September 21, 2006

Advice Letter 2801-E

Rose de la Torre
Pacific Gas & Electric
77 Beale Street, Room 1088
Mail Code B10C
San Francisco, CA 94105

Subject: Encroachment of PG&E easements by Michael and Jennifer Mojica – request for confirmation of exemption under Section 853(b) or, in the alternative, for retroactive under Section 851

Dear Ms de la Torre:

Advice Letters 2801-E is effective May 1, 2006. A copy of the advice letter is returned herewith for your records.

Sincerely,

Sean H. Gallagher, Director
Energy Division
March 15, 2006

Advice 2801-E
(Pacific Gas and Electric Company ID U 39 E)

Public Utilities Commission of the State of California

Subject: Encroachment of PG&E Easements by Michael and Jennifer Mojica – Request for Confirmation of Exemption under Section 853(b) or, in the Alternative, for Retroactive Approval under Section 851

Purpose

Pacific Gas and Electric ("PG&E") submits this filing seeking application of Public Utilities Code Section 853(b) or, in the alternative, requesting retroactive approval under Public Utilities Code Section 851 for the encroachment by Michael and Jennifer Mojica ("Owners") of certain PG&E electric transmission line easements in Kern County with the construction and maintenance of a swimming pool without PG&E’s knowledge or consent.

Request Confirmation of Exemption Under Section 853(b)

PG&E respectfully requests that the Commission find the Owners’ construction and maintenance of a swimming pool in PG&E’s easement area exempt from the requirements of Section 851, pursuant to Section 853(b). Section 853(b) is applicable where Commission approval "is not necessary in the public interest."

The first basis for exemption under Section 853(b) is that PG&E’s failure to obtain Section 851 approval in advance of the transaction was made in good faith—PG&E did not authorize or know about the construction of the swimming pool until after it was completed by the Owners’ contractor, Everlasting Pools. The Commission has applied the Section 853(b) exemption in similar cases. For example, in Decision (D.) 02-01-055, the Commission found Section 853(b) applicable on the basis that the recipients of the property received the property at issue in good faith and that there was no evidence that PG&E’s failure to obtain prior approval under Section 851 was deliberate. This case offers an even stronger basis for this type of Section 853(b) exemption because
PG&E did not know about or approve the construction of the Owners’ swimming pool until after it had already occurred.

The second basis for exemption under Section 853(b) is that Section 851 approval for the construction was not "necessary in the public interest." The Commission has applied Section 853(b) in several recent rulings where, as here, Section 851 approval was not necessary in the public interest. For example, in its January 11, 2006 approval letter, the Commission found Section 853(b) applicable to an encroachment agreement that allowed De Young Properties 5224, L. P. to construct a concrete block sound wall on PG&E’s easement to address a noise pollution health hazard. Granting the encroachment agreement in that case served the public interest by allowing utility property (the easement area) to be used to address a critical issue of public health in a manner that did not interfere with the utility’s operation or affect service to utility customers. See also, D.05-10-013 (applying Section 853(b) exemption to an encroachment agreement allowing installation of an access ramp and stairs in the interest of public safety).

Similarly, the swimming pool encroachment at issue in this case was reasonable and serves the public interest. As the Commission recently reiterated, "The public interest is served when utility property is used for other productive purposes without interfering with the utility’s operation or affecting service to utility customers." The encroachment of the swimming pool on the utility’s easement area does not interfere in any way with the operation of PG&E’s facilities, or with the provision of service to PG&E’s customers. Rather, the swimming pool encroachment serves the public interest because it allows increased recreational use and enjoyment of the easement area on the Owners’ property.

Should the Commission determine that prior Section 851 approval was necessary; PG&E requests that the Commission issue an order granting retroactive approval of the swimming pool encroachment. In the past, the Commission has granted Section 851 approval to transactions nunc pro tunc (with the same effect as if done earlier), where failure to obtain approval was deemed inadvertent and where examination of the transfer has revealed no prejudice to ratepayers. In this instance, the encroachment did not prejudice ratepayers and, in fact, PG&E’s failure to obtain Section 851 approval

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was due to the fact that PG&E did not learn of the encroachment until the swimming pool was already constructed. In addition, the Owners were unaware of the easement area on their property, and therefore, constructed the pool without realizing the pool encroached on PG&E’s easements. The Commission therefore would be justified in approving the encroachment *nunc pro tunc*.

**Background**

On June 7, 2004, the City of Bakersfield granted the Owners a preliminary permit to construct a swimming pool. Construction of the pool began on June 17, 2004, and the City inspected construction and granted right to install reinforcements (“gunnite”) on July 7, 2004. It was not until August 7, 2004 that the City realized that the pool was built on PG&E’s easement area. Two days later, on August 9, 2004, construction of the pool was completed. The City informed the Owners that they would have to obtain permission from PG&E for the encroachment before the City could issue a final permit for the swimming pool in its existing location. The Owners then contacted PG&E to request an easement encroachment agreement. Thus, PG&E was not aware of the pool until after it was constructed. On this basis, the Commission should approve the encroachment *nunc pro tunc*.

In accordance with Resolution ALJ-186, Appendix B, Section III.B, PG&E provides the following information related to the proposed transaction:

(a) **Identity of All Parties to the Proposed Transaction:**

- Pacific Gas and Electric Company
  - Andrew L. Niven
  - Peter Van Mieghem
  - Law Department
  - P.O. Box 7442
  - San Francisco, CA 94120
  - Telephone: (415) 973-2902
  - Facsimile: (415) 973-5520
  - Email: PPV1@pge.com

- Michael and Jennifer Mojica
  - 2713 Deer Trail Court
  - Bakersfield, CA 93306-2810
  - Telephone: (661) 589-2716

(b) **Complete Description of the Property Including Present Location, Condition and Use:**

Michael and Jennifer Mojica are the fee title owners of certain real property (“Property”) within the City of Bakersfield in Kern County, California. The Property is designated as Assessors Parcel Number (APN) 146-380-20. The Owners have a residential home and a swimming pool on the Property. PG&E has rights-of-way and easements over the Property, pursuant to those certain Grants of Easements dated January 28, 1959 and recorded in Book 3099 of Official Records at page 201, Kern County Records; dated February 6, 1959 and recorded in Book 3106 of Official Records at page 151, Kern County Records;
dated February 6, 1959 and recorded in Book 3106 of Official Records at page 148; Kern County Records; and dated January 20, 1959 and recorded in Book 3153 of Official Records at page 527, Kern County Records (“Easements”), for that portion of the Kern-Magunden-Weedpatch Transmission Line that crosses the Property (Attachment 1). The Easements expressly prohibit construction of any buildings or structures within the easement area.

On February 25, 1998, Michael and Jennifer Mojica became the current owners of the Property by Grant Deed. In May 2004, the Owners’ contractor, Everlasting Pools applied for and obtained a building permit from the City of Bakersfield Building Department to construct a swimming pool. On June 7, 2004, the City inspector approved the location (Attachment 2) and Everlasting Pools began installing the swimming pool. On a later inspection, the City's inspector determined that the swimming pool was in PG&E’s easement area. The contractor then contacted PG&E and learned that PG&E would have required Commission approval before the swimming pool was completed, because the swimming pool would encroach upon PG&E's easements by 27 feet at the location. As currently constructed, the water line of the swimming pool is located 15 feet from the centerline of PG&E’s existing 70 kV pole line.

(c) Intended Use of the Property:

The Owners would like to have a final permit for the swimming pool on their Property. PG&E has determined that the Owners’ swimming pool will not interfere with PG&E's present use and maintenance of its rights-of-way and easements. The proposed agreement between PG&E and the Owners allows for long-term use of PG&E’s easement area. The use is limited to a swimming pool, and the physical change resulting from the proposed encroachment will have no impact on PG&E's current service to customers. Because the existing easement agreements prohibit the construction of any building or structure within the easement area, PG&E seeks to grant the Owners an Encroachment Agreement (“Agreement”). The proposed Agreement is included herein (Attachment 3). Under the terms of the proposed Agreement, PG&E reserves the right to commence or resume the use of the easement area on the Property for any and all uses; and in the event that PG&E’s operational needs should require removal and/or relocation of the swimming pool from within the easement area, such removal or relocation will be at the Owners’ sole cost and expense. Under the terms of the proposed Agreement, the grantees and the grantees’ successors may not make any additions or improvements to the portion of the swimming pool within the easement area, or erect or construct any building or other structure within the easement area.

