

Staff Report 51

LESSEE:

Southern California Edison Company

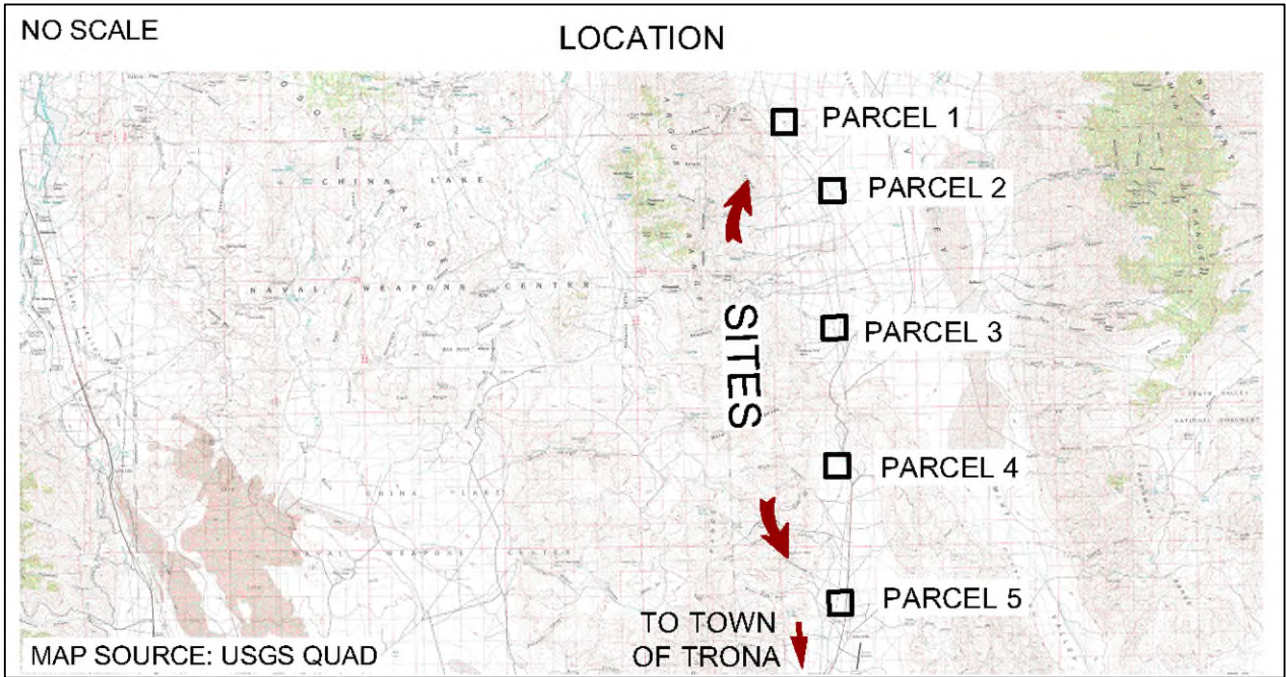
PROPOSED ACTION:

Revision of Rent.

AREA, LAND TYPE, AND LOCATION:

8.7 acres, more or less, of school land located in Section 36, Township 20 South, Range 42 East; Section 16, Township 21 South, Range 43 East; Section 16, Township 22 South, Range 43 East; Section 16, Township 23 South, Range 43 East; and Section 16, Township 24 South, Range 43 East, MDM, north of Trona, Inyo County (as shown in Figure 1).

