

**CALENDAR ITEM  
C44**

A 1  
S 1

08/09/16  
PRC 8945.2  
C. Hudson

**REVISION OF RENT**

**LESSEE:**

Plumas-Sierra Rural Electric Cooperative, Inc.  
73233 State Route 70, Suite A  
Portola, CA 96122-7069

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

54.58 acres, more or less, of Indemnity school lands located in Sections 3, 10, 11 and 12, Township 26 North, Range 16 East, MDM and Section 7, Township 26 North, Range 17 East, MDM, near the community of Herlong, Lassen County.

**AUTHORIZED USE:**

Use and maintenance of one existing overhead 120 kilovolt (kV) transmission line, two existing overhead 7.2 kV distribution lines, one existing overhead 69 kV transmission line, and a fiber optic communications line.

**LEASE TERM:**

25 years, beginning September 1, 2011.

**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 \$1,032 per year to \$1,375 per year, effective September 1, 2016.

**OTHER PERTINENT INFORMATION:**

1. School lands were granted to the State of California by the federal government under the Act of March 3, 1853 (Ch. 145, 10 Stat. 244), and consisted of the 16<sup>th</sup> and 36<sup>th</sup> sections in each township (with the exceptions of lands reserved for public use, lands taken by private land claims, and lands known to be mineral in character). In cases of preemption, due to the exceptions described above, the State was given the opportunity to select replacement lands from the United States in lieu

CALENDAR ITEM NO. **C44** (CONT'D)

of a Section 16 or a Section 36. These replacement lands are now known as Indemnity school lands or lieu lands.

2. On September 1, 2011, the Commission authorized the issuance of a General Lease – Right-of-Way Use, Lease No. PRC 8945.2 to Plumas-Sierra Rural Electric Cooperative, Inc. The lease will expire on August 31, 2036.
3. Staff has reviewed the rent called for in the lease and recommends that the rent be increased to \$1,375 per year, effective September 1, 2016
4. This action is consistent with Strategy 2.2 of the Commission's Strategic Plan to ensure timely receipt of revenues and royalties from the use of State lands and minerals.
5. Approving the revision of rent is not a project as defined by the California Environmental Quality Act because it is an administrative action that will not result in direct or indirect physical changes in the environment.

Authority: Public Resources Code section 21065 and California Code of Regulations, title 14, section 15378, subdivision (b)(5).

