

**CALENDAR ITEM
C97**

A 67

09/20/13

S 35

PRC 6417.1

D. Oetzel

REVISION OF RENT

LESSEE:

DCOR, L.L.C.
290 Maple Court, Suite 290
Ventura, CA 93003

AREA, LAND TYPE, AND LOCATION:

Sovereign lands in the Pacific Ocean, offshore of Huntington Beach, Orange County.

AUTHORIZED USE:

Continued operation and maintenance of one 24-inch diameter pipeline containing two power cables and use of one six-inch diameter gas pipeline extending offshore to serve Platform Eva (in State waters) and Platform Edith (in Federal waters).

LEASE TERM:

20 years, beginning December 1, 2007.

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 rent be revised from \$68,116 per year to \$75,044 per year, effective December 1, 2013.

OTHER PERTINENT INFORMATION:

1. On April 28, 1983, the Commission authorized a 25-year General Lease - Right-of-Way Use to Chevron, USA, Inc. of a 25-year, Lease No. PRC 6417.1, with a beginning date of December 1, 1982. On August 12, 1991, the Commission authorized a lease assignment and a revised Lease Agreement that superseded the 1982 agreement. The Commission subsequently approved a number of assignments of the Lease. On October 20, 2005, the Commission approved the assignment and amendment of Lease

CALENDAR ITEM NO. **C97** (CONT'D)

No. PRC 6417.1 from Plains Exploration and Production Company to DCOR, L.L.C. On December 3, 2007, the Commission amended the Lease to extend the term of the Lease an additional 20 years, beginning December 1, 2007.

2. The 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 6417.1 from \$68,116 per year to \$75,044 per year, effective December 1, 2013.

NO SCALE

LOCATION

SUNSET BEACH

Exhibit A

PRC 6417.1
DCOR LLC
GENERAL LEASE -
RIGHT-OF-WAY USE
ORANGE COUNTY



SITE

1:62,500

HUNTINGTON BEACH
HUNTINGTON BEACH

PARCEL 2

PARCEL 1

USGS QUAD SEAL BEACH

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.