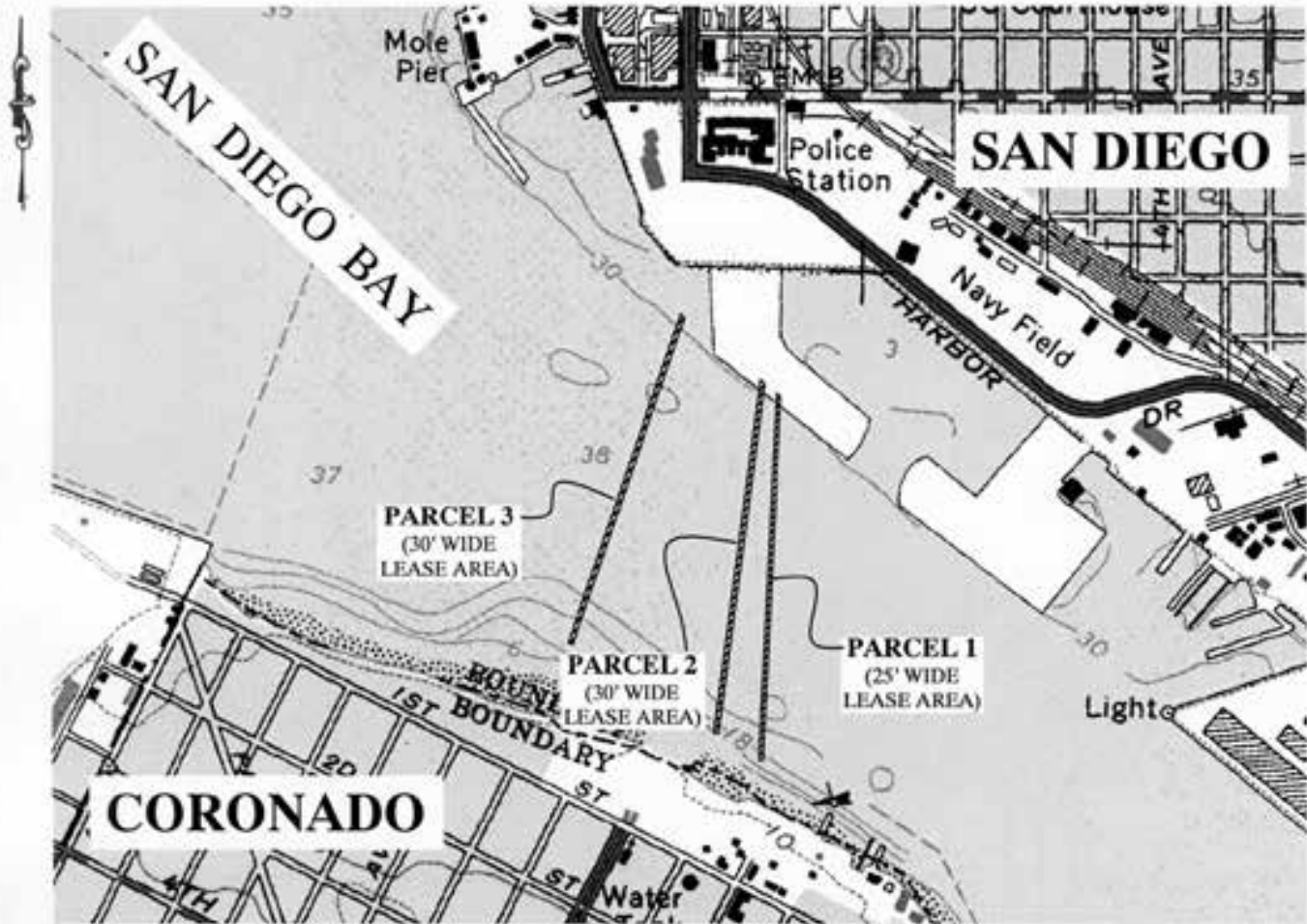
Find that the subject revision of rent is not subject to the requirements of CEQA pursuant to California Code of Regulations, Title 14, section 15060, subdivision (c)(3), because the subject activity is not a project as defined by Public Resources Code section 21065 and California Code of Regulations,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

AUTHORIZATION:

Approve the revision of rent for Lease No. PRC 5392.1 from \$76,050 per year to \$83,619 per year, effective October 29, 2015.

NO SCALE

SITE MAP



San Diego Bay between cities of San Diego and Coronado

NO SCALE

LOCATION MAP



Exhibit A
 PRC 5392.1
 SAN DIEGO GAS &
 ELECTRIC COMPANY
 GENERAL LEASE -
 RIGHT-OF-WAY USE
 SAN DIEGO 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.
 Source: USGS QUAD