(d) Complete Description of Financial Terms of the Proposed Transaction:

PG&E is not collecting any fees associated with granting an Encroachment Agreement to the Owners. PG&E is seeking merely to permit the Owners to
encroach upon PG&E’s easements for an existing swimming pool on the Owners’ Property. PG&E’s consent to allow Owners to encroach upon the easement area on the Owners’ Property does not rise to the level of a right that has any realizable economic value to PG&E.

(e) Indication of How Financial Proceeds of the Transaction Will Be Distributed:

Not applicable.

(f) Sufficient Information and Documentation (Including Environmental Review Information) to Indicate that All Criteria Set Forth in Section II(A) of Resolution ALJ-186 Are Satisfied:

PG&E has provided information in this advice letter to meet the eligibility criteria under the advice letter pilot program. Under the CEQA Checklist, the activity proposed in the transaction will not require environmental review by the CPUC as a lead agency. The proposed transaction will not have an adverse effect on the public interest because it will not interfere in any way with the operation of PG&E’s facilities, or with the provision of service to PG&E’s customers. In fact, the proposed transaction will serve the public interest because it allows increased recreational use and enjoyment of the easement area on the Owners’ Property. The proposed transaction meets the financial threshold of $5 million since PG&E is not collecting any fees associated with granting an encroachment agreement. Finally, the transaction does not involve the transfer or change in ownership of facilities currently used in utility operations.

(g) Complete Description of any Recent Past (Within the Prior Two Years) or Anticipated Future Transactions that May Appear To Be Related to the Present Transaction:

Not applicable.

(h) For Sales of Real Property and Depreciable Assets, the Advice Letter Shall Include the Original Cost, Present Book Value, and Present Fair Market Value, and a Detailed Description of How the Fair Market Value Was Determined (e.g., Appraisal):

Not applicable.

(i) For Leases of Real Property, the Advice Letter Shall Include the Fair Market Rental Value, and a Detailed Description of How the Fair Market Rental Value Was Determined:

Not applicable.
(j) Additional Information to Assist in the Review of the Advice Letter:

No additional information is readily available, other than what is already included with this application.

(k) CEQA Checklist

Exemption

(1) Has the proposed transaction been found exempt from CEQA by a government agency?

The proposed transaction was not found exempt from CEQA by a government agency.

(a) If yes, please attach notice of exemption. Please provide name of agency, date of exemption, and state clearinghouse number.

Not applicable.

(b) If no, does the applicant contend that the project is exempt from CEQA? If yes, please identify the specific exemption or exemptions that apply, citing to the applicable CEQA guideline(s).

The CEQA guidelines, adopted by the Commission in Rule 17.1(a) of the Commission’s Rules of Practice and Procedure, include a list of categories of projects that have been determined not to have a significant effect on the environment and that are therefore exempt from the provisions of CEQA. (Cal. Code Regs., tit. 14, §§15300, et seq.) Among the classes of exempt projects are “construction and location of limited numbers of new, small facilities or structures; installation of small new equipment and facilities in small structures; and the conversion of existing small structures from one use to another where only minor modifications are made in the exterior of the structure.” (Id., § 15303.) In particular, subpart (e) specifically exempts the construction of accessory (appurtenant) structures including garages, carports, patios, swimming pools and fences. Therefore, the proposed transaction is exempt from CEQA.

Prior or Subsequent CEQA review

(1) Has the project undergone CEQA review by another government agency? If yes, please identify the agency, the CEQA document that was prepared (EIR, MND, etc.) and its date, and provide one copy of any and all CEQA documents to the Director of the relevant Industry Division with a
copy of the advice letter. Be prepared to provide additional copies upon request.

The project has not undergone CEQA review by another government agency.

(2) Identify any aspects of the project or its environment that have changed since the issuance of the prior CEQA document.

Not applicable.

(3) Identify and provide section and page numbers for the environmental impacts, mitigation measures, and findings in the prior CEQA document that relate to the approval sought from the CPUC.

Not applicable.

(4) Does the project require approval by governmental agencies other than the CPUC? If so, please identify all such agencies, and the type of approval that is required from each agency.

This project does not require approval by any governmental agencies other than the CPUC.

Need CEQA?

If no exemption is applicable, and no prior review has occurred, please identify what applicant believes is the correct level of CEQA review.

Not applicable.

Protests

Anyone wishing to protest this filing may do so by letter sent via U.S. mail, by facsimile or electronically, any of which must be received no later than 30 days after the date of this filing, which is April 14, 2006. Protests should be mailed to:

CPUC Energy Division
Attention: Tariff Unit, 4th Floor
505 Van Ness Avenue
San Francisco, California 94102

Facsimile: (415) 703-2200
E-mail: jjr@cpuc.ca.gov and jnj@cpuc.ca.gov

Copies of protests also should be mailed to the attention of the Director, Energy Division, Room 4004, at the address shown above.
The protest also should be sent via U.S. mail (and by facsimile and electronically, if possible) to PG&E at the address shown below on the same date it is mailed or delivered to the Commission:

Pacific Gas and Electric Company  
Attention: Brian Cherry  
Director, Regulatory Relations  
77 Beale Street, Mail Code B10C  
P.O. Box 770000  
San Francisco, California 94177

Facsimile: (415) 973-7226  
E-mail: PGETariffs@pge.com

**Effective Date**

Pursuant to the review process outlined in Resolution ALJ-186, PG&E requests that this advice filing become effective on **May 1, 2006**, which is 47 calendar days after the date of filing.

**Notice**

In accordance with General Order 96-A, Section III, Paragraph G, a copy of this advice letter is being sent electronically and via U.S. mail to parties shown on the attached list. Address changes should be directed to Rose de la Torre at (415) 973-4716. Advice letter filings can also be accessed electronically at:

http://www.pge.com/tariffs

Director, Regulatory Relations

Attachments 1-3.

cc: Service List – GO 96-A  
ALJ Peter V. Allen, CPUC  
ALJ Lynn T. Carew, CPUC  
Andrew Barnsdale, CPUC – Energy Division  
Junaid Rahman, CPUC – Energy Division  
Brewster Fong, DRA  
Michael and Jennifer Mojica  
Elizabeth Nickell, Everlasting Pools
<table>
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<th>Company name/CPUC Utility No.</th>
<th>Pacific Gas and Electric Company (ID U39)</th>
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<td>Utility type:</td>
<td>Contact Person: Bernard Lam</td>
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<tr>
<td>☑ ELC ☑ GAS</td>
<td>Phone #: (415) 973-4878</td>
</tr>
<tr>
<td>☐ PLC ☐ HEAT ☐ WATER</td>
<td>E-mail: <a href="mailto:bxlc@pge.com">bxlc@pge.com</a></td>
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Advice Letter (AL) #: 2801-E

Subject of AL: Encroachment of PG&E Easements by Michael and Jennifer Mojica – Request for Confirmation of Exemption under Section 853(b) or, in the Alternative, for Retroactive Approval under Section 851

Keywords (choose from CPUC listing): Section 851

AL filing type: ☑ Monthly ☐ Quarterly ☐ Annual ☑ One-Time ☐ Other _____________________________

If AL filed in compliance with a Commission order, indicate relevant Decision/Resolution #:
Resolution ALJ-186

Does AL replace a withdrawn or rejected AL? If so, identify the prior AL: N/A

Summarize differences between the AL and the prior withdrawn or rejected AL
1: _____________________________

