

**CALENDAR ITEM  
C41**

A	Statewide	08/15/14 PRC 5438.1A 5438.1B 5438.1C 5438.1D 5438.1E 5438.1F
S	Statewide	D. Jones

**REVISION OF RENT**

**LESSEE:**

Pacific Gas and Electric Company  
245 Market Street, Mail Code N10A  
San Francisco, California 94105

**AREA, LAND TYPE, AND LOCATION:**

Sovereign lands in various waterways, in various counties, statewide.

**AUTHORIZED USE:**

Continued use and maintenance of existing transportation, distribution, and gathering pipelines to transport natural gas.

**LEASE TERMS FOR SIX LEASES:**

20 years, beginning January 1, 2012.

**CONSIDERATION FOR SIX LEASES:**

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 the rent be revised as follows, effective January 1, 2015:

PRC 5438.1A	\$10,000 per year to \$44,948 per year
PRC 5438.1B	\$10,000 per year to \$19,860 per year
PRC 5438.1C	\$10,000 per year to \$5,400 per year
PRC 5438.1D	\$10,000 per year to \$4,500 per year
PRC 5438.1E	\$10,000 per year to \$16,383 per year
PRC 5438.1F	\$10,000 per year to \$4,950 per year

CALENDAR ITEM NO. **C41** (CONT'D)

**OTHER PERTINENT INFORMATION:**

1. Lessee has a right to use the upland adjoining the lease premises.
2. On January 26, 2012, the Commission authorized six General Leases – Rights-of-Way Use with the Lessee for the use and maintenance of existing transportation, distribution, and gathering pipelines to transport natural gas. The leases require that, during the 2012 lease year, the Commission will establish a new Base Rent for each lease, based on an appraisal funded by the Lessee, which will be effective retroactive to January 1, 2012. The lease also requires the Lessor establish a new Base Rent, based on an appraisal funded by the Lessee, effective on the 10th anniversary of the lease. During discussions with the Lessee, it was determined that it would be in the best interest of both parties to amend the leases to authorize that the Base Rent, which is to be effective retroactively to January 1, 2012, and the new Base Rent, which is to be effective on the 10th anniversary of the lease, may be established by either an appraisal “or such other methodology which is in the State’s best interests.”
3. At the commencement of the leases, Lessor and Lessee (the Parties) agreed that a negotiated rent to commence the leases would be \$10,000 per year for each lease. However, a new Base Rent was required to be established through either an appraisal or other methodology which is in the State’s best interest. Staff conducted a review of the rent and determined that the new Base Rent shall be based on the methodology of five cents per diameter inch per lineal foot, or the minimum annual rent of \$450, as set forth in the Commission’s regulations. The Parties agreed that, since the Commission’s regulations to increase the diameter inch per lineal foot method were not approved by the Office of Administrative Law until July 1, 2014, the new Base Rent shall be effective January 1, 2015, instead of being retroactive to January 1, 2012.
4. The staff recommends that the Commission find that each of 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.

CALENDAR ITEM NO. **C41** (CONT'D)

**EXHIBITS:**

- A. PRC 5438.1A: Site Map and Location Map
- PRC 5438.1B: Site Map and Location Map
- PRC 5438.1C: Site Map and Location Map
- PRC 5438.1D: Site Map and Location Map
- PRC 5438.1E: Site Map and Location Map
- PRC 5438.1F: Site Map and Location Map

**RECOMMENDED ACTION:**

It is recommended that the Commission:

**CEQA FINDING:**

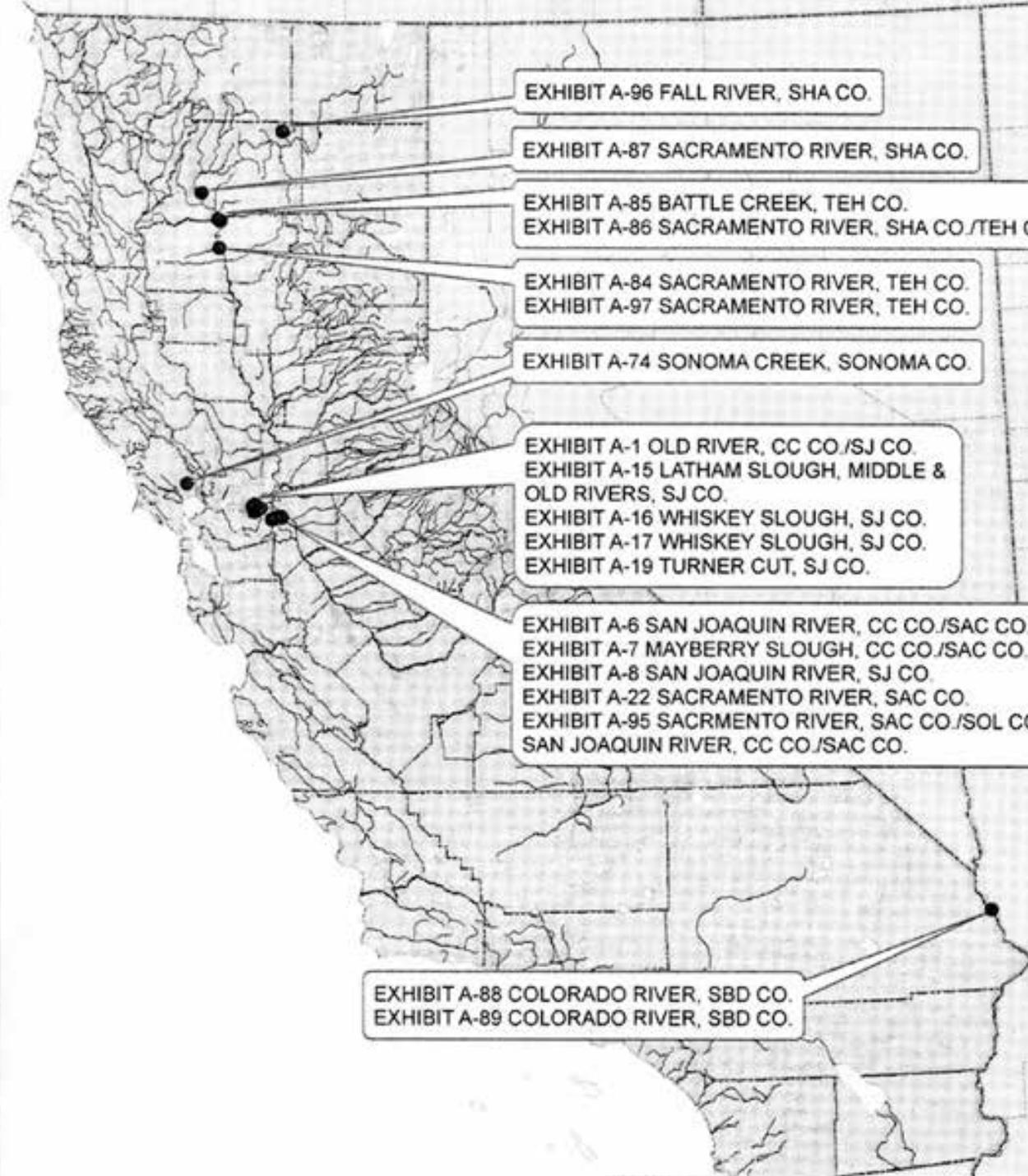
Find that each of the subject revision of rent is not subject to the requirements of CEQA pursuant to California Code of Regulations, Title 14, section 15060, subdivision (c)(3), because the subject activity is not a project as defined by Public Resources Code section 21065 and California Code of Regulations,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

**AUTHORIZATION:**

Approve the revision of rent for Lease Nos. PRCs 5438.1A, 5438.1B, 5438.1C, 5438.1D, 5438.1E, 5438.1F as follows, effective January 1, 2015:

PRC 5438.1A	to \$44,948 per year
PRC 5438.1B	to \$19,860 per year
PRC 5438.1C	to \$ 5,400 per year
PRC 5438.1D	to \$ 4,500 per year
PRC 5438.1E	to \$16,383 per year
PRC 5438.1F	to \$ 4,950 per year

**GENERAL LEASE - RIGHT-OF-WAY USE - PRC 5438.1A**



**LEGEND**  
● PRC 5438.1A PIPELINE CROSSINGS

**NOTES**  
1. THIS PLAT HAS NOT BEEN APPROVED BY THE STATE LANDS COMMISSION, AND DOES NOT CONSTITUTE AN OFFICIAL PLAT OF SUCH COMMISSION, NOR DOES IT ESTABLISH THE BOUNDARY LINES OF ANY STATE OWNED LANDS DEPICTED HEREON. THIS PLAT CONSTITUTES A PRELIMINARY PLAT ONLY AND IS SUBJECT TO CHANGE.