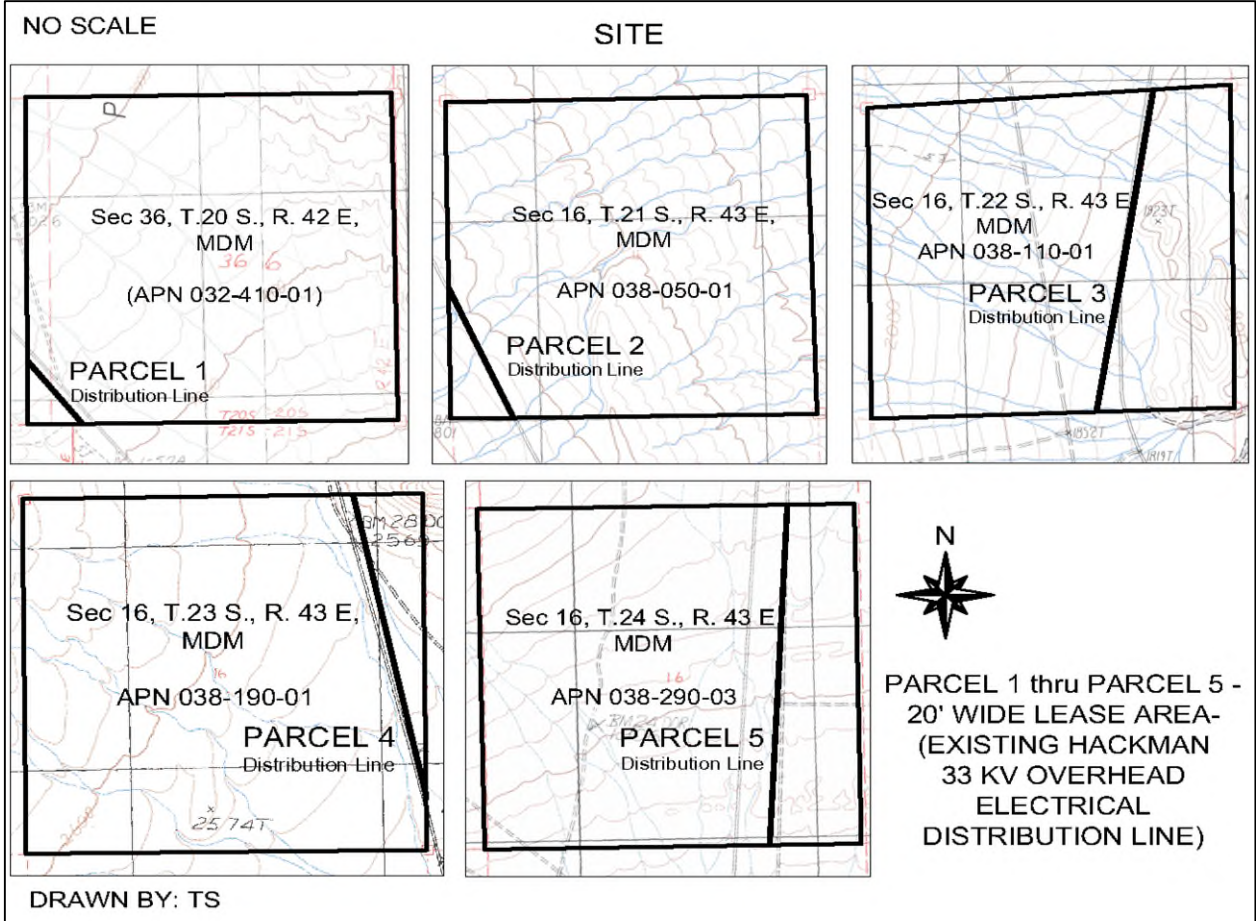
Figure 1. Location



AUTHORIZED USE:

Continued use and maintenance of one overhead 33-kilovolt (kV) electrical distribution line and 21 wood poles (as shown in Figure 2).

Figure 2. Site Map



NOTE: This depiction of the lease premises is based on unverified information provided by the Applicant or other parties and is not a waiver or limitation of any State interest in the subject or any other property.

TERM:

25 years, beginning March 7, 2010.

CONSIDERATION:

The lease provides that Lessor may modify the rent periodically during the lease term. Pursuant to this provision, staff has conducted a review of the rent under this lease and recommends that the rent be revised from \$503 per year to \$765 per year, effective March 7, 2025.

OTHER PERTINENT INFORMATION:

1. Approval or denial of the revision of rent is a discretionary action by the Commission. Each time the Commission approves or rejects a revision of rent, it exercises legislatively delegated authority and responsibility as trustee of the State's Public Lands as authorized by law. The Lessee has no right to a new lease or to renewal of any previous lease.
2. On August 20, 2010, the Commission authorized a 25-year General Lease – Right-of-Way Use ([Item 29, August 20, 2010](#)), to Southern California Edison Company for 4.85 acres, more or less, of State school lands located in Section 16, Township 24 South, Range 43 East, MDM, northeast of Trona, Inyo County. The lease authorized the use and maintenance of an existing 12 kilovolt (kV) overhead electrical distribution line and approximately 21 wood poles. Staff subsequently learned that the distribution line had been upgraded to 33kV many years before and that the line crossed other school land parcels in the area. On April 26, 2013, the Commission authorized an amendment of lease ([Item 93, April 26, 2013](#)) to add an additional four parcels for a total of 8.7 acres, more or less, of State school lands located in Section 36, Township 20 South, Range 42 East; Section 16, Township 21 South, Range 43 East; Section 16, Township 22 South, Range 43 East; Section 16, Township 23 South, Range 43 East; and Section 16, Township 24 South, Range 43 East, MDM, north of Trona, Inyo County. The amendment included amended land descriptions and an amended use from 12kV to 33kV distribution line, effective April 26, 2013. On April 23, 2014, the Commission authorized an amendment to lease ([Item 64, April 23, 2014](#)) to accept a performance guarantee in lieu of a surety bond for all of Southern California Edison's active leases. On December 17, 2014, the Commission authorized a revision of rent ([Item 56, December 17, 2014](#)) from \$392 to \$783 per year, effective March 7, 2015, and on February 28, 2020, the Commission authorized a revision of rent ([Item 48, February 28, 2020](#)) from \$783 to \$503 per year, effective March 7, 2020.
3. The Commission may require a bond or security instrument to protect the interest of the state as it relates to rent payments and lease compliance, especially the requirement to restore the leased premises upon lease termination. On April 23, 2014, the Commission accepted a performance guarantee in lieu of a surety bond for all Southern California Edison leases including Lease 2701.

4. This action is consistent with addressing the challenges and opportunities described in the Commission's 2021-25 Strategic Plan to "Embrace and safeguard multi-benefit School Lands and resource management stewardship that equitably balances responsible local and regional economic development, supports living wages, environmental protection, and revenue generation."
5. Approving the revision of rent 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 in the environment.

Authority: Public Resources Code section 21065 and California Code of Regulations, title 14, sections 15060, subdivision (c)(3), and 15378, subdivision (b)(5).

RECOMMENDED ACTION:

It is recommended that the Commission:

AUTHORIZATION:

Approve the revision of rent for Lease 2701 from \$503 per year to \$765 per year, effective March 7, 2025.