

Staff Report 103

APPLICANT:

Plumas-Sierra Rural Electric Cooperative, Inc.

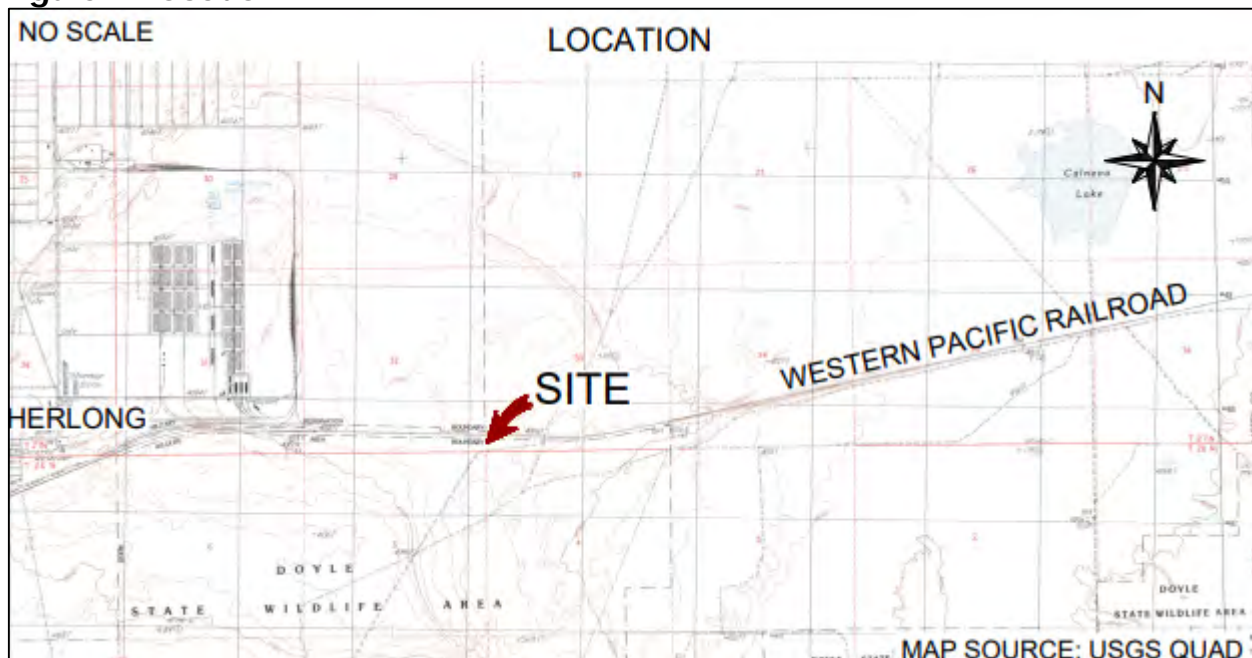
PROPOSED ACTION:

Issuance of a General Lease Right-of-Way Use.

AREA, LAND TYPE, AND LOCATION:

Approximately 1.41 acres of State-owned school land located in Sections 32 and 33, Township 27 North, Range 17 East, Mount Diablo Baseline & Meridian, Lassen County, south of the Union Pacific Railroad right-of-way near the southeast corner of the Sierra Army Depot near Herlong, California, consisting of Assessor's Parcel Numbers 137-160-004 and 137-160-010 (as shown in Figure 1).