Resolution Required? ☑ Yes ☐ No

Requested effective date: **May 1, 2006**

No. of tariff sheets: N/A

Estimated system annual revenue effect (%): N/A

Estimated system average rate effect (%): N/A

When rates are affected by AL, include attachment in AL showing average rate effects on customer classes (residential, small commercial, large C/I, agricultural, lighting). N/A

Tariff schedules affected: N/A

Service affected and changes proposed1: N/A

Pending advice letters that revise the same tariff sheets: N/A

Protests and all other correspondence regarding this AL are due no later than 30 days after the date of this filing, unless otherwise authorized by the Commission, and shall be sent to:

CPUC, Energy Division
Attention: Tariff Unit
505 Van Ness Ave.,
San Francisco, CA 94102
jir@cpuc.ca.gov and jnj@cpuc.ca.gov

Pacific Gas and Electric Company
Attn: Brian K. Cherry
Director, Regulatory Relations
77 Beale Street, Mail Code B10C
P.O. Box 770000
San Francisco, CA 94177
E-mail: PGETariffs@pge.com

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1 Discuss in AL if more space is needed.
hereinafter called first party, in consideration of value adequate therefor paid by PACIFIC GAS AND ELECTRIC COMPANY, a California corporation, hereinafter called second party, the receipt whereof is hereby acknowledged, hereby grants to second party the right to erect, construct, reconstruct, replace, remove, maintain and use a line of towers with such wires and cables as second party shall from time to time suspend therefrom for the transmission of electric energy, and for communication purposes, and all necessary and proper foundations, footings, crossarms and other appliances and fixtures for use in connection with said towers, wires and cables, together with a right of way, on, along and in all of the hereinafter described strip of those certain lands which are situate in the County of Kern, State of California, and are described as follows, to-wit:

The W\(\frac{1}{2}\) of the E\(\frac{1}{2}\) of Section 34, T. 29 S., R. 28 E., M. D. B. & M.

The aforesaid strip extends entirely across said lands and is particularly described as follows, to-wit:

A strip of land of the uniform width of 80 feet lying equally on each side of the line which begins at a point in the easterly boundary line of said Section 34 from which the 3 inch iron pipe (with a scribed iron cap) marking the southeast corner of said Section 34 bears S. 0° 52½' E. 375.0 feet distant and runs thence S. 09° 26½' W. 30.9 feet; thence S. 09° 16½' W. 1283.6 feet, more or less, to a point in the westerly boundary line of the E\(\frac{1}{2}\) of the W\(\frac{1}{2}\) of said Section 34.

The rights herein set forth are granted to the extent of first party's undivided 1/3 interest in and to said lands.
First party, for the consideration aforesaid, further grants to second party, the right of ingress to and egress from said strip over and across said lands by means of roads and lanes thereon, if such there be, otherwise by such route or routes as shall occasion the least practicable damage and inconvenience to first party, provided, that such right of ingress and egress shall not extend to any portion of said lands which is isolated from said strip by any public road or highway, now crossing or hereafter crossing said lands.

First party shall have the right to use said strip for purposes not inconsistent with second party's full enjoyment of the rights hereby granted, provided that first party shall not erect or construct any building or other structure, or drill or operate any well, within said strip.

Second party shall have the further right to install, maintain and use gates in all fences which now cross or shall hereafter cross said strip.

Second party shall also have the right from time to time to trim and to cut down and clear away any and all trees and brush now or hereafter on said strip and shall have the further right from time to time to trim and to cut down and clear away any trees on either side of said strip which now or hereafter in the opinion of second party may be a hazard to said towers, wires or cables, by reason of the danger of falling thereon, provided, however, that all trees which second party is hereby authorized to cut and remove, if valuable for timber or wood, shall continue to be the property of first party, but all tops, lops, brush and refuse wood shall be burned or removed by second party.

Second party shall also have the right to mark the location of said strip by suitable markers set in the ground or on said towers, but said markers when set in the ground shall be placed in fences or other locations which will not interfere with any reasonable use first party shall make of said strip.

Second party shall repair any damage it shall do to first party's private roads or lanes on said lands, and shall indemnify first party against any loss and damage which shall be caused by the exercise of said ingress and egress, or by any wrongful or negligent act or omission of second party or of its agents or employees in the course of their employment.

The provisions hereof shall inure to the benefit of and bind the heirs, successors and assigns of the respective parties hereto.

IN WITNESS WHEREOF first party has executed these presents this 19 5

Executed in the presence of

Witness

FOR NOTARY'S USE ONLY

FOR RECORDER'S USE ONLY

RECORDED AT REQUEST OF

MAJ. 16 1959
STATE OF CALIFORNIA,
County of KERN

On this 28th day of January, A.D. 1959, before me,

PHILIP M. NAGY

a Notary Public in and for said County and State, personally appeared

T. R. J. SULLIVAN

known to me,

to be the person whose name is subscribed to the within Instrument, and acknowledged to me that he executed the same.

In Witness Whereof, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

Notary Public in and for said County and State.
AMERICAN TRUST COMPANY, a California corporation,

hereinafter called first party, in consideration of value adequate therefor paid by PACIFIC GAS AND ELECTRIC COMPANY, a California corporation, hereinafter called second party, the receipt whereof is hereby acknowledged, hereby grants to second party the right to erect, construct, reconstruct, replace, remove, maintain and use a line of towers with such wires and cables as second party shall from time to time suspend therefrom for the transmission of electric energy, and for communication purposes, and all necessary and proper foundations, footings, crossarms and other appliances and fixtures for use in connection with said towers, wires and cables, together with a right of way, on, along and in all of the hereinafter described strip of those certain lands which are situate in the County of Kern, State of California, and are described as follows, to-wit:

The E{\textsuperscript{1/2}} of the E{\textsuperscript{1/2}} of Section 14, T. 29 S., R. 28 E., M. D. B. & M.

The aforesaid strip extends entirely across said lands and is particularly described as follows, to-wit:

A strip of land of the uniform width of 80 feet lying equally on each side of the line which begins at a point in the easterly boundary line of said Section 14 from which the 3 inch iron pipe (with a scribed iron cap) marking the southeast corner of said Section 14 bears S. 0\textdegree} 00' 25' 50" E. 375.0 feet distant and runs thence S. 89\textdegree} 16' 00" W. 16.3 feet; thence S. 89\textdegree} 16' 00" W. 1283.6 feet, more or less, to a point in the westerly boundary line of the E{\textsuperscript{1/2}} of the E{\textsuperscript{1/2}} of said Section 14.

The rights herein set forth are granted to the extent of first party's un-divided 3/10 interest in and to said lands.

Except as to the exercise of rights herein granted, Grantee hereby recognizes Grantor's title and interest in and to the premises and agrees never to assail or resist Grantor's title or interest therein.
First party, for the consideration aforesaid, further grants to second party, the right of ingress to and egress from said strip over and across said lands by means of roads and lanes thereon, if such there be, otherwise by such route or routes as shall occasion the least practicable damage and inconvenience to first party, provided, that such right of ingress and egress shall not extend to any portion of said lands which is isolated from said strip by any public road or highway, now crossing or hereafter crossing said lands.

First party shall have the right to use said strip for purposes not inconsistent with second party's full enjoyment of the rights hereby granted, provided that first party shall not erect or construct any building or other structure, or drill or operate any well, within said strip.

Second party shall have the further right to install, maintain and use gates in all fences which now cross or shall hereafter cross said strip.

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Second party shall also have the right to mark the location of said strip by suitable markers set in the ground or on said towers, but said markers when set in the ground shall be placed in fences or other locations which will not interfere with any reasonable use first party shall make of said strip.

Second party shall repair any damage it shall do to first party's private roads or lanes on said lands, and shall indemnify first party against any loss and damage which shall be caused by the exercise of said ingress and egress, or by any wrongful or negligent act or omission of second party or of its agents or employees in the course of their employment.

The provisions hereof shall inure to the benefit of and bind the heirs, successors and assigns of the respective parties hereto.

