

**CALENDAR ITEM
C58**

A 56
S 40

10/16/15
PRC 8909.2
C. Hudson

REVISION OF RENT

LESSEE:

San Diego Gas & Electric Company
8335 Century Park Court, CP-11D
San Diego, CA 92123

AREA, LAND TYPE, AND LOCATION:

6.63 acres, more or less, of State indemnity school lands administered by the Commission as trustee, located in a portion of Section 27 and Section 28, Township 16 South, Range 9 East, SBM, northwest of Coyote Wells, Imperial County.

AUTHORIZED USE:

Continued use and maintenance of a 500 kV overhead electrical transmission line.

LEASE TERM:

25 years, beginning December 10, 2010.

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 rent be revised from \$164 per year to \$450 per year, effective December 10, 2015.

OTHER PERTINENT INFORMATION:

1. On December 10, 2010, the Commission, as trustee, authorized a General Lease – Right-of-Way Use to San Diego Gas and Electric for an existing 500 kV overhead electrical transmission line. The lease will expire on December 9, 2035.
2. Effective July 1, 2014, the Commission's regulations concerning minimum rent were amended (California Code of Regulations, Title 2, section 2003)

CALENDAR ITEM NO. **C58** (CONT'D)

to set the minimum annual rent for a General Lease - Right of Way Use at \$450.

3. Staff conducted the rent review called for in the lease and recommends that the rent be increased to the minimum annual rent of \$450 per year, effective December 10, 2015.
4. The staff recommends that the Commission find that the subject revision of rent does not have a potential for resulting in either a direct or a reasonably foreseeable indirect physical change in the environment, and is, therefore, not a project in accordance with the California Environmental Quality Act (CEQA).

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

EXHIBIT:

- A. Site and Location Map

RECOMMENDED ACTION:

It is recommended that the Commission:

CEQA FINDING:

Find that the subject revision of rent is not subject to the requirements of CEQA pursuant to California Code of Regulations, Title 14, section 15060, subdivision (c)(3), because the subject activity is not a project as defined by Public Resources Code section 21065 and California Code of Regulations, Title 14, section 15378.

AUTHORIZATION:

Approve the revision of rent for Lease No. PRC 8909.2 from \$164 per year to \$450 per year, effective December 10, 2015.

