

**CALENDAR ITEM
C50**

A 15
S 5, 7

08/14/12
PRC 8677.1
C. Hudson

CONTINUATION OF RENT

LESSEE:

Pacific Gas and Electric Company
245 Market Street, Room 1052A-N10A
San Francisco, CA 94105

AREA, LAND TYPE, AND LOCATION:

2.65 acres, more or less, of sovereign land in Old River, Middle River, and Latham Slough, near McDonald Island, Lower Jones Island, Bacon Island, and Palm Tract, San Joaquin and Contra Costa counties.

AUTHORIZED USE:

Operation, use, and maintenance of an existing 24-inch diameter natural gas pipeline.

LEASE TERM:

20 years, beginning April 17, 2006.

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 \$1,110 per year, effective April 17, 2012.

OTHER PERTINENT INFORMATION:

1. On April 17, 2006, the Commission authorized a General Lease - Right-of-Way Use with Pacific Gas and Electric Company. That lease will expire on April 16, 2026. The pipeline was last inspected in March 2011, with no operational or maintenance violations reported.
2. The staff recommends that the Commission find that the subject continuation of rent does not have a potential for resulting in either a direct or a reasonably foreseeable indirect physical change in the environment,

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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:

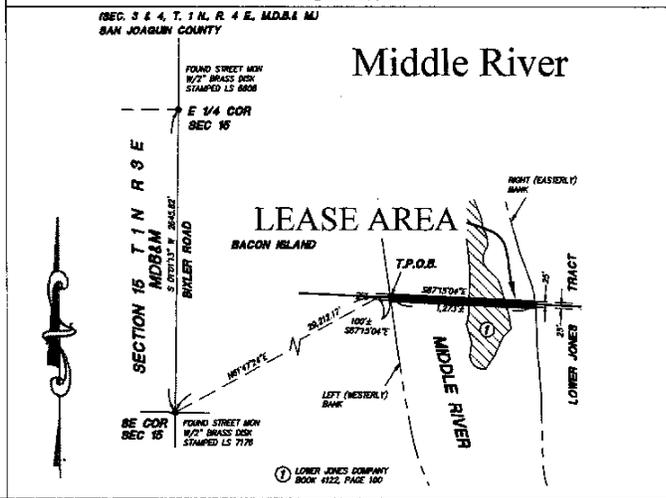
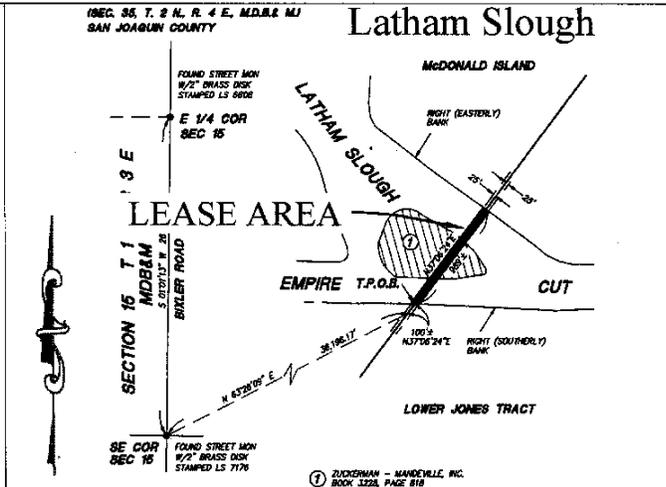
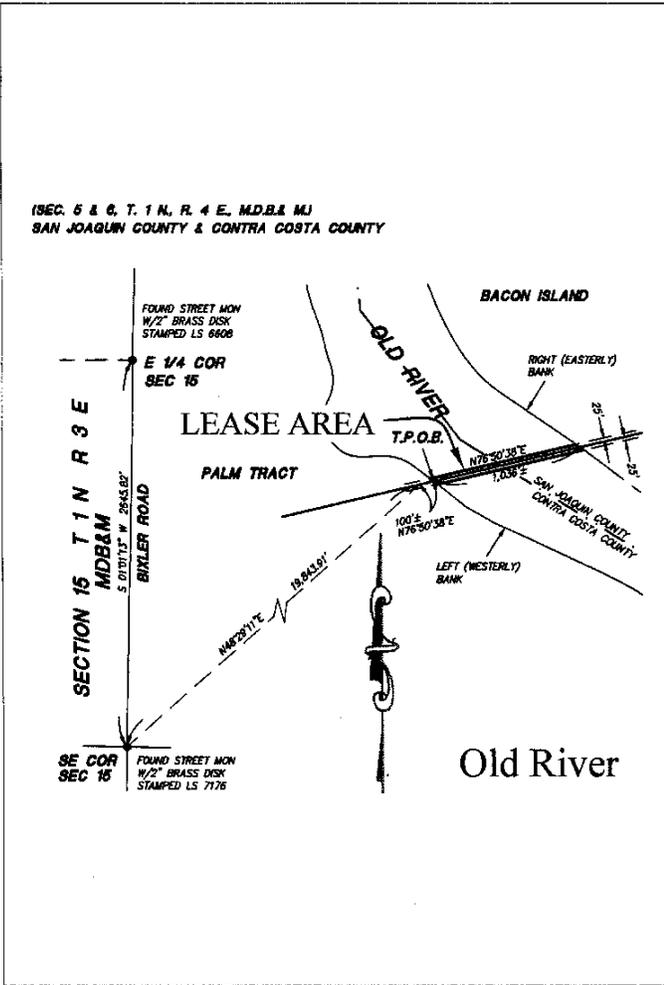
Find that the subject continuation of rent is not subject to the requirements of CEQA pursuant to California Code of Regulations, Title 14, section 15060, subdivision (c)(3), because the subject activity is not a project as defined by Public Resources Code section 21065 and California Code of Regulations,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

