

**CALENDAR ITEM  
C37**

A 33  
S 16

10/13/16  
PRC 7598.1  
R. Collins

**REVISION OF RENT**

**LESSEE:**

Transwestern Pipeline Company, LLC  
711 Louisiana Street, Suite 900  
Houston, TX 77002

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

0.80 acre, more or less, of sovereign land in the Colorado River southeast of Needles, near the Interstate 40 river crossing, San Bernardino County.

**AUTHORIZED USE:**

Use and maintenance of an existing 24-inch-diameter gas pipeline.

**LEASE TERM:**

30 years, beginning November 1, 1991.

**CONSIDERATION:**

This lease provides that the Commission may modify rent periodically during the lease term. Pursuant to this provision, staff conducted a rent review of this lease and recommends rent be revised from \$250 per year to \$450 effective November 1, 2016.

**OTHER PERTINENT INFORMATION:**

1. On November 5, 1991, the Commission authorized a General Lease – Right-of-Way Use to Transwestern Pipeline Company for a term of 30 years ([Calendar Item 28, Part 1, November 5, 1991](#)). The lease will expire on October 31, 2021.
2. The lease includes a condition requiring annual testing and semi-annual maintenance inspections. The annual cathodic protection survey was completed in March 2016 and the emergency valve and isolation valve annual inspection and maintenance was completed in April 2016. The surveys complied with and met all title 49 Code of Federal Regulations Part 192 Corrosion Control Requirements pursuant to federal Department

CALENDAR ITEM NO. **C37** (CONT'D)

of Transportation's Pipeline and Hazardous Materials Safety Administration, (PHMSA/DOT) regulations.

3. This action is consistent with Strategy 2.2 of the Commission's Strategic Plan to ensure timely receipt of revenues and royalties from the use and development of State lands and minerals.
4. Approving the revision of rent is not a project as defined by the California Environmental Quality Act because it is an administrative action that will not result in direct or indirect physical changes in the environment.

Authority: Public Resources Code section 21065 and California Code of Regulations, title 14, section 15378, subdivision (b)(5).

**EXHIBIT:**

- A. Site and Location Map

**RECOMMENDED ACTION:**

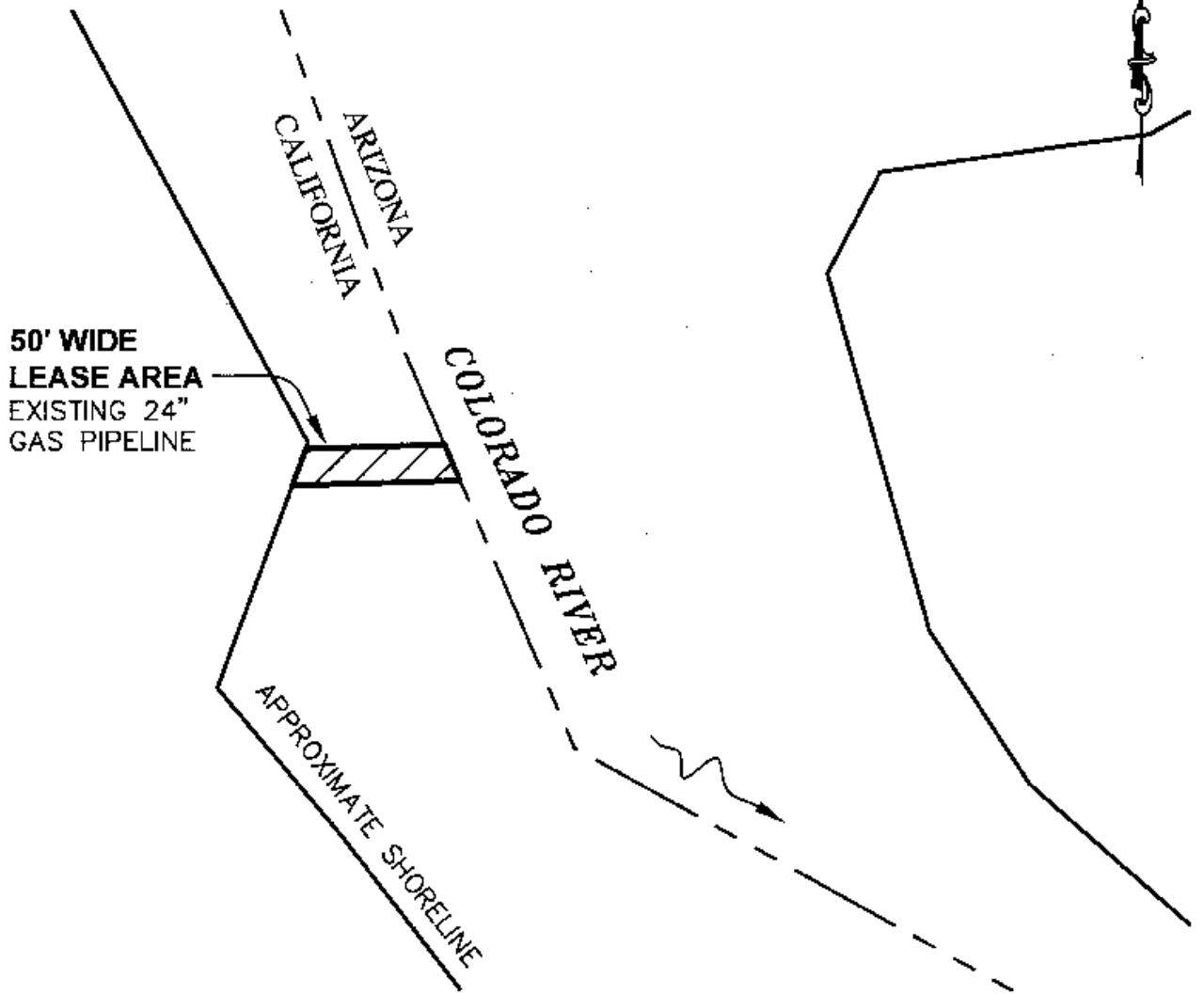
It is recommended that the Commission:

