

**CALENDAR ITEM  
C61**

A 33  
S 18

08/15/14  
PRC 8836.2  
C. Hudson

**REVISION OF RENT**

**LESSEE:**

Southern California Gas Company  
Land and Right-of-Way Department  
P.O. Box 3249 Terminal Annex  
Los Angeles, CA 90051

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

17.88 acres, more or less, of State school land located on two parcels in portions of Section 16, Township 5 North, Range 15 East and Section 36, Township 3 North, Range 12 East, SBM, near Twentynine Palms, San Bernardino County.

**AUTHORIZED USE:**

Operation, use, and maintenance of an existing 16-inch diameter underground natural gas pipeline, two block valves, and one cathodic protection rectifier.

**LEASE TERM:**

20 years, beginning August 11, 2009.

**CONSIDERATION:**

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 that rent be revised from \$4,076 per year to \$10,191 per year, effective August 11, 2014.

**OTHER PERTINENT INFORMATION:**

1. On August 11, 2009, the Commission authorized a General Lease – Right-of-Way Use with Southern California Gas Company. The 16-inch diameter underground natural gas pipeline was previously under lease with Questar Southern Trails Pipeline (Questar) as Lease No. PRC 8255.2. Questar sold a portion of the pipeline within the two school land parcels to Southern California Gas Company. The lease will expire on August 10, 2029.

CALENDAR ITEM NO. **C61** (CONT'D)

2. The 16-inch diameter underground pipeline was constructed in 1957 to transport petroleum crude oil. On November 27, 2000, the Commission authorized conversion of the pipeline from petroleum crude oil to natural gas. The pipeline has been inspected since the conversion to natural gas. No violations have been reported.
3. 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:**

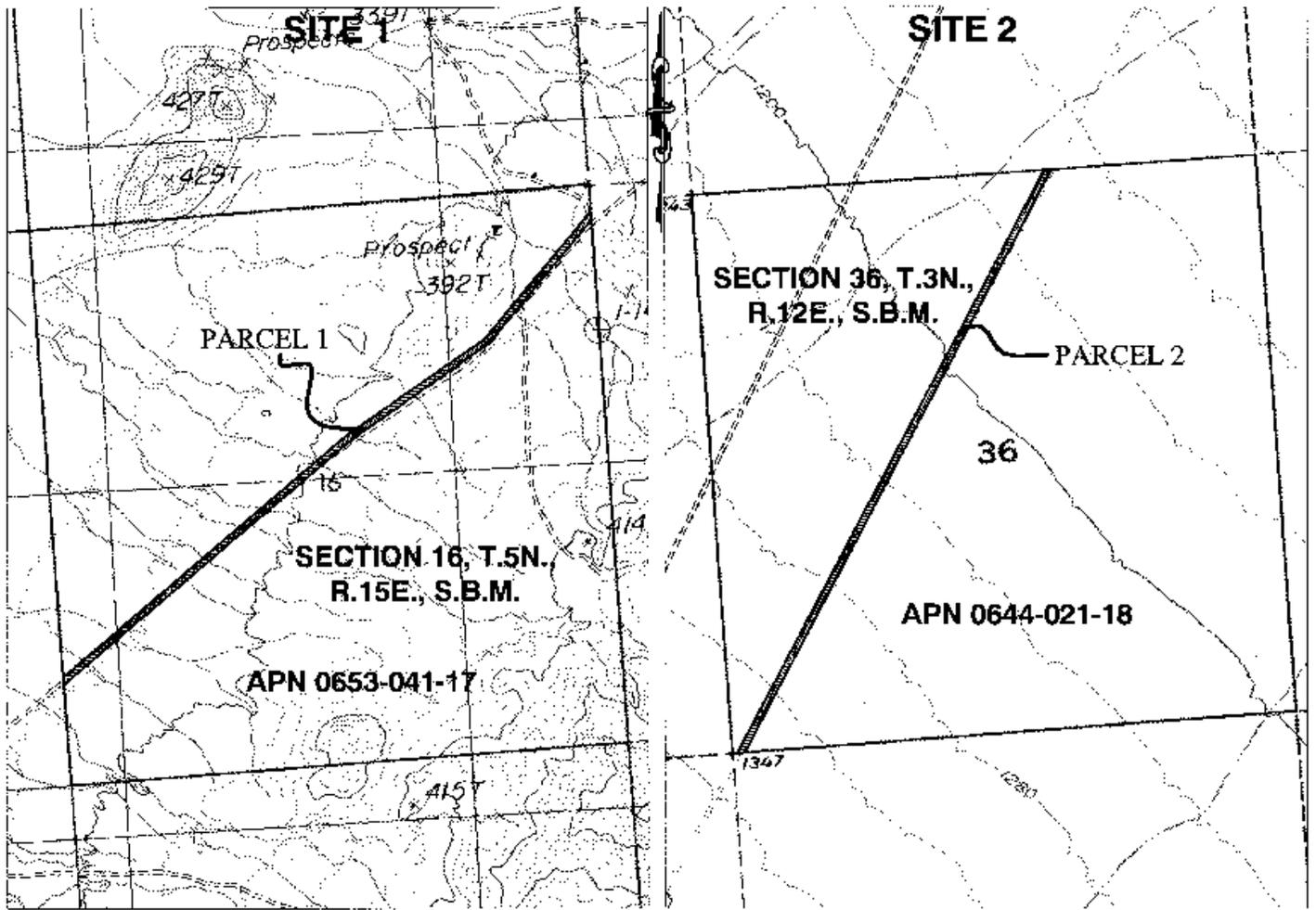
Find that the subject revision of rent is not subject to the requirements of CEQA pursuant to California Code of Regulations, Title 14, section 15060, subdivision (c)(3), because the subject activity is not a project as defined by Public Resources Code section 21065 and California Code of Regulations,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

