

This Calendar Item No. C06 was approved as Minute Item No. 06 by the California State Lands Commission by a vote of 3 to 0 at its 6-2-03 meeting.

CALENDAR ITEM
C06

A 1
S 2

06/02/03
WP 6794.2
L. Burks
PRC 6794

GENERAL LEASE - RIGHT OF WAY USE

APPLICANT:

Pacific Gas and Electric Company
245 Market Street, Mail Code N10A
San Francisco, California 94105

AREA, LAND TYPE, AND LOCATION:

School lands located in the Geysers area, along Pine Flat Road, in Lots 17, 18 and 20 (described as Lots 5, 13 and 15 on the original BLM Lease CA 6624), Section 33, Township 11 North, Range 8 West, Mount Diablo Meridian, Sonoma County.

AUTHORIZED USE:

Continued use of an existing access road (Pine Flat Road) to PG&E's electric transmission/distribution facilities.

LEASE TERM:

25 years, beginning November 5, 2001.

CONSIDERATION:

\$100 per year; with the State reserving the right to fix a different rent periodically during the lease term; as provided in the lease.

SPECIFIC LEASE PROVISIONS:

Liability insurance: Combined single limit coverage of no less than \$1,000,000.

OTHER PERTINENT INFORMATION:

1. On June 14, 1999, the Commission authorized issuance to the Geysers Power Company, LLC (GPC) a General Lease – Right of Way Use No. PRC 8090.2 for the use of Pine Flat Road to access their geothermal facilities. GPC maintains control over all access roads in the Geysers

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area. PG&E is applying to use the road to inspect and maintain its electric transmission facilities. Staff has received a letter from GPC stating that they have no objection to PG&E's concurrent use of the road. The Geysers area/facilities are normally accessed through Geysers and Socrates Mine Roads. Pine Flat Road is not typically used during routine procedures and serves only as a secondary access route in the event that the normal access routes become impassable due to inclement weather or physical conditions (e.g., washouts, slides, etc.). The Geysers Power Company Right-of-Way General Lease remains in effect.

2. Under United States Bankruptcy Court Case No. 01-30923 DM filed July 29, 2001, the Court approved the Notice of Entry of Order Regarding Motion for Authorization to Settle Post Petition Third Party Claims in the Ordinary Course of Business which authorizes Pacific Gas and Electric Company to continue their operations.
3. Pursuant to the Commission's delegation of authority and the State CEQA Guidelines (Title 14, California Code of Regulations, section 15061), the staff has determined that this activity is exempt from the requirements of the CEQA as a categorically exempt project. The project is exempt under Class 1, Existing Facilities; Title 2, California Code of Regulations, section 2905 (a)(2).

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

EXHIBITS:

- A. Land Description
- B. Location Map

PERMIT STREAMLINING ACT DEADLINE:

N/A

CALENDAR ITEM NO. C06 (CONT'D)

RECOMMENDED ACTION:

IT IS RECOMMENDED THAT THE COMMISSION:

CEQA FINDING:

FIND THAT THE ACTIVITY IS EXEMPT FROM THE REQUIREMENTS OF THE CEQA PURSUANT TO TITLE 14, CALIFORNIA CODE OF REGULATIONS, SECTION 15061 AS A CATEGORICALLY EXEMPT PROJECT, CLASS 1, EXISTING FACILITIES; TITLE 2, CALIFORNIA CODE OF REGULATIONS, SECTION 2905 (a)(2).

AUTHORIZATION:

AUTHORIZE ISSUANCE TO PACIFIC GAS AND ELECTRIC COMPANY OF A GENERAL LEASE - RIGHT OF WAY USE, BEGINNING NOVEMBER 5, 2001, FOR A TERM OF 25 YEARS, FOR CONTINUED USE OF AN EXISTING ACCESS ROAD ON THE LAND DESCRIBED ON EXHIBIT A ATTACHED AND BY THIS REFERENCE MADE A PART HEREOF; ANNUAL RENT IN THE AMOUNT OF \$100, WITH THE STATE RESERVING THE RIGHT TO FIX A DIFFERENT RENT PERIODICALLY DURING THE LEASE TERM, AS PROVIDED IN THE LEASE; LIABILITY INSURANCE FOR COMBINED SINGLE LIMIT COVERAGE OF \$1,000,000.