**GENERAL LEASE - RIGHT-OF-WAY USE - PRC 5438.1B**

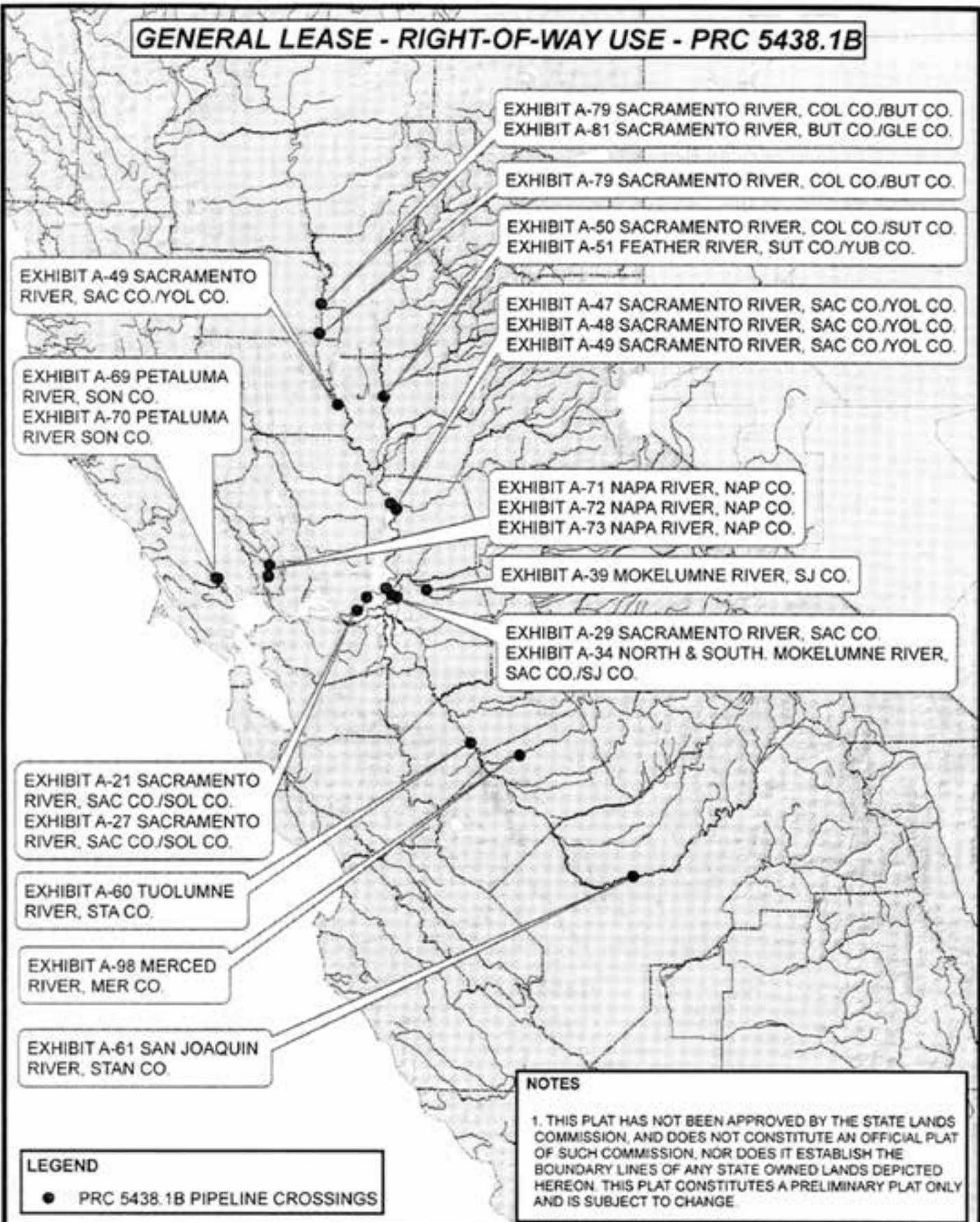


EXHIBIT A-49 SACRAMENTO RIVER, SAC CO./YOL CO.

EXHIBIT A-69 PETALUMA RIVER, SON CO.  
EXHIBIT A-70 PETALUMA RIVER SON CO.

EXHIBIT A-21 SACRAMENTO RIVER, SAC CO./SOL CO.  
EXHIBIT A-27 SACRAMENTO RIVER, SAC CO./SOL CO.

