MINUTE ITEM
This Calendar Item No. C03
was approved as Minute Item
No. 3 by the State Lands
Commission by a vote of 3
0 at its 1/8/92
meeting.

CALENDAR ITEM

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PRC 5438
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AMENDMENT OF MASTER LEASE PRC 5438
ADDENDUM No. 12

LESSEE:
Pacific Gas and Electric Company
P. O. Box 193965, Room 45/4/C36
San Francisco, California 94119-3965

AREA, TYPE LAND AND LOCATION:
Two parcels of sovereign land totalling 4.01± acres located in the bed of the Sacramento River, Tehama County, and the bed of the Fall River in Shasta County.

LAND USE:
The installation, operation, and maintenance of a 42-inch-diameter natural gas pipeline.

TERMS OF EXISTING MASTER LEASE:
Initial period:
Twenty (20) years beginning January 1, 1978.

Renewal options:
Two (2) successive periods of ten (10) years each.

Surety bond:
None.

Public liability insurance:
Combined single limit coverage of $1,000,000.

Consideration:
$24,292 per annum; five-year rent review.

TERMS OF PROPOSED AMENDMENT:
Addition of two parcels of sovereign land to the master lease for a 42-inch-diameter natural gas pipeline as described on the attached exhibits A-96 and A-97, effective February 1, 1992.

PREREQUISITE CONDITIONS, FEES AND EXPENSES:
Processing costs have been received.

STATUTORY AND OTHER REFERENCES:
A. P.R.C.: Div. 6, Parts 1 and 2; Div. 13.

B. Cal. Code Regs.: Title 3, Div. 3; Title 14, Div. 6.

AB 884:
05/19/92

OTHER PERTINENT INFORMATION:

1. At its January 26, 1978 meeting (Minute Item No. 24), the Commission authorized issuance of a master gas pipeline lease to Pacific Gas and Electric (PG&E) covering its then existing 89 State lands leases. PG&E has now applied to the Commission for an amendment to the lease to add a 42-inch-diameter pipeline which crosses the Sacramento River in Tehama County and the Fall River in Shasta County.

2. Pacific Gas Transmission (PGT) and PG&E propose to construct a total of 845 miles of pipeline which would extend from Kingsgate, Canada, south to PG&E's Panoche Metering Station in Fresno County, California. This expansion project would expand the current capacity of the existing PGT/PG&E natural gas transmission system by constructing a second 42-inch pipeline adjacent to, and interconnected with, an existing PGT/PG&E pipeline. The new pipeline will substantially be located within existing PGT/PG&E right-of-ways.

3. An EIR and Addenda, SCH 89081512, thereto were prepared for this project by the California Public Utilities Commission (CPUC), the CEQA Lead Agency. The CPUC, in its Record of Decision 90-12-119, certified that an EIR had been prepared which identified several resources occurring along the pipeline route which will sustain unavoidable significant impacts, even if all of the proposed mitigation is feasible and successfully implemented. Because of this conclusion, a Statement of Overriding Considerations was adopted by the CPUC, finding "that the project's need for flexibility to respond to market conditions, and the desirability of giving consumers the choice of many interstate pipelines constitute overriding considerations justifying the certification of the Expansion Project

Commission staff has reviewed the above-referenced documents and Record of Decision. None of the unavoidable significant impacts remaining after mitigation measures have been imposed, occur on lands under the jurisdiction of the Commission.

4. This activity involves lands identified as possessing significant environmental values pursuant to P.R.C. 6370, et seq. Based upon the staff's consultation with the persons nominating such lands and through the CEQA review process, it is the staff's opinion that the project, as proposed, is consistent with its use classification.

5. The CPUC incorporated all identified mitigation measures and adopted a Monitoring, Compliance, and Reporting Plan for such measures. The CPUC has contacted with Chambers Group, Inc., an environmental consultant, to monitor compliance with the Monitoring Plan. PGE/PGT is required to submit copies of mitigation monitoring reports for construction occurring on lands under the Commission's jurisdiction to Commission staff.

APPROVALS OBTAINED:

California Public Utilities Commission.

FURTHER APPROVALS REQUIRED:

United States Army Corps of Engineers, the Central Valley Regional Water Quality Control Board, and the State Reclamation Board.

