

**STAFF REPORT  
C97**

A 1, 2  
S 1, 2

08/23/18  
PRC 383.2  
J. Porter

**GENERAL LEASE – RIGHT-OF-WAY USE**

**APPLICANT:**

Pacific Gas and Electric Company

**PROPOSED LEASE:**

*AREA, LAND TYPE, AND LOCATION:*

5.47 acres, more or less, of State-owned school land located near Redding within a portion of Section 36, Township 32 North, Range 6 West, MDM, Shasta County, and a portion of Section 36, Township 33 North, Range 9 West, MDM, Trinity County.

*AUTHORIZED USE:*

Use and maintenance of one 115 kV transmission line and one 12 kV distribution line.

*LEASE TERM:*

20 years, beginning October 14, 2018.

*CONSIDERATION:*

\$450 per year, with an annual Consumer Price Index adjustment.

*SPECIFIC LEASE PROVISIONS:*

1. Liability insurance in the amount of no less than \$5,000,000 per occurrence or equivalent staff-approved self-insurance program.
2. Lessee will take all reasonable and necessary actions to prevent, suppress, and control fires on the Lease Premises.
3. No herbicidal chemical may be used for vegetation control without the prior written consent of the Lessor's staff.

**STAFF ANALYSIS AND RECOMMENDATION:**

**Authority:**

Public Resources Code sections 6005, 6216, 6217.5, 6501.1, and 6503; California Code of Regulations, title 2, sections 2000 and 2003.

## STAFF REPORT NO. C97 (CONT'D)

### **State's Best Interests Analysis:**

On September 14, 1988, the Commission authorized a 30-year General Lease – Right-of-Way Use to Pacific Gas and Electric Company for an electrical power transmission facility ([Item C07, September 14, 1988](#)). The lease will expire on October 13, 2018. The Applicant is requesting a new General Lease – Right-of-Way Use for the continued use and maintenance of the existing facilities, which consist of one 115 kV transmission line and one 12 kV distribution line. The proposed lease involves existing power lines that have been under lease in the past, is limited to a 20-year term, does not alienate the State's fee simple interest, and does not grant the lessee exclusive rights to the lease premises. The lease requires the lessee to obtain a lease amendment before any further improvements are placed on the State's land. The lease requires the lessee to insure and indemnify the State for any liability incurred as a result of the lessee's activities thereon. The lease also requires the payment of annual rent, which generates revenue for the California State Teachers' Retirement System, consistent with the School Land Bank Act (Public Resources Code, § 8700, et seq.).

### **Climate Change:**

The combination of more frequent and longer duration weather patterns contributing to high winds, low humidity, extreme heat, and thunderstorm and lightning events for California's forested mountain regions has contributed to an increasingly aggressive wildland fire season as a related product of climate change. This threat can be further elevated through prolonged drought conditions and a lack of forest fuels reduction management for forest land areas. In addition, as stated in the *Safeguarding California Plan: 2018 Update* (California Natural Resources Agency 2018), climate change is projected to increase the frequency and severity of natural disasters related to flooding, fire, drought, extreme heat, and storms.

The forest land setting of the subject State parcel and surrounding land is vulnerable to these weather events and the threat of wildland fires. Pursuant to the proposed lease, the Applicant acknowledges that the lease premises are located in an area that may be subject to effects of climate change. Conversely, the Applicant is responsible for ensuring that the lease premises, transmission line, and pole line extension are maintained in a manner that does not contribute to wildland fire hazards. Regular maintenance of vegetation within the lease premises, the existing facilities under lease, and access to the lease premises will help minimize the threat of fire hazards to the lease premises.

STAFF REPORT NO. **C97** (CONT'D)

**Conclusion:**

For the reasons stated above, staff believes issuance of this lease is in the best interests of the State.

**OTHER PERTINENT INFORMATION:**

1. The Lease Premises is located within the boundaries of a major wildfire event in July and August 2018 known as the "Carr Fire". PG&E staff reported that the transmission lines were not damaged by the fire.
2. This action is consistent with Strategy 1.1 of the Commission's Strategic Plan to deliver the highest levels of public health and safety in the protection, reservation and responsible economic use of the lands and resources under the Commission's jurisdiction and Strategy 2.1 to optimize returns for the responsible development and use of State lands and resources, both onshore and offshore.
3. 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 14, section 15301, example (b).

Authority: Public Resources Code section 21084 and California Code of Regulations, title 14, section 15300.

**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 14, section 15301, example (b).

**STATE'S BEST INTERESTS FINDING:**

Find that the proposed lease is in the best interests of the State.

