

**CALENDAR ITEM  
C46**

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08/19/15  
PRC 5438.1D  
A. Franzoia

**AMENDMENT OF LEASE**

**LESSEE:**

Pacific Gas and Electric Company

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

Sovereign land in Hog Slough, near Lodi, San Joaquin County.

**AUTHORIZED USE:**

Continued use and maintenance of existing transportation, distribution, and gathering pipelines to transport natural gas.

**LEASE TERM:**

20 years, beginning January 1, 2012.

**CONSIDERATION:**

\$4,500 per year, with an annual California Consumer Price Index (CCPI) adjustment as provided for in the lease.

**PROPOSED AMENDMENT:**

Approve the decommissioning and abandonment in place of a slurry filled steel 6-inch diameter natural gas transmission pipeline. All other terms and conditions of the lease shall remain in effect without amendment.

**OTHER PERTINENT INFORMATION:**

1. Applicant has an easement for the upland adjoining the lease premises.
2. Within 60 days of decommissioning and abandonment of the slurry filled pipeline, Lessee shall provide Lessor post-decommissioning and abandonment verification including:
  - i) A set of "as built" drawings, certified by a California registered Civil/Structural Engineer, showing all design changes or other amendments to the construction as originally approved.
  - ii) Laboratory test results confirm that the residual hydrocarbon levels are 15 parts per million (ppm) or less prior to slurry fill.

CALENDAR ITEM NO. **C46** (CONT'D)

- iii) A post construction written narrative report confirming completion of the project with discussion of any significant field changes or other modifications to the approved design or execution plan, and providing details of any extraordinary occurrences such as spill incidents, critical operations curtailment, accidents involving serious injury or loss of life etc.
- 3. Lessee shall perform external inspections of the abandoned pipeline at least once every five years and also perform maintenance and repair as necessary to keep the pipeline in a safe condition and free from any threat to public health and safety, the public trust and the environment. Since the most recent inspection was conducted in April 2014, the next external inspection shall be performed no later than April 2019.
- 4. The staff recommends that the Commission find that this activity is exempt from the requirements of the California Environmental Quality Act (CEQA) as a categorically exempt project. The project is exempt under Class 1, Existing Facilities; California Code of Regulations, Title 2, section 2905, subdivision (a)(2).

Authority: Public Resources Code section 21084 and California Code of Regulations, Title 14, section 15300 and California Code of Regulations, Title 2, section 2905.

- 5. This activity involves lands which have NOT been identified as possessing significant environmental values pursuant to Public Resources Code section 6370 et seq.; however, the Commission has declared that all lands are “significant” by nature of their public ownership (as opposed to “environmentally significant”). Since such declaration of significance is not based upon the requirements and criteria of Public Resources Code section 6370 et seq., use classifications for such lands have not been designated. Therefore, the finding of the project’s consistency with the use classification as required by California Code of Regulations, Title 2, section 2954 is not applicable.

**EXHIBITS:**

- A. Land Description
- B. Site and Location Map

CALENDAR ITEM NO. **C46** (CONT'D)

**RECOMMENDED ACTION:**

It is recommended that the Commission:

**CEQA FINDING:**

Find that the activity is exempt from the requirements of CEQA pursuant to California Code of Regulations, Title 14, section 15061 as a categorically exempt project, Class 1, Existing Facilities; California Code of Regulations, Title 2, section 2905, subdivision (a)(2).

**AUTHORIZATION:**

Authorize the amendment of Lease No. PRC 5438.1D, to decommission and abandon in place a slurry filled steel 6-inch diameter natural gas pipeline beneath Hog Slough, near Lodi, San Joaquin County as described on Exhibit A and shown on Exhibit B (for reference purposes only) attached and by this reference made a part hereof, effective August 19, 2015; all other terms and conditions of the lease will remain in effect without amendment.

## EXHIBIT A

PRC 5438.1D

### LAND DESCRIPTION

A ten foot wide strip of tide and submerged land lying in the bed of Hog Slough, adjacent to Swamp and Overflowed Survey Number 1280, patented August 26, 1876, on file at the Sacramento Office of the California State Lands Commission, County of San Joaquin, State of California, the centerline of which is described as follows:

BEGINNING at a point lying distant N 23°23'51" E 92,181.9 feet from National Geodetic Survey CORS station P256, said station having CCS83, Zone 3 (2010.00) coordinates of North (Y)= 2,163,691.39 feet, East (E)= 6,243,030.70 feet; thence S 28°40'36" E 229.8 feet; thence S 33°13'43" E 69.5 feet to the terminus of said strip.

EXCEPTING THEREFROM any portion lying landward of the Ordinary High Water Mark of the left and right banks of Hog Slough.