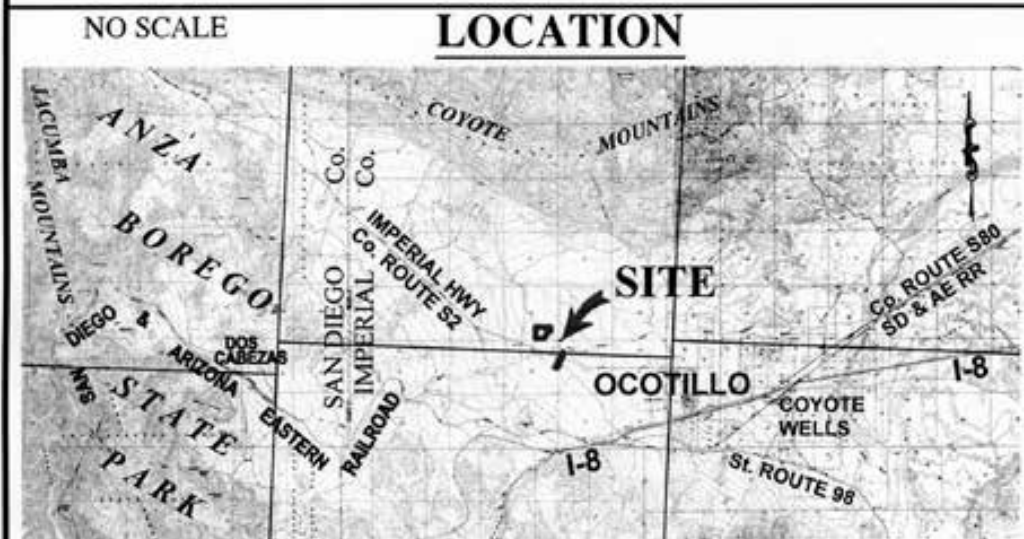
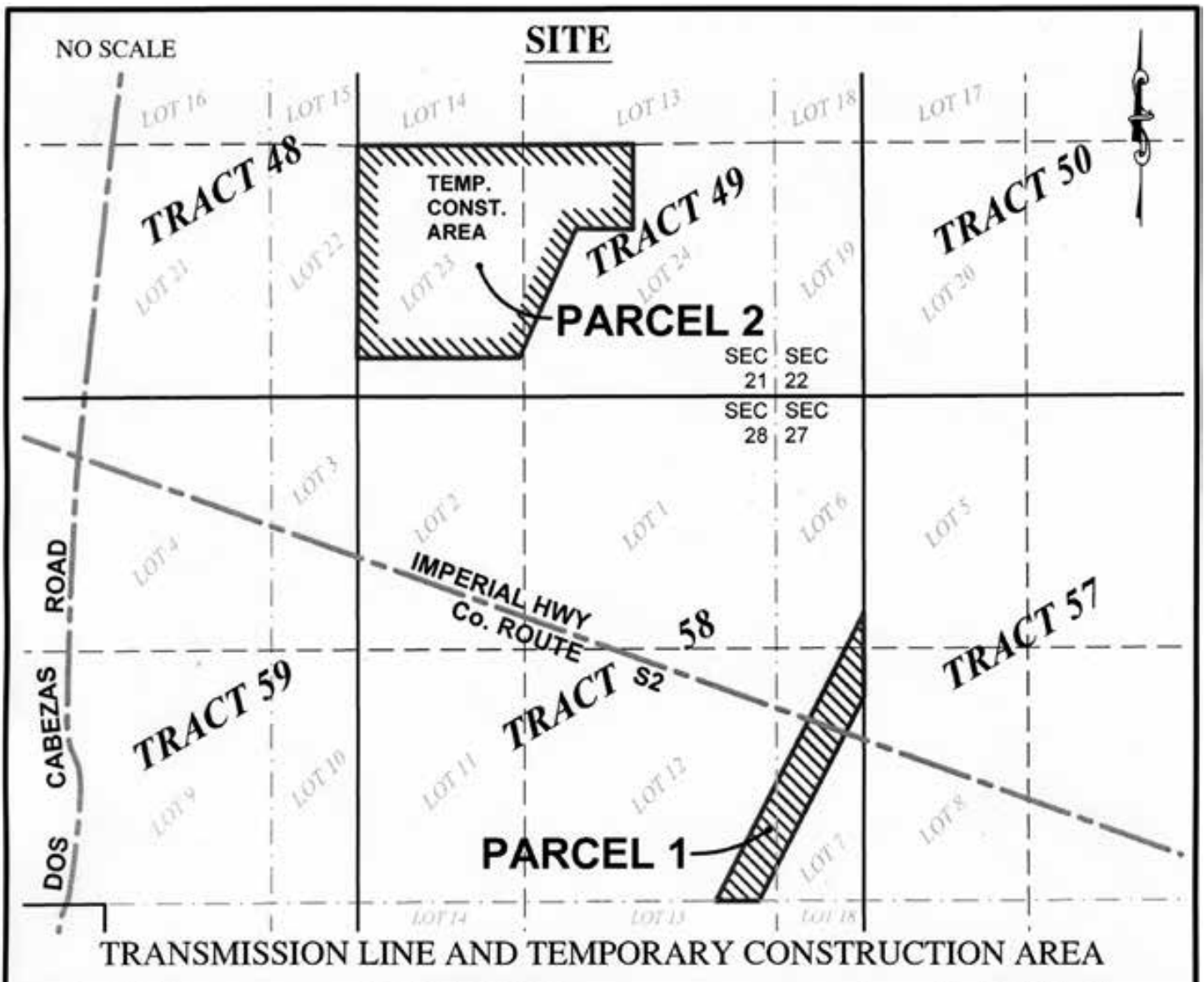


Exhibit A
 PRC 8909.2
 SAN DIEGO
 GAS & ELECTRIC
 GENERAL LEASE -
 RIGHT-OF-WAY USE
 IMPERIAL COUNTY



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.