

**MINUTE ITEM**

This Calendar Item No. C24 was approved as Minute Item No. 24 by the California State Lands Commission by a vote of 3 to 0 at its 12-16-98 meeting.

**CALENDAR ITEM**

**C24**

A 37

S 19

PRC 4196 12/16/98

WP 4196

B. Dugal

**ASSIGNMENT OF LEASE**

**LESSEE/ASSIGNOR:**

Southern California Edison Company  
244 Walnut Grove Avenue  
Rosemead, California 91770

**ASSIGNEE:**

Ormond Beach Power Generation, L. L. C.  
c/o Houston Industries Power Generation, L. L. C.  
1111 Louisiana, 16th Floor  
Houston, Texas 77002

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

5.74 acres, more or less, of sovereign lands in the Pacific Ocean, at Ormond Beach, Ventura County.

**AUTHORIZED USE:**

Operation and maintenance of existing cooling water conduits.

**LEASE TERM:**

14 years, beginning April 24, 1989.

**CONSIDERATION:**

\$22,196 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. Applicant owns the uplands adjoining the lease premises.
2. Southern California Edison (SCE) is in the process of an asset divestiture mandated by the California Legislature in connection with the restructuring of California's electric industry. In accordance with this mandate, SCE has located and entered into Asset Sales Agreements with buyers for its gas-fired generating plants, including the Ormond Beach Generating

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Station that will be sold to Ormond Beach Power Generation, L. L. C. (OBGS). Operation of the Ormond Beach Generating Station is subject to a number of existing regulatory permits and licenses, including State Lease No. PRC 4196.1. Lease No. PRC 4196.1 was issued by the California State Lands Commission (CSLC) to SCE for the installation and maintenance of cooling water conduits.

3. As part of the sale of the Ormond Beach Generating Station, SCE has requested the CSLC to consider assigning all of its right, title and interest in Lease No. PRC 4196.1 to OBGS.
4. 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.

**EXHIBIT:**

A. 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.

CALENDAR ITEM NO. C24 (CONT'D)

**AUTHORIZATION:**

AUTHORIZE THE ASSIGNMENT OF LEASE NO. PRC 4196.1, A  
GENERAL LEASE - INDUSTRIAL USE, OF SOVEREIGN LANDS  
SHOWN ON EXHIBIT A ATTACHED AND BY THIS REFERENCE MADE  
A PART HEREOF; FROM SOUTHERN CALIFORNIA EDISON  
COMPANY TO ORMOND BEACH POWER GENERATION, L. L. C.,  
EFFECTIVE JULY 8, 1998.

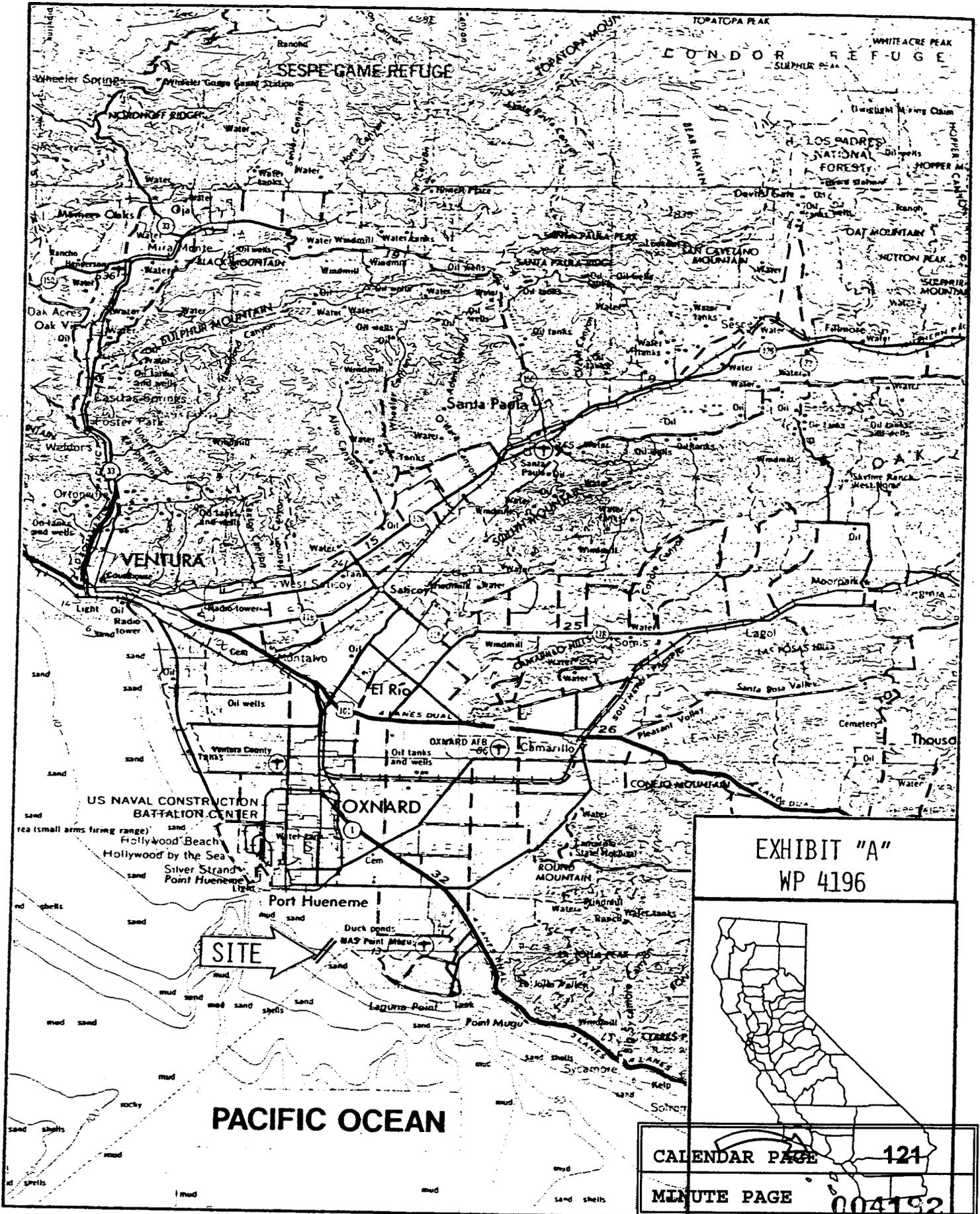


EXHIBIT "A"  
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