IN WITNESS WHEREOF first party has executed these presents this 6th day of February 1959.

AMERICAN TRUST COMPANY
By its Vice President

Executed in the presence of

Witness

FOR RECORD'S USE ONLY

RECORDED AT REQUEST OF

MAR 27 1959

Prepared

Checked

FOR NOTARY'S USE ONLY

San Joaquin
GH 138988
210166
Section 14,
T.29S., R.28E.,
M.D.B. & M.

Recorded by____________________
Deputy Recorder

Page ____________________________

Ken County Records

Deputy Recorder $1.60

Recorded by____________________
Deputy Recorder

Page ____________________________

Ken County Records

Deputy Recorder $1.60

Prepared

Checked

COMPLIANT
On this 6th day of February in the year One Thousand Nineteen and Fifty-nine, before me Alice E. Taylor, a Notary Public in and for the County of Alameda, State of California, residing therein, duly commissioned and sworn, personally appeared E. H. LaVIGNE known to me to be the President and E. H. JORGENSEN known to me to be the Vice President of the Corporation that executed the within instrument and the officer who executed the within instrument on behalf of the Corporation therein named, and acknowledged to me that such Corporation executed the same.

In Witness Whereof, I have hereunto set my hand and affixed my Official Seal, the day and year in this certificate first above written.

Alice E. Taylor  
Notary Public  
In and for County of Alameda, State of California  
July 20th, 1959.
THE BANK OF CALIFORNIA, NATIONAL ASSOCIATION, as Trustee of the Trust created by the Decree of Final Distribution dated November 21, 1935 and recorded in the office of the County Recorder of the County of Kern, State of California, in Book 61 of Official Records at page 115,

hereinafter called first party, in consideration of value adequate therefor paid by PACIFIC GAS AND ELECTRIC COMPANY, a California corporation, hereinafter called second party, the receipt whereof is hereby acknowledged, hereby grants to second party the right to erect, construct, reconstruct, replace, remove, maintain and use a line of towers with such wires and cables as second party shall from time to time suspend therefrom for the transmission of electric energy, and for communication purposes, and all necessary and proper foundations, footings, crossarms and other appliances and fixtures for use in connection with said towers, wires and cables, together with a right of way, on, along and in all of the hereinafter described strip of those certain lands which are situate in the

County of Kern, State of California, and are described as follows, to-wit:

The E\textstyle{S} of the S\textstyle{W} of Section 14, T. 29 S., R. 28 E., M. D. B. & M.

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A strip of land of the uniform width of 80 feet lying equally on each side of the line which begins at a point in the easterly boundary line of said Section 14 from which the 3 inch iron pipe (with a scribed iron cap) marking the southeast corner of said Section 14 bears S. 59° 02' 12" E. 375.6 feet distant and runs thence S. 59° 02' 12" E. 36.9 feet; thence S. 89° 16' 11" W. 1283.6 feet, more or less, to a point in the westerly boundary line of the E\textstyle{S} of the S\textstyle{W} of said Section 14.

The rights herein set forth are granted to the extent of first party's undivided 1/10 interest in and to said lands.

Except as to the exercise of rights herein granted, Grantee hereby recognizes Grantor's title and interest in and to the premises and agrees never to assail or resist Grantor's title or interest therein.
First party, for the consideration aforesaid, further grants to second party, the right of ingress to and egress from said strip over and across said lands by means of roads and lanes thereon, if such there be, otherwise by such route or routes as shall occasion the least practicable damage and inconvenience to first party, provided, that such right of ingress and egress shall not extend to any portion of said lands which is isolated from said strip by any public road or highway, now crossing or hereafter crossing said lands.

First party shall have the right to use said strip for purposes not inconsistent with second party's full enjoyment of the rights hereby granted, provided that first party shall not erect or construct any building or other structure, or drill or operate any well, within said strip.

Second party shall have the further right to install, maintain and use gates in all fences which now cross or shall hereafter cross said strip.

Second party shall also have the right from time to time to trim and to cut down and clear away any and all trees and brush now or hereafter on said strip and shall have the further right from time to time to trim and to cut down and clear away any trees on either side of said strip which now or hereafter in the opinion of second party may be a hazard to said towers, wires or cables, by reason of the danger of falling thereon, provided, however, that all trees which second party is hereby authorized to cut and remove, if valuable for timber or wood, shall continue to be the property of first party, but all tops, lops, brush and refuse wood shall be burned or removed by second party.

Second party shall also have the right to mark the location of said strip by suitable markers set in the ground or on said towers, but said markers when set in the ground shall be placed in fences or other locations which will not interfere with any reasonable use first party shall make of said strip.

Second party shall repair any damage it shall do to first party's private roads or lanes on said lands, and shall indemnify first party against any loss and damage which shall be caused by the exercise of said ingress and egress, or by any wrongful or negligent act or omission of second party or of its agents or employees in the course of their employment.

The provisions hereof shall inure to the benefit of and bind the heirs, successors and assigns of the respective parties hereto.

IN WITNESS WHEREOF first party has executed these presents this 6th day of February, 1959

BANK OF CALIFORNIA, NATIONAL ASSOCIATION
By

Assistant Secretary

Executed in the presence of

Witness

20131
STATE OF CALIFORNIA,

City and County of San Francisco.

On this 6th day of February, in the year one thousand nine hundred and fifty-nine, before me, EDITH VIA, a Notary Public in and for the City and County of San Francisco, State of California, duly commissioned and sworn, personally appeared

A. J. HAYMAN and A. M. MIESNER, known to me to be the vice President and Assistant Secretary, respectively, of The Bank of California National Association, the corporation that executed the within instrument as trustee of the trust created by the decree of distribution recorded in the office of County Recorder of the County of Kern, State of California, in Book 61 of Official Records at page 115,

and also known to me to be the person or persons who executed the within instrument on behalf of the corporation therein named, and acknowledged to me that such corporation executed the same as such trustee.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal in said City and County of San Francisco the day and year in the certificate first above written.

EDITH VIA
Notary Public in and for the City and County of San Francisco, State of California.
My commission expires Sept. 7, 1900.
RICHFIELD OIL CORPORATION, a Delaware corporation, hereinafter called

first party, in consideration of value adequate therefor paid by PACIFIC

GAS AND ELECTRIC COMPANY, a California corporation, hereinafter called

second party, the receipt whereof is hereby acknowledged, hereby grants

to second party the right to erect, construct, reconstruct, replace, remove,
maintain and use a line of towers with such wires and cables as second party
shall from time to time suspend therefrom for the transmission of electric
energy, and for communication purposes, and all necessary and proper foun-
dations, footings, crossarms and other appliances and fixtures for use in
connection with said towers, wires and cables, together with a right of
way, within the strip of land, situate in the County of Kern, State of
California, described as follows:

A strip of land of the uniform width of 80 feet extending entirely
across the E 1/2 of the E 1/2 of Section 14, T. 29 S., R. 28 E., M.D.B.& M.,
and lying equally on each side of the line which begins at a point in
the easterly boundary line of said Section 14 from which the 3 inch
iron pipe (with a scribed iron cap) marking the southeast corner of
said Section 14 bears S. 0° 02' 15" E. 375.0 feet distant and runs thence
S. 89° 28' 13" W. 38.9 feet; thence S. 89° 16' 21" W. 1283.6 feet, more or
less, to a point in the westerly boundary line of the E 1/2 of the E 1/2
of said Section 14.

First party shall have the right to use said strip for purposes not incon-
sistent with second party's full enjoyment of the rights hereby granted, pro-
vided that first party shall not erect or construct any building, derrick or
other structure within said strip until after receiving written permission
therefor from second party. First party shall have the right to construct,
install, repair, maintain, operate and remove roads and pipelines and other
underground facilities along, across and within said strip and to drill wells
into said strip to explore for, produce and extract petroleum, oil, gas, water
and other substances from beneath the surface of said strip, provided however
that such roads, pipelines and other facilities shall be so located and con-
structed as not to interfere with second party's use of and operations within
said strip and all such wells shall be drilled from surface locations outside
of strip and at sufficient distance therefrom as not to constitute an inter-
fERENCE with or a hazard to second party's operations within said strip.