**AUTHORIZATION:**

Approve the revision of rent for Lease No. PRC 7598.1 from \$250 per year to \$450, effective November 1, 2016.

NO SCALE

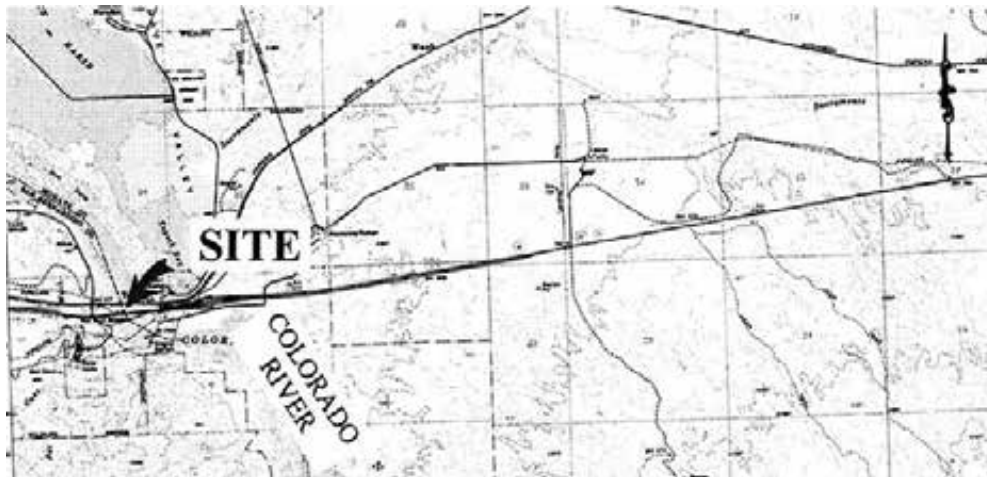
### SITE



24" GAS PIPELINE, COLORADO RIVER

NO SCALE

### LOCATION



MAP SOURCE: USGS QUAD

### **Exhibit A**

PRC 7598.1  
 TRANSWESTERN  
 PIPELINE CO.  
 GENERAL LEASE -  
 RIGHT - OF - WAY USE  
 SAN BERNARDINO COUNTY



DJF 08/18/16

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.