

**CALENDAR ITEM
C17**

A 1
S 2

06/24/08
PRC 6794.2
M. Clark

REVISION OF RENT

LESSEE:

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

AREA, LAND TYPE, AND LOCATION:

3.5 acres, more or less, of school lands in the Geysers area, along Pine Flat Road, near Middletown, Lots 17, 18, and 20, Section 33, Township 11 North, Range 8 West, MDM, Sonoma County.

AUTHORIZED USE:

Continued use of an existing unpaved access road, known as Pine Flat Road, as shown on Exhibit A.

LEASE TERM:

25 years, beginning November 5, 2001.

CONSIDERATION:

This 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 \$100 per year to \$315 per year, effective November 5, 2008.

OTHER PERTINENT INFORMATION:

1. On June 2, 2003, the Commission authorized a General Lease – Right of Way Use to the Pacific Gas and Electric Company (PG&E) for access to inspect and maintain it's electrical transmission facilities. That lease will expire November 4, 2026. On June 14, 1999, the Commission authorized a General Lease – Right of Way Use to the Geysers Power Company, LLC (GPC) for the use of Pine Flat Road to access their geothermal facilities and that lease remains in effect. Thus, GPC and PG&E concurrently lease and use the road, which is not used routinely, and serves only as a secondary access road when needed.

CALENDAR ITEM NO. **C17** (CONT'D)

EXHIBIT:

- A. Site and Location Map

RECOMMENDED ACTION:

IT IS RECOMMENDED THAT THE COMMISSION:

CEQA FINDING:

FIND THAT THE ACTIVITY IS NOT SUBJECT TO THE REQUIREMENTS OF THE CEQA PURSUANT TO TITLE 14, CALIFORNIA CODE OF REGULATIONS, SECTION 15060(c)(3) BECAUSE THE ACTIVITY IS NOT A PROJECT AS DEFINED BY PUBLIC RESOURCES CODE SECTION 21065 AND TITLE 14, CALIFORNIA CODE OF REGULATIONS, SECTION 15378.

AUTHORIZATION:

APPROVE THE REVISION OF RENT FOR LEASE NO. PRC 6794.2 FROM \$100 PER YEAR TO \$315 PER YEAR, EFFECTIVE NOVEMBER 5, 2008.