EXHIBIT A-60 TUOLUMNE RIVER, STA CO.

EXHIBIT A-98 MERCED RIVER, MER CO

EXHIBIT A-61 SAN JOAQUIN RIVER, STAN CO.

EXHIBIT A-79 SACRAMENTO RIVER, COL CO./BUT CO.  
EXHIBIT A-81 SACRAMENTO RIVER, BUT CO./GLE CO.

EXHIBIT A-79 SACRAMENTO RIVER, COL CO./BUT CO.

EXHIBIT A-50 SACRAMENTO RIVER, COL CO./SUT CO.  
EXHIBIT A-51 FEATHER RIVER, SUT CO./YUB CO.

EXHIBIT A-47 SACRAMENTO RIVER, SAC CO./YOL CO.  
EXHIBIT A-48 SACRAMENTO RIVER, SAC CO./YOL CO.  
EXHIBIT A-49 SACRAMENTO RIVER, SAC CO./YOL CO.

EXHIBIT A-71 NAPA RIVER, NAP CO.  
EXHIBIT A-72 NAPA RIVER, NAP CO.  
EXHIBIT A-73 NAPA RIVER, NAP CO.

EXHIBIT A-39 MOKELUMNE RIVER, SJ CO.

EXHIBIT A-29 SACRAMENTO RIVER, SAC CO.  
EXHIBIT A-34 NORTH & SOUTH MOKELUMNE RIVER, SAC CO./SJ CO.