Second party shall have the further right to install, maintain and use
gates in all fences which now cross or shall hereafter cross said strip.
Second party shall also have the right from time to time to trim and to
cut down and clear away any and all trees and brush now or hereafter on said
strip and shall have the further right from time to time to trim and to cut down
and clear away any trees on either side of said strip which now or hereafter in
the opinion of second party may be a hazard to said towers, wires or cables, by
reason of the danger of falling thereon, provided, however, that all trees which
second party is hereby authorized to cut and remove, if valuable for timber or
wood, shall continue to be the property of first party, but all tops, logs,
brush and refuse wood shall be burned or removed by second party.

Second party shall also have the right to mark the location of said strip
by suitable markers set in the ground or on said towers, but said markers when
set in the ground shall be placed in fences or other locations which will not
interfere with any reasonable use first party shall make of said strip.

Second party shall indemnify first party against any loss and damage which
shall be caused by the exercise of the rights herein granted, or by any wrong-
ful or negligent act or omission of second party or of its agents or employees
in the course of their employment.

The rights herein set forth are granted to the extent of first party's
undivided 2/5 interest in and to said strip and shall terminate in the event
that second party, after any construction hereunder, shall fail to maintain and
operate said line of towers for a period of three years. In the event of such
termination, second party shall restore said strip as nearly as possible to the
same state and condition it was in prior to any construction hereunder.

The provisions hereof shall inure to the benefit of and bind the successors
and assigns of the respective parties hereto.

IN WITNESS WHEREOF first party has executed these presents this 20th
day of January, 1959.

[Signature]
RICHFIELD OIL CORPORATION
By
Its W. G. KIMB, Jr., Vice President

And By
Its Robert G. Nelson, Assistant Secretary

San Joaquin
GM 139868
Dwg. 210166
Section 14
T. 29 S., R. 28 E.
M.D.B. & M.
STATE OF CALIFORNIA,

County of Los Angeles

On this 16th day of March, 1959, before me, Bette M. Pendleton, a Notary Public in and for said County and State, personally appeared

W. S. King, Jr., Vice President, and Robert G. Nelson, known to me to be the

known to me to be the Assistant Secretary of Richfield Oil Corporation

the Corporation that executed the within instrument, known to me to be the persons who executed the within instrument, on behalf of the Corporation herein named, and acknowledged to me that such Corporation executed the within instrument pursuant to its by-laws or a resolution of its board of directors.

In Witness Whereof, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

Bette M. Pendleton

Notary Public in and for said County and State.

ACKNOWLEDGMENT — CORP. — Prim. & Sec. — WOLCOTT FORM 226 —Rev. 1

WHEREAS PACIFIC GAS AND ELECTRIC COMPANY, a California corporation, herein-after called Pacific, proposes to acquire a right of way for an electric transmission line on and across those certain premises of RICHFIELD OIL CORPORATION et al., situate in the County of Kern, State of California, described as follows:

The $\frac{3}{4}$ of the SE$\frac{1}{4}$ of the SE$\frac{1}{4}$ of Section 14, T. 29 S., R. 28 E., M. D. B. & M.

and

WHEREAS the undersigned is the tenant in possession of said premises;

NOW, THEREFORE, the undersigned hereby consents to the use and enjoyment by Pacific of said right of way when acquired by it from the owner of said premises.

Pacific shall pay the undersigned for any and all damage to the crops, livestock and other property of the undersigned caused by Pacific, its agents or employees, while performing construction work on said right of way or exercising the right of ingress thereto or egress therefrom, or caused by any negligent act or omission of Pacific, its agents or employees.

Dated: 2-5-59

Robert Johnson

Executed in the presence of:

Robert E. Oliver

Witness

PREPARED:

CHECKED:

Mr. Robert T. Johnson
1902 Nile St.
Bakersfield
1949-1956
Advice 2801-E

Attachment 2
CITY BUILDING DEPARTMENT -- INSPECTION RECORD
Post in a Conspicuous Place at the Job Site and DO NOT Remove for Duration of Work

Inspection Request Phone No. 323-4677

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Advice 2801-E

Attachment 3
ENCROACHMENT AGREEMENT

This Encroachment Agreement (this “Agreement”) is made and entered into this ____ day of ____________, 2006 by PACIFIC GAS AND ELECTRIC COMPANY, a California corporation, hereinafter called “PG&E”, and MICHAEL R. MOJICA and JENNIFER K. MOJICA, husband and wife, hereinafter called “Owner.”

RECITALS

A. Owner is the fee title owner of certain real property within the City of Bakersfield, County of Kern, State of California, Assessor’s Parcel Number 146-380-20 (hereinafter, the “Property”) legally described on Exhibit “A” attached hereto and made a part hereof.

B. PG&E is the owner of a certain rights of ways and easements (the "Easements") for the transmission and distribution of electric energy and for all other purposes connected therewith, as more specifically set forth in the deeds from:

T.E.J. Sullivan to PG&E dated January 28, 1959 and recorded in Book 3099 of Official Records at page 201, Kern County Records,

American Trust Company, a California Corporation to PG&E dated February 6, 1959 and recorded in Book 3106 of Official Records at page 151, Kern County Records,
The Bank of California, National Association as Trustee of the Trust created by Decree of Final Distribution dated November 21, 1935 to PG&E dated February 6, 1959 and recorded in Book 3106 of Official Records at page 148, Kern County Records,

Richfield Oil Corporation, a Delaware Corporation dated January 20, 1959 and recorded in Book 3153 of Official Records at page 527, Kern County Records,
a portion of which encumbers the Property. The portion of the Property encumbered by the Easements is hereinafter referred to as the "Easement Area." The Easements provide that no buildings or other structures shall be erected or constructed within the strip of land totaling 80 feet wide.

C. Owner proposes to construct a swimming pool on the Property within said Easement Area and which violates the prohibition against buildings and structures contained in the Easements. The Easement Area and the portion of the Easement Area subject to such encroachment (the "Encroachment Area") are legally described on Exhibit "B" attached hereto and made a part hereof, and are shown on the map attached as Exhibit "C" and by this reference made a part hereof.

D. Owner has requested that PG&E grant permission for the swimming pool and associated improvements within the Easement Area. PG&E has determined that the improvements, as currently constructed, do not interfere with the present full use of the Easement Area by PG&E, and PG&E is therefore willing to agree to allow such encroachment to remain on the Easement Area on the terms and subject to the conditions set forth herein.

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Owner and PG&E hereby agree as follows:

1. Use of Defined Terms; Recitals.
   (a) Definitions. Unless otherwise defined herein or unless the context clearly requires otherwise, all capitalized terms used herein shall have the defined meanings ascribed to them in the Easements.
   (b) Recitals. The provisions of the Recitals above are fully incorporated herein by this reference.

2. Consent to Encroachment. Notwithstanding the prohibition in the Easements, PG&E hereby consents to the encroachment of swimming pool within the Easement Area by approximately twenty seven (27) feet, in the manner and location as more specifically set forth in Exhibits "B" and "C" subject to the terms and conditions set forth herein. In addition, Owner shall have the right of ingress and egress over the Easement Area to obtain access to the Encroachment Area and the improvements when necessary to fulfill Owner’s obligations under this Agreement, in such areas as PG&E determines, in its sole and absolute discretion, will occasion the least practicable damage and inconvenience to PG&E, its facilities and operations.
3. **Governmental Approvals.** This Agreement shall not become effective, notwithstanding that it may have been executed and delivered by the parties, , unless and until the California Public Utilities Commission (the "CPUC") approves this Agreement by an order which is final, unconditional and unappealable (including exhaustion of all administrative appeals or remedies before the CPUC), and the terms and conditions of such CPUC approval are satisfactory to PG&E in its sole and absolute discretion. Owner further acknowledges and agrees that PG&E makes no representation or warranty regarding the prospects for CPUC approval, and Owner hereby waives all Claims against PG&E which may arise out of the need for such CPUC approval or the failure of the CPUC to grant such approval. This Agreement is made subject to all the provisions of such approval, as more particularly set forth in CPUC Decision D-[insert decision number] (Application No. [Insert application number]), in like manner as though said provisions were set forth in full herein.

