

## STAFF REPORT

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04/29/20  
PRC 8827.1  
A. Franzoia

### AMENDMENT OF LEASE AND REVISION OF RENT

#### LESSEE:

Pacific Gas and Electric Company

#### AREA, LAND TYPE, AND LOCATION:

Sovereign land in the Feather River, adjacent to Sutter County Assessor Parcel Number 10-270-007 and Yuba County Assessor Parcel Number 18-040-003, near Yuba City and Marysville, Sutter and Yuba counties.

#### AUTHORIZED USE:

Reconstruction, use, and maintenance of an existing, unauthorized single-circuit 60-kilovolt (kV) overhead transmission line to a double-circuit 60-kV overhead transmission line.

#### LEASE TERM:

25 years, beginning June 1, 2009.

#### CONSIDERATION:

This lease provides that the Commission may modify the rent periodically during the lease term. Pursuant to this provision, staff reviewed the rent under this lease and recommends that rent be revised from \$423 per year to \$536 per year, effective June 1, 2020.

#### PROPOSED AMENDMENT:

Amend the lease to:

1. Revise the authorized improvements from a proposed double-circuit 60-kV overhead transmission line to an existing single-circuit 60-kV overhead transmission line.
2. Remove special lease provisions related to construction of the double-circuit 60-kV overhead transmission line.
3. Replace the existing Exhibit A, Site and Location Map, with the attached Exhibit A, Land Description.

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4. Replace the existing Exhibit B, Mitigation Monitoring Plan, with the attached Exhibit B, Site and Location Map.

All other terms and conditions of the lease shall remain in effect without amendment.

**STAFF ANALYSIS AND RECOMMENDATION:**

**Authority:**

Public Resources Code sections 6005, 6216, 6301, 6501.1, and 6503; California Code of Regulations, title 2, sections 2000 and 2003.

**Public Trust and State's Best Interests Analysis:**

On June 1, 2009, the Commission authorized a 25-year General Lease – Right-of-Way Use to Lessee, for the reconstruction, use, and maintenance an existing, unauthorized single-circuit 60-kV overhead transmission line to a double-circuit 60-kV overhead transmission line and adopted a Mitigated Negative Declaration identified as CSLC MND 747, State Clearinghouse No. 2009042018, for the reconstruction project ([Item 38, June 1, 2009](#)).

The lease required the construction to be complete by May 31, 2011. On October 27, 2015, staff received an application from the Lessee to amend the construction completion date to April 3, 2024. During the application review process, staff received a letter from the Lessee, dated November 20, 2017, rescinding their original request to amend the lease since the project was no longer scheduled for construction. Lessee has requested that the lease be amended to remove all construction provisions. Further, the lease provides that the rent be modified on each fifth anniversary of the beginning date of this Lease.

The original request for reconstruction of the transmission line was to replace the existing line with a double-circuit line to increase capacity and reliability to customers. The reconstruction project was not due to safety concerns.

The Lessee owns and operates overhead electric transmission and distribution line facilities serving Sutter and Yuba counties. The existing 60-kV overhead transmission line is supported by poles located on the uplands on both banks as it crosses sovereign land in the Feather River. No other improvements are on lands under the jurisdiction of the Commission.

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The 60-kV electric overhead transmission line is above the bed of the waterway it crosses and does not impede surface use or interfere with Public Trust needs and values at this location. The existing facilities do not significantly alter the land, and the lease does not alienate the State's sovereign interest, or permanently impact public rights. The lease is limited to a 25-year term and does not grant the Lessee exclusive rights to the lease premises. Upon termination of the lease, the Lessee may be required to remove any improvements and restore the lease premises to their original condition. Additionally, the proposed lease requires the lessee to insure the lease premises 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 to compensate the people of the State for the occupation of the public land involved.

### **Conclusion:**

For all the reasons above, staff believes the issuance of this lease will not substantially interfere with Public Trust needs at this location, at this time, and for the foreseeable term of the proposed lease; and is in the best interests of the State.

### **OTHER PERTINENT INFORMATION:**

1. Approval or denial of the revision of rent and proposed amendment is a discretionary action by the Commission. Each time the Commission approves or rejects a use of sovereign land, or a revision of rent, it exercises legislatively delegated authority and responsibility as trustee of the State's Public Trust lands as authorized by law. Upon expiration or prior termination of the lease, the lessee has no right to a new lease or to renewal of any previous lease.
2. This action is consistent with Strategy 2.2 of the Commission's Strategic Plan to ensure timely receipt of revenues and royalties from the use and development of State lands and minerals.
3. Authorizing the amendment of the lease to revise the authorized improvements is not a project as defined by the California Environmental Quality Act because it is an administrative action that will not result in direct or indirect physical changes to the environment.