**LEGEND**

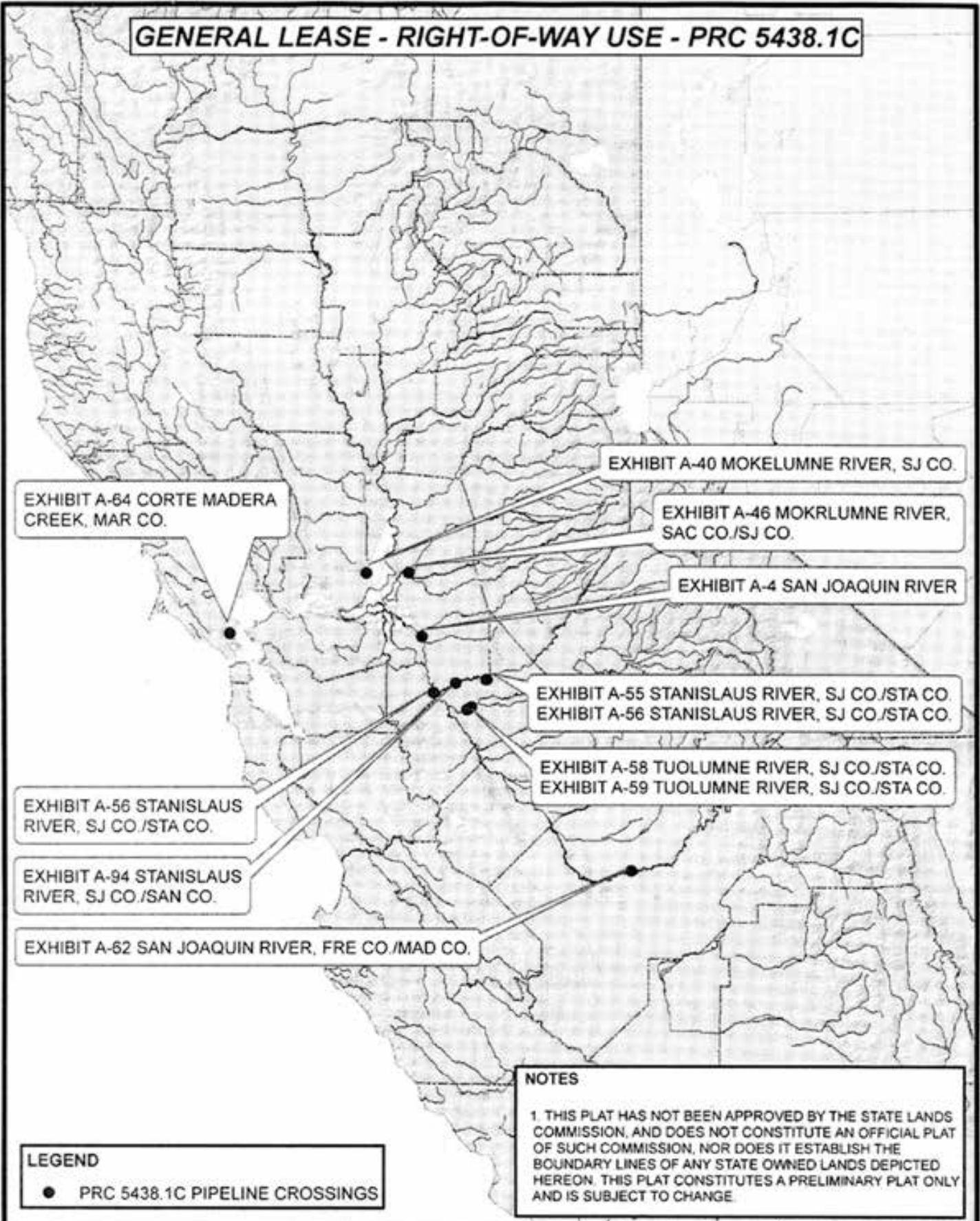
● PRC 5438.1B PIPELINE CROSSINGS

**NOTES**

1. THIS PLAT HAS NOT BEEN APPROVED BY THE STATE LANDS COMMISSION, AND DOES NOT CONSTITUTE AN OFFICIAL PLAT OF SUCH COMMISSION, NOR DOES IT ESTABLISH THE BOUNDARY LINES OF ANY STATE OWNED LANDS DEPICTED HEREON. THIS PLAT CONSTITUTES A PRELIMINARY PLAT ONLY AND IS SUBJECT TO CHANGE.



# GENERAL LEASE - RIGHT-OF-WAY USE - PRC 5438.1C



CALIFORNIA STATE  
LANDS COMMISSION



EXHIBIT A  
PRC 5438.1C, PACIFIC GAS & ELECTRIC CO.

BASEMAP SOURCES: CALIFORNIA STATE LANDS COMMISSION  
BUREAU OF LAND MANAGEMENT, CAL ATLAS GEOSPATIAL CLEARINGHOUSE



Drawn By: J. KOEPKE

Date: JANUARY 17, 2012

# GENERAL LEASE - RIGHT-OF-WAY USE - PRC 5438.1D

EXHIBIT A-76 SACRAMENTO RIVER, COL CO.

EXHIBIT A-75 SACRAMENTO RIVER, COL CO./SUT CO.

EXHIBIT A-35 SACRAMENTO RIVER, SAC CO.

EXHIBIT A-36 GEORGIANA SLOUGH, SAC CO.

EXHIBIT A-93 HOG SLOUGH, SJ CO.

EXHIBIT A-91 HASS SLOUGH, SOL CO.

EXHIBIT A-90 LINDSEY SLOUGH, SOL CO.

EXHIBIT A-20 MONTEZUMA SLOUGH, SOL CO.

EXHIBIT A-92 WHITE SLOUGH, SJ CO.

EXHIBIT A-10 TAYLOR SLOUGH, CC CO.

## LEGEND

● PRC 5438.1D PIPELINE CROSSINGS

## NOTES

1. THIS PLAT HAS NOT BEEN APPROVED BY THE STATE LANDS COMMISSION, AND DOES NOT CONSTITUTE AN OFFICIAL PLAT OF SUCH COMMISSION, NOR DOES IT ESTABLISH THE BOUNDARY LINES OF ANY STATE OWNED LANDS DEPICTED HEREON. THIS PLAT CONSTITUTES A PRELIMINARY PLAT ONLY AND IS SUBJECT TO CHANGE.

