MINUTE ITEM
This Calendar Item No. C35 was approved as Minute Item No. 35 by the California State Lands Commission by a vote of 3 to 0 at its 6-20-05 meeting.

CALENDAR ITEM
C35

A 30

S 16

06/20/05
PRC 4989.1
J. Smith

CONTINUATION OF RENT

LESSEE:

Southern California Gas Company
Mail Location 26C2
P.O. Box 513249
Los Angeles, California 90051-1249

AREA, LAND TYPE, AND LOCATION:

0.14 acres, more or less, of sovereign lands in the Kings River, near State Highway 41, Kings County.

AUTHORIZED USE:

Continued use and maintenance of one 16" diameter pipeline used for the transmission of natural gas.

LEASE TERM:

Ten years, beginning March 1, 2000.

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 $100 per year, effective March 1, 2005.

OTHER PERTINENT INFORMATION:

PRC 4989.1 covers a 16" natural gas pipeline under the Kings River in Kings County. The lease was originally issued for a term of 15 years, beginning March 1, 1975, with a renewal option for three successive periods of ten years each. Pursuant to the Lessee's request to exercise the first renewal option, the Lease was renewed for ten years on March 1, 1990. The Commission subsequently authorized the issuance of a new lease at its meeting on November 26, 2001, in conjunction with Lessee's exercise of the second ten-year renewal option. That lease is in effect until February 28, 2010.

The pipeline is under the authority of the Federal Department of Transportation (DOT) pursuant to Title 49, Code of Federal Regulations, Part 192 and The California Public Utilities Commission (CPUC) pursuant to GO 112-E. Lessee has performed various operation and maintenance activities on the pipeline in June and September of 2004, and April of this year. Those activities include leak surveys, pipeline patrols, cathodic protection readings and critical valve maintenance and inspection. Lessee has provided Commission staff with confirmation that its pipeline is maintained pursuant to and in compliance with both the DOT and the CPUC regulations.

EXHIBITS:

A. Land Description
B. Location and Site Map

RECOMMENDED ACTION:

IT IS RECOMMENDED THAT THE COMMISSION:

CEQA FINDING:

FIND THAT THE ACTIVITY IS NOT SUBJECT TO THE REQUIREMENTS OF THE CEQA PURSUANT TO TITLE 14, CALIFORNIA CODE OF REGULATIONS, SECTION 15060(c)(3) BECAUSE THE ACTIVITY IS NOT A PROJECT AS DEFINED BY PUBLIC RESOURCES CODE SECTION 21065 AND TITLE 14, CALIFORNIA CODE OF REGULATIONS, SECTION 15378.

AUTHORIZATION:

APPROVE THE CONTINUATION OF RENT FOR LEASE NO. PRC 4989.1 AT $100 PER YEAR, EFFECTIVE MARCH 1, 2005.

EXHIBIT A

PRC 4989.1

LAND DESCRIPTION

A strip of submerged land 20 feet wide, across the State-owned bed of the South Fork of the Kings River, within Section 16, T18S, R20E, MDM, Kings County, California, and lying 10 feet on each side of the following described centerline:

COMMENCING at the northeast corner of Section 21, T18S, R20E, MDM; thence N 54° 47' W, 3638.78 feet to the POINT OF BEGINNING; thence N 07° 16' W, 307.78 feet to the end of the herein described line.

EXCEPTIING THEREFROM any portion lying landward of the ordinary low water mark of the South Fork of the Kings River.

Bearings used in the above parcel are based on the California Coordinate System, Zone 4, 1927 N.A.D.

END OF DESCRIPTION

PREPARED DECEMBER 6, 1989 BY BIU 1.

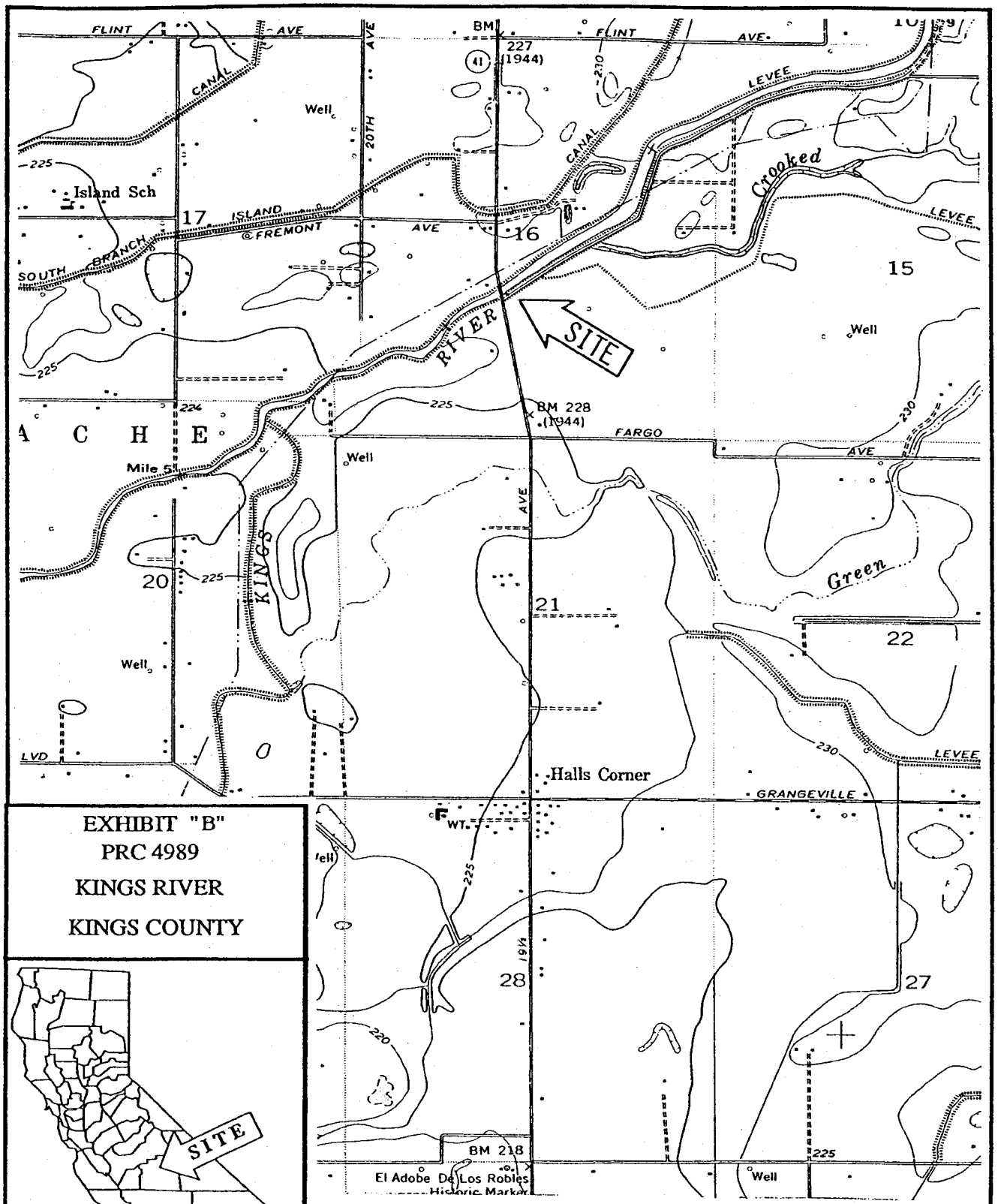

EXHIBIT "B"
PRC 4989
KINGS RIVER
KINGS COUNTY

This Exhibit is solely for purposes of generally defining the lease premises, 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.

CG 5/93