4. **Termination; Restoration.** PG&E may terminate Owner's rights under this Agreement, at any time, upon ninety (90) days written notice to the Owner, if PG&E, in its sole and absolute discretion, should determine that Owner's use of the Easement Area is inconsistent with PG&E's operational needs in the future, or in any way interferes with, impairs or otherwise impedes PG&E's full use of facilities installed or that may be installed by PG&E in the vicinity of the Easement Area. Upon such termination, Owner, at Owner's sole cost and expense, shall remove all improvements that encroach upon the Easement Area and shall repair and restore the Easement Area as nearly as possible to the condition that existed prior to the construction of said improvements. Owner shall pay the entire cost of such removal and restoration, and PG&E shall have no liability for any costs caused by or related to any such termination. If Owner fails to remove all improvements that encroach onto the Easement Area or fails to repair or restore the Property within said ninety (90) day period, PG&E may perform such removal, repair or restoration as necessary and recover such costs and expenses therefor from Owner. Owner agrees to allow access to PG&E onto the Property for such purpose, and Owner shall pay all such costs and expenses within ten (10) days of receipt of an invoice therefor. Owner further acknowledges that PG&E’s termination right shall not be affected by any improvements that Owner has made to the Easement Area, regardless of the nature or extent of those improvements. Owner understands and agrees that notwithstanding that Owner may have made a substantial investment in such improvements, Owner shall not be entitled to any compensation whatsoever for the termination of Owner's rights under this Agreement by PG&E. (Owner to initial here ______, ______).

5. **Indemnification; Release; Statutory Waiver.**

   (a) **Indemnification.** Owner shall, to the maximum extent permitted by law, indemnify, protect, defend and hold harmless PG&E, its parent corporation, subsidiaries and affiliates, and their respective officers, managers, directors, representatives, agents, employees, transferees, successors and assigns (each, an “Indemnitee” and collectively, “Indemnitees”) from and against all claims, losses (including, but not limited to, diminution in value), actions, demands, damages, costs, expenses (including, but not limited to, experts fees and reasonable attorneys’ fees and costs) and liabilities of whatever kind or nature (collectively, “Claims”), which arise from or are in any way connected with the occupancy or use of the Easement Area by Owner or Owner's contractors, agents, or invitees, or the exercise by Owner of its rights hereunder, or the
performance of, or failure to perform, Owner’s duties under this Agreement, including, but not limited to, Claims arising out of: (1) injury to or death of persons, including but not limited to employees of PG&E; (2) injury to property or other interest of PG&E, Owner or any third party; (3) violation of any applicable federal, state, or local laws, statutes, regulations, or ordinances, including all legal requirements relating to human health or the environment, and including any liability which may be imposed by law or regulation without regard to fault; excepting only with respect to any Indemnitee, any Claim arising from the sole, active negligence or willful misconduct of such Indemnitee. In the event any action or proceeding is brought against any Indemnitee for any Claim against which Owner is obligated to indemnify or provide a defense hereunder, Owner upon written notice from PG&E shall defend such action or proceeding at Owner's sole expense by counsel approved by PG&E, which approval shall not be unreasonably withheld, conditioned or delayed.

(b) Release. Owner accepts all risk relating to its occupancy and use of the Easement Area. PG&E shall not be liable to Owner for, and Owner hereby waives, releases, exonerates, discharges and covenants not to sue PG&E and the other Indemnitees from, any and all liability, whether in contract, tort or on any other basis, for any injury, damage, or loss resulting from or attributable to any occurrence on or about the Easement Area, the condition of Easement Area, the use or occupancy of the Easement Area by Owner, or PG&E's operation and maintenance of PG&E's facilities in the vicinity of the Easement Area, except in the case of any Indemnitee, any injury, damage, or loss arising from the sole, active negligence or willful misconduct of such Indemnitee.

(c) Statutory Waiver. Owner acknowledges that it may hereinafter discover facts different from or in addition to those which it now knows or believes to be true with respect to the matters which are the subject of this Agreement, and agrees that this Agreement shall remain in effect in all respects, notwithstanding the discovery of such different or additional facts. In addition, Owner understands and agrees that its agreements and covenants contained in this Agreement extend to all claims of any nature and kind, known or unknown, suspected or unsuspected, based in whole or in part on facts existing in the past or as of the date hereof, and in that regard, Owner acknowledges that it has read, considered and understands the provisions of Section 1542 of the California Civil Code which reads as follows:

Section 1542. General Release

A general release does not extend to claims which a creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor.
Based upon the advice of its counsel, Owner knowingly and voluntarily waives and relinquishes any and all rights that it may have under Section 1542 as well as under the provisions of all comparable, equivalent, or similar statutes and principles of common law or other decisional law of any and all states of the United States or of the United States. Owner understands and acknowledges the significance and consequences of this waiver and hereby assumes the risk of any injuries, losses or damages which may arise from such waiver.

Owner:

________________________
Michael R. Mojica

________________________
Jennifer K. Mojica

6. **Compliance with Laws.** Owner shall, at its sole cost and expense, promptly comply with all laws, statutes, ordinances, rules, regulations, requirements or orders of municipal, state, and federal authorities now in force or that may later be in force, with the conditions of any permit, relating to Owner’s use or occupancy of the Easement Area; and with any liens, encumbrances, easements, covenants, conditions, restrictions and servitudes (if any) of record, or of which Owner has notice, which may be applicable to the Easement Area regardless of when they become effective, insofar as they relate to the use or occupancy of the Easement Area by Owner.

7. **Alterations.** Owner shall not construct any additional buildings or structures on the Easement Area, nor shall Owner make any alteration, addition or improvement to the Easement Area that would increase the Encroachment Area, either horizontally or vertically. Owner shall not drill, bore or excavate on the Easement Area except in connection with a removal of the improvements as required by this Agreement.

8. **Damage or Destruction.** In the event that the improvements which encroach onto the Easement Area shall be destroyed or demolished, this Agreement shall terminate and neither the improvements, nor any portion thereof, shall be rebuilt on any part of the Easement Area. If the improvements are damaged to the degree that such improvements must be replaced, Owner shall not reconstruct or replace the improvements on the Encroachment Area unless it is economically unfeasible to rebuilt such improvements to avoid encroaching on the Easement Area.

9. **Condition of Easement Area.** Owner accepts the Encroachment Area and the Easement Area in its existing physical condition, without warranty by PG&E or any duty or obligation on the part of PG&E to maintain the Easement Area. Owner understands that numerous hazards, environmental or otherwise, may be located in, on, or underlying the Easement Area, and that hazardous materials may be used in connection with PG&E facilities that may be operated in the Easement Area, and agrees that entry onto the Easement Area is at Owner’s sole risk and expense.
10. **Maintenance.** Owner shall be responsible for the maintenance of the improvements in good condition and repair, and Owner shall coordinate all activities regarding the maintenance of the improvements to reasonably minimize any interference with the use by PG&E of the Easement Area, and Owner shall conduct its activities in such a manner so as not to endanger the Easement, the environment and human health and safety. Owner shall be responsible for remediation of any hazardous materials release caused by Owner, and to clean and remove debris and/or promptly repair any damages to the Easement Area following any entry or activity by Owner, returning the Easement Area to a like or better condition.

11. **Reserved Rights.** PG&E reserves the right to use the Easement Area for such purposes as it may deem necessary or appropriate if, and whenever, in the interest of its service to its patrons or consumers or the public, it shall appear necessary or desirable to do so. Furthermore, PG&E reserves the right to restrict access to the Easement Area if emergency repairs or maintenance are required to PG&E facilities in the vicinity of the Easement Area. Owner further acknowledges that PG&E may have previously granted, and may in the future grant, certain rights in and across the Easement Area to others.