STAFF REPORT NO. **C97** (CONT'D)

**AUTHORIZATION:**

Authorize issuance of a General Lease – Right-of-Way Use to Pacific Gas and Electric Company beginning October 14, 2018, for a term of 20 years, for use and maintenance of one 115 kV transmission line and one 12 kV distribution line on 5.47 acres, more or less, of State-owned school land as shown on Exhibit A and described on Exhibit B (for reference purposes only) attached and by this reference made a part hereof; rent in the amount of \$450 per year, with an annual Consumer Price Index adjustment; and liability insurance in an amount no less than \$5,000,000 per occurrence, or equivalent staff-approved self-insurance program.

**EXHIBIT A**

**PRC 383.2**

**LAND DESCRIPTION**

Three parcels of state owned school land situate in Shasta and Trinity counties, State of California, described as follows:

**PARCEL 1**

A strip of land 75 feet wide in Shasta County, situate within the SE ¼ of the SE ¼ of Section 36, T32N, R6W, MDM, as shown on official U.S. Government Plat approved April 14, 1870, lying 37.5 feet on each side of the following described centerline:

COMMENCING at the southeast corner of said Section 36; thence along the southerly line of said Section 36, West 71.3 feet to a point at the centerline of existing transmission lines, said point being the POINT OF BEGINNING; thence along the centerline of existing transmission lines, N29°49'30"W 1520 feet to the northerly line of the SE ¼ of the SE ¼ of said Section 36, being the terminus of said strip centerline.

EXCEPTING THEREFROM any portions lying outside the SE ¼ of the SE ¼ of said Section 36.

**PARCEL 2**

A strip of land 75 feet wide in Shasta County, situate within the NE ¼ of the NW ¼ of Section 36, T32N, R6W, MDM, as shown on official U.S. Government Plat approved April 14, 1870, lying 37.5 feet on each side of the following described centerline:

COMMENCING at the North ¼ corner of said Section 36; thence S56°17'W 390.7 feet; thence N29°49'30"W 250 feet to a point on the northerly line of said Section 36, said point being at the centerline of existing transmission lines, said point also being the POINT OF BEGINNING; thence along the centerline of existing transmission lines, S29°49'30"E 900 feet to the easterly line of the NW ¼ of said Section 36, being the terminus of said strip centerline.

EXCEPTING THEREFROM any portions lying outside of the NE ¼ of the NW ¼ of said Section 36.

**PARCEL 3**

A strip of land 75 feet wide in Trinity County, situate within the NE ¼ of the NE ¼ of Section 36, T33N, R9W, MDM, as shown on official U.S. Government Plat approved May 5, 1882, lying 37.5 feet on each side of the following described centerline:

COMMENCING at the East ¼ corner of said Section 36; thence along the east line of said Section 36, N14°26'30"W 1329.3 feet to a point at the centerline of existing transmission lines, said point being the POINT OF BEGINNING; thence along the centerline of existing transmission lines, N64°27'30"W 1500 feet to the west line of the NE ¼ of the NE ¼ of said Section 36, being the terminus of said strip centerline.

EXCEPTING THEREFROM any portions lying outside of the NE ¼ of the NE ¼ of said Section 36.