**EXHIBIT:**

- A. Site and Location Map

**RECOMMENDED ACTION:**

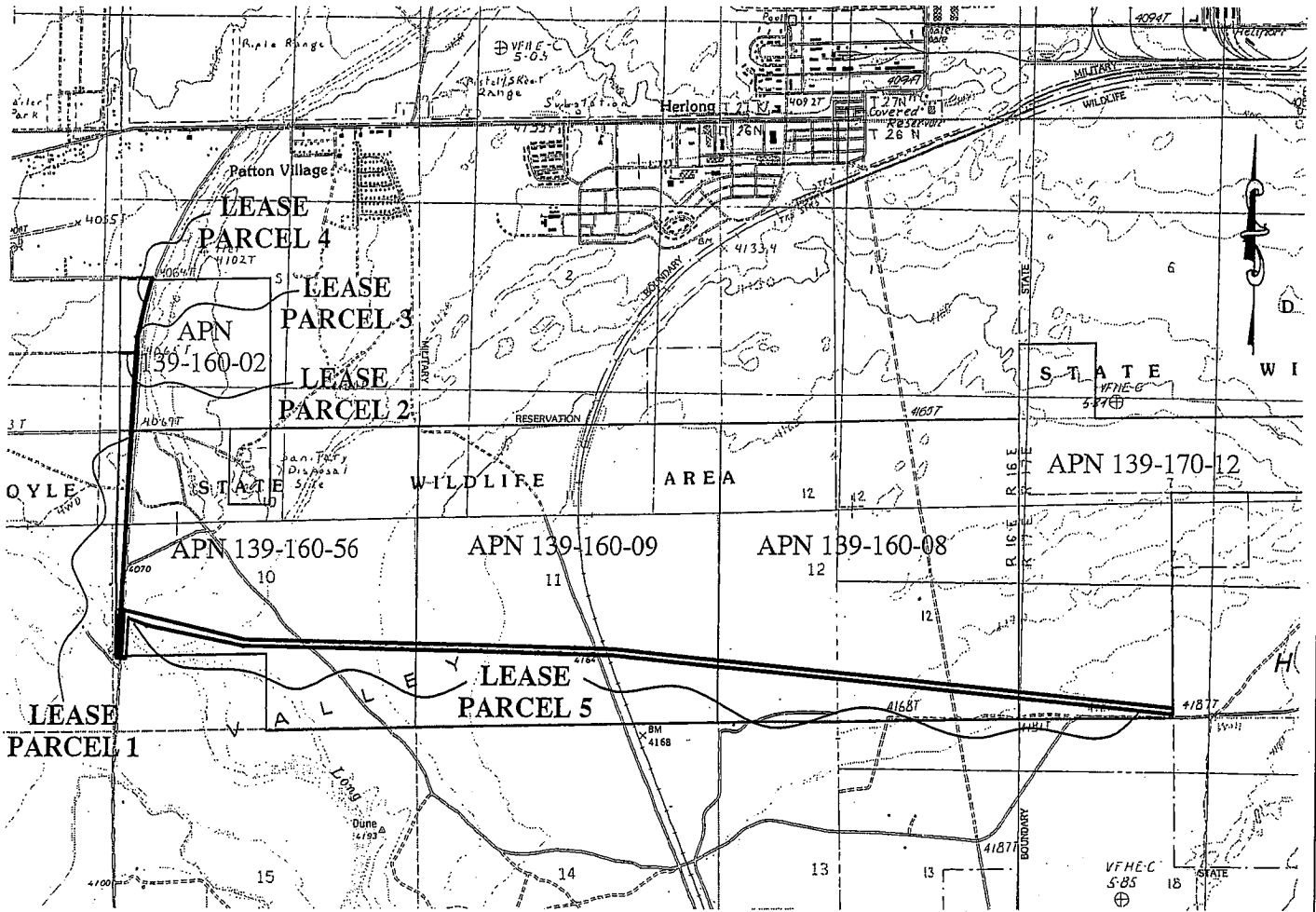
It is recommended that the Commission:

**AUTHORIZATION:**

Approve the revision of rent for Lease No. PRC 8945.2 from \$1,032 per year to \$1,375 per year, effective September 1, 2016.

NO SCALE

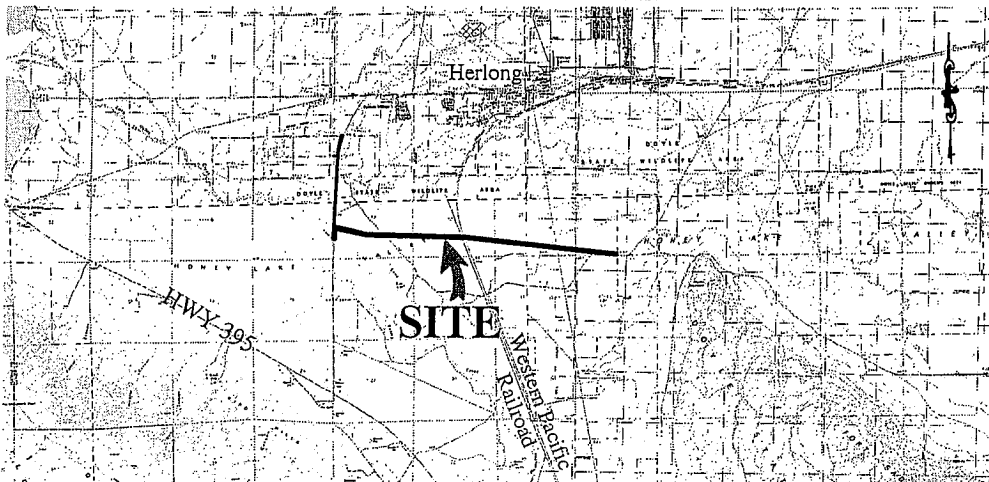
# SITE



PORTIONS OF SECTIONS 3, 10, 11 & 12, T.26N., R.16E.,  
AND SECTION 7 T.26N., R.17E.,MDM, NEAR HERLONG

NO SCALE

# LOCATION



MAP SOURCE: USGS QUAD

# Exhibit A

PRC 8945.2  
 PLUMAS - SIERRA RURAL  
 ELECTRIC COOPERATIVE, Inc.  
 APNs 139-160-02, -56, -08, -09  
 & 139-170-12  
 GENERAL LEASE -  
 RIGHT-OF-WAY USE  
 LASSEN 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.

TS 06/12/15