AUTHORIZATION:

Approve the continuation of rent for Lease No. PRC 8677.1 at \$1,110 per year, effective April 17, 2012.

NO SCALE

SITE MAP



NO SCALE

LOCATION MAP

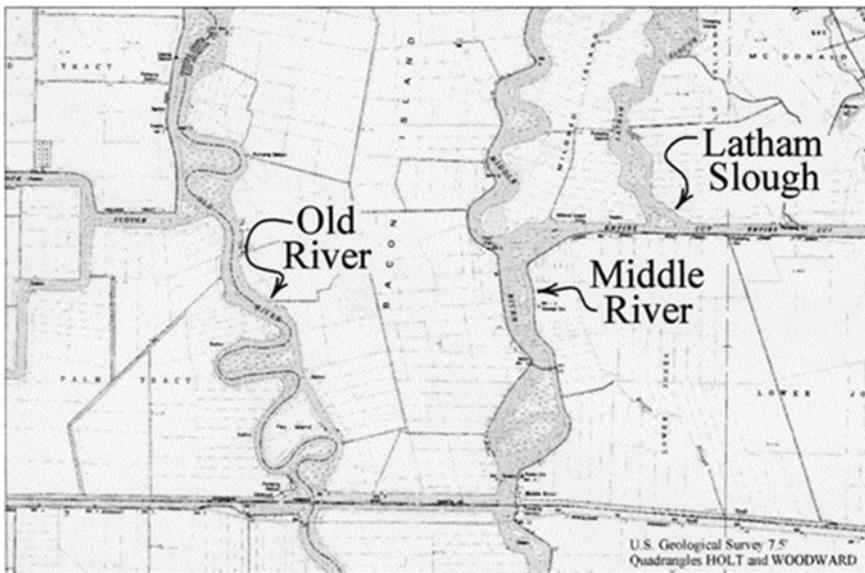


EXHIBIT A PRC 8677.1

PACIFIC GAS & ELECTRIC
GENERAL LEASE - RIGHT OF
WAY USE
SAN JOAQUIN & CONTRA
COSTA COUNTIES



This Exhibit is solely for purposes of generally defining the lease premises, is based on unverified information provided by 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.