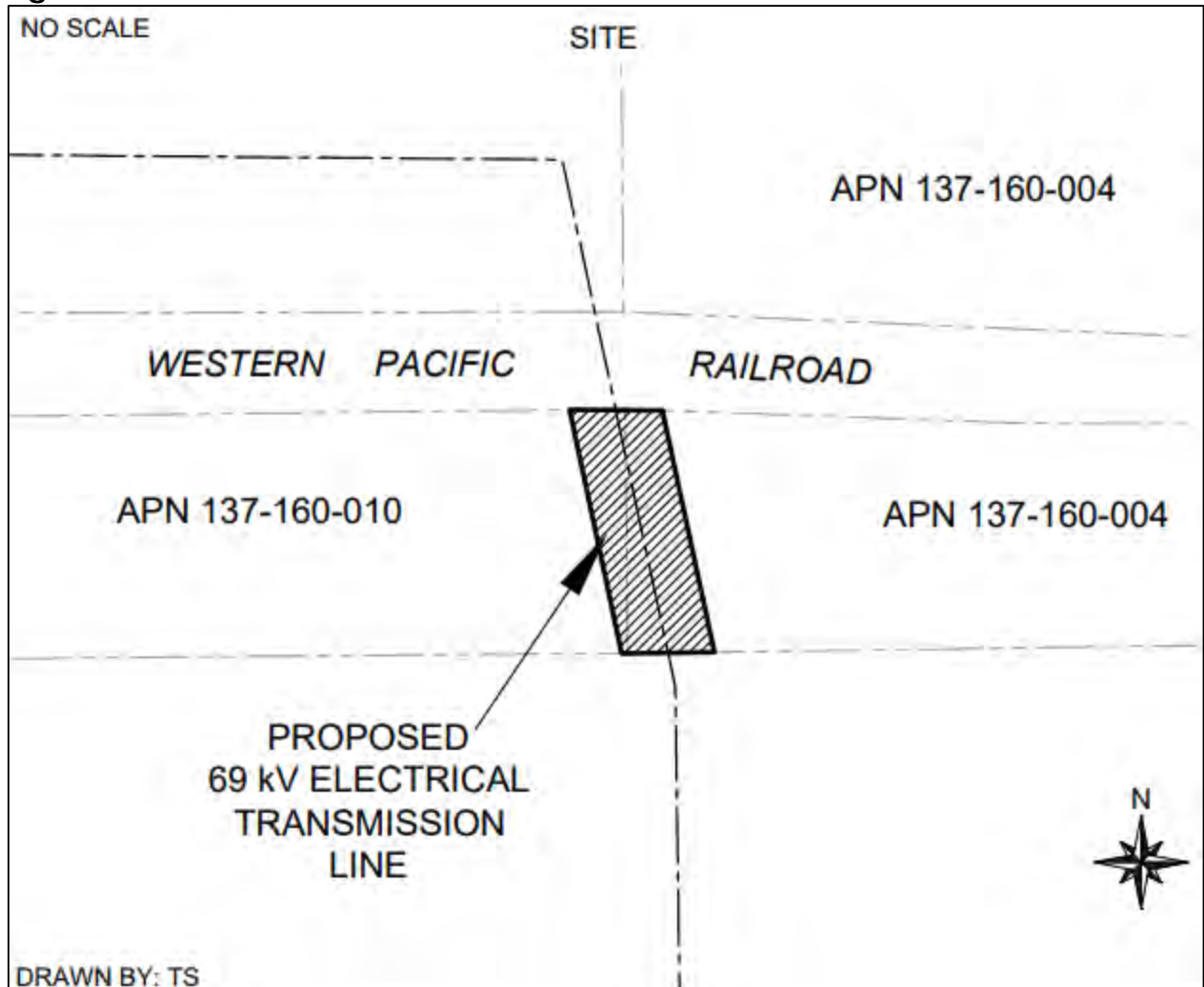
Figure 1. Location



AUTHORIZED USE:

Operation and maintenance of a 69kV electric transmission line over state-owned school land (as shown in Figure 2).

Figure 2. Site



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:

20 years, beginning December 16, 2025.

CONSIDERATION:

\$599 per year, with an annual Consumer Price Index adjustment.

SPECIFIC LEASE PROVISIONS:

- Liability Insurance: Policy naming the State as additional insured, with coverage of at least \$2,000,000 per occurrence.
- Lessee shall take all reasonable and necessary actions to prevent, suppress, and control fires on the Lease Premises, including addressing any vegetation that poses a potential risk to the electrical distribution lines on the lease premises.
- No herbicidal chemical may be used for vegetation control without prior written consent from the Commission staff. All herbicidal chemicals used by Lessee or its contractors for vegetation control on the Lease Premises must be registered with the California Department of Pesticide Regulation and must be applied in conformity with current Material Safety Data Sheets.
- No refueling or maintenance of vehicles or equipment shall take place within the Lease Premises.

STAFF ANALYSIS AND RECOMMENDATION:

AUTHORITY:

Public Resources Code sections 6005, 6216, 6301, 6501.1, 6503, 8701, 21065.5, and 21090.1.