Authority: Public Resources Code section 21065 and California Code of Regulation, title 14, section 15378, subdivision (b)(5).

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**EXHIBITS:**

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

**RECOMMENDED ACTION:**

It is recommended that the Commission:

**PUBLIC TRUST AND STATE'S BEST INTERESTS:**

Find that the proposed amendment of Lease No. PRC 8827.1 will not result in any changed impact to or substantially interfere with the Public Trust needs, values, or uses in this area for the remainder of the lease term; and is in the best interests of the State.

**AUTHORIZATION:**

1. Authorize the amendment of Lease No. PRC 8827.1, a General Lease – Right-of-Way Use, effective April 29, 2020; to revise the authorized improvements from a proposed double-circuit 60-kV overhead transmission line to an existing single-circuit 60-kV overhead transmission line; remove special lease provisions related to construction of the double-circuit 60-kV overhead transmission line; and replace the existing Exhibit A, Site and Location Map, with the attached Exhibit A, Land Description, and replace the Existing Exhibit B, Mitigation Monitoring Plan, with the attached Exhibit B, Site and Location Map; all other terms and conditions of the lease will remain in effect without amendment.
2. Approve the revision of rent for Lease No. PRC 8827.1 from \$423 per year to \$536 per year, effective June 1, 2020.

## EXHIBIT A

PRC 8827.1

### LAND DESCRIPTION

A strip of submerged land, whether filled or unfilled, 50.00 feet wide, in the bed of the Feather River, Sutter and Yuba Counties, California, lying 25.00 feet on each side of the following described centerline:

COMMENCING at Height Modernization Survey Station "K 1435" (NGS PID: KS1971), with a CCS83, Zone 2 (Epoch 2010.00), U.S. Survey Foot coordinate of N: 2,173,621.18, E: 6,674,279.18;

thence N 08°55'40" W, 15,140.7 feet to the center of an existing Pacific Gas & Electric Company electric transmission wood pole, being the POINT OF BEGINNING;

thence, along said centerline, N 89°14'23" W, 677.5 feet to a wood pole, being the POINT OF TERMINATION.

EXCEPTING THEREFROM all portions of said strip lying landward of the low water marks of the left and right banks of said Feather River.


The bearings and distances used in the above description are based on the California Coordinate System of 1983, Zone 2. Distances are U.S. Survey Foot grid distances.

This real property description has been prepared by me in conformance with the Professional Land Surveyors Act on August 7, 2017.

