

**CALENDAR ITEM
C55**

A 76
S 36

10/16/15
PRC 3193.1
D. Simpkin

GENERAL LEASE – RIGHT-OF-WAY USE

APPLICANT:

Southern California Edison Company
2131 Walnut Grove Avenue
Rosemead, CA 91770

CO-APPLICANT:

San Diego Gas and Electric Company
8330 Century Park Court, CP32B
San Diego, CA 92123

AREA, LAND TYPE, AND LOCATION:

7.6 acres, more or less, of sovereign land in the Pacific Ocean, Marine Corps Base Camp Pendleton, San Diego County.

AUTHORIZED USE:

The continued maintenance of two concrete pipelines associated with San Onofre Nuclear Generating Station (SONGS) Unit 1.

LEASE TERM:

Three years, beginning September 24, 2015.

CONSIDERATION:

Annual rent in the amount of \$34,434, with an annual Consumer Price Index adjustment.

SPECIFIC LEASE PROVISIONS:

1. Liability insurance in an amount no less than \$3,000,000 per occurrence, or equivalent staff-approved self-insurance program.
2. Lessor reserves the right to modify the base rent on the first anniversary of the lease based on an appraisal of the Lease Premises at Lessees' expense.

CALENDAR ITEM NO. **C55** (CONT'D)

OTHER PERTINENT INFORMATION:

1. Applicants have the right to use the upland property.
2. On September 24, 1964, the Commission authorized a 15-year Right-of-Way Easement to Southern California Edison Company (SCE) and San Diego Gas and Electric Company (SDG&E) for the installation and maintenance of two water circulating conduits associated with the operation of SONGS Unit 1. On August 28, 1968, the Commission authorized an amendment to the lease to extend the lease term to 49 years. The lease expired on September 23, 2013.
3. SONGS Unit 1 began operation in 1968 and was shut down in 1992. On October 20, 2005, the Commission certified a Final Environmental Impact Report (EIR No. 729; State Clearinghouse Number 2004061092) and authorized an amendment to the lease to allow for the partial removal and abandonment of the two pipelines (intake and discharge) in place and the removal of the vertical terminal structures, manhole risers, and surface marker buoy as part of the decommissioning process. Unit 1 conduit decommissioning was completed on September 16, 2014.
4. At this time SCE is unsure whether the pipelines may be repurposed for an alternate use or remain non-operational. SCE has submitted an application for a short-term interim General Lease – Right-of-Way Use for the continued maintenance of the two pipelines. SCE anticipates providing information regarding the future use of the pipelines to Commission staff no later than January 2016.
5. On April 23, 2014, the Commission authorized an amendment to a number of leases with SCE, including the subject lease. The amendment included a performance guaranty in lieu of a surety bond or other security device for those leases that already included a surety, and provided a performance guaranty in those leases or Rights-of-Way where none have previously been required. As such, no surety will be required under the provisions of this new lease as it is covered by the previously authorized performance guaranty.
6. 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).

CALENDAR ITEM NO. **C55** (CONT'D)

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

7. 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.

EXHIBITS:

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

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.

AUTHORIZATION:

Authorize issuance of a General Lease – Right-of-Way Use to Southern California Edison Company and San Diego Gas and Electric Company beginning September 24, 2015, for a term of three years, for the continued maintenance of two concrete pipelines associated with San Onofre Nuclear Generating Station Unit 1, as described in Exhibit A and shown on Exhibit B (for reference purposes only) attached and by this reference made a part hereof; annual rent in the amount of \$34,434, with an annual Consumer Price Index (CPI) adjustment; and liability insurance in the amount of no less than \$3,000,000 per occurrence, or equivalent staff-approved self-insurance program.

EXHIBIT A

PRC 3193.1

LAND DESCRIPTION

A strip tide and submerged land, one-hundred (100) feet wide in the Gulf of Santa Catalina, Pacific Ocean, adjacent to the San Onofre Generating Station, San Diego County, State of California, the centerline being described as follows:

BEGINNING at a point in that certain course in the southwesterly boundary of the 83.63-acre parcel of land shown on the licensed surveyor's map filed on June 13, 1963, as Map No. 6242 of Records of Survey in the Office of County Recorder of said county, said certain course is shown on said map as having a bearing of "S 52° 00' 51" E" and a length of "299.95 feet", said point being South 52° 00' 51" East 18.71 feet from the northwesterly terminus of said certain course; thence South 33° 00' 00" West 3310.11 feet to the TERMINUS of said centerline.

The sidelines of said strip of land to be lengthened or shortened as to begin on the ordinary high water mark of said Pacific Ocean and to terminate at a line perpendicular to the terminus of said centerline.

END OF DESCRIPTION

The above description is based on that original description prepared by Southern California Edison Company on August 27, 1964 as found in PRC 3193 file.

Revised 08/13/15 by the California State Lands Commission Boundary Unit



NO SCALE

SITE

SAN ONOFRE NUCLEAR
GENERATING STATION

APN 760-211-02-01



GULF OF

SANTA

CATALINA

APPROX.
SHORELINE

LEASE
PARCEL

PACIFIC

OCEAN

SAN ONOFRE NUCLEAR GENERATING STATION

NO SCALE

LOCATION



MAP SOURCE: USGS QUAD

Exhibit B

PRC 3193.1
SOUTHERN CALIFORNIA
EDISON CO. AND SAN DIEGO
GAS & ELECTRIC CO.
APN 760-211-02-01
GENERAL LEASE -
RIGHT-OF-WAY USE
SAN DIEGO COUNTY



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.

TS 08/13/15