The BASIS OF BEARINGS for this description is the California Coordinate System, Zone 3, NAD 83 (Epoch 2010.00) as determined locally by a line between Continuously Operating Reference Stations (CORS) P230 and P256 being N 52°35'37" E as derived from geodetic values published by the National Geodetic Survey (NGS).

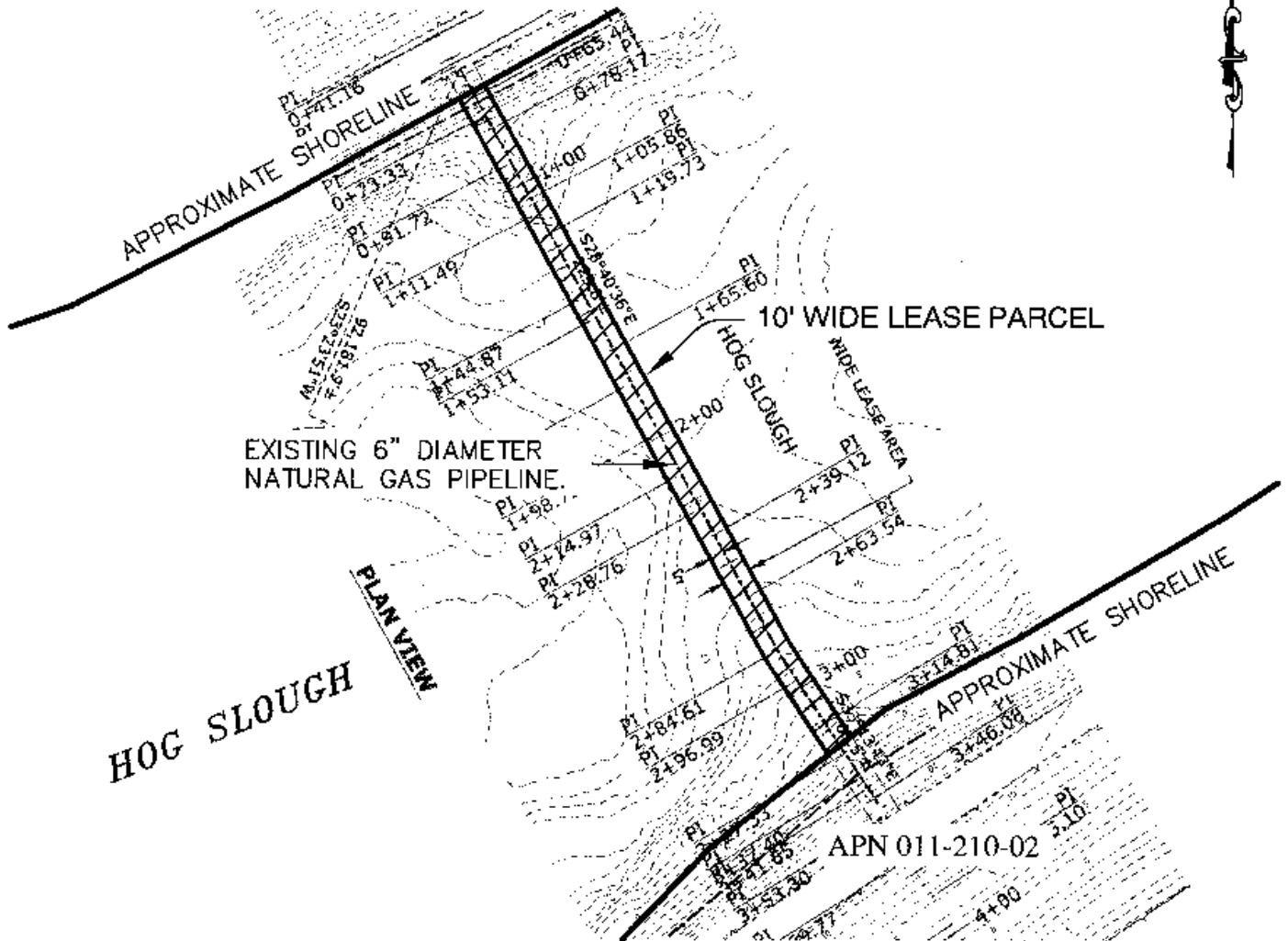
### END OF DESCRIPTION

Prepared 07/30/2015 by the California State Lands Commission Boundary Unit.



NO SCALE

### SITE



HOG SLOUGH, NEAR LODI

NO SCALE

### LOCATION



MAP SOURCE: USGS QUAD

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.

### Exhibit B

PRC 5438.1D  
 PACIFIC GAS & ELECTRIC  
 APN 011-210-02  
 GENERAL LEASE -  
 RIGHT - OF - WAY USE  
 SAN JOAQUIN COUNTY



DJF 07/30/2015