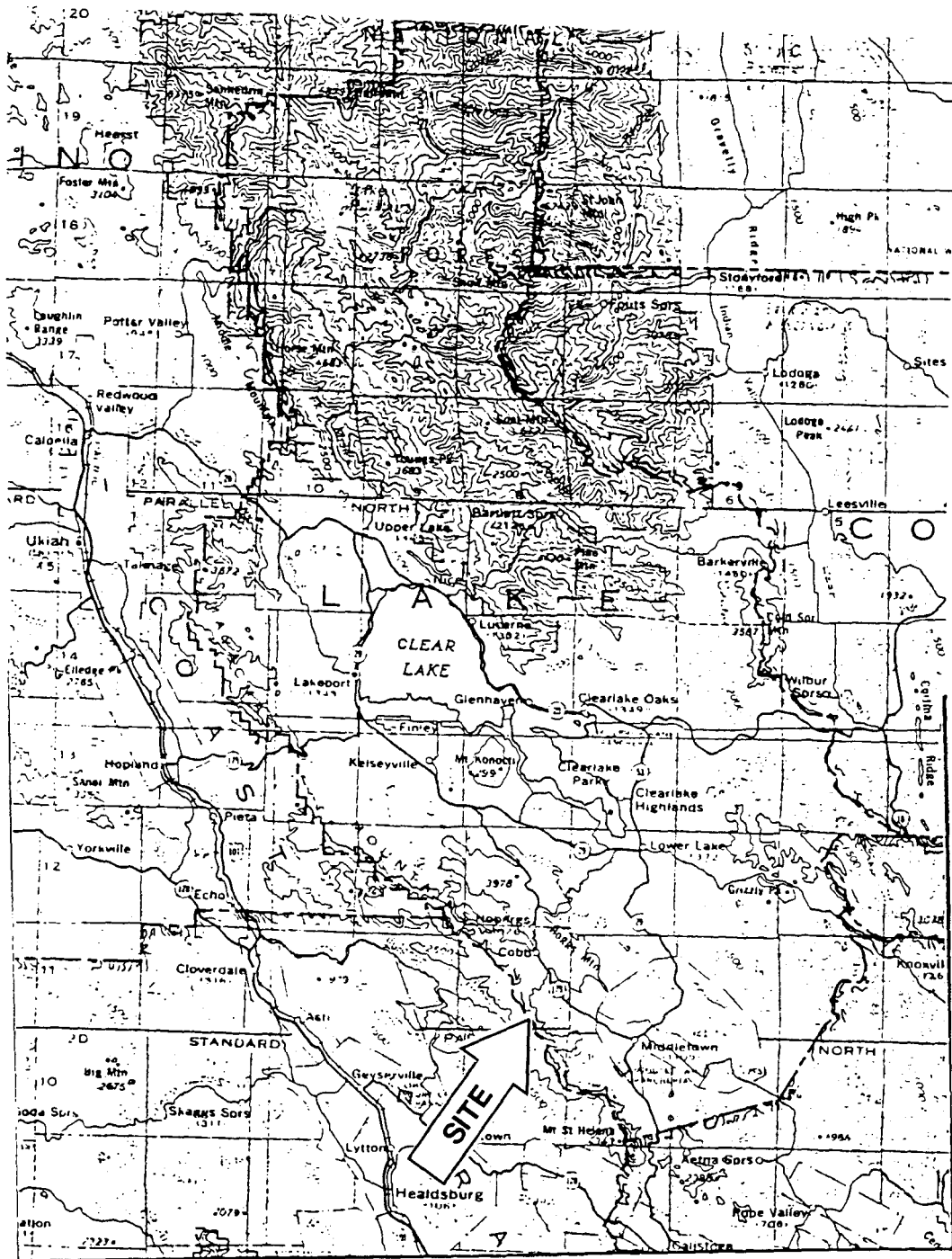
Exhibit A

LAND DESCRIPTION

General Lease – Right of Way Use PRC 6794.2

Right of way and easement on and along a certain existing road, the approximate center line of which is situate in Sonoma County, California, and is described as follows:

All that portion of Pine Flat Road located in Lots 17, 18 and 20 (described as Lots 5, 13 and 15 on the original BLM Lease CA 6624), Section 33, Township 11 North, Range 8 West, Mount Diablo Meridian.



To Santa Rosa 15 Miles

This exhibit is solely for purposes of generally defining the lease premises, is based on unverified information provided by 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 other property.

Exhibit B
WP 6794

The Geysers Quad

LMB 4/29/63

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