12. **Insurance.** Prior to the Effective Date of this Agreement, Owner shall procure, and thereafter Owner shall carry and maintain in effect at all times the insurance specified in Exhibit “D”, attached hereto and made a part hereof by this reference, provided that PG&E reserves the right to review and modify from time to time the coverages and limits of coverage required hereunder, as well as the deductibles in effect from time to time (but PG&E agrees that it will not increase required coverage limits more often than once in any five-year period). All insurance shall be written on forms and with insurance carriers acceptable to PG&E. Owner is also responsible for causing its agents, contractors and subcontractors to comply with the insurance requirements of this Agreement at all relevant times.

13. **Notice.** Any notices or communications hereunder shall be in writing and shall be personally delivered or sent by first class mail, certified or registered, postage prepaid, or sent by national overnight courier, with charges prepaid for next business day delivery, addressed to the addressee party at its address or addresses listed below, or to such other address or addresses for a party as such party may from time to time designate by notice given to the other party. Notices shall be deemed received, if sent by personal delivery upon actual receipt by the party being sent the notice, or on the expiration of three (3) business days after the date of mailing, or on the following business day if sent by overnight courier.

If to PG&E:

Pacific Gas and Electric Company  
Attention: Land Agent  
1918 “H” Street  
Bakersfield, CA 93301
If to Owner:

Mr. & Mrs. Michael R. Mojica
2713 Deer Trail
Bakersfield, CA 93312

14. **Governing Law.** This Agreement shall in all respects be interpreted, enforced, and governed by and under the laws of the State of California.

15. **Entire Agreement.** This Agreement and the Deed, supersedes all previous oral and written agreements between and representations by or on behalf of the parties and constitutes the entire agreement of the parties with respect to the subject matter hereof. This Agreement may not be amended except by a written agreement executed by the parties.

16. **Binding Effect.** This Agreement and the covenants and agreements contained herein shall be binding upon, and shall inure to the benefit of, the parties hereto and their respective heirs, successors and assigns (subject to the provisions of Section 13 below). No assignment or delegation by Owner, whether by operation of law or otherwise, shall relieve Owner of any of its duties, obligations or liabilities hereunder, in whole or in part. The covenants of Owner hereunder shall run with the land.

17. **Assignment.** This Agreement and the rights of Owner hereunder are appurtenant to the Property presently owned by Owner and may not be separately assigned, transferred, conveyed or encumbered. Any purported assignment, transfer, conveyance or encumbrance violating the foregoing condition shall be void and of no effect.

18. **Attorneys’ Fees.** Should either party bring an action against the other party, by reason of or alleging the failure of the other party with respect to any or all of its obligations hereunder, whether for declaratory or other relief, then the party which prevails in such action shall be entitled to its reasonable attorneys’ fees (of both in-house and outside counsel) and expenses related to such action, in addition to all other recovery or relief. A party shall be deemed to have prevailed in any such action (without limiting the generality of the foregoing) if such action is dismissed upon the payment by the other party of the sums allegedly due or the performance of obligations allegedly not complied with, or if such party obtains substantially the relief sought by it in the action, irrespective of whether such action is prosecuted to judgment. Attorneys’ fees shall include, without limitation, fees incurred in discovery, contempt proceedings and bankruptcy litigation, and in any appellate proceeding. The non-prevailing party shall also pay the attorney’s fees and costs incurred by the prevailing party in any post-judgment proceedings to collect and enforce the judgment. The covenant in the preceding sentence is separate and several and shall survive the merger of this provision into any judgment on this Agreement. For purposes hereof, the reasonable fees of PG&E’s in-house attorneys who perform services in connection with any such action shall be recoverable, and shall be based on the fees regularly charged by private attorneys with the equivalent number of years of experience in the relevant subject matter area of
the law, in law firms in the City of San Francisco with approximately the same number of attorneys as are employed by PG&E’s Law Department.

19. **Survival of Obligations.** Owner's obligations under Sections 4 and 5 of this Agreement, and all representations, warranties, indemnities or other provisions which by their nature survive termination shall survive the exercise of PG&E's termination rights pursuant to Section 4 of this Agreement.

20. **No Waiver.** No waiver with respect to any provision of this Agreement shall be effective unless in writing and signed by the party against whom it is asserted. No waiver of any provision of this Agreement by a party shall be construed as a waiver of any subsequent breach or failure of the same term or condition, or as a waiver of any other provision of this Agreement.

21. **Captions.** The captions in this Agreement are for reference only and shall in no way define or interpret any provision hereof.

22. **Time.** Except as otherwise expressly provided herein, the parties agree that as to any obligation or action to be performed hereunder, time is of the essence.

23. **Severability.** If any provision of this Agreement shall be invalid or unenforceable, the remainder of this Agreement shall not be affected thereby, and each provision of this Agreement shall be valid and enforced to the full extent permitted by law, provided the material provisions of this Agreement can be determined and effectuated.

24. **Counterparts.** This Agreement may be executed in identical counterpart copies, each of which shall be an original, but all of which taken together shall constitute one and the same agreement.

25. [Reserved].

26. **Recording.** Owner hereby consents and agrees to the recording by PG&E of this Agreement against the Property. Owner agrees to sign any additional documents reasonably required to complete such recording.

27. **Other Documents.** Each party agrees to sign any additional documents or permit applications which may be reasonably required to effectuate the purpose of this Agreement; provided, however, that PG&E will not be required to take any action or execute any document that would result in any cost, expense or liability to PG&E.

28. **Ratification of Easements.** Except as modified by this Agreement in regard to the Property, all of the terms, conditions and provisions of the Easements shall remain in full force and effect and are hereby ratified and confirmed. To the extent the terms of the Easements are inconsistent with this Agreement, the terms of this Agreement shall control.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first set forth above.
PACIFIC GAS AND ELECTRIC COMPANY,
a California corporation

By: Richard A. Gigliotti

Its: Land Services Manager,
Technical Services

Michael R. Mojica

Jennifer K. Mojica
EXHIBIT A

LEGAL DESCRIPTION OF THE PROPERTY

Lot 21 of Tract No. 3943, as said lot is shown upon the Map filed for record in Book 27 of Maps at page 183, Kern County Official Records
EXHIBIT B

LEGAL DESCRIPTION

OF EASEMENT AREA AND ENCROACHMENT AREA

The Northerly 27 feet of the easterly 50 feet of Lot 21 of Tract No. 3943, as said lot is shown upon the Map filed for record in Book 27 of Maps at page 183, Kern County Official Records
EXHIBIT C
MAP OF EASEMENT AREA AND ENCROACHMENT AREA
(see attached)
EXHIBIT C

P.G. & E. 80' Electric Transmission Easement
Bk. 3099, Pg. 201 O.R.
Bk. 3106, Pg. 148 O.R.
Bk. 3153, Pg. 527 O.R.
Bk. 3106, Pg. 151 O.R.

CLAYMORE STREET

ENCROACHMENT AREA

LOT 21
Tract No. 3943
Bk. 27, Pg. 183 O.R.

MICHAEL R. MOJICA & JENNIFER K. MOJICA
APN 146-380-20

LOT 22

LOT 20

LOT 19

DEER TRAIL COURT

SCALE
1" = 50'
DATE
2-15-06

CITY, RANCHO, SUBDIVISION, ETC.
TRACT No. 3943

SECTION
14
TOWNSHIP
29 S
RANGE
28 E
MERIDIAN
MDBM

COUNTY OF: KERN

REFERENCES
Plat # 2927145
PG&E
EXHIBIT D

INSURANCE REQUIREMENTS

Owner shall procure, carry and maintain in effect throughout the term of this Agreement, in a form and with deductibles acceptable to PG&E and with such insurance companies as are acceptable to PG&E, the following insurance coverages (subject to periodic revision of the required coverage and limits of coverage as provided in this Agreement). Owner is also responsible for the compliance of its contractors and subcontractors with the insurance requirements set forth below, as appropriate, provided that Owner may, in the exercise of its reasonable judgment, permit its contractors and subcontractors to maintain coverages and limits lower than those specified below so long as the coverages and limits required by Owner are commercially reasonable in light of applicable circumstances.