STATE'S BEST INTERESTS:

The Applicant is applying for a General Lease – Right-of-Way Use for the operation and maintenance of a 69 kV overhead electric transmission line that will cross over State-owned land. This is the first authorization by the Commission, and it is anticipated that the construction of the powerlines will begin in 2026. Staff recommends issuance of a General Lease – Right-of-Way Use to the Applicant, to take effect on December 16, 2025. There will be no structures or equipment on the Lease Premises. The Applicant is a non-profit and will use the transmission line to better serve the Applicant's approximately 7,500 members and owners, including a state and federal prison, with improved and more reliable power. The overhead electrical transmission line will not significantly alter the land; the lease does not significantly or permanently impair public rights. The lease is limited to a 20 year term and does not grant the lessee exclusive rights to the lease premises. The proposed lease also 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. Lastly, because the Applicant's use involves access through school lands, the proposed

lease requires payment of annual rent that will be deposited into the School Land Bank Fund to support the State's obligations to the California State Teachers' Retirement System.

CLIMATE CHANGE:

INTRODUCTION:

Climate change is significantly altering northern California's forests and rangelands. As the atmosphere warms, there are more extremely hot days and unpredictable rainfall. Longer droughts are expected, and precipitation patterns will change in timing and intensity, affecting plant growth and distribution. This region is likely to see a corresponding increase in wildfires. These impacts may affect the proposed power transmission line crossing the proposed lease area, located just south of the Union Pacific Railroad right-of-way near the southeast corner of the Sierra Army Depot near Herlong.

DATA AND PROJECTIONS:

In the Sierra Nevada region of California, daily average high temperatures are projected to increase by 6 to 10 degrees Fahrenheit by the end of the century ([Sierra Nevada Region](#), California's Fourth Climate Change Assessment, 2018). As temperatures rise, the region is projected to experience more frequent and intense heat waves and an increased number of extreme heat days. The rise in temperature and increase in extreme heat and drought conditions is expected to result in more frequent and intense wildfires.

California's climate will cycle between extremely dry and extremely wet periods. Driven by climate change, dry years are expected to become even drier, while wet years will become even wetter in the next several decades. The rise in whiplash events, where conditions shift rapidly from drought to deluge, will challenge water storage and flood control systems in the region. Further, future wet seasons are projected to have more precipitation as rain than snow due to higher temperatures. Changes to precipitation patterns and increases in temperature are expected to affect amounts of snowpack and timing of snowmelt. These changes will alter streamflow timing and intensity in the region and are anticipated to affect water resources and availability for the region's communities.

ANALYSIS:

The lease premises will likely experience increased wildfire risk and watershed vulnerability due to changes in precipitation, reduced snowpack volume, and warming temperatures. These conditions may increase the wildfire risk to the lease premises. The lease area features disturbed high Sierra sagebrush scrub and alkali flat. Wildfire risk is likely to increase in the region due to extreme heat events and drought, but proactive vegetation management can play a significant factor in mitigating or exacerbating wildfire risk. Timing and intensity of grazing activity within and adjacent to the lease premises may also affect wildfire vulnerability. Damage to transmission lines during high wind or extreme heat events could increase the risk of ignition and wildfire on the lease premises.

The Applicant has indicated that the lease is subject to routine inspections and vegetation management. This regular maintenance of vegetation within the lease premises and access roads to the lease premises will help minimize the threat of fire hazards to the lease area.

Any future construction activities on State land would require a separate authorization from the Commission. Pursuant to the proposed lease, the Applicant acknowledges that the lease premises are located in an area that may be subject to the effects of climate change.

CONCLUSION:

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

OTHER PERTINENT INFORMATION:

1. Approval or denial of the application is a discretionary action by the Commission. Each time the Commission approves or rejects the use of school land, it exercises legislatively delegated authority and responsibility as trustee of the State's school land, as authorized by law. If the Commission denies the application, the Applicant will not be able to meet public power needs.
2. 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".

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 3, New Construction or Conversion of Small Structures; California Code of Regulations, title 14, section 15303.

Authority: Public Resources Code section 21084 and California Code of Regulations, title 14, section 15061.

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 3, New Construction or Conversion of Small Structures; California Code of Regulations, title 14, section 15303.

STATE'S BEST INTERESTS:

Find that the issuance of the proposed right-of-way lease is in the best interests of the State.

AUTHORIZATION:

Authorize General Lase – Right-of-Way Use to Plumas-Sierra Rural Electric Cooperative, Inc., effective December 16, 2025, for a term of 20 years, for the operation and maintenance of a 69kV overhead electric transmission line, annual rent of \$599, with an annual Consumer Price Index Adjustment, liability insurance in an amount no less than \$2,000,000 per occurrence, for lands described in Exhibit A, Land Description, and shown in Figure 1, Location Map and Figure 2, Site Map (for reference purposes only).