

**CALENDAR ITEM
C86**

A 33
S 16

12/18/15
PRC 8254.1
R. Collins

REVISION OF RENT

LESSEE:

Questar Southern Trails Pipeline

AREA, LAND TYPE, AND LOCATION:

Sovereign land located in the Colorado River, near Needles, San Bernardino County.

AUTHORIZED USE:

Operation and maintenance of a 16-inch natural gas pipeline.

LEASE TERM:

20 years, beginning December 1, 2000.

CONSIDERATION:

This lease provides that Lessor may modify the rent periodically during the lease term. Pursuant to this provision, staff conducted a review of the rent under this lease and recommends that rent be revised from \$339 per year to \$450 per year, effective December 1, 2015.

OTHER PERTINENT INFORMATION:

1. Lessee has the right to use the upland adjacent to the Lease premises.
2. On November 27, 2000, the Commission authorized a General Lease – Right-of-Way Use to Questar Southern Trails Pipeline, for the operation and maintenance of a 16-inch natural gas pipeline. The lease will expire on November 30, 2020.
3. This segment of pipeline is in-line inspected every seven years. The most recent inspection occurred on May 8, 2013, with the next inspection scheduled for May 2020. Cathodic protection surveys are performed annually, with the last inspection on May 26, 2015. Department of Transportation required pipeline patrols are performed three times per year (2015 patrols occurred on April 6, June 17, and October 27, with no

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leaks identified). Additionally, river crossing inspections are conducted periodically using video camera to look for potential scouring.

4. Staff conducted the rent review called for in the lease and recommends the rent increase.
5. Approving the revision of rent is not a project as defined by the California Environmental Quality Act (CEQA) because it is an administrative action that will not result in direct or indirect physical changes in the environment.

Authority: Public Resources Code section 21065 and California Code of Regulations, Title 14, section 15378, subdivision (b)(5).

EXHIBIT:

- A. Site and Location Map

RECOMMENDED ACTION:

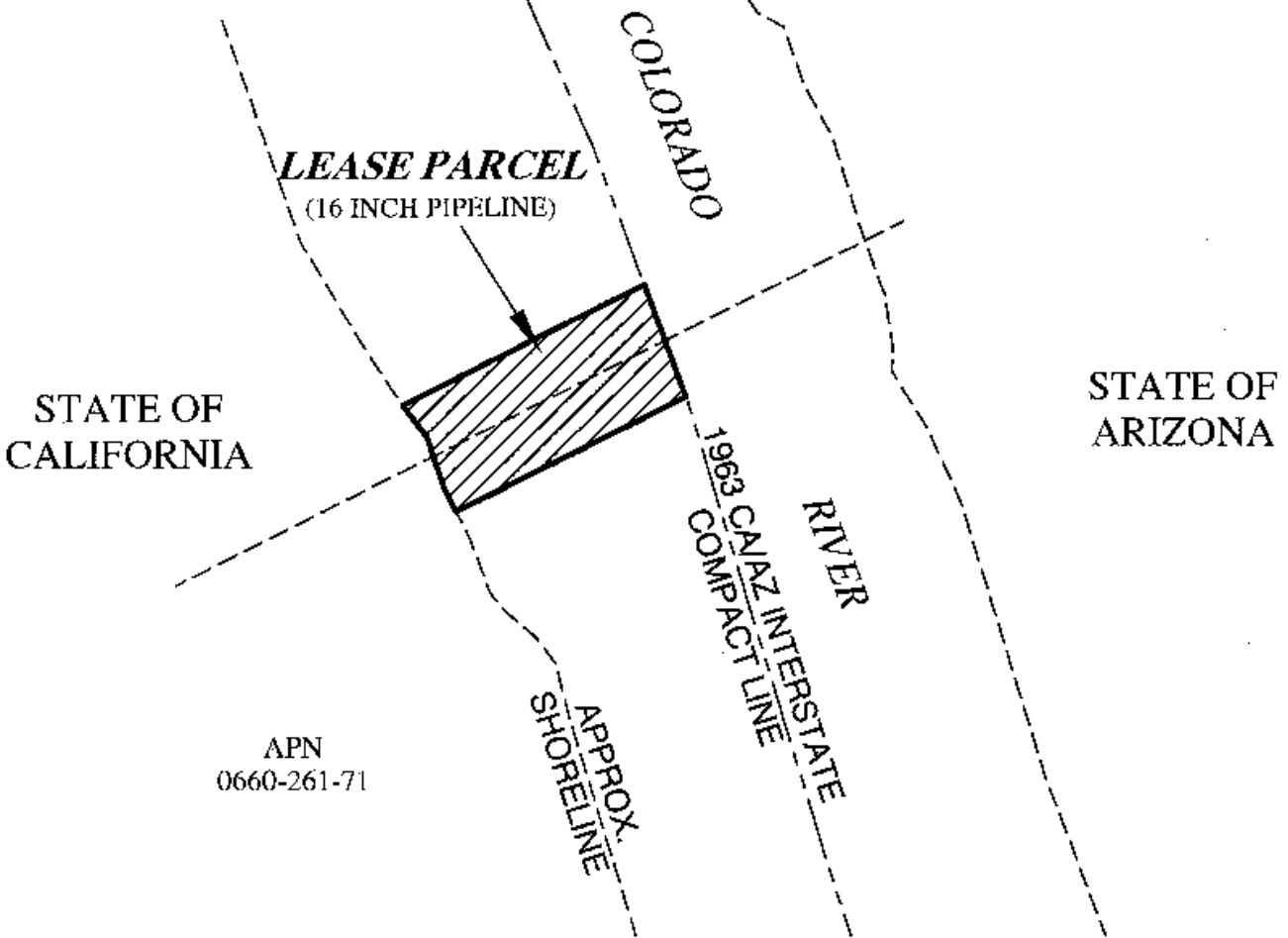
It is recommended that the Commission:

AUTHORIZATION:

Approve the revision of rent for Lease No. PRC 8254.1 from \$339 per year to \$450 per year, effective December 1, 2015.

NO SCALE

SITE



**PIPELINE CROSSING COLORADO RIVER,
NEAR THE CITY OF NEEDLES**

NO SCALE

LOCATION



MAP SOURCE: USGS QUAD

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.

Exhibit A

PRC 8254.1
 QUESTAR SOUTHERN
 TRAILS PIPELINE CO.
 APN 0660-261-71
 GENERAL LEASE -
 RIGHT-OF-WAY USE
 SAN BERNARDINO COUNTY