EXHIBITS:

A - 96. Land Description - Fall River Crossing
A - 97. Land Description - Sacramento River Crossing
B - 96. Location Map - Fall River Crossing
B - 97. Location Map - Sacramento River Crossing

IT IS RECOMMENDED THAT THE COMMISSION:

1. FIND THAT THIS ACTIVITY IS CONSISTENT WITH THE USE CLASSIFICATION DESIGNATED FOR THE LAND PURSUANT TO P.R.C. 6370, ET SEQ.

2. FIND THAT AN EIR AND ADDENDA (SCH 89081512) WERE PREPARED AND CERTIFIED FOR THIS PROJECT BY THE CALIFORNIA PUBLIC UTILITIES COMMISSION, AS EVIDENCED IN RECORDS OF DECISION 90-12-119 (DECEMBER 27, 1990); 91-08-030 (AUGUST 7, 1991); AND 91-06-053 (JUNE 19, 1991). COPIES OF THESE RECORDS OF DECISION ARE ON FILE IN THE COMMISSION';S SACRAMENTO OFFICE, AND THE STATE LANDS COMMISSION HAS REVIEWED AND CONSIDERED THE INFORMATION CONTAINED THEREIN.

3. FIND THAT THE CPUC INCORPORATED ALL IDENTIFIED MITIGATION MEASURES AND ADOPTED A MONITORING , COMPLIANCE, AND REPORTING PLAN FOR SUCH MEASURES IN THEIR RECORDS OF DECISION 90-12-119, 91-08-030, AND 91-06-053, AND THAT IMPLEMENTATION OF SUCH MEASURES WILL RESULT IN NO SIGNIFICANT IMPACTS TO LANDS UNDER THE JURISDICTION OF THE COMMISSION.

4. ADOPT THE FINDINGS AND MITIGATION, COMPLIANCE, AND REPORTING PLAN CONTAINED WITHIN SUCH RECORDS OF DECISION.

5. AUTHORIZE AMENDMENT, EFFECTIVE FEBRUARY 1, 1992, OF MASTER LEASE PRC 5438 TO PACIFIC GAS AND ELECTRIC COMPANY FOR THE INSTALLATION, OPERATION, AND MAINTENANCE OF A 42-INCH-DIAMETER NATURAL GAS PIPELINE ON THE LANDS DESCRIBED ON EXHIBITS A-96 AND A-97 ATTACHED AND BY REFERENCE MADE A PART HEREOF; ALL OTHER TERMS AND CONDITIONS OF THE LEASE TO REMAIN IN FULL FORCE AND UNCHANGED.

EXHIBIT "A-96"

PRC 5438.1
Fall River

LAND DESCRIPTION

A strip of submerged land 100 feet wide lying in the bed of the Fall River, in protracted Section 29, T38N, R4E, MDM, in Shasta County, California, and being 50 feet on each side of the following described centerline

> COMMENCING at a 2" iron pipe accepted as the Northeast corner of said Section 29; thence S 89° 50' W, 1505 feet along the northerly boundary line of said Section 29; thence leaving said northerly boundary line, S 08° 20' W, 947 feet; thence S 08° 25' W, 1254 feet; thence S 08° 18' W, 426 feet to the TRUE POINT OF BEGINNING of said parcel centerline, said point being located on the northerly side of the Fall River, and also being located 30 feet westerly of an existing Pacific Gas & Electric Company pipeline; thence continuing S 08° 18' W, parallel with and adjacent to said Pacific Gas & Electric pipeline, a distance of 286 feet to the terminus of said centerline, said terminus being located on the southerly side of the Fall River.

EXCEPTING THEREFROM any portion lying landward and northerly of the northerly low water mark; and any portion lying landward and southerly of the southerly low water mark of the Fall River.

