

MINUTE ITEM

This Calendar Item No. C09 was approved as
Minute Item No. 9 by the California State Lands
Commission by a vote of 3 to 0 at its
6-27-00 meeting.

**CALENDAR ITEM
C09**

A 2
S 4

06/27/00
PRC 7602.1 WP 7602.1
L. Burks

ASSIGNMENT OF LEASE

LESSEE/ASSIGNOR:

Calpine Gas Company
50 West San Fernando Street
San Jose, California 95113

ASSIGNEE:

CPN Pipeline Company
50 West San Fernando Street
San Jose, California 95113

AREA, LAND TYPE, AND LOCATION:

0.166 acres, more or less, of submerged lands in the Sacramento River, near
Knights Landing, Sutter and Yolo counties.

AUTHORIZED USE:

Continued use and maintenance of an 8-inch diameter natural gas pipeline,
approximately 600 feet in length.

LEASE TERM:

20 years, beginning January 1, 1992.

CONSIDERATION:

\$250 per year, with the State reserving the right to fix a different rent periodically
during the lease term, as provided in the lease.

OTHER PERTINENT INFORMATION:

1. Assignee has a right to use the uplands adjoining the lease premises.

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2. Calpine Gas Company became the Lessee pursuant to an assignment authorized by the Commission on June 19, 1998. Calpine Gas Company proposes to assign all of it's interest in this Lease to CPN Pipeline Company.
3. Pursuant to the Commission's delegation of authority and the State CEQA Guidelines (Title 14, California code of Regulations, section 15061), the staff has determined that this activity is exempt from the requirements of the CEQA because the activity is not a "project" as defined by the CEQA and the State CEQA Guidelines.

Authority: Public Resources Code section 21065 and Title 14, California Code of Regulations, section 15378.

EXHIBITS:

- A. Land Description
- B. Location Map

PERMIT STREAMLINING ACT DEADLINE:

N/A

RECOMMENDED ACTION:

IT IS RECOMMENDED THAT THE COMMISSION:

CEQA FINDING:

FIND THAT THE ACTIVITY IS EXEMPT FROM THE REQUIREMENTS OF THE CEQA PURSUANT TO TITLE 14, CALIFORNIA CODE OF REGULATIONS, SECTION 15061 BECAUSE THE ACTIVITY IS NOT A PROJECT AS DEFINED BY PUBLIC RESOURCES CODE SECTION 21065 AND TITLE 14, CALIFORNIA CODE OF REGULATIONS, SECTION 15378.

AUTHORIZATION:

AUTHORIZE THE ASSIGNMENT OF LEASE NO. PRC 7602.1, A GENERAL LEASE - RIGHT OF WAY USE, OF SUBMERGED LANDS DESCRIBED ON EXHIBIT A ATTACHED AND BY THIS REFERENCE MADE A PART HEREOF, FROM CALPINE GAS COMPANY TO CPN PIPELINE COMPANY EFFECTIVE MARCH 1, 2000.

EXHIBIT "A"

PRC 7602.1

LAND DESCRIPTION

A strip of land 12 feet in width crossing a portion of the Sacramento River within Sec. 30, T 11 N, R 3 E, MDM, located in Sutter and Yolo Counties, California. The centerline of said strip is more directly described as follows:

COMMENCING at a point that bears S 80° 47' 34" E 864.72 feet from the southwest corner of Section 30; thence N 43° 42' 41" E 82.51 feet; thence N 17° 02' 27" E 288.44 feet to a point located at the southerly toe of the Sacramento River access levee and the TRUE POINT OF BEGINNING; thence continuing N 17° 02' 27" E 599.59 feet crossing the Sacramento River to a point at the northerly toe of the Sacramento River access levee and the end of the herein described strip of land. Said point of ending is S 39° 36' 14" W 2523.41 feet from the center of said Section 30.

EXCEPTING THEREFROM any portion lying landward of the ordinary low water mark of the Sacramento River.

