

**CALENDAR ITEM  
C37**

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10/14/14  
PRC 8046.1  
D. Oetzel

**REVISION OF RENT**

**LESSEE:**

CPN Pipeline Company  
10350 Socrates Mine Road  
Middletown, CA 95641

**LAND TYPE AND LOCATION:**

0.30 acre, more or less, of sovereign land in the Sacramento River, seven miles downstream of Tisdale Bypass, near the town of Robbins, Sutter and Yolo Counties.

**AUTHORIZED USE:**

Continued use and maintenance of a 12-inch diameter welded steel carrier pipeline containing an eight-inch diameter natural gas product pipeline, as shown on the attached Exhibit A.

**LEASE TERM:**

20 years, beginning October 15, 1998.

**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 rent be revised from \$189 per year to \$450 per year, effective October 15, 2014.

**OTHER PERTINENT INFORMATION:**

1. Lessee has the right to utilize the upland adjacent to the Lease Premises.
2. On December 16, 1998, the Commission authorized a 20-year General Lease – Right-of-Way Use to Calpine Pipeline Corporation. On June 27, 2000, the Commission authorized an assignment of the lease from Calpine Pipeline Corporation to Calpine Pittsburg, Inc. On October 27, 2011, the Commission authorized an assignment of the lease from

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

Calpine Pittsburg, Inc. to CPN Pipeline Company. The lease will expire on October 14, 2018.

3. Staff conducted the rent review called for in the lease and recommends the rent be increased.
4. 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:**

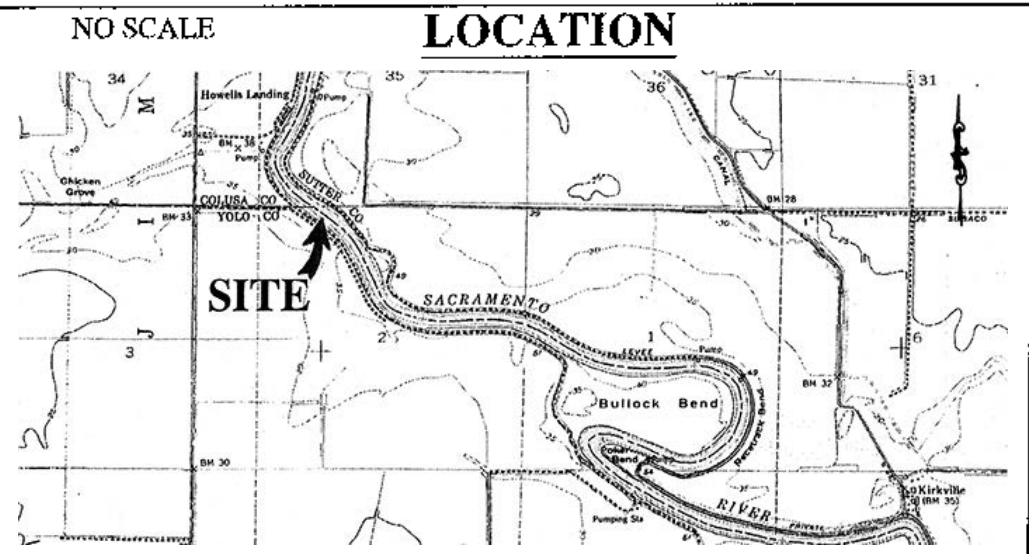
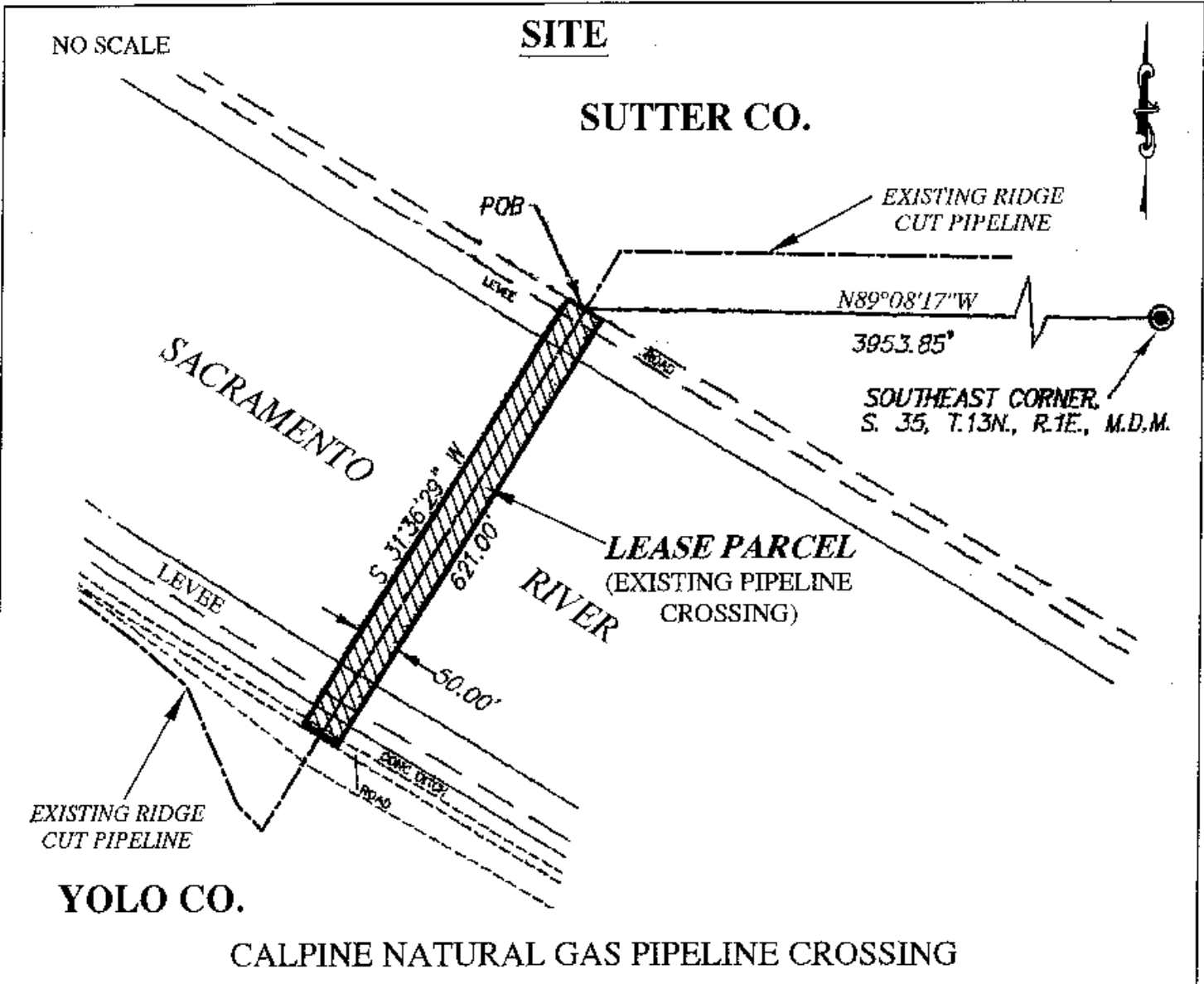
It is recommended that the Commission:

**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 8046.1 from \$189 per year to \$450 per year, effective October 15, 2014.



**Exhibit A**

PRC 8046.1

CPN PIPELINE COMPANY

GENERAL LEASE -

RIGHT-OF-WAY USE

SUTTER & YOLO

COUNTIES



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.