END OF DESCRIPTION

PREPARED NOVEMBER, 1991 BY LLB

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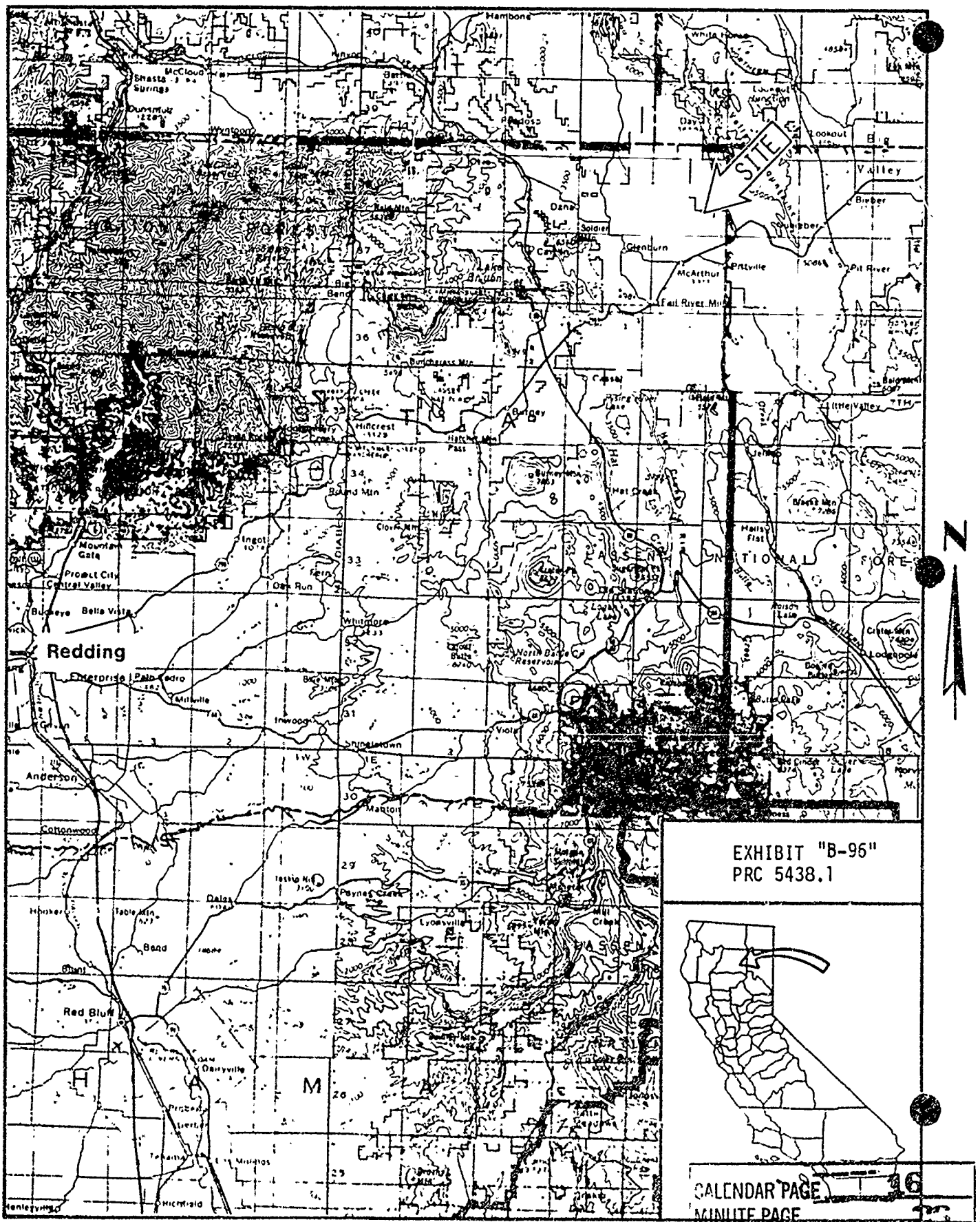

EXHIBIT "B-96"
PRC 5438.1

EXHIBIT "A-97"

PRC 5438.1
Sacramento River

LAND DESCRIPTION

A strip of submerged land 100 feet wide lying in the bed of the Sacramento River, in protracted Section 35, T27N, R3E, MDM, and in Rancho Rio De Los Berrendos, in Tehama County, California, and being 50 feet on each side of the following described centerline:

> COMMENCING at a 1 1/2" galvanized iron pipe U.S.C.E. MI241.8L having California State Plane Coordinate System, Zone 1 coordinates Y=299214.92; X=1950281.25, NAD 27; thence S 75° 30' W, 148 feet to the TRUE POINT OF BEGINNING of said parcel centerline, said point being located on the northerly side of the Sacramento River, and also being located 82 feet westerly of an existing Pacific Gas & Electric Company pipeline; thence continuing S 10° 50' W, 1400 feet to the terminus of said centerline, said terminus being located on the southerly side of the Sacramento River, and also being located 76 feet westerly of said existing pipeline.