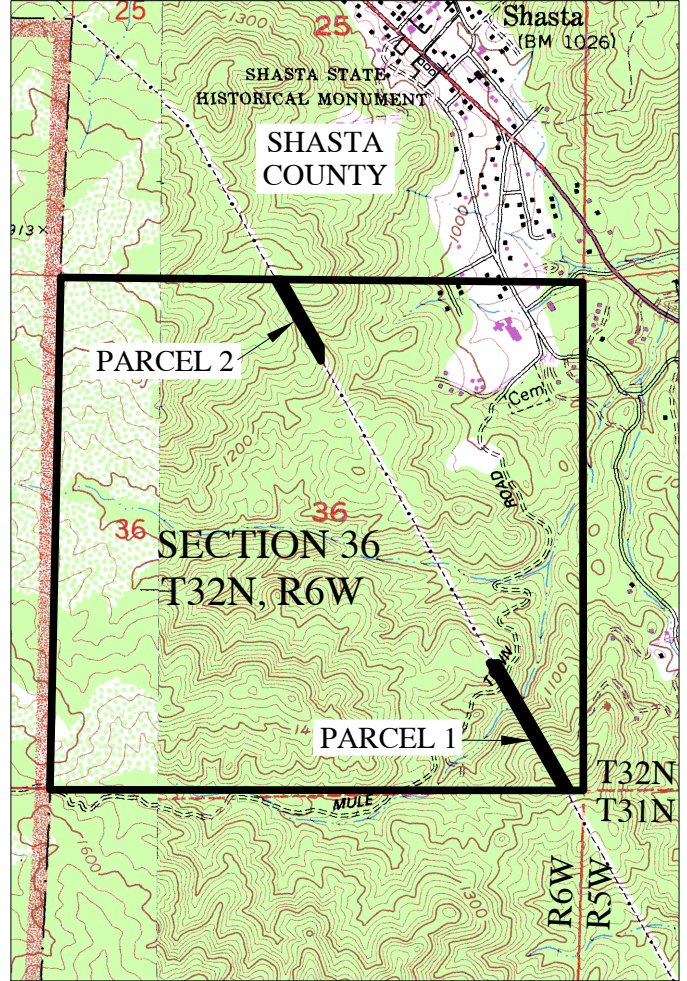
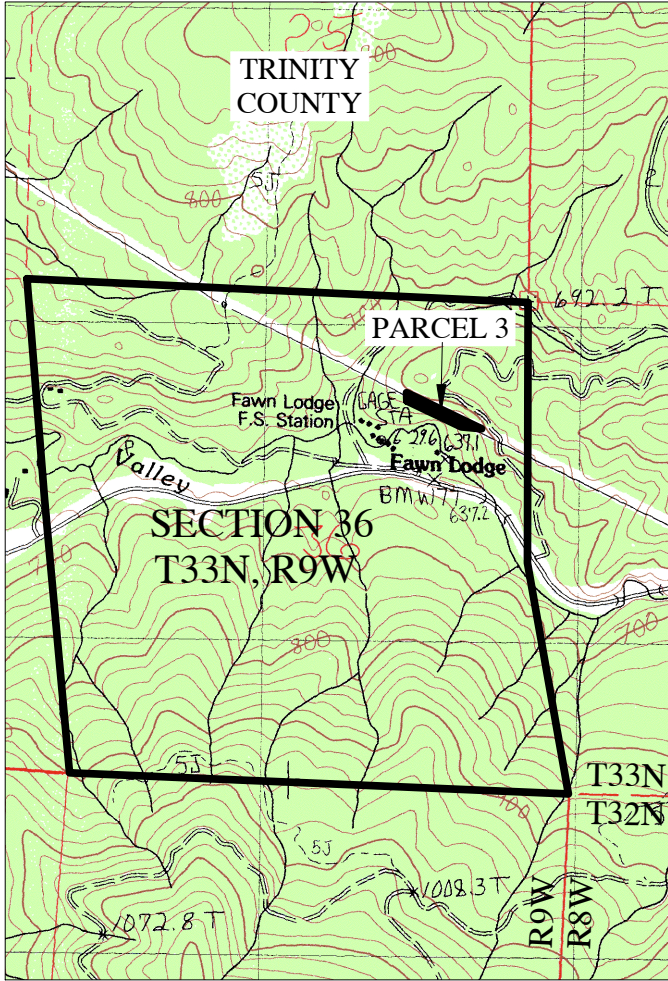
**END OF DESCRIPTION**

Revised June 14, 2018 by the California State Lands Commission Boundary Unit.  
Based upon original description, shown as reviewed by BIU 1 August 9, 1988 and found within the PRC 383.2 lease file.



NO SCALE

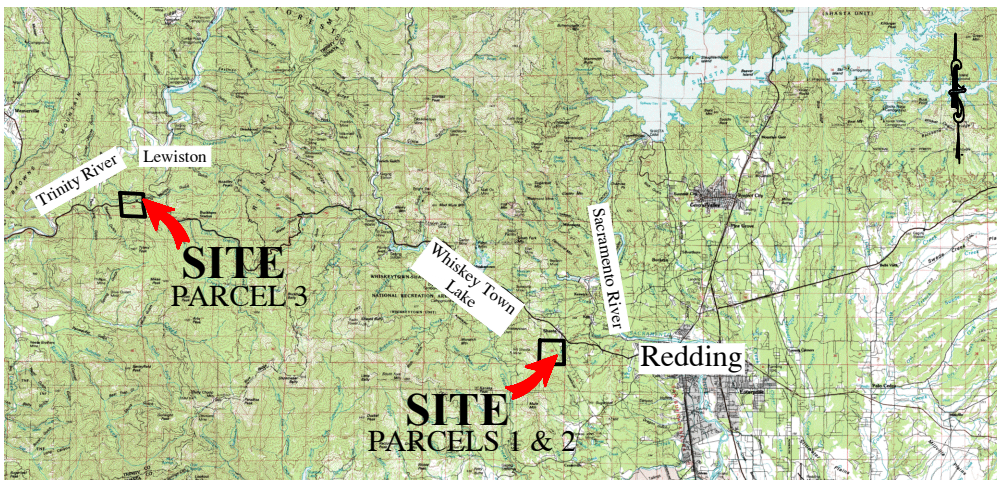
# SITE



PORTIONS OF SECTION 36 TOWNSHIP 32 NORTH, RANGE 6 WEST AND SECTION 36 TOWNSHIP 33 NORTH, RANGE 9 WEST, MDM, NEAR REDDING

NO SCALE

# LOCATION



MAP SOURCE: USGS QUAD

# Exhibit B

PRC 383.2  
 PACIFIC GAS & ELECTRIC  
 COMPANY  
 GENERAL LEASE -  
 RIGHT-OF-WAY USE  
 TRINITY & SHASTA  
 COUNTIES



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.