**AUTHORIZATION:**

Approve the revision of rent for Lease No. PRC 8836.2 from \$4,076 per year to \$10,191 per year, effective August 11, 2014.

NO SCALE

# SITE

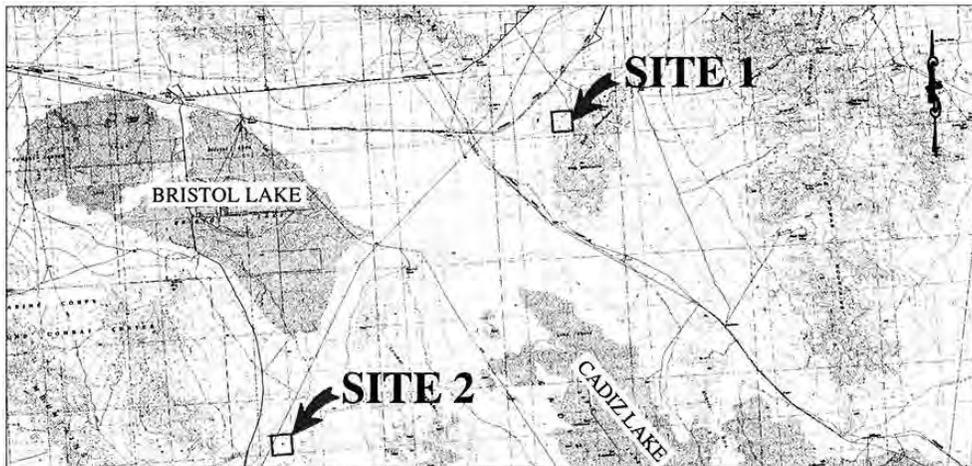


## STATE SCHOOL LANDS

PORTION OF SECTION 16, TOWNSHIP 5 NORTH, RANGE 15 EAST, AND PORTION OF SECTION 36, TOWNSHIP 3 NORTH, RANGE 12 EAST, SAN BERNARDINO MERIDIAN

NO SCALE

# LOCATION



MAP SOURCE: USGS QUAD

# Exhibit A

PRC 8836.2  
 SOUTHERN CALIFORNIA  
 GAS CO.  
 APNs 0644-021-18 &  
 0653-041-17  
 GENERAL LEASE -  
 RIGHT-OF-WAY USE  
 SAN BERNARDINO COUNTY



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.