

DRAFT

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

ENERGY DIVISION

**ID #xxxxx
RESOLUTION E-4793
August 18, 2016**

R E S O L U T I O N

Southern California Edison Company (SCE) request for Sale of Property to USA Portola Properties LLC and SunRanch Capital Partners LLC by Advice Letter 3387-E.

PROPOSED OUTCOME:

- This Resolution approves Southern California Edison Company's AL 3387-E, with an effective date of today. SCE's AL proposes to convey an approximately 101 acre parcel of property (Property) to USA Portola Properties, LLC and SunRanch Capital Partners, LLC (the Buyers) in Lake Forest, California.

SAFETY CONSIDERATIONS:

- Effective administration of SCE's fee property is part of the responsibility of SCE to meet their obligations under Public Utilities Code Section 451 to provide services that promote the safety, health, comfort, and convenience of their patrons, employees and the public.
- There are no specific safety concerns with this transaction.

ESTIMATED COST:

- A request for authority to transfer property pursuant to GO 173 requires the filing of cost information. This transaction has an appraised value of \$3,915,650.00. In addition, SCE will receive thirty acres of California gnatcatcher and coastal sage scrub mitigation credits from the US Fish and Wildlife Service that SCE may use to offset environmental impacts associated with future SCE projects.

By Advice Letter 3387-E filed on April 4, 2016.

SUMMARY

This Resolution approves SCE's AL 3387-E, with an effective date of today. On April 4, 2016, SCE filed Advice Letter 3387-E requesting approval under General Order 173 and Public Utilities Code Section 851 to convey an approximate 101 acre parcel of undeveloped property to the Buyers in Lake Forest, California. The transfer will allow the Buyers to proceed with an approved housing development and fulfill other obligations to the County of Orange regarding the enrollment of the Property into the County of Orange Central Coastal Subregion Natural Community Conservation Plan / Habitat Conservation Plan (the "NCCP/HCP").

BACKGROUND

The Property to be transferred to the Buyers is located within the planning boundary of the County of Orange Central Coastal Subregion NCCP/HCP. The Property contains natural resources and habitat, including high quality coastal sage scrub and southern cactus scrub habitat that have been identified as valuable for long-term preservation. At or following the closing of escrow, the Property will be deeded to the County of Orange or another qualified grantee acceptable to the Natural Communities Coalition (NCC) and will be enrolled into the NCCP/HCP Habitat Reserve System, a permanently protected open space, through a conservation easement.

SCE is a party to the Implementation Agreement (Agreement) for the NCCP/HCP (dated July 17, 1996). Pursuant to the terms of the Agreement, SCE is obligated to make the Property available for acquisition and subsequent enrollment in the NCCP/HCP Habitat Reserve System. This transaction between SCE and the Buyers satisfies this obligation. The implementing parties had planned that the Property would be added to the NCCP/HCP Habitat Reserve System as soon as funds became available to purchase the property from SCE. The Buyers have agreed to coordinate and to pay for the transfer of the Property to the County of Orange as mitigation to offset and compensate for the environmental impacts associated with the Buyers proposed development of the Portola Project. The Buyers will receive mitigation credits associated with the donation of the Property to the NCC; SCE will receive the proceeds of the sale, additional mitigation credits, and a permanent reservation of right of use for SCE's electric facilities.

A Subsequent Environmental Impact Report (SEIR) for the Portola Project was prepared by the City of Lake Forest as the Lead Agency and was published for 45 days of public comment between June 28, 2013, and August 12, 2013 (SCH No. 2012061063). The SEIR was certified by the City of Lake Forest on November 5, 2013. The SEIR was reviewed by Commission staff and found adequate for the Commission's decision-making purposes.

SCE states in AL 3387-E that it has reviewed the proposed transfer and underlying project and has determined that it will not interfere with SCE's operations or SCE's ability to provide safe and reliable utility services to its customers, and will not be adverse to the public interest.

NOTICE

Notice of AL 3387-E was made by publication in the Commission's Daily Calendar. SCE states that AL 3387-E was filed in accordance with the noticing requirements of General Order 131-D, Section XI.B.4. In addition, SCE provided notice of construction in accordance with Section 4.3 of General Order 96-B.

PROTESTS

There were no protests to SCE Advice Letter 3387-E.

DISCUSSION

The Commission has reviewed SCE AL 3387-E and the associated CEQA documentation, including the attached SEIR prepared by the City of Lake Forest, and has determined that the document is both thorough and complete, and complies with the requirements of the California Environmental Quality Act. The Commission believes that SCE's AL 3387-E request for approval was made in accordance with the streamlined procedure adopted by the Commission in General Order 173 and Public Utilities Code Section 851. The Commission finds that the relief requested in AL 3387-E is not adverse to the public interest and should be granted.

COMMENTS

This is an uncontested matter in which the resolution grants the relief requested. Accordingly, pursuant to PU Code 311(g)(2), the otherwise applicable 30-day period for public review and comment is being waived.

FINDINGS

1. On April 4, 2016, SCE filed Advice Letter 3387-E “Request for Sale of Property to USA Portola Properties LLC and SunRanch Capital Partners LLC” under General Order 173 and Public Utilities Code Section 851.
2. SCE Advice Letter 3387-E complied with the streamlined procedures adopted by the Commission in General Order 173.
3. Notice of AL 3387-E was made by publication in the Commission’s Daily Calendar. SCE states that a copy of the Advice Letter was mailed and distributed in accordance with both Section 4 of General Order 96-B and with the noticing requirements of General Order 131-D, Section XI.B.4.
4. Advice Letter AL 3387-E was not protested.
5. The Commission finds, therefore, that this is an uncontested matter in which the resolution grants the relief requested. Accordingly, pursuant to PU Code 311(g)(2), the otherwise applicable 30-day period for public review and comment is being waived.
6. There are no specific safety concerns with this transaction.
7. SCE states that it has reviewed the proposed property transfer and underlying project and has determined that it will not interfere with SCE’s operations or SCE’s ability to provide safe and reliable utility services to its customers.
8. This transaction has an appraised value of \$3,915,650.00.
9. This transaction serves to transfer an undeveloped parcel of land from SCE to the Buyers, for subsequent donation to the County of Orange’s NCCP/HCP Habitat Reserve System. The transfer will allow all parties to the Implementation Agreement to satisfy their obligations to provide the

parcel to the County of Orange as mitigation for the environmental impacts associated with the Portola Project.

10. The property in question is located in the County of Orange.
11. A Subsequent Environmental Impact Report (SEIR) for the Portola Project was certified by the City of Lake Forest on November 5, 2013.
12. The Commission has reviewed the SEIR the City of Lake Forest and has determined that the document is both thorough and complete, and complies with the requirements of the California Environmental Quality Act.
13. The SEIR prepared by the City of Lake Forest is adequate for the Commission's decision-making purposes as a Responsible Agency pursuant to CEQA.
14. Approval of this transaction is not adverse to the public interest because it will not impair SCE's provision of utility service, and it will provide benefits to the public by facilitating the acquisition and enrollment of the property in the NCCP/HCP Habitat Reserve System administered by the County of Orange.
15. The Commission finds that the relief requested in AL 3387-E is not adverse to the public interest and should be granted.

THEREFORE IT IS ORDERED THAT:

1. The request of Southern California Edison Company for approval of a transfer of property with the Buyers as requested in AL 3387-E is approved.

This Resolution is effective today.

I certify that the foregoing resolution was duly introduced, passed and adopted at a conference of the Public Utilities Commission of the State of California held August 18, 2016; the following Commissioners voting favorably thereon:

TIMOTHY J. SULLIVAN
Executive Director