CALIFORNIA STATE  
LANDS COMMISSION



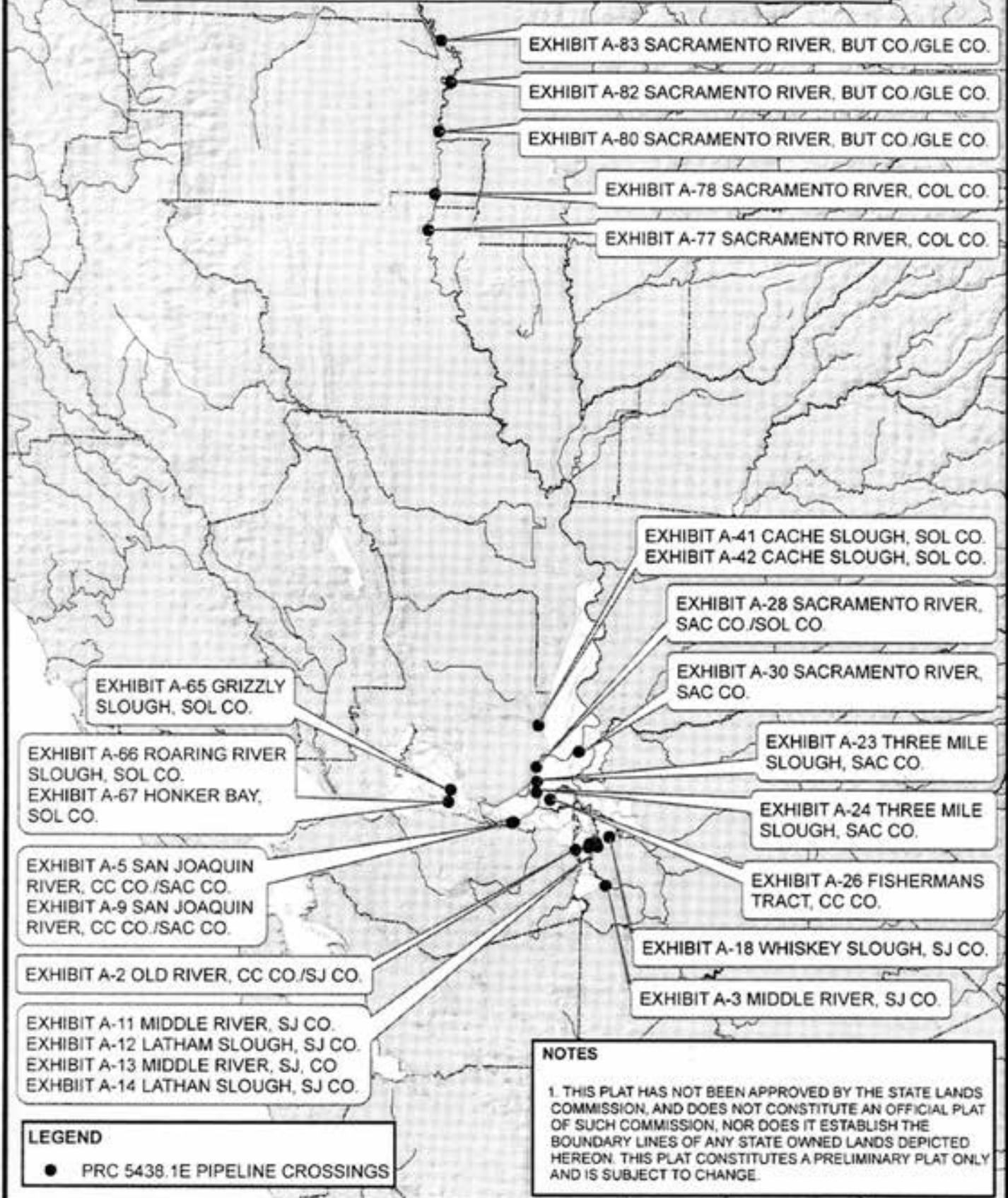
EXHIBIT A  
PRC 5438.1D, PACIFIC GAS & ELECTRIC CO.  
BASEMAP SOURCES: CALIFORNIA STATE LANDS COMMISSION,  
BUREAU OF LAND MANAGEMENT, CAL-ATLAS GEOSPATIAL CLEARINGHOUSE