A. Homeowners' Liability

(1) Homeowners' Liability coverage with respect to the Property and the use, occupancy and activities by and on behalf of Owner or Owner's agents, contractors or invitees on or about the Property, against claims for personal injury and property damage, and at least as broad as the Insurance Services Office (“ISO”) Homeowners’ Liability insurance occurrence policy form, or a substitute form providing equivalent coverage as approved by PG&E. Limits shall not be less than Five Hundred Thousand Dollars ($500,000) per occurrence for bodily injury, death and property damage. Defense costs are to be provided as an additional benefit and not included within the limits of liability of the Homeowners' Liability Insurance.

(2) Coverage shall: a) by "Additional Insured" endorsement add as additional insureds PG&E, its directors, officers, agents and employees with respect to liability arising out of Owner's activities, and b) be endorsed to specify that Owner's insurance is primary and that any insurance or self-insurance maintained by PG&E shall not contribute with it.

B. Additional Insurance Provisions

1. Owner shall furnish PG&E with certificates of insurance and endorsements of all required insurance for Owner prior to the Effective Date of this Agreement.

2. The documentation shall state that coverage shall not be canceled except after thirty (30) days prior written notice has been given to PG&E.

3. The documentation must be signed by a person authorized by that insurer to bind coverage on its behalf and shall be submitted to:

   Pacific Gas and Electric Company
   Insurance Department - suite 2400
   One Market, Spear Tower
   San Francisco, CA 94105
A copy of all such insurance documents shall be sent to PG&E’s Insurance Department, with a copy to the Land Services Department, at the address set forth under Notices in this Agreement.

4. PG&E may inspect the original policies or require complete certified copies, at any time.

5. Upon request, Owner shall furnish PG&E the same evidence of insurance for its agents or contractors as PG&E requires of Owner.

6. All insurance required under this Agreement shall be effected under valid enforceable policies issued by insurers of recognized responsibility and licensed to do business in the State of California.
CERTIFICATE OF ACKNOWLEDGMENT
OF NOTARY PUBLIC

STATE OF CALIFORNIA
COUNTY OF _________________

On ____________________________ before me, ____________________________________________, (here insert name and title of the officer)
personally appeared ________________________________,
___ __ ____________________________________________

personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose
name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in
his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or
the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal

Signature ________________________________ (Seal)

CAPACITY CLAIMED BY SIGNER

[ ] Individual(s) Signing For Oneself/Themselves

[ ] Corporate Officer(s) of the Above Named Corporation(s)

[ ] Guardian of the Above Named Individual(s)

[ ] Partner(s) of the Above Named Partnership(s)

[ ] Attorney(s)-in-Fact of the Above Named Principal(s)

[ ] Other ________________________________

____________________________________
____________________________________
CERTIFICATE OF ACKNOWLEDGMENT
OF NOTARY PUBLIC

STATE OF CALIFORNIA
COUNTY OF _________________

On __________________________ before me, ____________________________________________,
(here insert name and title of the officer)
personally appeared ____________________________________________,
____________________________________________________________________________
____________________________________________________________________________,
personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose
name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in
his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or
the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal

Signature ____________________________________  (Seal)

CAPACITY CLAIMED BY SIGNER

[ ] Individual(s) Signing For Oneself/Themselves

[ ] Corporate Officer(s) of the Above Named Corporation(s)

[ ] Guardian of the Above Named Individual(s)

[ ] Partner(s) of the Above Named Partnership(s)

[ ] Attorney(s)-in-Fact of the Above Named Principal(s)

[ ] Other ____________________________________

____________________________________
____________________________________
PG&E Gas and Electric Advice
Filing List
General Order 96-A, Section III(G)

ABAG Power Pool
Accent Energy
Aglet Consumer Alliance
Agnieszka Developmental Center
Ahmed, Ali
Alcantar & Elsesser
Anderson, Donovan & Poole, P.C.
Applied Power Technologies
APS Energy Services Co Inc
Aster & Hadden LLP
Avista Corp
Barkovich & Yap, Inc.
BART
Bartle Wells Associates
Blue Ridge Gas
Bohannon Development Co
BP Energy Company
Braun & Associates
C & H Sugar Co.
CA Bldg Industry Association
CA Cotton Ginners & Growers Assoc.
CA League of Food Processors
CA Water Service Group
California Energy Commission
California Farm Bureau Federation
California Gas Acquisition Svcs
California ISO
Calpine
Calpine Corp
Calpine Gilroy Cogen
Cambridge Energy Research Associat
Cameron McKenna
Cardinal Cogen
Cellnet Data Systems
ChevronTexaco
Chevron USA Production Co.
Childress, David A.
City of Glendale
City of Healdsburg
City of Palo Alto
City of Redding
CLECA Law Office
Commerce Energy
Constellation New Energy
CPUC
Cross Border Inc
Crossborder Inc
CSC Energy Services
Davis, Wright, Tremaine LLP
Defense Fuel Support Center
Department of the Army
Department of Water & Power City
DGS Natural Gas Services
Douglass & Liddell
Downey, Brand, Seymou & Rohwer
Duke Energy
Duke Energy North America
Duncan, Virgil E.
Dutcher, John
Dynegy Inc.
Ellison Schneider
Energy Law Group LLP
Energy Management Services, LLC
Enron Energy Services
Exel Energy Ohio, Inc
Exeter Associates
Foster Farms
Foster, Wheeler, Martinez
Franciscan Mobilehome
Future Resources Associates, Inc
G. A. Krause & Assoc
Gas Transmission Northwest Corporation
GLJ Energy Publications
Goodin, MacBride, Squieri, Schlotz & Hanna & Morton
Heeg, Peggy A.
Hitachi Global Storage Technologies
Hogan Manufacturing, Inc
House, Lon
Imperial Irrigation District
Integrated Utility Consulting Group
International Power Technology
Interstate Gas Services, Inc.
IUCG/Sunshine Design LLC
J. R. Wood, Inc
JTM, Inc
Kaiser Cement Corp
Luce, Forward, Hamilton & Scripps
Manatt, Phelps & Phillips
Marcus, David
Masonite Corporation
Matthew V. Brady & Associates
Maynor, Donald H.
McKenzie & Assoc
McKenzie & Associates
Meek, Daniel W.
Mirant California, LLC
Modesto Irrigation Dist
Morrison & Foerster
Morse Richard Weisenmiller & Assoc.
Navigant Consulting
New United Motor Mfg, Inc
Norris & Wong Associates
North Coast Solar Resources
Northern California Power Agency
Office of Energy Assessments
Palo Alto Muni Utilities
PG&E National Energy Group
Pinnacle CNG Company
Plurimi, Inc.
PPL EnergyPlus, LLC
Praxair, Inc.
Price, Roy
Product Development Dept
R. M. Hairston & Company
R. W. Beck & Associates
Recon Research
Regional Cogeneration Service
RMC Lonestar
Sacramento Municipal Utility District
SCD Energy Solutions
Seattle City Light
Sempra
Sempra Energy
Sequoia Union HS Dist
SESCO
Sierra Pacific Power Company
Silicon Valley Power
Smurfit Stone Container Corp
Southern California Edison
SPURR
St. Paul Assoc
Stanford University
Sutherland, Asbill & Brennan
Tabors Caramanis & Associates
Tansev and Associates
Tecogen, Inc
TFS Energy
Transcanada
Turlock Irrigation District
U S Borax, Inc
United Cogen Inc.
URM Groups
Utility Cost Management LLC
Utility Resource Network
Wellhead Electric Company
Western Hub Properties, LLC
White & Case
WMA

13-Mar-06