EXCEPTING THEREFROM any portion lying landward and northerly of the northerly low water mark; and any portion lying landward and southerly of the southerly low water mark of the Sacramento River.

END OF DESCRIPTION

PREPARED NOVEMBER, 1991 BY LLB

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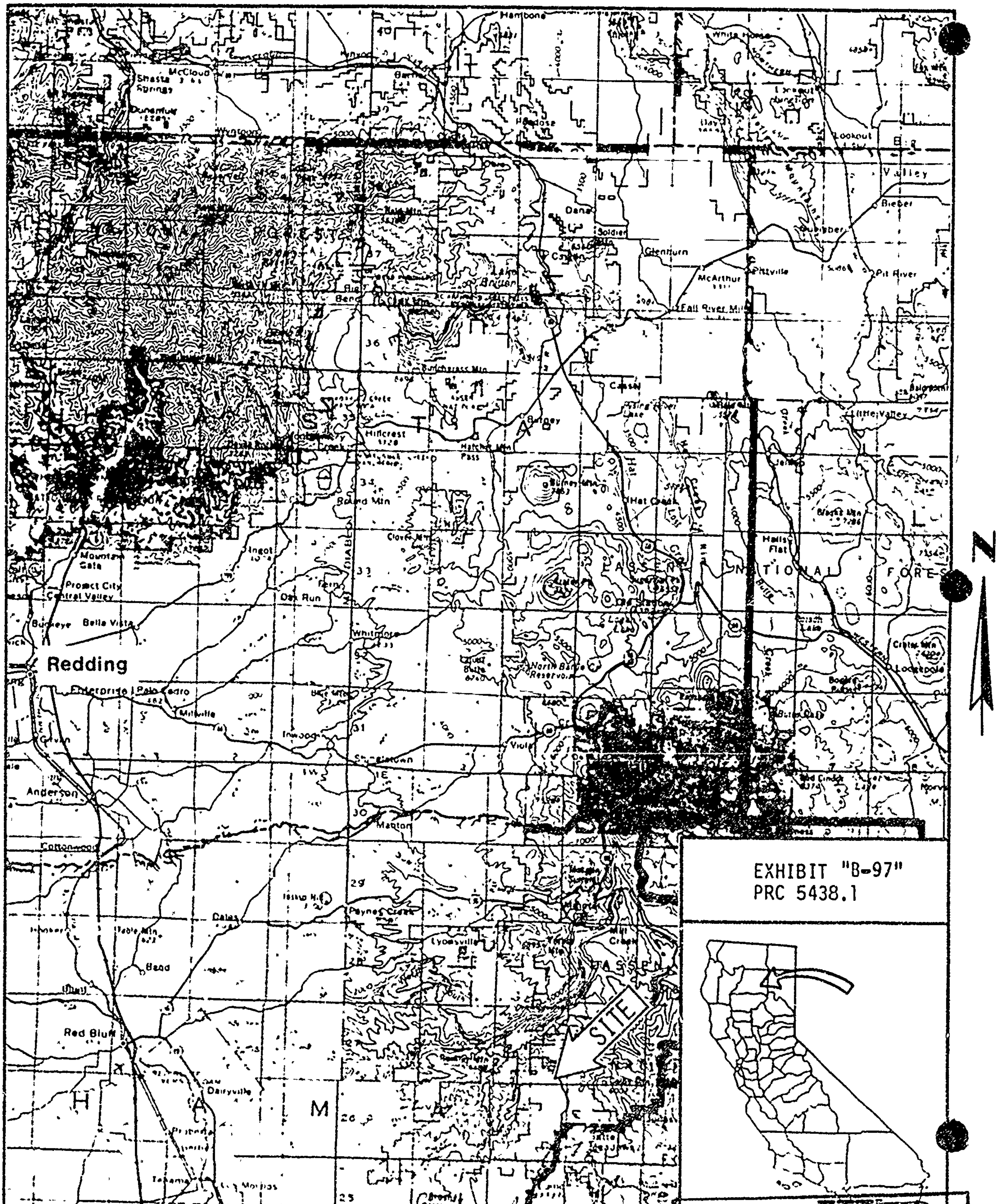

EXHIBIT "B-97"
PRC 5438.1

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