

**CALENDAR ITEM  
C35**

A 6, 7, 8, 11, 13, 14

01/26/12  
PRC 8736.1  
D. Oetzel

S 2, 3, 5, 7

**REVISION OF RENT AND REVOCATION OF ASSIGNMENT**

**LESSEE:**

Trans Bay Cable LLC  
One Letterman Drive  
Building C, 5<sup>th</sup> Floor  
San Francisco, CA 94129

**AREA, LAND TYPE, AND LOCATION:**

53.65 acres, more or less, of sovereign land located in the Carquinez Strait, and the San Francisco, San Pablo, and Suisun Bays between the San Francisco County line to the city of Pittsburg, in Marin, Solano, and Contra Costa Counties.

**AUTHORIZED USE:**

Operation and maintenance of a submarine cable bundle consisting of approximately 40.25 miles of high voltage direct current cable, with a transmission cable approximately five inches in diameter, a return cable approximately four inches in diameter, and with a fiber optic communication cable.

**LEASE TERM:**

25 years, beginning December 15, 2006.

**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 rent be revised from \$389,000 per year to \$431,979 per year, effective December 15, 2011.

**OTHER PERTINENT INFORMATION:**

1. On May 10, 2007, the Commission authorized the assignment of Lease No. PRC 8736.1 from Trans Bay Cable LLC to Pittsburg Power Company, a Joint Powers Authority, effective on the closing date as defined in the purchase and sale agreement. The assignment, dated February 26, 2008, was not made effective because the purchase and sale agreement was never executed and

CALENDAR ITEM NO. **C35** (CONT'D)

the condition of the assignment was not fulfilled. Consequently, because the assignment never occurred and Trans Bay Cable LLC remains in control of the Lease Premises, the condition of the assignment was not fulfilled. Staff is recommending that the Commission authorize the revocation of the assignment.

2. Pursuant to the Commission's delegation of authority and the State CEQA Guidelines (Cal. Code Regs., tit. 14, section 15060, subd. (c)(3)), the staff has determined that this activity is not subject to the provisions of CEQA because it is not a "project" as defined by CEQA and the State CEQA Guidelines.

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

**EXHIBIT:**

- A. Location Map

**RECOMMENDED ACTION:**

It is recommended that the Commission:

**CEQA FINDING:**

Find that the activity is not subject to the requirements of CEQA pursuant to California Code of Regulations, Title 14, section 15060, subdivision (c)(3), because the 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 8736.1 from \$389,000 per year to \$431,979 per year, effective December 15, 2011 and approve the revocation of the assignment from Trans Bay Cable LLC to Pittsburg Power Company, a Joint Powers Authority.

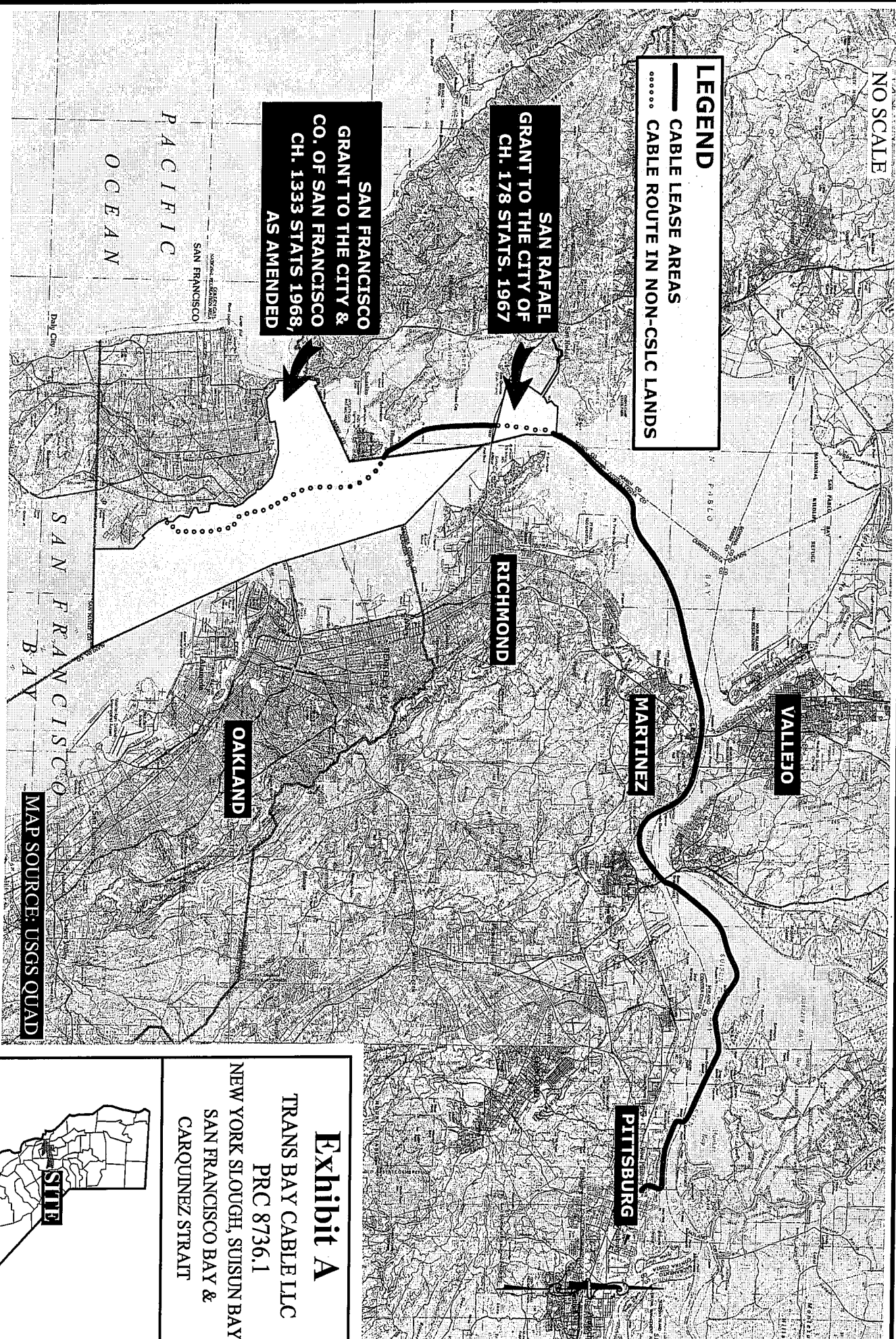
NO SCALE

**LEGEND**

- CABLE LEASE AREAS
- ..... CABLE ROUTE IN NON-CSLC LANDS

**SAN RAFAEL  
GRANT TO THE CITY OF  
CH. 178 STATS. 1967**

**SAN FRANCISCO  
GRANT TO THE CITY &  
CO. OF SAN FRANCISCO  
CH. 1333 STATS 1968,  
AS AMENDED**



**MAP SOURCE: USGS QUAD**

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.

**Exhibit A**

**TRANS BAY CABLE LLC  
PRC 8736.1  
NEW YORK SLOUGH, SUISUN BAY,  
SAN FRANCISCO BAY &  
CARQUINEZ STRAIT**