Drawn By: J. KOEPKE

Date: JANUARY 12, 2012

**GENERAL LEASE - RIGHT-OF-WAY USE - PRC 5438.1E**



**NOTES**

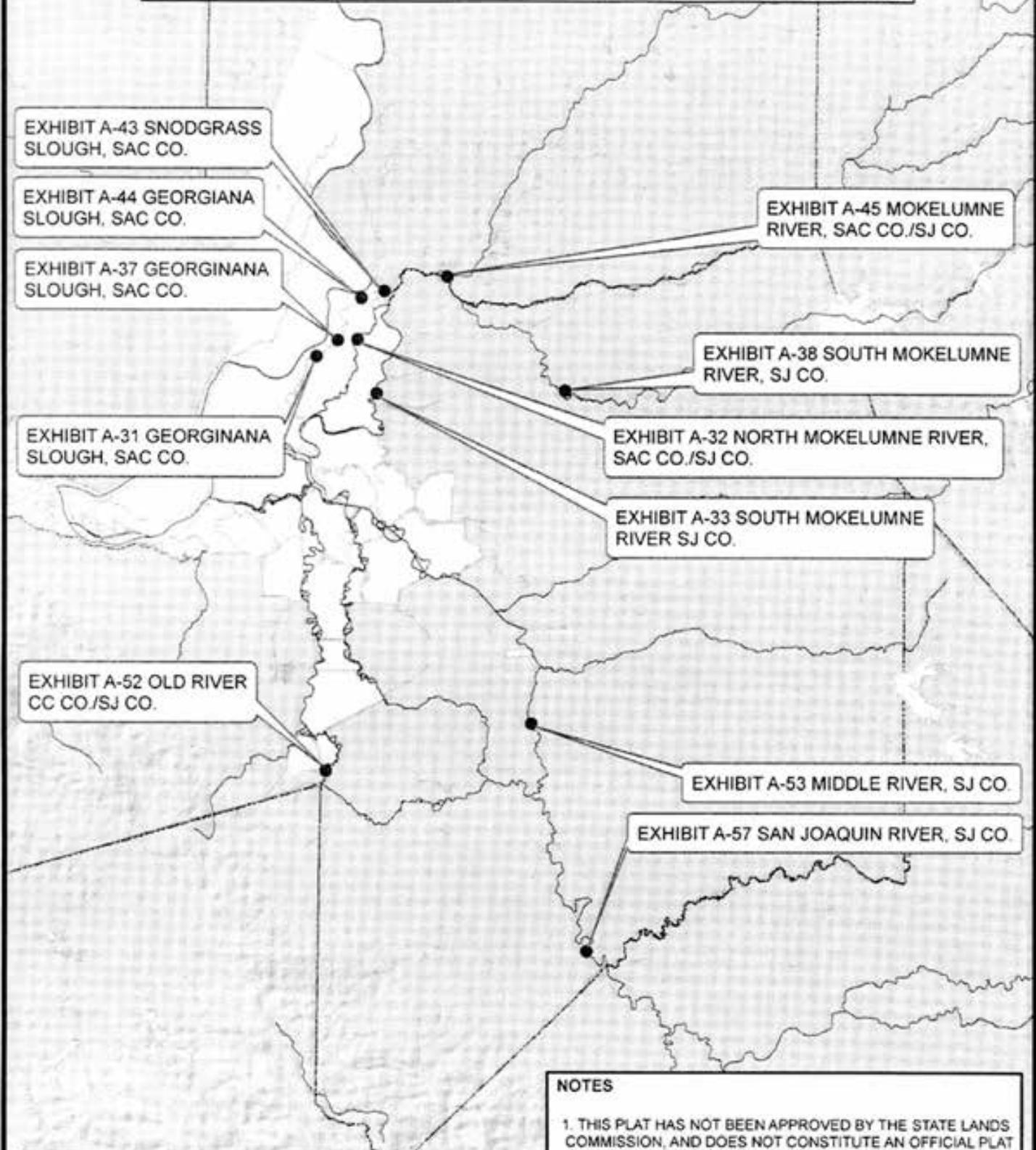
1. THIS PLAT HAS NOT BEEN APPROVED BY THE STATE LANDS COMMISSION, AND DOES NOT CONSTITUTE AN OFFICIAL PLAT OF SUCH COMMISSION, NOR DOES IT ESTABLISH THE BOUNDARY LINES OF ANY STATE OWNED LANDS DEPICTED HEREON. THIS PLAT CONSTITUTES A PRELIMINARY PLAT ONLY AND IS SUBJECT TO CHANGE.

**LEGEND**

● PRC 5438.1E PIPELINE CROSSINGS



**GENERAL LEASE - RIGHT-OF-WAY USE - PRC 5438.1F**



**LEGEND**  
 ● PRC 5438.1F PIPELINE CROSSINGS

**NOTES**  
 1. THIS PLAT HAS NOT BEEN APPROVED BY THE STATE LANDS COMMISSION, AND DOES NOT CONSTITUTE AN OFFICIAL PLAT OF SUCH COMMISSION, NOR DOES IT ESTABLISH THE BOUNDARY LINES OF ANY STATE OWNED LANDS DEPICTED HEREON. THIS PLAT CONSTITUTES A PRELIMINARY PLAT ONLY AND IS SUBJECT TO CHANGE.

