

**CALENDAR ITEM  
C44**

A Statewide

02/20/15

PRC 6827.1

S Statewide

V. Caldwell

**MASTER GENERAL LEASE – RIGHT-OF-WAY USE**

**APPLICANT:**

Pacific Gas and Electric Company  
245 Market Street, Mail Code N10A  
San Francisco, California 94105

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

Sovereign land in various waterways, in various counties, statewide.

**AUTHORIZED USE:**

Continued use and maintenance of 76 existing greater-than-60 kV electric transmission lines, fiber-optic cables, and related facilities.

**LEASE TERM:**

30 years beginning May 1, 2015.

**CONSIDERATION:**

\$470,431 per year, with an annual Consumer Price Index adjustment; and the State reserving the right to fix a different rent on the tenth and 20<sup>th</sup> anniversaries of the lease term, as provided in the lease.

**SPECIFIC LEASE PROVISION:**

Insurance:

Liability insurance in an amount no less than \$5,000,000 per occurrence. Applicant may satisfy all or part of the insurance requirements through maintenance of a staff approved self-insurance program as outlined in the Lease.

Surety:

Surety bond or other security in the amount of \$570,000.

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Other:

The lease contains various provisions, some of which are described as follows:

1. Pacific Gas and Electric Company (PG&E) will determine the location of all electrical transmission line crossings listed in Exhibit B either through a comparison of existing descriptions to Geographic Information Systems (GIS) based positions or through a new Geodetic Position Survey (GPS). Where, at the commencement of this Lease, there is no survey verifying the location of a crossing using GIS methods, Lessee agrees to conduct such a survey of all such crossings no later than April 30, 2019, using GPS methods. All such surveys shall be stamped and signed by a California licensed land surveyor. Upon completion of the surveys, Lessee shall submit copies of them to Lessor and the list of the crossing descriptions shall be amended to conform to those in the surveys, as provided in the Lease.
2. Staff will review non-routine maintenance and operation activities, emergency repairs, maintaining deactivated transmission line crossings, permanent removal of crossings, reporting of emergency incidents; and procedures and approval requirements for sale of electric transmission lines.
3. Where the Lease calls for the approval of the Lessor, that approval, except as provided hereafter, may be given by the Commission's Executive Officer or his/her delegate and such approval shall not be unreasonably withheld. If the Executive Officer or his/her delegate denies approval, except as provided hereafter, PG&E may appeal that denial to the Commission at the Commission's next available properly noticed public meeting. The Executive Officer shall not have the delegated authority to approve increases or decreases in the base rent, adjustments in bond and insurance coverage, nor the authority to approve any assignment.

**OTHER PERTINENT INFORMATION:**

1. Applicant has a right to use the uplands adjoining the lease premises.
2. On April 25, 1985, the Commission authorized a Master General Lease – Right-of-Way Use to PG&E for 66 right-of-way easements containing greater than-60 kV electrical transmission lines. The lease will expire on April 30, 2015.

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3. The terms of the master lease allowed for additional easements to be added and deleted, as needed. Since commencement of the lease, there have been 16 addendums with 20 crossings, which have included the addition of new lines, deletion of lines, repairs, replacement, and modifications. The proposed lease now includes 77 separate crossings of varying widths and lengths in numerous counties throughout the state.
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 identified as possessing significant environmental values pursuant to Public Resources Code section 6370 et seq., but such activity will not affect those significant lands. Based upon the staff's consultation with the persons nominating such lands and through the CEQA review process, it is the staff's opinion that the project, as proposed, is consistent with its use classification.