### END OF DESCRIPTION

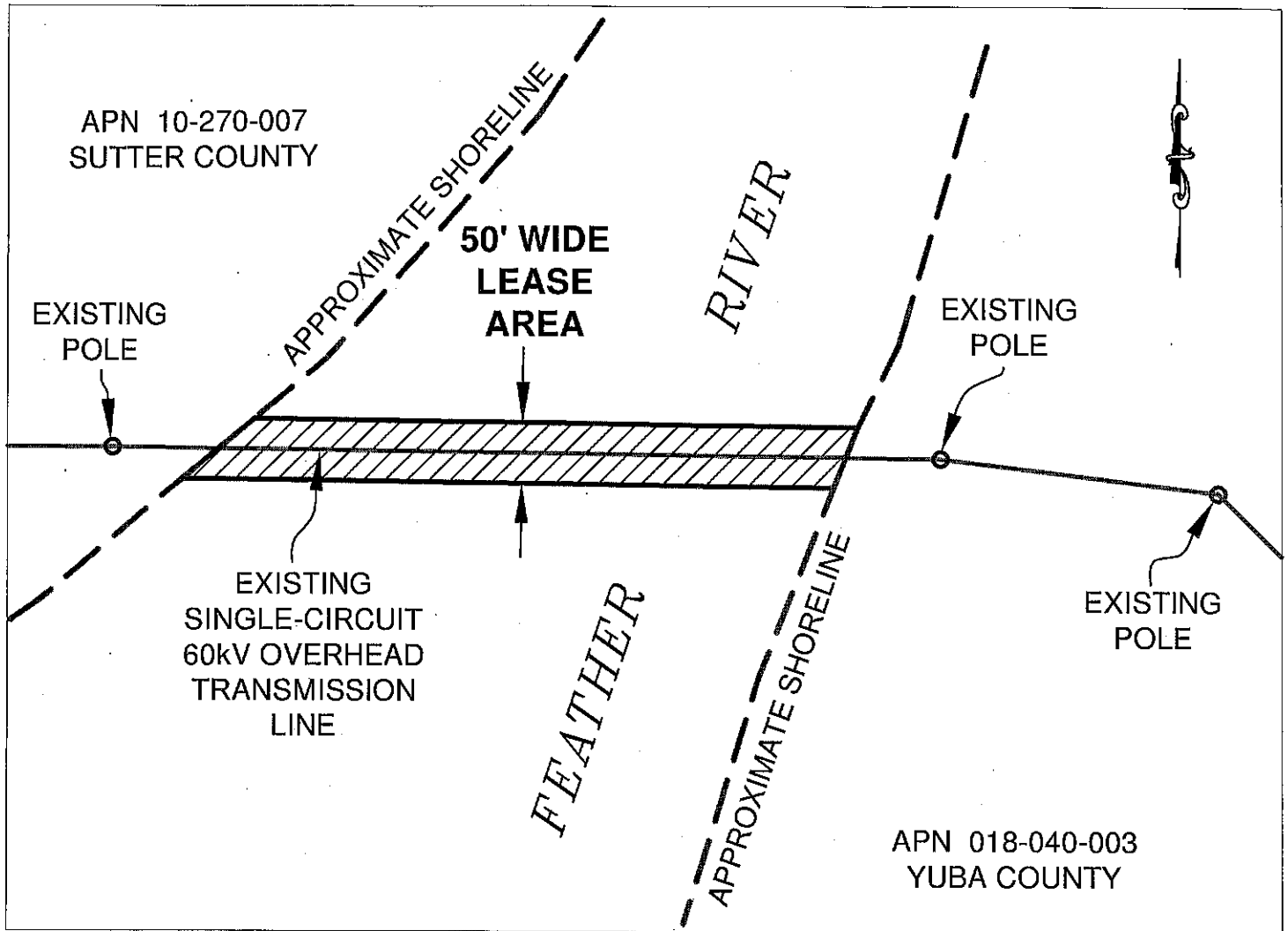


APPROVED AS TO DESCRIPTION

  
Curt C. Castro, PLS 8714

NO SCALE

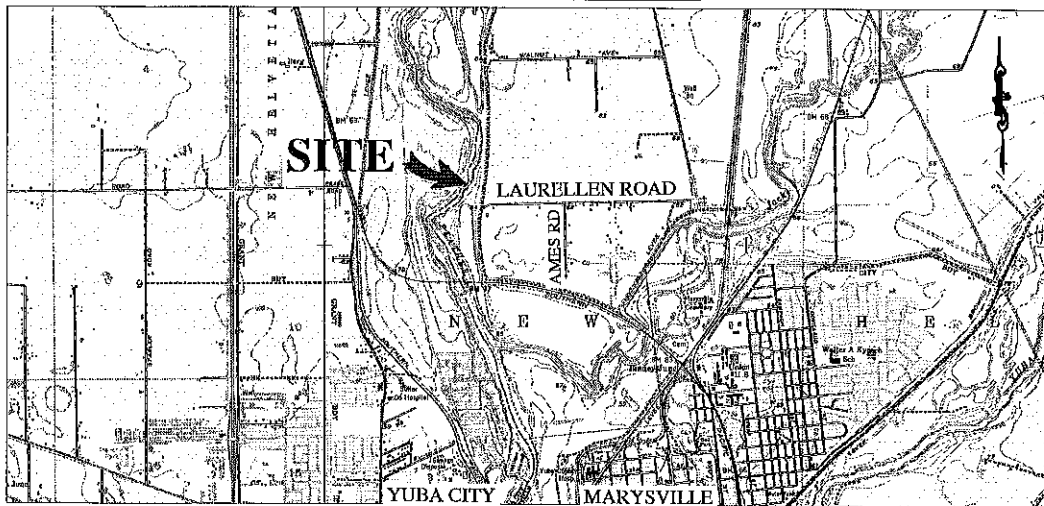
## SITE



### FEATHER RIVER BETWEEN PEASE(YUBA CITY) AND MARYSVILLE SUBSTATIONS

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 8827.1

PACIFIC GAS & ELECTRIC  
APNs 10-270-007 SUTTER  
& 018-040-003 YUBA  
GENERAL LEASE -  
RIGHT-OF-WAY USE  
YUBA & SUTTER COUNTIES



JWP 11/22/17