END OF DESCRIPTION

PREPARED AUGUST, 1991 BY LLB

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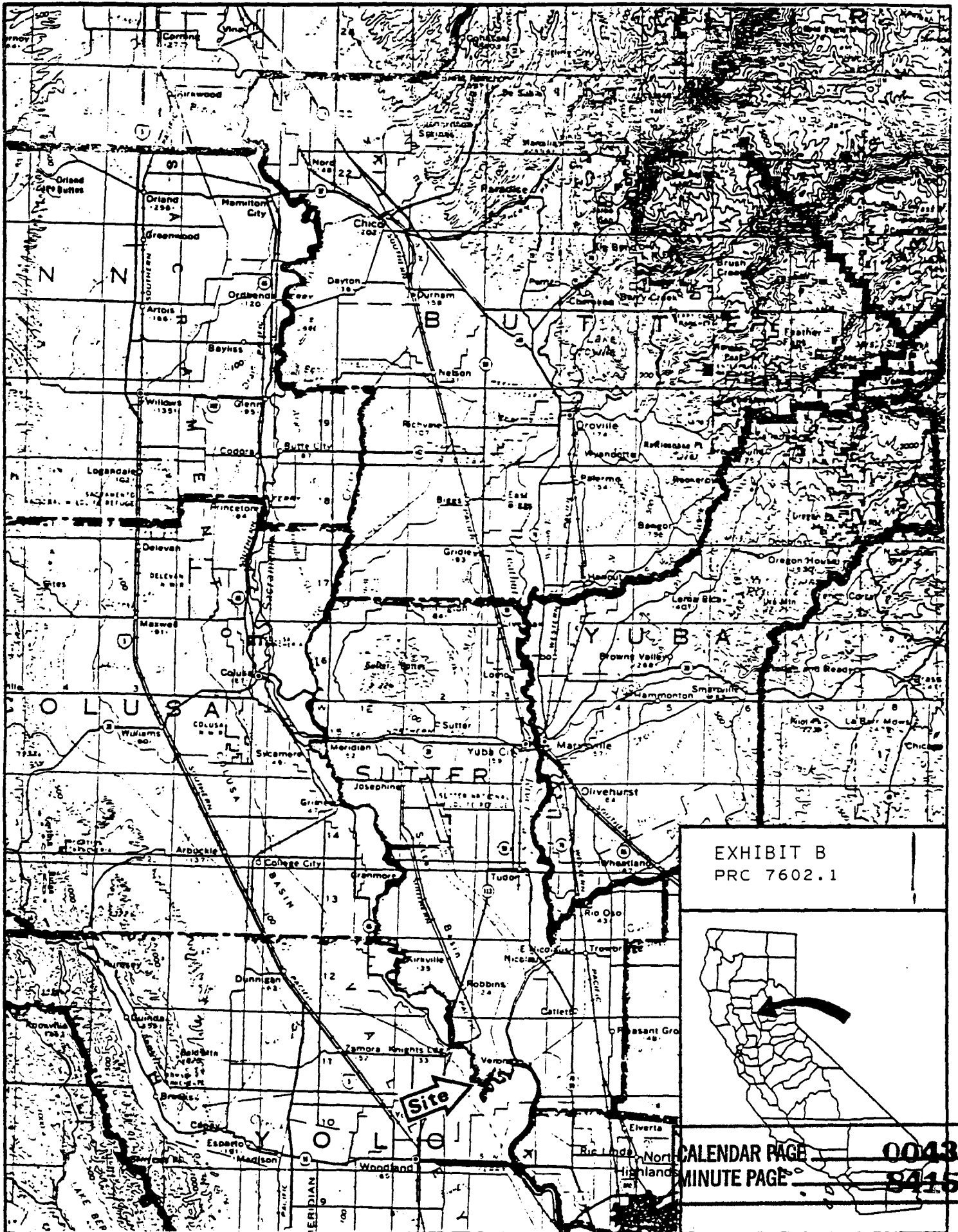


EXHIBIT B
 PRC 7602.1



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