**EXHIBIT:**

- A. Location Map of Electrical Distribution Line Crossings

**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).

**SIGNIFICANT LANDS INVENTORY FINDING:**

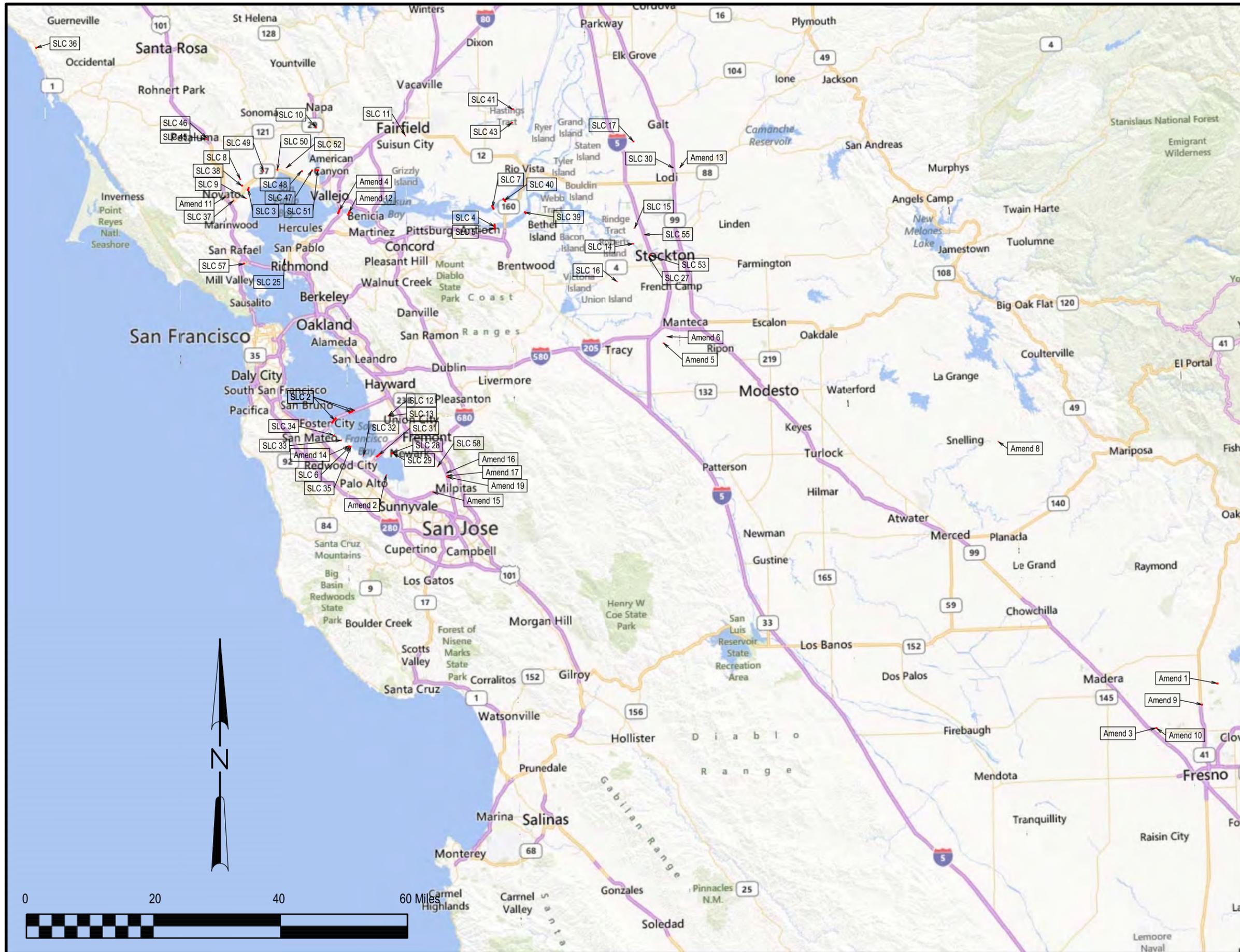
Find that this activity is consistent with the use classification designated by the Commission for the land pursuant to Public Resources Code section 6370 et seq.

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**AUTHORIZATION:**

Authorize the issuance of a Master General Lease – Right-of-Way Use to Pacific Gas and Electric Company beginning May 1, 2015, for a term of 30 years, for the continued use and maintenance of 76 existing greater-than-60 kV electric transmission lines, fiber-optic cables, and related facilities as described in Exhibit A, listed in Exhibit B and shown on Exhibit C attached and by this reference made a part hereof; annual rent in the amount of \$470,431, with an annual Consumer Price Index adjustment, as provided in the lease; and the State reserving the right to fix a different rent on the tenth and 20<sup>th</sup> anniversaries of the lease term, as provided in the lease; self-insurance or third party liability insurance in an amount no less than \$5,000,000 per occurrence; and a surety bond in the amount of no less than \$570,000.





**CALIFORNIA STATE LANDS COMMISSION GENERAL LEASES**  
**PG&E Electrical Transmission Leases - Right-of-Way Use**  
**Public Resources Code (PRC) 6827.1**

**EXHIBIT A -2**