

**CALENDAR ITEM
C53**

A 26
S 16

12/17/14
PRC 4989.1
D. Simpkin

REVISION OF RENT

LESSEE:

Southern California Gas Company

AREA, LAND TYPE, AND LOCATION:

Sovereign land in the Kings River, near State Highway 41, Kings County.

AUTHORIZED USE:

The continued use and maintenance of one 16-inch diameter pipeline used for the transmission of natural gas.

LEASE TERM:

10 years, beginning March 1, 2010.

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 revised from \$100 per year to \$450 per year, effective March 1, 2015.

OTHER PERTINENT INFORMATION:

1. On February 8, 2011, the Commission authorized a General Lease – Right-of-Way Use to Southern California Gas Company for the continued use and maintenance of one 16-inch diameter pipeline used for the transmission of natural gas. The lease will expire on February 29, 2020.
2. Staff conducted the rent review called for in the Lease and recommends that the minimum annual rent be increased.
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).

CALENDAR ITEM NO. **C53** (CONT'D)

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:

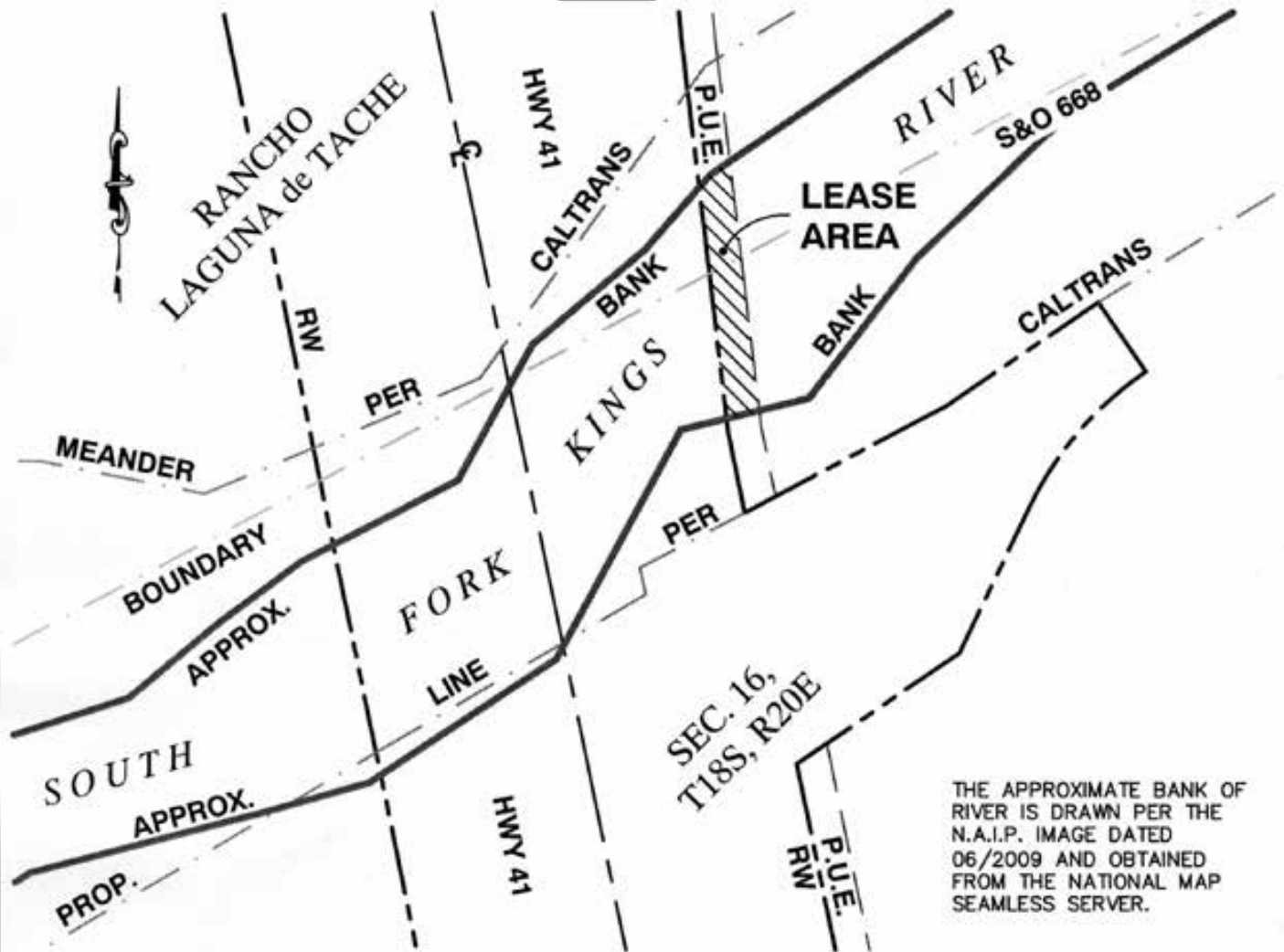
Find that the subject revision of rent is not subject to the requirements of CEQA pursuant to California Code of Regulations, Title 14, section 15060, subdivision (c)(3), because the subject activity is not a project as defined by Public Resources Code section 21065 and California Code of Regulations,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

AUTHORIZATION:

Approve the revision of rent for Lease No. PRC 4989.1 from \$100 per year to \$450 per year, effective March 1, 2015.

NO SCALE

SITE



THE APPROXIMATE BANK OF RIVER IS DRAWN PER THE N.A.I.P. IMAGE DATED 06/2009 AND OBTAINED FROM THE NATIONAL MAP SEAMLESS SERVER.

Southern California Gas Company over South Fork Kings River

NO SCALE

LOCATION



MAP SOURCE: USGS QUAD

Exhibit A

PRC 4989.1
SO. CALIFORNIA GAS CO.
GENERAL LEASE -
RIGHT-OF-WAY USE
KINGS 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.